



Weekly Stock Recommendation

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Sector/Country: Equities/Nigeria

Stock Rating: See text

Equity Market Cap : N54.035tn/\$34.47b
All Share Index : 98,751.98
YTD : +32.07%

Overview

- Market activities for the week ended Friday, March 01, 2024 closed bearish. The bears dominated the week claiming profits as the market experience massive selloffs. The losses in bellwether stocks, MTNN (-18.91%), BUACEMENT (-10.00%) and NESTLE (-18.18%) depressed the market. The NGX ASI thus closed lower with (-3.27% w/w) to close at 98,751.98 for the week. The negative sentiment for the week was driven by the downturn in the Industrial Index (-3.87%), insurance index (-3.40%), consumer goods index (-2.65%), oil & gas index (-1.55%) and the banking Index (-0.69%).

Gainers & Losers preview

- On the individual stock level, JULI PLC (+60.26%, w/w), PZ (+27.36% w/w), STERLINGNG (+14.94%) and TRANSCORP (+10.10% w/w) sustained the market. On the flipside, MTNN (-18.91%, w/w) led the losers whilst NESTLE (-18.18% w/w), ETERNA (-10.83%) and BUACEMENT (-10.00%, w/w) depressed the market. Hence, to close the week, the year-to-date (YTD) return stood at +32.07%, whilst the market capitalization depreciated by -3.27% to close at N54.035trn week on week.

Market Event and Prospect for the week

Market Event for the week

Corporate Action

GEREGU

Dividend Per share = N8.00
Closure of Register = 28/02/2024
AGM = 28/03/2024
Payment date = 28/03/2024

LAFARAGE AFRICA PLC

Dividend Per share = N1.90
Closure of Register = 01/04/2024
Payment date = 26/04/2024

BUA CEMENT PLC

Dividend Per share = N2.90
Closure of Register = 12/08/2024
Payment date = 12/08/2024

DANGOTE CEMENT PLC

Dividend Per share = N30.00
Closure of Register = 16/04/2024
Payment date = 16/04/2024

Key Market Data

INDEX	Week Ended 23/02/2024	Week Ended 01/03/2024	Week to date %	Year to date %
All Share Index	102,088.30	98,751.98	- 3.27	32.07
NGX Banking Index	877.60	871.51	- 0.69	2.86
NGX Consumer Goods Index	1,673.33	1,629.54	- 2.65	45.33
NGX Industrial Index	4,908.28	4,718.27	- 3.87	73.96
NGX Insurance Index	384.79	371.7	- 3.40	15.56
NGX Oil & Gas Index	1,312.22	1,291.86	- 1.55	23.85

Source: Securities Africa Research, NGX

Top 10 Advancers

Top Decliners

STOCKS	Open	Close	% Change	STOCKS	Open	Close	% Change
JULI PLC	2.34	3.75	60.26	MTN NIGERIA	247.50	200.70	-18.91
P Z CUSSONS NIG	26.50	33.75	27.36	SUNU ASSUR	2.09	1.71	-18.18
STERLING FINAN	4.35	5.00	14.94	NESTLE NIGER	1100.00	900.00	-18.18
UNIVERSAL INSU	0.35	0.40	14.29	CWG PLC	6.80	6.00	-11.76
CONSOLIDATED F	1.25	1.40	12.00	ETERNA PLC	17.55	15.65	-10.83
LIVESTOCK FEEDS	1.49	1.65	10.74	SOVEREIGN T	0.48	0.43	-10.42
TRANSNATIONAL	12.97	14.28	10.10	CONOIL PLC	101.00	90.90	-10.00
DAAR COMMUNI	0.79	0.86	8.86	BUA CEMENT	150.00	135.00	-10.00
CHAMPION BREW	3.46	3.76	8.67	MULTIVERSE	17.00	15.30	-10.00
OMATEK VENTUR	0.70	0.76	8.57	MCNICHOLS P	1.43	1.29	-9.79

Source: NGX

SEPLAT ENERGY PLC

Proposed Dividend (Final Dividend): US\$0.03 (3 cents) Proposed Dividend (Special Dividend): US\$0.03 (3 cents)
Closure of Register = 29/04/2024
Payment date = 29/05/2024

First MPC Meeting for new CBN Governor – the aftermath

The equities market reacted negatively to the outcome of the first monetary policy meeting in seven (7) months and also the first meeting for Dr Cardoso since his assumption of office last year. The MPC voted to increase the MPR by 400 basis point to 22.75%.

The negative market reaction resulted in massive sell offs particularly in the banking sector as the sector dropped back to back losses (-3.35% on 27th Feb 2024, -6.90% on 28th Feb 2024). Also the general market sentiment dropped as the ASI shed -0.09%, -1.39% and -1.27% on the 26th, 27th and 28th of february 2024 respectively.

