

A stylized illustration of a bull and a bear in business suits facing each other. The bull is on the left, wearing a blue suit and a red tie, with its head turned towards the bear. The bear is on the right, wearing a blue suit and a red tie, with its head turned towards the bull. The background is a dark blue grid with various financial charts, including bar charts and line graphs, in shades of blue and red. The overall tone is professional and financial.

2024 EQUITIES MARKET REVIEW

2024 EQUITIES MARKET SNAPSHOT

Market Performance Indicators

	Jan-2024	Dec -2024	Percentage Change (%)
NGX ASI	74,773.77	98,107.52	31.21%
Market Cap	N40.9trn	N59.50trn	45.48%
Volume Traded	476.84mn	497.37mn	4.31%
Value Traded	N7.06bn	N9.42bn	33.43%

Index Performance

	Jan-2024	Dec -2024	YTD Change (%)
NGX 30 Index	2,790.28	3,710.14	32.97%
NGX Premium Board Index	7,227.22	9,426.60	30.43%
NGX Main Board Index	3,461.22	4,721.33	36.41%
NGX AseM Index	639.55	1,583.71	147.63%
NGX Growth Index	6,299.16	6,173.17	-2.00%
NGX Consumer Goods Index	1,121.29	1,591.68	41.95%
Banking Index	897.20	1,036.50	15.53%
Insurance Index	321.66	539.14	67.61%
NGX Oil/Gas Index	1,043.06	2,496.60	139.35%
NGX Industrial Index	2,712.27	3,615.13	33.29%

2024 EQUITIES MARKET SNAPSHOT

Equities Market Participation in 2024

	Value (N)	Value (\$)	% of Contribution
Foreign Transaction	744.34bn	444.25mn	16.65%
Domestic Transaction	3.73trn	2.22bn	83.35%
Foreign Outflows	400.04bn	238.76mn	8.95%
Foreign Inflows	344.30bn	205.49mn	7.70%
Domestic Investors:			
(1) Institutional Investors	1.82trn	1.08bn	40.72%
(2) Retail Investors	1.91trn	1.14bn	42.73%

Best Five Performed Stocks

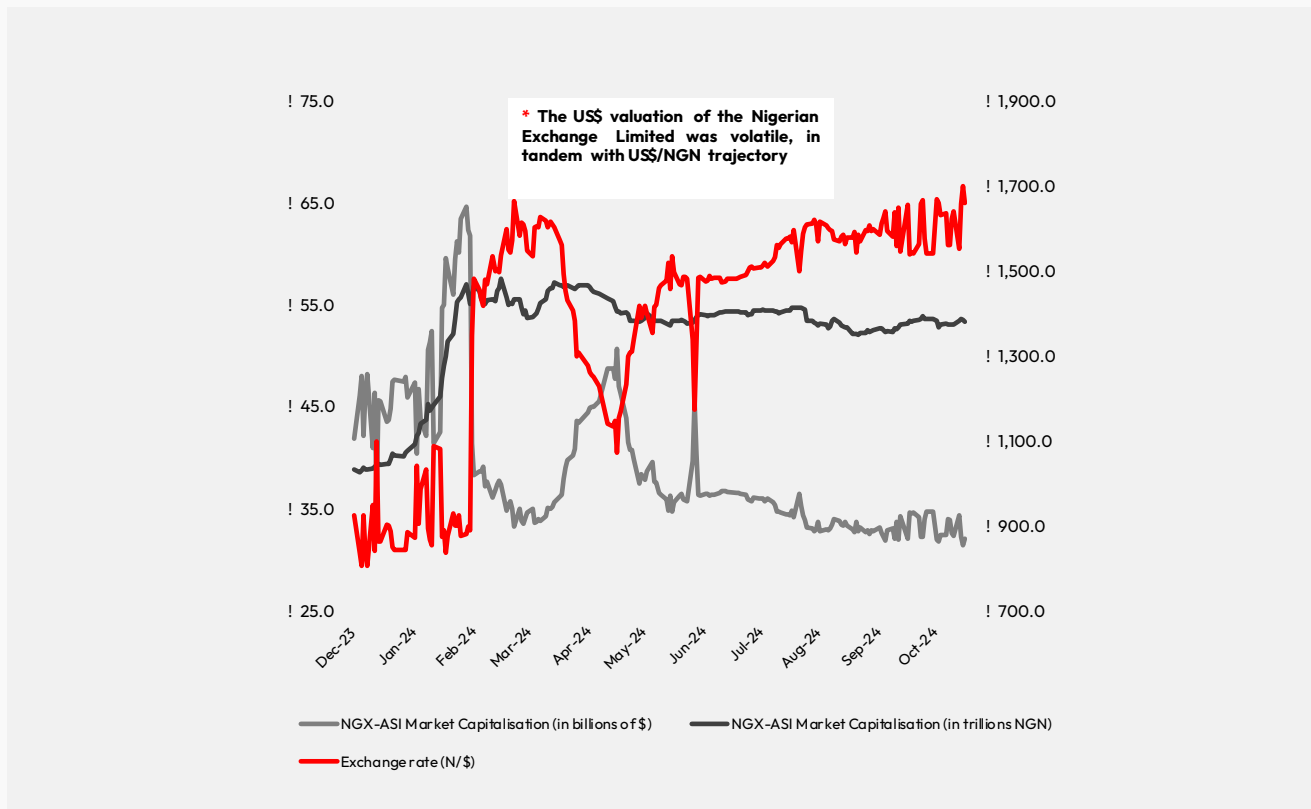
	Jan-2024	Dec -2024	Change (%)
EUNISELL	3.20	19.27	+502.19%
OANDO	10.50	61.60	+486.67%
SUNUASSU	1.10	5.41	+412.48%
CONOIL	83.90	320.00	+289.10%
J/BERGER	43.00	155.25	+274.26%

Worst Five Performed Stocks

	Jan-2024	Dec -2024	Change (%)
MULTIVERSE	18.57	5.90	-68.12%
NASCON	52.70	31.70	-39.84%
DANGSUGA	57.00	35.15	-38.33%
THOMASWY	2.70	1.71	-36.67%
DAAR COMM	0.90	0.58	-35.56%

NIGERIAN EQUITIES MARKET: RESILIENCE AMID ECONOMIC HEADWINDS

The Market Capitalization of the NGX fell in Q1-2024, following the sharp devaluation of the Naira @ NAFEM

