

Case Study

# Initiating Coverage Report on a West African Telecom Giant



## About the Client

- The client is West Africa's leading investment and brokerage firm and a member of West African Regional Stock Exchange (BRVM) of the West African Economic and Monetary Union (WAEMU) region

## Business Objective

- The client wanted to initiate coverage on a telecom giant based in West Africa to cater to its foreign clients that wanted to invest in the telecom sector in this region
- It also wanted to forecast company financials and value the equity providing target price and investment advice (BUY/SELL/HOLD)

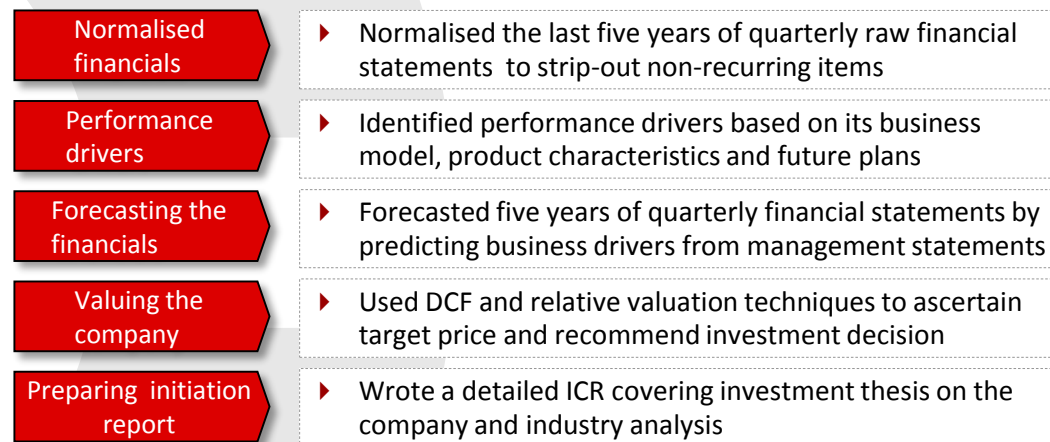
## Results & Value Add

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- RocSearch created a comprehensive report encompassing detailed insights about the company's business model and potential catalysts for the stock
- The company in focus performed in line with our major forecasts and appreciated significantly in the subsequent months, vindicating the BUY rating that we had assigned to the stock

# Research Methodology and Approach

- The team took a top-down approach by developing an understanding of the economic, industry and company trends. The main challenge was lack of data about the company and the industry. To overcome this, we leveraged various analyst and industry reports along with general news searches and management's statements and identified the major drivers for the company. We also verified the trends in the company data using secondary research and incorporated the same in our analysis
- We prepared a detailed revenue model for the company after identifying the drivers and then forecasted major line items based on our expectations. We, then, prepared the valuation model based on a combination of DCF and relative valuation approaches. We also presented our analysis in a comprehensive report clearly outlining our investment rationale and associated risks
- The team provided a detailed analysis on the industry trends and explained our major assumptions as well. We followed the steps below for performing our analysis:





# rocsearch

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## Contact Us

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