



Monday October 09, 2023

Nigeria's Equity Market

The new administration has embarked on vital reforms aimed at rectifying macroeconomic imbalances. This unique moment presents an opportunity to positively impact millions of Nigerians' lives while laying a strong foundation for sustainable, inclusive growth. Notably, removing the petrol subsidy, a contentious and costly policy draining the country's revenue, and FX management reforms are essential steps to rebuild fiscal capacity and restore macroeconomic stability. Seizing this opportunity opens the door to additional necessary policy reforms. While removing the petrol subsidy has resulted in a significant rise in petrol prices, contributing to inflation, poverty, and job losses, it has also created fiscal room for the government to invest in human capital development and alleviate its debt burden.

Nigerian equity market investors have been unfazed by economic uncertainty, political fragility, and heightened business risks as they lay far deeper roots in the local bourse, with market returns spiralling from 14.8% in September 2022 to 29.65% year-to-date (YTD) by the end of September 2023. With a new market-friendly President in power, despite the haze of controversy around his election, local investors have kept to their long or buy decisions with three sectors in the spotlight: banking and finance, fast-moving consumer goods (FMCGs) and telecoms. The rise in the market valuation of companies listed in these sectors of the Nigerian Exchange Limited's (NGX's) premium and main boards has given nominal yields an inflation-adjusted return superior to that of many emerging markets. Considering Nigeria's recent August 2023 headline inflation of 25.80%, investors with a stock basket reflecting the relative distribution of equities on the NGX should expect to be at least 3.85% ahead of local inflation. However, with the average annual inflation rate likely to settle at 21% in 2023, equity market investors with broad portfolios skewed towards banks, telcos, and FMCGs could see their portfolio returns ahead of inflation by as much as 7.5% (easily amongst top ranking global inflation-adjusted investment rewards for 2023).

The NGX has seen investors pivot towards the equity market by moving out of their previous fixed-income market (bonds and bills) comfort zones. Institutional investors have revised their portfolios to reduce their heavy bias towards government instruments. Pension fund managers have also pulled back from the risky commercial paper market to add more equity to their asset baskets as they attempt to discover the optimal balance between market risk and reward. Fiscal opportunities abound in Nigeria's feisty equity market as listing several public assets on the local bourse would improve fiscal liquidity but, more importantly, support greater transparency in public sector asset management and improve accountability and corporate governance. The government must work fast and hard to create and manage a public sector asset registry and provide investors an opportunity for 'tire-kicking' areas of potential collaboration through appraising public sector 'deal sheets' where the government lists bankable projects and provides summaries of the conditions of moribund but revivable assets and conditions around their partial or full acquisition. The Presidency must roll up its sleeves and break a sweat as it digs into the hard work of using the Nigerian equity market to raise local and foreign capital. In the general scheme of things, life rewards the hardest worker, the smartest thinker, and the intelligent administrator. hard work goes only so far, but smart execution separates winners from losers.

Capital Market Summary.

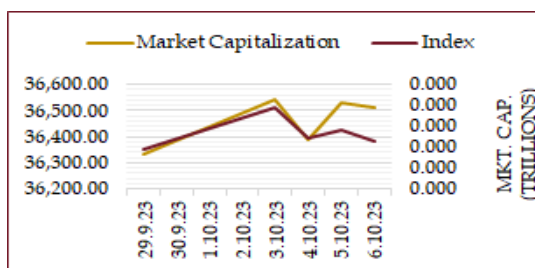
Analysis of the market activity in the week ended October 06, 2023 shows that the Nigerian equity market end the week on a bullish note. The NGX All Share Index and market capitalization of listed equities appreciated by 0.11% and 0.49% from the opening figures of 66,382.14 and N36,330 trillion to close at 66,454.57 and N36,510 trillion respectively. Its year to date (YTD) return stands at +29.66%.

