

# WEEKLY STOCK RECOMMENDATION

Monday, July 25, 2022

## Previous Week Market Review

Last week, the Nigeria stock market plummeted by 0.45 percent w/w as the market dipped in four of five trading sessions of the week. The decline came after the second consecutive MPR tightening in 2-months to 14% by the MPC, following the rising rate of inflation. Consequently, the All-Share Index shed 235.2 points, representing a decline of 0.45% to close at 51,979.92, while the Market Capitalization lost ₦126.83 billion to decrease by 0.45% and closed at ₦28.03 trillion.

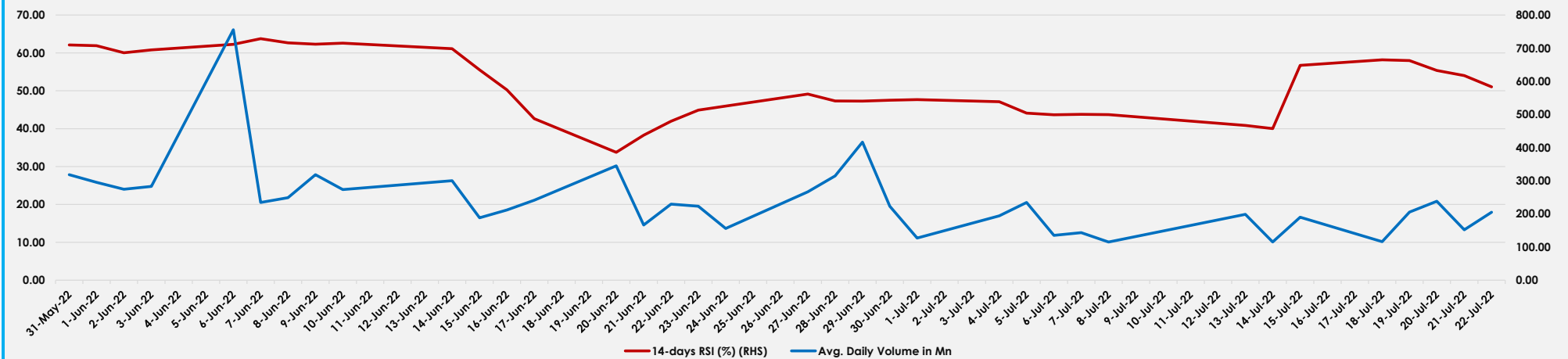
Previous Week Market Statistics	Index	W/W	MTD	QTD	YTD
NGX-ASI	51,979.92	▼ -0.45%	▲ 0.31%	▲ 0.31%	▲ 21.69%
NGX-30	1,885.02	▼ -0.56%	▼ -0.14%	▼ -0.14%	▲ 9.45%
Banking	379.85	▼ -4.06%	▼ -4.51%	▼ -4.51%	▼ -6.46%
Consumer Goods	601.18	▼ -1.97%	▼ -3.66%	▼ -3.66%	▲ 2.02%
Industrial Goods	2,066.84	▼ -0.49%	▼ -3.97%	▼ -3.97%	▲ 2.91%
Insurance	175.75	▲ 1.81%	▼ -1.45%	▼ -1.45%	▼ -11.29%
Oil & Gas	561.63	▲ 3.80%	▲ 2.99%	▲ 2.99%	▲ 62.79%

Market Cap.	₦28,157,502,724,680.05
Index	51,979.92
Volume	917,190,057
Value	₦14,803,293,038.11
Deals	19,513
Gainers	19
Losers	36
Unchanged	101

### Outlook:

Following the recent tightening of the interest rate to 14%, we expect the market to sustain the decline this week. However, the anticipating impressive H1'2022 earnings results could attract investors to dividend-paying stocks.

