



Monday November 20, 2023

Nigeria’s Headline Inflation Increases by 27.33% in October 2023

In October 2023, the headline inflation rate increased to 27.33% relative to the September 2023 headline inflation rate which was 26.72%. Looking at the movement, the October 2023 headline inflation rate showed an increase of 0.61% points when compared to the September 2023 headline inflation rate. Furthermore, on a year-on-year basis, the headline inflation rate was 6.24% points higher compared to the rate recorded in October 2022, which was (21.09%). This shows that the headline inflation rate (year-on-year basis) increased in October 2023 when compared to the same month in the preceding year (i.e., October 2022). However, on a month-on-month basis, the headline inflation rate in October 2023 was 1.73%, which was 0.37% lower than the rate recorded in September 2023 (2.10%). This means that in October 2023, the rate of increase in the average price level is less than the rate of increase in the average price level in September 2023. The Food inflation rate in October 2023 was 31.52% on a year-on-year basis, which was 7.80% points higher compared to the rate recorded in October 2022 (23.72%). The rise in Food inflation on a year-on-year basis was caused by increases in prices of Bread and cereals, Oil and fat, 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 October 2023 was 1.91% this was 0.54% lower compared to the rate recorded in September 2023 (2.45%). The decline in Food inflation on a month-over-month basis was caused by the decline in the rate of increase in the average prices of Fruits, Oil and fat, Coffee, Tea and Cocoa, Bread and Cereals. The average annual rate of Food inflation for the twelve months ending October 2023 over the previous twelve-month average was 26.33%, which was a 6.50% points increase from the average annual rate of change recorded in October 2022 (19.83%). Before now, “all items less farm produces” is referred to as the Core inflation. This was because the prices of items that constitute energy were regulated by the government e.g, Petroleum Motor Spirit (PMS). Due to the deregulation of the sector and the removal of the fuel subsidy, all the items that constitute energy are now determined by market forces and hence their prices are termed volatiles. Therefore, Core inflation is referred to as all items index less farm produces and energy. The “All items less farm produces and energy” or Core inflation, which excludes the prices of volatile agricultural produces and energy stood at 22.58% in October 2023 on a year-on-year basis; an increase of 5.12% when compared to the 17.46% recorded in October 2022. The highest increases were recorded in prices of Passenger Transport by Road, Medical Services, Passenger Transport by Air, Actual and Imputed Rentals for Housing, Pharmaceutical products etc.

Capital Market Summary.

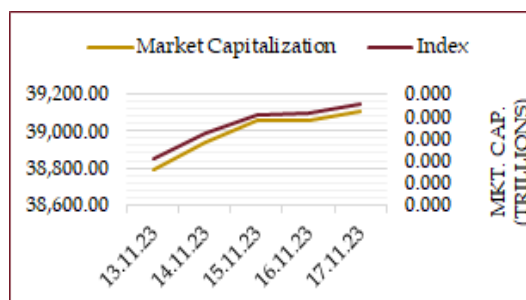
Analysis of the market activity in the week ended November 17, 2023 shows that the Nigerian equity market continued with the bullish trend. The NGX All Share Index and market capitalization of listed equities appreciated by 0.37% each from the opening figures of 70,849.38 and N38,925 trillion to close at 71,112.99 and N39,108 trillion respectively. Its year to date (YTD) return stands at +38.75%.

MACROECONOMIC INDICATORS

GDP Growth Rate	+2.51%	June 30, 2023
Un-employment Rate	4.10%	June 30, 2023
Broad Money Supply (M2)	N54,191,661.32	July , 2023
Money Supply (M1)	N21,352,527.87	July , 2023
Consumer Price Index (YOY)	27.33%	October , 2023
Monetary Policy Rate (MPR)	18.75%	July, 2023
Cash Reserve Ratio (CRR)	32.50%	July , 2023
Nigeria’s Bonny Light Crude Oil	US\$91.89/Bar	November 03, 2023
Nigeria’s Gross External Reserves	US\$33.31bn	October 31, 2023

