



Monday November 13, 2023

Issues and Challenges of Nigeria's Capital Market Literacy

Capital market literacy, or understanding how financial markets and investments work, is crucial to retail investor mobilisation. The key issues include but are not limited to the following: The dearth of initial public offerings (IPOs) is a matter of concern to stakeholders. The prevalence of companies entering the market by Introduction limits the free float available for regular trading and price discovery. The *get-rich-quick-or-die-trying* mindset of younger Gen-X and Gen-Z Nigerians has created a fertile landscape for Ponzi schemes and other advance fee fraud or pyramiding adventures. The lack of diverse investment opportunities in the market has created a vacuum that Ponzi schemes have exploited. As a result, young and old investors fall prey to fraudulent schemes due to the allure of quick and "guaranteed" returns. The market has evolved into a "caveat emptor" investment park, leaving investors to fend for themselves. The evolution of the market into a high-risk showground undermines market credibility and limits investor confidence. Another challenge is the lukewarm methods of engaging investors and stakeholders. The interaction process has been unfocused and clumsy. The existing channels for disseminating information and educating prospective investors are inadequate (the NGX could support school investor clubs nationwide), rather than leaving young and impressionable minds to schemes of Ponzi merchants. The Nigerian capital market is evolving rapidly, but the regulatory framework still struggles to keep up. This misalignment between market realities and regulatory requirements creates a lively ground for market participants' high-risk ventures and scammers' fraudulent activities. To address the previous issues, managers of Nigeria's capital market institutions may consider the following actions:

1. Adoption of Invest-tech Platforms. The global financial market has evolved with technology, and the Nigerian capital market needs to embrace innovation fully to bridge the gap in market literacy and attract a new generation of investors. The Nigerian market may need to create platforms like America's *Robinhood*, which could make investing more accessible, user-friendly, and attractive, especially to tech-savvy millennials and Gen Z market patrons. Platforms like Robinhood feature mobile trading apps, robo-advisors, and educational resources that simplify the investment process and provide valuable market insights and data, promoting capital market literacy among diverse users. Partnerships between market stakeholders and tech companies, fintech startups, or mobile network operators can extend the reach of these technologies to ensure that even individuals in remote areas access the capital market using their smartphones.

2. Encouraging Listing by IPOs. Another way to improve market functionality is to encourage listing through IPOs. Hitherto companies have preferred listing by way of Introduction for two reasons: (1) listing by Introduction means limited free float, and (2) listing by Introduction means avoiding the challenges and financial burden of book building, underwriting agreements, and public offerings, among others, which are associated with IPOs. But by listing through IPOs, companies raise new capital and generate considerable market excitement and interest, particularly companies with strong fundamentals. IPOs also create room for a considerable level of free float, which is critical for market stability, as it ensures sufficient trading activity, price discovery, and overall market efficiency.

Capital Market Summary

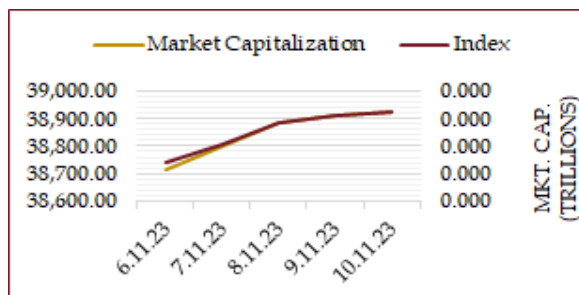
Analysis of the market activity in the week ended November 10, 2023 shows that the Nigerian equity market end the week on a bullish note. The NGX All Share Index and market capitalization of listed equities appreciated by 0.93% and 0.95% from the opening figures of 70,196.77 and N38,557 trillion to close at 70,849.38 and N38,925 trillion respectively. Its year to date (YTD) return stands at +38.24%.

