



Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N56.04tn/\$62.8bn
All Share Index : 102,401.88
YTD : +36.95%

Overview

- Market activities for the week ended Friday, January 26, 2024 closed bullish. The bulls once again dominated the week thanks to the sustained buy interest in DANGCEM (+28.82%) AND BUACEMENT (+20.98%) and ETERNA (+19.61%). The NGX ASI thus closed higher with 8.32% w/w to close at 102,401.88 for the week. The positive sentiment for the week was driven by the upturn in the Industrial Index (+23.20%), oil & gas Index (+11.57%) and consumer goods Index (+5.29%), whilst the insurance (-4.10%) and banking Index (-1.63%) closed negative.

Gainers & Losers preview

- On the individual stock level, DANGCEM (+28.82% w/w), SEPLAT (+21.00% w/w), BUACEMENT (+31.15% w/w), ETERNA (+19.61%) and BUAFOODS (+39.13% w/w) sustained the market. On the flipside, VERITASKAP (-23.38%, w/w) led the losers whilst CADBURY (-20.86% w/w), HONEYFLOUR (-16.07%, w/w) and CONERST (-15.51%, w/w) depressed the market. Hence, to close the week, the year-to-date (YTD) return stood at +36.95%, whilst the market capitalization gain N4.303trn week on week to close at N56.038trn.

Market Event and Prospect for the week

Market Event for the week

NGX suspends trading on GLAXOSMITH shares

Following the approval of the scheme of arrangement by Securities & Exchange Commission (SEC), the Nigerian Exchange Limited on Monday, 22, 2023 suspended trading on the shares of GLAXOSMITH.

UBA approves FY 2023 AFS and payment of final dividend

The Board of United Bank for Africa Plc at its meeting held on Thursday, January 25 2024 considered and approved the Group Audited Consolidated & Separate Financial Statements for the year ended December 31, 2024. However, the CBN is yet to approve the accounts.

CBN clears more verified FX liabilities backlog

After stating that it had cleared FX backlog to the tune of \$2billion two weeks ago, CBN has released \$500m to various sectors according to reports. The Acting Director of the Corporate Communications department at the CBN stated today in Abuja that the CBN is committed to settling all the legitimate foreign exchange backlogs within a short time frame.

Source: (proshare)

Prospect for the year

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

Key Market Data

INDEX	Week Ended 19/01/2024	Week Ended 26/01/2024	Week to da	Year to date %
All Share Index	94,538.12	102,401.88	8.32	36.95
NGX Banking Index	1,038.72	1,021.80	- 1.63	13.89
NGX Consumer Goods Index	1,387.96	1,461.34	5.29	30.33
NGX Industrial Index	4,324.36	5,327.77	23.20	96.43
NGX Insurance Index	453.95	435.36	- 4.10	35.35
NGX Oil & Gas Index	1,150.23	1,283.30	11.57	23.03

Source: Securities Africa Research, NGX

Top 10 Advancers

Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
TRIPPLEGEE	2.14	2.83	32.24	VERITASKAP	0.77	0.59	-23.38
DANGCEM	538.80	694.10	28.82	TIP	2.94	2.30	-21.77
SUNUASSURE	1.80	2.25	25.00	CADBURY	29.00	22.95	-20.86
JAPPAUL	2.50	3.08	23.20	DEAPCAP	0.99	0.80	-19.19
SEPLAT	2541.00	3074.60	21.00	MCNICHOL	1.80	1.48	-17.78
BUACEMENT	148.50	179.65	20.98	UNITYBANK	3.50	2.92	-16.57
ETERNA	22.95	27.45	19.61	AFRIPRUD	10.00	8.35	-16.50
BUAFOODS	240.00	271.80	13.25	HONEYFLOUR	5.85	4.91	-16.07
CUTIX	2.70	3.00	11.11	CONHALLPLC	1.93	1.63	-15.54
MEYER	3.24	3.56	9.88	CORNERST	1.87	1.58	-15.51