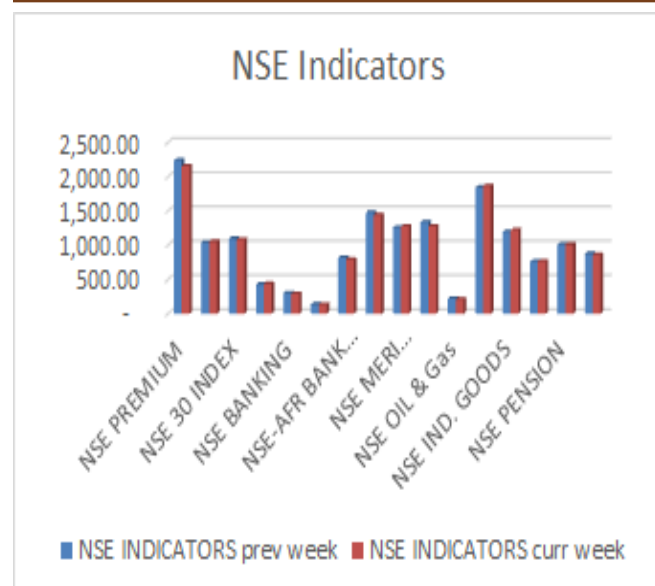
Source: Central Bank of Nigeria (CBN)

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 20/11/23-24/11/2023)

The NGX ASI posted a lower gain of **+0.37%** for the week compared with **+0.93%** in the previous week, attributed to the performance of key sectors such as the oil and gas, insurance, pension, consumer goods, and NGX 30. Market breadth closed positive for the week, with 54 gainers against 37 losers and 72 unchanged stocks. The year-to-date (YTD) returns increased further. to **+38.75%** from **+38.25%** in the week before, while investors gained N180.2bn for the week as market capitalisation rose to N39.11trn. In the unlisted OTC market, investors gained N5.3bn as market capitalization increased by **+0.47%** for the week. The NASD NSI closed positive at 845.13 index points from 841.20 index points in the previous week, representing a week gain of **+0.47%**. With four consecutive weeks of gaining, we expect the market to maintain the same bullish trend in the coming week. However, we consider the rising yields in the fixed-income markets may moderate the gains. 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	17/11/2023	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision
ZENITH	24.00	33.40	39.17	9.29	3.20	52.50	291,731	111,413	2nd Qter	56.76	37.80	19.00	3.60	43.42	1,781,979	31,396	16,031,910	9.58	16.37	BUY
GTCO	23.00	37.00	60.87	9.94	3.10	74.35	280,482	77,557	2nd Qter	40.79	41.80	16.80	3.72	48.10	1,200,507	29,431	8,509,893	8.38	23.36	HOLD
ACCESS	8.50	17.30	103.53	2.06	1.50	121.18	71,656	57,825	2nd Qter	48.71	19.80	7.50	8.40	22.49	1,731,488	35,545	20,853,270	8.67	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	8.80	102.30	1.94	0.50	113.79	61,995	23,219	2nd Qter	12.58	9.82	2.87	4.54	11.44	402,597	32,000	5,052,206	5.68	15.40	BUY
WAPCO	24.00	29.50	22.92	2.20	2.00	31.25	35,479	37,410	2nd Qter	26.03	31.50	20.10	13.41	38.35	419,365	16,108	654,695	6.78	8.46	BUY
NAHCO	6.40	24.20	278.13	1.19	1.20	296.88	2,340	0.968	2nd Qter	4.66	25.95	5.12	20.34	31.46	9,082	1,949	18,218	4.96	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	32.00	12.68	7.25	2.25	20.60	29,504	28,015	audited	54.93	36.20	27.00	4.41	41.60	225,225	4,100	1,097,396	7.03	13.10	HOLD
MTNN	215.00	239.50	11.40	6.33	15.64	18.67	128,688	181,629	2nd Qter	12.76	288.00	185.00	37.84	311.35	259,817	20,354	3,137,844	6.53	49.53	BUY
DANSUGAR	16.05	61.00	280.06	(2.30)	1.50	289.41	(27,987)	20,242	2nd Qter	10.29	63.10	15.00	(26.52)	79.30	125,035	12,146	565,999	2.46	(22.38)	HOLD
DANCHEM	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	40.00	(2.44)	(5.73)	1.43	1.05	(47,599)	18,743	2nd Qter	11.86	48.80	28.80	(6.98)	52.00	121,839	10,276	677,980	3.58	(39.07)	BUY
UCAP	11.60	16.55	42.67	1.63	1.50	55.60	2,441	2,309	2nd Qter	4.45	17.10	9.00	10.15	21.52	26,707	6,000	727,504	9.06	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	6.10	35.56	0.064	0.30	42.22	2,853	1,545	1st Qter	2.99	6.99	3.13	95.31	7.93	29,980	10,032	54,604	4.92	9.52	BUY
CADBURY	11.90	13.80	15.97	(7.74)	0.40	19.33	(14,539)	3,345	2nd Qter	0.76	18.8	10.2	(1.78)	17.94	1,425	1,878	74,765	2.90	(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	6.90	96.58	3.58	0.25	103.70	35,410	13,663	2nd Qter	17.40	7.70	2.92	1.93	8.97	344,557	19,803	3,720,980	3.62	10.28	BUY
GLAXO	6.15	16.50	168.29	0.13	0.55	177.24	0.155	0.194	1st Qter	8.10	13.9	5.4	126.92	21.45	9,688	1,196	30,750	3.33	0.00	BUY
OKOMU	165.00	240.00	45.45	16.98	12.00	52.73	22,905	23,431	2nd Qter	40.66	250	157	14.13	312.00	38,786	954	89,516	5.00	59.05	SELL/HOLD
PRESCO	137.50	185.00	34.55	15.08	6.50	39.27	21,466	19,320	4th Qter	42.65	220	110	12.27	240.50	42,647	1,000	145,087	3.51	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
VITAFAM	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	6.20	448.67	0.27	0.05	453.10	16,104	12,011	2nd Qter	4.34	7.01	0.98	22.96	8.06	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