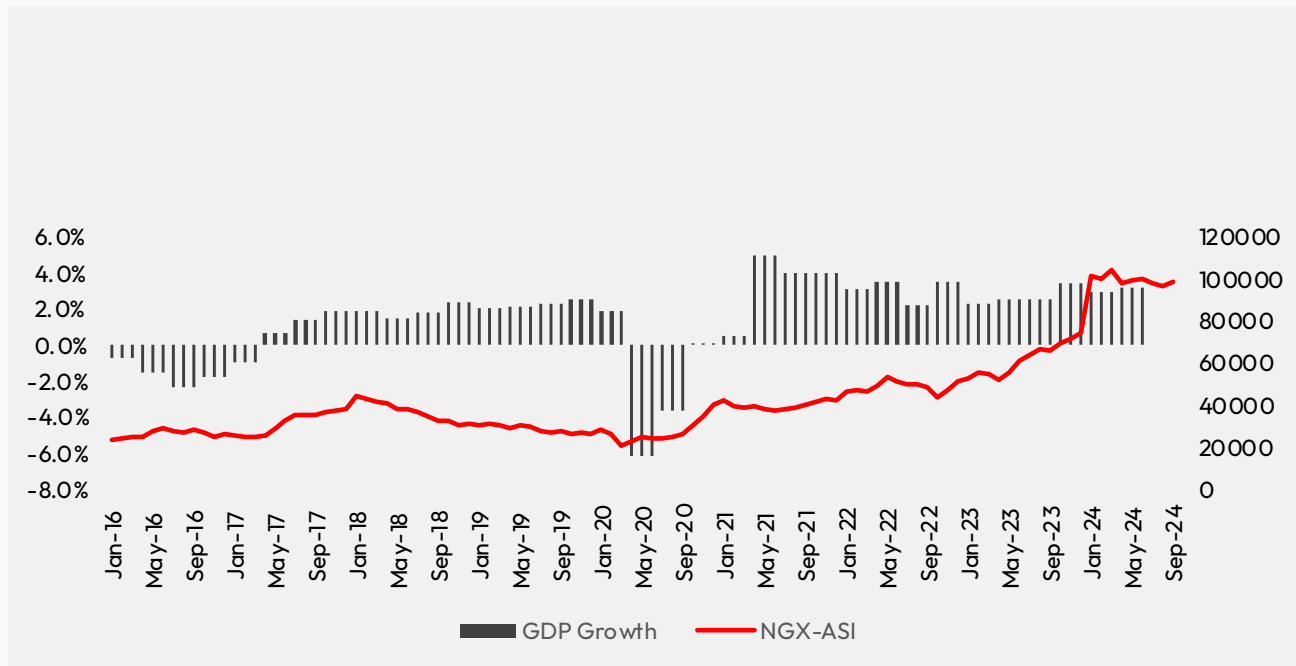


- The Nigerian equities market in 2024 demonstrated resilience despite a challenging macroeconomic and monetary policy environment. Persistent inflation and a hawkish CBN under the Cardoso administration pressured investors throughout the year.
- Following the MPC's hawkish stance, financing costs for local corporates soared. This was compounded by the May 2023 government policy shift: "petrol subsidy removal" and unification of exchange rate segments", which drove up operating expenses (OPEX).
- Industry leaders resorted to price hikes for survival, while exchange rate pressures led to the exit of multinational pharmaceutical firms like GlaxoSmithKline (GSK) and Sanofi. Unilever Nigeria Plc also discontinued an unprofitable operation due to escalating operational costs.
- The sharp Naira depreciation (c.45.00% in 2024, peaking at N1,900-N2,100/\$) negatively impacted blue-chip corporates, especially in telecommunications, brewing, and consumer goods sectors. These sectors, with significant foreign currency (FCY) liabilities and debt-heavy capital structures, suffered substantial losses (including corporates reliant on FCY for importation of essential plant and equipment).
- High financing costs prompted some blue-chip firms to pursue IPOs for equity funding, while those affected by liability revaluation turned to Rights Issues. Many also relied on commercial papers to address working capital needs.
- Policy inconsistencies strained the banking sector in 2024, compounded by the recapitalization directive. In contrast, the oil and gas sector experienced growth, driven by higher output and regulatory approvals for mergers and acquisitions.
- Ultimately the elevated level of risk-free rate encouraged risk-off sentiments for the better part of 2024.

THE IMPACTS OF MACROECONOMIC INDICATORS ON NGX PERFORMANCE

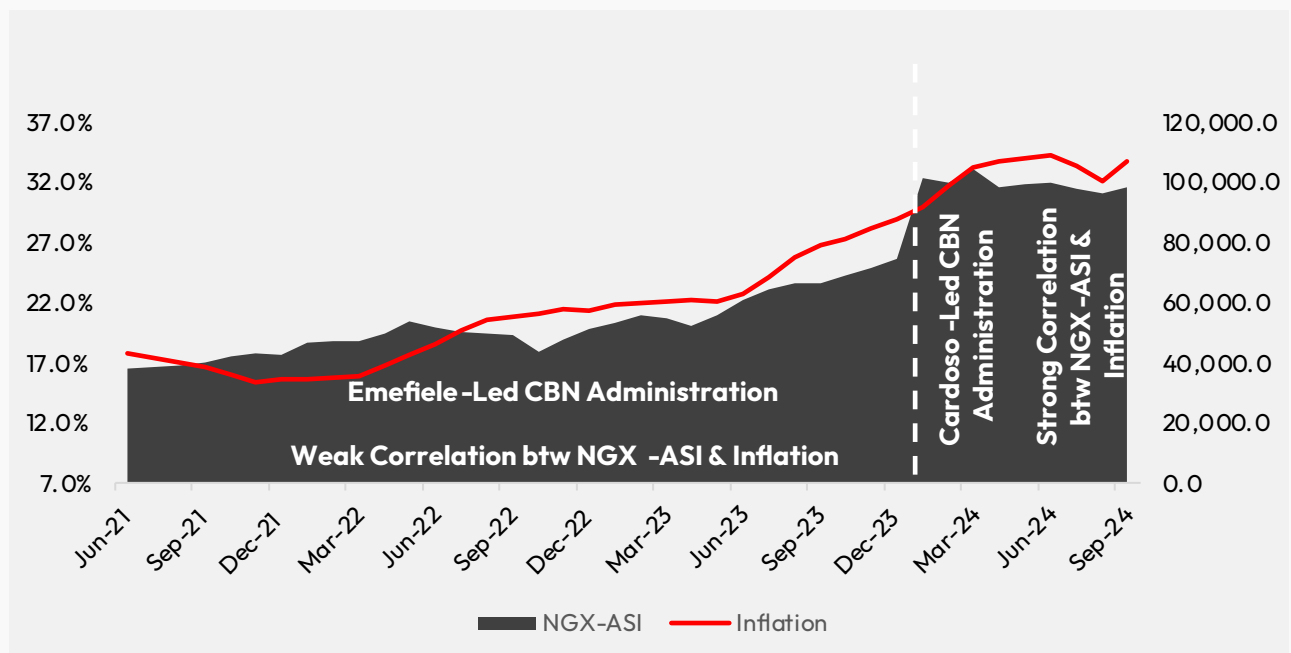
Since the resurgence of economic activities post-pandemic, the NGX continued to gain traction amid torrid monetary policy landscape since 2022

GDP vs NGX-ASI



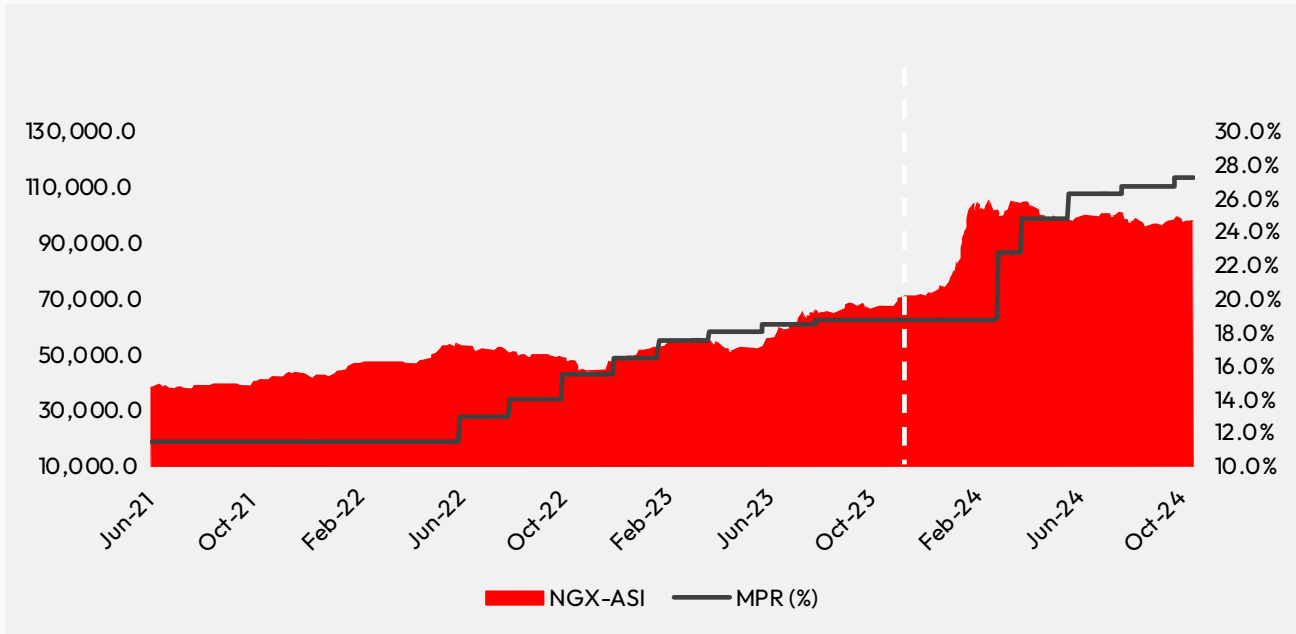
In 2024, the CBN buckled up in its fight against inflation, rising financing costs of corporates amid the elevated exchange rate environment