### Technical Analysis



STOCKS	Rating	Current Target Price	Upside Potential	Current Price	52-Weeks High	52-Weeks Low	1-Week Return	YTD Return	12Months EPS (₹)	2021 Final Dividend Yield	BVPS (₹)	PB Ratio	ROA	ROE	Trailing P/E Ratio	Forward P/E Ratio
<b>Banking</b>																
ACCESSCORP	BUY	10.80	18.68%	9.10	10.60	8.50	-1.09%	-2.15%	4.58	7.69%	29.54	0.31x	1.37%	15.26%	1.99x	2.76x
ETI	BUY	12.20	22.00%	10.00	13.20	5.00	-5.66%	14.94%	3.01	6.70%	49.21	0.20x	1.24%	15.85%	3.32x	7.94x
FBNH	SELL	12.03	7.41%	11.20	12.90	7.20	2.75%	-1.75%	4.17	3.13%	24.51	0.46x	1.69%	17.17%	2.69x	5.89x
FCMB	BUY	3.73	23.51%	3.02	3.88	2.71	0.67%	1.00%	1.04	6.62%	12.18	0.25x	0.84%	8.66%	2.9x	2.52x
FIDELITYBK	BUY	3.70	19.35%	3.10	4.05	2.23	-2.82%	21.57%	1.32	11.29%	10.36	0.30x	1.16%	12.69%	2.36x	1.94x
GTCO	BUY	28.00	34.94%	20.75	30.00	20.20	-0.95%	-20.19%	6.14	13.01%	30.01	0.69x	3.22%	19.80%	3.38x	2.92x
STANBIC	BUY	36.60	16.01%	31.55	41.00	31.55	0.00%	-12.36%	2.93	6.34%	29.09	1.08x	2.07%	15.12%	10.77x	4.21x
STERLNBANK	BUY	1.73	15.33%	1.50	1.75	1.38	-1.32%	-0.66%	0.45	6.67%	4.77	0.31x	0.78%	9.40%	3.35x	3.00x
UBA	BUY	8.55	17.12%	7.30	8.85	7.00	-1.35%	-9.32%	3.39	10.96%	23.53	0.31x	1.39%	14.75%	2.15x	2.16x
UBN	BUY	5.95	16.67%	5.10	6.80	4.55	-6.42%	-13.56%	0.66	0.00%	9.16	0.56x	0.65%	6.34%	7.73x	6.60x
UNITYBNK	BUY	0.51	21.43%	0.42	0.63	0.39	-6.67%	-22.22%	0.21	0.00%	-23.96	-0.02x	0.50%	-0.96%	2x	-
WEMABANK	SELL	3.90	-2.26%	3.99	4.00	0.70	6.68%	454.17%	0.23	6.02%	5.46	0.73x	7.59%	12.73%	17.35x	2.80x
ZENITHBANK	BUY	28.50	37.35%	20.75	27.50	20.75	-6.53%	-17.82%	7.78	13.49%	40.76	0.51x	2.38%	17.55%	2.67x	2.53x
<b>Other Financials</b>																
AFRIPRUD**	HOLD	6.20	9.73%	5.65	8.15	5.55	0.00%	-11.02%	0.47	8.85%	4.35	1.30x	2.45%	10.77%	12.08x	7.53x
CUSTODIAN	BUY	8.15	16.43%	7.00	8.45	6.20	-4.11%	-11.39%	1.70	5.71%	10.78	0.65x	5.10%	14.83%	4.12x	3.50x
UCAP**	BUY	15.80	24.41%	12.70	14.15	6.60	0.40%	28.28%	1.48	11.81%	4.42	2.87x	0.83%	16.72%	8.58x	9.20x
<b>Industrial Goods</b>																
BUACEMENT	BUY	82.00	18.33%	69.30	74.50	61.20	0.00%	3.36%	2.71	3.75%	11.75	5.90x	12.59%	23.06%	25.58x	33.00x
CAP	BUY	20.40	20.00%	17.00	22.40	17.00	0.00%	-12.60%	0.78	7.35%	6.23	2.73x	9.00%	24.63%	21.79x	8.25x
DANGCEM	BUY	310.00	16.98%	265.00	300.00	237.60	0.00%	3.11%	21.24	7.55%	57.73	4.59x	15.24%	37.05%	12.48x	14.89x
WAPCO	BUY	28.50	18.26%	24.10	33.70	21.00	-6.77%	0.63%	3.17	4.15%	23.50	1.03x	9.68%	13.47%	7.61x	12.05x
<b>Consumer Goods</b>																
