

MONEYCENTRAL

Dangote Cement, MTN, Zenith Bank top list of largest firms by profit in Q1

BALA AUGIE

Based on the NGX 30 index constituent- the most liquid and capitalized firms- Dangote Cement is the largest firm by profit in the first quarter (Q1) of 2022, as Nigerian stocks are enjoying a bull run amid rising inflation.

Dangote Cement posted net income of N105.85 billion in the first quarter of 2022, and that's higher than MTN Nigeria's net income of N96.82 billion; Zenith Bank, (N58.19 billion); Access Bank, N57.40 billion; GTCO, N43.20 billion; United Bank for Africa (N41.49 billion).

Others are ETI at N38.32 billion, BUA Cement, (N33.14 billion); Okomu Oil, (N20.48 billion); Nestle Nigeria, (N17.98 billion).

The total net profit of the NGX 30 companies rose by 30.58 percent year on year (yoy) to N729.77 billion as at March 2022, according to data gathered by MoneyCentral.

There has been an improvement in the yield environment that strengthened banks' earnings, while the consumer goods firms and cement makers benefitted from a hike in the price

of products that helped compensate for rising inflation.

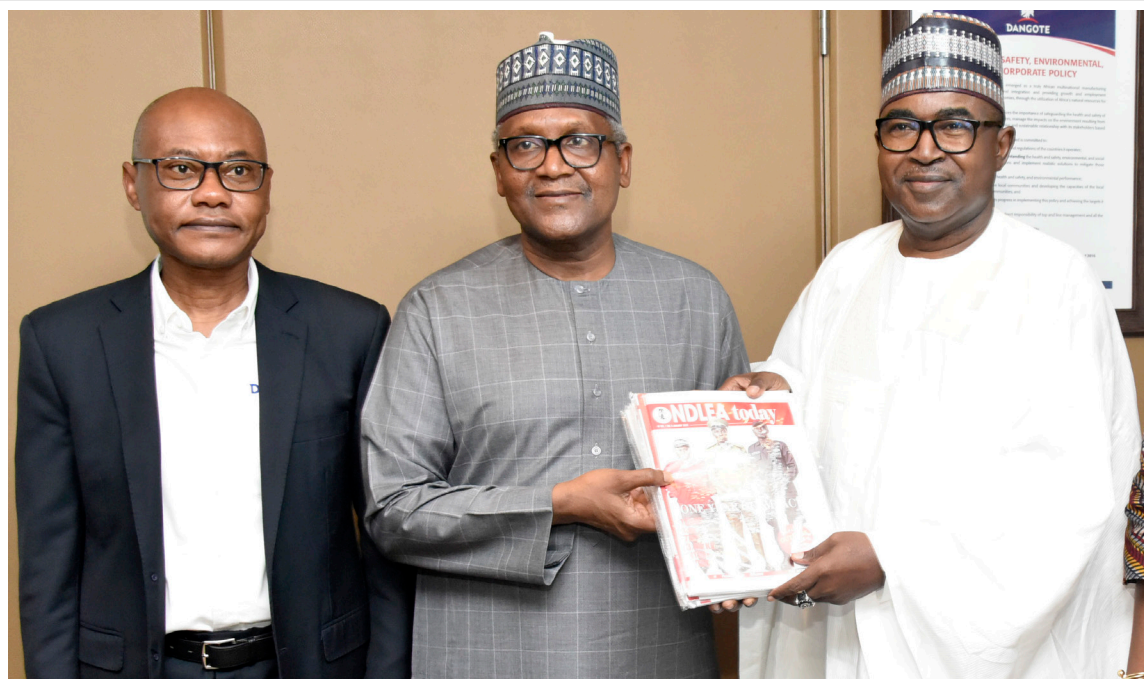
The rally in crude oil price on the back of the relaxation of the lockdown measures and the East Europe that elicited sanctions

being imposed on Russia for the invasion of Ukraine is a boon for oil and gas firms whose shares have been rising since the start of the year.

So far this year, the NGX30

Index has gained 12.1% with Cadbury, Seplat, and Presco returning 101.14 percent, 98.38 percent, 84.51 percent respectively, as the best three stocks

Continues on back page



President/Chief Executive, Dangote Industries Limited, Aliko Dangote, receiving NDLEA Newsletter from Chairman/Chief Executive, National Drug Law Enforcement Agency (NDLEA), Brig. Gen. Buba Marwa (Rtd), where he was honoured as the Grand Ambassador of War Against Drug Abuse (WADA) of the Agency, with Group Managing Director, Dangote Industries Limited, Olakunle Alake (left) on Thursday, during a courtesy visit to Dangote Head Office in Lagos.

NSE INDICES (WEEKLY)		BONDS/FORWARD		COMMODITIES		Bitcoin (BTC)	I&E FX Window	
All share	NGX 30	FGN	FX (\$/N)	BRENT (ICE)	GOLD Spot		\$ - NGN	419.75
52,908.24	1,922.43	23 -JUL - 30	30- AUG -23	119.72	1,853.72	\$29,565	Turnover	\$327.2mn*
2.18%	3.10%	11.30%	456.05	USD/bbl	USD/t.oz	N17.695 M		*As @April 7, 2022
				0.29	2.53			

MARKETS

Guaranty Trust Holding Company gets CBN approval for HabariPay payments subsidiary

JESSICA MAURICE

Guaranty Trust Holding Company has received final approval of the Central Bank of Nigeria (CBN) for its planned Payment Subsidiary, HabariPay Limited.

Commenting on the new

subsidiary, Segun Agbaje, Group Chief Executive Officer of GTCO Plc, said: "Payments are central to the development of financial services globally and represent a key growth area for the Group. GTCO Plc has been at the forefront of delivering cut-

ting edge innovative solutions with its banking franchise and would leverage this capacity to transform the evolving payment space. With HabariPay, we have successfully created another pathway towards enhancing the service experience for our cus-

tomers and creating more value for our stakeholders."

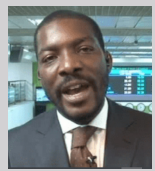
He stated further that: "Our vision is an Africa where every payment is digital and we hope to achieve this by increasingly le-

Continues on page 15

COMPANIES & MARKETS

Liquidity challenged

Ellah Lakes wants to raise more capital



Pg. 7

AFC Profit surges 27% on higher interest income, currency swap

Pg. 8

INSURANCE HUB

Leadway Assurance's capital enough to pay claims as solvency ratio hits 960%



Pg. 10

SPORTSCENTRAL

Peseiro names squad for Sierra Leone, São Tomé crackers

Pg. 14

MARKET EAR

Honeywell Flour mills records first loss in seven years on mounting cost

Pg. 15



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SCHEDULE OF POLARIS BANK’S USD SALES FOR THE WEEK ENDED MAY 27, 2022

S/N	CUSTOMER NAME	ITEM OF IMPORT	DATE OF SALES	AMOUNT	EXCHANGE RATE	S/N	CUSTOMER NAME	ITEM OF IMPORT	DATE OF SALES	AMOUNT	EXCHANGE RATE
1	ONYEKACHUKWU EMMAUEL NWOSU	TUITION	5/24/2022	13,255.000	419.00	102	FEVI SLIOR NIGERIA LIMITED	SOLAR PANEL(STATIC CONVERTER)	5/25/2022	20,000.00	419.00
2	OLUREMI ROSEMARY ADEDEJI	TUITION	5/24/2022	5,517.000	419.00	103	FLXECUBE AGRO EXCHANGE ENTERPRISE	HOUSEHOLD SEWING MACHINE	5/25/2022	20,000.00	419.00
3	TEMITOPE OLUWASEUN OLUBUNO	TUITION	5/24/2022	2,650.000	419.00	104	GINNUSS AGRO PLANET	MOTORCYCLE SPARE PARTS(PISTON)	5/25/2022	10,000.00	419.00
4	TAIWO M ADEGUNLE	TUITION	5/24/2022	887.750	419.00	105	GLOBAL SULMAX LIMITED	ENGINE PARTS	5/25/2022	20,000.00	419.00
5	OLUWATOSIN GEORGINA AKINYEMI	TUITION	5/24/2022	7,287.500	419.00	106	GREINT NIGERIA LIMITED	GASOLINE WATER PUMP	5/25/2022	20,000.00	419.00
6	HENRY I. OGIRE	TUITION	5/24/2022	22,379.250	419.00	107	HALIBAJO ENTERPRISES	GRINDING MACHINE	5/25/2022	20,000.00	419.00
7	JOKOTOLA ADEBAJO	TUITION	5/24/2022	2,683.130	419.00	108	HEDGES HAVEN RESOURCES LIMITED	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
8	OSAGIE ERO	TUITION	5/24/2022	8,000.000	419.00	109	HENSTAR INNOVATIVE INVESTMENT LIMITED	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
9	AKINTIMEHIN OLUOLA ABIODUN	TUITION	5/24/2022	7,254.000	419.00	110	INTEGRATED MULTIBIZ SUNNY NIGERIA ENTERPRISES	CEILING FAN BLADE, ROD:	5/25/2022	20,000.00	419.00
10	SYLVERLYN CHINECHEREM MBAOGU	TUITION	5/24/2022	15,000.000	419.00	111	JIZ PRODUCTION AND GEN. ENTERPRISES	CYLINDER LINER	5/25/2022	20,000.00	419.00
11	OLADIPO OLAWALE ADANLAWO	TUITION	5/24/2022	3,975.000	419.00	112	JO CHRISTEN RESOURCES LIMITED	AUTO SPARE PARTS(FUEL PUMP)	5/25/2022	20,000.00	419.00
12	IFEAKANWA HARTHA ASOGWA	TUITION	5/24/2022	2,894.100	419.00	113	JOYKIRAC NETWORK COMMUNICATION	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
13	TUNDE FOLORUNSO AYINMOLA	TUITION	5/24/2022	293.000	419.00	114	KAMDOZ INTERNATIONAL LIMITED	USED INDUSTRIAL FILTER	5/25/2022	20,000.00	419.00
14	OLUREMI ROSEMARY ADEDEJI	TUITION	5/24/2022	3,000.000	419.00	115	KING AMBASSADOR P. INVESTMENT LIMITED	USED CELL PHONES	5/25/2022	20,000.00	419.00
15	MEGA, UFUOMA	TUITION	5/24/2022	5,325.000	419.00	116	KOMPONENTS AND SOLUTIONS RACK	INVERTER COMPONENT	5/25/2022	20,000.00	419.00
16	PASCHAL ABANG OCHANG	LIVING EXPENSE	5/24/2022	2,782.500	419.00	117	KUNKAC ENTERPRISES	WATER TAP	5/25/2022	20,000.00	419.00
17	AGUDA AKINOLA SAMUEL	TUITION	5/24/2022	6,108.250	419.00	118	MECTONEL ENTERPRISES LIMITED	HAIR DRYER	5/25/2022	20,000.00	419.00
18	UFUOMA STELLA EDEMA-OSAJIYIBE	TUITION	5/24/2022	3,975.000	419.00	119	MICH DUMDUM LIMITED	HAIR DRYER	5/25/2022	20,000.00	419.00
19	VIVIAN CHIDIEBERE IKEMELU	LIVING EXPENSE	5/24/2022	3,000.800	419.00	120	MIRAPLASH PHARMACEUTICALS	AIR HANDLING UNIT (AHU)	5/25/2022	20,000.00	419.00
20	EDDIE PRINCE EDGAR	TUITION	5/24/2022	1,273.000	419.00	121	MH MASAS GLOBAL LINKS	JEWELLERY CASTING MCHINE	5/25/2022	20,000.00	419.00
21	MR OLAGOKE DAUDA OLATUNDE	TUITION	5/24/2022	5,000.000	419.00	122	NOBLE CHRISOZMS GLOBAL LIMITED	USED SLIPM PAVING MOULD	5/25/2022	20,000.00	419.00
22	CHIAMAKA FAVOUR CHUKWUMA	TUITION	5/24/2022	15,000.000	419.00	123	NONI-BEST ELECTRONICS LIMITED	INDUSTRIAL FILTER	5/25/2022	20,000.00	419.00
23	HENRIETTA MEEPATAN ABU	TUITION	5/24/2022	15,000.000	419.00	124	NORTHCLIFF HOTELS AND RESORTS LIMITED	CLOCK	5/25/2022	20,000.00	419.00
24	SIMISOLAOLUWA ANDRE ADEOLA	TUITION	5/24/2022	9,385.360	419.00	125	O .K .B LYNKS LIMITED	LED FLASHLIGHT	5/25/2022	16,854.50	419.00
25	KATE EKPEN BELLO	MEDICAL BILL	5/24/2022	6,000.000	419.00	126	OJIMS GLOBAL COMPANY LIMITED	USED AXLE	5/25/2022	20,000.00	419.00
26	NWACHINEMERE OKORO	TUITION	5/24/2022	15,000.000	419.00	127	OLALEKAN WASIU ENTERPRISES	HAIR DRYER	5/25/2022	20,000.00	419.00
27	GBEMISOLA RASHIDAT AKANBI	LIVING EXPENSE	5/24/2022	3,012.610	419.00	128	OLINBIZZ ENTERPRISES	USED AGRICULTURAL MACHINE	5/25/2022	20,000.00	419.00
28	MARTINS OSAYUWAMEN OBASEKI	LIVING EXPENSE	5/24/2022	2,848.750	419.00	129	OLUPET GLOBAL RESOURCES	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
29	ABISOLA FEYIKEMI JOLAYEMI	TUITION	5/24/2022	3,975.000	419.00	130	OMACHARIS CREATION NIGERIA	MOTORCYCLE VALVE	5/25/2022	20,000.00	419.00
30	AYOMIDE ELIZABETH ADETUNMBI	TUITION	5/24/2022	6,658.130	419.00	131	ONYAEGO NIGERIA LIMITED	SOLDERING IRON	5/25/2022	20,000.00	419.00
31	OJEKALE H.BISOLA	TUITION	5/24/2022	6,625.000	419.00	132	ONYAEGO VENTURES (NIGERIA)	RADIO AND SOLDERING IRON	5/25/2022	10,000.00	419.00
32	MR OLAGOKE DAUDA OL	TUITION	5/24/2022	1,800.000	419.00	133	ONYINYE UNIQUE ENTERPRISES	MACHINE SPARE PARTS	5/25/2022	20,000.00	419.00
33	TAOFEEQAH OKE	LIVING EXPENSE	5/24/2022	1,355.480	419.00	134	OVERFLOWING BLESSING NIGERIA LIMITED	HYBRID SMART WATCH	5/25/2022	10,000.00	419.00
34	ADETOKUNBO SOTUNDE	TUITION	5/24/2022	1,914.630	419.00	135	PATZEEZE INTERNATIONAL ENTERPRISE	USED LEAD ACID BATTERY CHARGER	5/25/2022	20,000.00	419.00
35	OJERO DOMINUS E O	LIVING EXPENSE	5/24/2022	3,842.500	419.00	136	PROVINCE ANDARLUCIA INTEGRATED	BULLDOZER	5/25/2022	20,000.00	419.00
36	IFENNA RAPHAEL IWUODO	TUITION	5/24/2022	3,023.810	419.00	137	PUK GLOBAL RESOURCES	BULB	5/25/2022	20,000.00	419.00
37	OLUWAYOMI TEMITOPE OYINLOYE	TUITION	5/24/2022	10,771.570	419.00	138	RACHYJON GLOBAL SERVICES LIMITED	USED FAN MOTOR	5/25/2022	20,000.00	419.00
38	OLAYIWOLA STEPHEN ADEJUYIGBE	TUITION	5/24/2022	1,590.000	419.00	139	RAINFIRE ENTERPRISES	LED EMERGENCY LAMP	5/25/2022	20,000.00	419.00
39	VICTOR NNAEMEKA OGBU	TUITION	5/24/2022	7,266.000	419.00	140	RAGSAB GLOBAL RESOURCES LIMITED	2012 USED MACK TRUCK-CH613	5/25/2022	20,000.00	419.00
40	DIASO HOPE UWOMANO	TUITION	5/24/2022	3,867.680	419.00	141	SAMARICA LIMITED	NEW AUTO SPARE PARTS	5/25/2022	20,000.00	419.00
41	ASISAT OLABISI AKANJIE	TUITION	5/24/2022	2,200.000	419.00	142	SHOBOPMS ENTERPRISES	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
42	AZEEZ AYODEJI AROWOSEGBE	TUITION	5/24/2022	8,331.000	419.00	143	SKYLIGHT KACHIS FAMILY ENTERPRISES	AUTO BRAKE PADS	5/25/2022	10,000.00	419.00
43	OLUWAKEMI NIFEMI ODUTOLU	TUITION	5/24/2022	3,189.000	419.00	144	SUNNI-NWA VENTURES	AGRICULTURAL JACK	5/25/2022	20,000.00	419.00
44	PERE-EBI TIEMO	TUITION	5/24/2022	5,863.130	419.00	145	TECHNOLOGY PLATFORM LIMITED	SPARK COILS	5/25/2022	20,000.00	419.00
45	TITILOLA FAUSTAT ADENUGA	TUITION	5/24/2022	3,975.000	419.00	146	TESTIMONY OF HANNAH	HAIR DRYER	5/25/2022	20,000.00	419.00
46	OLUSOLA SILVANUS ABU	TUITION	5/24/2022	7,936.510	419.00	147	TRAVIS TRADING COMPANY NIGERIA LIMITED	USED ENGINES	5/25/2022	20,000.00	419.00
47	EMMANUEL CHIGOZIE NIWANJI	TUITION	5/24/2022	11,925.000	419.00	148	TREASURE PARTNERS ENTERPRISES	CUTTING MACHINE	5/25/2022	10,000.00	419.00
48	DELE FEMI OLALAYE	TUITION	5/24/2022	3,312.500	419.00	149	TRIBLOX NIGERIA. LIMITED	RICE MILLING MACHINE	5/25/2022	20,000.00	419.00
49	ISAAC OLUYEMI OLALAYE	LIVING EXPENSE	5/24/2022	2,782.500	419.00	150	UGO-MYKE GLOBAL VENTURES LIMITED	USED INDUSTRIAL FILTER	5/25/2022	20,000.00	419.00
50	CHUKWUEBUKA IFUNANYA OKAFOR	TUITION	5/24/2022	3,975.000	419.00	151	URI UCHE ROYAL INTERNATIONAL	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
51	SAMUEL OSTA UZONDU	TUITION	5/25/2022	7,950.000	419.00	152	VICTOR ULTIMATE GLOBAL COMPANY	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
52	CHIDOMA NNEKA AKUSOBA -UDOKI	TUITION	5/25/2022	3,000.000	419.00	153	XO GLOBAL LIMITED	USED ELECTRONIC CONTROL MODULE (ECU)	5/25/2022	10,000.00	419.00
53	QUEEN CHINASA ODUNZE	TUITION	5/25/2022	8,678.750	419.00	154	YINKDAN FISERY ENTERPRISE FARM	COMPOSITION LEATHER	5/25/2022	20,000.00	419.00
54	SYLVESTER UKWANDI	TUITION	5/25/2022	10,075.300	419.00	155	ZION-VIEW GLOBAL RESOURCES	USED HYDRAULIC JACK	5/25/2022	20,000.00	419.00
55	ABUSODIQ RAHMAT OLUWATOYIN	TUITION	5/25/2022	331.250	419.00	156	IKEM SANDIC ENTERPRISES	ECU	5/25/2022	20,000.00	419.00
56	MAUREEN ANULIKA AGBONKHESE	TUITION	5/25/2022	875.400	4						