NGX-ASI vs Inflation

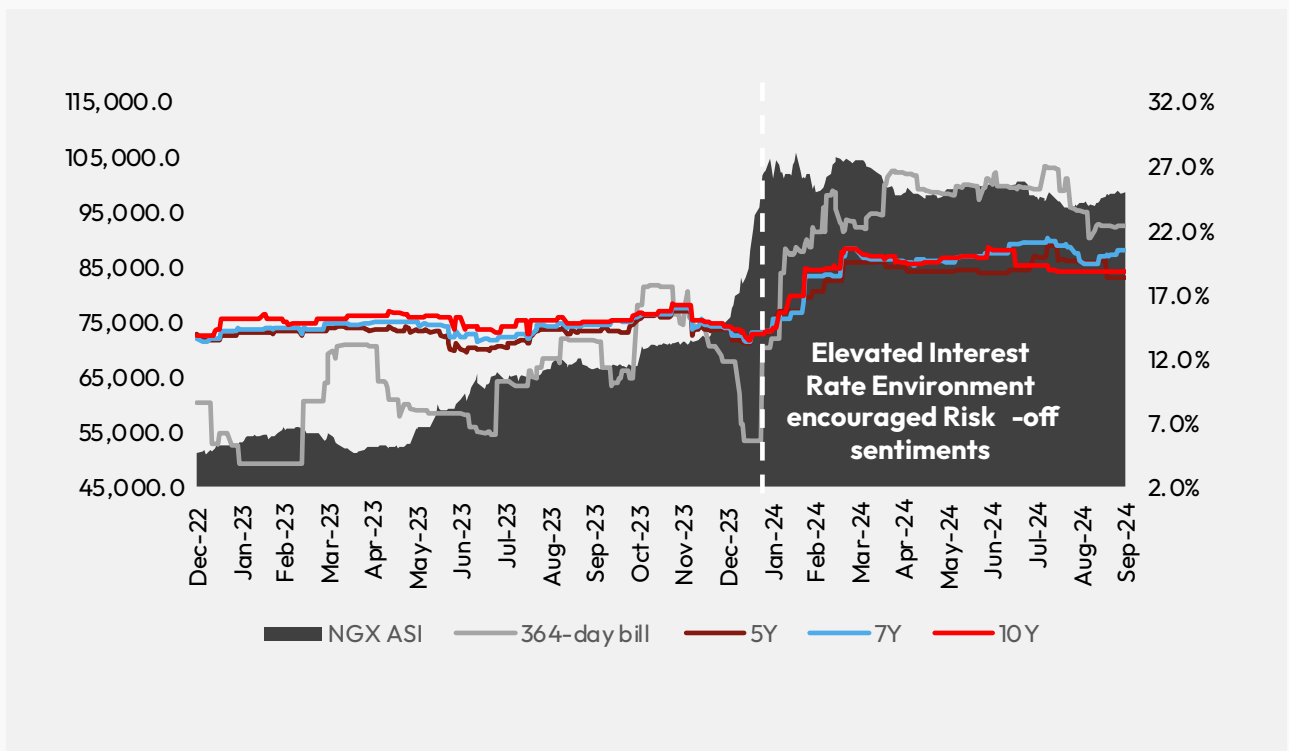


THE IMPACTS OF MACROECONOMIC INDICATORS ON NGX PERFORMANCE

Higher MPR dampens activities in risky asset classes
NGX-ASI vs MPR

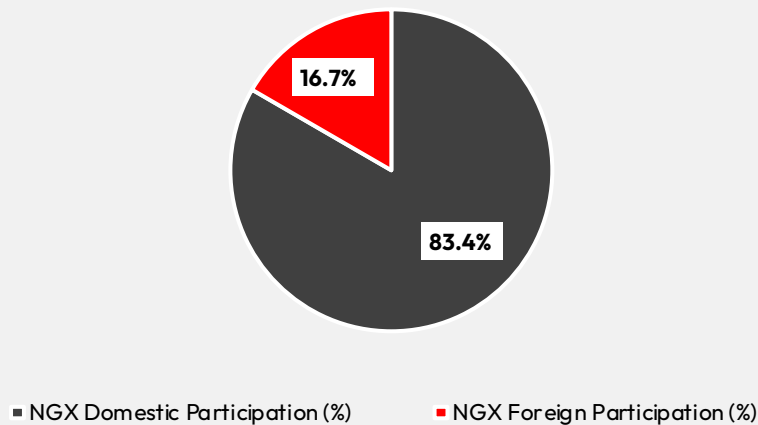


The elevated interest rate environment resulted in a
volatile environment on the floor of the NGX
NGX-ASI vs Money Market & Fixed Income Yields



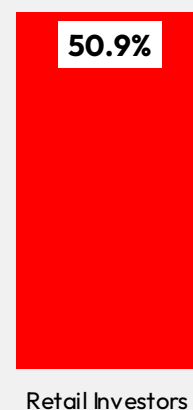
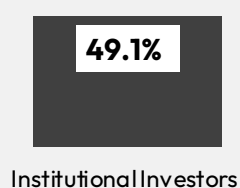
■ DOMESTIC PARTICIPANTS OUTPERFORMED FOREIGN COUNTERPARTS ON THE FLOOR OF NGX

Local Participation on the NGX continued to outweigh foreign participation
2024 YTD



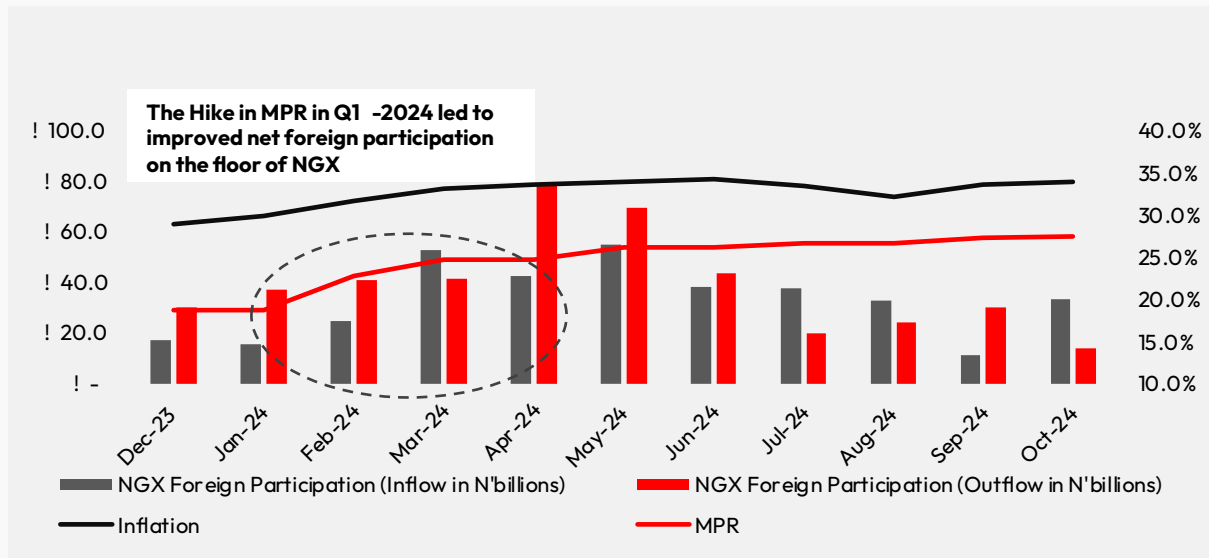
Retail investor outpaced thier institutional counterparts in 2024, resulting to more volatile sessions
2024 YTD

