



Monday December 11, 2023

**Purchasing Managers' Index (PMI) for November 2023**

The Purchasing Managers' Index (PMI) is an economic indicator that gives insights into the economic health of Nigeria's manufacturing and services sectors. The PMI fell below the 50- point threshold for the second consecutive time since March 2023. The PMI reading was 48.0 in November 2023 from 49.1 in October 2023 as both output and new orders waned in the period. This indicates a contraction in the private sector. Business confidence in Nigeria has declined in recent months, due to the challenging economic environment. The depreciation of the Naira and high energy prices have resulted in an increase in the cost of production, making businesses postpone investments. On the other hand, employment levels increased in November.

Inflationary pressures caused by the fuel subsidy removal and the devaluation of the exchange rate continue to affect the manufacturing and non-manufacturing sectors. The continuous depreciation of the Naira has significantly raised the cost of importing goods and raw materials for manufacturing. More so, insecurity challenges in certain parts of the country also continue to disrupt supply chains leading to shortages and price increases. Manufacturing companies have had to reduce the production of goods, resulting in dwindling output and new orders in November 2023. To reduce the cost of production, we expect many companies to pursue backward integration schemes to reduce their exposure to foreign currencies. Many companies in the consumer goods sector have already begun to adopt this approach and have started to produce many of their raw materials locally. Some others are also exploring the adoption of cheaper energy sources for production. In the near term however, we believe PMI readings will remain weak until effective measures are employed by the government to encourage business activities.

**Capital Market Summary .**

Analysis of the market activity in the week ended December 08, 2023 shows that the Nigerian equity market continued with the bullish trend. The NGX All Share Index of listed equities appreciated by 0.17% each from the opening figures of 71,419.87 and N39,080 trillion to close at 71,541.74 and N39,149 trillion respectively. Its year to date (YTD) return stands at +39.59%.

**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\$83.52/Bar	November 21, 2023
Nigeria's Gross External Reserves	US\$33.202bn	November 23, 2023

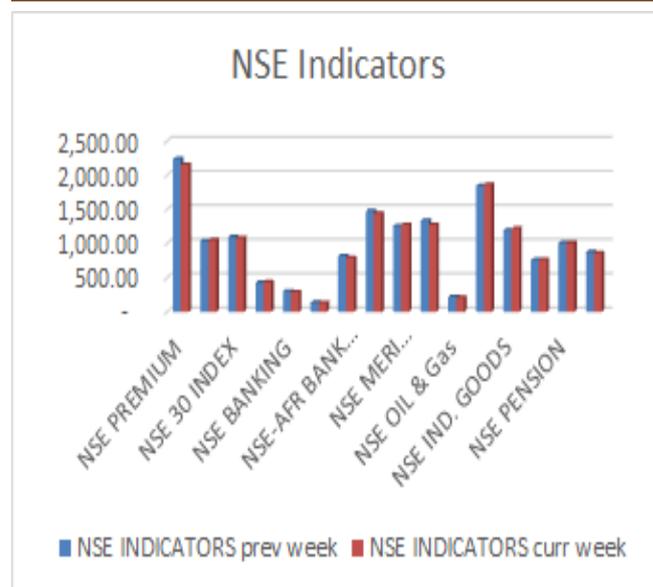
Source: Central Bank of Nigeria (CBN)

