



Monday March 06, 2023

Highlighted key issues that Nigeria must address to achieve sustainable GDP growth:

Insecurity

The economist decried the fact that the alarming spate of insecurity from activities of terrorist groups, bandits, militants, separatist groups has affected the nation's infrastructure and assets from the rail to oil and gas, inhibiting investments into the economy. He pointed out the spate of crude oil theft, which is currently denying Nigeria the opportunity to earn more with a ripple effect on the nation's revenue and foreign exchange inflows. He called for a political consensus to address the issue of insecurity, which is also a major drag on the agriculture sector. "Insecurity is affecting the pace of investment growth, which is reflected in the fall in Nigeria's Q2, 2022 capital importation numbers".

Manufacturing

Looking at manufacturing he noted that from the issues of foreign exchange, infrastructure to enabling business environment, the sector needs the required fiscal support to achieve stability. This was crucial to job creation and building a productive economy.

Electricity.

In the area of 'Electricity' he called on the policy makers to address the lingering issues in this sector, including all the bottlenecks and challenges in the value chain. If the issues are resolved, he believed stabilized electricity would unlock opportunities in the economy and support productivity.

Foreign Exchange

The issues around the management and allocation of foreign exchange according to him, needs to be addressed urgently. This will have huge impact on businesses and economic activities in the country.

Infrastructure

Improving investments in infrastructure from roads, power to broadband is also a critical step that must be sustained. He was of the view that this would attract more investments. People do not feed on GDP, they want employment, improved purchasing power and good health. Nigeria needs to achieve fast-paced sustainable growth.

Capital Market Summary.

Analysis of the market activity in the week ended March 03, 2023 shows that the Nigerian equity market closed the week on a positive note. The NGX All Share Index and market capitalization of listed equities appreciated by 1.06% each from the opening figures of 54,949.21 and N29,934 trillion to close at 55,529.21 and N30,250 trillion respectively. Its year to date (YTD) return stands at +8.35%.

MACROECONOMIC INDICATORS

GDP Growth Rate	+3.10%	December 31. , 2022
Un-employment Rate	33.30%	December 31, 2022
Broad Money Supply (M2)	N52,966,478.08	January 24, 2023
Money Supply (M1)	N20,964,941.91	January 24, 2023
Consumer Price Index (VOY)	21.82%	January, 2023
Monetary Policy Rate (MPR)	17.50%	February 17, 2023
Cash Reserve Ratio (CRR)	32.50%	January 24, 2023
Nigeria's Bonny Light Crude Oil	US\$84.56/Bar	February 17, 2023
Nigeria's Gross External Reserves	US\$36.78bn	February 16, 2023

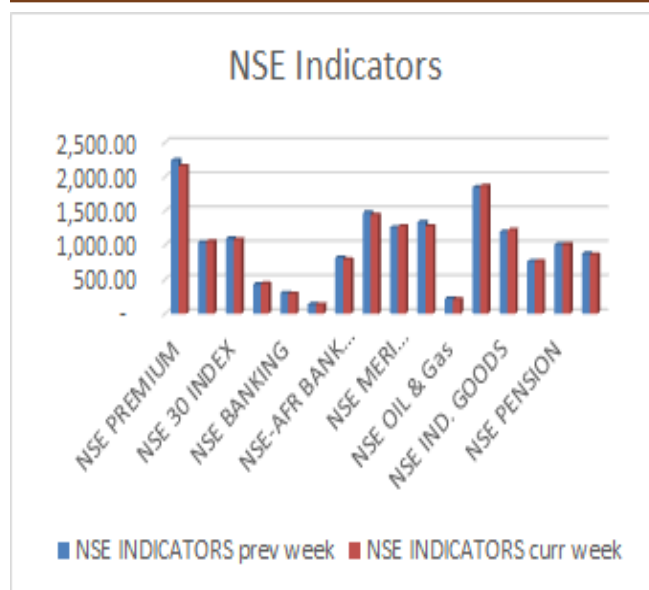
Source: Central Bank of Nigeria (CBN)

ALL SHARE INDEX & MKT. CAP



Source: Nigerian Stock Exchange (NSE) & Regency Research

PERFORMANCE OF THE NSE INDICES



Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

Domestic Market Review

OUTLOOK AND STOCK RECOMMENDATION FOR THE WEEK

06/03/23-10/03/2023)