* The elevated interest rate environment attracted institutional investors toward the money market and fixed income market

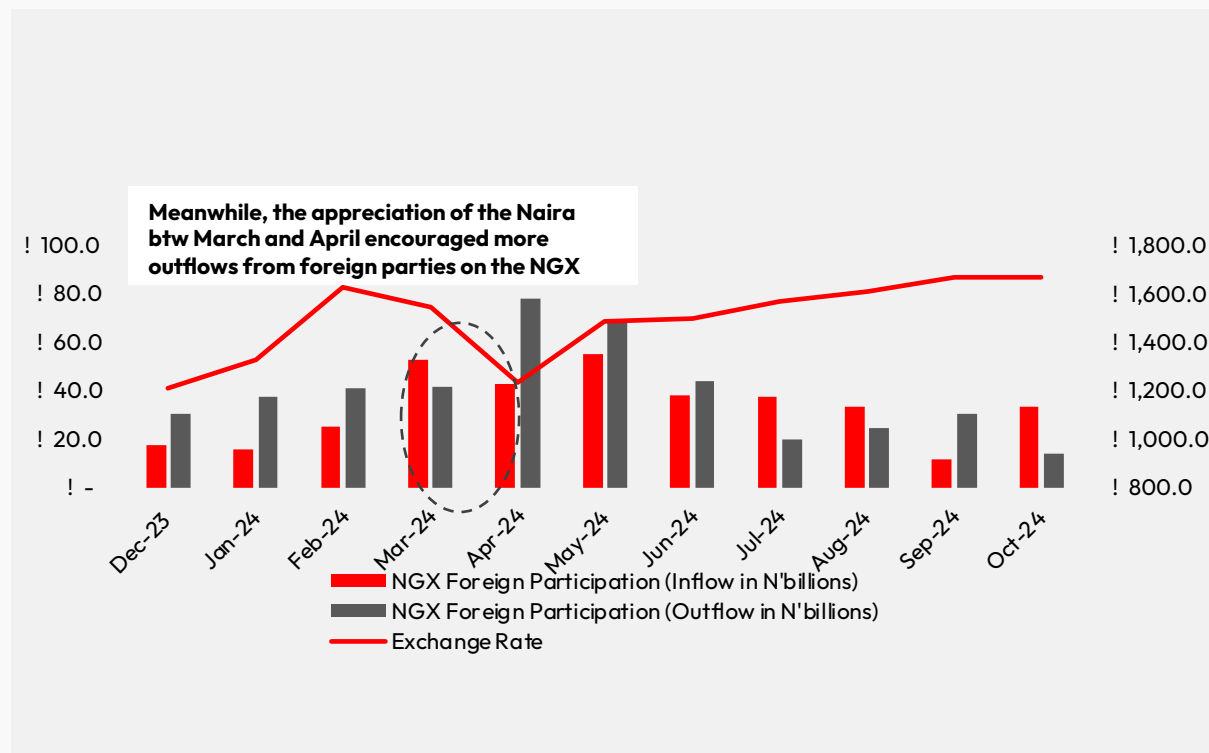


DOMESTIC PARTICIPANTS OUTPERFORMED FOREIGN COUNTERPARTS ON THE FLOOR OF NGX

Analysis of foreign participation on the NGX vs Inflation rate and MPR
2024 YTD

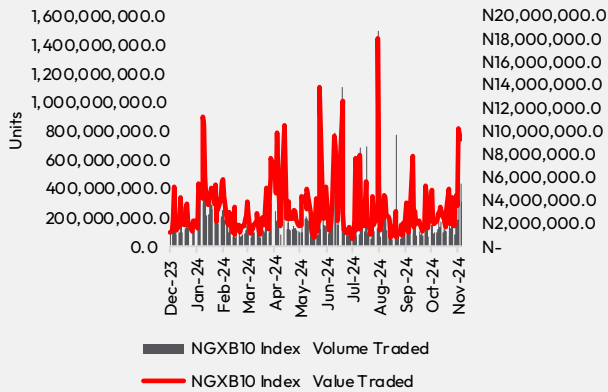


Analysis of foreign participation on the NGX vs Exchange rate
2024 YTD

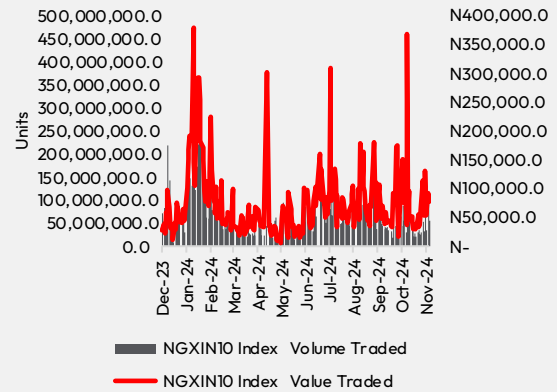


SECTOR PERFORMANCE ANALYSIS: MARKET LIQUIDITY

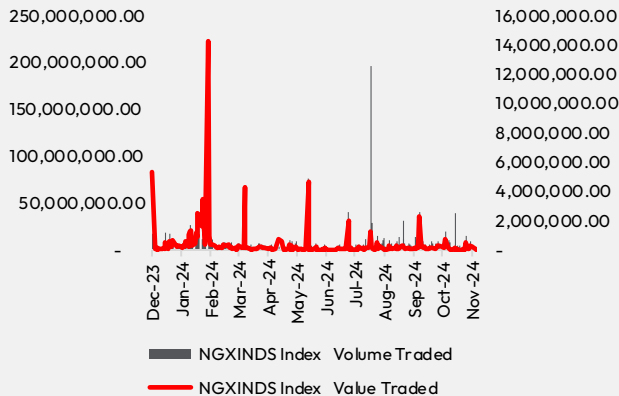
The Banking Sector emerged as the most liquid sector in 2024



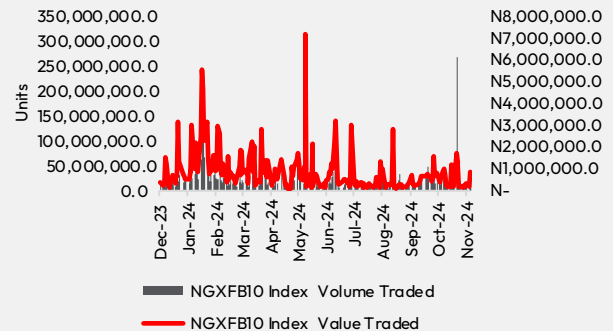
The Insurance sector came in 2nd in terms of liquidity



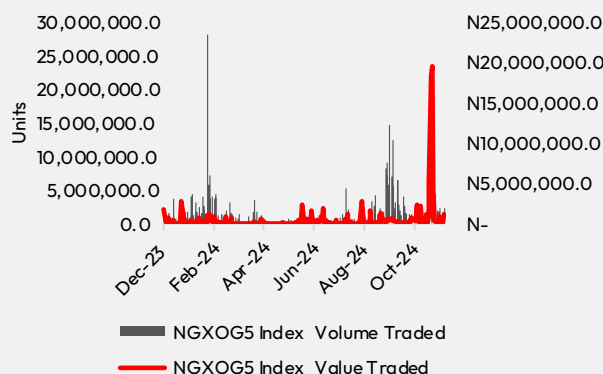
The Industrial goods sector was the most illiquid sector, registering the least activity level in 2024



