



Monday October 23, 2023

**Nigeria's Headline Inflation Increases by 26.72% YoY in September 2023**

In September 2023, the headline inflation rate increased to 26.72% relative to the August 2023 headline inflation rate which was 25.80%. Looking at the movement, the September 2023 headline inflation rate showed an increase of 0.92% points when compared to the August 2023 headline inflation rate. On a year-on-year basis, the headline inflation rate was 5.94% points higher compared to the rate recorded in September 2022, which was 20.77%. This shows that the headline inflation rate (year-on-year basis) increased in September 2023 when compared to the same month in the preceding year (i.e., September 2022). Furthermore, on a month-on-month basis, the headline inflation rate in September 2023 was 2.10%, which was 1.08% lower than the rate recorded in August 2023 (3.18%). This means that in September 2023, the rate of increase in the average price level was less than the rate of increase in the average price level in August 2023. The percentage change in the average CPI for the twelve-month period ending September 2023 over the average of the CPI for the previous twelve-month period was 22.90%, showing a 5.47% increase compared to 17.43% recorded in September 2022. On a year-on-year basis, in September 2023, the Urban inflation rate was 28.68%, this was 7.43% points higher compared to the 21.25% recorded in September 2022. On a month-on-month basis, the Urban inflation rate was 2.24% in September 2023, this was 1.05% points lower compared to August 2023 (3.29%). The corresponding twelve-month average for the Urban inflation rate was 24.10% in September 2023. This was 6.16% points higher compared to the 17.94% reported in September 2022. The Rural inflation rate in September 2023 was 24.94% on a year-on-year basis; this was 4.62% points higher compared to the 20.32% recorded in September 2022. On a month-on-month basis, the Rural inflation rate in September 2023 was 1.96%, down by 1.12% points compared to August 2023 (3.08%). The corresponding twelve-month average for the Rural inflation rate in September 2023 was 21.79%. This was 4.85% higher compared to the 16.94% recorded in September 2022. The Food inflation rate in September 2023 was 30.64% on a year-on-year basis, which was 7.30% points higher compared to the rate recorded in September 2022 (23.34%). The rise in Food inflation on a year-on-year basis was caused by increases in prices of Oil and fat, Bread and cereals, Potatoes, Yam and other Tubers, Fish, Fruit, Meat, Vegetables and Milk, Cheese, and Eggs. On a month-on-month basis, the Food inflation rate in September 2023 was 2.45%, this was 1.41% lower compared to the rate recorded in August 2023 (3.87%). The decline in Food inflation on a Month-on-Month basis was caused by a fall in the rate of increase in the average prices of Potatoes, Yam and other tubers, Bread and cereals, Fruits, and Fish. The average annual rate of Food inflation for the twelve months ending September 2023 over the previous twelve-month average was 25.65%, which was 6.29% points increase from the average annual rate of change recorded in September 2022 (19.36%). In September 2023, Food inflation on a year-on-year basis was highest in Kogi (39.37%), Rivers (35.95%), and Lagos (35.66%), while Jigawa (23.41%), Borno (25.29%) and Sokoto (25.38%) recorded the slowest rise in Food inflation on a year-on-year basis. On a month-on-month basis, however, September 2023 Food inflation was highest in Akwa Ibom (4.23%), Niger (4.19%), and Ebonyi (3.74%), while Cross River (0.31%), Borno (0.62%) and Bayelsa (0.73%) recorded the slowest rise in inflation on month-on-month basis.

**Capital Market Summary.**

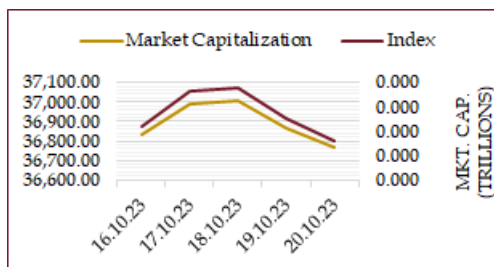
Analysis of the market activity in the week ended October 20, 2023 shows that the Nigerian equity market end the week on a bearish note. The NGX All Share Index and market capitalization of listed equities depreciated by 0.42% each from the opening figures of 67,200.00 and N36,922 trillion to close at 66,915.41 and N36,764 trillion respectively. Its year to date (YTD) return stands at +30.56%.