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

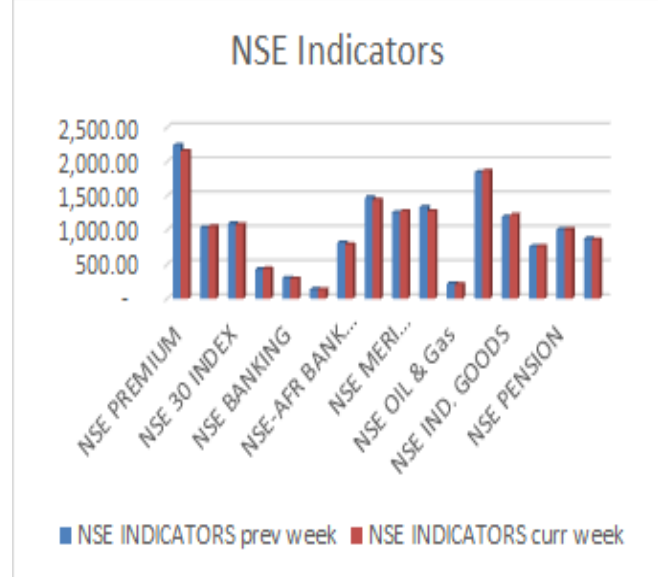
Source: Central Bank of Nigeria (CBN)

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 13/11/23-17/11/2023)

The NGX ASI posted a gain of **+0.93%** following five consecutive days of gains attributed to bargain hunting in fundamentally sound stocks and stocks like PZ Cussons, GSK, and Oando, which are considering exiting the market. The year-to-date (YTD) returns increased further to **+38.25%** from **+36.97%** in the previous week, while investors gained N370.8bn for the week. Market breadth closed negative for the week, with 37 gainers against 43 losers and 75 unchanged tickers. Investors in the unlisted OTC market gained N11bn as market capitalization increased further by **+0.97%** for the week while the NASD NSI also closed positive at 841.20 index points from 833.08 index points registered in the previous week, representing a week gain of **+0.97%**. We expect the market to remain bullish during the week due to continuous release 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. **TRANSCORP, UBA PLC, MTNN PLC., ZENITH, ACCESS PLC, DANGOTE SUGAR, NASCON, GUINNESS AND FCMB PLC. CHIPLC, RT BRISCOE, CHAMS, LASACO and OANDO** were recommended as speculative **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=M	No of shares	Total Assets N=M	Div. Yield	ROCE	Remark
	31/12/22	10/11/2023	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision
ZENITH	24.00	33.05	37.71	9.29	3.20	51.04	291,731	111,413	2nd Qter	56.76	37.80	19.00	3.56	42.97	1,781,979	31,396	16,031,910	9.68	16.37	BUY
GTCO	23.00	35.70	55.22	9.94	3.10	68.70	280,482	77,557	2nd Qter	40.79	41.80	16.80	3.59	46.41	1,200,507	29,431	8,509,893	8.68	23.36	HOLD
ACCESS	8.50	17.35	104.12	2.06	1.50	121.76	71,656	57,825	2nd Qter	48.71	19.80	7.50	8.42	22.56	1,731,488	35,545	20,853,270	8.65	4.14	BUY
UBA	7.60	20.75	173.03	10.95	1.10	187.50	378,235	70,335	2nd Qter	50.07	18.00	6.55	1.89	26.98	1,712,362	34,199	15,382,382	5.30	22.09	BUY
FIDELITY	4.35	9.15	110.34	1.94	0.50	121.84	61,995	23,219	2nd Qter	12.58	9.82	2.87	4.72	11.90	402,597	32,000	5,052,206	5.46	15.40	BUY
WAPCO	24.00	29.30	22.08	2.20	2.00	30.42	35,479	37,410	2nd Qter	26.03	31.50	20.10	13.32	38.09	419,365	16,108	654,695	6.83	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	54.65	392.34	4.39	1.00	401.35	5,822	1,535	2nd Qter	8.39	59.50	9.50	12.45	71.05	22,215	2,649	68,482	1.83	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	234.00	8.84	6.33	15.64	16.11	128,688	181,629	2nd Qter	12.76	288.00	185.00	36.97	304.20	259,817	20,354	3,137,844	6.68	49.53	BUY
DANSUGAR	16.05	61.60	283.80	(2.30)	1.50	293.15	(27,987)	20,242	2nd Qter	10.29	63.10	15.00	(26.78)	80.08	125,035	12,146	565,999	2.44	(22.38)	HOLD
DANCAM	261.00	328.00	25.67	10.39	20.00	33.33	178,603	105,851	2nd Qter	77.01	360.00	220.00	31.57	426.40	1,312,377	17,041	3,188,074	6.10	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	16.30	40.52	1.63	1.50	53.45	2,441	2,309	2nd Qter	4.45	17.10	9.00	10.00	21.19	26,707	6,000	727,504	9.20	9.14	BUY
AFRIPRUD	6.00	6.55	9.17	0.21	0.50	17.50	0.415	0.936	2nd Qter	4.46	7.70	5.00	31.19	8.52	8,926	2,000	20,477	7.63	0.00	BUY
NEM INS.	4.50	6.05	34.44	0.064	0.30	41.11	2,853	1,545	1st Qter	2.99	6.99	3.13	94.53	7.87	29,980	10,032	54,604	4.96	9.52	BUY
CADBURY	11.90	14.40	21.01	(7.74)	0.40	24.37	(14,539)	3,345	2nd Qter	0.76	18.8	10.2	(1.86)	18.72	1,425	1,878	74,765	2.78	(1,020.28)	SELL/HOLD
FBNH	11.25	20.00	77.78	5.19	0.50	82.22	187,176	56,536	2nd Qter	38.40	23.5	8.2	3.85	26.00	1,378,316	35,895	14,176,772	2.50	13.58	SELL/HOLD
FCMB	3.51	7.00	99.43	3.58	0.25	106.55	35,410	13,663	2nd Qter	17.40	7.70	2.92	1.96	9.10	344,557	19,803	3,720,980	3.57	10.28	BUY
GLAXO	6.15	16.05	160.98	0.13	0.55	169.92	0.155	0.194	1st Qter	8.10	13.9	5.4	123.46	20.87	9,688	1,196	30,750	3.43	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	190.00	38.18	15.08	6.50	42.91	21,466	19,320	4th Qter	42.65	220	110	12.60	247.00	42,647	1,000	145,087	3.42	50.33	SELL/HOLD
PZ	12.10	23.00	90.08	2.82	1.01	98.43	11,214	5,641	3rd Qter	11.32	24	8.05	8.16	29.90	44,944	3,971	152,112	4.39	24.95	SELL/HOLD
VITAFOAM	20.45	22.90	11.98	2.66	1.52	19.41	3,698	4,541	3rd Qter	12.80	24	16.8	8.61	29.77	16,007	1,251	44,716	6.64	23.10	SELL/HOLD
STANBIC IBTC	33.45	69.95	109.12	5.12	2.52	116.65	67,919	15,068	2nd Qter	34.90	70	27.5	13.66	90.94	452,175	12,957	4,451,179	3.60	15.02	BUY
TRANSCORP	1.13	6.18	446.90	0.27	0.05	451.33	16,104	12,011	2nd Qter	4.34	7.01	0.98	22.89	8.03	176,350	40,648	495,336	0.81	9.13	BUY