The Nigerian Stock Market ended the week on a positive note as market sentiment turned positive. The NGXASI closed the week with a gain of 1.06% as against a 2.13% gain recorded last week. The Nigerian Exchange recorded N315.96b gain in naira terms. In Year-to-date, the NGXASI closed positive at close of the week with a gain of 8.62% as market capitalization settled at N30.24trn. The impressive end of year results released so far by some companies have started impacting positively on the market. This coupled with the current low and attractive prices have continued to move the market upward during the week. Investors have been taking position on stocks that have potentials to declare good returns to investors. In the coming week, we expect the market to continue with the positive note as we continue expecting impressive end of year returns. We will continue to advise investors to trade only on fundamentally justified stocks as the weak macro economic environment remains a significant challenge for listed companies. In the light of the above we want to recommend the under listed stocks for purchase during the week.

UBA PLC, ACCESS BANK PLC, NAHCO, FIDELITY BANK plc, FCMB PLC, NESTLE PLC, AFRIPRUD, WAPCO and MTNN.

RECOMMENDED STOCKS FOR THE WEEK

Stocks	Current Price	Max. entry Price N=	Target price	% Change
ACCESS	9.35	10.00	12.00	28.34
UBA	8.60	9.00	10.00	16.28
NAHCO PLC	8.30	8.50	10.00	20.48
MTN PLC	245.50	245.00	270.00	9.98
NESTLE PLC	1,080.30	1,100	1,500	38.85
FIDELITY	5.14	5.20	6.00	16.73
FCMB	4.48	4.30	5.00	11.61
AFRIPRUD	6.20	6.30	7.00	12.90
WAPCO PLC	27.00	26.00	30.00	17.88

FINANCIAL HIGHLIGHTS OF RECOMMENDED STOCKS

Company	Result	Turnover		PAT			
		Current N=bill	Last yr N=bil	Current N=bill	Last yr N=bil	Curr EPS	Last Div. Paid
NAHCO PLC	4TH QTER 30/09/2022	16.37	10.23	2.74	0.7772	N1.40	N0.41 div. paid in 2021 FY
MTNN PLC	Audited 31/12/2022	2,021	1,654	361.53	298.65	N17.79	N15.60 total div. declared in 2022 FY.
WAPCO PLC	Audited 31/12/2022	373.25	293.09	53.65	51.00	N3.33	N2.00 paid as final dividend in 2022 FY
NESTLE PLC	Audited 31/12/2022	446.82	351.82	48.97	40.04	N61.77	N36.50 FINAL DIV PD IN 2022 FY
ACCESS BANK PLC	3RD Qter 31/09/2022	906.93	606.57	137.01	121.89	N3.85	N1.00 pd as both interim and final dividend
FCMB PLC	4TH QTER 31/12/2022	281.75	212.01	32.59	20.92	N1.64	N0.20 PD AS DIVIDEND IN 2021 FY
FIDELITY BANK PLC	4TH qter 31/12/2022	335.89	250.77	47.16	35.58	N0.35	N0.35 DIVIDEND PD IN 2021 FY
UBA PLC	3RD QTER 30/9/2022	607.98	461.86	116.04	104.60	N3.27	N1.00 Pd as Int and final div. in 2021 FY.
AFRIPRUD PLC	Audited 31/12/2022	4.14	3.52	1.49	1.42	N0.75	N0.50 PD as dividend in 2022 FY