NATIONAL

Nigeria quota to rise as OPEC+ agrees on bigger oil-output hikes

JESSICA MAURICE

OPEC+ will increase the size of its oil-supply hikes by about 50%, bowing to months of pressure from major consumers including the US to help ease the pain of high energy prices.

The increase would be divided proportionally between members in the usual way, delegates said. Countries that have been unable to raise production, such as Angola, Nigeria and most recently Russia, would still be allocated a higher quota.

Ministers agreed on Thursday that the group should add 648,000 barrels a day of oil to the market in July and August, up from 432,000 barrels a day in recent months.

That could mean that

Below data covers 2020

Population (million inhabitants)	213.40
Land area (1,000 sq km)	924
GDP per capita (\$)	2,016
GDP at market prices (million \$)	430,197
Value of exports (million \$)	37,984
Value of petroleum exports (million \$)	27,730
Current account balance (million \$)	-17,074
Proven crude oil reserves (million barrels)	36,910
Proven natural gas reserves (billion cu. m.)	5,750
Crude oil production (1,000 b/d)	1,493.2
Marketed production of natural gas (million cu. m.)	49,947.3
Refinery capacity (1,000 b/cd)	461.0
Output of petroleum products (1,000 b/d)	0.9
Oil demand (1,000 b/d)	465.8
Crude oil exports (1,000 b/d)	1,879.3
Exports of petroleum products (1,000 b/d)	--
Natural gas exports (million cu. m.)	35,586.1

the actual supply boosts are smaller than the official figure, as has often been the case in recent months.

Oil pared losses in New

York, trading 0.9% lower at \$114.26 a barrel as of 9:23 a.m. local time.

Opening the taps wider is a major turnaround for the Organization of Petroleum Exporting Countries and its allies.

The group, led by Saudi Arabia, has been doggedly sticking to its plan for gradual monthly supply increases even after the invasion of

Ukraine by Russia, a key member of the group, upended global markets and sent energy prices soaring.

The cartel has so far avoided discussing the crisis at most meetings, saying it's a matter of politics rather than markets.

The additional supply increases from OPEC+ would probably come from a few countries. Only Saudi Arabia and the United Arab Emirates have significant volumes of spare capacity that could be ramped up quickly. Many other members have been struggling to hit their output targets for months.

Russia's production has dropped significantly since the invasion of Ukraine on a combination of western sanctions, shipping difficulties and rejection by some traditional customers.

Its output was 1.3 million barrels a day below its OPEC+ target in April, according to the International Energy Agency.

POLITICS

APC screening committee disqualifies 10 presidential aspirants

SEUN PETERS

The All Progressives Congress' presidential screening committee has disqualified 10 aspirants from its primaries scheduled for this week.

Chairman of the Committee, John Oyegun, revealed this on Friday.

According to Mr Oyegun, only 13 out of the 23 aspirants screened were cleared by the committee.

However when asked about the identity of the disqualified aspirants, Mr Oyegun declined to disclose the names.

Mr Oyegun added that contrary to rumours making



Abdullahi Adamu

the rounds, it didn't screen former president Goodluck Jonathan.

The committee held the screening exercise between Monday and Tuesday this week.

Cleared aspirants are expected to contest the presidential primary at a scheduled special convention in Abuja between June 6 and 8.

POLITICS

Tinubu dragged to court over alleged questionable academic qualification

AKIN AKINBOBOLA

Some members of the All Progressives Congress (APC) under the platform of the Gaskiya Youth Movement have dragged a chieftain of the party and presidential aspirant, Senator Bola Tinubu to court over alleged discrepancies in the academic qualifications submitted to the Independent National Electoral Commission (INEC), in aid of his qualification for the 2023 presidential election.

The plaintiffs, Umar Iliyasu, Suleiman Baba, and Abubakar Adama, in the suit filed on June 2, 2022, are claiming that the educational history of Tinubu "is not consistent with the earlier forms C.F. 001" he filled in preparation for the Governorship election of Lagos State in the year 1999.

Outside the academic issue, plaintiffs are also alleging discrepancies in the age as well as the indigeneship of the former Lagos State Governor and as such want the court to stop Tinubu from participating in the June 7 primary election from the selection



of the APC's candidate in the 2023 presidential poll.

The APC, Tinubu, and INEC are 1st to 3rd defendants respectively in the suit marked FHC/ABJ/CS/774/2022.

Specifically, the plaintiffs are accusing the APC presidential aspirant of giving false information in contravention of the electoral laws and constitution.

In a 31-paragraph affidavit deposed to by one Miracle Udeaja in support of the suit, the plaintiffs submitted that "The 2nd defendant presented an incorrect educational history and inconsistent dates of birth in his forms and ought to be disqualified from seeking or contesting for the office of the President of the Federal Republic of Nigeria under the Constitution of the Federal Republic of Nigeria, 1999 (as amended)".

TECHNOLOGY

Africa Tech valuations slide as Fidelity slashes Reddit, Stripe on sell-off

SEUN PETERS

Valuations of high flying African Technology firms may be coming down to earth as Fidelity Investments cut several closely held technology companies, including social media platform Reddit and payment software provider Stripe.

Stripe, which provides a quick way to integrate payments services into an online or offline transaction by way of an API acquired Paystack, a startup out of Lagos, Nigeria in 2020 for over \$200 million..

In April, Fidelity funds marked down stakes in Reddit by more than a third from the preceding month and Stripe by 13 per cent, according to filings and data compiled by Bloomberg.

Fidelity also cut valuations for TikTok owner ByteDance and for Instacart.

The changes track a broad decline in public equity markets that punished technology stocks in particular, with the Nasdaq 100 tumbling 21 per cent through the first four months of the year.

The key culprits are higher interest rates and less rosy macro growth projections, both of which disproportionately impact the high-growth companies in which venture capital firms invest, according to Tellimer Research.

Venture-backed growth companies that debuted since the start of the pandemic lost almost half of their value, according to PitchBook data.

Africa's fintech company, Flutterwave valued at over three billion dollars in February 2022 following \$250 million it raised in its Series D funding, should also see its valuation slide from recent highs.

ENERGY

NNPC gets FG nod to execute ECOWAS MoU on Nigeria-Morocco gas pipeline

ABDULWAHEED OLAYINKA
ADUBI, Kaduna

The Federal Executive Council (FEC) has approved for Nigerian National Petroleum Corporation (NNPC) to execute Memorandum of Understanding (MoU) with the Economic Committee of West African States, ECOWAS, for the construction of the Nigeria-Morocco gas pipeline to take gas from West African countries through Morocco to Spain and Europe.

The Minister of State for Petroleum Resources, Ti-

mipre Sylva, disclosed this after the FEC meeting presided over by Vice President Yemi Osinbajo on Wednesday in Abuja.

The Minister also said that the project was still at the point of the front-end engineering design (FEED), after which the cost would be determined, as the pipeline would pass through 15 West African countries to Morocco and Spain.

According to Sylva, "the Ministry of Petroleum Resources presented three memos to Council.

POLITICS

Ex-Minister, Shagari felicitates with Atiku

ABDULFATAI ABDULSALAM,
Sokoto

Former Minister of Water Resources, Alhaji Mukhtari Shehu Shagari, has joined the league of well-wishers congratulating former Vice President and PDP flagbearer for the 2023 Presidential election, Atiku Abubakar.

Shagari, in a congratulatory message he addressed to Atiku Abubakar (Waziri Adamawa) wrote, "It is with joy that I, on behalf of myself, family and associates congratulate you on your victory and election as the presidential candidate and flagbearer of the People's Democratic Party, PDP, for



the forthcoming presidential elections next year.

"Having worked closely with you in the past, I have no doubt that you are well equipped and have the capacity to assiduously tackle the numerous challenges facing our dear nation presently.

"As a true democrat that you are, I believe that your love for Nigeria will spur you

to reconcile the fractured and broken pillars of love and unity among the citizenry bringing back the good days and prosperity of our people when you are elected the President and Commander-In-Chief of the Armed Forces of the Federal Republic of Nigeria, Insha Allah."

Recalled that the former Minister, who is hitherto, the leading gubernatorial aspirant in Sokoto state, is presently at logger head with Governor Aminu Waziri Tambuwal, over the consensus arrangement that threw up his ex-SSG, Mallam Sa'idu Umar, as PDP gubernatorial candidate.

POLITICS

Atiku receives PDP Certificate of Return, says much is to be done

SEUN PETERS

Former vice president, Atiku Abubakar received his certificate of return as the presidential candidate of the Peoples Democratic Party (PDP) in the 2023 general elections, urging the party to bear in mind that there was much work to be done before victory.

He spoke as the National Chairman of PDP, Dr. Iyorchia Ayu called for a united party, describing the outcome of the special national presidential convention as a family affair where there was no victor and no vanquished.

According to Atiku who spoke of his victory at the convention, "we should not take



that or their defeat for granted. We must unite and work extremely hard for every single vote in this country. There is so much to do. And there is very little time to waste. So let's get to work."

Atiku who called for unity in the PDP further said, "Let us all remember that what just happened is a contest within a family to decide how to put our best foot forward. The main contest is the one to win

the presidency of our country for our party.

"It will require the entire PDP family and other supporters and sympathisers. We must pull everyone together. Nobody should be excluded; I beg of you."

The former vice president said he had already visited some of those who contested against him, "as a way to lead in that effort to unify the party so that we can face our real opponents, defeat them in the elections and begin the process of rescuing and rebuilding this country from the callous and dangerous All Progressives Congress (APC) misrule over the past seven years which is there for everyone to see."



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ANALYSIS

Venture capital valuations are set to tumble

TELLIMER RESEARCH

The pain of listed equity investors has dominated recent headlines, but those exposed to less liquid private equity assets will soon find that they are also in the same boat. Late-stage funding deals are already seeing downward pressure, as IPO exit routes get closed off, and this trend will likely filter down through to Seed-stage deals.

The key culprits are higher interest rates and less rosy macro growth projections, both of which disproportionately impact the high-growth companies in which venture capital firms invest. The result is that start-up companies are likely to switch from growth to cash-conservation mode, meaning product roll-outs/upgrades and marketing campaigns get delayed or shelved.

The good news from this bleak picture is that, for those companies that can survive the downturn and for those funds that can snap up bargains, the next upswing will likely prove to be highly lucrative.

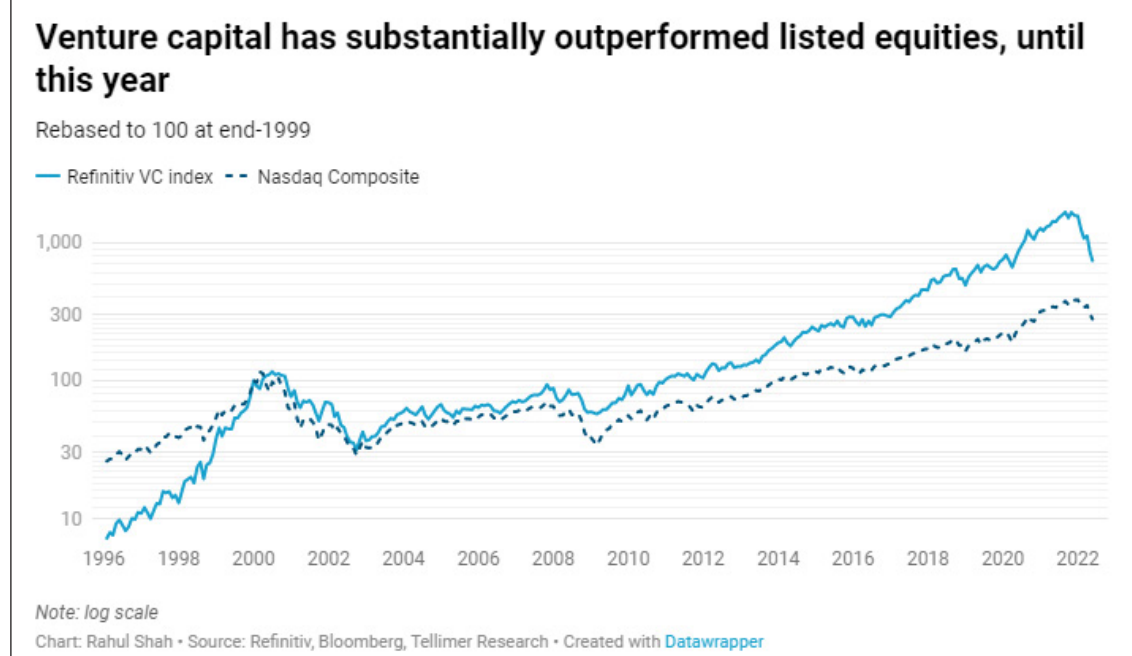
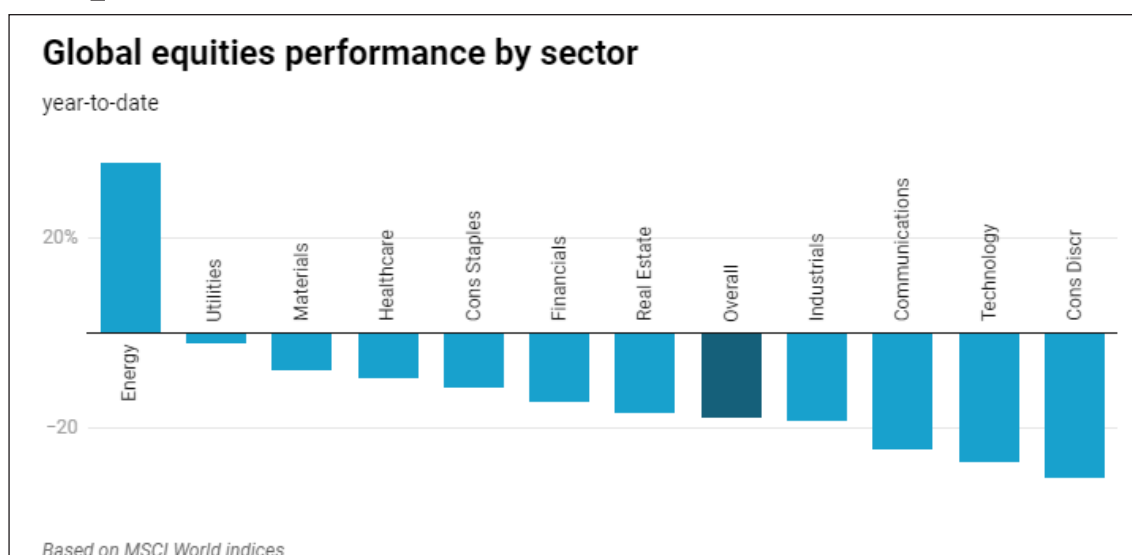
Market pain has been concentrated in the types of firms that VCs target

Global equity investors have had a torrid few months, with the market down 18% since the start of the year. But the pain has been concentrated in highly valued, growth-oriented sectors, which are more sensitive to changes in key valuation model inputs, such as discount rates and long-term growth.