Source: Nigerian Stock Exchange (NSE) & Regency Research

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

Thirty Seven stocks appreciated in price during the week, as against Sixty Three 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 nine in the preceding week. The top ten price losers during the week were:

EXCHANGE TRADED PRODUCTS (ETP)

A total of 32,861 units of Exchange Traded Products valued at N4,457,940.91 in 143 deals were traded during the week compared with 33,418 units of Exchange Traded Products valued N2,914,627.22 traded last week in 117 deals.

BOND MARKET

A total of 62,233 units of FGN Bond valued at N65,980,826.31 in 16 deals were traded during the week compared with 33,049 units of FGN Bond valued at N30,954,068.27 traded last week in 42 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	2,525 M	2,451 M	3.02
Value N=	N45,297 B	N40,570 B	11.65
Total Gain	37	63	-41.27
Total Loss	43	29	-48.28
Deals	32,815	37,959	-13.55
All Share Index	70,849.38	70,196.77	0.93
Market Cap.	N=38,925 Trillion	N=38,557 Trillion	0.95

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
JAPUL	1.27	1.98	0.71	55.91
RT BRISCOE	0.43	0.60	0.17	39.53
GLAXO	12.40	16.05	3.65	29.44
PZ	20.00	23.00	3.00	15.00
DEAP CAPITAL	0.27	0.31	0.04	14.81
OMATEK	0.56	0.64	0.08	14.29
FBNH	17.80	20.00	2.20	12.36
FCMB	6.30	7.00	0.70	11.11
PRESTIGE	0.41	0.45	0.04	9.76
OANDO	8.80	9.60	0.80	9.09

