

WEEKLY STOCK RECOMMENDATION

Monday, July 19, 2021

Previous Week Market Review

Last week, investors on the Nigerian equity market traded with mixed sentiment during the week as the market declined marginally in three of the five trading sessions. The market, however, shed 0.12% week-on-week following sell-off in some market medium and large capitalized stocks, such as NB, VITAFOAM, BUACEMENT, WAPCO, GTCO, amongst others. Consequently, the All-Share Index dipped by 47.01 basis points, representing a decrease of 0.12% to close at 37,947.18, while the Market Capitalization lost ₦24.48 billion, representing a decline of 0.12%, to close at ₦19.77 trillion.

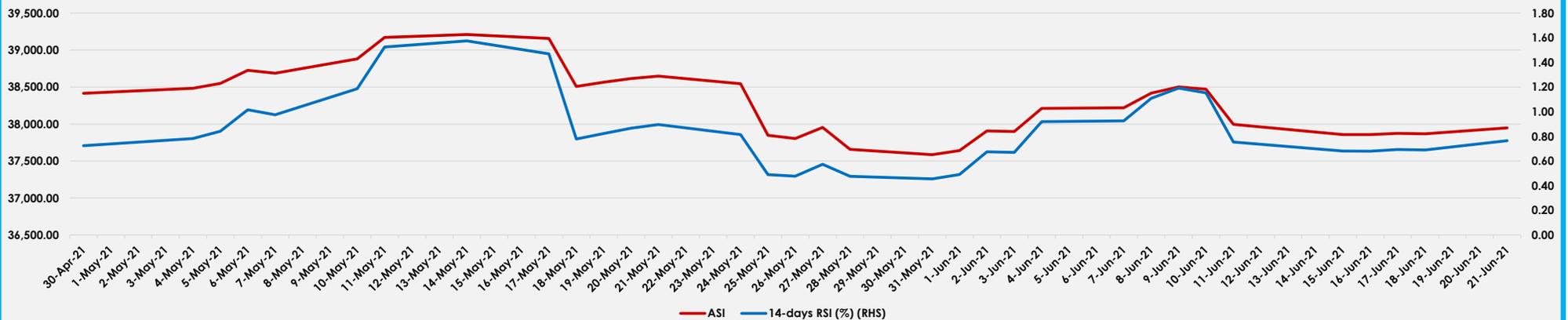
Previous Week Market Statistics	Index	W/W	MTD	QTD	YTD
NGX-ASI	37,947.18	▼ -0.12%	▲ 0.11%	▲ 0.11%	▼ -5.77%
NGX-30	1,617.76	▼ -0.19%	▲ 1.44%	▲ 1.44%	▼ -1.36%
Banking	383.30	▲ 0.09%	▲ 4.59%	▲ 4.59%	▼ -2.47%
Consumer Goods	593.93	▼ -0.85%	▼ -1.16%	▼ -1.16%	▲ 3.59%
Industrial Goods	1,923.73	▼ -0.30%	▲ 1.91%	▲ 1.91%	▼ -6.27%
Insurance	201.51	▼ -1.07%	▼ -1.14%	▼ -1.14%	▲ 6.34%
Oil & Gas	337.61	▲ 1.81%	▲ 7.84%	▲ 7.84%	▲ 49.25%

Market Cap.	₦ 19,771,035,391,073.14
Index	37,947.18
Volume	1,008,497,177
Value	₦10,922,670,005.
Deals	17,297
Gainers	29
Losers	32
Unchanged	95

Outlook:

Amid a decline in the recent OMO auction yield, we expect to see moderate positive sentiment from equity investors in the new week.

