

WEEKLY STOCK RECOMMENDATION

Monday, August 28, 2023

Previous Week Market Review

The Nigerian equity market closed trading activities for last week bullish, as positive sentiment was also dominant in three of the five trading days of the week. The market positive performance can be attributed to increased buying interest in the Consumer goods sector, led by blue-chip stocks such as DANGSUGAR, NASCON, BUAFOODS, and others, as investors' wealth grew by ₦459 billion last week.

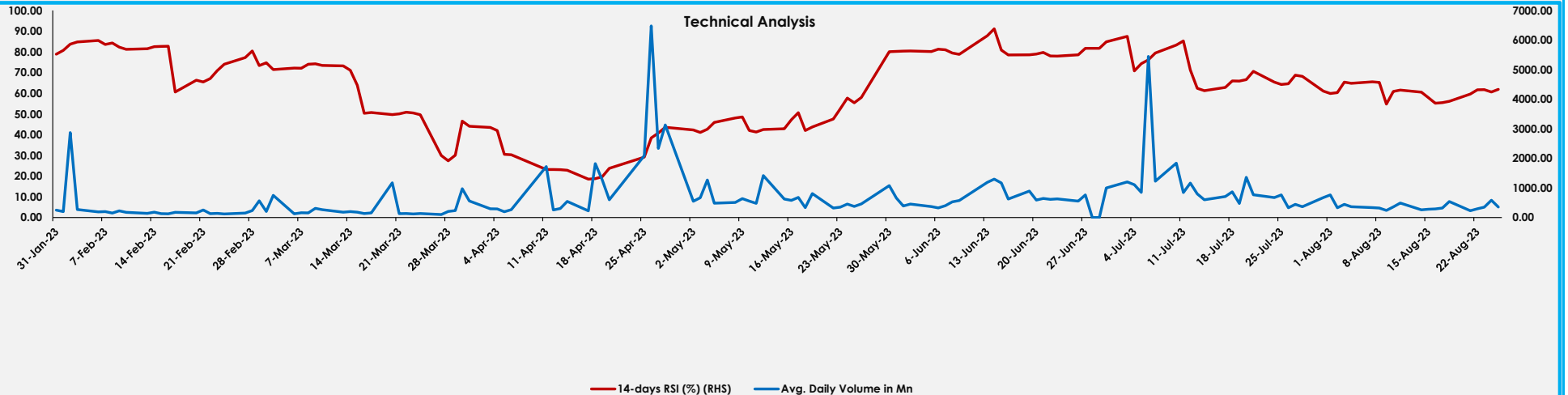
Furthermore, the All-Share index added 837.82 basis points in the previous week, representing an increase of +1.29% to close at 65,558.91 absolute point, while the Market Capitalization also gained ₦458.55 billion, grew by +1.29%, to close at ₦35.88 trillion.

| Previous Week Market Statistics | Index | W/W | MTD | QTD | YTD |
|---------------------------------|-----------|----------|----------|----------|----------|
| NGX-ASI | 65,558.91 | ▲ 1.29% | ▲ 0.77% | ▲ 7.53% | ▲ 27.92% |
| NGX-30 | 2,411.74 | ▲ 2.14% | ▲ 1.76% | ▲ 9.56% | ▲ 30.89% |
| Banking | 643.73 | ▼ -3.57% | ▼ -6.40% | ▼ -0.26% | ▲ 54.19% |
| Consumer Goods | 1,002.56 | ▲ 11.58% | ▲ 15.76% | ▲ 12.05% | ▲ 70.23% |
| Industrial Goods | 2,850.74 | ▼ -0.01% | ▲ 0.19% | ▲ 14.43% | ▲ 18.62% |
| Insurance | 271.09 | ▲ 1.22% | ▲ 5.61% | ▼ -2.16% | ▲ 55.48% |
| Oil & Gas | 892.63 | ▼ -1.69% | ▼ -3.78% | ▲ 15.05% | ▲ 93.01% |

| | |
|-------------|--------------------|
| Market Cap. | ₦35,880.86 billion |
| Index | 65,558.91 |
| Volume | 1,812,489,868 |
| Value | ₦29,298,785,855.95 |
| Deals | 31,163 |
| Gainers | 32 |
| Losers | 46 |
| Unchanged | 77 |

Outlook:

This week, we expect cautious trading to continue in the equity market, as investors takes position on stocks with good fundamentals.



