



Monday March 13, 2023

**The Federal Government Expects More Flooding in 2023**

The Federal Government has announced that Nigeria will witness another round of flood in many states this year, and there is a need for early preparations in order to avoid some of the mistakes that were made in 2022. It was also noted added that state governors would be informed early this year about disaster-prone areas. In 2022, the country experienced an unprecedented devastating nationwide flood that took the lives of about 662 persons and caused extensive food shortages as disclosed by the National Emergency Management Agency (NEMA). According to the Ministry of Humanitarian Affairs, the flood witnessed in 2022 destroyed 70,566 hectares of farmland, damaged 45,249 houses, and displaced over 1.4 million Nigerians. The devastation of thousands of farmlands in key agricultural-producing states across the country resulted in the loss of farm produce and livestock in large quantities which negatively impacted the economy by contributing significantly to the hike in the country's food inflation. The surge in food prices resulted in a decline in the standard of living of the populace as there was no commensurate rise in consumer income. Also, the floods contributed to a surge in transportation costs as tankers conveying petroleum products to the Federal Capital and other states in the northern parts of the country were unable to move due to blocked road networks in the region. This was one of the reasons the petroleum authorities gave for the scarcity of the product in 2022. Nigeria's population has been growing rapidly and it's currently estimated to be over 200 million. There has also been rapid growth in urbanization in recent times, with about 55% of the nation's population living in urban areas. Given the country's growth in population and urbanization, the huge housing deficit witnessed in urban areas means that people are forced to build shelters in flood-prone areas such as riverbanks, wetlands, and low-lying areas. Poor solid waste management is also a key contributor to the problem of flooding. Often, drainage systems are used as dump sites, blocking the flow of water. Another factor is a change in rainfall patterns in the country, Rainstorms lasting up to five days are becoming more common and it's predicted that they will increase due to increased climate change. Poor water infrastructure developments such as dams, reservoirs, and bank protection also contribute to flooding in the country. Given the warnings of more floods this year, there is a need for a more proactive approach by the government towards preventing a disaster. A combination of hard infrastructural solutions and ecosystem-based adaptation should be considered. These include the construction of dams and reservoirs to hold excess water, riverbank protection, construction of spillways, appropriate drainage systems and storm water management regimes, and dredging of some of the major rivers in Nigeria. Climate change is a natural phenomenon affecting many countries, hence, all hands must be on deck to reduce the level of impact of the expected flooding.

**Capital Market Summary.**

Analysis of the market activity in the week ended March 10, 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 0.48% each from the opening figures of 55,529.21 and N30,250 trillion to close at 55,794.51 and N30,395 trillion respectively. Its year to date (YTD) return stands at +8.87%.

**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\$88.77/Bar	March 07, 2023
Nigeria's Gross External Reserves	US\$36.41bn	March 09, 2023

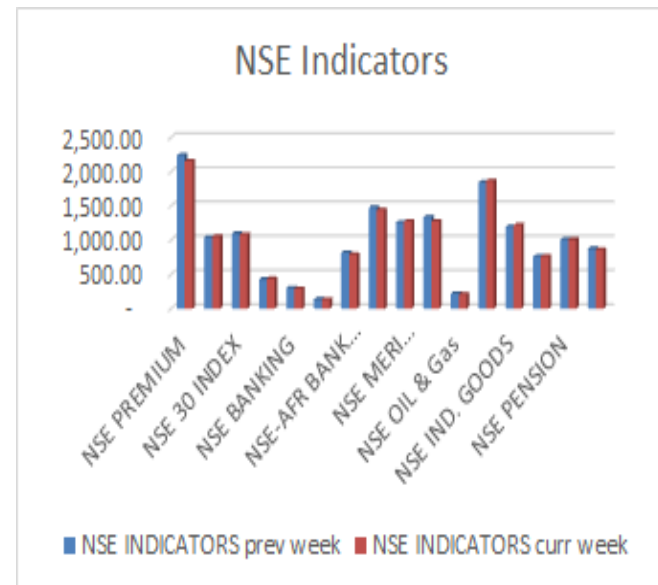
Source: Central Bank of Nigeria (CBN)