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
CAVERTON	1.54	1.33	(0.21)	(13.64)
INITIATIVE	1.14	1.02	(0.12)	(10.53)
NNFM	20.00	18.00	(2.00)	(10.00)
MULTIVERSE	3.20	2.90	(0.30)	(9.38)
CADBURY	15.75	14.40	(1.35)	(8.57)
CHIPLC	1.09	1.01	(0.08)	(7.34)
TANTALIZER	0.41	0.38	(0.03)	(7.32)
ACADEMY	1.90	1.77	(0.13)	(6.84)
UPDC	1.32	1.23	(0.09)	(6.82)
E-TRANZACT	8.10	7.55	(0.55)	(6.79)

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	26th January 2023
Vitafoam Nigeria Plc	N1.52 Nil	13th -17th February 2023	2nd March 2023	2nd March 2022
Geregu Power Plc	N8.00 Nil	28th February 2023	28th March 2023	29th March 2023
MTN Nigeria Communcations Plc	N10.00 Nil	28th March 2023	18th April 2023	20th April 2023
Nigerian Breweries Plc	N1.03 Nil	17th March 2023	26th April 2023	26th April 2023
BUA Cement Plc	N2.80 Nil	14th August 2023	31st August 2023	31st August 2023
Nigerian Enamelware Plc	Nil	3 for 2 14th March 2023	N/A	Coy cancelled the bon
United Capital Plc	N1.50 Nil	15th March 2023	27th March 2023	28th March 2023
Transcorp Hotels Plc	N0.13 Nil	20th March 2023	3rd April 2023	3rd April 2023
Dangote Sugar Refinery Plc	N1.50 Nil	27th March 2023	14th April 2023	15th April 2023
Lafarge Africa Plc	N2.00 Nil	11th April 2023	28th April 2023	28th April 2023
Seplat Energy Plc	Final - 2.5 Nil	19th April 2023	10th May 2023	16th May 2023
Nestle Nigeria Plc	N36.5 Nil	24th April 2023	17th May 2023	18th May 2023
NASCON Allied Industries Plc	N1.00 Nil	2nd May 2023	26th May 2023	26th May 2023
Africa Prudential Plc	N0.50 Nil	17th April 2023	2nd May 2023	2nd May 2023
Custodian Investment Plc	N0.55 Nil	3rd April 2023	13th April 2023	13th April 2023
Transnational Corporation Plc	N0.05 Nil	12th April 2023	26th April 2023	27th April 2023
Consolidated Hallmark Insurance Plc	N0.03 Nil	14th April 2023	24th May 2023	24th May 2023
Infinity Trust Mortgage Bank Plc	N0.06 Nil	17th April 2023	11th May 2023	15th May 2023
FCMB Group Plc	N0.25 Nil	14th April 2023	28th April 2023	28th April 2023
Zenith Bank Plc	N2.90 Nil	17th April 2023	2nd May 2023	2nd May 2023
United Bank for Africa Plc	N0.90 Nil	17th April 2023	27th April 2023	27th April 2023
Unilever Nigeria Plc	N0.25 Nil	18h April 2023	4th May 2023	5th May 2023
CWG Plc	N0.04 Nil	18th April 2023	28th April 2023	28th April 2023
SFS Real Estate Investment Trust	N8.45 Nil	20th April 2023	N/A	19th May 2023
Eterna Plc	N0.15 Nil	24th April 2023	11th May 2023	12th May 2023
Okomu Oil Palm Company Plc	N12.00 Nil	25th April 2023	25th May 2023	25th May 2023
TotalEnergies Marketing Nigeria Plc	N21.00 Nil	26th April 2023	1st June 2023	2nd June 2023
NEM Insurance Plc	N0.30 Nil	1st May 2023	18th May 2023	18th May 2023
Nigerian Aviation Handling Company	N1.20 Nil	15th My 2023	26th May 2023	26th May 2023
May & Baker Nigeria Plc	N0.30 Nil	17th May 2023	1st June 2023	2nd June 2023
Berger Paints Nigeria Plc	N0.70 Nil	27th April 2023	24th May 2023	24th May 2023
Ecobank Transnational Incorporated	0.11 cents Nil	26th May 2923	17th May 2023	6th June 2023
ABC Transport Plc	N0.015 Nil	29th May 2023	TBA	TBA
Julius Berger Nigeria Plc	N2.50 Nil	29th May 2023	15th June 2023	16th June 2023
Sunu Assurances Nigeria Plc	N0.03 Nil	31st May 2023	14th June 2023	15th June 2023
AllCO Insurance Plc	N0.03 Nil	1st June 2023	8th June 2023	15th June 2023
McNichols Consolidated Plc	N0.01 Nil	1st June 2023	27th July 2023	3rd August 2023
Cadbury Nigeria Plc	N0.40 Nil	5th June 2023	26th June 2023	27th June 2023
Skyway Aviation Handling Company	N0.16.5 Nil	5th June 2023	30th June 2023	30th June 2023
Chemical and Allied Products Plc	N1.55 Nil	2nd June 2023	15th June 2023	16th June 2023
UAC of Nigeria Plc	N0.22 Nil	7th June 2023	21st June 2023	22nd June 2023
Trans-Nation Wide Express Plc	N0.02 Nil	12th June 2023	21st June 2023	26th June 2023
Beta Glass Plc	N1.17 Nil	19th June 2023	6th July 2023	7th July 2023
AXA Mansard Insurance Plc	N0.30 Nil	22nd June 2023	28th July 2023	28th July 2023
Ikeja Hotel Plc	N0.075 1 for 3	5th July 2023	26th July 2023	31st July 2023