**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 11/12/23-15/12/2023)**

Nigeria's equity market experienced mixed trading during the week, registering three gains out of the five trading sessions as buying interest in the banking sector drove the seventh consecutive weekly gain of the All-Shares Index (ASI). The ASI rose by +0.17% for the week from 71,419.87 index points in the previous week to 71,541.74 points, and the year-to-date (YTD) returns rose to +39.59% for the week while investors gained N45.87bn as the market capitalisation rose to N39.15trn. Market breadth appreciated for the week, with 49 gainers against 33 losers and 73 unchanged equities. The Unlisted OTC market maintained its winning streak for the week, registering a gain of +2.98% from 860.81 index points in the previous week to 886.50 index points as investors gained N30bn for the week in 12 traded stocks to settle at N1,200bn from N1,170 recorded in the previous week. **With heightened FX volatility of NAFEM trading above the N1000 per dollar mark on Friday, we expect some selling pressure during the week. However, the bullish sentiments in key sectors may propel bargain-hunting activities. 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., ACCESS PLC, DANGOTE SUGAR, NASCON, NEM FCMB PLC. Multiverse, mecure PLC, 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	8/12/2023	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision	
ZENITH	24.00	35.00	45.83	13.82	3.20	59.17	434,172	174,331	3rd Qter	61.12	37.80	19.00	2.53	45.50	1,918,935	31,396	18,160,814	9.14	22.63	HOLD	
GTCO	23.00	39.10	70.00	12.98	3.10	83.48	367,417	130,348	3rd Qter	43.25	41.80	16.80	3.01	50.83	1,272,925	29,431	8,615,504	7.93	28.86	HOLD	
ACCESS	8.50	18.05	112.35	6.92	1.50	130.00	250,444	136,914	3rd Qter	46.15	19.80	7.50	2.61	23.47	1,640,242	35,545	21,405,399	8.31	15.27	BUY	
UBA	7.60	22.50	196.05	12.93	1.10	210.53	449,296	115,043	3rd Qter	51.99	18.00	6.55	1.74	29.25	1,778,139	34,199	16,222,620	4.89	25.27	BUY	
FIDELITY	4.35	9.15	110.34	1.94	0.50	121.84	91,759	23,219	3rd Qter	12.84	9.82	2.87	4.72	11.90	410,752	32,000	5,413,655	5.46	22.34	HOLD	
WAPCO	24.00	29.60	23.33	2.44	2.00	31.67	39,305	44,900	3rd Qter	26.27	31.50	20.10	12.13	38.48	423,191	16,108	653,598	6.76	9.29	BUY	
NAHCO	6.40	25.00	290.63	2.53	1.20	309.38	4,964	2,107	3rd Qter	6.00	25.95	5.12	9.88	32.50	11,696	1,949	21,913	4.80	42.44	HOLD	
NASCON	11.10	54.00	386.49	5.54	1.00	395.50	11,008	2,882	3rd Qter	10.34	59.50	9.50	9.75	70.20	27,403	2,649	78,273	1.85	40.17	BUY	
FLOUR MILLS	28.40	31.05	9.33	(2.43)	2.25	17.25	(8,529)	5,700	2nd Qter	52.85	36.20	27.00	(12.78)	40.37	216,704	4,100	1,316,248	7.25	(3.94)	BUY	
MTNN	215.00	238.00	10.70	7.06	15.64	17.97	148,091	270,339	3rd Qter	15.20	288.00	185.00	33.71	309.40	309,367	20,354	3,078,929	6.57	47.87	BUY	
DANSUGAR	16.05	57.40	257.63	(2.22)	1.50	266.98	(27,987)	4,590	3rd Qter	10.37	63.10	15.00	(25.86)	74.62	126,000	12,146	616,547	2.61	(22.21)	BUY	
DANCEM	261.00	320.00	22.61	16.08	20.00	30.27	277,548	213,101	3rd Qter	80.16	360.00	220.00	19.90	416.00	1,366,010	17,041	3,344,733	6.25	20.32	BUY	
NB	41.00	37.05	(9.63)	(6.89)	1.43	(6.15)	(57,195)	14,755	3rd Qter	10.94	48.80	28.80	(5.38)	48.17	112,461	10,276	707,843	3.86	(50.86)	BUY	
UCAP	11.60	18.00	55.17	1.88	1.50	68.10	8,469	7,715	3rd Qter	10.20	17.10	9.00	9.57	23.40	61,212	6,000	732,498	8.33	13.84	HOLD	
AFRIPRUD	6.00	6.60	10.00	0.44	0.50	18.33	0.871	1,290	3rd Qter	4.86	7.70	5.00	15.00	8.58	9,722	2,000	23,731	7.58	0.01	BUY	
NEM INS.	4.50	5.90	31.11	0.52	0.30	37.78	5,207	3,955	3rd Qter	3.08	6.99	3.13	11.35	7.67	30,870	10,032	65,984	5.08	16.87	BUY	
CADBURY	11.90	14.60	22.69	(5.45)	0.40	26.05	(10,242)	2,817	3rd Qter	1.53	18.8	10.2	(2.68)	18.98	2,872	1,878	76,446	2.74	(356.62)	SELL/HOLD	
FBNH	11.25	23.85	112.00	6.54	0.50	116.44	236,502	91,202	3rd Qter	38.27	23.5	8.2	3.65	31.01	1,373,853	35,895	14,455,659	2.10	17.21	BUY	
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	16.90	174.80	0.37	0.55	183.74	0.448	0.484	3rd Qter	7.80	13.9	5.4	45.68	21.97	9,323	1,196	29,367	3.25	0.00	SELL/HOLD	
OKOMU	165.00	240.00	45.45	21.93	12.00	52.73	29,225	24,620	3rd Qter	45.61	250	157	10.94	312.00	43,508	954	79,034	5.00	67.17	SELL/HOLD	
PRESCO	137.50	189.50	37.82	23.47	6.50	42.55	23,473	15,878	3rd Qter	50.83	220	110	8.07	246.35	50,833	1,000	159,205	3.43	46.18	SELL/HOLD	
PZ	12.10	25.60	111.57	2.82	1.01	119.92	11,214	5,641	3rd Qter	11.32	24	8.05	9.08	33.28	44,944	3,971	152,112	3.95	24.95	SELL/HOLD	
VITAFOAM	20.45	22.50	10.02	2.66	1.52	17.46	3,698	4,541	3rd Qter	12.80	24	16.8	8.46	29.25	16,007	1,251	44,716	6.76	23.10	HOLD	
STANBIC IBTC	33.45	66.00	97.31	5.12	2.52	104.84	109,249	15,068	3rd Qter	36.36	70	27.5	12.89	85.80	471,055	12,957	4,674,057	3.82	23.19	SELL/HOLD	
TRANSCORP	1.13	6.82	503.54	0.36	0.05	507.96	22,738	19,031	3rd Qter	4.42	7.01	0.98	18.94	8.87	179,826	40,648	479,826	0.73	12.64	BUY	