The Consumer goods sector comes 3rd in our liquidity ranking for 2024



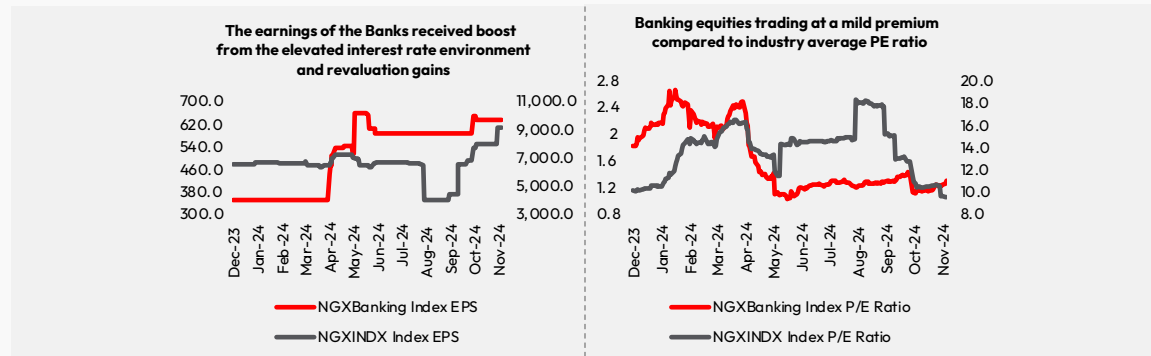
The Oil & Gas sector comes in 4th in our ranking for 2024



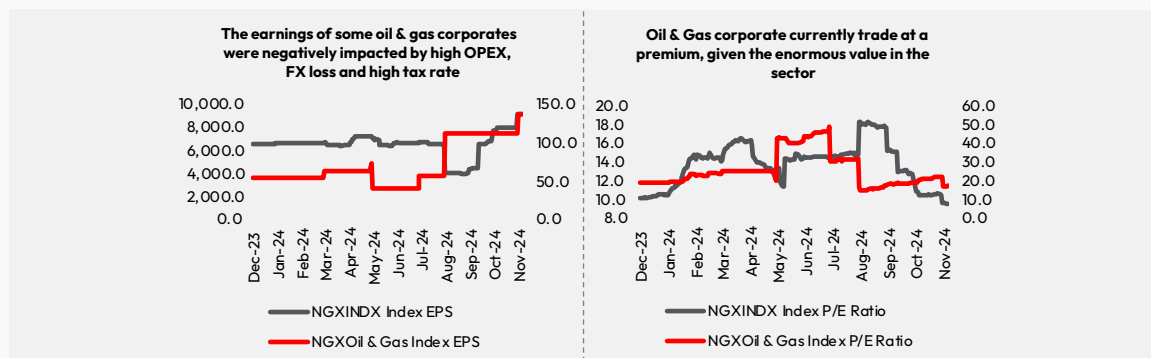
- Despite the equities market resilience amid elevated inflation, heightened interest rates, FX volatility and security concerns, the various sectors of the market were differently impacted.
- The Banking services was the most liquid sector with increased level of activities majorly emanating from the recapitalization exercise.
- The Insurance sector came next followed by the consumer goods sector and the oil and gas sector in that order.
- Conversely, the industrial goods sector was the most illiquid sector under our coverage in 2024.

SECTOR PERFORMANCE ANALYSIS: KEY RATIOS

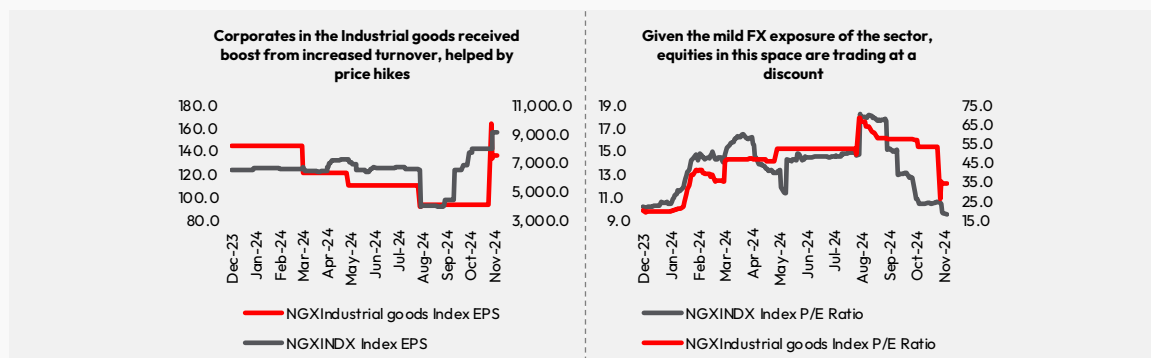
NGX Banking Index vs NGX Index



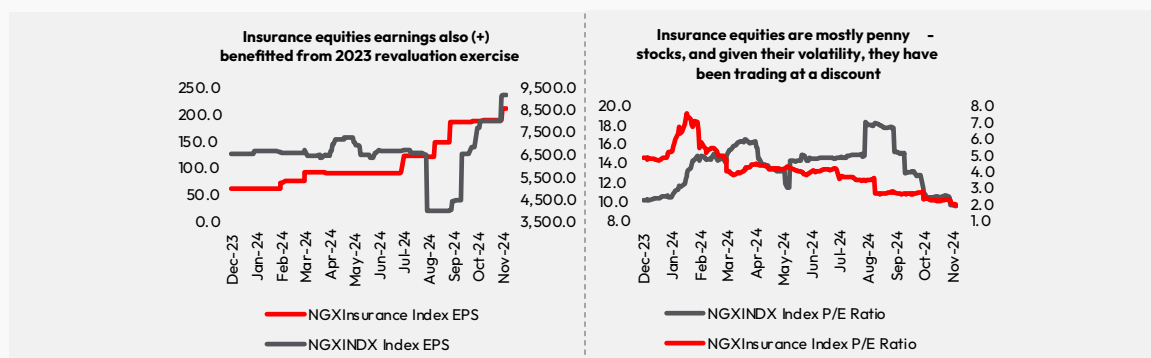
NGX Oil & Gas Index vs NGX Index



NGX Industrial Goods Index vs NGX Index

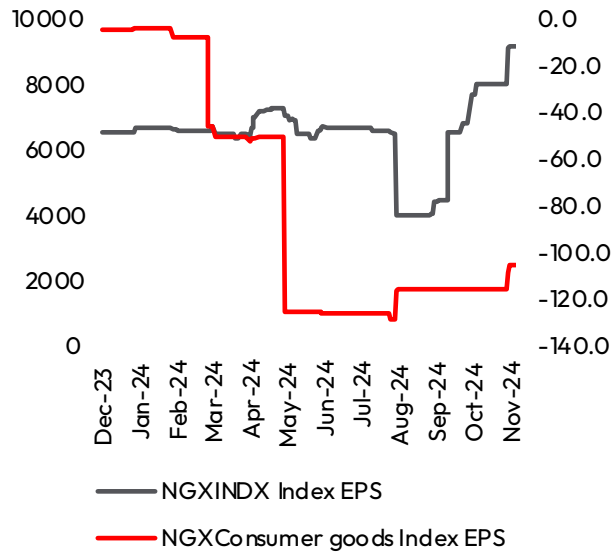


NGX Insurance Index vs NGX Index

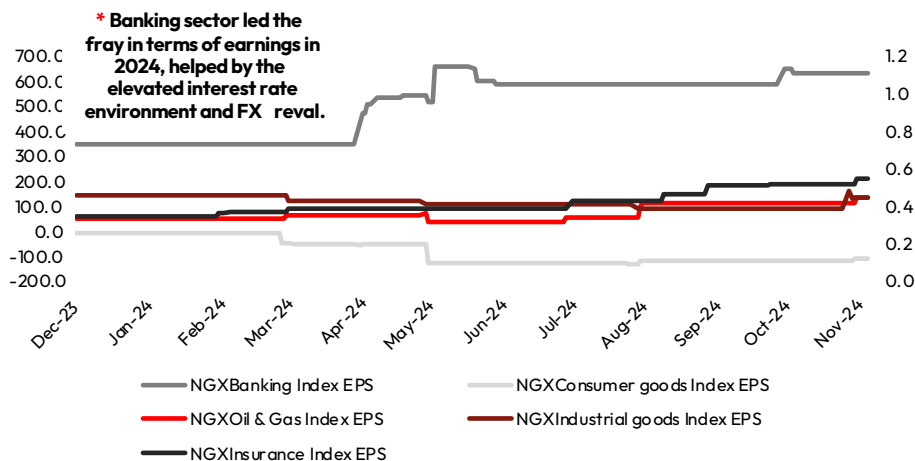


SECTOR PERFORMANCE ANALYSIS: KEY RATIOS (CONTD.)

