

WEEKLY STOCK RECOMMENDATION

Monday, November 1, 2021

Previous Week Market Review

Last week, the Nigeria equity market sustained the week-on-week rally to seven consecutive weeks following the investors' positive sentiments in four of the five trading sessions. The rally was impacted by the reactions to the positive Q3 earnings reports and the slow down in the recent 364-days NTB paper auctioned by the CBN by c.26bps to 6.99% from the previous NTB auction.

In that regard, the All-Share Index grew by 275.34 basis points, representing an increase of 0.66% to close at 42,038.60. While the Market Capitalization gained ₦144.04 billion, representing a growth of 0.66%, to close at ₦21.94 trillion.

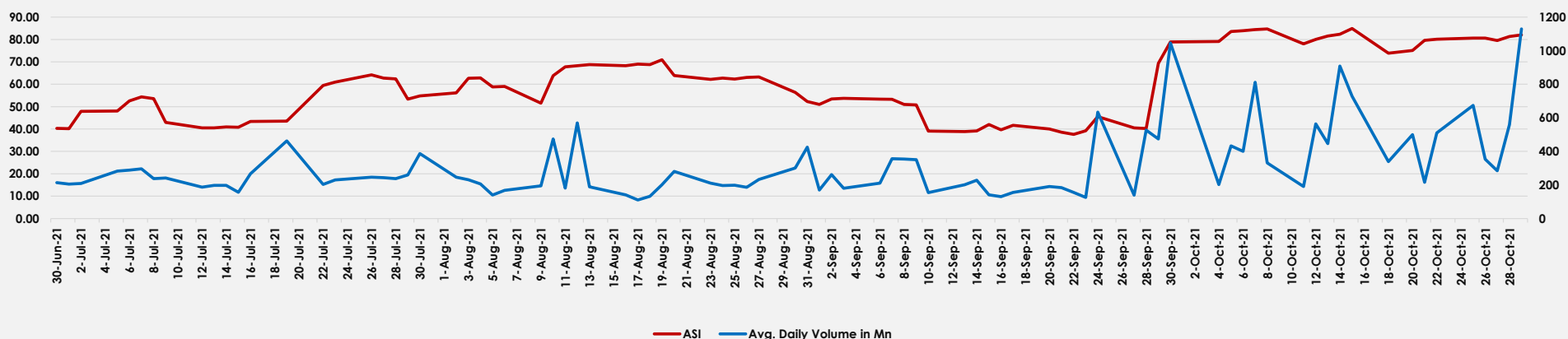
Previous Week Market Statistics	Index	W/W	MTD	QTD	YTD
NGX-ASI	42,038.60	▲ 0.66%	▲ 4.52%	▲ 4.52%	▲ 4.39%
NGX-30	1,747.12	▲ 0.69%	▲ 4.34%	▲ 4.34%	▲ 6.52%
Banking	410.39	▲ 2.43%	▲ 10.66%	▲ 10.66%	▲ 4.42%
Consumer Goods	569.51	▲ 1.52%	▲ 0.41%	▲ 0.41%	▼ -0.67%
Industrial Goods	2,177.38	▲ 0.49%	▲ 4.21%	▲ 4.21%	▲ 6.09%
Insurance	179.92	▲ 5.28%	▲ 3.98%	▲ 3.98%	▼ -5.06%
Oil & Gas	390.90	▲ 4.04%	▲ 6.43%	▲ 6.43%	▲ 72.81%

Market Cap.	₦21,938.48 Bn
Index	42,038.60
Volume	3,000,944,034
Value	₦34,547,433,310.
Deals	25,932
Gainers	47
Losers	25
Unchanged	84

Outlook:

We expect mixed sentiment in the equity market on the back of profit-taking, positive Q3 earnings and portfolio readjustment for the new month.

