



Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N36.99tn/\$49.9bn
All Share Index : 67,527.19
YTD : +31.76%

Overview

- Market activities for the week ended Friday, September 01, 2023 closed bullish. The Bulls dominated the week as the banking index regained positive sentiment and DANGSUGAR and NASCON sustained the consumer index. As a result, the NGX ASI increased by 3.00% w/w to close at 67,527.19. The positive sentiment for the week was driven by the upturn in Consumer Goods Index (+7.58%), Oil & Gas Index (+5.36%), Banking Index (+5.11%), Industrial Index (+1.98%) and Insurance Index (+0.80%).

Gainers & Losers preview

- On the individual stock level, OMATEK (+53.33 % w/w), NAHCO (+41.80% w/w), DANGSUGAR (+35.71% w/w), NASCON (+55.60% w/w), and GLAXOSMITH (+22.64%, w/w) sustained the market. On the flipside, CWG (-19.80%, w/w) led the losers whilst MAY&BAKER (-11.82% w/w), NB (-11.76%, w/w) and LINKASSURE (-10.00%, w/w) depressed the market. Hence, to close the week, the year-to-date (YTD) return increased to +31.76%, whilst the market capitalization gained N1.15trn week on week to close at N36.985trn.

Market Event and Prospect for the week

Market Event for the week

BULLS TRIUMPH IN AUGUST 2023

The equities market in August closed bullish as Investors show confidence in the market despite increase in MPR and Naira volatility.

The NGX All-Share Index appreciated by 3.44% thereby, closing the month at 66,548.99 point. As a result, the year to date (YTD) improved to +29.85%.

Milestone:

The NGX ASI hit a 15 year high in August as it surpassed the highest value of 66,371.20 recorded on March 5, 2008.

Drivers:

The positive sentiment was buoyed by the reverberation of President Bola Tinubu's policies including: fuel subsidy removal, unification of the exchange rate and floating of the Naira to name a few.

The equities market took off from that point and companies, especially, banking stocks and oil & gas stocks saw their prices shatter their 52 week high by some margin. Also, it was earnings season in August as companies H1 results were released and dividend declared. As a result, investors jostled to position themselves to earn those dividends.

FGN SAVINGS BOND

We are pleased to inform you that the FGN Savings Bond auction for the month of September has commenced auction from Monday September 4- Friday September 8, 2023

Key Market Data

INDEX	Week Ended 25/08/2023	Week Ended 01/09/2023	Week to date %	Year to date %
All Share Index	65,558.91	67,527.19	3.00	31.76
NGX Banking Index	643.73	676.62	5.11	62.06
NGX Consumer Goods Index	1,002.56	1,078.51	7.58	83.13
NGX Industrial Index	2,850.74	2,907.08	1.98	20.97
NGX Insurance Index	271.09	273.27	0.80	56.73
NGX Oil & Gas Index	892.63	940.49	5.36	103.36

Source: Securities Africa Research , NGX

Top 10 Advancers

Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
OMATEK	0.30	0.46	53.33	CWG	5.00	4.01	-19.80
NAHCO	18.30	25.95	41.80	JOHNHOLT	1.53	1.31	-14.38
ABC	0.68	0.95	39.71	PRESTIGE	0.48	0.42	-12.50
CHIPLC	0.83	1.15	38.55	MAY&BAKER	5.50	4.85	-11.82
THOMWYATT	1.70	2.17	27.65	IKEJAHOTEL	3.40	3.00	-11.76
DANGSUGAR	47.50	60.50	27.37	MCNICHOLS	0.64	0.57	-10.94
NASCON	44.75	55.60	24.25	LINKASSURE	1.00	0.90	-10.00
GLAXOSMITH	10.60	13.00	22.64	MULTIVERSE	3.00	2.70	-10.00
UPDC	1.02	1.25	22.55	CHELLARAMS	3.96	3.57	-9.85
TRANSEXPRESS	0.88	1.05	19.32	NSLTECH	0.33	0.30	-9.09

Source: NGX

Please see details below:

- 2-Year FGN Savings Bond due September 13, 2025: 11.031% per annum
- 3-Year FGN Savings Bond due September 13, 2026: 12.031% per annum

Opening Date: Monday, September 4, 2023
Closing Date: Friday, September 8, 2023
Settlement Date: September 13, 2023
Coupon payment dates: December 13, March 13, June 13, September 13

Remember that with as little as N5, 000.00 (additional investments in multiples of N1, 000) and as much as N50m, you too can become a holder of a Federal Government Bond.