NGX Consumer Goods Index vs NGX Index

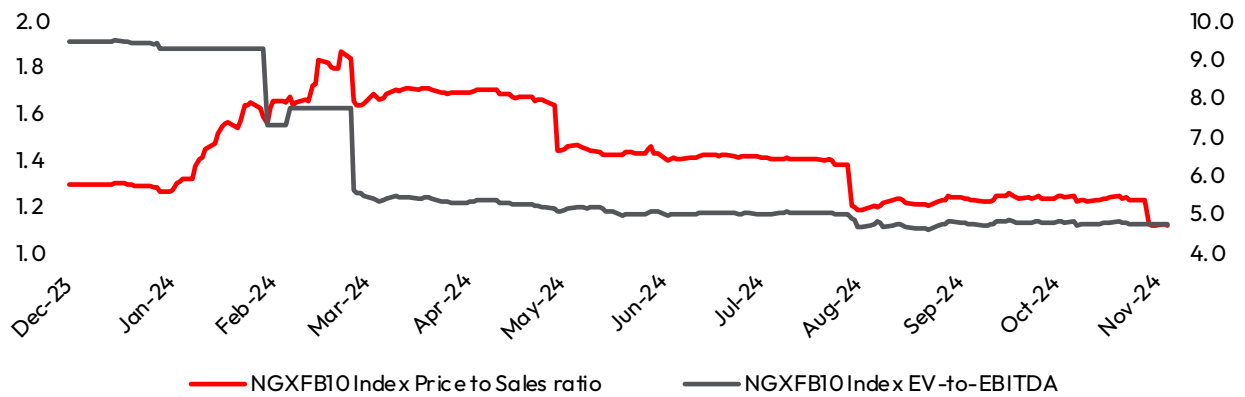


- The Consumer goods sector recorded very significant negative impacts from government policy shifts in 2023 (reference to petrol subsidy removal & Unification of exchange rates).
- The negative EPS results from sector-wide losses and dividing by a negative or zero EPS doesn't yield a meaningful ratio for comparison or valuation. Hence, we will be using P/S Ratio vs EV-EBITDA.

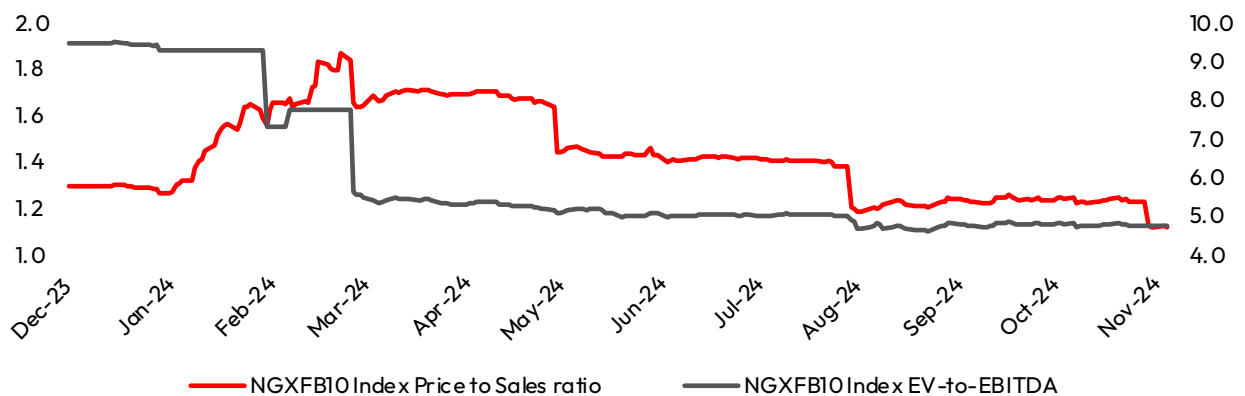


SECTOR PERFORMANCE ANALYSIS: KEY RATIOS (CONTD.)

Corporates in the consumer goods sector recorded strong topline performances, however, high OPEX and FX losses robbed off profitability...
Consumer goods P/S ratio vs EV/EBITDA

