



## Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N39.61tn/\$44.52bn  
All Share Index : 72,389.23  
YTD : +41.24%

### Overview

- Market activities for the week ended Friday, December 15, 2023 closed bullish. The bulls triumphed yet again as the bullish performance continued in the equities market. The bulls prevailed in four (4) out of the five (5) trading sessions. Furthermore, the gains in MTNN (+2.68%), BUACEMENT (+0.52%) and ZENITHBANK (+6.00) boosted the broader index. The NGX ASI thus closed higher increasing by 1.18% w/w to close at 72,389.23 for the week. The positive sentiment for the week was driven by the upturn in banking Index (+7.01%), consumer goods Index (+0.22%) and the Industrial Index (+0.24%). However, the Insurance Index (-0.96%) and oil & gas Index (-0.27%) closed negative.

### Gainers & Losers preview

- On the individual stock level, INFINITY (+59.32% w/w), CADBURY (+16.05% w/w), ACCESSCORP (+9.63% w/w) and ETI (+9.40%) sustained the market. On the flipside, NSLTECH (-16.00%, w/w) led the losers whilst ETERNA (-11.83% w/w), NEM (-9.32%, w/w) and MECURE (-7.69%, w/w) depressed the market. Hence, to close the week, the year-to-date (YTD) return increased to +41.24%, whilst the market capitalization gain N464bn week on week to close at N39.613trn.

### Market Event and Prospect for the week

#### Market Event for the week

##### Inflation soars to 28.20%

Nigeria's inflation rate accelerated to 28.20% in November 2023, increasing by 0.87 percentage points from 27.33 in October 2023. On a year on year basis, the headline inflation was 6.73 percentage points higher compared to 21.47% obtained in November 2022.

#### Drivers for Inflation

Food prices remain the major driver of the surge in inflation, rising to 32.84% in November 2023, from 24.13% recorded in November 2022.

#### Impact on Equities market

The equities market closed November 2023 with a year to date gain of **+35.29%** out-performing inflation (**28.20%**) by **+7.09** percentage points. However, on a month on month basis, the NGX ASI grew by **+3.08%** as inflation increased by **3.18%** in the same period.

#### Outlook

Experts predict that inflation will persist particularly in the absence of any monetary policy adjustments by the CBN. We expect the equities market to continue the bullish outlook to end the year 2023.

#### Prospect for the week

We expect the positive sentiment to continue this week. The bears will look to take profit in anticipation of the yuletide and the bulls will be on hand to re-enter at good prices.

### Key Market Data

INDEX	Week Ended 08/12/2023	Week Ended 15/12/2023	Week to date %	Year to date %
All Share Index	71,541.74	72,389.23	1.18	41.24
NGX Banking Index	802.54	858.79	7.01	105.70
NGX Consumer Goods Index	1,143.45	1,145.93	0.22	94.58
NGX Industrial Index	2,696.59	2,703.04	0.24	12.47
NGX Insurance Index	295.15	292.33	-0.96	67.66
NGX Oil & Gas Index	1,041.14	1,038.32	-0.27	124.51

Source: Securities Africa Research, NGX

### Top 10 Advancers

### Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
INFINITYPLC	1.77	2.82	59.32	NSLTECH	0.75	0.63	-16.00
SCOA	1.35	1.74	28.89	ETERNA	13.10	11.55	-11.83
DAARCOMM	0.36	0.46	27.78	THOMASWYATT	1.72	1.54	-10.47
JOHNHOLT	1.85	2.23	20.54	JULIPLC	0.72	0.65	-9.72
DEAPCAP	0.61	0.70	14.75	NEM	5.90	5.35	-9.32
STERLINGNG	3.80	4.18	10.00	UPDCREIT	5.00	4.55	-9.00
SFSREIT	92.15	101.35	9.98	OMATEK	0.80	0.73	-8.75
CADBURY	14.60	16.05	9.93	SUNUASSUR	1.26	1.16	-7.94
ACCESSCORP	20.25	22.20	9.63	MECURE	13.00	12.00	-7.69
ETI	20.75	22.70	9.40	UNIVERSAL	0.28	0.26	-7.14