**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)	26,72%	Swptember, 2023
Monetary Policy Rate (MPR)	18.75%	July, 2023
Cash Reserve Ratio (CRR)	32.50%	July, 2023
Nigeria's Bonny Light Crude Oil	US\$98.23/Bar	October 20, 2023
Nigeria's Gross External Reserves	US\$33.25bn	October 19, 2023

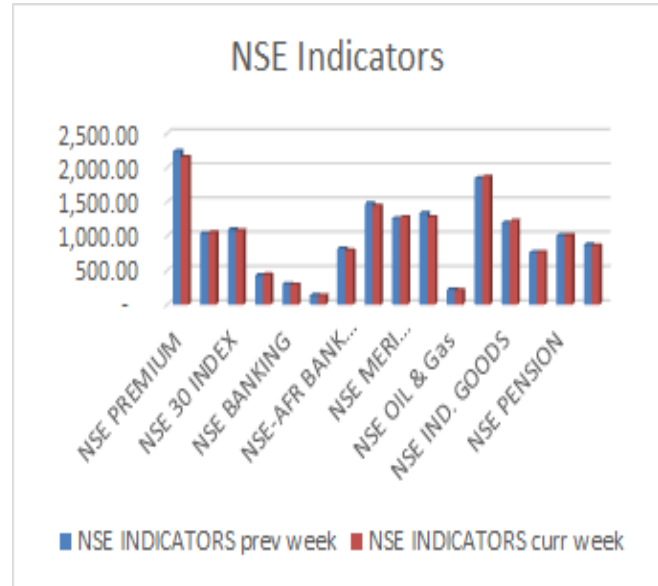
Source: Central Bank of Nigeria (CBN)

**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 23/10/23-27/10/2023**

The NGX ASI opened the week at 67,037.93 index points but closed lower at 66,915.41 points to post a decline of -0.42% from +1.12% registered in the previous week while market capitalization dropped to N36.76trn. The year-to-date (YTD) returns fell to +30.56% from +31.12% in the previous week, while investors lost N156.34bn. Market breadth closed negative for the week at -5.00x with 28 gainers against 46 losers, while 83 others remained flat. The NASD USI recovered some losses with a gain of +2.11% to 833.63 index points from 816.41 index points registered last week, while investors gained N423.34bn as market capitalization rose to N1.13trn. We expect the market to regain strength 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., UCAP, ZENITH, ACCESS PLC, WAPCO PLC , DANGOTE SUGAR, NASCON AND FCMB PLC**, while recommend **CHIPLC, LASACO and OANDO** as speculated stocks

