



# Stock Recommendation List

For

Week Ending 14<sup>th</sup> March 2008



	Closing Price (N)	Forecast EPS(N)	YE Forecast PE(x)	YE Forecast Div Yield (%)	Vol. Traded (m)	Val. Traded (m)	52 week High (N)	52 week Low (N)	Price / Book value	6 month price target (N)	12 month Price Target (N)
Fri 7 <sup>th</sup> Mar 2008	28.60	1.91	14.99	3.70	17.59	504.41	39.05	12.48	14.30	40.00	55.00
Fri 29 <sup>th</sup> Feb 2008	28.60	1.91	14.99	3.70	12.12	348.16	39.05	12.48	14.30	40.00	55.00

- Incorporated in March 1990, the bank commenced operations on April 10 1990 and was listed on June 25 2004.
- A top-tier bank, Oceanic is regarded as one of the fastest growing banks in the industry
- The bank is rated “AA” and A1+ by Augusto & Co and GCR of South Africa respectively and was recently listed as one of the top 1000 banks in the world by Financial Times
- Raised an estimated 175 billion from its public offer proceeds in 2007
- Recently released its Q1 results showing a 152.8% rise in PAT to N8.8 billion (Projected YE PAT of N35.2 billion)
- Based on full year results, forecast PE stands at 14.99x, making it the cheapest among its peers
- Currently in partnership with Cominvest for the management of Nigeria’s foreign reserves

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Fri 7 <sup>th</sup> Mar 2008	239.99	15.05	15.95	3.10	1.25	282.53	300.98	140.00	4.90	300.00	330.00
Fri 29 <sup>th</sup> Feb 2008	225.00	15.05	14.95	3.30	9.86	1,344.21	300.98	140.00	4.60	300.00	330.00

- ETI was incorporated in 1985 with an authorised share capital of \$100 million
- The group has about 10 billion shares in issue held by over 3,800 shareholders. It currently has 15 subsidiaries with a staff strength of over 6,000.
- The ETI/Ecobank brand is well known in all the countries it operates
- The bank recently acquired a 73% interest in Loita Bank Malawi and opened a 100% subsidiary company in Congo Brazzaville (29<sup>th</sup> February 2008)
- At its current price, its YE forecast EPS valuation of 15.05x, forecast PE valuation of 15.95x and YE earnings yield of 6.3% compares favourably with market averages.
- Target 6 month and 12 month prices are N300.00 and N330.00 respectively
- The stock is fundamentally viable and stable, making it a good option for the long term.

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Fri 7 <sup>th</sup> Mar 2008	66.01	3.43	19.24	2.60	1.61	105.75	85.46	46.50	7.90	75.00	100.00
Fri 29 <sup>th</sup> Feb 2008	63.95	3.43	18.64	2.70	0.56	35.94	85.46	46.50	7.70	75.00	100.00

- WAPCO was established in 1959 with its first factory in Ogun state in 1960
- Lafarge SA of France, the largest cement manufacturer in the world, is the single largest shareholder in WAPCO after a successful takeover in 2001.
- With a control of over 35% of total market share, WAPCO is an industry leader by volume
- The company recently changed its name from WAPCO Nigeria Plc to Lafarge Cement WAPCO Nigeria Plc
- Its recently released 'flat YE 2007 result' was not well received by investors – leading to an initial downward movement in its price. This presented a good entry point
- YE forecast PE valuation of 18.64x makes it the cheapest in the industry
- Earnings Yield of 5.4% and dividend yield of 2.6% as well as Net Asset per Share of N8.33 all compare favourably with industry averages.

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Fri 7 <sup>th</sup> Mar 2008	25.99	0.32	81.94	0.60	2.69	67.97	26.25	12.06	24.90	30.00	40.00
Fri 29 <sup>th</sup> Feb 2008	25.98	0.32	81.91	0.60	0.86	22.06	26.25	12.06	24.90	30.00	40.00

- Unilever was formed as a result of the merger of Unilever Nigeria Plc and Lever Brothers Plc
- The company is best known for its household brands with cuts across soaps & detergents, foods and household items
- Unilever enjoys the patronage of several brand loyal customers due to its wide array of products and its rich historical heritage
- Recently released Q3 results ended Sept 2007 showed that the company is on the verge of a turnaround after recording a profit of N1.524 billion as against a loss of N1.388 billion in the previous period
- Q3 results should in our estimation, lead to a full year PAT of N2.43 billion – thereby considerably improving its fundamentals
- The stock is also quite liquid with over 3.8 billion shares available and large volumes traded on a daily basis

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Fri 7 <sup>th</sup> Mar 2008	16.14	0.59	27.40	2.19	19.01	304.80	16.14	0.98	22.00	31.50
Fri 29 <sup>th</sup> Feb 2008	13.11	0.59	22.26	2.70	2.12	27.44	13.59	0.98	22.00	31.50

- Established in December 1990, C & I Leasing provides operating and finance lease and other ancillary services. The company got listed on the NSE in 1998
- Services rendered include Leasing, Rental, Logistics/Support & Car Distribution services
- C & I leasing is currently the only leasing and ancillary services company quoted on the floor of the NSE
- The company has successfully been able to carve out a niche in the highly profitable leasing business
- At 27.4x, its YE forecast PE valuation is below market average of between 27x and 30x
- Given the company's status as well as monopolistic advantage, C & I Leasing is expected to record decent growth in the next 6 – 12 months