The Communications Services, Information Technology and Consumer Discretionary sectors have all declined by more than 20% so far this year. In contrast, value-driven sectors, like Utilities, have so far been relatively unscathed.

VC deal flow has slowed and valuations have dropped

In the world of venture capital, valuations do not change in real time. But, even here, we are seeing signs of a sea-change. Funding transactions have slowed; based on CB Insights projections, Q2 22 should be down 28% from



the Q3 21 peak. And valuations will have dropped (36% off the peak), particularly for later-stage deals where the IPO exit route is a key pillar of the investment case.

European fintech darling, Klarna, has not escaped this challenging environment. Press reports last week suggested Sweden's Buy Now Pay Later pioneer was closing its latest funding round at a valuation of US\$30bn, roughly half the valuation it was seeking earlier this year, and down from a US\$46bn valuation it obtained in its previous funding round, in June 2021.

Interestingly, despite the val-

uation haircut, it seems the firm has not been able to attract any noteworthy new shareholders to its register. We have previously highlighted that BNPL fintechs are especially susceptible to higher interest rates, particularly when slowing economic growth can impair asset quality.

VC investee firm valuations have likely collapsed

Refinitiv's Venture Capital index attempts to provide a real-time assessment of the value of US venture capital assets. The index shows the spectacular performance of this asset class; from the 2000 dot-com boom to the end of last year (i.e. peak-

to-peak), performance has averaged over 13% per annum (versus 6% per annum for the Nasdaq Composite over the same period).

However, recent trends are much more sobering. Since the beginning of the year, the index is down 52%. This is steeper than the 28% decline in Nasdaq composite index over the same period and is consistent with the higher-risk, higher-growth profile of typical VC portfolios. For historical context, during the bursting of the dot-com bubble at the beginning of this century, both Nasdaq and this VC index fell by around 70%, peak-to-

trough.

The VC index is heavily skewed to technology companies. Key firms driving the downturn include the likes of PayPal and Netflix.

Startups should conserve cash; new funding will be hard to come by

In another sign of the more challenging environment for both VC funds and their investee companies, Y-Combinator, a high-profile Silicon Valley-based accelerator fund, contacted its portfolio firms last week with 10 rules for the new reality – basically, telling them to plan for the worst but hope for the best.

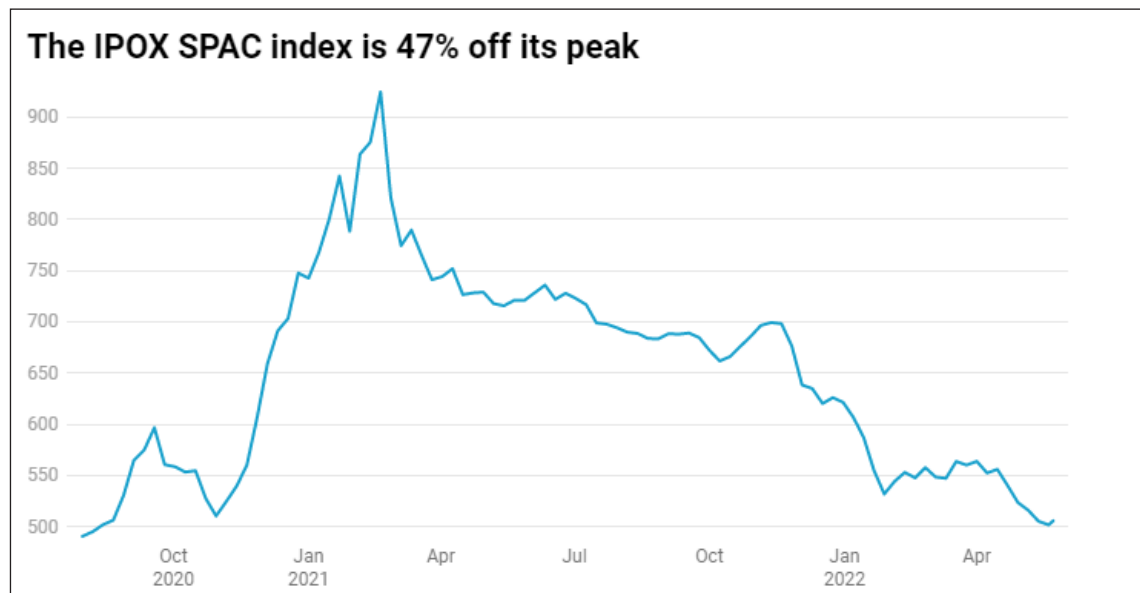
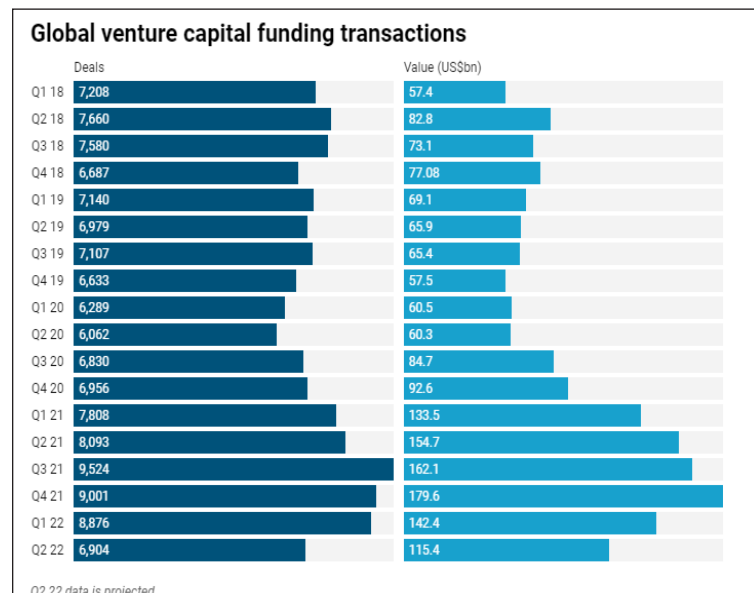
Key highlights include cutting costs within the next 30 days to extend the cashflow runway so that the business can reach a 'Default Alive' point (i.e. self-sustainability) without raising money for the next two years. This will likely entail painful decisions such as employee layoffs (as Klarna has recently done, for example). And those firms that can raise money now should do so, even if there is no bump-up in valuation.

The payoff for firms that can survive this period of protracted belt-tightening is that there will be less competition on the other side, opening the door to significant market share gains.

VC firms that are sitting on cash could generate outsized returns

Just as the startup ecosystem could experience a shakeout, a similar trend may also be seen in terms of VC funds. This could reduce the number of bidders for attractive firms. The silver lining is that this environment should allow well-funded investors to bag attractive entry prices.

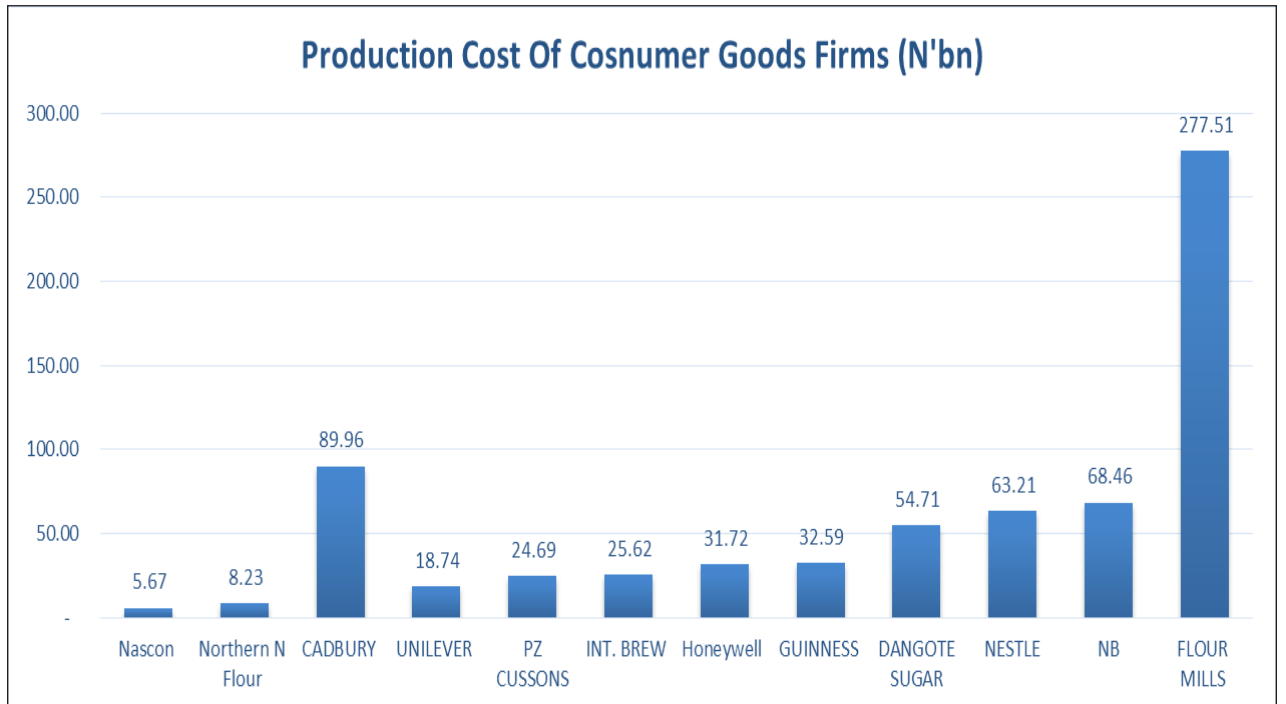
Although SPAC share prices have collapsed, the US\$150bn+ cash they hold could go a lot further in a few months. For VC industry-watchers, SPAC share prices could provide a real-time gauge of when the VC market has bottomed. Based on the last VC investment cycle, getting in at the bottom could add 7% points to annualised over-the-cycle investment performance of this asset class (i.e. a 50% uplift).



EDITORIAL

Consumer goods firms inventory pile up set to pressure margins

Chart of the week



While consumer goods firms are proactive in ramping up the purchase of raw materials in advance from suppliers to hedge against rising price of commodities, the decision has led to inventory pile up that would keep pressure on margins.

When a firm has inventory pile up, it incurs operating costs such as increased warehouse costs and there is also the risk of obsolescence for perishable goods. A lot of capital is tied down at a time that entities need money to fund projects.

Data gathered by MoneyCentral shows the largest consumer goods firms have a combined inventory level of N620.20 billion in their balance-sheet as at March 2022, which is 26.55 percent higher than 2021's N490.07 billion the previous year.

A breakdown of the numbers shows stock of inventories was up 20.45 percent N352.19 billion in 2020, a pandemic year when the lockdown imposed by the government to curb the spread of

the coronavirus hindered firms from importing more raw materials to replenish the warehouse.

Analysts at Chapel Hill say some prepayments for raw materials relates to sorghum and they expect a further rise in price due to the insecurity in the North.

"For context, Sorghum prices have risen by 26% ytd and are expected to rise further due to the insecurity in the Northern part of the country," said the analysts.

The price of grains and other commodities have been skyrocketing on the back of the war in East Europe that elicited the imposition

of sanction by Europe and the United States on Russian for invading Ukraine.

Russia and Ukraine account for one fifth of the world's barley exports. Maize is a common substitute for wheat and barley.

An analyst who spoke to MoneyCentral on the condition of anonymity said the inventory buildup is due to weak consumer demand and that inflationary pressures, utility bills, transport fares, and high unemployment have squeezed consumer wallets.

The profit of many quoted companies were bolstered by a hike in key products, but rising

receivables and spiraling storage cost is a downside risk to earnings.

The headline inflation climbed further by 90bps to settle at 16.8 percent year on year (y/y) in Apr-22, from the previous print of 15.9 percent y/y in Mar-22, which is 12bps higher than our forecast of 16.7 percent, according to data from the National Bureau of Statistics (NBS).

Consumer goods firms are tapping the debt market to raise capital and finance the purchase of raw materials needed for production.

Guinness Nigeria raised N23 billion, of which N10 billion was utilised in financing raw

purchases in advance, according to Data from Chapel Hill Denham.

The value of inventory in the company's balance sheet stood at N32.59 billion as at March 2022, and that is 51.89 percent higher than 2021's N21.46 billion.

Flour Mills of Nigeria, the largest miller by market capitalisation, saw value of inventory increase by 41.98 percent to N277.51 billion.

The negative prognosis for the consumer goods sector could trigger a sell off by investors who have an apathy towards Nigerian companies as the central bank's capital controls continue to undermine the foreign direct investment.

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COMPANIES

& MARKETS

NSE INDICES (WEEKLY)		BONDS/FORWARD		COMMODITIES		Bitcoin (BTC)	I&E FX Window	
All share	NGX 30	FGN	FX (\$/N)	BRENT (ICE)	GOLD Spot		\$ - NGN	
52,908.24	1,922.43	23 -JUL - 30	30- AUG -23	119.72	1,853.72	\$29,565	Turnover	419.75
2.18%	3.10%	11.30%	456.05	USD/bbl	USD/t.oz	N17.695 M		\$327.2mn*
				0.29	2.53			*As @April 7, 2022



Liquidity challenged Ellah Lakes

wants to raise more capital

PATRICK ATUANYA

Nigerian Agriculture firm Ellah Lakes which is still liquidity challenged despite recently receiving N940 million from the Central Bank of Nigeria (CBN) Real Sector Support Fund for oil palm plantations has decided to raise more capital.

The unanswered question is who would be brave enough to lend money to a firm that made just N140,000 in revenues in its third quarter (Q3) financial period that ended in 30th April 2022, but had administrative, personnel expenses and finance costs that totaled N131.88 million for the period.

In a filing made to the Nigerian Stock Exchange, Ellah Lakes Plc said that at its Extraordinary General Meeting, held at Workstation, 7, Ibiyinka Olorunbe Close, Victoria Island, Lagos on the Thursday, 26th day of May 2022, the following resolution was proposed and passed:

“That the directors be and are hereby authorised to raise additional capital whether by way of debt, equity, or a mixture of both, or via public offering, private placement or right issue in such tranches, series or proportions and such prices or interest rates,



Ellah Lakes CEO, Chuka Mordi

within such maturity periods, at such dates and time and on such terms and conditions as may be determined by the directors, subject to the requisite approval of the relevant regulatory authorities.”

However, Ellah Lakes results for the period ending April 2022, shows that the firm, which could be defined as a zombie company, made a

loss of N131.65 million.

At MoneyCentral, we define zombie companies as corporations whose cash flow is not sufficient to even cover their interest on its debts, let alone other expenses.

The agricultural services firm had loans outstanding of N2.435 billion for the period. Other liabilities for the period including trade and salary payable amounted to N633.22 million.

Let’s remember that this is a company that made only N140,000 in revenues for the period.

Mid tier Nigerian lender, FCMB is listed as a major creditor of Ellah Lakes with N100 million in unsecured loans and N940 million in non-current secured lending for a total exposure of N1.040 billion in loans outstanding to Ellah Lakes.

Related party transactions include N309.64 million liable to CBO Capital Partners Limited.

Ellah Lakes Plc which is listed on the Nigerian Stock Exchange closed trading at N3.12 per share yesterday for a market capitalization of N6.24 billion.