MACROECONOMIC INDICATORS

GDP Growth Rate	+2.51%	June 30, 2023
Un-employment Rate	4.10%	March 31, 2023
Broad Money Supply (M2)	N54,191,661.32	March , 2023
Money Supply (M1)	N21,352,527.87	March , 2023
Consumer Price Index (YOY)	25.80%	August, 2023
Monetary Policy Rate (MPR)	18.75%	July, 2023
Cash Reserve Ratio (CRR)	32.50%	July , 2023
Nigeria's Bonny Light Crude Oil	US\$93.26/Bar	October 06, 2023
Nigeria's Gross External Reserves	US\$33.23bn	October 06, 2023

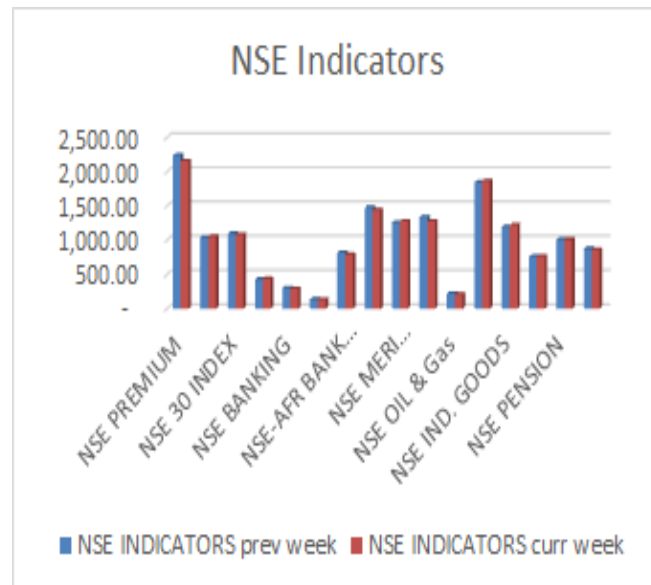
Source: Central Bank of Nigeria (CBN)

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 09/10/23-13/10/2023)

The NGX ASI, opened the week's trading at 66,382.14 index points and closed higher at 66,454.57 points, registering a gain of +0.11% for the week while market capitalization also appreciated by +0.49% to close at N36.51trn. The year-to-date (YTD) returns rose to +29.66% from +29.52% in the previous week. The OTC market was all green at the close of trading. The unlisted OTC equity market NSI posted a gain of 0.48%, while the volume and value traded gained much more significantly to put the market capitalization at N1.11trn. We expect the market to sustain the gain during the week due to expectation of impressive Q3 results . 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 recommend the underlisted stocks for purchase during the week. **DANGOTE CEMENT, NEM INSURANCE, TRANSCORP, UBA PLC, MTNN PLC., FBNH, UCAP, ZENITH, ACCESS PLC, WAPCO PLC , DANGOTE SUGAR, AND FCMB PLC, See the table below.**