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	320.00	320.00	-	22.61	369.80	220.00	8.23	11.91	27.01	HOLD	
BUA CEMENT PLC	96.50	97.00	0.52	0.77	117.00	49.50	2.64	25.50	2.98	HOLD	
BETA GLASS PLC	59.40	59.40	-	50.00	66.95	39.60	0.66	5.25	13.05		
LAFARGE AFRICA PLC	29.60	29.75	0.51	23.96	30.50	20.10	0.04	6.45	24.95	SELL	
<b>TELECOMMUNICATION SECTOR</b>											
MTN NIGERIA COMMUNICATIONS P	238.60	245.00	2.68	13.95	280.00	185.00		12.15	N/A	ACCUMULATE	
AIRTEL AFRICA PLC	1800.00	1800.00	-	10.09	2,040.00	1,198.00			N/A	HOLD	
<b>CONSUMER GOODS SECTOR</b>											
NESTLE NIGERIA PLC	1150.00	1150.00	-	4.55	1,401.40	963.90		17.53	56.63	HOLD	
NIGERIAN BREWERIES PLC	37.05	37.90	2.29	7.56	55.44	28.80	2.32	21.94	7.88	BUY	
DANGOTE SUGAR REFINERY PLC	57.40	57.50	0.17	258.26	64.15	15.00	7.89	6.88	0.19	HOLD	
INTERNATIONAL BREWERIES	4.50	4.40	-	2.22	6.38	8.60	4.00	-	2.11		
FLOUR MILLS NIGERIA PLC	31.05	31.55	1.61	11.09	40.75	27.00		4.75	3.60	BUY	
UNILEVER NIGERIA PLC	14.90	14.85	-	0.34	28.02	17.45	9.80	93.31	1.76	BUY	
HONEYWELL FLOUR MILL PLC	3.12	3.19	2.24	36.32	3.83	1.94	1.99	24.98	N/A		
PZ CUSSENS NIGERIA PLC	25.60	26.00	1.56	129.07	26.00	8.05	0.94	5.91	3.61	SELL	
CHAMPION BREWERIES PLC	3.60	3.60	-	34.55	5.55	3.00	-	18.15	0.06		
GUINNESS NIGERIA PLC	67.90	67.90	-	2.02	92.70	54.45	30.57	11.33	12.73	HOLD	
NASCON ALLIED INDUSTRIES PLC	54.00	54.00	-	386.49	58.00	9.50	6.99	9.51	4.22	SELL	
VITAFAM NIGERIA PLC	22.50	22.50	-	10.02	24.80	16.85			3.51	SELL	
CADBURY NIGERIA PLC	14.60	16.05	9.93	34.87	18.80	10.20	4.53	17.26	1.08	BUY	
BUA FOODS	198.90	198.90	-	206.00	202.80	52.50	N/A	9.09	9.09	SELL	
<b>BANKING SECTOR</b>											
GUARANTY TRUST HOLDING CO PLC	39.10	39.90	2.05	73.48	39.10	16.80	15.25	3.07	6.87	ACCUMULATE	
ZENITH BANK PLC	35.00	37.10	6.00	54.58	36.95	18.90	15.91	2.46	7.37	ACCUMULATE	
STANBIC IBTC HOLDINGS PLC	66.00	66.00	-	97.31	80.00	27.50	7.89	5.84	8.10	ACCUMULATE	
FBN HOLDINGS PLC	23.85	23.20	-	2.73	112.84	23.85	8.20	4.15	2.31	8.57	ACCUMULATE
ACCESSCORP	20.25	22.20	9.63	161.18	22.85	7.50	16.51	1.65	5.45	ACCUMULATE	
UNITED BANK FOR AFRICA PLC	22.50	24.15	7.33	217.76	22.50	6.55	18.38	1.84	6.07	ACCUMULATE	
ECOBANK TRANSNATIONAL INC	20.75	22.70	9.40	114.15	22.70	9.50	6.68	2.15	6.48	HOLD	
FIDELITY BANK NIGERIA	9.15	9.45	3.28	117.24	9.45	2.87	-	2.13	2.71	ACCUMULATE	
STERLING	3.80	4.18	10.00	198.57	4.18	1.32	3.53	2.20	0.82	HOLD	
FCMB GROUP PLC	6.90	7.10	2.90	84.42	7.10	2.92		2.03	2.93	BUY	
WEMA BANK PLC	5.35	5.25	-	1.87	34.62	5.44	3.85	6.62	1.42	BUY	
JAIZ BANK PLC	1.60	1.55	-	3.13	68.48	1.98	0.68	-	3.75	BUY	
<b>OIL &amp; GAS SECTOR</b>											
SEPLAT ENERGY PLC	2310.10	2310.00	-	0.00	110.00	2,310.10	1,050.00	5.82	34.51	0.11	SELL
OANDO PLC	10.35	10.45	0.97	166.58	14.60	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	HOLD	
MRS NIGERIA PLC	99.00	105.00	6.06	644.68	109.95	10.55	-	364.19	33.75	HOLD	
ETERNA PLC	13.10	11.55	-	11.83	72.65	30.40	5.40	4.17	5.40	HOLD	
CONOIL PLC	86.50	83.90	-	3.01	216.60	112.50	23.90	-	4.97	BUY	
<b>INSURANCE SECTOR</b>											
N.E.M. INSUR CO (NIG) PLC	5.90	5.35	-	9.32	18.89	6.30	3.13	3.20	1.32	BUY	
AXA MANSARD INSURANCE PLC	4.30	4.45	3.49	122.50	4.60	1.50		5.06	2.08	BUY	
AIICO INSURANCE PLC	0.75	0.76	1.33	28.81	0.79	0.52		2.13	0.23	HOLD	
<b>AGRICULTURE SECTOR</b>											
OKOMU OIL PALM PLC	240.00	240.00	-	45.45	265.00	157.00		10.17	8.80	HOLD	
PRESCO PLC	189.90	189.90	-	38.11	220.00	110.00	0.01	7.59	24.75	ACCUMULATE	
<b>CONGLOMERATE SECTOR</b>											
TRANSNATIONAL CORP OF NIGERI	6.82	6.96	2.05	515.93	6.82	0.90		17.50	0.36	SELL	
UAC OF NIGERIA PLC	15.35	15.95	3.91	55.61	17.90	7.90	-	-	0.11	HOLD	
<b>FINANCIAL SERVICES SECTOR</b>											
UNITED CAPITAL AFRICA LTD	18.00	19.10	6.11	36.43	18.00	9.00	13.58	5.16	1.47	SELL	
NIGERIAN EXCHANGE GROUP PLC	21.75	21.90	0.69	12.57	30.25	17.00	-	62.20	1.04	BUY	
CUSTODIAN INVESTMENT PLC	7.50	7.65	2.00	28.57	7.65	5.35		3.31	2.11	ACCUMULATE	
<b>CONSTRUCTION SECTOR</b>											
JULIUS BERGER NIGERIA PLC	34.80	34.40	-	1.15	40.41	34.80	21.15	7.30	6.42	SELL	
<b>AVIATION SECTOR</b>											
SKYWAY AVIATION HANDLING CO	25.35	25.35	-	407.00	28.15	5.00	#N/A N/A	12.56	1.16		
NIGERIAN AVIATION HANDLING C	25.00	25.00	-	290.63	25.95	5.00	-	7.97	1.84	BUY	
<b>POWER SECTOR</b>											
GEREGU	399.00	399.00	-	167.79	399.00	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 December 15, 2023.