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

STOCK RECOMMENDED FOR TRADING

STOCKS	Mkt price	curr price	Cap. App	Bk Value	6 mths	No of Shares in	52wks	52 wks	PAT N'b	PAT N'b	EPS N=	EPS N=	Period	Div. pd	Div. Yield	NET ASSETS	Exp. Return	Exp return	Total	Total
	31/12/21	30/12/2022	%	N=	Exp Price	Issue	high	low	Current	Last year	Current	Last year		N=	%	N=bill.	cap. Appr	Div. N=	Ret. N=	Ret. %
UBA	8.05	7.60	(5.59)	24.15	9.66	34,199,421,368	8.05	7.00	41,496	38,155	1.14	1.04	qter 1	1.00	12.42	825,753,000,000	1.61	1.00	2.61	32.42
ZENITH	23.95	24.00	0.21	42.37	28.74	31,396,493,786	27.50	22.00	58,198	53,080	1.85	1.69	qter 1	3.10	12.94	1,330,397,000,000	4.79	3.10	7.89	32.94
GTCO	26.00	23.00	(11.54)	30.88	31.20	29,431,179,224	30.25	21.45	43,208	45,546	1.51	1.60	qter 1	3.00	11.54	908,758,731,000	5.20	3.00	8.20	31.54
ACCESS	9.30	8.50	(8.60)	30.84	11.16	35,545,225,622	10.00	8.00	57,399	52,549	1.63	1.49	qter 1	1.00	10.75	1,096,318,000,000	1.86	0.60	2.46	26.45
FBNH	11.40	10.90	(4.39)	21.51	13.14	35,895,292,792	12.90	7.05	32,401	15,599	0.89	0.43	qter 1	0.35	3.07	907,678,000,000	2.19	0.35	2.54	22.28
FIDELITY	2.55	4.35	70.59	10.65	3.06	28,974,797,023	4.05	2.19	9,515	9,590	0.33	0.33	qter 1	0.35	13.73	308,486,000,000	0.51	0.22	0.73	28.63
DANSUGAR	17.40	16.05	(7.76)	11.32	20.88	12,146,878,241	18.75	15.00	8,870	8,302	0.73	0.68	qter 1	1.00	5.75	137,500,909,000	3.48	1.00	4.48	25.75
NASCON	13.20	11.10	(15.91)	6.08	15.84	2,469,438,378	16.00	11.70	0.38637	0.72320	0.58	1.09	qter 1	0.40	3.03	15,017,053,000	2.64	0.40	3.04	23.03
UCAP	9.90	14.00	41.41	3.97	11.88	6,000,000,000	14.15	5.85	2,309	1,659	1.54	1.11	qter 1	1.50	15.15	23,849,201,000	1.98	1.50	3.48	35.15
AFRIPRUD	6.35	6.00	(5.51)	4.08	7.62	2,000,000,000	8.15	5.75	0.43147	0.38135	0.20	0.19	qter 1	0.50	7.87	8,164,549,000	1.27	0.50	1.77	27.87
CADBURY	8.80	11.90	35.23	8.08	10.56	1,878,202,000	17.85	7.65	1,542	0.24158	0.82	0.13	qter 1	0.50	5.68	15,177,904,000	1.76	0.50	2.26	25.68
UNILEVER	14.50	11.60	(20.00)	11.76	17.40	5,745,006,000	17.00	11.00	1,796	(0.49196)	0.31	(0.09)	qter 1	0.50	3.45	67,557,964,000	2.90	0.50	3.40	23.45
PZ	6.10	11.35	86.07	9.87	7.32	3,970,476,000	13.70	5.25	5,641	1,017	1.42	0.26	qter 3	0.25	4.10	39,204,100,000	1.22	0.50	1.72	28.20
NAHCO	3.74	6.40	71.12	4.52	4.49	1,624,218,750	7.25	2.15	0.324	0.170	0.20	0.10	qter 1	0.41	10.96	7,342,538,000	0.75	0.41	1.16	30.96
FLOUR MILL	28.35	28.40	0.18	40.40	34.02	4,100,379,605	41.45	27.50	15,592	8,161	3.85	1.84	qter 3	2.15	7.58	165,658,000,000	5.67	1.65	7.32	25.82
DANCEM	257.00	261.00	1.56	60.76	269.85	17,040,507,405	300	204	105,851	89,710	6.18	5.29	qter 1	20.00	7.78	1,035,308,000,000	12.85	20.00	32.85	12.78
LARFAGE	23.95	24.00	0.21	24.59	28.74	16,107,795,496	33.20	20.05	17,558	9,136	1.09	0.57	qter 1	2.00	8.35	396,118,753,000	4.79	2.00	6.79	28.35
GSK	5.95	6.15	3.36	7.94	7.14	1,195,878,488	8.50	5.35	0.19437	0.65881	0.16	0.55	qter 1	0.45	7.56	9,493,815,000	1.19	0.40	1.59	26.72
