

WEEKLY STOCK RECOMMENDATION

Monday, August 2, 2021

Previous Week Market Review

Last week, investors' wealth in the Nigerian equity market lost ₦63 billion from the prior week's gain. The decline was on the back of less impressive H1'2021 corporate earnings and the CBN's suspension of forex to the BDCs.

Consequently, the All-Share Index declined by 120.82 basis points, representing a decrease of 0.31% to close at 38,547.08, while the Market Capitalization lost ₦62.95 billion, representing a decline of 0.31%, to close at ₦20.08 trillion.

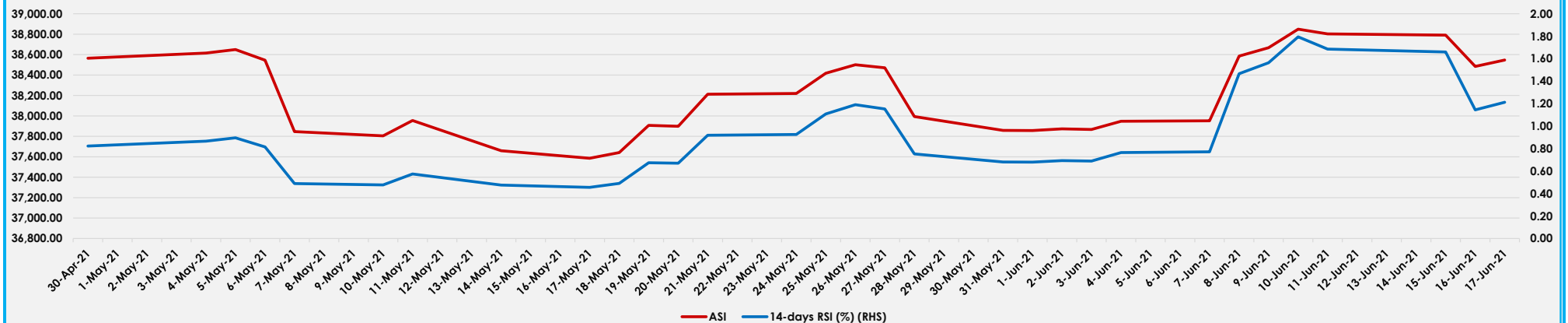
Previous Week Market Statistics	Index	W/W	MTD	QTD	YTD
NGX-ASI	38,547.08	▼ -0.31%	▲ 1.69%	▲ 1.69%	▼ -4.28%
NGX-30	1,639.22	▼ -0.60%	▲ 2.78%	▲ 2.78%	▼ -0.05%
Banking	381.35	▼ -0.95%	▲ 4.06%	▲ 4.06%	▼ -2.97%
Consumer Goods	597.66	▲ 0.06%	▼ -0.54%	▼ -0.54%	▲ 4.24%
Industrial Goods	1,975.31	▼ -1.32%	▲ 4.64%	▲ 4.64%	▼ -3.75%
Insurance	197.77	▼ -1.12%	▼ -2.98%	▼ -2.98%	▲ 4.36%
Oil & Gas	376.95	▲ 3.84%	▲ 20.40%	▲ 20.40%	▲ 66.64%

Market Cap.	₦ 20,083,591,338,311.8
Index	38,547.08
Volume	1,374,252,767
Value	₦11,823,343,899.
Deals	22,982
Gainers	37
Losers	35
Unchanged	84

Outlook:

We expect bargain hunting from investors in the new week, amid banks' pledges to support CBN FX policy and anticipation of interim dividends from tier-I lenders.