**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. Yield	ROCE	Remark	
	31/12/23	20/10/2023	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision	
ZENITH	24.00	32.00	33.33	9.29	3.20	46.67	291,731	111,413	2nd Qter	56.76	37.80	19.00	3.44	41.60	1,781,979	31,396	16,031,910	10.00	16.37	BUY	
GTCO	23.00	35.50	54.35	9.94	3.10	67.83	280,482	77,557	2nd Qter	40.79	41.80	16.80	3.57	46.15	1,200,507	29,431	8,509,893	8.73	23.36	HOLD	
ACCESS	8.50	16.45	93.53	2.06	1.50	111.18	71,656	57,825	2nd Qter	48.71	19.80	7.50	7.99	21.39	1,731,488	35,545	20,853,270	9.12	4.14	BUY	
UBA	7.60	19.00	150.00	10.95	1.10	164.47	378,235	70,335	2nd Qter	50.07	18.00	6.55	1.74	24.70	1,712,362	34,199	15,382,382	5.79	22.09	BUY	
FIDELITY	4.35	8.20	88.51	1.94	0.50	100.00	61,995	23,219	2nd Qter	12.58	9.82	2.87	4.23	10.66	402,597	32,000	5,052,206	6.10	15.40	BUY	
WAPCO	24.00	29.00	20.83	2.20	2.00	29.17	35,479	37,410	2nd Qter	26.03	31.50	20.10	13.18	37.70	419,365	16,108	654,695	6.90	8.46	BUY	
NAHCO	6.40	24.00	275.00	1.19	1.20	293.75	2,340	0.968	2nd Qter	4.66	25.95	5.12	20.17	31.20	9,082	1,949	18,218	5.00	25.77	HOLD	
NASCON	11.10	57.00	413.51	4.39	1.00	422.52	5,822	1,535	2nd Qter	8.39	59.50	9.50	12.98	74.10	22,215	2,649	68,482	1.75	26.21	HOLD	
FLOUR MILLS	28.40	28.20	(0.70)	7.25	2.25	7.22	29,504	28,015	audited	54.93	36.20	27.00	3.89	36.66	225,225	4,100	1,097,396	7.98	13.10	HOLD	
MTNN	215.00	249.50	16.05	6.33	15.64	23.32	128,688	181,629	2nd Qter	12.76	288.00	185.00	39.42	324.35	259,817	20,354	3,137,844	6.27	49.53	BUY	
DANSUGAR	16.05	63.50	295.64	(2.30)	1.50	304.98	(27,987)	20,242	2nd Qter	10.29	63.10	15.00	(27.61)	82.55	125,035	12,146	565,999	2.36	(22.38)	HOLD	
DANCEM	261.00	310.10	18.81	10.39	20.00	26.48	178,603	105,851	2nd Qter	77.01	360.00	220.00	29.85	403.13	1,312,377	17,041	3,188,074	6.45	13.61	BUY	
NB	41.00	38.00	(7.32)	(5.73)	1.43	(3.83)	(47,599)	18,743	2nd Qter	11.86	48.80	28.80	(6.63)	49.40	121,839	10,276	677,980	3.76	(39.07)	BUY	
UCAP	11.60	16.45	41.81	1.63	1.50	54.74	2,441	2,309	2nd Qter	4.45	17.10	9.00	10.09	21.39	26,707	6,000	727,504	9.12	9.14	BUY	
AFRIPRUD	6.00	6.50	8.33	0.21	0.50	16.67	0.415	0.936	2nd Qter	4.46	7.70	5.00	30.95	8.45	8,926	2,000	20,477	7.69	0.00	BUY	
NEM INS.	4.50	5.00	11.11	0.064	0.30	17.78	2,853	1,545	1st Qter	2.99	6.99	3.13	78.13	6.50	29,980	10,032	54,604	6.00	9.52	BUY	
CADBURY	11.90	12.60	5.88	(7.74)	0.40	9.24	(14,539)	3,345	2nd Qter	0.76	18.8	10.2	(1.63)	16.38	1,425	1,878	74,765	3.17	(1,020.28)	SELL/HOLD	
FBNH	11.25	15.90	41.33	5.19	0.50	45.78	187,176	56,536	2nd Qter	38.40	23.5	8.2	3.06	20.67	1,378,316	35,895	14,176,772	3.14	13.58	SELL/HOLD	
FCMB	3.51	6.00	70.94	3.58	0.25	78.06	35,410	13,663	2nd Qter	17.40	7.70	2.92	1.68	7.80	344,557	19,803	3,720,980	4.17	10.28	BUY	
GLAXO	6.15	12.30	100.00	0.13	0.55	108.94	0.155	0.194	1st Qter	8.10	13.9	5.4	94.62	15.99	9,688	1,196	30,750	4.47	0.00	BUY	
OKOMU	165.00	236.80	43.52	16.98	12.00	50.79	22,905	23,431	2nd Qter	40.66	250	157	13.95	307.84	38,786	954	89,516	5.07	59.05	SELL/HOLD	
PRESCO	137.50	181.00	31.64	15.08	6.50	36.36	21,466	19,320	4th Qter	42.65	220	110	12.00	235.30	42,647	1,000	145,087	3.59	50.33	SELL/HOLD	
PZ	12.10	19.75	63.22	2.82	1.01	71.57	11,214	5,641	3rd Qter	11.32	24	8.05	7.00	25.68	44,944	3,971	152,112	5.11	24.95	SELL/HOLD	
VITAFUAM	20.45	23.25	13.69	2.66	1.52	21.12	3,698	4,541	3rd Qter	12.80	24	16.8	8.74	30.23	16,007	1,251	44,716	6.54	23.10	SELL/HOLD	
STANBIC IBTC	33.45	69.55	107.92	5.12	2.52	115.46	67,919	15,068	2nd Qter	34.90	70	27.5	13.58	90.42	452,175	12,957	4,451,179	3.62	15.02	BUY	
TRANSCORP	1.13	6.22	450.44	0.27	0.05	454.87	16,104	12,011	2nd Qter	4.34	7.01	0.98	23.04	8.09	176,350	40,648	495,336	0.80	9.13	BUY	