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

FIDELITY Plc

Proposed Dividend: N0.25
Qualification Date: N/A
Payment Date: N/A

GTCO Plc

Proposed Dividend: N0.50
Qualification Date: N/A
Payment Date: N/A

Source: NGX

■ Prospect for the week

We expect bullish sentiment in the market this week as investors position themselves for dividend whilst anticipating further release of H1 2023 results, especially for the banking stocks.

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	
INDUSTRIAL SECTOR											
DANGOTE CEMENT PLC	360.00	369.80	2.72	41.69	369.80	220.00	8.23	11.91	27.01	HOLD	
BUA CEMENT PLC	96.15	96.15	-	1.64	117.00	49.50	2.64	25.50	2.98	HOLD	
BETA GLASS PLC	39.00	39.00	-	1.52	52.12	39.60	0.66	5.25	13.05		
LAFARGE AFRICA PLC	27.20	29.75	9.38	23.96	30.15	20.10	0.04	6.45	24.95	HOLD	
TELECOMMUNICATION SECTOR											
MTN NIGERIA COMMUNICATIONS P	274.50	274.40	-	0.04	27.63	280.00	185.00	12.15	N/A	ACCUMULATE	
AIRTEL AFRICA PLC	1250.00	1250.00	-	23.55	2,040.00	1,198.00			N/A	SELL	
CONSUMER GOODS SECTOR											
NESTLE NIGERIA PLC	1170.00	1110.00	-	5.13	0.91	1,401.40	963.90	17.53	-	56.63	HOLD
NIGERIAN BREWERIES PLC	37.90	39.00	2.90	4.88	55.44	28.80	2.32	21.94	-	7.88	BUY
DANGOTE SUGAR REFINERY PLC	47.50	60.50	27.37	276.95	60.50	15.00	7.89	6.88	0.19	BUY	
INTERNATIONAL BREWERIES	4.70	4.60	-	2.13	-	2.13	8.60	4.00	-	2.11	
FLOUR MILLS NIGERIA PLC	29.50	32.60	10.51	14.79	40.75	27.00		4.75		3.60	BUY
UNILEVER NIGERIA PLC	14.10	13.50	-	4.26	16.38	17.45	9.80		93.31	1.76	HOLD
HONEYWELL FLOUR MILL PLC	3.01	3.20	6.31	36.75	3.83	1.94	1.99	24.98	N/A		
PZ CUSSENS NIGERIA PLC	17.40	17.50	0.57	54.19	22.10	8.05	0.94	5.91		3.61	BUY
CHAMPION BREWERIES PLC	3.12	3.30	5.77	40.00	5.55	3.00		18.15		0.06	
GUINNESS NIGERIA PLC	62.20	62.20	-	10.25	92.70	54.45	30.57	11.33	-	12.73	HOLD
NASCON ALLIED INDUSTRIES PLC	44.75	55.60	24.25	400.90	55.60	9.50	6.99	9.51		4.22	BUY
VITAFOAM NIGERIA PLC	22.20	24.80	11.71	21.27	24.80	16.85				3.51	HOLD
CADBURY NIGERIA PLC	13.80	13.80	-	15.97	18.80	10.20	4.53	17.26		1.08	BUY
BUA FOODS	165.00	180.00	9.09	176.92	180.00	52.50	N/A	9.09		9.09	ACCUMULATE
BANKING SECTOR											
GUARANTY TRUST HOLDING CO PLC	36.10	38.00	5.26	65.22	38.50	16.80	15.25	3.07		6.87	ACCUMULATE
ZENITH BANK PLC	32.75	34.40	5.04	43.33	35.15	18.90	15.91	2.46		7.37	ACCUMULATE
STANBIC IBTC HOLDINGS PLC	64.50	64.00	-	0.78	91.33	69.50	27.50	7.89	5.84	8.10	HOLD
FBN HOLDINGS PLC	16.55	18.40	11.18	68.81	20.30	8.20	4.15	2.31		8.57	ACCUMULATE
ACCESSCORP	16.55	17.20	3.93	102.35	18.75	7.50	16.51	1.65		5.45	BUY
UNITED BANK FOR AFRICA PLC	13.70	14.90	8.76	96.05	14.90	6.55	18.38	1.84		6.07	BUY
ECOBANK TRANSNATIONAL INC	15.15	15.00	-	0.99	41.51	17.00	9.50	6.68	2.15	6.48	BUY
UNION BANK NIGERIA PLC	6.50	6.50	-	1.56	8.25	5.00	6.96	8.64		1.66	HOLD
FIDELITY BANK NIGERIA	7.15	7.75	8.39	78.16	8.93	2.87		2.13		2.71	BUY
STERLINGNG	3.37	3.52	4.45	151.43	4.17	1.32	3.53	2.20		0.82	BUY
FCMB GROUP PLC	5.97	6.00	0.50	55.84	6.80	2.92		2.03		2.93	BUY
WEMA BANK PLC	4.97	5.28	6.24	35.38	5.44	3.85		6.62		1.42	BUY
JAIZ BANK PLC	1.44	1.53	6.25	66.30	1.98	0.68		3.75		0.28	BUY
OIL & GAS SECTOR											
SEPLAT ENERGY PLC	1670.80	1837.00	9.95	67.00	1,693.60	1,050.00	5.82	34.51		0.11	ACCUMULATE
OANDO PLC	5.40	5.50	1.85	40.31	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	16.30	16.30	-	143.65	30.40	5.40		4.17		5.40	BUY
CONOIL PLC	99.00	99.00	-	273.58	112.50	23.90		4.97		18.33	BUY
INSURANCE SECTOR											
N.E.M. INSUR CO (NIG) PLC	5.66	5.31	-	6.18	18.00	6.30	3.13	3.20		1.32	BUY
AXA MANSARD INSURANCE PLC	3.86	3.85	-	0.26	92.50	4.10	1.50	5.06		2.08	BUY
AIICO INSURANCE PLC	0.67	0.67	-	13.56	0.79	0.52		2.13		0.23	BUY
AGRICULTURE SECTOR											
OKOMU OIL PALM PLC	250.00	250.00	-	51.52	265.00	157.00		10.17		8.80	HOLD
PRESCO PLC	208.00	208.00	-	51.27	220.00	110.00	0.01	7.59		24.75	ACCUMULATE
CONGLOMERATE SECTOR											
TRANSNATIONAL CORP OF NIGERI	5.80	6.67	15.00	490.27	6.67	0.90		17.50		0.36	SELL
UAC OF NIGERIA PLC	10.70	10.60	-	0.93	3.41	14.40	7.90			0.11	HOLD
FINANCIAL SERVICES SECTOR											
UNITED CAPITAL AFRICA LTD	14.30	15.00	4.90	7.14	16.00	9.00	13.58	5.16		1.47	HOLD
NIGERIAN EXCHANGE GROUP PLC	22.95	26.40	15.03	5.39	30.25	17.00		62.20		1.04	BUY
CUSTODIAN INVESTMENT PLC	7.65	7.50	-	1.96	26.05	7.65	5.35	3.31		2.11	ACCUMULATE
CONSTRUCTION SECTOR											
JULIUS BERGER NIGERIA PLC	29.00	29.00	-	18.37	31.00	21.15		7.30		6.42	SELL
AVIATION SECTOR											
SKYWAY AVIATION HANDLING CO	28.15	28.15	-	463.00	28.15	5.00	#N/A N/A	12.56		1.16	
NIGERIAN AVIATION HANDLING C	18.30	25.95	41.80	305.47	25.95	5.00		7.97		1.84	BUY
POWER SECTOR											
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 September 01, 2023.

