



Monday January 15, 2024

Nigeria’s Huge Metering Gap Still a Major Concern

According to the most recent electricity report published by the Nigerian Electricity Regulatory Commission (NERC), the total electricity generated by the distribution companies (Discos) fell slightly by -2% q/q to 8,664.8 gigawatt hours (GWh) in Q3 '23. Similar to the previous quarter, the q/q reduction in the total electricity generated was primarily due to a decline in the available generating capacity of the nation’s power plants. According to NERC, shortage of gas supply and mechanical faults limited the amount of energy generated by gas-fired thermal plants during the quarter. Gas supply constraints due to deficit of gas infrastructure has been consistently highlighted as a major hindrance to efficient power generation in the country.

The data shows that Nigeria currently has about 27 generation companies (GenCos), 19 of which run gas-fired plants. Notably, there were two instances of system shutdowns during the quarter. Prior to this, the commission had not recorded any incidence of system failures in the three preceding quarters. In Q3 '23, the Discos were only able to bill 5,682.1GWh, out of the total 7,184.5GWh of energy received. Following the shortfall in billing, we see that the Discos' revenue collection of NGN267.6bn fell short of the issued energy bill of NGN349.6bn.

These collection inefficiencies have always translated to liquidity challenges within the sector. The liquidity concern has regularly limited the operational performance of the transmission and distribution companies. The average aggregate technical, commercial & collection (ATC&C) losses recorded by the sector was 39.5% in Q3 '23, higher than the c.20.1% allowance as stated in the Multi-Year Tariff Order (MYTO) of 2023. These high losses have been a recurrent problem for transmission and distribution firms. According to the NERC, these losses are reflective of energy theft, distribution network losses and refusal on the part of customers to pay their bills.

These mentioned issues are further aggravated by inadequate metering of customers. Of the 12.8 million registered customers as of Q2 '23, only 5.7 million were metered, representing a metering percentage of 44.5%. The huge metering gap suggests that the Meter Assets Provider (MAP) and National Mass Metering Programme (NMMP) programmes still have significant ground to cover to address Nigeria’s metering challenge.

Capital Market Summary .

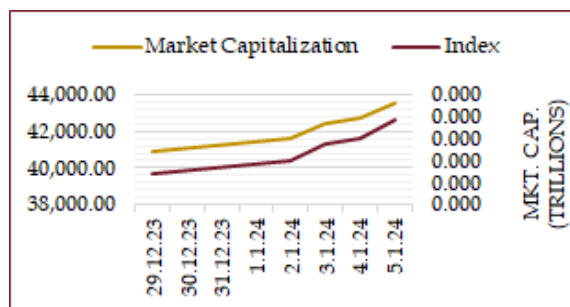
Analysis of the market activity in the week ended January 12, 2024 shows that the Nigerian equity market continued with the bullish run. The NGX All Share Index of listed equities appreciated by 4.24% each from the opening figures of 79,664.66 and N43,594 trillion to close at 83,042.96 and N45,442 trillion respectively. Its year to date (YTD) return stands at +11.06%.

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)	28.20%	November , 2023
Monetary Policy Rate (MPR)	18.75%	December 21, 2023
Cash Reserve Ratio (CRR)	32.50%	December 21 , 2023
Nigeria’s Bonny Light Crude Oil	US\$79.27/Bar	January 05, 2024
Nigeria’s Gross External Reserves	US\$33.042bn	January 03, 2024

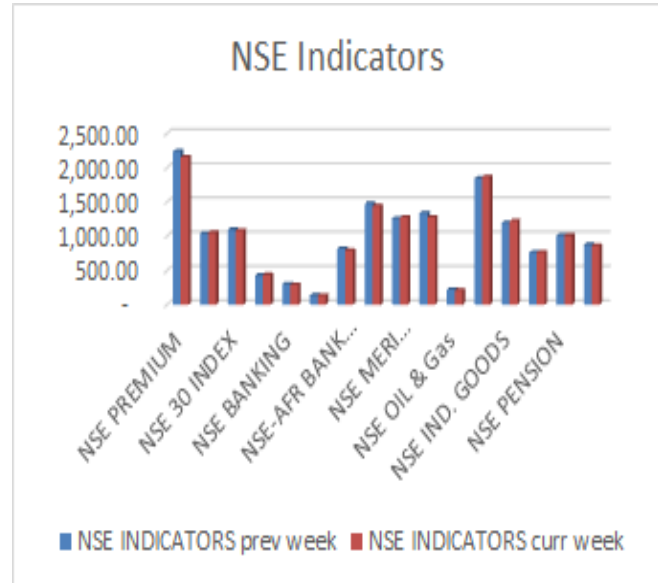
Source: Central Bank of Nigeria (CBN)