Source: Nigerian Stock Exchange (NSE) & Regency Research

**STOCK MARKET REPORT**Domestic Market Review**GAINERS FOR THE WEEK**

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

**LOSERS FOR THE WEEK**

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

**EXCHANGE TRADED PRODUCTS (ETP)**

A total of 7,100 units of Exchange Traded Products valued at N1,123,635.56 in 66deals were traded during the week compared with 13,290 units of Exchange Traded Products valued at N3,525,980.52 traded last week in 108 deals.

**BOND MARKET**

A total of 187,866 units of FGN Bond valued at N196,533,816.60 in 28deals were traded during the week compared with 52,703 units of FGN Bond valued at N54,688,015.25 traded last week in 32 deals

**MARKET SUMMARY**

	Curr. Week	Previous week	% Change
Volume	1,496 M	1,470 M	1.77
Value N=	N24,284 B	N24,431 B	-0.60
Total Gain	28	38	-26.32
Total Loss	46	33	-39.39
Deals	29,298	29,683	-1.30
All Share Index	66,915.41	67,200.00	-0.42
Market Cap.	N=36,764 Trillion	N=36,922 Trillion	-0.42

**TOP TEN GAINERS**

Company	Op.Price	cl. Price	Gain	Gain in %
THOMAS WYT	2.80	3.63	0.83	29.64
DAAR COMM	0.21	0.23	0.02	9.52
JBERGER	33.00	36.00	3.00	9.09
UBA	17.55	19.00	1.45	8.26
LEARN AFCA	3.10	3.30	0.20	6.45
CHAMS	1.40	1.49	0.09	6.43
ROYALEX	0.47	0.50	0.03	6.38
SUNU ASS	1.04	1.10	0.06	5.77
CAP	20.15	21.20	1.05	5.21
DANSUGAR	60.70	63.50	2.80	4.61

**TOP TEN LOSERS**

Company	Op.Price	Cl. Price	Loss	Loss in %
SOV. TRUST	0.40	0.33	(0.07)	(17.50)
CADBURY	15.00	12.60	(2.40)	(16.00)
STANBIC	80.00	69.55	(10.45)	(13.06)
FLOUR MILL	32.00	28.20	(3.80)	(11.88)
OKOMU	263.00	236.80	(26.20)	(9.96)
NB	42.00	38.00	(4.00)	(9.52)
MULTIVERSE	2.95	2.67	(0.28)	(9.49)
RE BRISCOE	0.57	0.52	(0.05)	(8.77)
CORNERSTON	1.55	1.42	(0.13)	(8.39)
ELLAH LAKES	4.35	4.00	(0.35)	(8.05)