**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 13/03/23-17/03/2023).** The Nigerian Equity Market ended the week on a positive note as market sentiment remained positive. The NGXASI closed the week with a gain of **0.48%** as against a **1.06%** gain recorded last week. The Nigerian Exchange recorded N144.96b gain in naira terms. In Year-to-date, the NGXASI closed positive at close of the week with a gain of **8.87%** as market capitalization settled at N30.39trn. The impressive end of year results released so far by some companies have been impacting positively on the market. This coupled with the current low and attractive prices of some blue chip companies have continued to move the market upward during the week. Investors have been taking position on stocks that have potentials to declare improve result and pay good dividend to investors. In the coming week, we expect the market to continue with the positive note as we expect 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, NESTLE PLC, DANCOTE CEMENT PLC, WAPCO and MTNN.**

**RECOMMENDED STOCKS FOR THE WEEK**

Stocks	Current Price	Max. entry Price N=	Target price	% Change
ACCESS	9.15	10.00	12.00	31.15
UBA	8.25	9.00	10.00	21.21
NAHCO PLC	8.30	8.50	10.00	20.48
MTN PLC	248.30	245.00	270.00	8.74
NESTLE PLC	1,080.30	1,100	1,500	38.85
FIDELITY	5.20	5.20	6.00	15.38
WAPCO PLC	26.40	26.00	30.00	13.64
DANCEM	288.00	300.00	350.00	21.53

**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
DANCEM	Audited 31/12/2022	1,618	1,384	382.31	364.44	N22.27	N20 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.

Source: Nigerian Stock Exchange (NSE) & Regency Research



**STOCK MARKET REPORT**

Domestic Market Review

**GAINERS FOR THE WEEK**

Twenty two stocks appreciated in price during the week, as against Fifty three stocks in preceding week. The top ten price gainers during the week were:

**LOSERS FOR THE WEEK**

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

**EXCHANGE TRADED PRODUCTS (ETP)**

A total of 11,382 units of Exchange Traded Products valued at N1,882,974.81 in 74deals were traded during the week compared with 30,547 units of Exchange Traded Products valued at N7,298,736.32 traded last week in 50 deals.

**BOND MARKET**

A total of 54,802 units of FGN Bond valued at N55,698,634.05 in 14 deals were traded during the week compared with 39,151 units of FGN Bond valued at N37,061,965.16 traded last week in 17 deals

**MARKET SUMMARY**

	Curr. Week	Previous week	% Change
Volume	1,023 M	1,910 M	-46.44
Value N=	N20,221 B	N18,436 B	9.68
Total Gain	22	53	-58.49
Total Loss	41	21	-95.24
Deals	18,650	20,311	-8.18
All Share Index	55,794.51	55,529.21	0.48
Market Cap.	N=30,395 Trillion	N=30,250 Trillion	0.48

**TOP TEN GAINERS**

Company	Op.Price	cl. Price	Gain	Gain in %
JBERGER	24.50	26.95	2.45	10.00
TRANSEXP	0.81	0.89	0.08	9.88
IEI	1.20	1.30	0.10	8.33
UACN	8.50	9.20	0.70	8.24
TRANSCORP	1.28	1.38	0.10	7.81
NGX	27.10	28.80	1.70	6.27
MANSARD	2.00	2.10	0.10	5.00
LIVINGTRUST	2.85	2.97	0.12	4.21
DANCEM	278.00	288.00	10.00	3.60
AIICO	0.59	0.61	0.02	3.39

**TOP TEN LOSERS**

Company	Op.Price	Cl. Price	Loss	Loss in %
MRS	34.50	27.95	(6.55)	(18.99)
CONOIL	46.85	38.00	(8.85)	(18.89)
FTN COCOA	0.30	0.26	(0.04)	(13.33)
NCR	3.24	2.89	(0.35)	(10.80)
MULTIVERSE	3.96	3.57	(0.39)	(9.85)
VERITAS	0.22	0.20	(0.02)	(9.09)
UPL	2.00	1.82	(0.18)	(9.00)
PRESTIGE	0.45	0.41	(0.04)	(8.89)
ARDOVA	18.55	17.05	(1.50)	(8.09)
ABC	0.38	0.35	(0.03)	(7.89)

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	0.83	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