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 15/01/24-19/01/2024)

With gains in four out of the five trading sessions in the week, the Nigerian Equity Market ended the week positively, with the All-share Index (ASI) up by **+4.24%** to close at 83,042.96 points. Investors gained N1.85trn as market capitalization closed at N45.44trn from N43.59trn in the previous week and the year-to-date (YTD) return rose to **+11.06%**. The unlisted OTC market maintained its positive streak, gaining **+2.75%** during the week as investors gained N30bn for the market capitalisation to close at N1,294bn while the number of deals rose from 34 in the previous week to 120. With an impressive YTD return of 45.90% (from 19.98% in 2022) in the equity market in 2023, the market gaining in the first trading weeks of the year 2024 and strong buy-interest observed in both small and large-cap stocks, we expect the market to maintain its positive run in the coming week as investors take position ahead of impressive earnings from both technical and fundamentally sound stocks. 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, WAPCO PLC, MTNN PLC., ACCESS PLC, DANGOTE SUGAR, NASCON, AND FCMB PLC. Multiverse, RT BRISCOE, OMATEK, 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
	29/12/2023	12/1/2024	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision
ZENITH	38.65	43.00	11.25	13.82	3.20	19.53	434,172	174,331	3rd Qter	61.12	37.80	19.00	3.11	55.90	1,918,935	31,396	18,160,814	7.44	22.63	HOLD
GTCO	40.50	46.30	14.32	12.98	3.10	21.98	367,417	130,348	3rd Qter	43.25	41.80	16.80	3.57	60.19	1,272,925	29,431	8,615,504	6.70	28.86	HOLD
ACCESS	23.15	28.00	20.95	6.92	1.50	27.43	250,444	136,914	3rd Qter	46.15	19.80	7.50	4.05	36.40	1,640,242	35,545	21,405,399	5.36	15.27	BUY
UBA	25.65	31.00	20.86	12.93	1.10	25.15	449,296	115,043	3rd Qter	51.99	18.00	6.55	2.40	40.30	1,778,139	34,199	16,222,620	3.55	25.27	HOLD
FIDELITY	10.85	13.40	23.50	1.94	0.50	28.11	91,759	23,219	3rd Qter	12.84	9.82	2.87	6.91	17.42	410,752	32,000	5,413,655	3.73	22.34	HOLD
WAPCO	31.50	40.00	26.98	2.44	2.00	33.33	39,305	44,900	3rd Qter	26.27	31.50	20.10	16.39	52.00	423,191	16,108	653,598	5.00	9.29	BUY
NAHCO	25.40	30.00	18.11	2.53	1.20	22.83	4,964	2,107	3rd Qter	6.00	25.95	5.12	11.86	39.00	11,696	1,949	21,913	4.00	42.44	HOLD
NASCON	53.75	60.00	11.63	5.54	1.00	13.49	11,008	2,882	3rd Qter	10.34	59.50	9.50	10.83	78.00	27,403	2,649	78,273	1.67	40.17	BUY
FLOUR MILLS	33.05	38.00	14.98	(2.43)	2.25	21.79	(8,329)	5,700	2nd Qter	52.85	36.20	27.00	(15.64)	49.40	216,704	4,100	1,316,248	5.92	(3.94)	BUY
MTNN	264.00	283.00	7.20	7.06	15.64	13.12	148,091	270,339	3rd Qter	15.20	288.00	185.00	40.08	367.90	309,367	20,354	3,078,929	5.53	47.87	BUY
DANSUGAR	57.00	68.20	19.65	(2.22)	1.50	22.28	(27,987)	4,590	3rd Qter	10.37	63.10	15.00	(30.72)	88.66	126,000	12,146	616,547	2.20	(22.21)	BUY
DANCEM	319.90	350.00	9.41	16.08	20.00	15.66	277,548	213,101	3rd Qter	80.16	360.00	220.00	21.77	455.00	1,366,010	17,041	3,344,733	5.71	20.32	BUY
NB	36.00	37.50	4.17	(6.89)	1.43	8.14	(57,195)	14,755	3rd Qter	10.94	48.80	28.80	(5.44)	48.75	112,461	10,276	707,843	3.81	(50.86)	BUY
UCAP	23.00	25.50	10.87	1.88	1.50	17.39	8,469	7,715	3rd Qter	10.20	17.10	9.00	13.56	33.15	61,212	6,000	732,498	5.88	13.84	HOLD
AFRIPRUD	7.40	9.00	21.62	0.44	0.50	28.38	0.871	1,290	3rd Qter	4.86	7.70	5.00	20.45	11.70	9,722	2,000	23,731	5.56	0.01	BUY
NEM INS.	6.30	5.75	(8.73)	0.52	0.30	(3.97)	5,207	3,955	3rd Qter	3.08	6.99	3.13	11.06	7.48	30,870	10,032	65,984	5.22	16.87	BUY
CADBURY	19.00	24.05	26.58	(5.45)	0.40	28.68	(10,242)	2,817	3rd Qter	1.53	18.8	10.2	(4.41)	31.27	2,872	1,878	76,446	1.66	(356.62)	SELL/HOLD
FBNH	23.55	28.00	18.90	6.54	0.50	21.02	236,502	91,202	3rd Qter	38.27	23.5	8.2	4.28	36.40	1,373,853	35,895	14,455,659	1.79	17.21	BUY
FCMB	7.40	11.00	48.65	3.58	0.25	52.03	35,410	13,663	2nd Qter	17.40	7.70	2.92	3.07	14.30	344,557	19,803	3,720,980	2.27	10.28	BUY
GLAXO	17.00	16.80	(1.18)	0.37	0.55	2.06	0.448	0.484	3rd Qter	7.80	13.9	5.4	45.41	21.84	9,323	1,196	29,367	3.27	0.00	SELL/HOLD
OKOMU	260.00	265.00	1.92	21.93	12.00	6.54	29,225	24,620	3rd Qter	45.61	250	157	12.08	344.50	43,508	954	79,034	4.53	67.17	SELL/HOLD
PRESCO	193.00	259.00	34.20	23.47	6.50	37.56	23,473	15,878	3rd Qter	50.83	220	110	11.04	336.70	50,833	1,000	159,205	2.51	46.18	SELL/HOLD
PZ	26.70	29.50	10.49	2.82	1.01	14.27	11,214	5,641	3rd Qter	11.32	24	8.05	10.46	38.35	44,944	3,971	152,112	3.42	24.95	SELL/HOLD
VITAFOAM	22.00	24.00	9.09	2.66	1.52	16.00	3,698	4,541	3rd Qter	12.80	24	16.8	9.02	31.20	16,007	1,251	44,716	6.33	23.10	SELL/HOLD
STANBIC IBTC	69.65	68.00	(2.37)	5.12	2.52	1.25	109,249	15,068	3rd Qter	36.36	70	27.5	13.28	88.40	471,055	12,957	4,674,057	3.71	23.19	SELL/HOLD
TRANSCORP	8.66	13.85	59.93	0.36	0.05	60.51	22,738	19,031	3rd Qter	4.42	7.01	0.98	38.47	18.01	179,826	40,648	479,826	0.36	12.64	BUY