RECOMMENDED STOCKS

STOCK ANALYSIS FOR INVESTMENT																				
COMPANY	Price N=	price N=	Cap. App	EPS	DPS	Total	PAT N=M	PAT N=m	Period	BK Value	52 wks	52 weeks	PER	6 Months	Net Assets N=	No of shares	Total Assets N=	Div. Yeld	ROCE	Remark
	31/12/23	5/10/2023	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision
ZENITH	24.00	31.90	32.92	9.29	3.20	46.25	291,731	111,413	2nd Qter	56.76	37.80	19.00	3.43	41.47	1,781,979	31,396	16,031,910	10.03	16.37	BUY
GTCO	23.00	36.00	56.52	9.94	3.10	70.00	280,482	77,557	2nd Qter	40.79	41.80	16.80	3.62	46.80	1,200,507	29,431	8,509,893	8.61	23.36	HOLD
ACCESS	8.50	16.15	90.00	2.06	1.50	107.65	71,656	57,825	2nd Qter	48.71	19.80	7.50	7.84	21.00	1,731,488	35,545	20,853,270	9.29	4.14	BUY
UBA	7.60	16.75	120.39	10.95	1.10	134.87	378,235	70,335	2nd Qter	50.07	18.00	6.55	1.53	21.78	1,712,362	34,199	15,382,382	6.57	22.09	BUY
FIDELITY	4.35	8.25	89.66	1.94	0.50	101.15	61,995	23,219	2nd Qter	12.58	9.82	2.87	4.25	10.73	402,597	32,000	5,052,206	6.06	15.40	BUY
WAPCO	24.00	29.60	23.33	2.20	2.00	31.67	35,479	37,410	2nd Qter	26.03	31.50	20.10	13.45	38.48	419,365	16,108	654,695	6.76	8.46	BUY
NAHCO	6.40	23.85	272.66	1.19	1.20	291.41	2,340	0.968	2nd Qter	4.66	25.95	5.12	20.04	31.01	9,082	1,949	18,218	5.03	25.77	HOLD
NASCON	11.10	52.00	368.47	4.39	1.00	377.48	5,822	1,535	2nd Qter	8.39	59.50	9.50	11.85	67.60	22,215	2,649	68,482	1.92	26.21	HOLD
FLOUR MILLS	28.40	32.50	14.44	7.25	2.25	22.36	29,504	28,015	audited	54.93	36.20	27.00	4.48	42.25	225,225	4,100	1,097,396	6.92	13.10	HOLD
MTNN	215.00	250.00	16.28	6.33	15.64	23.55	128,688	181,629	2nd Qter	12.76	288.00	185.00	39.49	325.00	259,817	20,354	3,137,844	6.26	49.53	BUY
DANSUGAR	16.05	56.00	248.91	(2.30)	1.50	258.26	(27,987)	20,242	2nd Qter	10.29	63.10	15.00	(24.35)	72.80	125,035	12,146	565,999	2.68	(22.38)	HOLD
DANCEM	261.00	340.00	30.27	10.39	20.00	37.93	178,603	105,851	2nd Qter	77.01	360.00	220.00	32.72	442.00	1,312,377	17,041	3,188,074	5.88	13.61	BUY
NB	41.00	39.00	(4.88)	(5.73)	1.43	(1.39)	(47,599)	18,743	2nd Qter	11.86	48.80	28.80	(6.81)	50.70	121,839	10,276	677,980	3.67	(39.07)	BUY
UCAP	11.60	17.00	46.55	1.63	1.50	59.48	2,441	2,309	2nd Qter	4.45	17.10	9.00	10.43	22.10	26,707	6,000	727,504	8.82	9.14	BUY
AFRIPRUD	6.00	7.25	20.83	0.21	0.50	29.17	0.415	0.936	2nd Qter	4.46	7.70	5.00	34.52	9.43	8,926	2,000	20,477	6.90	0.00	BUY
NEM INS.	4.50	5.50	22.22	0.064	0.30	28.89	2,853	1,545	1st Qter	2.99	6.99	3.13	85.94	7.15	29,980	10,032	54,604	5.45	9.52	BUY
CADBURY	11.90	15.00	26.05	(7.74)	0.40	29.41	(14,539)	3,345	2nd Qter	0.76	18.8	10.2	(1.94)	19.50	1,425	1,878	74,765	2.67	(1,020.28)	SELL/HOLD
FBNH	11.25	16.20	44.00	5.19	0.50	48.44	187,176	56,536	2nd Qter	38.40	23.5	8.2	3.12	21.06	1,378,316	35,895	14,176,772	3.09	13.58	SELL/HOLD
FCMB	3.51	5.98	70.37	3.58	0.25	77.49	35,410	13,663	2nd Qter	17.40	7.70	2.92	1.67	7.77	344,557	19,803	3,720,980	4.18	10.28	BUY
GLAXO	6.15	12.50	103.25	0.13	0.55	112.20	0.155	0.194	1st Qter	8.10	13.9	5.4	96.15	16.25	9,688	1,196	30,750	4.40	0.00	BUY
OKOMU	165.00	263.00	59.39	16.98	12.00	66.67	22,905	23,431	2nd Qter	40.66	250	157	15.49	341.90	38,786	954	89,516	4.56	59.05	SELL/HOLD
PRESCO	137.50	201.20	46.33	15.08	6.50	51.05	21,466	19,320	4th Qter	42.65	220	110	13.34	261.56	42,647	1,000	145,087	3.23	50.33	SELL/HOLD
PZ	12.10	20.00	65.29	2.82	1.01	73.64	11,214	5,641	3rd Qter	11.32	24	8.05	7.09	26.00	44,944	3,971	152,112	5.05	24.95	SELL/HOLD
VITAFOAM	20.45	24.00	17.36	2.66	1.52	24.79	3,698	4,541	3rd Qter	12.80	24	16.8	9.02	31.20	16,007	1,251	44,716	6.33	23.10	SELL/HOLD
STANBIC IBTC	33.45	78.00	133.18	5.12	2.52	140.72	67,919	15,068	2nd Qter	34.90	70	27.5	15.23	101.40	452,175	12,957	4,451,179	3.23	15.02	BUY
TRANSCORP	1.13	6.06	436.28	0.27	0.05	440.71	16,104	12,011	2nd Qter	4.34	7.01	0.98	22.44	7.88	176,350	40,648	495,336	0.83	9.13	BUY