LivingTrust Mortgage Bank Plc	N0.01 Nil	7th July 2023	25th July 2023	27th July 2023
LivingTrust Mortgage Bank Plc	N0.012 Nil	7th July 2023	25th July 2023	27th July 2023
LASACO Assurance Plc	N0.15 Nil	4th July 2023	27th July 2023	31st July 2023
BUA Foods Plc	N4.50 Nil	4th September 2023	14th September 2023	14th September 2023
Guaranty Trust Holding Company Plc	N2.80 Nil	2nd May 2023	11th May 2023	11th May 2023
Glaxo SmithKline Consumer Nigeria	N0.55 Nil	5th May 2023	7th June 2023	8th June 2023
Access Holdings Plc	N1.30 Nil	10th May 2023	24th May 2023	24th May 2023
Wema Bank Plc	N0.30 Nil	10th May 2023	24th May 2023	24th May 2023
Jaiz Bank Plc	N0.05 Nil	2nd June 2023	27th July 2023	28th July 2023
NPF Microfinance Bank Plc	N0.10 Nil	9th May 2023	22nd June 2023	22nd June 2023
Industrial and Medical Gases Nigeria	N0.40 Nil	7th July 2023	21st July 2023	25th July 2023
Fidelity Bank Plc	N0.40 Nil	15th May 2023	23rd May 2023	23rd May 2023
UH Real Estate Investment Trust	N2.10 Nil	16th May 2023	N/A	26th May 2023
Multiverse Mining and Exploration Plc	(Interim) Nil	25th May 2023	N/A	14th June 2023
Cornerstone Insurance Plc	(Interim) Nil	6th June 2023	N/A	21st June 2023
Airtel Africa Plc	3.27 cents Nil	22nd June 2023	4th July 2023	26th July 2023
Vetiva Griffin 30 Exchange Traded F	N0.28 Nil	11th May 2023	N/A	19th May 2023
Vetiva S&P Nigerian Sovereign Bond	N7.60 Nil	11th May 2023	N/A	19th May 2023
Vetiva Banking ETF	N0.40 Nil	11th May 2023	N/A	19th May 2023
Seplat Energy Plc	US 3 cents Nil	19th May 2023	N/A	16th June 2023
Skyway Aviation Handling Company	N0.16.5 Nil	5th June 2023	23rd June 2023	23rd June 2023
Skyway Aviation Handling Company	N0.16.5 Nil	5th June 2023	23rd June 2023	23rd June 2023
Conoil Plc	N2.50 Nil	30th June 2023	22nd September 2023	29th September 2023
Meristem Growth ETF	N0.40 Nil	24th May 2023	N/A	30th May 2023
Meristem Value ETF	N0.79 Nil	24th May 2023	N/A	30th May 2023
FBN Holdings Plc	N0.50 Nil	9th August 2023	15th August 2023	16th August 2023
Northern Nigeria Flour Mills Plc	N0.35 Nil	23rd August 2023	7th September 2023	8th September 2023
University Press Plc	N0.10 Nil	6th September 2023	21st September 2023	21st September 2023
Learn Africa Plc	N0.25 Nil	11th September 2023	26th September 2023	27th September 2023
Academy Press Plc	N0.10 Nil	12th September 2023	14th September 2023	21th September 2023
Smart Products Nigeria Plc	N0.10 Nil	17th July 2023	24th August 2023	4th September 2023
Red Star Express Plc	N0.20 Nil	21st August 2023	14th September 2023	15th September 2023
Tripple Gee and Company Plc	N0.10 Nil	7th August 2023	24th August 2023	25th August 2023
Nigerian Exchange Group Plc (Interim)	N0.25 Nil	11th August 2023	N/A	31st August 2023
MTN Nigeria Communcations Plc (Interim)	N5.60 Nil	17th August 2023	N/A	24th August 2023
Cutix Plc	N0.12 Nil	18th August 2023	25th August 2023	31st August 2023
Seplat Energy Plc (Interim)	3 US cents Nil	18th August 2023	N/A	30th August 2023
Custodian Investment Plc (Interim)	N0.15 Nil	21st August 2023	N/A	5th September 2023
Presco Plc	N6.80 Nil	14th September 2023	29th September 2023	3rd October 2023
Stanbic IBTC ETF 30	N2.52 Nil	11th August 2023	N/A	23rd August 2023
SIAML Pension ETF 40	N6.49 Nil	11th August 2023	N/A	23rd August 2023
UPDC REIT Fund	N0.19 Nil	1st September 2023	N/A	7th September 2023
Stanbic IBTC Holdings Plc (Interim)	N1.50 Nil	13th September 2023	NIL	27th September 2023
Flour Mills of Nigeria Plc	N2.25 Nil	16th October 2023	9th November 2023	10th November 2023
Fidelity Bank Plc (Interim)	N0.25 Nil	18th September 2023	N/A	22nd September 2023
Zenith Bank Plc (Interim)	N0.50 Nil	25th September 2023	N/A	29th September 2023
United Bank for Africa Plc (Interim)	N0.50 Nil	27th September 2023	N/A	6th October 2023
Guaranty Trust Holding Company Plc	N0.50 Nil	15th September 2023	N/A	25th September 2023
Fidson Healthcare Plc	N0.55 Nil	10th July 2023	11th September 2023	12th September 2023
Access Holdings Plc	N0.30 Nil	6th october, 2023	N/A	19th october 2023