## MODEL EQUITY PORTFOLIO

PORTFOLIO VALUATION AS AT 10/03/2023												
				Unit	B-E	Current	Target price		Dividend	TOTAL	Gain/Loss	
P/Date	Stock	Units	Tcost	Cost	Price	Price	30% App	NET VALUE	Dividend	TOTAL VALUE		G/L%
1/1/2022	WAPCO	50,000	1,200,000.00	24.00	24.44	26.40	31.20	1,296,035.40	90,000.00	1,386,035.40	186,035.40	15.50
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	8.25	9.88	405,011.06	9,000.00	414,011.06	34,011.06	8.95
1/1/2022	FIDELITY	50,000	217,500.00	4.35	4.43	5.20	5.66	255,279.70	9,000.00	264,279.70	46,779.70	21.51
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	19.15	20.87	940,116.59	67,500.00	1,007,616.59	205,116.59	25.56
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	25.80	31.20	1,266,580.05	13,500.00	1,280,080.05	80,080.05	6.67
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	14.65	18.20	719,201.46	67,500.00	786,701.46	86,701.46	12.39
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	32.95	36.92	1,617,589.64	96,750.00	1,714,339.64	294,339.64	20.73
1/1/2022	DANCEM	50,000	13,050,000.00	261.00	265.83	288.00	339.30	14,138,568.00	900,000.00	15,038,568.00	1,988,568.00	15.24
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					22,891,716.18		24,226,866.18	3,084,366.18	14.59

The Equity Portfolio Model which closed the previous week at 7.47% appreciated during the week, and closed the week at 14.59% (YTD). This can be compared with NGX All Share Index which closed at 8.35% in the previous week, also appreciated during the week and closed at +8.87% {YTD}. The EPM appreciated during the week under review and over performed the All Share Index of the market. Some of the stocks that appreciated are DANCEM, WAPCO and GTCO. 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 )

**SEC Nigeria Approves New Share Buy-Back Programme for Dangote Cement Plc; Expires December 12 2023.** Dangote Cement Plc, Africa's largest cement producer, announces that the Securities and Exchange Commission has approved the establishment of a new share buy-back programme. The programme will expire on 12 December 2023, 12 months from the date of the shareholders' resolution. The share buy-back programme will be executed under the approval granted by the Company's shareholders at the Extraordinary General Meeting of Dangote Cement Plc which was held on 13 December 2022, within the framework provided under Rule 398 (3)(xiv) of the Securities and Exchange Commission's Rules and Regulations and under the approval of the Nigerian Exchange Limited. The share buy-back will be undertaken through an open market offer or self-tender, at such times and on such terms as the Management of the Company may determine, subject to prevailing market conditions. The Company will continue to monitor the evolving business environment and market conditions, in making decisions on tranches of the share buy-back programme.

## 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.**

Despite the treasury bill auction settlement this week, interbank rates drop for most trading sessions. The Open repo rate (OPR) and Overnight rate fell week-on-week by -1344bps and -1303bps to 10.50% and 10.81% respectively

**Treasury Bills.**

Taking advantage of the robust liquidity, DMO bought N324.50bn worth of treasury bills as against the N224.50bn offered at the NTB Primary auction on March 9<sup>th</sup>, 2023. Like the previous issuance, demand remained strong with subscription at N906.21bn. The rates attached to the 182-day and 364-day rose by 85bps and 1bps to 6% and 10% respectively while the 91-day rate dropped by 52bps to 1.44%

**Foreign Currency (EXCHANGE RATE).**

The naira closed the week positive, appreciating by 5bps and 1bps (W-o-W) at the Investor and Exporter FX Fixing and NAFEX FX Fixing to settle at N461.50/US\$1 and N461.29/US\$1 respectively.

**OIL PRICE.**

The Nigeria's oil price (WTI) depreciated slightly during the week under review. According to the latest data, the oil price closed at \$76.68 per barrel during the week, compared with \$77.54 recorded in the previous week .

**NIGERIAN INTER BANK OFFER RATE NIBOR**

Money Market Rate			
	3-Mar-23	10-Mar-23	W-o-W % Change
OPR (%)	12.13	10.50	-13.44%
O/N (%)	12.43	10.81	-13.03%

Source: Financial Markets Dealers Quotations (FMDQ)

**TREASURY BILLS RATES**

**NTB AUCTION MARCH 09, 2023**

Nigerian Treasury Bills Auction					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
91-days	1.03	4.35	1.03	1.44	3
182-days	10.55	11.31	10.55	6	3.24
364-days	224.50	890.55	312.92	10	9.9

Source: Central Bank of Nigeria (CBN)

**MONEY MARKET RATES**

Average Benchmark Yields			
	3-Mar-23	10-Mar-23	W-o-W% Change
I&E FX	461.75	461.50	0.05%
NAFEX (\$/N)	461.33	461.29	0.01%

Source: FMDQ

Source: Financial Markets Dealers Quotations (FMDQ)

**Disclaimer**

This report was prepared, issued and approved by Regency Assets Management Limited (RAML). The report is based on information from various sources that we believe are reliable. While due care has been taken in preparing it, investors are reminded that the stock prices fluctuate based on stock market forces.

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