NASD Market News

MARKET SNAPSHOT	Week 34	Week 34	% Change
NASD Securities Index	791.22	785.37	0.74
Market Capitalization (NTn)	1.1	1.1	0.00
Total Volume Traded	513,669,347.00	19,378,267.00	2550.75
Total Value Traded	615,810,720.82	499,100,214.43	23.38
Number of Deals	70	106	-33.96
Number of Traded Stocks	14	15	-6.67

Source: Proshare NASD

WEEK ADVANCERS			
SECURITY	Close (N)	Open (N)	%Change
SDIGIPLC	0.18	0.13	38.46
SDACORN	0.34	0.27	25.93
SDFOODCPT	1.27	1.15	10.43
SDARADEL (FORMER SDNDEP)	451.89	445.6	1.41
SDFWAMCO	75	73.96	1.41
WEEK DECLINERS			
SDCSCSPLC	17.19	18	-4.50
SD11PLC	180.00	186.34	-3.40
SDGEFLUID	2.85	2.90	-1.72

Source: Proshare NASD

FMDQ

Foreign Exchange I&E FX Window			
Description	Spot (\$/N)	Change %	Date
Opening	778.42	-5.26	25-08-23
Close	740.38	-4.89	01-09-23
NAFEX	775.15		31-08-23
MPR	18.75%		22-07-23
INFLATION	24.08%		15-08-23
	Friday, July 28, 2023	Friday, June 30, 2023	
GROSS EXTERNAL RESERVES (USD'bn)	34.0	34.1	-0.44

Source: Securities Africa Research , NGX

YTD OVERVIEW	
TOTAL VOLUME	3,834,524,540.00
TOTAL VALUE	33,550,682,889.94
NUMBER OF DEALS	2,606.00

Source: Proshare NASD

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