MODEL EQUITY PORTFOLIO

PORTFOLIO VALUATION AS AT 10/11/2023												
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	29.30	31.20	1,438,402.93	90,000.00	1,528,402.93	328,402.93	27.37
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	20.75	9.88	1,018,664.19	9,000.00	1,027,664.19	647,664.19	170.44
1/1/2022	FIDELITY	50,000	217,500.00	4.35	4.43	9.15	5.66	449,194.09	9,000.00	458,194.09	240,694.09	110.66
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	61.60	20.87	3,024,082.60	67,500.00	3,091,582.60	2,289,082.60	285.24
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	16.30	18.20	800,203.68	67,500.00	867,703.68	167,703.68	23.96
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	35.70	29.90	1,752,593.33	13,500.00	1,766,093.33	616,093.33	53.57
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	32.50	36.92	1,595,498.13	96,750.00	1,692,248.13	272,248.13	19.17
1/1/2022	DANCEM	50,000	13,050,000.00	261.00	265.83	328.00	339.30	16,102,258.00	900,000.00	17,002,258.00	3,952,258.00	30.29
1/1/2022	VITAFOAM	50,000	1,022,500.00	20.45	20.83	22.90	26.59	1,124,212.53	68,400.00	1,192,612.53	170,112.53	16.64
			21,142,500.00					28,927,608.31		30,262,758.31	9,120,258.31	43.14

The Equity Portfolio Model which closed the previous week at 41.95% appreciated during the week, and closed at 43.14% (YTD). This can be compared with NGX All Share Index which closed at 36.97% in the previous week, appreciated during the week and closed at +38.24% {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 UBA, Flour Mills. and ZENITH 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)

Do you know that JP Morgan, a global financial services company based in the United States, predicted on Wednesday that by December 2023, the value of the naira would be valued at N850/\$ at the Investors' and Exporters' Forex window? The US bank stated that given the willingness to pair it with tighter monetary conditions, the recent efforts to restore a flexible FX regime might be maintained. "The interbank FX rate has risen in recent days to over 900, from 750, thereby significantly closing the gap to the parallel rate which is now just above 1,000. "We expect USD/NGN to eventually move lower towards 850 by year-end as the combination of tighter policy, as well as more attractive rates and FX levels deter incremental dollarization and perhaps attracts some foreign capital," JP Morgan asserted.