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

Domestic Market Review

GAINERS FOR THE WEEK

Forty stocks appreciated in price during the week, as against Twenty five in preceding week. The top ten price gainers during the week were:

LOSERS FOR THE WEEK

Thirty six stocks depreciated in price during the week as against Forty seven in the preceding week. The top ten price losers during the week were:

EXCHANGE TRADED PRODUCTS (ETP)

A total of 898,301 units of Exchange Traded Products valued at N25,894,531.83 in 107 deals were traded during the week compared with 19,020 units of Exchange Traded Products valued at N2,007 million traded last week in 91 deals.

BOND MARKET

A total of 46,199 units of FGN Bond valued at N46,063,727.84 in 23deals were traded during the week compared with 80,687 units of FGN Bond valued at N82,919 million traded last week in 15 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	2,410 M	1,339 M	79.99
Value N=	N22,115 B	N17,916 B	23.44
Total Gain	40	25	60.00
Total Loss	36	47	23.40
Deals	27,965	27,874	0.33
All Share Index	66,454.57	66,382.14	0.11
Market Cap.	N=36,510 Trillion	N=36,330 Trillion	0.49

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
FTN COCOA	1.51	1.80	0.29	19.21
RT BRISCOE	0.49	0.57	0.08	16.33
OANDO	7.85	9.00	1.15	14.65
AFRPRUD	6.30	7.05	0.75	11.90
THOMAS WYT	1.92	2.14	0.22	11.46
BUA CEMENT	85.50	94.00	8.50	9.94
BETA GLASS	60.90	66.95	6.05	9.93
TRIPPLE GEE	2.17	2.38	0.21	9.68
AIRTEL	1,290.00	1,400.10	110.10	8.53
UACCN	10.00	10.80	0.80	8.00

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
CHIPLC	1.26	1.02	(0.24)	(19.05)
ABC	0.79	0.65	(0.14)	(17.72)
UPDC	3.90	3.50	(0.40)	(10.26)
CHAMPION	3.75	3.38	(0.37)	(9.87)
CHELLARAM	3.86	3.48	(0.38)	(9.84)
SCOA	1.26	1.14	(0.12)	(9.52)
TANTALIZER	0.32	0.29	(0.03)	(9.38)
NEM	5.50	5.00	(0.50)	(9.09)
DANCEM	340.00	310.10	(29.90)	(8.79)
GUINEA INS	0.24	0.22	(0.02)	(8.33)

