



## Weekly Stock Recommendation

Email: [researchng@securitiesafrica.com](mailto:researchng@securitiesafrica.com) | Tel: +234 (909)4404638

Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N51.74tn/\$57.3bn  
All Share Index : 94,538.12  
YTD : +26.43%

### Overview

- Market activities for the week ended Friday, January 19, 2024 closed bullish. The bulls sustained the buy pressure entering into week 3 gaining in five (5) out of five (5) days. The bulls dominated the week thanks to the sustained buy interest in DANGCEM all through the week. The positive sentiments in DANGCEM (+53.94%), BUACEMENT (+45.80%), SEPLAT (+10.00%) and DANGSUGAR (+17.50%) boosted the equities market. The NGX ASI thus closed higher with 13.84% w/w to close at 94,538.12 for the week. The positive sentiment for the week was driven by the upturn in the Industrial Index (+46.88%), insurance (+14.84%), oil & gas Index (+8.82%) and consumer goods Index (+8.18%). The banking Index (-0.12%) was the sole bearish Index.

### Gainers & Losers preview

- On the individual stock level, DANGCEM (+53.94% w/w), HONYFLOUR (+50.77% w/w), BUACEMENT (+45.80% w/w) and NEM (+39.13% w/w) sustained the market. On the flipside, ROYALEX(-22.45%, w/w) led the losers whilst UCAP (-6.27% w/w), GTCO (-4.75%, w/w) and STANBIC (-4.41%, w/w) depressed the market. Hence, to close the week, the year-to-date (YTD) return stood at +13.84%, whilst the market capitalization gain N6.293trn week on week to close at N51.735trn.

### Market Event and Prospect for the week

#### Market Event for the week

##### Rights Issue: Sovereign Trust Insurance Plc lists ordinary shares on NGX

Sovereign Trust Insurance has listed an additional 2,863,673,469 ordinary shares of 50 kobo each per share on January 18, 2024. The additional shares rose from the Sovereign Trust's rights issue of 2,863,673,469 ordinary shares of 50 kobo per share.

**Qualification date: July 22, 2022**

##### Dangote Cement soars by 9.98% as Otedola share acquisition drives

##### Investor interest

The buy interest in DANGCEM by billionaire investor Femi Otedola created a remarkable gain in the stock. The stock gained a mammoth +53.94% week on week with a year to date of +106.44% as at January 19, 2024. The gain rubbed off on the other industrial stock as BUACEMENT gained +45.80% and WAPCO +17.50% week on week.

##### CBN is still short of the amount needed to clear forex backlog – Fitch

##### Ratings

Fitch, a credit rating agency stated that CBN continues to face a shortage of foreign exchange to clear the forex backlog. The report stated that currently, there is a 30% disparity between the official and parallel exchange rates. Fitch rated Nigeria B- with a stable outlook three (3) months ago despite the current macro-economic challenges the country currently faces. CBN stated last week that it had cleared the FX backlog to the tune of \$2 billion out of the estimated \$7 billion that was outstanding.

Source: (Nairametrics)

#### Prospect for the year

We expect the equities market to continue the positive momentum this week.

### Key Market Data

INDEX	Week Ended 12/01/2024	Week Ended 19/01/2024	Week to da	Year to date %
All Share Index	83,042.96	94,538.12	13.84	26.43
NGX Banking Index	1,040.02	1,038.72	-0.12	15.77
NGX Consumer Goods Index	1,283.03	1,387.96	8.18	23.78
NGX Industrial Index	2,944.24	4,324.36	46.88	59.44
NGX Insurance Index	394.96	453.95	14.94	41.13
NGX Oil & Gas Index	1,057.02	1,150.23	8.82	10.27

Source: Securities Africa Research , NGX

### Top 10 Advancers

### Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
TIP	1.84	2.94	59.78	ROYALEX	0.98	0.76	-22.45
DANGCEM	350.00	538.80	53.94	IKEJAHOTEL	8.61	7.70	-10.57
HONEYFLOUR	3.88	5.85	50.77	LINKASSURE	1.47	1.35	-8.16
MAY&BAKER	5.49	8.26	50.46	MULTIVERSE	18.20	17.00	-6.59
MCNICHOLS	1.23	1.80	46.34	UCAP	25.50	23.90	-6.27
BUACEMENT	101.85	148.50	45.80	FBNH	28.00	26.60	-5.00
VERITASKAP	0.53	0.77	45.28	CUSTODIAN	10.15	9.65	-4.93
CHAMS	2.30	3.28	42.61	GTCO	46.30	44.10	-4.75
UNITYBANK	2.47	3.50	41.70	STANBIC	68.00	65.00	-4.41
NEM	5.75	8.00	39.13	CILEASING	4.12	3.95	-4.13