MAY BAKER	4.02	4.30	6.97	4.33	4.82	1,725,234,000	5.45	3.91	0.19429	1,050	0.11	0.61	qter 1	0.30	7.46	7,466,409,000	0.80	0.30	1.10	27.46
FIDSON	6.22	9.00	44.69	7.14	7.46	2,086,260,000	12.05	4.60	1,150	0.57955	0.55	0.28	qter 1	0.50	8.04	14,901,503,000	1.24	0.25	1.49	24.02
NB	50.00	41.00	(18.00)	23.26	60.00	7,996,902,051	78.50	39.90	13,614	7,660	1.69	0.96	qter 1	1.60	3.20	185,976,547,000	10.00	1.60	11.60	23.20
GUINNESS	39.00	69.30	77.69	41.12	46.80	2,190,382,000	110	28.50	15,278	1,838	6.98	0.84	qter 3	0.46	1.18	90,065,026,000	7.80	0.46	8.26	21.18
JBERGER	22.35	24.50	9.62	34.28	26.82	1,600,000,000	30.50	18.91	1,734	2,364	1.08	1.52	qter 1	2.50	11.19	54,848,326,000	4.47	0.40	4.87	21.79
VITAFOAM	22.50	20.45	(9.11)	11.61	27.00	1,250,844,064	25.00	8.70	3,613	2,487	3.20	2.17	qter 2	1.50	6.67	14,518,926,000	4.50	1.50	6.00	26.67
UACN	9.50	10.25	7.89	17.87	11.40	2,881,296,580	15.00	8.90	0.6387	0.66815	0.18	0.12	qter 1	0.65	6.84	51,477,943,000	1.90	1.20	3.10	32.63
ARDOVA	13.00	18.40	41.54	12.30	15.60	1,310,628,000	18.00	11.55	(1,649)	1,858	(1.26)	1.44	qter 4	0.19	1.46	16,124,000,000	2.60	0.19	2.79	21.46
CONOIL	22.00	26.50	20.45	32.20	26.40	693,952,117	31.50	20.00	0.55722	0.42393	0.80	0.61	qter 1	2.50	11.36	22,346,589,000	4.40	1.50	5.90	26.82
TOTAL	221.90	193.00	(13.02)	135.71	266.28	339,521,837	265	145	4,366	2,970	12.86	8.75	qter 1	18.20	8.20	46,077,873,000	44.38	6.08	50.46	22.74
ETERNA	5.05	6.69	32.48	9.97	6.06	1,304,144,000	8.80	4.86	0.87746	0.25445	0.67	0.20	qter 1	0.10	1.98	12,995,801,000	1.01	0.10	1.11	21.98
OKOMU	142.00	165.00	16.20	45.65	149.10	953,910,000	215	104	9,498	5,271	9.96	5.53	qter 1	8.00	5.63	43,550,072,000	7.10	7.00	14.10	9.93
PRESCO	87.80	137.50	56.61	42.83	92.19	1,000,000,000	200	70.00	13,775	5,030	13.78	5.03	qter 3	6.60	7.52	42,826,810,000	4.39	2.00	6.39	7.28
CUSTODIAN	7.90	5.95	(24.68)	11.27	9.48	5,881,864,195	8.45	5.85	2,186	1,329	0.35	0.24	qter 1	0.40	5.06	66,310,651,000	1.58	0.45	2.03	25.70
NEM	4.50	4.50	-	2.40	5.40	10,032,955,535	5.00	1.86	1,545	1,092	0.15	0.11	qter 1	0.22	4.89	24,048,082,000	0.90	0.09	0.99	22.00
MTN	197.00	215	9.14	17.54	236.40	20,354,513,050	270	160	96,820	73,748	4.76	3.62	qter 1	8.57	4.35	356,984,000,000	39.40	8.57	47.97	24.35
TRANSCORP	0.96	1.13	17.71	3.72	1.152	40,647,990,293	1.52	0.84	5,035	2,041	0.05	0.0179	qter 1	0.02	2.08	151,040,841,000	0.19	0.01	0.20	21.04
NGX	19.9	25.05	25.88	17.44	23.88	1,964,115,918	27.9	15.3	0.1483	0.8032	0.07	0.41	qter 1			34,262,654,000	3.98		3.98	20.00
FCMB	2.99	3.85	28.76	12.57	3.588	19,802,710,754	3.88	2.71	5,168	3,572	0.28	0.18	qter 1	0.15	5.02	248,968,936,000	0.60	0.15	0.75	25.02
LIVESTOCK	2.15	1.09	(49.30)	0.84	2.58	2,999,999,418	2.5	1.42	0.018121	0.176539	0.06	0.0588	qter 1	-	-	2,520,597,000	0.43	-	0.43	20.00
HONYWELL	3.40	2.34	(31.18)	7.34	4.08	7,930,197,858	4.45	1.1	0.0209	0.323	0.03	0.041	qter 3	0.07	2.06	58,232,000,000	0.68	0.07	0.75	22.06