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

Closure of Register - Dividends and Bonuses

Company	Dividend/ Bonus	Closure of Register	AGM Date	Payment Date
PZ Cussons Nigeria Plc	N1.01	Nil	9th - 13th January 2023	25th January 2023
Vitafoam Nigeria Plc	N1.52	Nil	13th -17th February 2023	2nd March 2023
Geregu Power Plc	N8.00	Nil	28th February 2023	28th March 2023
MTN Nigeria Communcations Plc	N10.00	Nil	28th March 2023	18th April 2023
Nigerian Breweries Plc	N1.03	Nil	17th March 2023	26th April 2023
BUA Cement Plc	N2.80	Nil	14th August 2023	31st August 2023
Nigerian Enamelware Plc	Nil	3 for 2	14th March 2023	N/A
United Capital Plc	N1.50	Nil	15th March 2023	27th March 2023
Transcorp Hotels Plc	N0.13	Nil	20th March 2023	3rd April 2023
Dangote Sugar Refinery Plc	N1.50	Nil	27th March 2023	14th April 2023
Lafarge Africa Plc	N2.00	Nil	11th April 2023	28th April 2023
Seplat Energy Plc	Final - 2.5	Nil	19th April 2023	10th May 2023
Nestle Nigeria Plc	N36.5	Nil	24th April 2023	17th May 2023
NASCON Allied Industries Plc	N1.00	Nil	2nd May 2023	26th May 2023
Africa Prudential Plc	N0.50	Nil	17th April 2023	2nd May 2023
Custodian Investment Plc	N0.55	Nil	3rd April 2023	13th April 2023
Transnational Corporation Plc	N0.05	Nil	12th April 2023	26th April 2023
Consolidated Hallmark Insurance Plc	N0.03	Nil	14th April 2023	24th May 2023
Infinity Trust Mortgage Bank Plc	N0.06	Nil	17th April 2023	11th May 2023
FCMB Group Plc	N0.25	Nil	14th April 2023	28th April 2023
Zenith Bank Plc	N2.90	Nil	17th April 2023	2nd May 2023
United Bank for Africa Plc	N0.90	Nil	17th April 2023	27th April 2023
Unilever Nigeria Plc	N0.25	Nil	18th April 2023	4th May 2023
CWG Plc	N0.04	Nil	18th April 2023	28th April 2023
SFS Real Estate Investment Trust	N8.45	Nil	20th April 2023	N/A
Eterna Plc	N0.15	Nil	24th April 2023	11th May 2023
Okomu Oil Palm Company Plc	N12.00	Nil	25th April 2023	25th May 2023
TotalEnergies Marketing Nigeria Plc	N21.00	Nil	26th April 2023	1st June 2023
NEM Insurance Plc	N0.30	Nil	1st May 2023	18th May 2023
Nigerian Aviation Handling Company	N1.20	Nil	15th May 2023	26th May 2023
May & Baker Nigeria Plc	N0.30	Nil	17th May 2023	1st June 2023
Berger Paints Nigeria Plc	N0.70	Nil	27th April 2023	24th May 2023
Ecobank Transnational Incorporated	0.11 cents	Nil	26th May 2023	17th May 2023
ABC Transport Plc	N0.015	Nil	29th May 2023	TBA
Julius Berger Nigeria Plc	N2.50	Nil	29th May 2023	15th June 2023
Sunu Assurances Nigeria Plc	N0.03	Nil	31st May 2023	14th June 2023
AllCO Insurance Plc	N0.03	Nil	1st June 2023	8th June 2023
McNichols Consolidated Plc	N0.01	Nil	1st June 2023	27th July 2023
Cadbury Nigeria Plc	N0.40	Nil	5th June 2023	26th June 2023
Skyway Aviation Handling Company	N0.16.5	Nil	5th June 2023	30th June 2023
Chemical and Allied Products Plc	N1.55	Nil	2nd June 2023	15th June 2023
UAC of Nigeria Plc	N0.22	Nil	7th June 2023	21st June 2023
Trans-Nation Wide Express Plc	N0.02	Nil	12th June 2023	21st June 2023
Beta Glass Plc	N1.17	Nil	19th June 2023	6th July 2023
AXA Mansard Insurance Plc	N0.30	Nil	22nd June 2023	28th July 2023
Ikeja Hotel Plc	N0.075	1 for 3	5th July 2023	26th July 2023