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	18h 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 My 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 20/10/2023												
				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	29.00	31.20	1,423,675.25	90,000.00	1,513,675.25	313,675.25	26.14
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	19.00	9.88	932,752.75	9,000.00	941,752.75	561,752.75	147.83
1/1/2022	FIDELITY	50,000	217,500.00	4.35	4.43	8.20	5.66	402,556.45	9,000.00	411,556.45	194,056.45	89.22
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	63.50	20.87	3,117,357.88	67,500.00	3,184,857.88	2,382,357.88	296.87
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	33.05	31.20	1,622,498.86	13,500.00	1,635,998.86	435,998.86	36.33
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	16.45	18.20	807,567.51	67,500.00	875,067.51	175,067.51	25.01
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	35.50	29.90	1,742,774.88	13,500.00	1,756,274.88	606,274.88	52.72
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	28.20	36.92	1,384,401.45	96,750.00	1,481,151.45	61,151.45	4.31
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	23.25	26.59	1,141,394.81	68,400.00	1,209,794.81	187,294.81	18.32
			21,142,500.00					27,798,486.56		29,133,636.56	7,991,136.56	37.80

The Equity Portfolio Model which closed the previous week at 37.39% appreciated during the week, and closed the week at 37.80% (YTD). This can be compared with NGX All Share Index which closed at 31.12% in the previous week, depreciated slightly during the week and closed at +30.56% {YTD}. The EPM appreciated during the week under review and out-performed the All Share Index of the market. Some of the stocks that contributed positively are DANGOTE SUGAR, UBA, 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 )

UBA Plc Reschedules Board Meeting to October 27th 2023. The company said, We refer to our earlier announcement dated September 29, 2023, informing the investing public of United Bank for Africa Plc's Board Meeting scheduled to hold on Thursday, October 19, 2023. This is to inform the Exchange and the investing public that, due to unforeseen exigencies, the Company's Board meeting has been rescheduled from Thursday, October 19, 2023, to Friday, October 27, 2023, to consider and approve the Company's 2023 Financial Statements and Reports for the period ended September 30, 2023. Also Access Holdings Plc Reschedules Board Meeting to October 25th, 2023. Access Bank declared that the earlier announcement dated September 29, 2023, informing the Nigerian Exchange Limited and the investing public of Access Holdings Plc's Board Meeting scheduled to hold on October 26, 2023. This is to inform the Exchange and the investing public that, due to unforeseen exigencies, the Company's Board meeting has been rescheduled from Thursday, October 26, 2023, to Wednesday, October 25, 2023, to consider and approve the Company's Unaudited Financial Statements for the Quarter Ended September 30, 2023.

## INVESTMENT BASICS

### Reserve Management

External Reserves are variously called International Reserves, Foreign Reserves or Foreign Exchange Reserves. While there are several definitions of international reserves, the most widely accepted is the one proposed by the IMF in its Balance of Payments Manual, 5th edition. It defined international reserves as “consisting of official public sector foreign assets that are readily available to, and controlled by the monetary authorities, for direct financing of payment imbalances, and directly regulating the magnitude of such imbalances, through intervention in the exchange markets to affect the currency exchange rate and/or for other purposes”

### Rationale for Holding Reserves

Global official reserves have increased significantly and quite rapidly in recent years. This phenomenal growth is a reflection of the enormous importance countries attach to holding an adequate level of international reserves. The reasons for holding reserves include the following:

To safeguard the value of the domestic currency, foreign reserves are held as formal backing for the domestic currency. Timely meeting of international payment obligations The need to finance international trade gives rise to demand for liquid reserves that can readily be used to settle trade obligations, for example to pay for imports. While this is typically done through commercial banks, in many developing countries, including Nigeria, the central bank actually provides the foreign exchange through auction sessions at which authorized dealers buy foreign exchange on behalf of importers. Wealth Accumulation. Some central banks use the external reserve portfolio as a store of value to accumulate excess wealth for future consumption purposes. Such central banks would segregate the reserve portfolio into a liquidity tranche and a wealth tranche, with the latter including longer-term securities such as bonds and equities are managed against a different benchmark emphasizing return maximization.