WE RECOMMEND THE ABOVE STOCKS WITH THE COMPUTED TOTAL RETURN IN THE NEXT 6 MONTHS

Reasons for selection

- Strong fundamentals and consistent good dividend payment in the last five years
- The EPS are good showing that they can pay dividend they paid last year while some of them are performing better.
- The Current PAT show they are performing well and they may pay better dividend than the previous year
- The Book value are good showing that some of the stocks are underpriced, hence, there is room for capital appreciation.
- The wide variance between the 52weeks low and 52 weeks high for some of the stocks show high potential for capital appreciation
- All the stocks have good investors sentiment
- The liquidity of the recommended stocks are high, indicating easy entry and exit
- The speculative stocks may not meet all the above conditions, however, the recent performance and sound investors perception may spark capital appreciation
- Stocks selected are over 50.00% of of the total market capitalisation

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

Domestic Market Review

GAINERS FOR THE WEEK

Fifty Three stocks appreciated in price during the week, as against Thirty Nine stocks in preceding week. The top ten price gainers during the week were:

LOSERS FOR THE WEEK

Twenty one stocks depreciated in price during the week as against Twenty Two stocks recorded in the preceding week. The top ten price losers during the week were:

EXCHANGE TRADED PRODUCTS (ETP)

A total of 30,547 units of Exchange Traded Products valued at N7,298,736.32 in 50 deals were traded during the week compared with 2,898 units of Exchange Traded Products valued at N452,808.58 traded last week in 29 deals.

BOND MARKET

A total of 39,151 units of FGN Bond valued at N37,061,965.16 in 17 deals were traded during the week compared with 24,298 units of FG Bond valued at N25,475,147.59 traded last week in 12 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	1,910 M	799.848 M	138.80
Value N=	N18,436 B	N29,354 B	-37.19
Total Gain	53	39	35.90
Total Loss	21	22	4.55
Deals	20,311	14,194	43.10
All Share Index	55,529.21	54,949.21	1.06
Market Cap.	N=30,250 Trillion	N=29,934 Trillion	1.06

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
GEREGU	225.00	325.00	100.00	44.44
CILEASING	3.30	3.98	0.68	20.61
MCNICHOLS	0.66	0.79	0.13	19.70
SUNNU ASS	0.37	0.44	0.07	18.92
STANBIC	34.50	41.00	6.50	18.84
INITIATIVE	0.44	0.52	0.08	18.18
OANDO	4.00	4.56	0.56	14.00
MRS	30.55	34.50	3.95	12.93
DANSUGAR	17.20	19.20	2.00	11.63
NASCON	11.00	12.20	1.20	10.91

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
CHAMS	0.28	0.25	(0.03)	(10.71)
MULTIVERSE	4.40	3.96	(0.44)	(10.00)
JOHN HOLT	1.76	1.59	(0.17)	(9.66)
SEPLAT	1,325.00	1,200.00	(125.00)	(9.43)
ECOBANK	13.00	12.00	(1.00)	(7.69)
CORONATION	0.44	0.41	(0.03)	(6.82)
UACN	9.00	8.50	(0.50)	(5.56)
UCAP	15.45	14.60	(0.85)	(5.50)
LASACO	1.05	1.00	(0.05)	(4.76)
AIRTEL	1,620.00	1,548.70	(71.30)	(4.40)