LivingTrust Mortgage Bank Plc	N0.01	Nil	7th July 2023	25th July 2023
LivingTrust Mortgage Bank Plc	N0.012	Nil	7th July 2023	25th July 2023
LASACO Assurance Plc	N0.15	Nil	4th July 2023	27th July 2023
BUA Foods Plc	N4.50	Nil	4th September 2023	14th September 2023
Guaranty Trust Holding Company Plc	N2.80	Nil	2nd May 2023	11th May 2023
Glaxo SmithKline Consumer Nigeria	N0.55	Nil	5th May 2023	7th June 2023
Access Holdings Plc	N1.30	Nil	10th May 2023	24th May 2023
Wema Bank Plc	N0.30	Nil	10th May 2023	24th May 2023
Jaiz Bank Plc	N0.05	Nil	2nd June 2023	27th July 2023
NPF Microfinance Bank Plc	N0.10	Nil	9th May 2023	22nd June 2023
Industrial and Medical Gases Nigeria	N0.40	Nil	7th July 2023	21st July 2023
Fidelity Bank Plc	N0.40	Nil	15th May 2023	23rd May 2023
UH Real Estate Investment Trust	N2.10	Nil	16th May 2023	N/A
Multiverse Mining and Exploration Plc	(Interim Q1)	Nil	25th May 2023	N/A
Cornerstone Insurance Plc	(Interim Q1)	Nil	6th June 2023	N/A
Airtel Africa Plc	3.27 cents	Nil	22nd June 2023	4th July 2023
Vetiva Griffin 30 Exchange Traded F	N0.28	Nil	11th May 2023	N/A
Vetiva S&P Nigerian Sovereign Bond	N7.60	Nil	11th May 2023	N/A
Vetiva Banking ETF	N0.40	Nil	11th May 2023	N/A
Seplat Energy Plc	US 3 cents	Nil	19th May 2023	N/A
Skyway Aviation Handling Company	N0.16.5	Nil	5th June 2023	23rd June 2023
Skyway Aviation Handling Company	N0.16.5	Nil	5th June 2023	23rd June 2023
Conoil Plc	N2.50	Nil	30th June 2023	22nd September 2023
Meristem Growth ETF	N0.40	Nil	24th May 2023	N/A
Meristem Value ETF	N0.79	Nil	24th May 2023	N/A
FBN Holdings Plc	N0.50	Nil	9th August 2023	15th August 2023
Northern Nigeria Flour Mills Plc	N0.35	Nil	23rd August 2023	7th September 2023
University Press Plc	N0.10	Nil	6th September 2023	21st September 2023
Learn Africa Plc	N0.25	Nil	11th September 2023	26th September 2023
Academy Press Plc	N0.10	Nil	12th September 2023	14th September 2023
Smart Products Nigeria Plc	N0.10	Nil	17th July 2023	24th August 2023
Red Star Express Plc	N0.20	Nil	21st August 2023	14th September 2023
Tripple Gee and Company Plc	N0.10	Nil	7th August 2023	24th August 2023
Nigerian Exchange Group Plc (Interim)	N0.25	Nil	11th August 2023	N/A
MTN Nigeria Communcations Plc (Interim)	N5.60	Nil	17th August 2023	N/A
Cutix Plc	N0.12	Nil	18th August 2023	25th August 2023
Seplat Energy Plc (Interim)	3 US cents	Nil	18th August 2023	N/A
Custodian Investment Plc (Interim)	N0.15	Nil	21st August 2023	N/A
Presco Plc	N6.80	Nil	14th September 2023	29th September 2023
Stanbic IBTC ETF 30	N2.52	Nil	11th August 2023	N/A
SIAML Pension ETF 40	N6.49	Nil	11th August 2023	N/A
UPDC REIT Fund	N0.19	Nil	1st September 2023	N/A
Stanbic IBTC Holdings Plc (Interim)	N1.50	Nil	13th September 2023	NIL
Flour Mills of Nigeria Plc	N2.25	Nil	16th October 2023	9th November 2023
Fidelity Bank Plc (Interim)	N0.25	Nil	18th September 2023	N/A
Zenith Bank Plc (Interim)	N0.50	Nil	25th September 2023	N/A
United Bank for Africa Plc (Interim)	N0.50	Nil	27th September 2023	N/A
Guaranty Trust Holding Company Plc	N0.50	Nil	15th September 2023	N/A
Fidson Healthcare Plc	N0.55	Nil	10th July 2023	11th September 2023
Access Holdings Plc	N0.30	Nil	6th october, 2023	N/A