Source: Nigerian Stock Exchange (NSE) & Regency Research

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

Forty nine stocks appreciated in price during the week, as against Thirty two in preceding week. The top ten price gainers during the week were:

**LOSERS FOR THE WEEK**

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

**EXCHANGE TRADED PRODUCTS (ETP)**

A total of 149,237 units of Exchange Traded Products valued at N82,358,632.57 in 1,064 deals were traded during the week compared with 43,318 units of Exchange Traded Products valued at N10,992,851.53 traded last week in 308 deals.

**BOND MARKET**

A total of 43,802 units of FGN Bond valued at N46,203,035.16 in 20 deals were traded during the week compared with 17,903 units of FGN Bond valued at N18,305,172.83 traded last week in 14 deals

**MARKET SUMMARY**

	Curr. Week	Previous week	% Change
Volume	2,423 M	2,543 M	-4.72
Value N=	N45,070 B	N38,644 B	16.63
Total Gain	49	32	53.12
Total Loss	33	49	36.65
Deals	34,704	36,138	-3.97
All Share Index	71,541.74	71,419.87	0.17
Market Cap.	N=39,149 Trillion	N=39,082 Trillion	0.17

**TOP TEN GAINERS**

Company	Op.Price	cl. Price	Gain	Gain in %
MULTIVERSE	5.98	9.39	3.41	57.02
THOMAS WY	2.50	3.32	0.82	32.80
INFINITY	1.34	1.77	0.43	32.09
ECOBANK	17.10	20.75	3.65	21.35
SECURE	0.64	0.75	0.11	17.19
DAAR COMM	0.31	0.36	0.05	16.13
CAVERTON	1.41	1.60	0.19	13.48
UPDC	4.45	5.00	0.55	12.36
ACCESS	18.05	20.25	2.20	12.19
PZ	22.90	25.60	2.70	11.79

**TOP TEN LOSERS**

	Op.Price	Cl. Price	Loss	Loss in %
CHIPLC	1.26	1.10	(0.16)	(12.70)
OANDO	11.80	10.35	(1.45)	(12.29)
ABBEY	1.72	1.54	(0.18)	(10.47)
MRS	109.95	99.00	(10.95)	(9.96)
TANTALIZERS	0.52	0.47	(0.05)	(9.62)
UNITY	1.54	1.40	(0.14)	(9.09)
JULI	0.79	0.72	(0.07)	(8.86)
E TRANZACT	7.10	6.50	(0.60)	(8.45)
MCNIHOLS	0.75	0.69	(0.06)	(8.00)
BUA CEMENT	104.00	96.50	(7.50)	(7.21)