MoneyCentral cannot rationalise the valuation based on the historical losses, huge liabilities and negligible revenues of Ellah Lakes.

BONDS

UAC of Nigeria concludes maiden N18.7 billion commercial paper issuance

SEUN PETERS



UAC of Nigeria Plc has announced the successful completion of its N18.7 billion Series 1 and 2 Commercial Paper (CP) issuance, the debut issuance under its recently established N45 billion Commercial Paper Programme.

UAC’s Commercial Paper Issuance was very well received and attracted significant demand from a wide range of investors including pension fund administrators, asset managers, insurance companies and high net-worth individuals.

The CP Issuance comprised two tenors – a 90-day Series 1 issuance which priced at 8.00% yield, and a 181-day Series 2 issuance which priced at 8.25% yield.

This reflects the strong credit quality of the Company and investors’ positive sentiment towards UAC’s operations and strategy.

The UAC Commercial Paper issuance, which was 3.8x subscribed, was part of the intra-group treasury arrangement between UAC and its subsidiaries aimed at meeting short-term working capital requirements.

Stanbic IBTC Capital Limited acted as Lead Arranger and Dealer to the CP Issuance, while FCMB Capital Markets Limited acted as Joint Dealer to the CP Issuance.

Banwo & Ighodalo acted as Solicitors to the Transaction. Commenting on the significance and success of the CP Issuance, Mrs. Funke Ijaiya-Oladipo, Group Finance Director of UAC, said:

“We are delighted to have successfully completed our first CP Issu-

ance in the Nigerian debt market. This is truly a testament to our Company’s strength, the sustainability of our Group’s brands and the trust displayed by the investing community. It is without doubt that the success of this issuance provides an avenue to optimize our funding cost while continuing to drive our strategic initiatives as an organization. We are pleased by the success of the CP Issuance and grateful to all parties involved in the transaction.”

The Commercial Papers will be quoted on the FMDQ Exchange.

UAC of Nigeria PLC is a holding company with subsidiary and associate companies operating in the Animal Feeds and Other Edibles, Paints, Packaged Food and Beverages, Quick Service Restaurants, Real Estate, and Logistics sectors. UAC has played a prominent role in Nigeria’s development for over a century.

The Company is focused on building its businesses into leaders in their chosen segments. UAC’s portfolio includes leading brands such as Gala sausage roll, Swan natural spring water, Dulux paint, Sandtex paint, Grand soya oil and cereals, Vital Feeds, Binggo dog food, Mr. Bigg’s and Debonairs Pizza.

The Company is rated A- by both DataPro and Agosto&Co, with this investment grade rating reflecting the Company’s solid competitive position, robust earnings potential and experienced management.

INSURANCE

Allianz gets more women on Board with new Nigeria Directors

SEUN PETERS

Allianz Nigeria has announced the appointment of Abiola Adekoya (Ms.) as the independent director in line with regulatory requirements for insurance operators in Nigeria.

She will succeed Chief Dickie Ulu who emerged as board chair in December 2020 following the resignation of the former incumbent.

Abiola joins the board with nearly two decades of expertise in the financial services industry and a distinguished career in business.

She is the Lead Wealth Advisor at Artios Capital Limited, a boutique wealth advising firm dedicated to



Abiola Adekoya

providing private clients with creative financial solutions.

Ms. Adekoya was formerly the MD/CEO of FBN Quest Securities, a subsidiary of First Bank of Nigeria Holdings Plc, as well as RMB Nigeria Stockbrokers, a part of the FirstRand Group, before transitioning to Artios Capital.

She began her career in

the banking industry, working for major banks in a variety of capacities in retail, commercial, and corporate banking. Abiola holds a B.Sc. in Economics from the University of Lagos, an MBA from Lagos Business School, and is a Fellow of the Chartered Institute of Stockbrokers of Nigeria.

“This appointment is further evidence that Allianz is committed to equal representation, balance, and inclusion,” notes Adeolu Adewumi-Zer, MD/CEO at Allianz Nigeria.

Adeolu herself enjoys the distinction of being the first woman on the Allianz Nigeria board as a Non-executive

Director before eventually being appointed as its first female CEO in September 2020.

NAICOM has also approved the appointment of Johannes Bayer as Non-executive Director.

The Allianz Group is one of the world’s leading insurers and asset managers with 126 million* private and corporate customers in more than 70 countries.

Allianz customers benefit from a broad range of personal and corporate insurance services, ranging from property, life, and health insurance to assistance services to credit insurance and global business insurance.



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COMPANIES

Why investors should hold Seplat stock for the huge free cash flow

BALA AUGIE

Customs Streets, the head quarter of the Nigerian Stock Exchange pays a lot of attention to corporate earnings.

But reported earnings are susceptible to window dressing, an aggressive fraudulent accounting method that sometimes leads to the collapse of a firm.

That is why meticulously shrewd investors should keep a keen eye on companies that generate chunks of cash.

Cash is king! And without it a company will not brave the storm. It is important to note that cash is used to: pay



inflation fighting dividends, repurchase shares, and grow the business organically. A Nigerian Company sitting

on a cash pile that sets it apart from others is Seplat Energy Plc, the largest upstream oil and gas firm in Africa's largest economy.

Investing legend and Berkshire Hathaway CEO who is famous for his love of cash-flow producing business would have added Seplat Energy to his portfolio.

However, that is practically impossible because the Oracle of Omaha (as Buffett is popularly referred to) is an American investor.

Seplat boasts double-digit free cash flow margins (free cash flow as a percentage of sales).

Of course, the upstream oil and gas giant which has generated \$112.18 million in free cash flow in the first quarter of 2022 as free cash flow margins increased to 46.38 percent in March 2022 from 29.49 percent as at March 2021.

MARKETS

Zenith Bank redeems \$500m Eurobond

JESSICA MAURICE

Zenith Bank Plc has announced the redemption of the balance of \$107.4 million of its \$500 million Eurobond Notes due May 30, 2022.

Analysts say this is a demonstration of the Bank's highly diversified and robust funding sources, and its pedigree and track records in treasury management.

The Eurobond Notes were issued on May 30, 2017, as the second tranche of the Bank's \$1 billion Global Medium Term Note Program, with a 5-year tenor and coupon of 7.375%.

In September 2019, the Bank had redeemed \$392.6 million of the Notes through a Cash Tender Offer ahead of its maturity date of May 30, 2022.

Zenith Bank Plc, Nigeria's largest and Africa's twelfth largest bank by Tier 1 capital



(The Banker Top 1000 World Banks 2021 Ranking) has consistently demonstrated market leadership, growth capacity, a solid and liquid capital base, good returns on investment and excellent customer service.

Over the years, the Bank has maintained a deep understanding of the market and its operating environment to sustain excellent results, an indication of the Bank's robust enterprise risk management framework and strong corporate governance.

INDUSTRY

Dangote Cement, SON task block moulders, artisans on quality, standard

SEUN PETERS

Block moulders and artisans nationwide have been enjoined by Dangote Cement to adhere strictly to quality and shun acts that could compromise the standard of their products. They were also given hints on how to detect fake or adulterated cement.

Against the background of constant building collapse across the country, the Standards Organisation of Nigeria (SON) said block moulders occupy a strategic position in the building industry and therefore should make quality their watchword.

The SON gave the advice in Port Harcourt, Rivers State during a recent sensitisation workshop organised by Dangote Cement Plc in collaboration with the regulatory organisation for the



block moulders and other artisans from Bayelsa and Rivers states.

Speaking during a presentation at the workshop, SON's Asst. State Director, Engr. Lillian Gwa emphasised the need for the artisans to know the right mixes in the production of blocks so that they would be able to

achieve the expected quality.

The SON boss took the participants through the work of her organisation and how products are certified as being standard, while citing Dangote cement as an example of a certified product whose quality has been tested and found to be accurate.

BRANDS

CMC connect kicks off activities to celebrate 30th anniversary

SEUN PETERS

Nigeria's premier perception management firm, CMC Connect Limited kicked off activities for the celebration of its 30th anniversary at its corporate headquarters in Lagos.

The foremost strategic communication and public affairs firm gathered clients, media, former and present board members as well as well-wishers to its GRA Ikeja office to relive its 30 years of sustainable progress.

The event was flagged off with a media conference that had a cross section of the Nigerian media.

Others in attendance were its pioneer board members, investors, management and staff of the company.

Addressing the media, the founder and Group Managing

Director, CMC Connect Limited, Mr Yomi Badejo – Okusanya took the guest through the historic trajectory and the many phases and hurdles the firm have had to cross over the past three decades.

Themed 'We are still flying', Badejo-Okusanya expressed gratitude to God, his wife, staff and to those that have supported his dream from inception. He identified some iconic personalities whom he described as his mentors and who invested in his dreams right from 1997. These individuals include: Sir Steve Bamidele Omojor; Chairman of STB McCain; Mr Biodun Shobanjo, Chairman of Troyka Groups; Mr Billy Lawson, founder LTC Advertising.

Badejo-Okusanya who has been two term Presi-



dent, African Public Relations Association (APRA), giving the historical background of CMC Connect, noted that the dream was born in a 3-bedroom flat around Toyin Street, Ikeja, Lagos in the early 1990s.

"It all started with a dream in a 3-bedroom flat off Toyin Street, Ikeja in 1992." His dream was to build a public relations practice that will offer incisive solutions-driven services to a growing clientele in the then-emerging Integrated Marketing Communication (IMC) sector.

MARKETS

AFC Profit surges 27% on higher interest income, currency swap

PATRICK ATUANYA

Africa Finance Corporation (AFC), a Nigerian based infrastructure development investment firm increased profits by 27 per cent to \$209.73 million in 2021, largely as a result of higher interest income and gains in cross currency swaps and equity investments, compared to the year earlier period.

Total assets for 2021 surged by 16 per cent to \$8.57 billion.

Interest income increased by 13.1% to \$384.3 million, cross currency swaps rose by 68.1% to \$44.62 million, and equity investments increased by 238% to \$41.31 million, MoneyCentral analysis of the 2021 financial statement shows.

On the negative, fees, commissions and other income however fell by 17% to \$54.33 million, while operating ex-



penses rose to \$74.19 million, up some 23.3%.

AFC's total income in 2021 was \$188.20 million and shareholder total equity now stands at \$2.24 billion.

The firm welcomed a record number of African sovereigns as new shareholders including: Togo with an investment of \$20 million, Sierra Leone \$10 million, Guinea \$2 million, the Seychelles \$0.5 million through its national pension fund, and Ghana \$20 million, via its investment vehicle, the Ghana In-

frastructure Investment Fund (GIIF) thereby increasing the amount of its existing equity subscription in AFC.

"The equity investment of African sovereign shareholders is of particular significance as it not only signals a firm commitment to AFC's mandate by the very continent AFC was established to serve, but also a conviction in AFC as a key part of the solution to Africa's development," said Kingsley Obiora Chairman, Africa Finance Corporation.

AFC exited its 23 per cent stake in MainOne, a West African data centre and connectivity solutions provider, and one of AFC's longest held assets (since 2008), achieving a 2x return on an initial investment of \$32 million.

The exit freed up US\$52.7 million in equity headroom to make new investments.

MARKETS

Seplat issues stock options valued at N5.95bn to 3 executives

PATRICK ATUANYA

Seplat Energy has issued stock options to 3 executives valued at N5.95 billion as an incentive to create long term shareholder value. The shares were granted under the Seplat Energy PLC 2014 Long Term Incentive Plan (LTIP).

A total of 4.614 million shares were issued and Seplat closed trading at 1,289.5 naira per share yesterday. An employee stock option is a grant to an employee giving the right to buy a certain number of shares in the company's stock for a set price.

Roger Brown Chief Executive Officer received 1,733,345 shares, Emeka Onwuka the

Chief Financial Officer was issued 1,086,294 shares, while Effiong Okon the Operations Director got 1,107,707.

The LTIP Awards of ordinary shares of 0.5 Naira each of Seplat were granted to Executive Directors of the Company on 30 May 2022 as set out using the average share price over the 5-day period prior to the date of grant.

In line with the Directors' Remuneration Policy, the number of Shares to be awarded was calculated by dividing the monetary value of the salary multiple relevant for each Executive Director by the five-day average share price, prior to the date on

which the LTIP Awards were granted (i.e. £1.175).

The LTIP awards were granted in respect of the 2022 financial year.

Seplat Energy says vesting of the LTIP Awards is dependent on the achievement of stretching relative and absolute Total Shareholder Return (TSR) performance targets, although it did not disclose those targets in its filing seen by MoneyCentral.

Other conditions for the share options to vest are an overall assessment of corporate performance through an underpin and continued employment over a three-year performance period which began on 1 January 2022.

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TECH IN BUSINESS



Nigeria: Behind broadband penetration target

The Nigerian broadband penetration target of at least 70 per cent by 2025 is still on course, but the government has barely made 10 per cent improvement, writes **EHIME ALEX**

With less than three years to achieve its broadband penetration target, record shows that the Nigerian government is trailing 65.60 per cent behind its National Broadband Plan (2020-2025), Financial Street can report.

The country has set an ambitious target to achieve at least 70 per cent broadband penetration by end of 2025. But, while the five-year plan is still counting, the latest data released by the Nigerian Communications Commission shows that broadband penetration stands at 42.27 per cent in March 2022.

Designed to deliver data download speeds of about 25 megabytes per second in urban areas and 10Mbps in rural areas, the plan is also to cover at least 90 per cent of the country's population.

According to findings by Financial Street, broadband penetration increased minimally from 38.49 per cent in January 2020 to 42.27 per cent in March 2022, even as mobile subscription saw a modest pick at 80.68 million from 73.47 million in the period under review.

The government hoped to achieve 90 per cent broadband penetration in the country by 2023, said the Minister of Communications and Digital Economy, Isa Pantami. "We developed the National Broadband Plan 2020-2030, which targets a 90 per cent penetration rate in terms of population and a 70 per cent rate in terms of our total landmass within the next two years. It also targets a speed of 25mbps for urban areas and 10mbps for rural areas."

Be that as it may, the economic growth opportunities afforded

by the deployment of broadband technologies can only be imagined. It is said that every 10 per cent increase in broadband penetration could result in about 2.6 per cent to 3.8 per cent growth in Gross Domestic Product.

Nigeria's GDP grew by 3.98 per cent year-on-year in real terms in the fourth quarter of 2021, according to the latest data from the National Bureau of Statistics.

This shows a sustained positive growth for the fifth quarter since the recession witnessed in 2020 when output contracted by -6.10 per cent and -3.62 per cent in Q2 and Q3 of 2020 under the Coronavirus Disease.

Meanwhile, the total percentage of telecom sector contribution to the country's GDP in Q4 2021 stood at 12.61 per cent relative to 10.88 per cent in Q1 2020.

National Broadband Plan

To meet the ambitious targets, the Nigerian government has said that it would focus on four critical pillars, which are infrastructure, policy, demand drivers and funding/incentives.

"Nonetheless, the plan remains ambitious, given the capital requirements estimated at \$3.5bn to \$5bn, for effective execution over the five-year period of 2020 to 2025," the Federal Government of Nigeria stated, while desiring private sector's participation for optimal results.

Broadband penetration is defined as the number of subscriptions to fixed and mobile broadband services, divided by the number of residents in each country.

While total Internet connection increased to 145.85 million

in March 2022, from 128.72 million in January 2020, experts were of the view that most of the connections were on low-speed Internet networks.

However, percentage of subscribers utilising telecommunications services per the various technologies/standards deployed in Nigeria as at March 2022 shows that Global System for Mobile telecommunication occupies a market share of 99.80 per cent, leaving Voice over Internet Protocol and Fixed Wired to a market share of 0.11 per cent and 0.10 per cent respectively, with zero per cent for Code Division Multiple Access.

What government should do

In its recent report on the state of digital rights and inclusion in Nigeria in 2021, Paradigm Initiative, a social advocacy group, expressed concern over the measures to transform Nigeria into a leading digital economy.

According to the initiative, the state of digital rights and inclusion in Nigeria can be broken down into five sub-themes: digital infrastructure and prioritisation of the Information and Communications Technology; freedom of expression on the Internet; privacy, digital identity and surveillance; Internet disruptions; and Artificial Intelligence.

In June 2020, Nigeria unveiled the National Digital Economy Policy and Strategy, to transform the country into a leading digital economy providing quality life and digital economy for all.

The policy is expected to be implemented in 10 years through eight action points or pillars, of which the third aims

for "Solid Infrastructure" which will allow for "deployment of fixed and mobile infrastructure to deepen broadband penetration in the country."