| STOCKS | Rating | Current Target Price | Upside Potential | Current Price | 52-Weeks High | 52-Weeks Low | 1-Week Return | YTD Return | 6Months EPS (₹) | 2023 Interim Dividend Yield | BVPS (₹) | PB Ratio | ROA | ROE | Trailing P/E Ratio | Forward P/E Ratio |
|--------------------------|--------|----------------------|------------------|---------------|---------------|--------------|---------------|------------|-----------------|-----------------------------|----------|----------|---------|----------|--------------------|-------------------|
| Banking | | | | | | | | | | | | | | | | |
| ACCESSCORP | HOLD | 18.50 | 11.78% | 16.55 | 19.85 | 7.50 | -2.65% | 77.96% | 2.52 | 0.00% | 30.18 | 0.55x | 0.67% | 8.29% | 6.57x | 5.02x |
| ETI** | HOLD | 16.60 | 9.57% | 15.15 | 17.50 | 9.50 | -6.19% | 42.92% | 3.19 | 0.00% | 73.47 | 0.21x | 0.51% | 7.89% | 4.75x | 4.32x |
| FBNH** | BUY | 19.50 | 17.82% | 16.55 | 23.50 | 9.00 | -11.97% | 51.83% | 5.19 | 0.00% | 38.40 | 0.43x | 1.32% | 13.58% | 3.19x | 2.90x |
| FCMB** | BUY | 7.00 | 17.25% | 5.97 | 7.70 | 2.92 | -0.50% | 55.06% | 3.58 | 0.00% | 17.40 | 0.34x | 0.95% | 10.28% | 1.67x | 1.52x |
| FIDELITYBK** | HOLD | 8.00 | 11.89% | 7.15 | 9.82 | 2.87 | -3.38% | 64.37% | 1.84 | 0.00% | 12.01 | 0.60x | 1.05% | 13.86% | 3.89x | 1.49x |
| GTCO | SELL | 33.50 | -7.20% | 36.10 | 38.50 | 16.80 | -0.96% | 38.85% | 2.70 | 0.00% | 28.73 | 1.26x | 1.82% | 12.21% | 13.37x | 5.08x |
| STANBIC | SELL | 50.00 | -22.48% | 64.50 | 70.00 | 27.50 | 1.74% | 79.17% | 2.26 | 0.00% | 29.17 | 2.21x | 0.97% | 8.11% | 28.54x | 24.58x |
| STERLNBANK** | HOLD | 3.80 | 12.76% | 3.37 | 4.58 | 1.32 | -6.39% | 140.71% | 0.37 | 0.00% | 5.87 | 0.57x | 0.47% | 6.32% | 9.11x | 4.01x |
| UBA | SELL | 12.50 | -8.76% | 13.70 | 15.60 | 6.55 | -1.44% | 70.19% | 1.98 | 0.00% | 23.05 | 0.59x | 0.78% | 8.92% | 6.92x | 6.25x |
| UBN | BUY | 7.50 | 15.38% | 6.50 | 9.00 | 5.00 | -5.80% | 10.17% | 0.40 | 0.00% | 9.58 | 0.68x | 0.44% | 3.95% | 16.25x | 13.52x |
| UNITYBNK | SELL | 1.00 | -17.36% | 1.21 | 2.07 | 0.40 | -6.20% | 124.07% | 0.14 | 0.00% | -23.45 | -0.05x | 0.30% | -0.62% | 8.64x | 2.00x |
| WEMABANK** | SELL | 4.00 | -19.52% | 4.97 | 6.00 | 2.85 | -0.60% | 27.44% | 1.63 | 0.00% | 6.94 | 0.72x | 0.56% | 11.75% | 3.05x | 2.78x |
| ZENITHBANK | SELL | 31.00 | -5.34% | 32.75 | 36.40 | 18.90 | -3.68% | 29.70% | 3.55 | 0.00% | 40.52 | 0.81x | 1.10% | 8.76% | 9.23x | 5.36x |
| Other Financials | | | | | | | | | | | | | | | | |
| AFRIPRUD** | HOLD | 6.50 | 9.24% | 5.95 | 7.70 | 5.00 | 0.85% | -0.83% | 0.21 | 0.00% | 4.46 | 1.33x | 2.64% | 6.06% | 28.33x | 25.87x |
| CUSTODIAN** | SELL | 8.15 | 6.54% | 7.65 | 7.80 | 5.35 | 0.66% | 28.57% | 1.07 | 1.96% | 13.09 | 0.58x | 2.52% | 8.16% | 7.15x | 6.48x |
| UCAP** | SELL | 15.00 | 4.90% | 14.30 | 17.10 | 9.00 | 0.00% | 2.14% | 1.56 | 0.00% | 8.09 | 1.77x | 0.58% | 9.66% | 9.17x | 8.31x |
| Industrial | | | | | | | | | | | | | | | | |
| CAP** | SELL | 20.40 | -2.63% | 20.95 | 20.45 | 16.20 | 4.75% | 17.70% | 1.57 | 0.00% | 9.45 | 2.22x | 8.35% | 19.36% | 13.34x | 12.11x |