Source: Nigerian Stock Exchange (NSE) & Regency Research



MODEL EQUITY PORTFOLIO

PORTFOLIO VALUATION AS AT 03/03/2023												
P/Date	Stock	Units	Tcost	Unit Cost	B-E Price	Current Price	Target price 30% App	NET VALUE	Dividend	TOTAL VALUE	Gain/Loss	G/L%
1/1/2022	WAPCO	50,000	1,200,000.00	24.00	24.44	27.00	31.20	1,325,490.75		1,325,490.75	125,490.75	10.46
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	8.60	9.88	422,193.35	9,000.00	431,193.35	51,193.35	13.47
1/1/2022	FIDELITY	50,000	217,500.00	4.35	4.43	5.14	5.66	252,334.17	9,000.00	261,334.17	43,834.16	20.15
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	19.20	20.87	942,571.20		942,571.20	140,071.20	17.45
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	26.60	31.20	1,305,853.85	13,500.00	1,319,353.85	119,353.85	9.95
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	14.60	18.20	716,746.85		716,746.85	16,746.85	2.39
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	26.50	29.90	1,300,944.63	13,500.00	1,314,444.63	164,444.63	14.30
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	33.50	36.92	1,644,590.38	96,750.00	1,741,340.38	321,340.38	22.63
1/1/2022	DANCEM	50,000	13,050,000.00	261.00	265.83	278.00	339.30	13,647,645.50		13,647,645.50	597,645.50	4.58
1/1/2022	VITAFOAM	50,000	1,022,500.00	20.45	20.83	19.40	26.59	952,389.65	68,400.00	1,020,789.65	- 1,710.35	- 0.17
			21,142,500.00					22,510,760.32		22,720,910.32	1,578,410.32	7.47

The Equity Portfolio Model which closed the previous week at 4.67% appreciated during the week, and closed the week at 7.47% (YTD). This can be compared with NGX All Share Index which closed at 6.00% in the previous week, also appreciated during the week and closed at +8.35% {YTD}. The EPM appreciated during the week under review but unable to over perform the All Share Index of the market. Investors are thereby advised to take into consideration selection of stocks in diversified sectors to minimize risk, good dividend paying stocks and strong fundamentals to enhance the value of the portfolio. Key. Tcost means total cost of the transactions including charges (market price*units plus charges). Unit cost is total cost per unit of the stocks. B-E Price is break-even price i.e the price the portfolio will not record any gain or loss. Target price is the price we want to sell.

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

MARKET DEVELOPMENTS (LAST WEEK)

Central Bank to Raise N1.13trn in Q2, 2023.

The Central bank of Nigeria has allocated N1.13trn Treasury bill issuance for the second quarter of 2023, a 22% higher than N926bn issued in Q2 of 2022. The projected treasury bills issuance serves as a roll-over of maturing bills for the corresponding period. For January and February only, the CBN raised N540.9bn as the robust liquidity favoured the large supply. According to the document, the CBN will raise N531.74bn in March, N280.96bn in April and N324.36n for May. The issuance will be spread across three tenors, 91-day, 182-day, and 364-day. Nigeria's treasury bill rate has fallen to record low in January 2023 but recovered in February, rising to 3% for 91-day, 3.24 for 182-day and 9.9% for the one year as at the last auction. Analysts believe the large issuance serves as an instrument to mop out excess liquidity with estimated inflow of N1.6trn from OMO, bonds, and T-bill maturity in April.

INVESTMENT BASICS

Building an Investment Portfolio

An investment portfolio, simply defined, is a collection of all the assets an investor owns. It can be likened to a roof under which you house all your investments. A good investment portfolio will be diversified and contain a wide variety of assets such as Stocks, Bonds, Mutual Funds, Real Estate, etc.

Types of Investment Portfolios

There are different types of investment portfolios and they are built by taking the financial goals and risk appetite of the investor into consideration.