Paradigm Initiative, however, noted in its report that as a country with median age of 18 years and a high unemployment rate, Nigeria is in need of a drastic increase in technology upskilling and reskilling initiatives within the workforce, to leverage the potential of the fourth industrial revolution and to sustain the nation's labour market.

"Government must respect the right to freedom of expression, forming the foundation of most democracies," it stated.

It urged the country to pass data protection legislation and establish an independent data protection authority, able to call government agencies and private actors with personal data access to order.

It stated, "Governments should identify best practices to solve issues at their source, prioritising alternatives to Internet shutdowns. Sharing experiences across and within various countries could lead to solutions that do not rely on access constraints."

"Governments should do a cost-benefit analysis of the cost of Internet shutdowns. Network outages stifle productivity, undermine business confidence and jeopardise short- and long-term financial commitments. Individuals should learn more about how to circumvent network disruptions through tools like VPNs, as well as interact with the law and ensure that rights are upheld."

According to the group, the

country also needs a national AI policy that prioritises adherence to Nigeria's democratic ideals, complying with the country's constitutional principles, and assisting Nigerians in meeting their socio-economic demands.

It said, "The policy should uphold algorithmic accountability, data security, explainability of machine-learning decision-making, and the protection of citizens' rights against infringement."

It also urged civil society organisations and other stakeholders to continually monitor the consequences of digital rights violations and play a key role in pressuring governments to be more accountable and transparent.

Tariff hike

No tariff hike without recourse to empirical studies, NCC insisted, perhaps in the interest of subscribers, to stop service providers' agitation for tariff increase.

The Mobile Network Operators, under the auspices of the Association of Licensed Telecommunications Operators of Nigeria, citing high operation cost, had wanted to raise the cost of calls, short message service, and data by 40 per cent.

"It is noteworthy that tariff regulations and determinations are made by the Commission, in line with Sections 4, 90 and 92 of the Nigerian Communications Act 2003, which entrusts the Commission with the protection and promotion of the interests of subscribers against unfair practices, including matters relating to tariffs and charges," NCC said.

ANALYSIS

INSURANCE HUB

Reports prepared by MoneyCentral Analyst team led by Bala Augie

Leadway Assurance's capital enough to pay claims as solvency ratio hits 960%

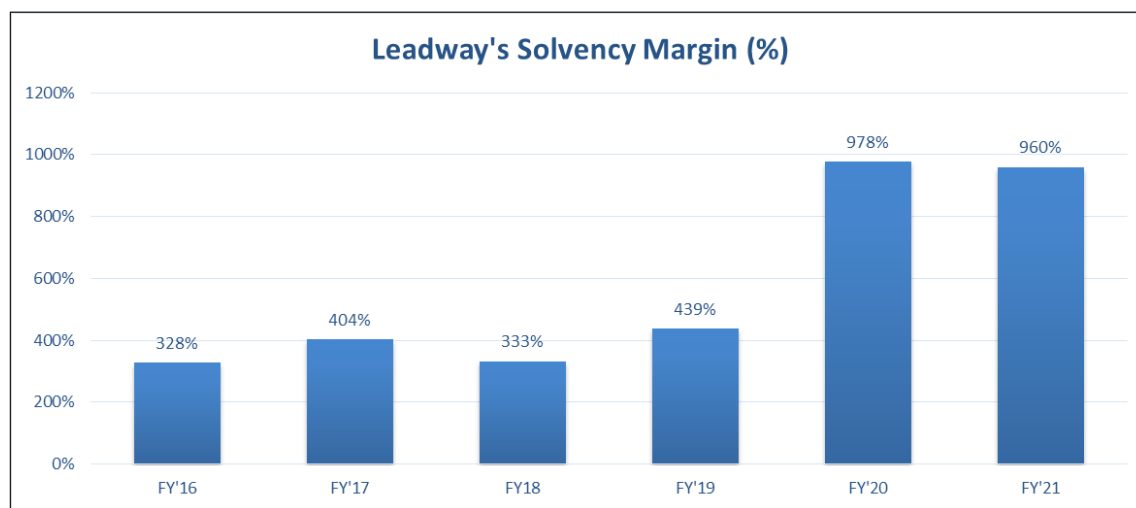
Leadway Assurance Company Limited, the largest insurer by assets in Africa's largest economy has enough capital to pay off claims even in difficult business circumstances.

The company said its solvency ratio, a gauge of financial strength, stood at 960 percent as at December 2021, albeit it was slightly lower than 2020's 978 percent.

There has been marked improvement in the capital of Leadway in the past 3 years as the ratio was 328 percent in 2016 and 404 percent in 2018 and 439 percent in 2019.

Solvency II rules dictate the amount of capital an insurer must hold to reduce the risk of insolvency. The lower the ratio, the greater the chances of a company defaulting on its obligations.

The solvency margin under section 24 (2) IA (in pari materia with Para. 2.14, NAICOM Prudential Guidelines for Insurers and Reinsurers 2015), shall not be less than 15% of the gross premium income less reinsurance premiums paid out during the



year under review or the minimum paid-up capital whichever is greater.

Analysis of the books of Leadway Assurance shows 15 percent of net premium income of N47.08 billion, which is N7.06 billion, is higher than the N5 billion minimum paid up capital.

It has the capacity to retain risk and has the capacity to manage the risk associated with writing new policies.

A strong solvency ratio means

the insurer has sufficient cash-flow to pay dividend to shareholders and fund acquisition plans.

It is important to note that consistent profit and premium growth through the introduction of innovative products and income from fixed income securities are the major drivers of solvency ratio even amid a tough and unpredictable macroeconomic environment.

A lot of insurers with weak

capital were not able to reward their owners from distributable profit and that is why their share prices continue to trade below N0.50 for so many years as investors' apathy towards the sector heightens.

There are indications that the monetary policy rate by the central bank to tame inflation will add impetus to Leadway Assurance's investment income which will bolster profitability and further strengthen the bal-

ance sheet.

Regulators across the globe put a keen eye on the financial stability of companies so as to avert bankruptcy and which is why they impose a ceiling on the amount that financial institutions pay as dividend from distributable profit.

The National Insurance Commission (NAICOM), the body that regulates insurance business in Nigeria, had hiked the minimum capital of sector players with a view to shore up their capital and make them more attractive to investors.

If insurers are expected to raise minimum paid-up capital from ₦2 billion to ₦8 billion; general underwriters from ₦3 billion to ₦10 billion; while composite and reinsurance companies have new minimum paid-up share capital requirements of ₦18 billion and ₦20 billion, up from ₦5 billion and ₦10 billion respectively. The regulator exempted takaful and microinsurance companies from the recapitalisation exercise.

Consolidated Hallmark posts record profit on write backs

Despite a challenging operating environment, Consolidated Hallmark Insurance Plc has posted record profit, thanks to impairment write backs and revenue growth as the insurer has developed its operating and technological capabilities that meet customers' expectations.

For the first three months through March 2022, Consolidated Hallmark's net income increased by 29.29 percent to N441.90 million from N291.45 million as at March 2021.

The growth in profit was significantly driven by a N120 million write back that helped make up for a deteriorating underwriting results caused by mounting obligations, spiraling expense ratio.

The combined ratio deteriorated to 114.88 percent in March 2022 from 93.42 percent the previous year, according to MoneyCentral calculations.

A reduction in combined ratio

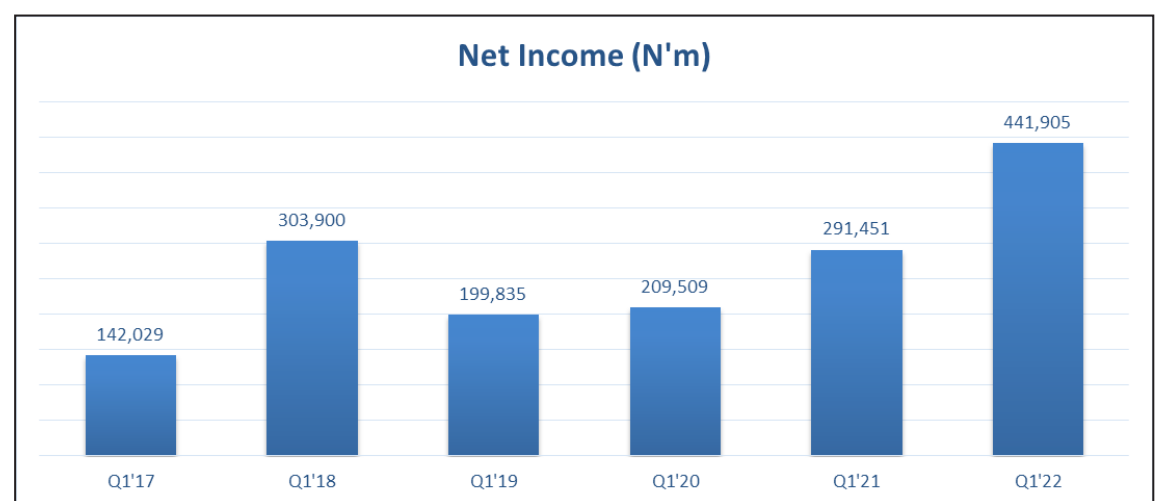
resulted in negative real underwriting results of N368.61 million as at March 2022.

The combined ratio is typically expressed as a percentage. A ratio below 100 percent indicates that the company is making an underwriting profit, while a ratio above 100 percent means that it is paying out more money in claims that it is receiving from premiums. Even if the combined ratio is above 100 percent, a company can potentially still be profitable because the ratio does not include investment income.

Consolidated Hallmark Insurance paid N1.18 billion in claims to policyholders, which is 69.02 percent higher than 2021's N698.12 million.

Claims ratio increased to 43.05 percent in the period under review from 30.97 percent the previous year, according to MoneyCentral calculations.

The insurer spent more on



underwriting and management expenses to generate premium income as expense ratio moved to 71.83 percent in the period under review from 62.45 percent the previous year.

Insurers in Africa's largest economy have seen a spike in operating expenses as inflationary pressures and foreign currency volatility balloons the replacement cost of assets.

Also, the energy crisis due to the war in East Europe has been significantly responsible for the sky-high price of diesel oil insurers use to run generator plants at head offices and branch offices across the country.

The headline inflation climbed further by 90bps to settle at 16.8

percent year on year (y/y) in Apr-22, from the previous print of 15.9 percent y/y in Mar-22, which is 12bps higher than our forecast of 16.7 percent, according to data from the National Bureau of Statistics (NBS).

The company said it is better prepared to meet the challenges of the future as it sees more Nigerians begin to accept insurance as a prudent means of protecting themselves against existing and emerging risks.

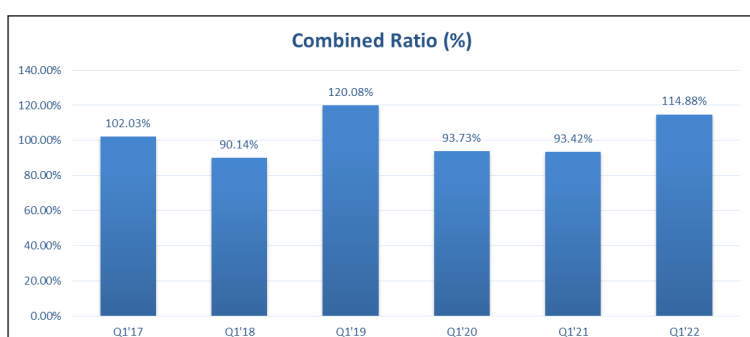
Out of the about 100 million adult population in Nigeria, a 2018 survey by the Chartered Insurance Institute of Nigeria (CIIN) revealed that about 86.6 million Nigerians do not have any form of insurance cover.

The fundamental reasons for the abysmally low coverage stems from lack of trust for the claims collection process, weak economy, lack of awareness on the usefulness of insurance, and poor regulations.

While the insurer is reeling from deteriorating underwriting performance, it was able to deliver double digit growth

Further, the financial statement of Consolidated Hallmark shows gross premium income (GPI) was up 14.59 percent to N3.69 billion in March 2022 from N3.22 billion the previous year.

Net premium income (NPI) was up 15.11 percent to N2.59 billion in the period under review from N2.25 billion the previous year.



MONEYCENTRAL EAST

APGA's ex-Chairman, Umeh, defects to Labour Party, picks ticket for Anambra Central

OBI MADUKA

Former national chairman of All Progressives Grand Alliance, APGA, Senator Victor Umeh has defected to the Labour Party, LP, after being denied the ticket of APGA to vie for the Anambra Central senatorial seat for the 2023 general elections.

Umeh will slug it out with Senator Uche Ekwunife of PDP, Dozie Nwankwo of APGA and Chief Kodilichukwu Okelekwe of APC in the main election next year.

There was excitement among LP members when Umeh walked into the venue of the primaries and chanted the Labour Party slogan.

Recall that the former governor of Anambra State, Mr. Peter Obi, who resigned from the Peoples Democratic Party, PDP, where he was aspiring to contest for president, has already won the presidential ticket of LP.

Both Obi and Umeh are from Anaocha local government area of Anambra State.



CRIME

Native doctor reportedly arrested over beheading of Anambra lawmaker

OBI MADUKA

A 70-year-old native doctor, Chukwujekwu Onuorah, has been reportedly arrested in Anambra State in connection with the abduction and beheading of a member of the State House of Assembly, Okechukwu Okoye.

Mr Okoye, the lawmaker representing Aguata Constituency 2 in the Anambra State House of Assembly and his campaign director, Cyril Chiegboka, were abducted in Aguata in May.

Six days after the kidnap, the lawmaker's head was dumped at Chisco park in Amichi, a community in

Nnewi South Local Government Area of the state and his body was also found in Nnobi, Idemili South Local Government Area of the state.

The Leadership newspaper reported that an Onitsha-based human rights group, International Society for Civil Liberty and Rule of Law revealed on Wednesday that the native doctor was arrested in Unubi community, Nnewi-South Local Government Area of Anambra State by the operatives of the State Security Service (SSS).

"Mr Onuorah was technologically trailed after he was found to have used the beheaded lawmaker's (Okoye's)

sim-card to make criminal calls.

"His (Onuorah) arrest was in connection with the abduction, disappearance, beheading and decapitation of Okechukwu Okoye," the chairman of the Board of Trustees of the rights group, Emeka Umeagbalasi, was quoted as saying.

Giving further details of the arrest, Mr Umeagbalasi said, "He (Onuorah) made a magical escape after several gunshots were fired at him and he escaped by jumping into a ditch.

"After recovering several incriminating items including guns and bullets and his portrait, the operatives trapped him by leaving behind one of

his cell phones.

"Between late night of 30th May and early hours of 31st May 2022, the cell phone was tracked to a private hospital in Awka forcing the operatives of the DSS to storm the clinic where he was arrested alive in a bandage while trying to board a tricycle."

Although the police spokesperson confirmed that there had been ongoing operations to track down the killers of the lawmaker, he declined to comment on the arrest.

Mr Ikenga, however, promised to make the full details of the arrest public as soon as possible.

ENVIRONMENT

Deforestation now a serious crime in Anambra – Commissioner

OBI MADUKA

Mr Felix Odimegwu, Anambra Commissioner for Environment, has reiterated that activities like deforestation, felling of trees without replanting, bush burning and other environmental attacks were now a serious offence in the state.

Odimegwu called on

the residents to brace up to the key behind the ministry, to tackle challenges of working hard by the people to maintain a safe, healthy and clean environment for all.

The commissioner made the call in Awka at a news conference to enumerate the ministry of environment Programme to handle environmental

challenges in the state.

He disclosed that the ministry had a well thought out Programme in partnership with other government agencies related to the environment on the way forward to achieve a safe environment.

Odimegwu said the government had mapped out activities for 2022 World Environmental Day,

on June 5, as priority on the manifesto of Anambra Governor, Prof Charles Soludo.

The commissioner said that the governor tagged his ideal environmental success as a fight to gain clean, greener, planned and sustainable cities, communities and markets that would transform Anambra to a smart state.

POLITICS

PDP reschedules congresses in Lagos, Imo, Benue and Katsina

OBI MADUKA

The National Working Committee of the Peoples Democratic Party has endorsed repeat elections in Lagos, Imo, Benue, and Katsina States.

In a statement by the National Publicity Secretary of the party, Debo Ologunagba, on Saturday, clarified that the decision was reached following thorough deliberation on the reports of the electoral and appeal councils on the elections conducted in the aforementioned states.

Elections for the Ahiazu and Orsu State Constituencies in Imo State have been slated for Sunday, June 5, 2022.

Elections for the Musawa, Zango, and Dandume State Constituencies in Katsina State, Oru East/Orsu/Orlu Federal Constituency in Imo State, and

Kwande/Ushongo Federal Constituency in Benue State will also be held on Sunday, June 5, 2022.