MODEL EQUITY PORTFOLIO

PORTFOLIO VALUATION AS AT 06/10/2023												
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	29.50	31.20	1,448,221.38	90,000.00	1,538,221.38	338,221.38	28.19
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	17.20	9.88	844,386.70	9,000.00	853,386.70	473,386.70	124.58
1/1/2022	FIDELITY	50,000	217,500.00	4.35	4.43	8.40	5.66	412,374.90	9,000.00	421,374.90	203,874.90	93.74
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	56.50	20.87	2,773,712.13	67,500.00	2,841,212.13	2,038,712.13	254.05
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	32.00	31.20	1,570,952.00	13,500.00	1,584,452.00	384,452.00	32.04
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	16.95	18.20	832,113.64	67,500.00	899,613.64	199,613.64	28.52
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	36.05	29.90	1,769,775.61	13,500.00	1,783,275.61	633,275.61	55.07
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	32.80	36.92	1,610,225.80	96,750.00	1,706,975.80	286,975.80	20.21
1/1/2022	DANCEM	50,000	13,050,000.00	261.00	265.83	310.10	339.30	15,223,506.73	900,000.00	16,123,506.73	3,073,506.73	23.55
1/1/2022	VITAFOAM	50,000	1,022,500.00	20.45	20.83	24.00	26.59	1,178,214.00	68,400.00	1,246,614.00	224,114.00	21.92
			21,142,500.00					27,663,482.88		28,998,632.88	7,856,132.88	37.16

The Equity Portfolio Model which closed the previous week at 42.32% depreciated during the week, and closed the week at 37.16% (YTD). This can be compared with NGX All Share Index which closed at 29.52% in the previous week, appreciated slightly during the week and closed at +29.66% {YTD}. The EPM depreciated during the week under review and but still out-performed the All Share Index of the market. Some of the stocks that contributed positively are DANGOTE SUGAR, GTCO, VITAFOAM, and UCAP PLC, 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)

VFD Group Plc Lists on Nigerian Exchange,

VFD Group Plc, a sector-agnostic proprietary investment company, is pleased to announce its listing on the Main Board of Nigerian Exchange Limited (NGX), the sustainable Exchange championing Africa's growth. On Friday, October 6, 2023, the official listing was celebrated with a Closing Gong ceremony and a Fact Behind the Listing Presentation, marking a key milestone in the company's history. The listing of VFD Group's shares has added over N45bn to the market capitalization of NGX, further boosting liquidity in the Nigerian capital market and providing opportunities for wealth creation. VFD Group is a proprietary investment company that builds positive and socially conscious ecosystems by aggregating potentially viable businesses to create innovative products and solutions accessible to the everyday Nigerian citizen and entrepreneur. This listing on NGX is a strategic move to increase VFD Group's visibility, enhance its access to capital, and improve its liquidity, ultimately benefiting its valued investors and stakeholders. Olatunde Busari SAN, Chairman of VFD Group, stated proudly, "We are excited to join the distinguished ranks of companies listed on the Exchange, and we are confident that this step will provide us with the resources we need to continue our growth trajectory and serve our shareholders even better." Nonso Okpala, Group Managing Director/CEO of VFD Group Plc, expressed his excitement about the listing, saying, "This is a momentous occasion for VFD Group. Our journey from a boutique investment firm to a publicly traded company on the Nigerian Exchange reflects our entire team's dedication and hard work. We are excited about this new chapter and its opportunities to strengthen our market position further." "We will continue to work toward our strategic goal of creating Africa's first diverse business ecosystem. Compared to where we started, what we set out to achieve, and economic realities, the Group's performance has been outstanding on all fronts. Our focus on business expansion has yielded results, particularly in sectors other than financial services, and we have significantly increased our balance sheet." He continued. Temi Popoola, CEO of NGX, stated, "We warmly welcome VFD Group as it joins our prestigious market. The decision to list on NGX promises to augment VFD Group's liquidity and strategically positions it to attract investments from the global arena. Additionally, this move is poised to elevate the organization's market value while advancing transparency and corporate accountability."

INVESTMENT BASICS

MUTUAL FUNDS

A mutual fund is a collection of stocks and/or bonds. Mutual fund can be a company that brings together a group of people and invests their money in stocks, bonds, and other securities. Each investor owns shares, which represent a portion of the holdings of the fund. An Investor can make money from a mutual fund in three ways: 1) Income is earned from dividends on stocks and interest on bonds. A fund pays out nearly all of the income it receives over the year to fund owners in the form of a distribution. 2) If the fund sells securities that have increased in price, the fund has a capital gain. Most funds also pass on these gains to investors in a distribution. 3) If fund holdings increase in price but are not sold by the fund manager, the fund's shares increase in price. You can then sell your mutual fund shares for a profit. Funds will also usually give you a choice either to receive a cheque for distributions or to reinvest the earnings and get more shares.