Intervention by the Monetary Authority. Foreign exchange reserves can be used to manage the exchange rate, in addition to enabling an orderly absorption of international money and capital flows. The monetary authorities attempt to control the money supply as well as achieve a balance between demand for and supply of foreign exchange through intervention (i.e. offering to buy or sell foreign currency to banks) in the foreign exchange markets. When CBN sells foreign exchange to commercial banks, its level of reserves declines by the amount of the sale while the domestic money supply (in naira) also declines by the naira equivalent of the sale. Conversely, when the CBN purchases foreign exchange from the banks its level of reserves increases while it credits the accounts of the banks with the naira equivalent, thus increasing the domestic money supply. To Boost a Country's Credit Worthiness. External reserves provide a cushion at a time when access to the international capital market is difficult or not possible. A respectable level of international reserves improves a country's credit worthiness and reputation by enabling a regular servicing of the external debt thereby avoiding the payment of penalty and charges. Furthermore, a country's usable foreign exchange reserve is an important variable in the country risk models used by credit rating agencies and international financial institutions.

To Provide a fall back for the “ Rainy Day”. Economies of nations sometimes experience drop in revenue and would need to fall back on their savings as a life line. A good external reserves position would readily provide this cushion and facilitate the recovery of such economies. To Provide a Buffer Against External Shocks. External shocks refer to events that suddenly throw a country's external position into disequilibrium. These may include terms of trade shocks or unforeseen emergencies and natural disasters. An adequate external reserve position helps a country to adjust quickly to such shocks without recourse to costly external financing.

*Source: Nigerian Stock Exchange (NSE) & Regency Research*



**FIXED INCOME MARKET REPORT**

**Money Market.**

Despite the bond auction settlement held mid-week, funding rates hovered at single digits. On a weekly basis, the Open Repo Rate (OPR) and Overnight Rate (O/N) slightly increased to 1.50bps and 2.20bps respectively.

**Treasury Bills.**

The robust system liquidity drove high demand at the NTB auction held this week, with total subscriptions at N321.13bn against N36.56bn offered. The three tenors had oversubscription at N5.65bn, N9.65bn, and N305.83bn for 91-day, 181-day, and 364-day respectively, compared to N2.78bn, N3.02bn and N30.76bn offered. The stop rates dropped across the three tenors at 3.67%, 5.11%, and 9.25% for 91-day, 182-day and 364-day, respectively .

**Foreign Currency (EXCHANGE RATE).**

CBN’s removal of foreign exchange restrictions on the 43 items intensified demand at the official market this week, making the naira fall to a record low of N890/US1 during the week. To close the week, the naira settled at N808.27/US\$1, a weekly depreciation of 568bps. Nevertheless, the insufficient supply at the official market continued to drive demand at the parallel market, with naira reaching a record low of N1170 on Friday.

**OIL PRICE.**

The Nigeria’s oil price (WTI) appreciated during the week under review. According to the latest data, the oil price closed at \$88.08 per barrel during the week, compared with \$87.69 recorded in the previous week .

**NIGERIAN INTER BANK OFFER RATE NIBOR**

Money Market Rate			
	13-Oct-23	20-Oct-23	W-o-W % Change
OPR (%)	1.00	1.50	0.50
O/N (%)	1.67	2.20	0.32

Source:

**TREASURY BILLS RATES**

**NTB AUCTION OCTOBER 14, 2023**

NTB Auction Result September 14, 2023					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
91-days	2.78	5.65	2.78	3.67	4.90
182-days	3.02	9.65	3.02	5.11	6.55
364-days	30.76	305.83	30.76	9.25	11.37

Source: Central Bank of Nigeria (CBN)

**MONEY MARKET RATES**

Average Benchmark Yields			
	13-Oct-23	20-Oct-23	W-o-W% Change
I&E FX	764.86	808.27	5.68%

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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