



# Stock Recommendation List

For

Week Ending 4<sup>th</sup> April 2008



	Closing Price (N)	Forecast EPS (N)	YE Forecast P/E (x)	YE Forecast Div Yield (%)	Vol. Traded (m)	Val. Traded (m)	52 week High (N)	52 week Low (N)	6 month price target (N)	12 month Price Target (N)
Fri 28 <sup>th</sup> March 2008	11.89	0.31	37.76	1.59	4.96	56.31	15.00	0.86	16.00	19.00
Thurs 20 <sup>th</sup> March 2008	13.20	0.31	41.92	1.43	4.50	60.55	15.00	0.86	16.00	19.00

- Japaul Oil and Maritime Services Plc is the only quoted company in the maritime industry.
- In addition to maritime services, the company is also involved in oil servicing and marketing
- Its client base is made up of well known conglomerates including Shell Petroleum Development Company Limited, Exxon Mobil, Total Fina Elf and Daewoo
- The company has an international presence with subsidiary companies in the UAE and USA
- Japaul recently approached the market to raise N4 billion @ N3.95 per share in an offer for subscription. The stock has gained 201% since then
- Recent bearish sentiments in the company have made its current price an attractive entry point
- Given the company's status as well as monopolistic advantage, Japaul is expected to record decent growth in the next 6 – 12 months

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Fri 28 <sup>th</sup> March 2008	39.41	2.35	16.77	3.0	0.47	18.83	56.00	19.84	11.40	55.00	60.00
Thurs 20 <sup>th</sup> March 2008	47.00	2.35	20.00	2.6	17.83	883.23	56.00	19.84	13.50	55.00	60.00

- Dangote Sugar Refinery (DSR), owned by Dangote Industries Limited, commenced refining operations in March 2001
- The company's capacity utilisation is currently above 75% and controls over 90% of total sugar production in Nigeria.
- Based on installed capacity, DSR is regarded as one of the largest sugar refineries in sub-Saharan Africa
- The company's capitalisation of N394 billion makes it the largest in the consumer goods industry
- YE forecast PE multiples of 16.77x and earnings yield on 6.0x compare favourably with industry averages
- The stock is currently trading at a discount of 29.63% off its year high price of N56.00 making it a relatively attractive entry point.
- Our 6 month and 12 month target prices stand at N55.00 and N60.00 respectively.

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Fri 28 <sup>th</sup> March 2008	11.92	0.59	20.03	2.50	0.96	11.77	15.00	3.56	10.10	16.00	20.00
Thurs 20 <sup>th</sup> March 2008	13.80	0.59	23.19	2.20	6.79	87.23	15.00	3.56	11.70	16.00	20.00

- Vitafoam was incorporated in 1962 and listed on the floor of the NSE in 1978
- The company is involved in the design and manufacture of mattresses, pillows, mats and pillow sitting chairs
- Over the years, the company has built a strong brand in its industry with continued patronage from brand loyal customers
- Its 52 week high price of N15 shows that the stock still has the capacity for a 40 – 50% upside
- Vitafoam has a history of consistent dividend payments and has declared bonuses 3 times in the last 8 years
- Our expectations for rapid growth in the manufacturing sector should boost Vitafoam's chances of long term returns.

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Fri 28 <sup>th</sup> March 2008	4.81	0.14	34.45	1.74	13.80	67.38	5.99	0.90	11.00	15.00
Thurs 20 <sup>th</sup> March 2008	4.25	0.14	35.81	1.68	23.40	121.25	5.99	0.90	11.00	15.00

- LASACO commenced operations in 1980 and became a public liability company in 1990
- The company is highly diversified, transacting in all classes of insurance business including life and non-life
- LASACO has recently been awarded the contract to cover all Federal Government civil servants
- Recently released Q3 results reveals a PAT of N865 million – up by an impressive 496% over the previous period
- The company's trailing PE valuation compares favourably with its peers making it relatively cheap
- State ownership of the company should boost its long term prospects and reduce its risk profile