



Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N28.3tn/\$61.26bn
All Share Index : 51,903.61
YTD : +1.25

Overview

- Market activities for the week ended Friday, April 14 2023 closed in the negative territory. The NSE ASI declined by 2.08% w/w to close at 51,893.94. The Insurance (-1.76%), Banking (-1.40%) and Industrial (-0.40%) sustained the bears whilst the upturn in Consumer (+0.05) sectors consoled the bulls. The Oil & Gas Index (0.00%) closed flat.

Gainers & Losers preview

- On the individual stock level, TRANSCORP (+23.362% w/w) led the gainers whilst INTBREW (+11.11% w/w), SAHCO (+10.00% w/w), BERGER (+8.57% w/w), NAHCO (+8.16%, w/w) and CHAMS (+4.17% w/w) played the supporting role and sustained the market. On the flipside, CHIPLC (-13.64% w/w), AIRTELAFRICA (-10.00% w/w), CADBURY (-9.73% w/w) and WAPCO (-7.75% w/w) dragged the market. Hence, to close the week, the year-to-date (YTD) return reduced to +1.25%, whilst the market capitalization lost N530bn week on week to close at N28.27trn.

Market Events and Prospect for the week

- The Inflation figures published by the National Bureau of Statistics (NBS) for March 2023 saw inflation rate rise for the third straight month to 22.04% from 21.91% in the previous month (February 2023). The food inflation also rose to 24.46% in March from 24.35% in February 2023.
- Effect on Equities Market**
Generally, inflation is expected to see a reduction in market activities as investors' purchasing power diminishes forcing them to switch their focus to household necessities and investments that will pay higher returns than inflation rate.
- Case for Equities Market**
If we take into consideration the movement in both inflation rates and All Share Index from January 1, 2023, to March 31, 2023, then the ASI (+5.82%) has outperformed Inflation rate (-3.28%) in that period.
- Inflation prospect**
Inflation is projected to rise further in the immediate future despite the continuous monetary policy tightening by the Central Bank of Nigeria. In addition external shocks including Russia-Ukraine war, supply chain disruptions are going to continue worsening inflation crises in Nigeria and around the world.
- Market Prospect for the week**
We expect mixed sentiment in the market this week as Q1 results starts trickling in. The bargain hunters will be on the prowl.

Key Market Data

INDEX	Week Close 06/04/2023	Week Close 14/04/2023	Week to date	Year to date
All Share Index	52,994.13	51,893.94	- 2.08	1.25
NGX Banking	448.23	441.95	- 1.40	5.86
NGX Consumer Goods Index	698.37	698.71	0.05	18.64
NGX Industrial Index	2,455.43	2,445.50	- 0.40	1.76
NGX Insurance Index	181.40	178.21	- 1.76	2.21
NGX Oil & Gas	510.25	510.25	-	10.33
NGX Pension Index	1,875.27	1,841.87	- 1.78	2.75

Source: Securities Africa Research, NGX

Top 10 Advancers

Top 10 Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
TRANSCORP	1.37	1.69	23.36	CHIPLC	0.66	0.57	-13.64
INTBREW	4.05	4.50	11.11	NEIMETH	1.45	1.30	-10.34
SAHCO	5.00	5.50	10.00	MAY & BAKER	4.50	4.05	-10.00
ABC	0.31	0.34	9.68	AIRTELAFRICA	1,331.10	1,198.00	-10.00
BERGER	7.00	7.60	8.57	CADBURY	11.30	10.20	-9.73
NAHCO	9.80	10.60	8.16	NPMFMB	1.90	1.70	-10.53
REGENCY	0.29	0.31	6.90	CWG	1.00	0.92	-8.00
CAVERTON	0.97	1.02	5.15	FCMB	3.85	3.55	-7.79
CHAMS	0.24	0.25	4.17	WAPCO	25.80	23.80	-7.75
SOVEREININS	0.28	0.29	3.57	ROYALEX	0.66	0.61	-7.58

Source: NGX

Inflation vs All Share Index

	Open	Close	March 2023 YTD
Inflation	21.34	22.04	3.28
ASI	51,251.06	54,232.24	5.82

Source: Securities Africa Research

Recommendation

Below you will find the stocks earmarked for the week. These recommendations serve as a guide to investors for this week.

STOCKS	Last Price	Current Price	WoW% Change	YTD% Change	Recommendation
NAHCO	9.80	10.60	8.16	65.63	BUY
GTCO	24.40	24.40	0.00	6.09	BUY
AIRTELAFRICA	1,331.10	1198.00	-10.00	-26.73	HOLD
MTNN	240.00	240.00	0.00	11.63	BUY
WAPCO	25.80	23.80	-7.75	-0.83	BUY
TRANSCORP	1.37	1.69	23.36	49.56	BUY
FIDELITYBK	5.31	5.09	-4.14	17.01	BUY
INTBREW	4.05	4.50	11.11	-4.26	HOLD
AIICO	0.60	0.59	-1.67	0.00	HOLD
CUSTODIAN	5.65	5.65	0.00	-5.04	BUY

NASD OVERVIEW FOR THE PAST WEEK

MARKET SNAPSHOT	Week 15	Week 14	% Change
NASD Securities Index	739.58	737.97	0.22
Market Capitalization (NTn)	1.02	1.02	0.22
Total Volume Traded	521,760,983.00	14,666,658.00	3457.46
Total Value Traded	87,975,914.16	67,477,713.35	33.01
Number of Deals	43	57	-22.56
Number of Traded Stocks	11	10	10

WEEK ADVANCERS

SECURITY	Close (N)	Open (N)	%Change
Central Securities Clearing	14.7	13.61	8.01

WEEK DECLINERS

Niger Delta Exploration & Production Plc	210.00	215.00	-2.33
Friesland Campina Wamco Nigeria Plc	79.00	80.19	-1.48

TRADE EXECUTED

SECURITY NAME	Trades	Volume	Value (N)
Industrial & General	1	513,455,861	41,076,468.88
Niger Delta Exploration &	14	148,608	31,914,194,560.00
Friesland Campina Wamco	17	87,073	7,079,185.10
Food Concept Plc	1	7,500,000	6,750,000.00
Central Securities Clearing	1	100,000	1,470,000.00
11 Plc	4	8,512	1,191,690.00
Afriland Properties Plc	1	359,166	775,798.56
Geo-Fluids Plc	1	83,333	178,332.62
Mixta Real Estate Plc	1	18,200	32,032.00
Newrest ASL Nigeria Plc	1	130	1,495.00
Cititrust Holdings Plc	1	100	1,352.00

Source: Nasd

FMDQ

Foreign Exchange			
Market	Spot (\$/N)	Change %	Date
Opening	462.83	-0.04	14/04/2023
Close	464	0.25	14/04/2023

Source: Fmdq



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