DANGSUGAR	HOLD	18.00	12.50%	16.00	18.00	15.00	0.00%	-8.05%	1.82	6.25%	10.59	1.51x	6.13%	17.14%	8.81x	6.67x
FLOURMILL	BUY	38.03	15.24%	33.00	41.45	27.50	-0.60%	16.40%	2.43	0.00%	45.11	0.73x	2.43%	9.22%	13.58x	7.21x
GUINNESS	BUY	107.50	18.78%	90.50	110.00	29.05	0.00%	132.05%	4.03	0.00%	38.17	2.37x	4.42%	10.55%	22.47x	51.42x
NASCON	HOLD	12.50	13.64%	11.00	16.00	11.00	0.00%	-16.67%	1.22	3.64%	5.52	1.99x	7.33%	20.31%	9.02x	10.89x
NB	BUY	69.50	39.70%	49.75	78.50	39.90	-10.92%	-0.50%	1.58	2.41%	21.50	2.31x	2.61%	7.37%	31.4x	55.28x
NESTLE	HOLD	1580.00	12.86%	1400.00	1556.50	1390.00	0.00%	-10.05%	50.51	1.82%	26.97	51.91x	12.91%	187.28%	27.72x	28.28x
UNILEVER	HOLD	16.80	12.00%	15.00	17.00	12.20	-1.96%	3.45%	0.23	3.33%	11.48	1.31x	1.18%	1.97%	66.23x	-21.43x
VITAFOAM	HOLD	25.00	11.11%	22.50	25.00	14.85	0.00%	0.00%	3.20	6.67%	11.61	1.94x	9.64%	24.89%	7.03x	6.41x
<b>Agriculture</b>																
LIVESTOCK	BUY	1.48	18.40%	1.25	2.5	1.17	-3.85%	-41.86%	0.17	0.00%	0.86	1.45x	4.67%	19.62%	7.41x	6.94x
OKOMUOIL	SELL	200.20	-7.70%	216.90	216.9	104	0.00%	52.75%	14.72	3.69%	44.39	4.89x	33.17%	33.17%	14.73x	26.45x
PRESCO	BUY	195.30	23.30%	158.40	200	70	0.00%	80.41%	18.87	0.00%	46.92	3.38x	15.35%	40.21%	8.4x	29.89x
<b>Conglomerate</b>																
TRANSCORP	BUY	1.60	34.45%	1.19	1.52	0.88	-4.03%	23.96%	0.34	1.68%	3.60	0.33x	5.73%	16.29%	3.5x	39.67x
UACN	BUY	13.80	23.21%	11.20	15	8.90	0.90%	17.89%	-0.03	5.80%	17.93	0.62x	3.30%	6.32%	-373.33x	13.18x
<b>Telecommunication</b>																
MTNN	BUY	300.50	31.22%	229.00	270.00	163.10	-0.56%	16.24%	14.67	3.74%	13.02	17.59x	13.22%	112.71%	15.61x	13.47x
<b>Oil &amp; Gas</b>																
ARDOVA	BUY	17.30	32.57%	13.05	18.00	11.55	0.00%	0.38%	-1.26	0.00%	12.38	1.05x	-1.36%	-10.23%	-10.36x	13.05x
CONOIL	HOLD	29.00	11.75%	25.95	34.25	20.35	0.00%	17.95%	4.38	9.63%	31.01	0.84x	5.66%	14.13%	5.92x	5.19x
ETERNA	BUY	8.20	20.59%	6.80	8.80	4.86	-2.58%	34.65%	-0.65	0.00%	9.58	0.71x	-2.44%	-6.81%	-10.41x	8.40x
OANDO	UR	-	-	5.14	7.08	3.61	-6.55%	16.29%	0.68	0.00%	23.27	0.22x	1.21%	4.52%	7.56x	-
SEPLAT	SELL	1350.00	-5.63%	1430.50	1300.50	615.00	10.00%	120.08%	97.63	0.73%	1,195.28	1.20x	2.93%	6.67%	14.65x	14.31x
TOTAL	BUY	285.50	21.75%	234.50	264.90	184.80	0.00%	5.68%	49.26	7.76%	122.18	1.92x	8.07%	40.32%	4.76x	4.26x

**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 has released its H1'2022 Financial Report)

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