Technical Analysis



STOCKS	Rating	Target Price	Upside Potential	Current Price	52-Weeks High	52-Weeks Low	1-Week Return	YTD Return	Trailing 12M EPS (N)	Dividend Yield	BVPS (₹)	PB Ratio	ROA	ROE	Trailing P/E Ratio	Forward P/E Ratio
Banking																
ACCESS	HOLD	10.10	9.78%	9.20	10.50	6.10	1.10%	8.88%	3.01	8.70%	21.13	0.44x	1.22%	14.12%	3.06x	2.79x
ETI	BUY	6.80	28.30%	5.30	7.30	3.90	1.92%	-11.67%	2.80	0.00%	44.24	0.12x	0.32%	4.16%	1.89x	4.21x
FBNH	HOLD	8.10	10.96%	7.30	9.00	4.50	-5.19%	2.10%	2.45	6.16%	21.32	0.34x	1.17%	11.73%	2.98x	3.84x
FCMB	HOLD	3.30	10.37%	2.99	3.99	1.84	0.00%	-10.21%	0.98	5.02%	11.47	0.26x	0.95%	8.63%	3.05x	3.32x
FIDELITYBK	BUY	2.80	16.67%	2.40	3.10	1.66	3.90%	-4.76%	0.92	9.17%	9.44	0.25x	0.97%	9.74%	2.61x	2.40x
GTCO	BUY	36.40	23.81%	29.40	38.45	21.30	-0.17%	-9.12%	7.11	10.20%	27.67	1.06x	4.07%	24.73%	4.14x	4.14x
STANBIC	BUY	50.60	23.41%	41.00	45.64	24.86	0.74%	-6.92%	7.29	9.76%	34.09	1.20x	3.35%	21.98%	5.62x	5.47x
STERLN BANK	BUY	1.80	15.38%	1.56	2.65	1.14	-0.64%	-23.53%	0.39	3.21%	4.72	0.33x	0.87%	8.28%	4.x	3.70x
UBA	BUY	8.70	15.23%	7.55	9.80	5.80	0.67%	-12.72%	3.20	6.89%	21.17	0.36x	1.48%	15.71%	2.36x	2.23x
UBN	SELL	5.85	4.46%	5.60	7.00	4.50	0.00%	4.67%	0.63	4.46%	9.08	0.62x	0.85%	7.06%	8.89x	6.60x
UNITYBNK	UR	-	-	0.54	0.86	0.45	-8.47%	-15.63%	0.18	0.00%	-23.56	-0.02x	0.42%	-0.76%	3.x	-
WEMABANK	SELL	0.62	-22.50%	0.80	0.92	0.50	8.11%	15.94%	0.12	5.00%	1.53	0.52x	0.47%	7.74%	6.6667x	2.80x
ZENITHBANK	HOLD	28.00	14.52%	24.45	28.50	15.40	-2.00%	-1.41%	7.34	12.27%	35.59	0.69x	2.72%	20.63%	3.33x	3.30x
Other Financials																
AFRIPRUD	BUY	7.20	15.20%	6.25	7.35	4.00	-0.79%	0.00%	0.72	8.00%	4.18	1.49x	8.16%	17.28%	8.68x	8.33x
CUSTODIAN	HOLD	6.80	11.48%	6.10	7.10	4.55	-6.15%	4.27%	1.96	9.02%	9.78	0.62x	7.20%	22.06%	3.11x	3.05x
UCAP **	SELL	6.80	4.62%	6.50	6.57	2.61	3.17%	38.00%	1.05	10.77%	3.93	1.66x	0.98%	13.34%	6.19x	4.71x
Industrial Goods																
BUACEMENT	BUY	82.00	15.49%	71.00	85.00	37.10	-0.70%	-8.21%	2.14	2.91%	11.10	6.40x	9.44%	19.24%	33.18x	33.81x
CAP	BUY	28.00	34.62%	20.80	24.50	15.25	9.47%	4.00%	1.75	10.10%	5.35	3.89x	14.35%	32.66%	11.89x	10.10x
DANGCEM	HOLD	248.00	7.83%	230.00	253.40	122.00	0.00%	-6.08%	16.14	6.96%	52.29	4.40x	13.65%	30.99%	14.25x	12.92x
WAPCO	BUY	26.00	20.09%	21.65	31.50	10.90	-0.69%	2.85%	1.91	4.62%	22.33	0.97x	6.08%	8.58%	11.34x	10.83x
Consumer Goods																
DANGSUGAR	HOLD	20.00	14.61%	17.45	23.45	11.00	-2.24%	-0.85%	2.45	8.60%	10.27	1.70x	10.71%	23.88%	7.12x	7.27x
FLOURMILL *	HOLD	33.00	10.55%	29.85	35.00	17.00	0.00%	14.81%	6.38	5.53%	42.58	0.70x	4.72%	14.73%	4.68x	6.52x
GUINNESS	BUY	34.20	17.93%	29.00	36.00	13.00	0.00%	52.63%	0.84	0.00%	34.18	0.85x	1.17%	2.45%	34.52x	16.48x