The Lagos State House of Representatives Primary (24 Federal Constituencies) has been slated for Monday, June 6, 2022.

The statement read in part: "Furthermore, the Kaduna Central Senatorial District of Kaduna State, Enugu West Senatorial District of Enugu State, as well as the Boki/Ikom Federal Constituency and Yakuur II State Constituency, both of Cross River State earlier scheduled for Saturday, June 4, 2022, have been cancelled.

The party said that the changes were for the consideration of affected states.

"All party members in the affected states should please take note," the statement said.

ENERGY

Gas flare: APGA to pursue Enugu's inclusion as Oil, Gas producing state

OBI MADUKA

Following the natural gas fire that has been smoldering at Caritas University Enugu for a week, the All Progressives Grand Alliance, APGA, has vowed to pursue the inclusion of Enugu state as an oil and Gas Producing state, if the party emerges winner of the 2023 governorship election.

Gubernatorial candidate of the Party, Mr. Frank Nweke Jnr. made the promise after visiting the site of the gas flare, on Tuesday.

Nweke jnr regretted that Enugu state sits on natural resources but are wasting, whereas unemployment swells at alarming rate and industrialization is stunted, even when such resources would have attracted both direct foreign and private investments to the state.

Nweke jnr also regretted that the cause of the gas flare was as a result of an excavation for water, which he noted has eluded the Peoples Democratic Party, PDP, government in the state since 1999.

He promised to make portable water available to the residents of the state, if elected governor, disclosing that he has made documentation of how to resolve the perennial water scarcity in the state, particularly in Enugu capital city.

Nweke jnr said: "I visited the site of the ongoing gas

fire or gas flare in the premises of Caritas University Amorji-Nike, here in Enugu state. Like everyone else, I heard about it and I was surprised. I went to the site and there was a huge fire raging there.

"It was in the process of the university drilling a water borehole that they hit a gas belt. One approach to this comment is on the perspective that the University has to source its own water and the water scarcity in Enugu has been here for many decades and even in my own house in Enugu I buy water and I know that the bulk of Enugu residences purchase water and that's not very good. There is no modern city in the world that can survive without water because water is life, as people say, and water has great significance for human lives, has great significance for economic development, impact on human health and so it's regrettable that in the past three decades, Enugu continues to suffer from water crisis.

"It's also significant for me that as far back as 1924 the colonial authorities were able to supply water to Enugu and to the best of my knowledge the source of water in Enugu has not changed. While the people before us were able to harness this water and manage the water sustainably, the PDP government in Enugu state has not been able to do this.



to 6 in a one-sided match, while in a nail-biting encounter, the boys from King Ama-chree Academy,

Port Harcourt, Rivers State defeated their counterparts from Bishop Dimieari Grammar School, Obom, Bayelsa

State 30 to 20 in the boys category. Speaking at the closing ceremony of the 3rd in the four series Conferences held at the Nnamdi Azikiwe Stadium Enugu, Category Manager for Beverages, Nestlé Nigeria, Mr. Olutayo Olatunji said, "We are delighted that the MILO Secondary Schools Basketball Championship is back after a break caused by the COVID-19 pandemic. At MILO, we believe that sports provide a platform to teach children grit and help them

imbibe values on their journey to success in life. This is why we have been committed to the MILO Secondary Schools Basketball Championship in Nigeria since 1999."

"The MILO Secondary Schools Basketball Championship will continue to provide the opportunities for developing qualities including leadership skills, ability to work in a team, perseverance, courage, self-belief, and respect in these young ones who participate."

MONEYCENTRAL NORTH

Sokoto State University has zero-tolerance for plagiarism – VC

ABDULFATAI ABDULSALAMI,
Sokoto

The Vice-Chancellor of Sokoto State University, Sokoto, Prof. Bashir Garba, MFR, said the institution has zero-tolerance for plagiarism and other academic cheating.

This was contained in a statement signed and made available to 'Smarts News Nigeria' by the information officer of the University, Zayyanu Shehu who said, Prof. Garba disclosed this at a one-day training workshop on submission of TETFund Institution Based Research (IBR) and Academic Research Journal (ARJ) interventions, organized for



the members of staff by the Research and Development Centre of the University.

The occasion, which took place on Wednesday, June 1, 2022, at the 350-Seater Multipurpose Hall, reported

the Vice-Chancellor saying "I'm urging all members of staff to be wary of plagiarism and other related offenses because the university has zero-tolerance for any academic cheating.

" Always ensure that all your works are free from any form of plagiarism. You are advised to be using anti-plagiarism software to find out the level of paraphrasing. This will help you in avoiding such offense", the Vice-Chancellor, advised.

He, therefore, applauded the effort of the Tertiary Education Trust Fund (TETFund) for coming up with a new policy of running all academic manuscripts submitted by academicians through anti-plagiarism software, before approval. "This initiative is highly commendable as it will check and reduce the level of plagiarism", he added.

POLITICS

Kaduna residents react, as delegate distributes earning from primaries to vulnerables

ABDULWAHEED OLAYINKA
ADUBI, Kaduna

Kaduna residents have reacted to what they described as the kind-hearted nature of Tanko Rossi Sabo who was a delegate to the just concluded Presidential Primary of the People's Democratic Party (PDP) in Abuja.

According to a news report, the delegate, Mr. Sabo had shared some portion of his money made at the primary amongst members of his community in Sanga LGA of Kaduna state.

Information gathered by our reporter revealed that the sum of N7 million was shared to the less privileged, as a means to alleviate their suffering.

In his reaction, a veteran journalist, Adamu Marshal commended Sabo for taking it upon himself to give back to the society, saying in Sabo (the delegate) there is spirit of humanity.

" I only hope that other beneficiaries from the primaries key into his reason for investing in the people, especially the vulnerables.

" If the leaders we have today have done similar things, a lot of problems and pains, infact, poverty would have been alleviated in our communities," the veteran journalist explained.

Also speaking on the issue, a lawyer, Barr. Sekan Stephen Dzever, said that the man has been able to think outside the box to better the lives of the aged, children of school age among other vulnerables.

" If such a person is given an opportunity to lead, he will do better for the community," the Barrister said.

Dzever, who frowned at paying delegates before voting, explained that though, canvassing for the support of delegates through payment has come to stay in the nation's electioneering process.

AGRICULTURE

NISS organises workshop on use of soil test kits for efficient fertilizer management

ABDULFATAI ABDULSALAMI,
Sokoto

Nigeria Institute of Soil Science, (NISS), Northwest zonal office, has conducted a one -day Train-The-Trainers workshop on the Use of Soil Test Kits, STKs, for selected extension workers and farmers within the zone.

Chief host and Vice Chancellor of Usmanu Danfodiyo University, Sokoto, Professor Lawal Bilbils, represented by Prof. Alhassan Danladi Isah in his keynote address while commending NISS for the tremendous achievements since it came up in 2017, however urged NISS to look into the low usage of fertilizer in the Sub-Saharan Region compared to global average.

He also challenged NISS to look into poor conditions of most soil laboratories in the country.

The Chairman of the occasion, Professor Abubakar Umar Dikko and NISS North-

west Zonal coordinator, Professor Samaila Noma, in their remarks explained that NISS has placed great emphasis on training and retraining of Extension Agents and Farmers on good agricultural practices. They maintained that the current training workshop is the third in the series of training in the Zone in the last one year.

Sokoto state Commissioner of Agriculture, Professor Aminu Abubakar, who led the distribution of the soil test kits in his speech commended the foresight of NISS in supplying 175 Soil Test Kits for distribution across the seven states of the Zone at the rate of 25 Test Kits per state. According to him this will immensely boost agricultural productivity in the zone.

In his presentation, 'Soil Sampling Guidelines for Accurate Soil Analysis,' Dr Garba Aliyu Abubakar, dwelled extensively on the need for proper soil sampling guided by when to sample and how to sample.

POLITICS

Kaduna Assembly vacates suspension of former Deputy Speaker

ABDULWAHEED OLAYINKA
ADUBI, Kaduna

The Kaduna State House of Assembly has lifted the suspension of its former Deputy Speaker, Hon. Nuhu Goroh Shadalafia, member representing Kagarko constituency.

Shadalafia and Mukhtar Isa-Hazo, who was also the former deputy speaker representing Basawa constituency and Yusuf Liman-Dahiru, Kakuri/Makera constituency were suspended in August 2020.

Though, sometime last year, August 2021, Isa-Hazo's

suspension was lifted leaving behind Shadalafia and Liman-Dahiru.

Our reporter gathered that the decision to lift Shadalafia's suspension followed the resolution of the House on Tuesday in Kaduna, which was in accordance with the Assembly's Code of Conduct.

Information also revealed that the lawmaker representing Kakuri/Makera constituency is still on suspension.

Our reporter also gathered that the decision to lift the lawmaker's suspension is with effect from 31 May, 2022.

POLITICS

Benue: Idoma, Iggede youth councils tip Adejoh for Deputy Governorship post

GEORGE KAJO, Makurdi

The Benue South Youth Coalition (BSYC), has demanded for the Deputy Governorship slot in next year's general election, throwing their weights behind the candidature of Peter Adejoh for the plum job.

This, they said will assist in compensating the youths that contribute to the largest number of the voting population in Benue state.

Speaking at press conference in Makurdi on Friday, Comrade Obande Gideon, Chairman of the Ochetoha K'Idoma Youth Wing and Comrade Anderson Iji Egbodo, the Secretary of the Iggede youth Council said, the groups saluted the youth constituency for their outstanding conduct in the state through out the period of the primary elections conducted by political parties.

They said it is an affirmation of youth readiness and commitment to the involvement of the youth constituency in vying for political offices and clinching some of the offices.



Adejoh

"The role of the ruling generation in the emergence of the flag bearers for the office of Governor across political lines cannot be over emphasized, especially the two major parties, the Peoples Democratic Party (PDP) and the All Progressives Congress (APC).

"In view of the fact that young people between the ages of 18 and 45 dominate the country's voting population, there is no contention as to the reality that the nation's youth population is critical to the emergence of who man's the number one office of our dear state Benue and the country Nigeria in 2023.

POLITICS

Alia to fly APC flag, promises to dislodge Benue PDP in 2023

GEORGE KAJO, Makurdi

The All Progressives Congress (APC), governorship flag bearer, Rev Fr hyacinth Iormem Alia has said, it is easy for APC to capitalize on the inability of the PDP led government to dislodge and fix the current economic and other challenges confronting Benue State to clinch all positions in the forthcoming general elections.

Speaking when he was declared the winner of governorship primaries in Benue state, Fr Alia said, APC intends to produce new economic development templates, taking cognizance of the past mistakes and economic realities of our time.

"This however, requires unity of purpose and team work across all the party structures. We need to show our teeming supporters that deceit

and propaganda has nothing to offer for the sustainable development of Benue State"

"This is not an occasion for making long speeches. However, let me urge our teeming supporters that there is a herculean task ahead of us. We are still very far away from our desired destination."

The governorship hopeful noted that they can only reach the destination safely if all stakeholders have their PVCs and come out to vote for him and Benue people will have a rest of mind.

"I am very sure that a vote for Fr Alia is vote for rehabilitation and resettlement of the IDPs; a vote for transformation of our agricultural value chain; a vote for youth employment and empowerment; a vote for adequate and timely payment of salaries and pensions; a vote for technical education and skills acquisition."

GOVERNANCE

Gov. AbdulRazaq's commitment to workers' welfare laudable – Northern Group

OJOMA YUSUF, Yola

ABDULWAHEED OLAYINKA
ADUBI, Kaduna

A northern socio-economic group; Arewa Solidarity Group has lauded the zeal of AbdulRahman AbdulRazaq's led administration towards the workers' welfare in kwara state.

The group in a statement signed by its leader, Isa Ahmed on Wednesday stated that since the emergence of AbdulRazaq's government, he has accorded the workers' their rights and privileges.

Ahmed therefore urged



workers in the state to reciprocate the gesture by being more committed to their duties.

He also advised the workers, especially the teachers and other stakeholders in the state to join hands with the government to make its education policies a success.

HEALTHCARE

Adamawa children's targeted as malaria prevention campaign kicks off

OJOMA YUSUF, Yola

Over one million children below the age of five will receive free malaria prevention treatment as Adamawa State launches the first cycle of round two Seasonal Malaria Chemoprevention (SMC) campaign.

Adamawa state ministry of health in collaboration with the state healthcare development agency, Word Health Organization (WHO), SFH and UNICEF has organized a four days campaign in the state.

The campaign is tar-



geted to drastically reduce morbidity and mortality rate as a result of malaria to the barest minimum.

Lending his voice in the flag-off, the acting state coordinator, WHO, Pharmacist Sani Halidu noted that over 76 percent of Nigerians live in areas where



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MONEYCENTRAL WEST

Abiodun fires back at Tinubu, says 'I'm not an emperor with entitlement mentality'

SEUN PETERS

In what appears a direct response to the vituperations of former Governor of Lagos State, Alhaji Bola Ahmed Tinubu that but for him, both President Muhammadu Buhari and Governor Dapo Abiodun would not have won their elections in 2015 and 2019 respectively, the Ogun State Governor, Dapo Abiodun says he is not a student of exaggerated self-importance.

Seemingly hitting back at the chieftain of the All Progressives Congress (APC), Asiwaju Ahmed Bola Tinubu, saying that he is not a political emperor with an entitlement mentality.

Tinubu had on Thursday in Abeokuta humiliated Gov-



ernor Abiodun saying that he would not have been the Ogun State Chief Executive but for his (Tinubu) benevolence.

And in a veiled response on Friday via his Twitter handle; Governor Abiodun states;



"I am not an emperor by any chance and this is not my family inheritance."

"I am holding this position in trust for all the people of this state and I have vowed to be fair, just and equitable and this is the solemn agreement

I made between the Almighty God and myself," he said.

The post is seen as the Ogun State Governor hitting back at Tinubu, who insisted during the meeting with APC delegates and stakeholders that he must be the next president of Nigeria.

Throwing caution to the wind and condescending low by pointing at Governor Abiodun, Asiwaju Tinubu said; "This one sitting behind me, Dapo, can he say he could have become a governor but for me?"

However, despite Tinubu's outbursts, Governor Abiodun maintained his cool, refusing to respond to the obvious humiliation and caustic verbal attacks which took many of the dignitaries present at the event by surprise.

TRANSPORTATION

Okada: Govt urges Lagosians to embrace alternatives

SEUN PETERS

The Lagos State Government has begun the enforcement of the ban on commercial motorcycles, also known as okada, in six Local Government Areas and nine Local Council Development Areas (LG/LCDAs).

Commissioner for Information and Strategy Gbenga Omotoso confirmed the enforcement on a Television Continental (TVC) Programme, "Your View", reiterating that the ban was taken to ensure security and safety of Lagosians. He urged Lagosians to use al-



ternative means of transportation provided by the government.

Omotoso said: "During the first quarter of this year, the record shows that over 1,712 accidents were recorded, with okada constituting 767 or 45 percent

of them. Of all the victims, 54 percent are between 30 and 39 years old; our young people."

He reiterated that during the meeting with DPOs, Area Commanders and the Commissioner of Police, Governor Babajide Sanwo-Olu handed down the explicit instruction of ensuring effective enforcement of the ban.

Giving details about plans for an effective clamp-down on okada, the Commissioner said: "I want to assure Lagosians that the security agents will do the

right thing when enforcing the ban and carry out the exercise in a professional manner because the ban is people-driven. The local governments are involved; community development associations are involved; everyone is involved in taking back our State from the tyranny of Okada."

On alternatives to okada, the Commissioner said the State Government launched over 500 First and Last Mile buses. He said 200 have been rolled out in the last week to serve as an alternative to okada.

POLITICS

INEC: 988,923 voters to decide Ekiti state's next Governor

AKIN AKINBOBOLA

The Independent National Electoral Commission (INEC) has revealed that a total of 988,923 voters captured in the commission's register will decide who becomes Ekiti State governor in the June 18 governorship poll.

While making the revelation, the National Commissioner and Chairman, Information and Voter Education Committee, Festus Okoye, added that a total of 734,746 persons have collected their Permanent Voters Card for the election.

Speaking at a roundtable forum with Media Executives in Ekiti State, Okoye assured electorates of the commission's readiness to conduct a free, fair and credible election.

He said, "It is now a matter of common knowledge that we have 16 LGAs in Ekiti State and the election will be staged from 177 registration areas."

"For this particular election, after the commission queued up the voters regis-

ters, we came to the conclusion that a total of 988,923 registered voters will vote in this election.

