



## Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N35.42tn/\$47.9bn  
All Share Index : 64,721.09  
YTD : +26.28%

### Overview

- Market activities for the week ended Friday, August 18, 2023 closed bearish. The Bears dominated 4 out of the 5 trading sessions last week to ensure that the week closed negative despite the bulls resurfacing on Friday. As a result, the NGX ASI decreased by 0.93% w/w to close at 64,721.09. The negative sentiment for the week was driven by the downturn in Insurance Index (-2.17%), Banking Index (-2.06%) and Oil & Gas Index (-1.13%). The Consumer Goods Index (+2.39%) and Industrial Index (+0.37%) closed the week bullish.

### Gainers & Losers preview

- On the individual stock level, NEM (-10.00%, w/w), ETERNA (-9.39% w/w), FTN COCOA (-8.44% w/w) and CHAMPION (-8.24%, w/w) depressed the market. On the flipside, CWG (+25.83%, w/w) led the gainers whilst JOHNHOLT (+20.83% w/w), IKEJAHOTEL (+9.82%, w/w) and WEMA (+7.76%, w/w) sustained the market. Hence, to close the week, the year-to-date (YTD) return decreased to +26.28%, whilst the market capitalization lost N150bn week on week to close at N35.422trn.

### Market Event and Prospect for the week

#### Market Event for the week

##### McNichols Rights Issue

McNichols announced the opening of the proposed Rights Issue of 531,242,609 ordinary shares of fifty kobo (N0.50) each at 50 kobo (N0.50) per share, on the basis of seventeen (17) ordinary shares for every twenty three (23) ordinary shares held.

**Qualification date:** September 16, 2022.

**Open date:** August 9, 2023

**Close date:** August 31, 2023.

#### Corporate Actions

##### Northern Nigeria Flour Mills (NNFM)

Proposed Dividend: N0.35

Qualification Date: 22/08/2023

Payment Date: 08/09/2023

##### Presco Plc

Proposed Dividend: N6.80

Qualification Date: 13/09/2023

Payment Date: 22/09/2023

Source: NGX

#### Prospect for the week

We expect mixed sentiment in the market this week.

### Key Market Data

INDEX	Week Ended 11/08/2023	Week Ended 18/08/2023	Week to date %	Year to date %
All Share Index	65,325.37	64,721.09	- 0.93	26.28
NGX Banking Index	681.58	667.57	- 2.06	59.90
NGX Consumer Goods Index	877.59	898.53	2.39	52.57
NGX Industrial Index	2,840.70	2,851.11	0.37	18.64
NGX Insurance Index	273.75	267.82	- 2.17	53.60
NGX Oil & Gas Index	918.43	908.02	- 1.13	96.34

Source: Securities Africa Research, NGX

### Top 10 Advancers

### Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
CWG	3.02	3.80	25.83	SUNUASSUR	1.15	0.82	-28.70
INITIATES	0.94	1.16	23.40	GUINEAINS	0.39	0.29	-25.64
JOHNHOLT	1.20	1.45	20.83	NEM	6.00	5.40	-10.00
LINKASSURE	0.83	0.98	18.07	UNITY	1.43	1.29	-9.79
PRESTIGE	0.46	0.54	17.39	ETERNA	19.70	17.85	-9.39
NSLTECH	0.29	0.33	13.79	CAVERTON	1.42	1.29	-9.15
CORNERST	1.18	1.30	10.17	UPDC	1.12	1.02	-8.93
IKEJAHOTEL	2.85	3.13	9.82	UNIVERSAL	0.23	0.21	-8.70
WEMA	4.64	5.00	7.76	FTNCOCOA	2.25	2.06	-8.44
TRANSCORP	3.89	4.16	6.94	CHAMPION	3.40	3.12	-8.24