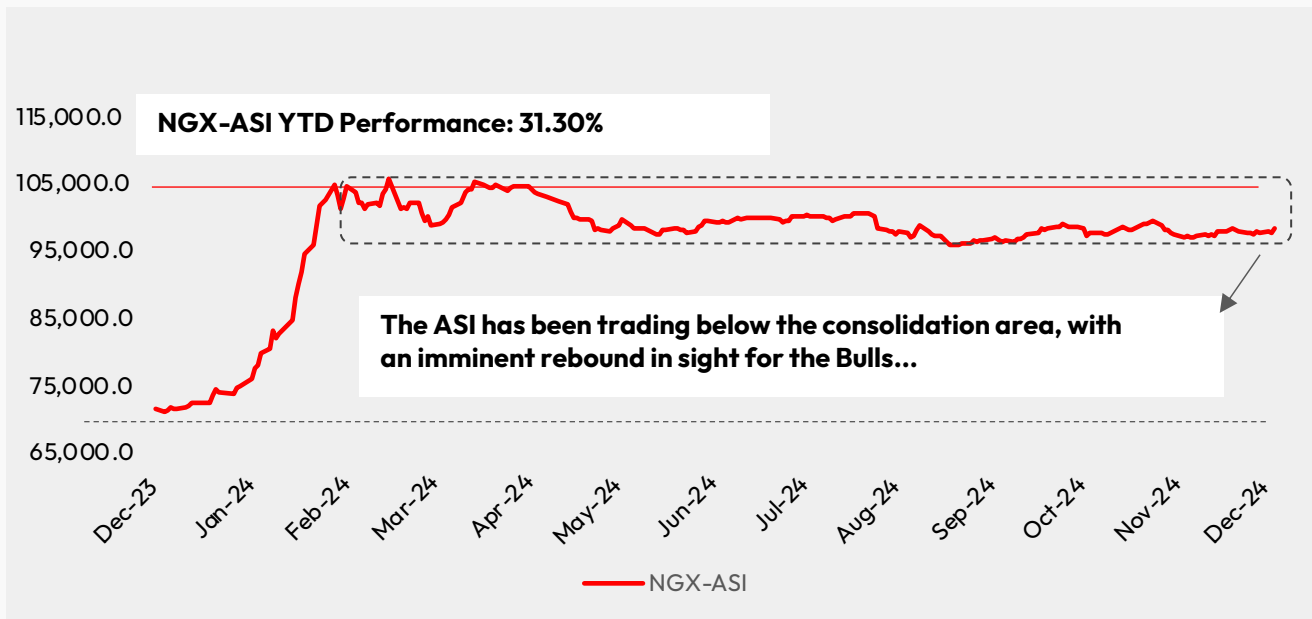


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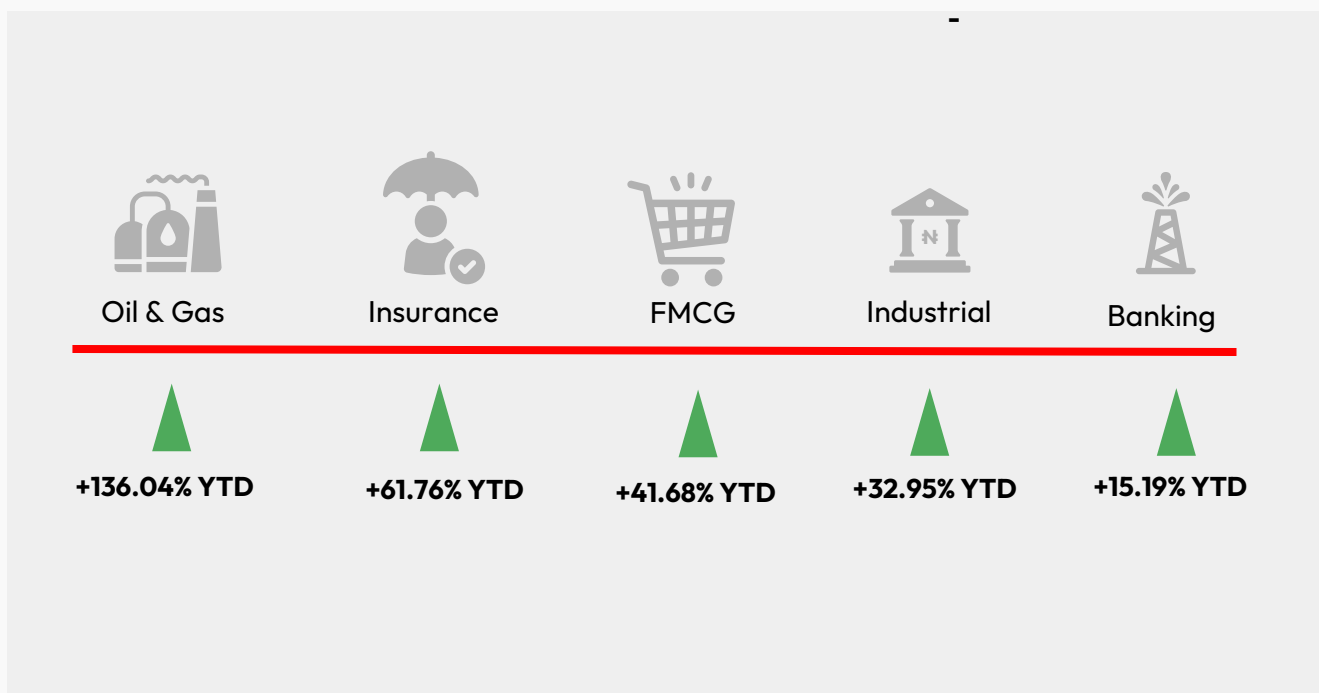


THE OIL & GAS SECTOR OUTPERFORMED IN 2024

The inverse relationship between fixed income market and equities market crystallised in 2024
NGX-ASI vs Inflation

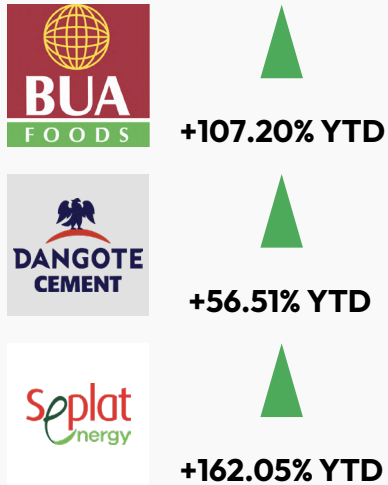


All the five (5) sectors we cover closed in the green territory, despite the challenging/torrid macro-economic and monetary policy environment
NSE-ASI Sector YTD Performance



THE OIL & GAS SECTOR OUTPERFORMED IN 2024

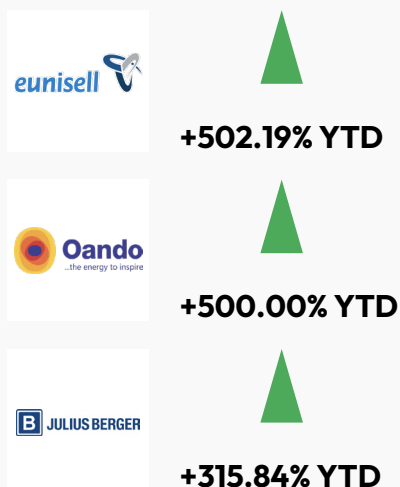
Top three (+) index movers (by Index weighing)



Top three (-) index movers (by Index weighing)



Top three gainers by %



Top three losers by %

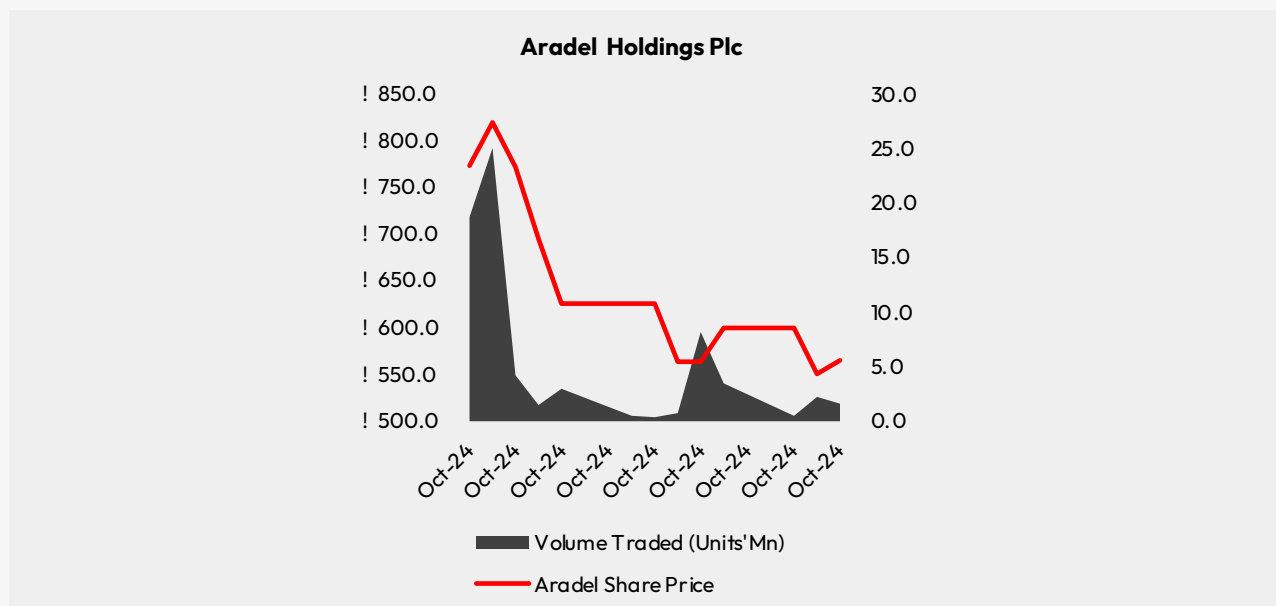
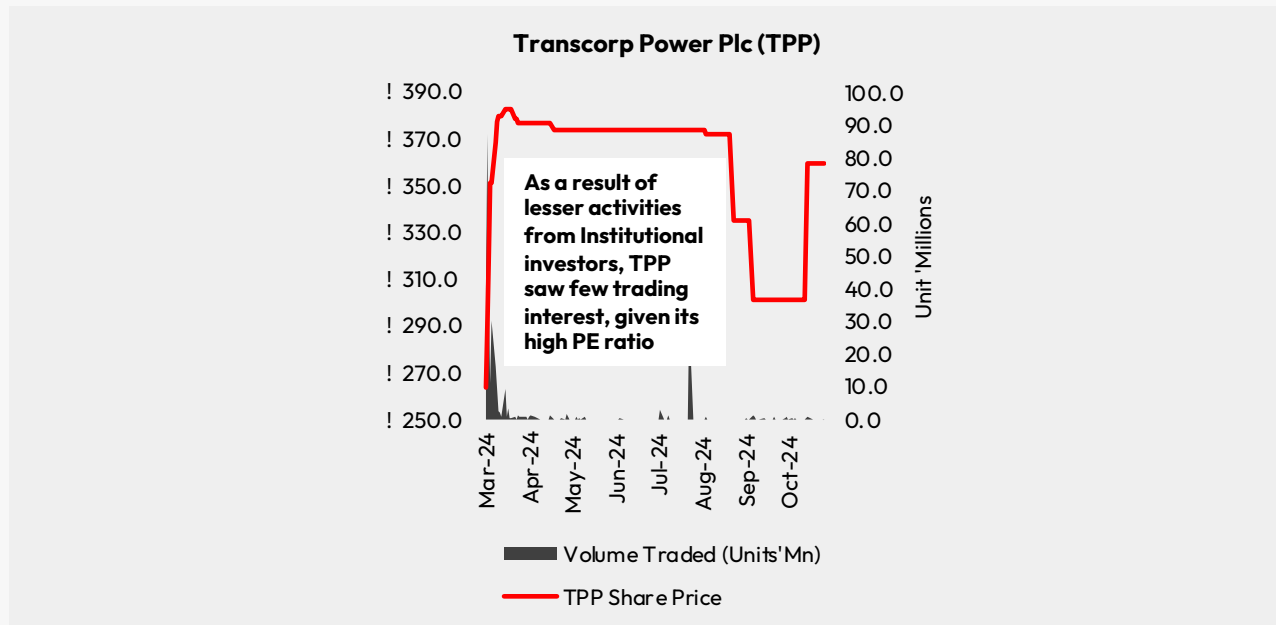