MARKET SNAPSHOT	Week 50	Week 49	% Change
NASD Securities Index	902.99	886.5	1.86
Market Capitalization (NTn)	1.22	1.20	1.67
Total Volume Traded	647,262,814.00	27,735,578.00	2233.69
Total Value Traded	1,385,933,622.87	157,697,893.76	778.85
Number of Deals	84	64	31.25
Number of Traded Stocks	11	12	-8.33

Source: Proshare NASD

WEEK ADVANCERS			
SECURITY	Close (N)	Open (N)	%Change
SDNASDPLC	13.2	12	10.00
SDACORN	0.66	0.6	10.00
SD11PLC	200	182.53	9.57
SDUBNPROP	1.75	1.65	6.06
SDARADEL	950	900	5.56
SDFOODCPT	1.67	1.65	1.21
SDAFRILAND	3.46	3.42	1.17
WEEK DECLINERS			
SDCSCSPC	18.72	19.25	-2.75
SDFCWAMPCO	75.60	76.90	-1.69
SDGEFLUID	2.65	2.69	-1.49

Source: Proshare NASD

## FMDQ

Foreign Exchange NAFEM Window			
Description	Spot (\$/N)	Change %	Date
Opening	1099.05	-18.54	08-12-23
Close	889.86	19.03	15-12-23
NAFEX	853.43		14-12-23
MPR	18.75%		22-07-23
INFLATION	28.20%		30-11-23
	Tuesday, October 31, 2023	Saturday, September 30, 2023	
GROSS EXTERNAL RESERVES (USD'bn)	33.4	33.2	0.51

Source: Proshare NASD

YTD OVERVIEW	Week 50	Week 49	%Change
TOTAL VOLUME	4,777,097,957.00	4,129,835,143.00	15.67
TOTAL VALUE	37,292,862,778.87	35,906,929,156.00	3.86
NUMBER OF DEALS	3,724.00	3,640.00	2.31

Source: Proshare NASD

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