Source: NGX



## 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	52Week High	52Week Low	Dividend Yield	P/E RATIO	Earnings Per Share	Recommendation
<b>INDUSTRIAL SECTOR</b>										
DANGOTE CEMENT PLC	349.90	360.00	2.89	37.93	352.00	220.00	8.23	11.91	27.01	HOLD
BUA CEMENT PLC	98.95	96.15	- 2.83	- 1.64	117.00	49.50	2.64	25.50	2.98	HOLD
BETA GLASS PLC	38.50	39.00	1.30	1.52	52.12	39.60	0.66	5.25	13.05	
LAFARGE AFRICA PLC	27.75	27.30	- 1.62	13.75	30.15	20.10	0.04	6.45	24.95	HOLD
<b>TELECOMMUNICATION SECTOR</b>										
MTN NIGERIA COMMUNICATIONS P	279.90	275.00	- 1.75	27.91	280.00	185.00		12.15	N/A	ACCUMULATE
AIRTEL AFRICA PLC	1319.90	1250.00	- 5.30	23.55	2,040.00	1,198.00			N/A	SELL
<b>CONSUMER GOODS SECTOR</b>										
NESTLE NIGERIA PLC	1175.00	1170.00	- 0.43	6.36	1,401.40	963.90		17.53	56.63	HOLD
NIGERIAN BREWERIES PLC	42.50	42.50	-	3.66	55.44	28.80	2.32	21.94	7.88	BUY
DANGOTE SUGAR REFINERY PLC	33.00	35.00	6.06	118.07	27.50	15.00	7.89	6.88	0.19	BUY
INTERNATIONAL BREWERIES	4.50	4.70	4.44	-	8.60	4.00	-	-	2.11	
FLOUR MILLS NIGERIA PLC	29.75	29.50	- 0.84	3.87	40.75	27.00		4.75	3.60	BUY
UNILEVER NIGERIA PLC	15.60	14.50	- 7.05	25.00	17.45	9.80	-	93.31	1.76	HOLD
HONEYWELL FLOUR MILL PLC	3.40	3.20	- 5.88	36.75	3.83	1.94	1.99	24.98	N/A	
PZ CUSSONS NIGERIA PLC	17.00	17.45	2.65	53.74	22.10	8.05	0.94	5.91	3.61	BUY
CHAMPION BREWERIES PLC	3.40	3.12	- 8.24	43.27	5.55	3.00	-	18.15	0.06	
GUINNESS NIGERIA PLC	60.50	60.50	-	12.70	92.70	54.45	30.57	11.33	12.73	HOLD
NASCON ALLIED INDUSTRIES PLC	36.90	35.00	- 5.15	215.32	36.00	9.50	6.99	9.51	4.22	BUY
VITAFAM NIGERIA PLC	20.90	21.90	4.78	7.09	23.60	16.85			3.51	HOLD
CADBURY NIGERIA PLC	14.00	13.70	- 2.14	15.13	18.80	10.20	4.53	17.26	1.08	BUY
BUA FOODS	134.00	139.90	4.40	115.23	135.75	52.50	N/A	9.09	9.09	ACCUMULATE
<b>BANKING SECTOR</b>										
GUARANTY TRUST HOLDING CO PLC	37.90	36.45	- 3.83	58.48	38.50	16.80	15.25	3.07	6.87	ACCUMULATE
ZENITH BANK PLC	35.00	34.00	- 2.86	41.67	35.15	18.90	15.91	2.46	7.37	ACCUMULATE
STANBIC IBTC HOLDINGS PLC	63.90	63.40	- 0.78	89.54	69.50	27.50	7.89	5.84	8.10	HOLD
FBN HOLDINGS PLC	19.00	18.80	- 1.05	72.48	20.30	8.20	4.15	2.31	8.57	ACCUMULATE
ACCESSCORP	17.35	17.00	- 2.02	100.00	18.75	7.50	16.51	1.65	5.45	BUY
UNITED BANK FOR AFRICA PLC	14.40	13.90	- 3.47	82.89	14.90	6.55	18.38	1.84	6.07	BUY
ECOBANK TRANSNATIONAL INC	15.80	16.15	2.22	52.36	17.00	9.50	6.68	2.15	6.48	BUY
UNION BANK NIGERIA PLC	7.00	6.90	- 1.43	7.81	8.25	5.00	6.96	8.64	1.66	HOLD
FIDELITY BANK NIGERIA	7.60	7.40	- 2.63	70.11	8.93	2.87	-	2.13	2.71	BUY
STERLINGNG	3.55	3.60	1.41	157.14	4.17	1.32	3.53	2.20	0.82	BUY
FCMB GROUP PLC	6.15	6.00	- 2.44	55.84	6.80	2.92		2.03	2.93	BUY
WEMA BANK PLC	4.64	5.00	7.76	28.21	5.44	3.85		6.62	1.42	BUY
JAIZ BANK PLC	1.81	1.67	- 7.73	81.52	1.98	0.68	-	3.75	0.28	BUY
<b>OIL &amp; GAS SECTOR</b>										
SEPLAT ENERGY PLC	1693.30	1670.80	- 1.33	51.89	1,693.60	1,050.00	5.82	34.51	0.11	ACCUMULATE
OANDO PLC	5.18	5.40	4.25	37.76	6.35	3.53	-	1.62	48.40	
TOTALENERGIES MARKETING NIGE	385.00	385.00	-	99.48	385.00	197.00	11.05	3.92	49.93	ACCUMULATE
MRS NIGERIA PLC	109.45	109.45	-	676.24	109.45	10.55	-	364.19	33.75	ACCUMULATE
ETERNA PLC	19.70	17.85	- 9.39	166.82	30.40	5.40	-	4.17	5.40	BUY
CONOIL PLC	110.00	110.00	-	315.09	112.50	23.90	-	4.97	18.33	BUY
<b>INSURANCE SECTOR</b>										
N.E.M. INSUR CO (NIG) PLC	6.00	5.40	- 10.00	20.00	6.30	3.13		3.20	1.32	BUY
AXA MANSARD INSURANCE PLC	3.85	3.65	- 5.19	82.50	4.10	1.50		5.06	2.08	BUY
AICO INSURANCE PLC	0.69	0.67	- 2.90	13.56	0.79	0.52		2.13	0.23	BUY
<b>AGRICULTURE SECTOR</b>										
OKOMU OIL PALM PLC	265.00	250.00	- 5.66	51.52	265.00	157.00		10.17	8.80	HOLD
PRESKO PLC	220.00	220.00	-	60.00	220.00	110.00	0.01	7.59	24.75	ACCUMULATE
<b>CONGLOMERATE SECTOR</b>										
TRANSNATIONAL CORP OF NIGERI	3.89	4.16	6.94	268.14	4.13	0.90		17.50	0.36	SELL
UAC OF NIGERIA PLC	10.80	10.70	- 0.93	4.39	14.40	7.90	-	-	0.11	HOLD
<b>FINANCIAL SERVICES SECTOR</b>										
UNITED CAPITAL AFRICA LTD	15.00	14.30	- 4.67	2.14	16.00	9.00	13.58	5.16	1.47	HOLD
NIGERIAN EXCHANGE GROUP PLC	24.40	24.50	0.41	2.20	30.25	17.00	-	62.20	1.04	BUY
CUSTODIAN INVESTMENT PLC	7.65	7.60	- 0.65	27.73	7.50	5.35		3.31	2.11	ACCUMULATE
<b>CONSTRUCTION SECTOR</b>										
JULIUS BERGER NIGERIA PLC	29.00	29.00	-	18.37	31.00	21.15		7.30	6.42	SELL
<b>AVIATION SECTOR</b>										
SKYWAY AVIATION HANDLING CO	28.15	28.15	-	463.00	23.30	5.00	#N/A N/A	12.56	1.16	
NIGERIAN AVIATION HANDLING C	17.70	18.20	2.82	184.38	19.90	5.00	-	7.97	1.84	BUY
<b>POWER SECTOR</b>										
GEREGU	339.50	339.50	-	127.85	350.00	100.00			6.44	