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
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	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	18th 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 May 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 2023	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	21st 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 08/12/2023												
				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	29.60	31.20	1,453,130.60	90,000.00	1,543,130.60	343,130.60	28.59
1/1/2022	UBA	50,000	380,000.00	7.60	7.74	22.50	9.88	1,104,575.63	9,000.00	1,113,575.63	733,575.63	193.05
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	57.40	20.87	2,817,895.15	67,500.00	2,885,395.15	2,082,895.15	259.55
1/1/2022	ZENITH	50,000	1,200,000.00	24.00	24.44	35.00	31.20	1,718,228.75	13,500.00	1,731,728.75	531,728.75	44.31
1/1/2022	UCAP PLC	50,000	700,000.00	14.00	14.26	18.00	18.20	883,660.50	67,500.00	951,160.50	251,160.50	35.88
1/1/2022	GTCO PLC	50,000	1,150,000.00	23.00	23.43	39.10	29.90	1,919,506.98	13,500.00	1,933,006.98	783,006.98	68.09
1/1/2022	FLOUR MILLS	50,000	1,420,000.00	28.40	28.93	31.05	36.92	1,524,314.36	96,750.00	1,621,064.36	201,064.36	14.16
1/1/2022	DANCEM	50,000	13,050,000.00	261.00	265.83	320.00	339.30	15,709,520.00	900,000.00	16,609,520.00	3,559,520.00	27.28
1/1/2022	VITAFOAM	50,000	1,022,500.00	20.45	20.83	22.50	26.59	1,104,575.63	68,400.00	1,172,975.63	150,475.63	14.72
			21,142,500.00					28,684,601.68		30,019,751.68	8,877,251.68	41.99

The Equity Portfolio Model which closed the previous week at 43.54% depreciated during the week, and closed at 41.99% (YTD). This can be compared with NGX All Share Index which closed at 38.98% in the previous week, appreciated during the week and closed at +39.59% {YTD}. Despite the fact that EPM depreciated during the week under review, it still out-performed the All Share Index of the market. Some of the stocks that contributed positively are GTCO, UBA 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 )

#### **Dangote Refinery to Start Production Following Maiden Crude Oil Delivery**

December 7, 2023, the Dangote oil refinery marked a milestone with the receipt of one million barrels of crude oil from Chevron's deep water field Agbami, facilitated by Shell International Trading Shipping Company. This initial delivery is part of a larger shipment of six million barrels destined for the refinery, with subsequent deliveries to be handled by NNPC, which holds a 20% stake in the refinery and Exxonmobile. We believe the development marks a significant step forward in enhancing domestic refining capacity in Nigeria and contributing to the country's economic value.

## 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.



**FIXED INCOME MARKET REPORT**

**Money Market.**

As system liquidity diminished after the NTB auction settlement, interbank rates soared. The Open Repo Rate (OPR) and Overnight Rate (O/N) rose by 21.% and 19.98% week-on-week to 19.17bps and 19.58bps, respectively.

**Treasury Bills.**

At the mid-week NTB auction, the DMO offered N104.35bn across 91-day, 182-day and 364-day papers and had a total subscription of N1.81trn. The three tenors were oversubscribed at N14.42bn, N26.82bn and N1.72trnbn against N1.03bn, N1.94bn, and N101.39bn offered for the 91-day, 182-day and 365-day respectively. Compared to the previous auction, the stop rates for 91-day and 182-day increased by 9% and 12%, respectively, while 364-day declined to 15.75% from 16.75%.

**Foreign Currency (EXCHANGE RATE).**

The naira reached a record low on Friday at N1099.05/US\$, generating a weekly loss of 18.54% 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 \$71.26 per barrel during the week, compared with \$74.07 recorded in the previous week .

**NIGERIAN INTER BANK OFFER RATE NIBOR**

	1-Dec-23	8-Dec-23	W-o-W % Change
OPR (%)	15.75	19.17	+21.71%
O/N (%)	16.32	19.58	+19.98%

Source:

**TREASURY BILLS RATES**

**NTB AUCTION DECEMBER 08, 2023**

NTB Auction Result December 08, 2023					
Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate	Previous rate (%)
				(%)	
91-day	1.03	14.42	14.42	9	8
182-day	1.94	26.82	26.82	12	12
364-day	101.39	1,722.17	563.12	15.75	16.75

**MONEY MARKET RATES**

	1-Dec-23	8-Dec-23	W-o-W% Change
NAFEM	927.19	1099.05	18.54%

Source: FMDQ

Source: Financial Markets Dealers Quotations (FMDQ)

**Disclaimer**

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