

WEEKLY STOCK RECOMMENDATION

Monday, July 26, 2021

Previous Week Market Review

Last week, the Nigerian equity market experienced positive sentiment from investors in the three trading sessions. The positive sentiment was impacted by price appreciation in some market bellwether stocks, such as; TOTAL, UCAP, DANGCEM, UACN, PRESCO, ZENITHBANK, GTCO, UBA, WAPCO, amongst others, following the 2021 Half Year Results and Interim Dividend posted by some of the stocks.

Consequently, the All-Share Index rose by 720.72 basis points, representing an increase of 1.90% to close at 38,667.90, while the Market Capitalization gained ₦375.5 billion, representing a growth of 1.90%, to close at ₦20.15 trillion.

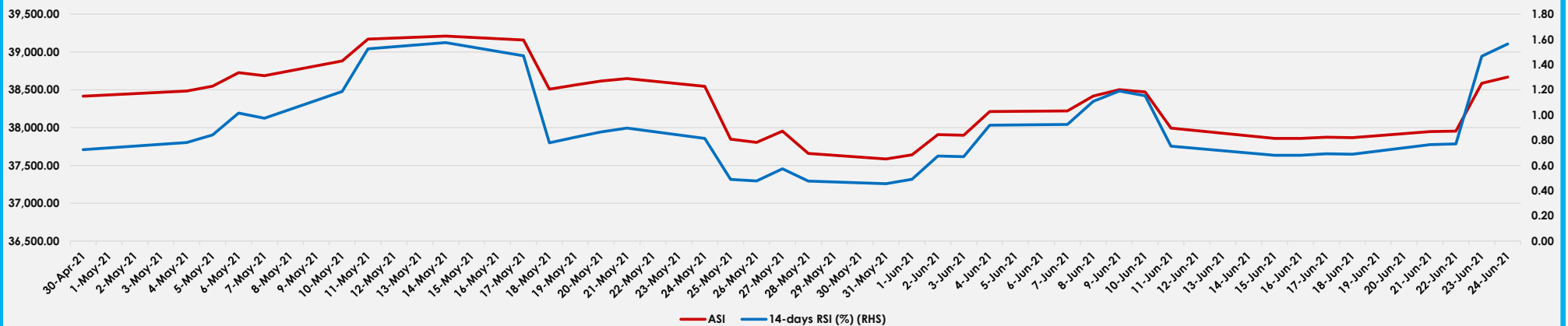
Previous Week Market Statistics	Index	W/W	MTD	QTD	YTD
NGX-ASI	38,667.90	▲ 1.90%	▲ 2.01%	▲ 2.01%	▼ -3.98%
NGX-30	1,649.09	▲ 1.94%	▲ 3.40%	▲ 3.40%	▲ 0.55%
Banking	384.99	▲ 0.44%	▲ 5.05%	▲ 5.05%	▼ -2.04%
Consumer Goods	597.32	▲ 0.57%	▼ -0.59%	▼ -0.59%	▲ 4.18%
Industrial Goods	2,001.80	▲ 4.06%	▲ 6.04%	▲ 6.04%	▼ -2.46%
Insurance	200.02	▼ -0.74%	▼ -1.87%	▼ -1.87%	▲ 5.55%
Oil & Gas	363.02	▲ 7.53%	▲ 15.95%	▲ 15.95%	▲ 60.49%

Market Cap.	₦ 20,146,539,713,204.65
Index	38,667.90
Volume	896,173,895
Value	₦5,235,246,449.
Deals	11,714
Gainers	43
Losers	16
Unchanged	97

Outlook:

Amidst anticipated positive earnings in the financial sectors, we expected further positive reactions of investors in the equity market this week.