Listing of TRANSCORP POWER

Transcorp Group is one of Africa's leading, listed companies, with strategic investments in the power, hospitality, and energy sectors, driven by its mission to improve lives and transform Africa.

Transcorp Group's power businesses, Transcorp Power Plc and Transafam Power, provide 15% of Nigeria's installed power capacity.

Transcorp Power, a subsidiary of Transcorp, listed 7.5 billion shares at N240 per share on the main board and after yesterday's mandatory trade, its market price surged by 10% per share, the maximum for the day. The shares were listed by way of introduction, which means only limited trades were done as part of the listing process. Transcorp Power in its statement to the Nigerian Exchange Limited, promised to raise more capital through a public offering in the nearest future.

The parent company, Transcorp also closed with a +10.00% gain in yesterday's trading session.

Source: NGX, Nairametrics

■ **Market outlook**

We expect a bullish sentiment in the market as dividend declarations ramp up and companies benefit from the sentiment behind the fresh listing from Transcorp Power this week.

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	686.70	686.70	-	163.10	763.00	220.00	8.23	11.91	27.01	HOLD		
BUA CEMENT PLC	150.00	150.00	-	53.45	179.65	49.50	2.72	25.50	2.98	BUY		
BETA GLASS PLC	59.40	59.40	-	50.00	66.95	39.60	5.14	5.25	13.05			
LAFARGE AFRICA PLC	35.90	35.90	-	49.58	47.00	20.10	0.04	6.45	24.95	BUY		
TELECOMMUNICATION SECTOR												
MTN NIGERIA COMMUNICATIONS P	247.50	222.90	-	9.94	3.67	290.10	185.00	12.15	N/A	ACCUMULATE		
AIRTEL AFRICA PLC	2200.00	2200.00	-	34.56	2,200.00	1,198.00			N/A	HOLD		
CONSUMER GOODS SECTOR												
NESTLE NIGERIA PLC	1100.00	900.00	-	18.18	18.18	1,401.40	963.90	17.53	-	56.63	HOLD	
NIGERIAN BREWERIES PLC	34.00	32.50	-	4.41	20.73	55.44	28.80	4.06	21.94	-	7.88	BUY
DANGOTE SUGAR REFINERY PLC	65.00	59.00	-	9.23	267.60	82.65	15.00	7.89	6.88	-	0.19	BUY
INTERNATIONAL BREWERIES	4.60	4.80	-	4.35	2.13	8.60	4.00	-	-	-	2.11	
FLOUR MILLS NIGERIA PLC	32.20	30.55	-	5.12	7.57	53.96	27.00	-	4.75	-	3.60	BUY
UNILEVER NIGERIA PLC	15.10	15.20	-	0.66	31.03	20.95	9.80	-	93.31	-	1.76	BUY
HONEYWELL FLOUR MILL PLC	3.42	3.50	-	2.34	49.57	4.91	1.94	0.80	24.98	N/A		
PZ CUSSENS NIGERIA PLC	26.50	30.70	-	15.85	170.48	36.00	0.06	0.94	5.91	-	3.61	SELL
CHAMPION BREWERIES PLC	3.46	3.42	-	1.16	37.82	5.55	3.00	-	18.15	-	0.06	
GUINNESS NIGERIA PLC	51.00	51.00	-	-	26.41	92.70	51.00	37.49	11.33	-	12.73	BUY
NASCON ALLIED INDUSTRIES PLC	60.00	60.90	-	1.50	448.65	76.50	9.50	2.35	9.51	-	4.22	HOLD
VITAFOAM NIGERIA PLC	25.25	25.50	-	0.99	24.69	26.40	16.85	-	-	-	3.51	SELL
CADBURY NIGERIA PLC	21.00	19.00	-	9.52	59.66	24.05	10.20	4.53	17.26	-	1.08	HOLD
BUA FOODS	379.90	379.90	-	484.46	379.90	52.50	N/A	9.09	9.09	-	9.09	ACCUMULATE
BANKING SECTOR												
GUARANTY TRUST HOLDING CO PLC	39.05	39.75	-	1.79	72.83	46.30	16.80	10.46	3.07	-	6.87	ACCUMULATE
ZENITH BANK PLC	35.30	35.00	-	0.85	45.83	45.00	18.90	11.51	2.46	-	7.37	ACCUMULATE
STANBIC IBTC HOLDINGS PLC	55.00	54.75	-	0.45	63.68	80.00	27.50	5.34	5.84	-	8.10	BUY
FBN HOLDINGS PLC	31.00	27.90	-	10.00	155.96	28.00	8.20	4.15	2.31	-	8.57	ACCUMULATE
ACCESSCORP	20.95	20.45	-	2.39	140.59	30.00	7.50	8.90	1.65	-	5.45	BUY
UNITED BANK FOR AFRICA PLC	23.90	22.55	-	5.65	196.71	31.00	6.55	13.47	1.84	-	6.07	BUY
ECOBANK TRANSNATIONAL INC	24.10	24.10	-	-	127.36	26.50	9.50	4.97	2.15	-	6.48	HOLD
FIDELITY BANK NIGERIA	10.45	10.40	-	0.48	139.08	14.00	2.87	-	2.13	-	2.71	BUY
STERLINGNG	4.35	4.55	-	4.60	225.00	6.97	1.32	6.56	2.20	-	0.82	BUY
FCMB GROUP PLC	7.95	7.90	-	0.63	105.19	11.00	2.92	-	2.03	-	2.93	BUY
WEMA BANK PLC	8.30	7.38	-	11.08	89.23	8.77	3.85	8.03	6.62	-	1.42	BUY
JAIZ BANK PLC	2.30	2.15	-	6.52	133.70	3.02	0.68	-	3.75	-	0.28	HOLD
OIL & GAS SECTOR												
SEPLAT ENERGY PLC	3370.00	3370.00	-	206.36	3,074.60	1,050.00	5.88	34.51	-	-	0.11	SELL
OANDO PLC	10.95	10.85	-	0.91	176.79	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	-	49.93	HOLD
MRS NIGERIA PLC	135.00	135.00	-	857.45	126.00	10.55	-	364.19	33.75	-	33.75	HOLD
ETERNA PLC	17.55	14.25	-	18.80	113.00	30.40	5.40	-	4.17	-	5.40	HOLD
CONOIL PLC	101.00	101.00	-	281.13	112.50	23.90	-	4.97	18.33	-	18.33	BUY
INSURANCE SECTOR												
N.E.M. INSUR CO (NIG) PLC	6.60	6.60	-	46.67	8.00	3.13	4.81	3.20	1.32	-	1.32	BUY
AXA MANSARD INSURANCE PLC	5.70	5.00	-	12.28	150.00	6.45	1.50	5.06	2.08	-	2.08	BUY
AICO INSURANCE PLC	1.08	1.05	-	2.78	77.97	1.51	0.52	2.13	0.23	-	0.23	HOLD
AGRICULTURE SECTOR												
OKOMU OIL PALM PLC	243.00	243.00	-	47.27	270.00	157.00	-	10.17	8.80	-	8.80	HOLD
PRESKO PLC	244.00	231.50	-	5.12	68.36	259.00	110.00	0.01	7.59	-	24.75	ACCUMULATE
AVIATION SECTOR												
SKYWAY AVIATION HANDLING CO	25.50	25.50	-	410.00	28.15	5.00	#N/A N/A	12.56	1.16	-	1.16	
NITONAL AVIATION HANDLING C	30.70	29.00	-	5.54	353.13	30.70	5.00	-	7.97	-	1.84	SELL
POWER SECTOR												
GEREGU	985.00	977.00	-	0.81	555.70	985.00	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 March 01, 2024.