Advantages of Mutual Funds

- **Professional Management** - The primary advantage of funds is the professional management of your money. Investors purchase funds because they do not have the time or the expertise to manage their own portfolios. A mutual fund is a relatively inexpensive way for a small investor to get a full-time manager to make and monitor investments.
- **Diversification** - By owning shares in a mutual fund instead of owning individual stocks or bonds, your risk is spread out. The idea behind diversification is to invest in a large number of assets so that a loss in any particular investment is minimized by gains in others. In other words, the more stocks and bonds you own, the less any one of them can hurt you. Large mutual funds typically own hundreds of different stocks in many different industries. It wouldn't be possible for an investor to build this kind of a portfolio with a small amount of money.
- **Economies of Scale** - Because a mutual fund buys and sells large amounts of securities at a time, its transaction costs are lower than what an individual would pay for securities transactions.
- **Liquidity** - Just like an individual stock, a mutual fund allows you to request that your shares be converted into cash at any time.
- **Simplicity** - Buying a mutual fund is easy! Pretty well any bank has its own line of mutual funds, and the minimum investment is small. Most companies also have automatic purchase plans whereby as little as N100 can be invested on a monthly basis.

Disadvantages of Mutual Funds

- **Professional Management** - Many investors debate whether or not the *professionals* are any better than you or I at picking stocks. Management is by no means infallible, and, even if the fund loses money, the manager still gets paid.
- **Costs** - Creating, distributing, and running a mutual fund is an expensive proposition. Everything from the manager's salary to the investors' statements cost money. Those expenses are passed on to the investors.
- **Dilution** - It's possible to have too much diversification. Because funds have small holdings in so many different companies, high returns from a few investments often don't make much difference on the overall return. Dilution is also the result of a successful fund getting too big. When money pours into funds that have had strong success, the manager often has trouble finding a good investment for all the new money.
- **Taxes** - When a fund manager sells a security, a capital-gains tax is triggered. Investors who are concerned about the impact of taxes need to keep those concerns in mind when investing in mutual funds. Taxes can be mitigated by investing in tax-sensitive funds or by holding non-tax sensitive mutual fund in a tax-deferred accounts. To continue next week.

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

Money market rates remained around single digits as system liquidity stayed buoyant. This week, the Open Repo Rate (OPR) and Overnight Rate dropped to 1.00bps and 1.70bps, respectively.

Treasury Bills.

The robust system liquidity drove participation at the NTB auction held on September 27, 2023. The total subscription was N786.79bn spread across the three papers, higher than the N177.12bn offered by CBN. Due to excess demand, stop rates dropped to 4.99%, 6.55% and 11.37% for 91-day, 182-day and 364-day tenors, respectively. Eventually, the DMO sold precisely the amount offered with a spread of N1.75bn for 91-day, N1.56bn for 182-day and N173.81bn for 364-day.

Foreign Currency (EXCHANGE RATE).

The Naira reversed the previous week's loss, gaining 178bps to close at N741.85/US\$1 at the official window this week.

OIL PRICE.

The Nigeria's oil price (WTI) depreciated during the week under review. According to the latest data, the oil price closed at \$81.77 per barrel during the week, compared with \$91.23 recorded in the previous week .

NIGERIAN INTER BANK OFFER RATE NIBOR

Money Market Rate			
	29-Sep-23	6-Oct-23	W-o-W % Change
OPR (%)	2.70	1.00	-62.96%
O/N (%)	3.40	1.70	50.00%

Source

TREASURY BILLS RATES

NTB AUCTION SEPT. 27, 2023

NTB Auction Result September 27, 2023					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
91-days	1.75	7.08	1.75	4.99	6.50
182-days	1.56	6.64	1.56	6.55	7.00
364-days	173.81	773.07	173.81	11.37	12.98

Source: Central Bank of Nigeria (CBN)

MONEY MARKET RATES

Average Benchmark Yields			
	29-Sep-23	6-Oct-23	W-o-W% Change
I&E FX	755.27	741.85	1.78%

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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