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

LOSERS FOR THE WEEK

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

EXCHANGE TRADED PRODUCTS (ETP)

A total of 36,548 units of Exchange Traded Products valued at N4,610,337.46 in 95 deals were traded during the week compared with 32,861 units of Exchange Traded Products valued at N4,457,940.91 traded last week in 143 deals.

BOND MARKET

A total of 87,570 units of FGN Bond valued at N80,851,496.21 in 54 deals were traded during the week compared with 62,233 units of FGN Bond valued at N65,980,826.31 traded last week in 16 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	2,025 M	2,525 M	3.02
Value N=	N27,693 B	N45,297 B	11.65
Total Gain	54	37	-41.27
Total Loss	30	43	-48.28
Deals	32,763	32,815	-13.55
All Share Index	71,112.99	70,849.38	0.37
Market Cap.	N=39,108 Trillion	N=38,925 Trillion	0.37

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
DEAP CAPITAL	0.31	0.48	0.17	54.84
CI LEASING	3.33	4.98	1.65	49.55
MECURE	3.92	5.73	1.81	46.17
OMATEK	0.64	0.87	0.23	35.94
NNFM	18.00	23.90	5.90	32.78
SECURE ELEC	0.28	0.36	0.08	28.57
MULTIVERSE	2.90	3.63	0.73	25.17
MCHICHOLS	0.61	0.75	0.14	22.95
PRESTIGE	0.45	0.55	0.10	22.22
OANDO	9.60	11.70	2.10	21.88

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
JAPPAUL	1.98	1.70	(0.28)	(14.14)
BETA GLASS	59.95	54.00	(5.95)	(9.92)
INITIATIVE	1.02	0.92	(0.10)	(9.80)
RED STAR	3.28	3.00	(0.28)	(8.54)
MUTUAL BEN	0.52	0.48	(0.04)	(7.69)
CORNERSTON	1.50	1.40	(0.10)	(6.67)
FTN COCOA	1.83	1.71	(0.12)	(6.56)
LEARN AFCA	2.98	2.80	(0.18)	(6.04)
E-TRANZACT	7.55	7.10	(0.45)	(5.96)
CADBURY	14.40	13.80	(0.60)	(4.17)

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 (Interim)	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 17/11/2023												
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	29.50	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	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	8.80	5.66	432,011.80	9,000.00	441,011.80	223,511.80	102.76
1/1/2022	DANGSUGAR	50,000	802,500.00	16.05	16.35	61.00	20.87	2,994,627.25	67,500.00	3,062,127.25	2,259,627.25	281.57
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	33.40	31.20	1,639,681.15	13,500.00	1,653,181.15	453,181.15	37.77
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	16.55	18.20	812,476.74	67,500.00	879,976.74	179,976.74	25.71
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	37.00	29.90	1,816,413.25	13,500.00	1,829,913.25	679,913.25	59.12
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	32.00	36.92	1,570,952.00	96,750.00	1,667,702.00	247,702.00	17.44
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					28,959,518.28		30,294,668.28	9,152,168.28	43.29

The Equity Portfolio Model which closed the previous week at 43.14% appreciated slightly during the week, and closed at 43.29% (YTD). This can be compared with NGX All Share Index which closed at 38.24% in the previous week, appreciated during the week and closed at +38.75% {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 GTCO, and WAPCO 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)

PROPOSED ACQUISITION OF 80% SHAREHOLDING IN DISTELL WINES AND SPIRITS NIGERIA LIMITED AND 100% IMPORT BUSINESS FROM HEINEKEN BEVERAGES (HOLDING) LIMITED