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	350.00	538.80	53.94	106.44	538.80	220.00	8.23	11.91	27.01	ACCUMULATE
BUA CEMENT PLC	101.85	148.50	45.80	51.92	148.50	49.50	2.72	25.50	2.98	HOLD
BETA GLASS PLC	59.40	59.40	-	50.00	66.95	39.60	5.14	5.25	13.05	
LAFARGE AFRICA PLC	40.00	47.00	17.50	95.83	47.00	20.10	0.04	6.45	24.95	SELL
<b>TELECOMMUNICATION SECTOR</b>										
MTN NIGERIA COMMUNICATIONS P	283.00	290.10	2.51	34.93	290.10	185.00		12.15	N/A	ACCUMULATE
AIRTEL AFRICA PLC	2000.00	2000.00	-	22.32	2,040.00	1,198.00			N/A	HOLD
<b>CONSUMER GOODS SECTOR</b>										
NESTLE NIGERIA PLC	1196.00	1196.00	-	8.73	1,401.40	963.90		17.53	56.63	HOLD
NIGERIAN BREWERIES PLC	37.50	40.00	6.67	2.44	55.44	28.80	4.06	21.94	7.88	BUY
DANGOTE SUGAR REFINERY PLC	68.20	80.00	17.30	398.44	80.00	15.00	7.89	6.88	0.19	ACCUMULATE
INTERNATIONAL BREWERIES	5.30	5.30	-	12.77	8.60	4.00	-	-	2.11	
FLOUR MILLS NIGERIA PLC	38.00	47.00	23.68	65.49	47.00	27.00		4.75	3.60	BUY
UNILEVER NIGERIA PLC	18.25	18.25	-	57.33	18.25	9.80	-	93.31	1.76	BUY
HONEYWELL FLOUR MILL PLC	3.88	3.88	-	65.81	3.88	1.94	0.80	24.98	N/A	
PZ CUSSENS NIGERIA PLC	29.50	29.50	-	159.91	29.50	0.06	0.94	5.91	3.61	SELL
CHAMPION BREWERIES PLC	3.95	3.95	-	28.18	5.55	3.00	-	18.15	0.06	
GUINNESS NIGERIA PLC	62.00	62.00	-	10.53	92.70	54.45	37.49	11.33	12.73	HOLD
NASCON ALLIED INDUSTRIES PLC	60.00	70.50	17.50	535.14	70.50	9.50	2.35	9.51	4.22	SELL
VITAFOAM NIGERIA PLC	24.00	24.00	-	17.36	24.80	16.85			3.51	SELL
CADBURY NIGERIA PLC	24.05	24.05	-	102.10	24.05	10.20	4.53	17.26	1.08	BUY
BUA FOODS	227.50	240.00	5.49	269.23	240.00	52.50	N/A	9.09	9.09	SELL
<b>BANKING SECTOR</b>										
GUARANTY TRUST HOLDING CO PLC	46.30	44.10	-4.75	91.74	46.30	16.80	10.46	3.07	6.87	SELL
ZENITH BANK PLC	43.00	45.00	4.65	87.50	45.00	18.90	11.51	2.46	7.37	SELL
STANBIC IBTC HOLDINGS PLC	68.00	65.00	-4.41	94.32	80.00	27.50	5.34	5.84	8.10	HOLD
FBN HOLDINGS PLC	28.00	26.60	-5.00	144.04	28.00	8.20	4.15	2.31	8.57	HOLD
ACCESSCORP	28.00	30.00	7.14	252.94	30.00	7.50	8.90	1.65	5.45	HOLD
UNITED BANK FOR AFRICA PLC	31.00	31.00	-	307.89	31.00	6.55	13.47	1.84	6.07	SELL
ECOBANK TRANSNATIONAL INC	25.00	25.85	3.40	143.87	25.85	9.50	4.97	2.15	6.48	HOLD
FIDELITY BANK NIGERIA	13.40	13.00	-2.99	198.85	14.00	2.87	-	2.13	2.71	SELL
STERLINGNG	6.44	6.97	8.23	397.86	6.97	1.32	6.56	2.20	0.82	SELL
FCMB GROUP PLC	11.00	10.60	-3.64	175.32	11.00	2.92		2.03	2.93	BUY
WEMA BANK PLC	8.77	8.77	-	124.87	8.77	3.85	8.03	6.62	1.42	SELL
JAIZ BANK PLC	3.02	3.02	-	228.26	3.02	0.68	-	3.75	0.28	HOLD
<b>OIL &amp; GAS SECTOR</b>										
SEPLAT ENERGY PLC	2310.00	2541.00	10.00	131.00	2,541.00	1,050.00	5.88	34.51	0.11	SELL
OANDO PLC	11.90	12.30	3.36	213.78	14.60	3.53	-	1.62	48.40	
TOTALENERGIES MARKETING NIGE	346.50	346.50	-	79.53	385.00	197.00	18.73	3.92	49.93	HOLD
MRS NIGERIA PLC	115.00	126.00	9.57	793.62	126.00	10.55	-	364.19	33.75	HOLD
ETERNA PLC	16.60	22.95	38.25	243.05	30.40	5.40	-	4.17	5.40	HOLD
CONOIL PLC	102.00	112.20	10.00	323.40	112.50	23.90	-	4.97	18.33	BUY
<b>INSURANCE SECTOR</b>										
N.E.M. INSUR CO (NIG) PLC	5.75	8.00	39.13	77.78	8.00	3.13	4.81	3.20	1.32	BUY
AXA MANSARD INSURANCE PLC	5.90	6.45	9.32	222.50	6.45	1.50		5.06	2.08	BUY
AIIICO INSURANCE PLC	1.25	1.51	20.80	155.93	1.51	0.52		2.13	0.23	HOLD
<b>AGRICULTURE SECTOR</b>										
OKOMU OIL PALM PLC	265.00	270.00	1.89	63.64	270.00	157.00		10.17	8.80	HOLD
PRESCO PLC	259.00	259.00	-	88.36	259.00	110.00	0.01	7.59	24.75	ACCUMULATE
<b>CONGLOMERATE SECTOR</b>										
TRANSNATIONAL CORP OF NIGERI	13.85	18.65	34.66	1,550.44	18.65	0.90		17.50	0.36	HOLD
UAC OF NIGERIA PLC	15.00	15.45	3.00	50.73	17.90	7.90	-	-	0.11	HOLD
<b>FINANCIAL SERVICES SECTOR</b>										
UNITED CAPITAL AFRICA LTD	25.15	25.50	1.39	82.14	25.15	9.00	13.58	5.16	1.47	HOLD
NIGERIAN EXCHANGE GROUP PLC	24.80	24.95	0.60	0.40	30.25	17.00		62.20	1.04	BUY
CUSTODIAN INVESTMENT PLC	10.85	10.15	-6.45	70.59	10.85	5.35		3.31	2.11	ACCUMULATE
<b>CONSTRUCTION SECTOR</b>										
JULIUS BERGER NIGERIA PLC	42.50	56.50	32.94	130.61	43.00	21.15		7.30	6.42	SELL
<b>AVIATION SECTOR</b>										
SKYWAY AVIATION HANDLING CO	27.15	27.15	-	443.00	28.15	5.00	#N/A N/A	12.56	1.16	
NIGERIAN AVIATION HANDLING C	28.60	30.00	4.90	368.75	28.60	5.00	-	7.97	1.84	ACCUMULATE
<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 January 19, 2024.