Technical Analysis



STOCKS	Rating	Target Price	Upside Potential	Current Price	52-Weeks High	52-Weeks Low	1-Week Return	YTD Return	9Months Trailing EPS (N)	Interim Dividend Yield	BVPS (₦)	PB Ratio	ROA	ROE	Trailing P/E Ratio	Forward P/E Ratio
Banking																
ACCESS	HOLD	10.80	13.68%	9.50	10.50	7.05	0.00%	12.43%	2.48	3.16%	22.49	0.42x	1.18%	15.25%	3.83x	2.88x
ETI**	SELL	8.60	-3.37%	8.90	7.60	4.35	17.88%	48.33%	3.41	0.00%	43.77	0.20x	0.57%	7.79%	2.61x	7.06x
FBNH**	HOLD	12.50	13.12%	11.05	12.90	5.80	-9.80%	54.55%	1.06	0.00%	21.51	0.51x	0.47%	4.93%	10.43x	5.82x
FCMB**	SELL	3.40	6.58%	3.19	3.99	2.25	2.90%	-4.20%	0.38	0.00%	11.84	0.27x	0.34%	3.22%	8.36x	3.54x
FIDELITYBK**	HOLD	3.00	7.91%	2.78	3.10	1.93	2.96%	10.32%	0.67	0.00%	9.43	0.29x	0.62%	7.06%	4.17x	2.78x
GTCO	BUY	36.40	27.05%	28.65	38.45	26.95	0.53%	-11.44%	2.79	1.05%	28.62	1.00x	2.52%	15.36%	10.27x	4.04x
STANBIC	BUY	50.60	29.74%	39.00	45.64	33.17	-4.88%	-11.46%	2.93	2.56%	27.81	1.40x	1.45%	11.09%	13.31x	5.20x
STERLN BANK	BUY	1.80	20.81%	1.49	2.65	1.30	-2.61%	-26.96%	0.33	0.00%	4.78	0.31x	0.61%	6.88%	4.53x	3.70x
UBA	HOLD	9.40	9.30%	8.60	9.80	6.25	2.38%	-0.58%	2.94	2.33%	23.34	0.37x	1.25%	13.10%	2.93x	2.54x
UBN	BUY	5.85	15.84%	5.05	7.00	4.50	1.00%	-5.61%	0.46	0.00%	9.09	0.56x	0.55%	5.08%	10.94x	6.60x
UNITYBNK	UR	-	-	0.56	0.86	0.50	1.82%	-12.50%	0.17	0.00%	-24.01	-0.02x	0.34%	-0.69%	3.38x	-
WEMABANK	HOLD	0.90	11.11%	0.81	0.92	0.54	8.00%	17.39%	0.22	0.00%	1.65	0.49x	0.57%	9.78%	3.6818x	2.80x
ZENITHBANK	HOLD	28.00	10.89%	25.25	28.50	19.30	1.00%	1.81%	5.11	1.19%	37.81	0.67x	1.84%	13.53%	4.94x	3.41x
Other Financials																
AFRIPRUD**	HOLD	7.00	10.24%	6.35	7.35	4.90	-6.62%	1.60%	0.58	0.00%	4.25	1.49x	6.76%	13.56%	11.02x	8.47x
CUSTODIAN	HOLD	9.20	8.88%	8.45	8.00	5.50	5.62%	44.44%	0.85	1.18%	10.05	0.84x	2.77%	8.48%	9.91x	4.23x
UCAP**	BUY	11.20	21.74%	9.20	9.90	3.46	0.00%	95.33%	1.33	0.00%	4.48	2.05x	1.49%	22.18%	6.92x	6.67x
Industrial Goods																
BUACEMENT	SELL	72.00	0.00%	72.00	85.00	41.40	0.00%	-6.92%	1.95	0.00%	10.98	6.56x	9.52%	17.72%	37.x	34.29x
CAP	BUY	24.00	23.08%	19.50	24.50	17.25	-0.51%	-2.50%	0.78	0.00%	5.57	3.50x	5.94%	15.74%	25.x	9.47x
DANGCEM	SELL	290.00	3.57%	280.00	280.00	150.00	0.00%	14.33%	16.23	0.00%	53.12	5.27x	12.37%	30.74%	17.25x	15.73x
WAPCO	BUY	31.00	14.81%	27.00	31.50	16.45	8.00%	28.27%	2.51	0.00%	23.83	1.13x	7.88%	10.52%	10.77x	13.50x
Consumer Goods																