"In other words, after we have queued up the voters register and integrated those who were previously on the voters registers, and those who registered during the continuous voters registration exercise, we came to the conclusion that the total number of those stands at 988,923."

"Furthermore, as of 27th May 2022, a total of 734,746 persons have collected their Permanent Voters Card. It is important that you have these figures."

Okoye further added that the non-sensitive materials for the elections had been deployed to all the 16 LGAs noting that adhoc staff had been mobilised and trained.

"The commission on the election day will deploy the adhoc staff from a total of 104 registration centres, made up of 46 registration areas centres and 61 super registration area centres."

POLITICS

Fayemi denies stepping down for Osinbajo

NATHANIEL GBAORON, Abuja

Ekiti State Governor and one of the presidential aspirants of the All Progressives Congress (APC), Dr. Kayode Fayemi, has denied insinuations in some quarters that he has stepped down for Vice President Yemi Osinbajo.

Some media had reported that Fayemi and other four governors held a meeting behind a closed doors with the Vice President, where he was pressured to abandon his presidential ambition.

But in a statement issued and signed by the Head of Media and spokesman of Dr. Kayode Fayemi Presidential Campaign Organisation, Femi Ige, described such rumour as "absolute rubbish."

He added, "No meeting took place between us and any aspirant about stepping down."

Ige noted that Fayemi was favourably positioned and had backing of the real stake-



holders in the party ahead of the presidential primary election to clinch the APC ticket.

He added, "We are undoubtedly among the leading aspirants for the position and one to watch in the race. Our candidate has deep trust and respect among political leaders in the party and also from colleague Governors who form a critical mass in the decision making process."

Ige urged Fayemi's supporters to remain calm, focused and not lose faith because of the lies fabricated by political detractors.

He insisted that no amount of late night demarketing would work against the Fayemi presidential project.

AUTOS

Coscharis launches all-new Ford Bronco at Lagos motor fair

SEUN PETERS

Coscharis Motors has launched the all-new Bronco into the Nigerian market at the Lagos Motor Fair.

Speaking during the launch, Abiona Babarinde, General Manager, Marketing and Corporate Communications, Coscharis Group, said, "The Bronco has come home to stay in Nigeria. Given the adventurous nature of our people and the challenging topography of some of our communities, the Bronco will soon become a must-have for everyone who can afford it."

Emphasising further, Babarinde said, "The Bronco is engineered to deliver thrilling and confident off-road experience, building on the DNA of the original 1966 Bronco and its racing heritage. It gets even better with ingenious new updatable technologies and adventure-ready attributes created for today's outdoor enthusiasts."

The Bronco comes loaded with lots of off-road safety and comfort features and is engineered to take you to epic places, with capability to deliver confidence on any type of terrain.



According to Justin Ngini, Deputy General Manager, Ford Sales, Coscharis Motors said, "The Bronco Wildtrak you are seeing today assures of value for money as it comes packed with a 2.7L Ecoboost Engine, 10 speed Automatic Transmission, 17 Inches Black Gloss-Painted Aluminium Wheels, Sound Deadening Headliner, 6 Speaker Sound System, SYNC4, Navigation System, Leather Trims, and many other comfort and safety features to help you navigate through any kind of terrain your journey throws at you."

Ngini also promised that Coscharis Motors would deliver an exciting customer experience to any enthusiast who purchases a Bronco from the company. He said, "As the exclusive Ford dealers in Nigeria our OEM trained sales and aftersales teams are poised to delivering a world class customer experience to our Bronco, and by extension, all other Ford brand customers the country."

HOUSING

Obtaining C of O in Ondo now easy – Akeredolu

AKIN AKINBOBOLA

The Ondo State Governor, Mr. Rotimi Akeredolu, on Wednesday, kicked off the distribution of digitalised Certificate of Occupancy to the residents of the state for their landed properties.

The state government had earlier established a scheme called 'Home Ownership Charter of Ondo State' through which the residents of the state with landed properties could obtain the C of O without any bureaucratic bottleneck.

Akeredolu, who spoke at the commencement of the distribution of the C of O, held at the governor's office, Akure, the state capital, explained that the scheme would eradicate difficulty in the issuance of the document.

According to him, the objective of HOCOS was to make land transactions and titling less cumbersome and transparent to the public through digitisation of processes.

He said, "In line with this charter, we have successfully moved, in an innovative manner, from a five-leaf manually-produced Certificate of Occupancy to an abridged single-sheet digitised format that is pro-

duced with speed, efficiency and accuracy.

"We are proud to say that we have achieved this objective. Rest assured that we will make the review of land administration policies a continuous process until we achieve perfection. The HOCOS platform has brought about a turnaround in our land titling process with reduction in the unmitigated frustrations and nasty experiences of our people which were imposed by the activities of touts."

"We have been able to eradicate the associated bottlenecks and loss of revenue. Undoubtedly, the scheme will boost the economic activities of our people through subsequent transactions with financial institutions after granting of title which can be easily used as collaterals in financial transactions."

The governor also stated that his administration had strengthened the land administration sector in the state by recruiting 35 qualified professionals in the fields of architecture, quantity surveying, land surveying, estate management and building to boost the capacity and manpower need of the ministry of infrastructure, lands and housing.

Stories by Charles Ifeanyi Tel: 08029772561

SPORTSCENTRAL

Peseiro names squad for Sierra Leone, São Tomé crackers

Super Eagles head coach José Santos Peseiro has invited 27 players to camp for this month's 2023 Africa Cup of Nations (AFCON) qualifying matches against Sierra Leone and São Tomé and Príncipe.

The Portuguese tactician has also invited goalkeepers Francis Uzoho and Adewale Adeyinka, defenders Olaoluwa Aina, Calvin Bassey, Sani Faisal, Oluwasemilogo Ajayi and Chidozie Awaziem, midfielders Joseph Ayodele-Arifo, Alex Iwobi and Innocent Bonke, and forwards Moses Simon, Terem Moffi, Cyriel Dessers and Emmanuel Dennis – who were all part of the squad that played Mexico and Ecuador in prestige friendlies in the United States of America.

Peseiro has added Israeli-based goalkeeper Adebayo Adeleye, defenders Abdul-



lahi Shehu, Zaidu Sanusi, Leon Balogun and Kenneth Omeruo, midfielders Oghenekaro Etebo and Frank Onyeka, and forwards Victor Osimhen, Samuel Chukwueze, Ademola Lookman and Sadiq Umar.

Peseiro has lost two straight friendly matches

since taking over as the coach of the Super Eagles after a 2-1 loss to Mexico and 1-0 in the hands of Ecuador in New Jersey.

The Portuguese tactician will be hoping to get his first victory as Super Eagles manager when Nigeria files out against Sierra Leone at the

MKO Abiola National Stadium in one of the Day 1 matches in the 2023 AFCON campaign on Thursday 9th June, before flying to Marrakech, Morocco to play away to São Tomé and Príncipe on Monday, 13th June.

Super Eagles Squad for Sierra Leone and São Tomé

Goalkeepers: Francis Uzoho (AC Omonia, Cyprus); Adewale Adeyinka (Akwa United); Adebayo Adeleye (Hapoel Jerusalem, Israel)

Defenders: Olaoluwa Aina (Torino FC, Italy); William Ekong (Watford FC, England); Abdullahi Shehu (AC Omonia, Cyprus); Zaidu Sanusi (FC Porto, Portugal); Chidozie Awaziem (Alanyaspor FC, Turkey); Oluwasemilogo Ajayi (West Bromwich Albion, England); Calvin Bassey (Glasgow Rangers, Scotland); Sani Faisal (Katsina Unit-

ed); Leon Balogun (Glasgow Rangers, Scotland); Kenneth Omeruo (CD Leganes, Spain)

Midfielders: Joseph Ayodele-Arifo (Glasgow Rangers, Scotland); Alex Iwobi (Everton FC, England); Oghenekaro Etebo (Watford FC, England); Innocent Bonke (FC Lorient, France); Frank Onyeka (Brentford FC, England)

Forwards: Ahmed Musa (Fatih Karagumruk, Turkey); Samuel Chukwueze (Villarreal CF, Spain); Moses Simon (FC Nantes, France); Victor Osimhen (SSC Napoli, Italy); Cyriel Dessers (Feyenoord FC, The Netherlands); Ademola Lookman (Leicester City, England); Sadiq Umar (UD Almeria, Spain); Terem Moffi (FC Lorient, France)



Berlusconi returns to Serie A with AC Monza

Just five years after former Italian Prime Minister, Silvio Berlusconi, sold his stake at AC Milan to Chinese investors, he returned to the sports limelight.

Berlusconi's estimated €70m investment in AC Monza has paid off as the club gained promotion to Serie A, Italy's top football division, via a play-off victory against Pisa.

"We fought for a year and we reached a historic milestone: AC Monza had never been in Serie A. We got there today. It's a wonderful thing for us and all the citizens of Brianza," Berlusconi told Sky Sport Italia.

Berlusconi, now 85, bought Monza in 2018 for €2.9m (\$3.4m), making his

brother Paolo club president and bringing onboard long-term collaborator and friend Adriano Galliani as CEO.

Together with Galliani, Berlusconi had turned AC Milan into a European powerhouse in the last three decades where they won eight Serie A titles and five Champions League trophies.

"I dream of a Milan-Monza derby by 2020," Galliani stated at the time of purchase. It was a dream deferred but not to be denied.

Founded in 1912, AC Monza is a small club in a city more famous for its Formula 1 racing circuit than for its football. The club has changed ownership many times in its 110-year history, with varying amounts of success but never gaining enough push to reach the zenith of the sport, oscillating between promotions to Serie B and relegations to Serie C1 and C2.

When Berlusconi sold his stake in AC Milan for €723m (\$858m) in 2017, he turned his focus to AC Monza a year later after being alerted to the availability of the club by Galliani. Galliani had played there as a young boy and held fond memories. For Berlusconi, whose Arcore residence is less than 10 kilometres from the club's stadium, it was more a passion than a business decision.

Through his holding company Fininvest, he has poured almost €70m into the club since his purchase. They topped Serie C in the first season afterwards and gained promotion to Serie B.

Berlusconi served as Prime Minister in four Italian governments, one of Italy's richest men with an estimated wealth of \$5.9bn, according to Forbes in 2012.

D'Tigress kicked out of 2022 Women's Basketball World Cup

Nigeria women's national basketball team, D'Tigress has been thrown out of the 2022 FIBA Women's Basketball World Cup over government interference.

Nigeria's sports ministry headed by Sunday Dare, minister of sports and youth development, had withdrawn Nigeria's Basketball teams from participating in all international basketball competitions for two years.

D'Tigress qualified for this year's FIBA Women's Basketball World Cup taking place in Sydney, Australia, after defeating France and Mali in the Group B of the World Cup qualifying tournament in Belgrade.



nament in Belgrade.

Mali, who Nigeria beat in the 2021 AfroBasket Women's Championship final to clinch their fifth title, will now replace the D'Tigress as

Africa's representatives, being the second-ranked team in the group.

"Nigeria's withdrawal from the FIBA Women's Basketball World Cup 2022 is

confirmed, Mali, as the next ranked team from Group B of the FIBA Women's Basketball World Cup 2022 Qualifying Tournament in Belgrade, is invited to participate in the FIBA Women's Basketball World Cup 2022," FIBA said in its official website.

FIBA also hinted further that Nigeria stands to face more sanctions over government interference in basketball affairs.

"FIBA will announce whether there will be any other decisions related to the NBBF's participation in other FIBA competitions and any potential disciplinary measures in due course."

Barca to rake in €540m from sale of LaLiga TV rights to ease financial woes

Barcelona is looking to sell twenty-five percent of its LaLiga TV rights to ease the financial woes that are plaguing the club.

Barcelona will hold an extraordinary assembly meeting on June 16, with its members to vote on whether the club should sell a minority stake in its Barça Licensing & Merchandising subsidiary, and on the potential sale of 25 percent of its LaLiga broadcast rights revenue.

The club said that members would be asked to authorise "various financial moves", including the acquisition by one or more investors of a minority stake of up to 49.9 per cent in its licensing and merchandising arm.

Members will also be asked to vote on the sale of a portion of Barcelona's media rights income for LaLiga matches.



In December 2021, Barcelona opted out of LaLiga Impulso, the investment venture between the governing body of the top two divisions of Spanish club football and private equity firm CVC Capital Partners. Barcelona, Real Madrid and Athletic Bilbao were the only top-tier clubs to opt out.

Barcelona's latest announcement opens up the possibility for the Catalan

club to now offer a portion of its commercial rights to CVC.

According to 2Playbook in Spain, the sale of a stake in Barcelona's licensing and merchandising subsidiary could net the club €200m (\$214m), while the sale of a portion of its media rights revenue could be worth €540m.

LaLiga generated a one-per cent increase in the value of its domestic pay-television broadcast rights in recent

five-season deals with incumbent rights-holder Telefónica and subscription streaming platform DAZN. The Spanish top-flight announced that it would bring in €4.95bn – an average of €990m per year – through the sale of the rights from 2022-23 to 2026-27.

CVC is investing €1.994bn for an 8.2-per-cent stake in the new company controlling Spanish LaLiga media and sponsorship rights. LaLiga has insisted that all clubs which back the Impulso venture will be subjected to the same conditions.

Barcelona, Real Madrid and Athletic Bilbao in March suffered a fresh blow in their opposition to LaLiga Impulso as a Madrid court denied their request for precautionary measures to be enacted against the scheme. The trio had called for a preventative suspension

of the agreements adopted by LaLiga at its extraordinary general assembly on December 10, and the overturning of the acts that have since been performed under Impulso since its approval.

In March, Barcelona signed a wide-ranging deal with Spotify that grants the music streaming service naming rights to the Camp Nou from July 1, as well as branding on the front of the men's and women's teams' shirts and training kit. Spanish media reports have suggested that the deal will be worth more than €400m in total.

At the end of last year, Barcelona members unanimously voted to support a €1.5bn financing operation needed to complete the Espai Barça infrastructure development project that will overhaul the Camp Nou.

MARKET EAR

Honeywell Flour mills records first loss in seven years on mounting cost

BALA AUGIE

Honeywell Flour Mills Plc has recorded its first loss in seven years, a period that coincided with the recession of 2016, which laid bare a myriad of challenges manufacturers are facing.

Since costs are accelerating faster than revenue growth, the consumer goods giant finds it difficult to meet or pay its interest obligations as the unexpected decision of the central bank to raise monetary policy rate hike is expected to swell finance costs for companies.

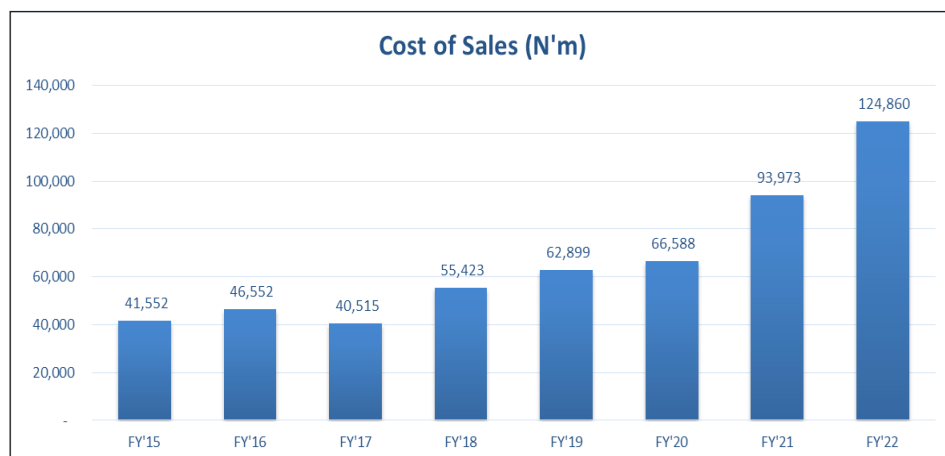
The audited financial statement of the firm for year ended March 2022 shows it posted a loss after tax of N983.81 million from a loss of a profit of N1.12 billion the previous year.

It is no longer making profit from core operations as earnings before interest and taxation (EBIT) dipped by 63.24 percent to N4.68 billion in the period under review from N7.64 billion.

Honeywell Flour Mills disappointing results is a harbinger that the consumer goods firms are feeling the pang of rising inflation, currency devaluation, foreign exchange scarcity, and supply chain disruption.

The second quarter results for the industry are most likely to be below expectation because the energy crisis and spiraling commodity prices brought on by the Russian/Ukraine war will be undermining profit margin.