Source: Nigerian Stock Exchange (NSE) & Regency Research

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

Seventy five stocks appreciated in price during the week, as against Eighty eight five in preceding week. The top ten price gainers during the week were:

LOSERS FOR THE WEEK

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

EXCHANGE TRADED PRODUCTS (ETP)

A total of 75,890 units of Exchange Traded Products valued at N33,485,824.39 in 334 deals were traded during the week compared with 391,760 units of Exchange Traded Products valued at N8,450,146.64 traded last week in 140 deals.

BOND MARKET

A total of 51,246 units of FGN Bond valued at N49,867,050.29 in 33deals were traded during the week compared with 74,677 units of FGN Bond valued at N71,574,470.16 traded last week in 32 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	5.719 M	3.320 M	72.26
Value N=	N88,828 B	N41,755 B	112.74
Total Gain	75	88	-14.77
Total Loss	23	17	-35.29
Deals	80,064	46,994	70.37
All Share Index	83,042.96	79,664.66	4.24
Market Cap.	N=45,442 Trillion	N=43,594 Trillion	4.24

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
CADBURY	16.90	24.05	7.15	42.31
VERITAS	0.38	0.53	0.15	39.47
JBERGER	42.50	56.50	14.00	32.94
INITIATIVE	1.40	1.84	0.44	31.43
JAIZ	2.30	3.02	0.72	31.30
GUINEA	0.37	0.48	0.11	29.73
LINKAGE	1.15	1.47	0.32	27.83
UNIVERSAL	0.30	0.37	0.07	23.33
CILEASING	3.38	4.12	0.74	21.89
ROYALEX	0.81	0.98	0.17	20.99