Technical Analysis



STOCKS	Rating	Target Price	Upside Potential	Current Price	52-Weeks High	52-Weeks Low	1-Week Return	YTD Return	6Months Trailing EPS (N)	Dividend Yield	BVPS (N)	PB Ratio	ROA	ROE	Trailing P/E Ratio	Forward P/E Ratio
Banking																
ACCESS	HOLD	10.10	9.78%	9.20	10.50	6.15	0.55%	8.88%	3.01	8.70%	21.13	0.44x	1.22%	14.12%	3.06x	2.79x
ETI	BUY	6.80	29.52%	5.25	7.30	3.90	2.94%	-12.50%	3.41	0.00%	43.77	0.12x	0.57%	7.79%	1.54x	4.17x
FBNH	HOLD	8.10	9.46%	7.40	9.00	4.50	-1.33%	3.50%	1.06	6.08%	21.51	0.34x	0.47%	4.93%	6.98x	3.89x
FCMB	HOLD	3.30	10.00%	3.00	3.99	1.85	0.33%	-9.91%	0.38	5.00%	11.84	0.25x	0.34%	3.22%	7.86x	3.33x
FIDELITYBK	BUY	2.80	16.67%	2.40	3.10	1.70	0.42%	-4.76%	0.92	9.17%	9.44	0.25x	0.97%	9.74%	2.61x	2.40x
GTCO	BUY	36.40	27.72%	28.50	38.45	21.50	-3.39%	-11.90%	6.84	10.53%	27.67	1.03x	4.07%	24.73%	4.16x	4.01x
STANBIC	BUY	50.60	23.41%	41.00	45.64	25.71	0.74%	-6.92%	7.49	9.76%	34.09	1.20x	3.35%	21.98%	5.47x	5.47x
STERLN BANK	BUY	1.80	16.88%	1.54	2.65	1.14	1.32%	-24.51%	0.20	3.25%	4.50	0.34x	0.39%	4.39%	7.79x	3.70x
UBA	HOLD	8.70	14.47%	7.60	9.80	5.80	-1.94%	-12.14%	3.33	6.84%	21.17	0.36x	1.48%	15.71%	2.28x	2.25x
UBN	HOLD	5.85	10.38%	5.30	7.00	4.50	-2.75%	-0.93%	0.38	4.72%	8.86	0.60x	0.50%	4.30%	13.9x	6.60x
UNITYBNK	UR	-	-	0.59	0.86	0.51	3.51%	-7.81%	0.12	0.00%	-24.11	-0.02x	0.25%	-0.49%	4.99x	-
WEMABANK	SELL	0.62	-24.39%	0.82	0.92	0.50	-7.87%	18.84%	0.10	4.88%	1.58	0.52x	0.36%	6.09%	8.5137x	2.80x
ZENITHBANK	HOLD	28.00	14.05%	24.55	28.50	15.50	-0.41%	-1.01%	7.34	12.22%	35.59	0.69x	2.72%	20.63%	3.34x	3.32x
Other Financials																
AFRIPRUD	HOLD	7.00	10.24%	6.35	7.35	4.01	-7.97%	1.60%	0.41	7.87%	4.08	1.56x	0.93%	10.14%	15.34x	8.47x
CUSTODIAN*	HOLD	6.80	9.68%	6.20	7.10	4.55	-0.80%	5.98%	0.79	1.61%	10.08	0.61x	2.68%	7.81%	7.87x	3.10x
UCAP	HOLD	7.95	13.57%	7.00	7.35	2.73	-4.76%	48.62%	0.52	10.00%	3.93	1.78x	0.98%	13.34%	13.37x	5.07x
Industrial Goods																
BUACEMENT	HOLD	76.00	11.76%	68.00	85.00	37.10	-4.23%	-12.09%	1.28	3.04%	10.32	6.59x	6.52%	12.42%	53.06x	32.38x
CAP	BUY	28.00	34.62%	20.80	24.50	15.25	0.00%	4.00%	0.73	10.10%	3.98	5.23x	5.96%	18.29%	28.6x	10.10x
DANGCEM	HOLD	270.00	8.83%	248.10	253.40	122.00	0.04%	1.31%	11.24	6.45%	47.24	5.25x	9.23%	23.79%	22.07x	13.94x
WAPCO	BUY	26.00	13.54%	22.90	31.50	10.90	5.29%	8.79%	1.76	4.37%	23.09	0.99x	5.53%	7.62%	13.02x	11.45x