For instance the war in the Middle East has sent the price of wheat to a 14 year high, and the price of diesel which manufacturers use to run generator plants in their factories and offices have been spiking. This is because



diesel had been regulated, making its price move along with that of crude oil.

It should be noted that corporate profit growth in the first quarter was strengthened by a hike in the price of key products.

However, these firms may not find it easy passing on rising input costs in the form of higher prices on an already beleaguered consumers whose pocket has been squeezed by unemployment, utility bills, and inflation.

The headline inflation climbed further by 90bps to settle at 16.8 percent year on year (y/y) in Apr-22, from the

previous print of 15.9 percent y/y in Mar-22, which is 12bps higher than our forecast of 16.7 percent, according to data from the National Bureau of Statistics (NBS).

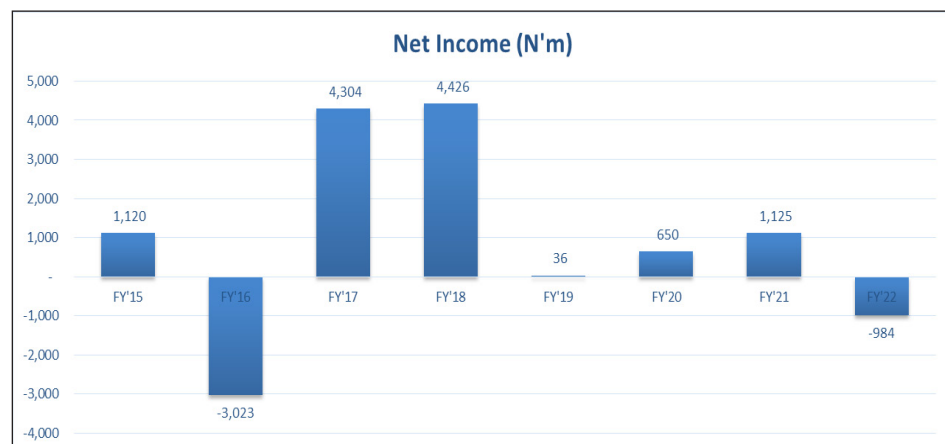
Nigeria's unemployment rate rose to 35 percent in 2021, according to a report by a credit rating agency, Agosto & Co. While the statistics office, the National Bureau of Statistics (NBS) is yet to publish the official labour data for the period, the 35 percent by Agosto & Co shows the jobless rate in Africa's largest economy was up 6.06 percentage points from the 33.3 percent reported in 2020, when the impact of

COVID-19 pandemic forced businesses to lay off staff.

The last time Honeywell Flour Mills posted a loss was in 2016, when the precipitous drop in crude oil price stoked a severe dollar shortage that tipped the country into its first recession in 25 years.

The millers' total cost of production increased by 29.38 percent to N132.08 billion as at year end March 2022; interestingly, total cost was N47.01 billion in 2015, and the speed at which costs are growing is worrisome.

The company spent N0.96 on input cost to produce every N1 of product, according to MoneyCentral calculations.



MARKETS

Flour Mills shrugs off rising inflation, currency devaluation as profit rises

BALA AUGIE

Flour Mills of Nigeria Plc has surmounted the pass-through impact of currency devaluation and high inflationary environment as a strong growth in sales helped lift profit, which paves the way for dividend distribution.

The largest miller by market capitalisation has broad-based expansions across all its business units and operational efficiencies amid the unfavourable operating landscape that makes it possible for it to withstand macroeconomic headwinds.

Interestingly, the audited financial for the year ended March 2022 shows the consumer goods giant saw net income rise by 8.94 percent

to N28.01 billion from N25.71 billion the previous year.

A substantial growth and volume growth across the food division that spurred sales absorbed rising cost of production which bolstered the bottom line (profit).

Sales, which has been growing steadily since 2017, spiked by 50.33 percent to N1.16 billion as at year end March 2022.

Specifically, the sales outturn was driven by substantial growth across the Food (+59.4% y/y), Agro-Allied (+66.1% y/y), Sugar (+39.6% y/y) and Support services (+49.5% y/y).

The company attributed the growth in sales to a fa-

vourable volume mix across its product portfolio, gains from the recently introduced value product across noodles, pasta cereal, and edible oil, and strategy of maximizing the output from its B2C channel as the supporting factors for the broad-based topline expansion.

However, there are concerns about the impact of rising costs on the company's profit margin as it operates in a difficult business environment.

FlourMills' spent N0.91 on input cost to produce every N1 of the products as total cost spiked by 50.35 percent to N1.05 trillion.

Rising material costs and

energy crisis exacerbated by the war in East Europe that sent the price of wheat to 14-year high spurred commodity price undermined profit margin.

The headline inflation climbed further by 90bps to settle at 16.8 percent year on year (y/y) in Apr-22, from the previous print of 15.9 percent y/y in Mar-22, which is 12bps higher than our forecast of 16.7 percent, according to data from the National Bureau of Statistics (NBS).

FlourMills' board proposed a dividend of N2.15/s, implying a c. 34.0% dividend payout ratio and yield of 6.1% based on the last closing price of N35.70.

MARKETS

Portfolio flows lead as capital inflows to Nigeria drop by 17.5% in first quarter

SEUN PETERS

The total value of capital importation into Nigeria in the first quarter (Q1) of 2022 decreased by 17.46% from US\$1.9 billion, when compared to the corresponding quarter of 2021.

Capital imports stood at US\$1.57 billion when compared to the preceding quarter showing a decrease of 28.09%, from US\$2.18 billion.

The largest amount of capital importation by type was received through Portfolio Investment, which accounted for 60.87% (\$957.58 million).

This was followed by Other Investment with 29.28% (US\$460.59 million) and Foreign Direct Investment (FDI) accounted for 9.85% (\$154.97 million) of total capital imported in Q1 2022.

Disaggregated by Sec-

tors, capital importation into banking had the highest inflow of US\$818.84 million amounting for 52.05% of total capital imported in the first quarter of 2022.

This was followed by capital imported into the production sector, valued at US\$223.67 million (14.22%) and the financing sector with US\$199.37 million (12.67%).

Capital Importation by Country of Origin reveals that the United Kingdom ranked top as the source of capital imported into Nigeria in the first quarter of 2022 with a value of US\$1.021 billion, accounting for 64.92%.

This was followed by the Republic of South Africa and the United States of America valued at US\$117.50 million (7.47%) and US\$82.07 million (5.22%) respectively.

Guaranty Trust Holding Company gets...

Continued from page 1

veraging technology to improve access to financial services for individuals and empower businesses across Africa with the right digital tools to thrive."

The new subsidiary will serve to expand GTCO Plc's range of services to largely underserved markets in support of the CBN's financial inclusion drive and contribute to the resilience of the global payment ecosystem.

All regulatory approvals have been obtained for the commencement of operations of the Company, according to GTCO Plc in a filing to the Nigerian Exchange Limited.

The year 2021 was a transition one for GTCO as it became a Holding Company amid numerous regulatory and macro headwinds. In spite of the challenges and

headwinds which affected businesses and households, Guaranty Trust Holding Company (GTCO) Plc was able to navigate efficiently, deploying appropriate strategies to deliver Post-tax Return on Average Assets of 3.37 percent and Post-tax Return on Average Equity of 20.60 percent.

GTCO reported profit after tax of N174.89 billion as at December 2021, and N43.20 billion in the first quarter (Q1) of 2022.

Agbaje in a presentation in which MoneyCentral was present said the erstwhile, Guaranty Trust Bank (GTBank) decided to adopt a Holding Company model that will comprise commercial banking, payment services, and pension fund assets, to diversify its revenue base and remain competitive in the light of the regulatory environment and market dynamics.

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CHANGE OF NAME

I, formerly known and addressed as **Mukhtar A. Mukhtar**, now wish to be known and addressed as **Masa'ud Muntari**. All former documents remain valid. General public and Authorities concerned should please take note.

CHANGE OF NAME

I, formerly known and addressed as **Anaedum Francisca**, now wish to be known and addressed as **Francisca Vincent Nwankwu**. All former documents remain valid. General public and Authorities concerned should please take note.

THE BOTTOM LINE

Insurers pay N38.55 bn claims in first quarter

BALA AUGIE

While insurers in Africa's largest economy are honoring obligations to policyholders, most of them are paying out more money in claims than they are receiving from premiums.

The largest quoted companies on the NGXASI index collectively incurred N38.53 billion in claims in the first quarter of 2022, and that is 13.83 percent higher than 2021's N33.85 billion, according to data gathered by MoneyCentral.

The average industry claims ratio based on MoneyCentral calculations increased to 58.02 percent in March 2022 from 44.73 percent as at March 2021.

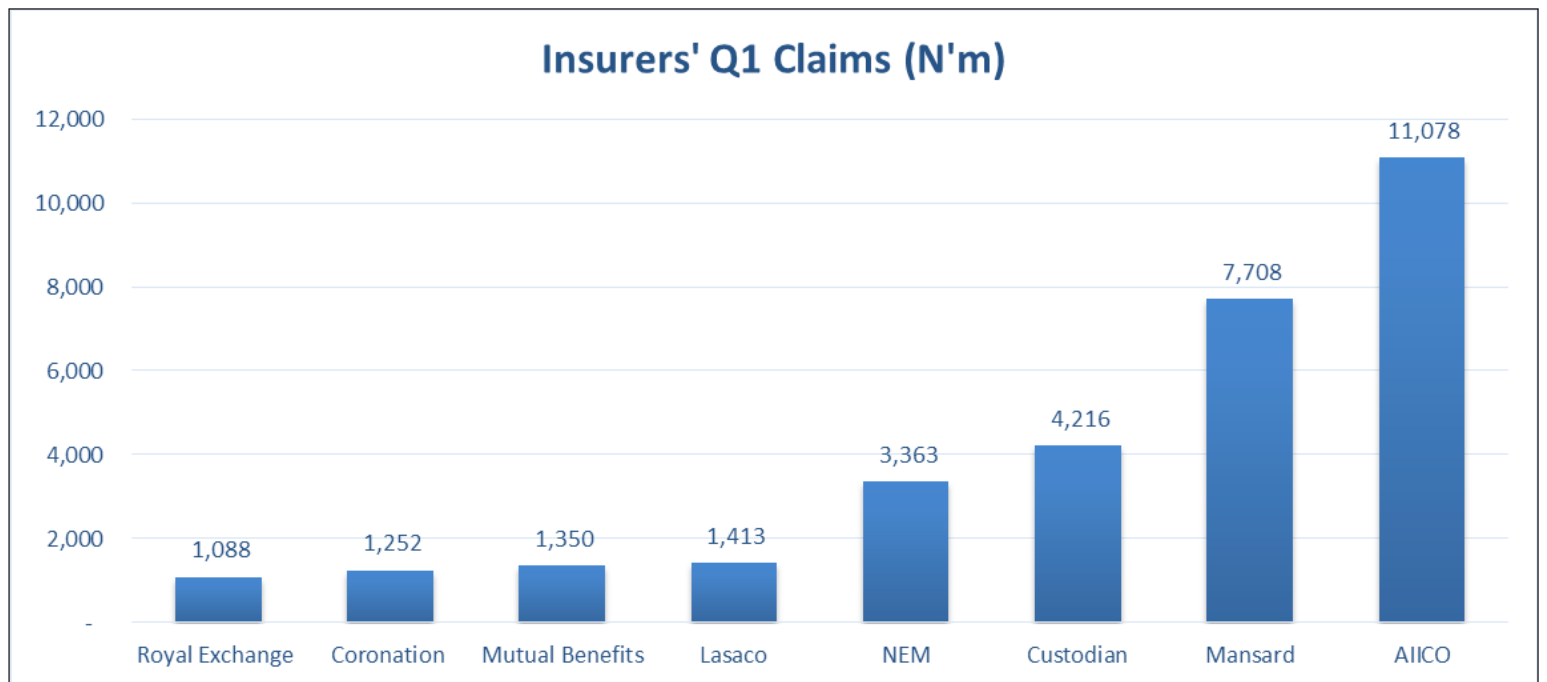
This means on average they spent N0.58 to generate every N1 of premium income, and investment income always helps to compensate for poor underwriting results.

Custodian Investment's claims expenses were up 14.54 percent to N4.21 billion in March 2022 from N3.68 billion the previous year. Claims ratio rose to 66.61 percent in March 2022 from 64.85 percent in March 2021.

AIICO Insurance's claims expenses were up 0.93 percent to N11.07 billion in the period under review from N10.97 billion the previous year.

Consolidated Hallmark's claims expenses spiked by 60.23 percent to N1.11 billion as at March 2022 from N698.12 million as at March 2021.

Of course mounting obligations are normal to sector players, and this cuts across the globe



as firms in the United States, Asia, and Europe are exposed to huge insurance losses which stems from floods, hurricanes, Earthquake, Typhoon, and the Australian wildfire.

Some analysts attribute rising claims in Nigeria to the reopening of the economy that pave the way for cars to hit the road, hence ballooning motor insurance costs; and the rally in crude oil price on the back of relaxation of lockdown measures and the war between Russian and Ukraine have bolstered oil and gas claims.

However, a weak macroeconomic climate as evidenced by rising inflation and currency devaluation balloons the replacement cost of an asset.

It is important to note that

insurers were also exposed to the losses that related to the ENDSARS protest as properties were destroyed across the country.

According to a recent report by the Nigerian Insurers Association (NIA), insurance companies have paid N11bn claims on losses suffered during the 2020 #EndSARS protest.

Insurance Technocrat and former Chairman of the Nigeria Insurers Association, Gius Wiggle who unveiled Carest Consult firm to pioneer a new vista in claims management and strengthen the value chain in the insurance industry, confirmed that the #ENDSARS riot inspired this new outfit coupled with the existence of many policyholders who do not know the extent of

their insurance coverage.

He noted that many people are just buying insurance to satisfy the law without understanding that they should report the incidents or accidents to their insurance companies.

Wiggle said that the new company will assist victims of motor or workplace accidents to get compensations against the insurers of the motor vehicles or their principals against their liability insurance policies.

"Given my knowledge of the working process in an underwriting company, insurance companies have neglected a significant portion of their recoveries from claims and lose lots of inflows that should enhance their revenue line and reduce their claims cost," said Wiggle.

The headline inflation climbed further by 90bps to settle at 16.8 percent year on year (y/y) in Apr-22, from the previous print of 15.9 percent y/y in Mar-22, which is 12bps higher than our forecast of 16.7 percent, according to data from the National Bureau of Statistics (NBS).

A sizable number of insurance companies have solvency that is above the regulatory threshold, which means they have the cash flow to pay claims and meet other financial obligations.

Analysts are of the view that sector players have to magnify their capital so as to enable them to assume more risk by underwriting new policies that need to generate more premium.

Dangote Cement, MTN, Zenith Bank top list of...

Continued from page 1

over the period.

It is important to note that corporate profit growth is concomitant with the gradual economic recovery as evidenced in the last GDP report published by the National Bureau of Statistics (NBS) that showed the economy expanded by 3.10 percent year on year (YOY).

The Q1-2022 GDP figures showed that the Nigerian economy expanded by 3.1 percent y/y in real terms in what was broadly a positive surprise as the growth print topped consensus expectation even amid unprecedented developments in the global economic environment including rising inflationary pressure, higher importation costs (due disruption in the global supply chain), and geo-political uncertainties.

However, there are concerns that corporate profit might slow

down due to the hawkish stance of the central bank which hiked the monetary policy rate (MPR) to tame inflation; it must be noted that central banks across the globe are hiking interest rates to

rein in on inflationary pressures brought on by rising commodity prices, supply chain issues, and the war in East ernEurope.

Usually, when the central bank hikes interest rate, it undermines the expansion plans of companies who will be paying higher interest to service

debt, which shrinks dividend distribution to shareholders as profit slumps.

In a high interest rate environment, the bond yield used in the calculation of cost of debt needed to arrive at the weighted average cost of capital (WACC) increases, which shrinks the

value of a firm.

However, banks will be the winner in a high interest rate environment as net interest margin improves.

The Nigeria 10-year government bond has a 11.299 percent yield as at June 2022, according to data from World Government Bond.

Central banks' monetary policy committee has increased the monetary policy rate from 11.50 percent to 13 percent.

There are indications that geopolitical tensions and rising inflation are beginning to manifest in the books of firms who have released results so far in the form of spiraling costs of production that deal a great blow on margins.

It is noteworthy that companies are groaning under huge raw material costs and some of them have decided to hedge against price increases by placing orders in advance. Obliviously, that resulted in a pile up of inventories and an uptick in receivables.