MARKET SNAPSHOT	Week 9	Week 8	% Change
NASD Securities Index	1,141.61	1,188.78	-3.97
Market Capitalization (NTn)	1548.00	1.61	95989.39
Total Volume Traded	2,539,802.00	15,386,629.00	-83.49
Total Value Traded	616,526,861.53	1,768,649,362.75	-65.14
Number of Deals	121	151	-19.87
Number of Traded Stocks	14	15	-6.67

Source: Proshare NASD

WEEK ADVANCERS

SECURITY	Close (N)	Open (N)	%Change
SDFCWAMCO	71.4	70.27	1.61
SDUBUPROP	1.9	1.73	9.83

WEEK DECLINERS

SDARADEL	2395.00	2700.00	-11.30
SDCSCSPLC	19.46	19.63	-0.87

Source: Proshare NASD

FMDQ

Foreign Exchange NAFEM Window			
Description	Spot (\$/N)	Change %	Date
Opening	1665.50	-7.97	23-02-24
Close	1548.25	-2.94	01-03-24
NAFEX	1567.65		01-04-24
MPR	18.75%		22-07-23
INFLATION	29.90%		31-12-24
	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 09	Week 08	%Change
TOTAL VOLUME	223,630,902.00	221,091,100.00	1.15
TOTAL VALUE	4,742,267,809.45	4,125,740,947.92	14.94
NUMBER OF DEALS	848.00	727.00	16.64

Source: Proshare NASD

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