## NASD OVERVIEW FOR THE PAST WEEK

Below is a snap shot of what transpired in the National Association of Securities Dealers (NASD) market for the week ended August 18, 2023.

### NASD Market News

MARKET SNAPSHOT	Week 33	Week 32	% Change
NASD Securities Index	787.13	788.07	-0.12
Market Capitalization (NTn)	1.1	1.09	0.92
Total Volume Traded	39,756,319.00	1,009,898.00	3836.67
Total Value Traded	642,201,736.24	153,492,845.39	318.39
Number of Deals	93	79	17.72
Number of Traded Stocks	14	14	0.00

Source: Proshare NASD

WEEK ADVANCERS			
SECURITY	Close (N)	Open (N)	%Change
SDNDEP	432.88	389.57	11.12
SDNIPCOPLC	78.65	71.5	10.00
SDIGIPLC	0.11	0.1	10.00
SDFOODCPT	0.96	0.9	6.67
WEEK DECLINERS			
SDMIXREAL	74.00	76.50	-3.27
SD11PLC	186.34	204.00	-8.66
SDCSCSPLC	17.00	18.00	-5.56
SDFWAMCO	73.51	74.00	-0.66

Source: Proshare NASD

### FMDQ

Foreign Exchange I&E FX Window			
Description	Spot (\$/N)	Change %	Date
Opening	740.60	-5.21	11-08-23
Close	739.52	0.15	18-08-23
NAFEX	773.39		17-08-23
MPR	18.75%		22-07-23
INFLATION	22.49%		17-07-23
	Friday, June 30, 2023	Wednesday, May 31, 2023	
GROSS EXTERNAL RESERVES (USD'bn)	34.1	35.1	-2.85

Source: Securities Africa Research , NGX

YTD OVERVIEW	
TOTAL VOLUME	3,301,476,926.00
TOTAL VALUE	32,435,771,956.69
NUMBER OF DEALS	2,430.00

Source: Proshare NASD

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