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
INDUSTRIAL SECTOR										
DANGOTE CEMENT PLC	538.80	694.10	28.82	165.94	694.10	220.00	8.23	11.91	27.01	ACCUMULATE
BUA CEMENT PLC	148.50	179.65	20.98	83.79	179.65	49.50	2.72	25.50	2.98	ACCUMULATE
BETA GLASS PLC	59.40	59.40	-	50.00	66.95	39.60	5.14	5.25	13.05	
LAFARGE AFRICA PLC	47.00	44.00	6.38	83.33	47.00	20.10	0.04	6.45	24.95	BUY
TELECOMMUNICATION SECTOR										
MTN NIGERIA COMMUNICATIONS P	290.10	293.30	1.10	36.42	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
CONSUMER GOODS SECTOR										
NESTLE NIGERIA PLC	1196.00	1100.00	8.03	-	1,401.40	963.90		17.53	56.63	HOLD
NIGERIAN BREWERIES PLC	40.00	38.70	3.25	5.61	55.44	28.80	4.06	21.94	7.88	BUY
DANGOTE SUGAR REFINERY PLC	80.00	82.65	3.31	414.95	82.65	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	47.00	53.96	14.81	90.00	53.96	27.00		4.75	3.60	BUY
UNILEVER NIGERIA PLC	18.25	20.95	14.79	80.60	20.95	9.80	-	93.31	1.76	BUY
HONEYWELL FLOUR MILL PLC	3.88	4.91	26.55	109.83	4.91	1.94	0.80	24.98	N/A	
PZ CUSSONS NIGERIA PLC	29.50	36.00	22.03	217.18	36.00	0.06	0.94	5.91	3.61	SELL
CHAMPION BREWERIES PLC	3.95	3.80	3.80	30.91	5.55	3.00	-	18.15	0.06	
GUINNESS NIGERIA PLC	62.00	70.75	14.11	2.09	92.70	54.45	37.49	11.33	12.73	HOLD
NASCON ALLIED INDUSTRIES PLC	70.50	76.50	8.51	589.19	76.50	9.50	2.35	9.51	4.22	SELL
VITAFOAM NIGERIA PLC	24.00	26.40	10.00	29.10	26.40	16.85			3.51	SELL
CADBURY NIGERIA PLC	24.05	22.95	4.57	92.86	24.05	10.20	4.53	17.26	1.08	BUY
BUA FOODS	240.00	271.80	13.25	318.15	271.80	52.50	N/A	9.09	9.09	SELL
BANKING SECTOR										
GUARANTY TRUST HOLDING CO PLC	44.10	43.95	0.34	91.09	46.30	16.80	10.46	3.07	6.87	BUY
ZENITH BANK PLC	45.00	43.00	4.44	79.17	45.00	18.90	11.51	2.46	7.37	BUY
STANBIC IBTC HOLDINGS PLC	65.00	65.00	-	94.32	80.00	27.50	5.34	5.84	8.10	HOLD
FBN HOLDINGS PLC	26.60	26.60	-	144.04	28.00	8.20	4.15	2.31	8.57	HOLD
ACCESSCORP	30.00	28.60	4.67	236.47	30.00	7.50	8.90	1.65	5.45	HOLD
UNITED BANK FOR AFRICA PLC	31.00	30.50	1.61	301.32	31.00	6.55	13.47	1.84	6.07	BUY
ECOBANK TRANSNATIONAL INC	25.85	26.50	2.51	150.00	26.50	9.50	4.97	2.15	6.48	HOLD
FIDELITY BANK NIGERIA	13.00	12.80	1.54	194.25	14.00	2.87	-	2.13	2.71	BUY
STERLINGNG	6.97	6.60	5.31	371.43	6.97	1.32	6.56	2.20	0.82	BUY
FCMB GROUP PLC	10.60	11.10	4.72	188.31	11.00	2.92		2.03	2.93	BUY
WEMA BANK PLC	8.77	10.50	19.73	169.23	8.77	3.85	8.03	6.62	1.42	BUY
JAIZ BANK PLC	3.02	2.93	2.98	218.48	3.02	0.68	-	3.75	0.28	HOLD
OIL & GAS SECTOR										
SEPLAT ENERGY PLC	2541.00	3074.60	21.00	179.51	3,074.60	1,050.00	5.88	34.51	0.11	SELL
OANDO PLC	12.30	12.55	2.03	220.15	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	126.00	126.00	-	793.62	126.00	10.55	-	364.19	33.75	HOLD
ETERNA PLC	22.95	27.45	19.61	310.31	30.40	5.40	-	4.17	5.40	HOLD
CONOIL PLC	112.20	112.20	-	323.40	112.50	23.90	-	4.97	18.33	BUY
INSURANCE SECTOR										
N.E.M. INSUR CO (NIG) PLC	8.00	8.00	-	77.78	8.00	3.13	4.81	3.20	1.32	BUY
AXA MANSARD INSURANCE PLC	6.45	8.50	31.78	325.00	6.45	1.50		5.06	2.08	BUY
AIICO INSURANCE PLC	1.51	1.34	11.26	127.12	1.51	0.52		2.13	0.23	HOLD
AGRICULTURE SECTOR										
OKOMU OIL PALM PLC	270.00	270.00	-	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
CONGLOMERATE SECTOR										
TRANSNATIONAL CORP OF NIGERI	18.65	16.50	11.53	1,360.18	18.65	0.90		17.50	0.36	HOLD
UAC OF NIGERIA PLC	15.45	15.30	0.97	49.27	17.90	7.90	-	-	0.11	HOLD
FINANCIAL SERVICES SECTOR										
UNITED CAPITAL AFRICA LTD	23.90	23.00	3.77	64.29	25.15	9.00	10.41	5.16	1.47	HOLD
NIGERIAN EXCHANGE GROUP PLC	23.95	24.00	0.21	4.19	30.25	17.00	0.29	62.20	1.04	BUY
CUSTODIAN INVESTMENT PLC	9.65	10.10	4.66	69.75	10.85	5.35	8.15	3.31	2.11	ACCUMULATE
CONSTRUCTION SECTOR										
JULIUS BERGER NIGERIA PLC	57.95	57.95	-	136.53	43.00	21.15		7.30	6.42	SELL
AVIATION SECTOR										
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	33.80	33.65	0.44	425.78	28.60	5.00	-	7.97	1.84	SELL
POWER SECTOR										
GEREGU	469.70	495.00	5.39	232.21	469.70	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 26, 2024.