Consumer Goods																
DANGSUGAR	HOLD	20.00	8.11%	18.50	23.45	11.00	4.82%	5.11%	1.04	8.11%	9.80	1.89x	4.44%	10.58%	17.83x	7.71x
FLOURMILL	HOLD	33.00	10.00%	30.00	35.00	17.00	0.50%	15.38%	6.27	5.50%	42.58	0.70x	4.72%	14.73%	4.78x	6.55x
GUINNESS	HOLD	34.20	8.57%	31.50	36.00	13.00	-0.47%	65.79%	0.84	0.00%	34.18	0.92x	1.17%	2.45%	37.54x	17.90x
NASCON	BUY	18.00	24.57%	14.45	17.60	9.60	-3.67%	-0.34%	0.55	2.77%	4.95	2.92x	3.18%	11.06%	26.39x	14.31x
NB	BUY	68.00	18.26%	57.50	63.25	31.00	-0.86%	2.68%	0.97	1.63%	20.87	2.75x	1.73%	4.62%	59.58x	63.89x
NESTLE	SELL	1380.00	-10.39%	1540.00	1540.00	1175.00	0.00%	2.33%	27.42	3.93%	28.81	53.45x	8.27%	95.15%	56.17x	31.11x
UNILEVER	HOLD	15.40	10.00%	14.00	15.75	11.20	-2.10%	0.72%	0.12	0.00%	10.94	1.28x	0.74%	1.14%	112.52x	-20.00x
VITAFOAM	SELL	16.00	6.67%	15.00	16.20	5.15	-6.25%	92.31%	2.72	4.67%	9.29	1.61x	12.54%	29.32%	5.5x	-
Agriculture																
LIVESTOCK	HOLD	2.35	9.30%	2.15	3.08	0.55	9.14%	54.68%	0.17	0.00%	0.69	3.11x	7.77%	24.28%	12.82x	11.94x
OKOMUOIL	HOLD	125.00	13.64%	110.00	116.5	74.95	0.00%	20.88%	10.00	6.36%	37.20	2.96x	23.35%	26.87%	11.x	13.41x
PRESCO	BUY	82.00	15.49%	71.00	79.75	48	1.43%	0.07%	10.13	2.82%	41.18	1.72x	13.53%	24.59%	7.01x	13.40x
Conglomerate																
TRANSCORP	HOLD	1.12	9.80%	1.02	1.4	0.51	8.51%	-85.93%	0.16	0.98%	2.95	0.35x	1.82%	5.43%	6.38x	34.00x
UACN	BUY	12.00	17.65%	10.20	11.5	5.4	-2.86%	40.69%	0.26	11.76%	20.05	0.51x	0.75%	1.32%	38.54x	12.14x
Telecommunication																
MTNN*	HOLD	178.00	7.88%	165.00	183.00	116.60	0.00%	-2.88%	6.97	2.76%	9.83	16.78x	6.53%	70.87%	23.68x	16.37x
Oil & Gas																
ARDOVA	HOLD	18.00	10.43%	16.30	22.00	10.30	2.52%	20.30%	1.37	1.17%	15.01	1.09x	2.49%	9.11%	11.92x	11.64x
CONOIL	BUY	22.00	18.92%	18.50	21.00	14.40	0.00%	-11.27%	1.53	0.00%	29.66	0.62x	2.24%	5.16%	12.08x	9.30x
ETERNA	BUY	8.20	15.49%	7.10	8.15	1.82	-0.42%	39.22%	0.24	1.41%	10.47	0.68x	0.90%	2.27%	29.81x	8.77x
OANDO	UR	-	-	4.89	4.30	2.03	23.17%	32.16%	0.68	0.00%	23.27	0.21x	1.21%	4.52%	7.19x	-
SEPLAT*	HOLD	860.00	11.69%	770.00	770.00	282.00	0.00%	91.40%	23.99	1.33%	1,155.23	0.67x	1.00%	2.08%	32.09x	-14.75x
TOTAL*	HOLD	220.00	8.27%	203.20	203.20	79.10	0.00%	56.31%	23.76	1.97%	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 paid Interim dividend for the period ended June 2021)

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