NASCON	BUY	18.00	20.00%	15.00	17.60	9.50	0.00%	3.45%	1.02	2.67%	4.80	3.12x	6.07%	21.15%	14.71x	14.85x
NB	BUY	68.00	17.24%	58.00	63.25	30.00	-3.33%	3.57%	0.92	1.62%	20.16	2.88x	1.65%	4.57%	63.04x	64.44x
NESTLE	SELL	1380.00	-10.39%	1540.00	1540.00	1175.00	0.00%	2.33%	49.47	3.93%	36.96	41.67x	15.93%	133.84%	31.13x	31.11x
UNILEVER	HOLD	14.50	11.11%	13.05	15.75	11.20	0.38%	-6.12%	-0.69	0.00%	10.81	1.21x	-4.33%	-6.38%	-18.91x	-18.64x
VITAFOAM	SELL	12.44	-17.07%	15.00	16.20	5.15	-2.91%	92.31%	2.17	4.67%	8.55	1.75x	9.72%	23.26%	6.91x	4.27x
Agriculture																
LIVESTOCK	HOLD	2.15	14.36%	1.88	3.08	0.55	-0.53%	35.25%	0.17	0.00%	0.69	2.72x	7.77%	24.28%	11.06x	10.44x
OKOMUOIL	HOLD	125.00	13.64%	110.00	116.5	74.95	0.00%	20.88%	8.16	6.36%	36.46	3.02x	14.14%	22.37%	13.48x	13.41x
PRESCO	BUY	82.00	20.59%	68.00	79.75	48	0.00%	-4.16%	5.26	2.94%	31.05	2.19x	7.13%	16.95%	12.93x	12.83x
Conglomerate																
TRANSCORP	HOLD	1.00	8.70%	0.92	1.4	0.51	-1.08%	-87.31%	-0.12	1.09%	2.81	0.33x	1.12%	3.31%	-7.67x	30.67x
UACN	BUY	12.00	20.00%	10.00	11.5	5.4	2.56%	37.93%	0.92	12.00%	21.30	0.47x	4.26%	6.40%	10.87x	11.90x
Telecommunication																
MTNN	HOLD	178.00	7.88%	165.00	183.00	115.00	0.61%	-2.88%	10.08	5.70%	8.76	18.83x	10.45%	115.04%	16.37x	16.37x
Oil & Gas																
ARDOVA	BUY	18.00	16.13%	15.50	22.00	10.30	0.00%	14.39%	1.43	1.23%	13.84	1.12x	2.87%	10.31%	10.84x	11.07x
CONOIL	BUY	22.00	18.92%	18.50	21.00	14.40	0.00%	-11.27%	0.59	0.00%	28.24	0.66x	0.79%	2.08%	31.36x	9.30x
ETERNA	BUY	8.20	26.15%	6.50	8.15	1.80	1.72%	-27.45%	0.72	1.54%	10.24	0.64x	2.63%	7.05%	9.03x	8.02x
OANDO	UR	-	-	3.29	4.30	2.03	4.44%	-11.08%	0.68	0.00%	23.27	0.14x	1.21%	4.52%	4.84x	-
SEPLAT	HOLD	860.00	11.69%	770.00	770.00	282.00	0.00%	91.40%	-46.42	5.17%	1,074.60	0.72x	-2.34%	-4.86%	-16.59x	-14.75x
TOTAL	SELL	175.00	4.17%	168.00	168.00	79.10	6.06%	29.23%	6.08	3.62%	82.91	2.03x	1.44%	7.33%	27.63x	25.45x

BUY: Implies the Upside Potential of the stock over the next of 12-Months when our Fair Value is compared with the current market price. Hence investors may take position on the stock

HOLD Implies the upside potential of the stock over the next period of 12-months is between 15% and 8% when the current price is compared to our fair value. Hence, investors are advised to remain neutral.

SELL Implies the upward potential of the stock, when the current price is compared to our fair value is less than 8%. Hence, investors may choose to exit position on the stock.

UR Under Review - Hence, investors may exercise caution on this stock.

Note (** - Companies that released their H1'2021 Earnings Result for the period ended Jun'2021)

(* - Companies that released their FY'2020 Earnings Result for the period ended Mar'2021)

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