MARKET SNAPSHOT	Week 4	Week 3	% Change
NASD Securities Index	1024.08	1002.06	2.20
Market Capitalization (NTn)	1.39	1.36	2.21
Total Volume Traded	9,766,909.00	56,156,546.00	-82.61
Total Value Traded	156,575,619.33	167,503,487.50	-6.52
Number of Deals	103	74	39.19
Number of Traded Stocks	16	15	6.67

Source: Proshare NASD

WEEK ADVANCERS			
SECURITY	Close (N)	Open (N)	%Change
SDACORN	0.85	0.77	10.39
SDARADEL	1657.94	1507.22	10.00
SDAIRLIQ	6.65	6.05	9.92
SDAFRILAND	3.8	3.46	9.83
SDCSCSPLC	20	19.95	0.25
WEEK DECLINERS			
SDAGMBANK	0.48	0.52	-7.69
SDFSTTRUSTMB	0.41	0.43	-4.65
SDUBNPROP	1.72	1.80	-4.44
SDRSOURCE	0.40	0.41	-2.44
SDFCWAMCO	78.42	79.95	-1.91

Source: Proshare NASD

FMDQ

Foreign Exchange NAFEM Window			
Description	Spot (\$/N)	Change %	Date
Opening	902.45	-1.34	19-01-24
Close	891.90	1.17	26-01-24
NAFEX	885.73		25-01-24
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 04	Week 03	%Change
TOTAL VOLUME	113,145,021.00	103,378,112.00	9.45
TOTAL VALUE	670,844,207.92	514,268,588.39	30.45
NUMBER OF DEALS	331.00	228.00	45.18

Source: Proshare NASD

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