Technical Analysis



STOCKS	Rating	Target Price	Upside Potential	Current Price	52-Weeks High	52-Weeks Low	1-Week Return	YTD Return	Trailing EPS (N)	Dividend Yield	BVPS (₹)	PB Ratio	ROA	ROE	Trailing P/E Ratio	Forward P/E Ratio
Banking																
ACCESS	HOLD	10.10	10.38%	9.15	10.50	6.15	-0.54%	8.28%	3.01	8.74%	21.13	0.43x	1.22%	14.12%	3.04x	2.77x
ETI	BUY	6.80	33.33%	5.10	7.30	3.90	-3.77%	-15.00%	2.80	0.00%	44.24	0.12x	0.32%	4.16%	1.82x	4.05x
FBNH	HOLD	8.10	8.00%	7.50	9.00	4.50	2.74%	4.90%	2.45	6.00%	21.32	0.35x	1.17%	11.73%	3.06x	3.95x
FCMB	HOLD	3.30	10.37%	2.99	3.99	1.85	0.00%	-10.21%	0.98	5.02%	11.47	0.26x	0.95%	8.63%	3.05x	3.32x
FIDELITYBK	BUY	2.80	17.15%	2.39	3.10	1.70	-0.42%	-5.16%	0.92	9.21%	9.44	0.25x	0.97%	9.74%	2.6x	2.39x
GTCO	BUY	36.40	23.39%	29.50	38.45	21.50	0.34%	-8.81%	7.11	10.17%	27.67	1.07x	4.07%	24.73%	4.15x	4.15x
STANBIC	BUY	50.60	24.32%	40.70	45.64	25.71	-0.73%	-7.60%	7.29	9.83%	34.09	1.19x	3.35%	21.98%	5.58x	5.43x
STERLN BANK	BUY	1.80	18.42%	1.52	2.65	1.14	-2.56%	-25.49%	0.39	3.29%	4.72	0.32x	0.87%	8.28%	3.9x	3.70x
UBA	HOLD	8.70	12.26%	7.75	9.80	5.80	2.65%	-10.40%	3.20	6.71%	21.17	0.37x	1.48%	15.71%	2.42x	2.29x
UBN	SELL	5.85	7.34%	5.45	7.00	4.50	-2.68%	1.87%	0.63	4.59%	9.08	0.60x	0.85%	7.06%	8.65x	6.60x
UNITYBNK	UR	-	-	0.57	0.86	0.51	5.56%	-10.94%	0.18	0.00%	-23.56	-0.02x	0.42%	-0.76%	3.17x	-
WEMABANK	SELL	0.62	-30.34%	0.89	0.92	0.50	11.25%	28.99%	0.12	4.49%	1.53	0.58x	0.47%	7.74%	7.4167x	2.80x
ZENITHBANK	HOLD	28.00	13.59%	24.65	28.50	15.50	0.82%	-0.60%	7.34	12.17%	35.59	0.69x	2.72%	20.63%	3.36x	3.33x
Other Financials																
AFRIPRUD**	HOLD	7.50	8.70%	6.90	7.35	4.01	10.40%	10.40%	0.41	7.25%	4.08	1.69x	0.93%	10.14%	16.83x	9.20x
CUSTODIAN	HOLD	6.80	8.80%	6.25	7.10	4.55	2.46%	6.84%	1.96	8.80%	9.78	0.64x	7.20%	22.06%	3.19x	3.13x
UCAP **	HOLD	7.95	8.16%	7.35	7.35	2.73	13.08%	56.05%	1.05	9.52%	3.93	1.87x	0.98%	13.34%	7.x	5.33x
Industrial Goods																
BUACEMENT	BUY	82.00	15.49%	71.00	85.00	37.10	0.00%	-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	0.00%	4.00%	1.75	10.10%	5.35	3.89x	14.35%	32.66%	11.89x	10.10x
DANGCEM	HOLD	270.00	8.87%	248.00	253.40	122.00	7.83%	1.27%	16.14	6.45%	52.29	4.74x	13.65%	30.99%	15.37x	13.93x
WAPCO	BUY	26.00	19.54%	21.75	31.50	10.90	0.46%	3.33%	1.91	4.60%	22.33	0.97x	6.08%	8.58%	11.39x	10.88x
Consumer Goods																
DANGSUGAR	HOLD	20.00	13.31%	17.65	23.45	11.00	1.15%	0.28%	2.45	8.50%	10.27	1.72x	10.71%	23.88%	7.2x	7.35x
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	HOLD	34.20	8.06%	31.65	36.00	13.00	9.14%	66.58%	0.84	0.00%	34.18	0.93x	1.17%	2.45%	37.68x	17.98x
NASCON	BUY	18.00	20.00%	15.00	17.60	9.60	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	31.00	0.00%	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	SELL	14.50	1.40%	14.30	15.75	11.20	9.58%	2.88%	-0.69	0.00%	10.81	1.32x	-4.33%	-6.38%	-20.72x	-20.43x
VITAFOAM	UR	-	-	16.00	16.20	5.15	6.67%	105.13%	2.17	4.38%	8.55	1.87x	9.72%	23.26%	7.37x	-
Agriculture																
LIVESTOCK	HOLD	2.15	9.14%	1.97	3.08	0.55	4.79%	41.73%	0.17	0.00%	0.69	2.85x	7.77%	24.28%	11.59x	10.94x
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	17.14%	70.00	79.75	48	2.94%	-1.34%	5.26	2.86%	31.05	2.25x	7.13%	16.95%	13.31x	13.21x
Conglomerate																
TRANSCORP	SELL	1.00	6.38%	0.94	1.4	0.51	2.17%	-87.03%	-0.12	1.06%	2.81	0.33x	1.12%	3.31%	-7.83x	31.33x
UACN	HOLD	12.00	14.29%	10.50	11.5	5.4	5.00%	44.83%	0.92	11.43%	21.30	0.49x	4.26%	6.40%	11.41x	12.50x
Telecommunication																
MTNN	HOLD	178.00	7.88%	165.00	183.00	116.60	0.00%	-2.88%	10.08	5.70%	8.76	18.83x	10.45%	115.04%	16.37x	16.37x
Oil & Gas																
ARDOVA	HOLD	18.00	13.21%	15.90	22.00	10.30	2.58%	17.34%	1.43	1.19%	13.84	1.15x	2.87%	10.31%	11.12x	11.36x
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	15.01%	7.13	8.15	1.82	9.69%	39.80%	0.72	1.40%	10.24	0.70x	2.63%	7.05%	9.9x	8.80x
OANDO	UR	-	-	3.97	4.30	2.03	20.67%	7.30%	0.68	0.00%	23.27	0.17x	1.21%	4.52%	5.84x	-
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**	HOLD	220.00	8.27%	203.20	203.20	79.10	20.95%	56.31%	23.76	2.99%	96.67	2.10x	4.32%	24.57%	8.55x	30.79x

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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