| DANGCEM** | SELL | 288.00 | -20.00% | 360.00 | 360.70 | 220.00 | 0.00% | 37.93% | 10.39 | 0.00% | 77.02 | 4.67x | 5.60% | 13.61% | 34.65x | 31.22x |
| WAPCO** | BUY | 31.50 | 15.81% | 27.20 | 31.50 | 20.10 | -0.37% | 13.33% | 2.20 | 0.00% | 26.03 | 1.04x | 5.42% | 8.46% | 12.36x | 11.24x |
| Consumer Goods | | | | | | | | | | | | | | | | |
| DANGSUGAR** | SELL | 30.00 | -36.84% | 47.50 | 48.10 | 15.00 | 35.71% | 195.95% | -2.30 | 0.00% | 10.29 | 4.62x | -4.94% | -22.39% | -20.65x | -22.95x |
| FLOURMILL | BUY | 38.03 | 28.92% | 29.50 | 36.20 | 27.00 | 0.00% | 4.06% | 6.26 | 0.00% | 47.78 | 0.62x | 4.20% | 14.30% | 4.71x | 6.44x |
| GUINNESS** | HOLD | 70.00 | 12.54% | 62.20 | 87.90 | 54.45 | 2.81% | -10.25% | -8.29 | 0.00% | 25.76 | 2.41x | -7.52% | -32.20% | -7.5x | -8.34x |
| NASCON** | SELL | 16.00 | -64.25% | 44.75 | 44.75 | 9.50 | 27.86% | 303.15% | 4.39 | 0.00% | 8.38 | 5.34x | 8.50% | 26.21% | 10.19x | 9.27x |
| NB** | BUY | 47.00 | 24.01% | 37.90 | 48.85 | 28.80 | -10.82% | -7.56% | -5.73 | 0.00% | 11.86 | 3.20x | -7.02% | -39.07% | -6.61x | -7.34x |
| NESTLE** | SELL | 1250.00 | 6.84% | 1170.00 | 1350.00 | 963.90 | 0.00% | 6.36% | -63.06 | 0.00% | -61.37 | -19.07x | -10.85% | 102.75% | -18.55x | -20.62x |
| UNILEVER** | BUY | 16.80 | 19.15% | 14.10 | 19.25 | 9.80 | -2.76% | 21.55% | 0.48 | 0.00% | 11.99 | 1.18x | 1.86% | 4.01% | 29.38x | 26.60x |
| VITAFOAM** | SELL | 23.00 | 3.60% | 22.20 | 23.60 | 16.85 | 1.37% | 8.56% | 2.66 | 0.00% | 13.67 | 1.62x | 8.27% | 21.62% | 8.35x | 8.25x |
| Agriculture | | | | | | | | | | | | | | | | |
| LIVESTOCK** | HOLD | 2.00 | 8.11% | 1.85 | 2.16 | 0.93 | 5.11% | 69.72% | 1.25 | 0.00% | 0.57 | 3.23x | 617.38% | 2176.02% | 1.48x | 1.34x |
| PRESCO** | SELL | 175.30 | -15.72% | 208.00 | 220 | 110 | -5.45% | 51.27% | 15.08 | 0.00% | 49.24 | 4.22x | 9.53% | 30.63% | 13.79x | 39.25x |
| Conglomerate | | | | | | | | | | | | | | | | |
| TRANSCORP** | SELL | 3.50 | -39.66% | 5.80 | 5.8 | 0.98 | 39.42% | 413.27% | 0.27 | 0.00% | 4.34 | 1.34x | 3.25% | 9.13% | 21.48x | 19.33x |
| UACN** | BUY | 13.60 | 27.10% | 10.70 | 11.85 | 7.90 | 0.00% | 4.39% | -0.17 | 0.00% | 0.53 | 20.19x | 1.26% | 2.69% | -62.94x | 18.45x |
| Telecommunication | | | | | | | | | | | | | | | | |
| MTNN** | SELL | 280.00 | 2.00% | 274.50 | 285 | 185 | -0.18% | 27.67% | 6.33 | 2.04% | 319.19 | 0.86x | 4.10% | 49.49% | 43.36x | 39.44x |
| Oil & Gas | | | | | | | | | | | | | | | | |
| CONOIL** | SELL | 40.00 | -59.60% | 99.00 | 112.50 | 23.90 | -10.00% | 273.58% | 9.01 | 0.00% | 45.06 | 2.20x | 7.70% | 20.00% | 10.99x | 9.99x |
| ETERNA** | SELL | 8.20 | -49.69% | 16.30 | 37.70 | 5.40 | -8.68% | 143.65% | -4.51 | 0.00% | 5.40 | 3.02x | -8.79% | -83.53% | -3.61x | -4.01x |
| SEPLAT** | SELL | 1550.00 | -7.23% | 1670.80 | 1693.60 | 1050.00 | 0.00% | 51.89% | 37.60 | 0.00% | 2,158.34 | 0.77x | 1.57% | 3.13% | 44.44x | 43.99x |
| TOTAL** | SELL | 310.00 | -19.48% | 385.00 | 370.00 | 197.00 | 0.00% | 99.48% | 25.88 | 0.00% | 152.99 | 2.52x | 2.51% | 16.92% | 14.88x | 14.73x |

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.

** Half year 2023 performance reviewed

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