NEW LISTINGS ON THE NIGERIAN EXCHANGE (NGX) IN 2024

Among other listings, the NGX saw two (2) monumental listings in 2024. These two (2) listings include:

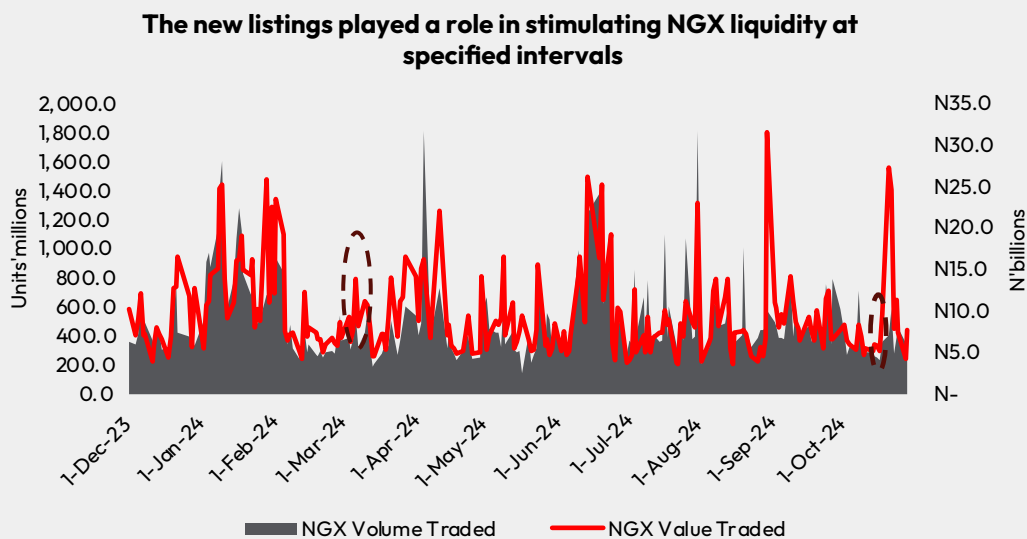
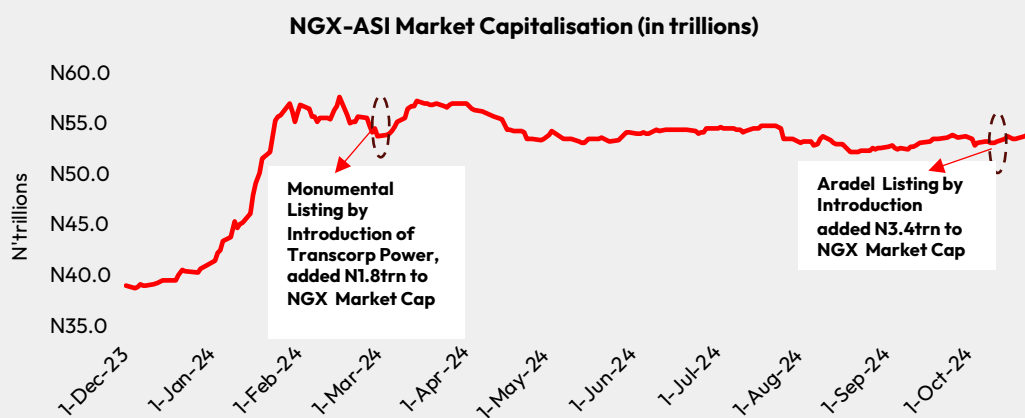
Corporate	Sector	Listing Date	Listing Price	Current Price	S/Outstanding (Units'Mn)	Market Cap. (N'Mn)
Transcorp Power Plc	Power	04-May-24	N240.00	N359.90	7,500.00	N2,699,250.00
Aradel Holdings Plc	Oil&Gas	14-Oct-24	N702.69	N550.10	4,344.84	N2,390,098.88
					Σ	N5,089,348.88

Stock Performance YTD



NEW LISTINGS ON THE NIGERIAN EXCHANGE (NGX) IN 2024

Impacts of Monumental Listings on Market Cap & Liquidity



■ KEY CORPORATE ACTIONS IN 2024



Under the terms of agreement signed on 11-Jun-2024, Tolaram acquired Diageo's 58.02% shareholding in Guinness Nigeria, and entered into long-term license and royalty agreements for the continued production of the Guinness brand and its locally manufactured Diageo ready-to-drink and mainstream spirits brands. The transaction is expected to be completed during Fiscal 2025, subject to obtaining the requisite regulatory approvals in Nigeria.



On 24-Apr-2024, the merging entities, Dangote Sugar Refinery, NASCON, and Dangote Rice Limited agreed to temporarily suspend the merger of the three (3) entities, given the recommendations of the Securities & Exchange Commission (SEC).



Oando Plc announced the successful completion of the acquisition of 100% of the shareholding interest in the Nigerian Agip Oil Company (NAOC) from the Italian energy company, Eni, for a total consideration of US\$783 million comprised of consideration for the asset and reimbursement.



On 22-Oct-2024 Seplat Energy Plc announced that the Nigerian Upstream Petroleum Regulatory Commission ("NUPRC") had confirmed that consent has been granted by the Honourable Minister of Petroleum Resources in Nigeria, President Bola Ahmed Tinubu GCFR, to proceed with the acquisition of the entire issued share capital of Mobil Producing Nigeria Unlimited ("MPNU").

■ KEY CORPORATE ACTIONS IN 2024



On 04-Jun-2024, Presco Plc announced the decision of its board on the proposed acquisition of a 100% equity stake in Ghana Oil Palm Development Company Limited, GOPDC. The acquisition consideration was disclosed to be settled in phases, with an initial consideration payment of Sixty-four Million Nine Hundred and Sixty-one Thousand Eight Hundred and Thirty-two USD\$ (NS\$64,961,832).



On 22-Oct-2024, Aradel Holdings Plc informed the market that on 16-Jan-2024, Shell announced that it had reached an agreement to sell its Nigerian onshore subsidiary, Shell Petroleum Development Company of Nigeria Limited, (SPDC) to Renaissance - a consortium of five (5) companies comprising four (4) exploration and production companies based in Nigeria and an international energy group, which had emerged as the preferred bidder, subject to regulatory approvals.

Aradel Energy Limited, a subsidiary of Aradel Holdings is one of the five (5) companies in the consortium.



On 28-Oct-2024, Transnational Corporation Plc (Transcorp Group) announced the successful completion of its share reconstruction, a strategic action aimed at maximising long-term shareholders value.

The share reconstruction involved a consolidation of the total number of issued shares at a ratio of 1 to 4, reducing the total issued and fully paid shares of Transcorp Group from 40.6 billion shares to 10.2 billion shares.



On 1-Dec-2024, HOLCIM Group signed an agreement with HUAXIN Cement to sell its 83.81% shareholding in Lafarge Africa Plc (LARFARGE). Upon completion, the Huaxin Cement entities will hold a combined 83.81% shareholding in Lafarge Africa Plc. This transaction is subject to regulatory approvals and is expected to close in 2025.