DANGSUGAR	HOLD	18.50	8.82%	17.00	23.45	12.65	-5.56%	-3.41%	1.28	0.00%	10.05	1.69x	4.80%	12.71%	13.31x	7.08x
FLOURMILL	HOLD	33.00	12.24%	29.40	35.00	22.90	1.03%	13.08%	2.43	5.61%	43.50	0.68x	1.96%	5.90%	12.1x	6.42x
GUINNESS	HOLD	40.00	10.19%	36.30	36.00	15.60	23.05%	91.05%	0.57	0.00%	33.91	1.07x	0.74%	1.69%	63.34x	20.63x
NASCON	BUY	18.00	22.87%	14.65	17.60	13.00	0.00%	1.03%	1.22	0.00%	5.31	2.76x	6.38%	17.16%	12.01x	14.50x
NB	BUY	65.00	22.64%	53.00	63.25	46.50	-2.30%	-5.36%	1.03	0.00%	20.94	2.53x	1.79%	4.91%	51.58x	58.89x
NESTLE	HOLD	1580.00	12.86%	1400.00	1540.00	1292.50	-0.36%	-6.98%	42.37	0.00%	43.80	31.96x	10.99%	96.73%	33.04x	28.28x
UNILEVER	SELL	16.80	7.69%	15.60	15.75	11.40	7.59%	12.23%	0.19	0.00%	11.10	1.41x	1.08%	1.70%	82.77x	-22.29x
VITAFOAM	HOLD	20.00	8.11%	18.50	17.85	5.95	6.32%	137.18%	4.75	0.00%	10.85	1.70x	16.60%	39.25%	3.89x	5.27x
Agriculture																
LIVESTOCK	HOLD	2.48	11.71%	2.22	3.08	0.61	-4.31%	59.71%	0.14	0.00%	0.83	2.67x	8.06%	16.87%	15.84x	12.33x
OKOMUOIL	HOLD	150.00	11.11%	135.00	125.4	85	7.66%	48.35%	12.16	0.00%	41.91	3.22x	29.01%	29.02%	11.1x	16.46x
PRESCO	HOLD	98.10	10.22%	89.00	89	62.1	0.00%	25.44%	13.78	0.00%	42.83	2.08x	15.76%	32.17%	6.46x	16.79x
Conglomerate																
TRANSCORP	HOLD	1.20	12.15%	1.07	1.4	0.59	4.90%	-85.24%	0.18	0.00%	3.12	0.34x	3.79%	10.61%	5.94x	35.67x
UACN	SELL	12.00	6.19%	11.30	11.5	6.6	2.73%	55.86%	-0.03	0.00%	17.26	0.65x	0.65%	1.13%	-376.67x	13.45x
Telecommunication																
MTNN**	HOLD	195.00	11.05%	175.60	183.00	138.00	0.92%	3.35%	6.97	2.59%	9.83	17.86x	6.53%	70.87%	25.2x	17.42x
Oil & Gas																
ARDOVA	HOLD	16.00	9.59%	14.60	22.00	11.90	-3.31%	7.75%	0.95	0.00%	14.60	1.00x	1.70%	6.52%	15.34x	10.43x
CONOIL	HOLD	29.00	13.73%	25.50	25.50	17.00	0.00%	22.30%	2.30	0.00%	30.43	0.84x	3.27%	7.55%	11.1x	12.81x
ETERNA	HOLD	9.50	9.83%	8.65	8.25	4.10	8.13%	69.61%	0.32	0.00%	10.55	0.82x	0.95%	3.02%	27.12x	10.68x
OANDO	UR	-	-	5.05	5.78	2.25	1.00%	36.49%	0.68	0.00%	23.27	0.22x	1.21%	4.52%	7.43x	-
SEPLAT	BUY	860.00	17.57%	731.50	770.00	402.30	0.00%	81.83%	44.74	2.81%	1,146.31	0.64x	1.85%	3.90%	16.35x	-14.01x
TOTAL	HOLD	270.00	12.13%	240.80	204.90	108.00	17.52%	85.23%	39.43	1.66%	112.34	2.14x	6.77%	35.10%	6.11x	36.48x

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 yet to release its Latest Financial Report (** for the perios ended 30th September 2021)

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