Following the conclusion of a detailed review of the Offer, the Board met at a special meeting on the 16th of November 2023 and resolved as follows: a) To recommend to Shareholders in a general meeting for their consideration and approval, the acquisition of 80% economic interest, voting, and other rights held by Heineken Beverages (Holdings) Limited in Distell Wines & Spirits Nigeria Limited, which interests and rights are held through Distell International Holdings Limited, and 100% of the import business of Heineken Beverages (Holdings) Limited in Nigeria (including the license to market, distribute and sell the imported products, as well as produce any of the imported brands locally); and b) To convene an Extra-Ordinary General Meeting (“EGM”) of the Company to enable Shareholders consider and approve the acquisition, amongst others. The EGM will take place on Wednesday, 20th December 2023 at Oriental Hotel, Lekki Expressway, Victoria Island, Lagos at 2:00 p.m. The proposed acquisition, which will also be subject to any applicable regulatory approval process, aligns with the Company’s strategic objective of expanding its current product offerings beyond beer to include, wines, spirits, and flavored alcoholic beverages. It also provides the Company with growth opportunities and long-term profitability.

INVESTMENT BASICS

Assets Allocation in Equity Management

Asset allocation refers to an investment strategy in which individuals divide their investment portfolios between different diverse asset classes to minimize investment risks. The [asset classes](#) fall into three broad categories: [equities](#), [fixed-income](#), and [cash and equivalents](#). Anything outside these three categories (e.g., real estate, commodities, art) is often referred to as alternative assets. For example, a portfolio can contain Stocks- Small-Cap Growth Stocks – 25%, Large-Cap Value Stocks – 15%, International stocks – 10%. Bonds- Government bonds – 15%. High yield bonds – 25%. Cash-Money market – 10%. Asset allocation strategies are classified into 2 major categories – Strategic Asset Allocation and Tactical Asset Allocation. Tactical Asset Allocation consists of techniques that aim to improve risk-adjusted portfolio returns by taking advantage of short-term opportunities while simultaneously staying on course to achieve long-term investment objectives. Strategic Asset Allocation refers to techniques that are aimed at providing a long-term focus on your investment portfolio. There are two common techniques of strategic asset allocation – the age-based asset allocation technique and the risk profile-based asset allocation technique.

Diversification. Diversification is a strategy that can be neatly summed up by the timeless adage, “don’t put all your eggs in one basket.” The strategy involves spreading your money among various investments in the hope that if one investment loses money, the other investments will more than make up for those losses. Many investors use asset allocation as a way to diversify their investments among asset categories. But other investors deliberately do not. For example, investing entirely in stock, in the case of a twenty-five year-old investing for retirement, or investing entirely in cash equivalents, in the case of a family saving for the down payment on a house, might be reasonable asset allocation strategies under certain circumstances. But neither strategy attempts to reduce risk by holding different types of asset categories. So choosing an asset allocation model won’t necessarily diversify your portfolio. Whether your portfolio is diversified will depend on how you spread the money in your portfolio among different types of investments. A diversified portfolio should be diversified at two levels: between asset categories and within asset categories. So in addition to allocating your investments among stocks, bonds, cash equivalents, and possibly other asset categories, you’ll also need to spread out your investments within each asset category. The key is to identify investments in segments of each asset category that may perform differently under different market conditions. One way of diversifying your investments within an asset category is to identify and invest in a wide range of companies and industry sectors. But the stock portion of your investment portfolio won’t be diversified, for example, if you only invest in only four or five individual stocks. You’ll need at least a dozen carefully selected individual stocks to be truly diversified.

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

This week, interbank rates continued upward as the primary bond auction further drained system liquidity. The Overnight Rate (O/N) and Open Repo Rate (OPR) settled at 20.83bps and 22.20bps, higher than 16.58 and 17.58 in the previous week.

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 value of the naira depreciated week-on-week by 149bps to close at N791.75/US\$ at the Nigerian Autonomous Foreign Exchange Market (NAFEM).

OIL PRICE.

The Nigeria's oil price (WTI) depreciated during the week under review. According to the latest data, the oil price closed at \$75.89 per barrel during the week, compared with \$77.17 recorded in the previous week.

NIGERIAN INTER BANK OFFER RATE NIBOR

	10-Nov-23	17-Nov-23	W-o-W % Change
OPR (%)	16.58	20.83	+25.63%
O/N (%)	17.58	22.2	+26.28%

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
32-day	5.44	32.96	0.92	11.00	9.0
34-day	300.16	826.79	150.18	16.75	13.0

MONEY MARKET RATES

	10-Nov-23	17-Nov-23	W-o-W % Change
NAFEM	780.14	791.75	1.49%
\$			

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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