MARKET SNAPSHOT	Week 3	Week 2	% Change
NASD Securities Index	1002.06	954.55	4.98
Market Capitalization (NTn)	1.36	1.29	4.95
Total Volume Traded	56,156,546.00	36,892,745.00	52.22
Total Value Traded	167,503,487.50	273,074,250.61	-38.66
Number of Deals	74	120	-38.33
Number of Traded Stocks	15	19	-21.05

Source: Proshare NASD

WEEK ADVANCERS			
SECURITY	Close (N)	Open (N)	%Change
SDACORN	0.77	0.6	28.33
SDARADEL	1507.22	1230.1	22.53
SDAIRLIQ	6.05	5.5	10.00
SD11PLC	210	197	6.60
SDGEFLUID	2.59	2.5	3.60
WEEK DECLINERS			
SDIGIPLC	0.26	0.28	-7.14
SDUBNPROP	1.80	1.85	-2.70
SDFCWAMCO	79.95	80.33	-0.47

Source: Proshare NASD

## FMDQ

Foreign Exchange NAFEM Window			
Description	Spot (\$/N)	Change %	Date
Opening	890.54	-2.46	12-01-24
Close	902.45	-1.34	19-01-24
NAFEX	906.1		18-01-24
MPR	18.75%		22-07-23
INFLATION	28.92%		31-12-23
	Thursday, December 28, 2023	Thursday, November 30, 2023	
GROSS EXTERNAL RESERVES (USD'bn)	32.9	33.0	-0.33

Source: Proshare NASD

YTD OVERVIEW	Week 02	Week 01	%Change
TOTAL VOLUME	47,221,566.00	10,328,821.00	357.18
TOTAL VALUE	346,765,100.89	73,690,850.28	370.57
NUMBER OF DEALS	154.00	34.00	352.94

Source: Proshare NASD

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**SECURITIES AFRICA**

**South Africa**

Securities Africa  
24 Hurlingham Road  
Illovo Boulevard  
South Africa  
Tel: +27 11 268 5833  
Fax: +27 11 268 5708

**Nigeria**

Securities Africa Financial Limited  
5th Floor Skye Bank Building  
30 Marina  
Lagos  
Nigeria  
Tel: +234 909 440 4638

**Americas**

Securities Africa Limited  
Suite 102  
St. James Court, Flatts FL04  
Bermuda  
Tel: +1 441 278 7620  
Fax: +1 441 295 6735

**Kenya**

Securities Africa Kenya Limited  
The Exchange  
55 Westlands Road  
Nairobi  
Kenya  
Tel: +254 20 760 5650