INVESTMENT BASICS

Tracking Error and Risk in Equity Management

Tracking error, also known as active risk, measures, in standard deviation, the fluctuation of returns of a portfolio relative to the fluctuation of returns of a reference index. It is a measure of the risk in an investment portfolio arising from active management decisions made by the portfolio manager. Tracking error is a measure of financial performance that determines the difference between the return fluctuations of an investment portfolio and the return fluctuations of a chosen benchmark. The return fluctuations are primarily measured by **standard deviations**. Tracking error is one of the most important measures used to assess the performance of a portfolio, as well as the ability of a portfolio manager to generate excessive returns and beat the market or the benchmark. Due to the abovementioned reasons, it is used as an input to calculate the **information ratio**. The term active management implies that a professional money manager or a team of professionals is tracking the performance of a client's investment portfolio and regularly making buy, hold, and sell decisions about the assets in it. The goal of the active manager is to outperform the overall market. Active managers may rely on investment analysis, research, and forecasts as well as their own judgment and experience in making decisions on which assets to buy and sell. Active managers, on the other hand, measure their own success by measuring how much their portfolios exceed (or fall short of) the performance of a comparable unmanaged index, industry, or market sector. **Equity risk** is "the financial risk involved in holding **equity** in a particular investment." Equity risk often refers to equity in companies through the purchase of stocks; Volatility has and always will be a part of the stock market. There is nothing you can do about volatility or the direction of the market. In other words you can't control stock market returns. We need to calculate entry and exit points provide timely decisions taking emotion out of the equation. To minimize the risk, you need to focus on what you can control through portfolio risk management. For example Focus on a probable maximum loss plan, Implement an adaptive asset allocation, require a margin of safety by focusing on valuation and price and keep your emotions in check, Understand how volatility degrades portfolio returns and Focus on long term instead of short term time horizon.

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

The NTB auction settlement held mid-week and CRR debit further weakened system liquidity, making interbank rates remain in double digits. Thus, the Overnight Rate (O/N) increased to 17.58bps while the Open Repo Rate (OPR) slightly dropped by 31bps (week-on-week) to 16.58bps.

Treasury Bills.

At the mid-week NTB auction, the total subscription was N875.80bn, far higher than the N310.12bn offered by the CBN. The three tenors were oversubscribed at N16.05bn, N32.96bn and 826.79bn against N4.52bn, N5.44bn, and N300.16bn offered for the 91-day, 182-day and 365-day respectively. The higher stop rates of 7.00%, 11.00% and 16.75% across the three tenors attracted investors.

Foreign Currency (EXCHANGE RATE).

The naira bounced back from the record low depreciation of N996.75/US\$ recorded during the week to close at N780.14/US\$ on Friday at the Nigerian Autonomous Foreign Exchange Market (NAFEM). Hence, the naira gained 52bps week-on-week.

NIGERIAN INTER BANK OFFER RATE NIBOR

	3-Nov-23	10-Nov-23	W-o-W %
OPR (%)	16.69	16.58	0.66%
O/N (%)	16.17	17.58	+8.72%

Source: Financial Markets Dealers Quotations (FMDQ)

TREASURY BILLS RATES

NTB AUCTION NOVEMBER 08, 2023

TB Auction Result November 08, 2023					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
1-day	4.52	16.05	1.10	7.00	5.9
92-day	5.44	32.96	0.92	11.00	9.0
365-day	300.16	826.79	150.18	16.75	13.0

MONEY MARKET RATES

	3-Nov-23	10-Nov-23	W-o-W % Change
NAFEM	776.14	780.14	0.52%

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.

This report is provided solely for the information of clients of RAML who are expected to make their own investment decisions. Regency Assets Management Limited accepts neither responsibility nor liability whatsoever for any loss arising from the use of this report. All opinions on this report constitute the authors best estimate judgment as of this date and are subject to change without notice. This report is for private circulation only. The report may not be reproduced distributed or published by any recipient for any