1. **The Aggressive Portfolio** - This type of portfolio is specially designed for investors with a high tolerance for risk. Investments that fall under this category are high risk but also have the potential to yield high returns. High beta stocks are an example of this kind of asset. They are more volatile and experience a greater fluctuation in price when compared to the overall market.
2. **The Defensive Portfolio** - This category is for people who have a low-risk appetite. Building a defensive portfolio usually involves investing in stocks of companies that will stay in business no matter what. These are companies that make products that are important for everyday survival.
3. **The Income Portfolio** - The goal of an income portfolio is to generate positive cash flow. This includes stocks that pay regular dividends and provide a steady source of income for the investor. An income portfolio can serve as a great supplement to an investor's salary or retirement income.
4. **The Speculative Portfolio** - This portfolio is also tailored to an investor with a high-risk tolerance. It basically involves pre-empting which stocks are likely to do well. An example of a speculative investment is an initial public offering (IPO) of a new tech company. Financial advisors usually advise investors against putting more than 10% of their investment funds into such assets.
5. **The Hybrid Portfolio** - The hybrid portfolio, as the name implies, is a combination of different assets. This portfolio encourages diversification and provides the investor with a diversified portfolio which can include stocks, mutual funds, bonds, commodities, and real estate. This portfolio category comes with the advantage of flexibility for the investor; it also reduces the negative impact of losses from one asset class.

How to start building an investment portfolio

Building an investment portfolio can seem like an uphill task, but it does not have to be. The first step is to identify your financial goals.

1. **Identifying your unique goals** will determine if your money should go into short-term or long-term investments. It will also predict what kind of portfolio would be best suited to your needs. A portfolio tailored towards retirement will be different from one that is intended to provide income within the next five years.
2. **Assess your risk tolerance** - It is also important to assess your risk tolerance. If you are risk-averse, this means you are careful about putting your money at risk for promising rewards. Therefore, your money should be invested as safely and predictably as possible. However, if you have a high tolerance for risk, you are open to taking risks for the possibility of making greater returns.
3. **Examine your investing Skills** - Once you have assessed your risks, you would need to honestly examine your investing skills, to establish whether you can build a portfolio yourself or would require the support of a Financial Adviser.
4. **Decide on asset allocation** - How much of your money will go into each investment? How do you plan to balance your portfolio and continue to diversify as time goes on? These are all questions that must be answered. In conclusion, the major keys to keep in mind when building an investment portfolio are to identify your goals, assess your risk appetite and talk to an expert.

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

The OMO bill maturity and FX swap maturity of 150m kept system liquidity robust this week with the funding rates staying flat for most trading sessions. However, on Friday, the Open repo rate (OPR) and Overnight rate rose to 12.13% and 12.43%. On a weekly basis, the OPR and O/N rates rose by 1552bps and 1499bps .

Treasury Bills.

Investors bided for higher rates at the NTB primary auction’s market during the week. The stop rates for the 91-day, 182-day, and 364-day rose to 3%, 3.24%, and 9.90% from 0.10%, 0.30%, and 2.24% at the previous auction. The Debt Management Office sold exactly the amount offered of N263.50bn as against a subscription of N296.75bn. The January inflation figure rising to 21.82% influenced the demand for higher yields from investors

Foreign Currency (EXCHANGE RATE).

This week, the naira deviated from the weekly gain trend, depreciating by 13bps at the Investor and Exporter FX window to settled at N461.75. The naira also depreciated at the Nigerian Autonomous Foreign Exchange (NAFEX) fixing to N461.33/US\$1.

OIL PRICE.

The Nigeria’s oil price (WTI) appreciated slightly during the week under review. According to the latest data, the oil price closed at \$77.54 per barrel during the week, compared with \$74.42 recorded in the previous week .

NIGERIAN INTER BANK OFFER RATE NIBOR

Money Market Rate			
	24-Feb-23	3-Mar-23	W-o-W % Change
OPR (%)	10.50	12.13	+15.52%
O/N (%)	10.81	12.43	+14.99%

Source: Financial Markets Dealers Quotations (FMDQ)

TREASURY BILLS RATES

NTB AUCTION February 22, 2023

Nigerian Treasury Bills Auction					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
91-days	11.68	15.53	9.96	3	0.1
182-days	10.21	17.55	10.21	3.24	0.3
364-days	241.61	263.67	243.33	9.9	2.24

MONEY MARKET RATES

Average Benchmark Yields			
	24-Feb-23	3-Mar-23	W-o-W% Change
I&E FX	461.17	461.75	0.13%
NAFEX (\$/N)	461.32	461.33	0.002%

Source: FMDQ

Source: Financial Markets Dealers Quotations (FMDQ)

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