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
DAAR COM	1.29	0.90	(0.39)	(30.23)
TOTAL	385.00	346.50	(38.50)	(10.00)
NEM	6.35	5.75	(0.60)	(9.45)
CWG	8.93	8.10	(0.83)	(9.29)
MAYBAKER	5.95	5.49	(0.46)	(7.73)
FIDSON	19.20	17.80	(1.40)	(7.29)
CAVERTON	2.20	2.05	(0.15)	(6.82)
CUSTODIAN	10.85	10.15	(0.70)	(6.45)
THOMAS	2.67	2.50	(0.17)	(6.37)
FIDELITY	14.20	13.40	(0.80)	(5.63)

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

STOCK PERFORMANCE ON NGX IN YEAR 2023

COMPANY	30/12/2022 N=	29/12/2023 N=	Appreciation N=	Appreciation %	RATING
TRANSCOHOT	6.25	70.18	63.93	1,022.88	1
CHAMS	0.22	1.97	1.75	795.45	2
CWG	1.01	8.30	7.29	721.78	3
TRANSCORP	1.13	8.66	7.53	666.37	4
MRS	14.10	105.00	90.90	644.68	5
JAPAUFGOLD	0.28	1.70	1.42	507.14	6
IKEJAHOTEL	1.05	6.00	4.95	471.43	7
FTNCOCOA	0.29	1.48	1.19	410.34	8
NASCON	11.10	53.75	42.65	384.23	9
MULTIVERSE	3.98	18.57	14.59	366.58	10
MECURE	2.96	12.00	9.04	305.41	11
NAHCO	6.40	25.40	19.00	296.88	12
DANGSUGAR	16.05	57.00	40.95	255.14	13
UBA	7.60	25.65	18.05	237.50	14
CONOIL	26.50	83.90	57.40	216.60	15
STERLNBANK	1.40	4.29	2.89	206.43	16
BUAFOODS	65.00	193.40	128.40	197.54	17
UNITYBNK	0.55	1.62	1.07	194.55	18
DEAPCAP	0.20	0.58	0.38	190.00	19
THOMASWY	0.97	2.70	1.73	178.35	20
GLAXOSMITH	6.15	17.00	10.85	176.42	21
MANSARD	2.00	5.50	3.50	175.00	22
ACCESSCORP	8.50	23.15	14.65	172.35	23
TRIPPLEG	0.79	2.15	1.36	172.15	24
OANDO	3.92	10.50	6.58	167.86	25
GEREGU	149.00	399.00	250.00	167.79	26
FIDELITYBK	4.35	10.85	6.50	149.43	27
PZ	11.35	26.70	15.35	135.24	28
TANTALIZERS	0.20	0.47	0.27	135.00	29
RTBRISCOE	0.26	0.61	0.35	134.62	30
CORNERST	0.60	1.40	0.80	133.33	31
CHIPLC	0.67	1.47	0.80	119.40	32
LASACO	0.87	1.90	1.03	118.39	33
BERGER	6.00	13.00	7.00	116.67	34
FBNH	10.90	23.55	12.65	116.06	35
SCOA	0.92	1.98	1.06	115.22	36
UPDCREIT	3.00	6.40	3.40	113.33	37
JAIZBANK	0.92	1.94	1.02	110.87	38
SEPLAT	1,100.00	2,310.00	1,210.00	110.00	39
STANBIC	33.45	69.65	36.20	108.22	40
ETERNA	6.69	13.85	7.16	107.03	41
LINKASSURE	0.40	0.80	0.40	100.00	42
TOTAL	193.00	385.00	192.00	99.48	43
ETI	10.60	20.90	10.30	97.17	44
MBENEFIT	0.27	0.53	0.26	96.30	45
FIDSON	9.00	17.50	8.50	94.44	46
FCMB	3.85	7.40	3.55	92.21	47
VERITASKAP	0.20	0.37	0.17	85.00	48
IMG	7.40	13.45	6.05	81.76	49
CAVERTON	0.99	1.79	0.80	80.81	50
GTCO	23.00	40.50	17.50	76.09	51
JBERGER	24.50	43.00	18.50	75.51	52
CILEASING	3.20	5.60	2.40	75.00	53
E-TRANZACT	3.50	6.05	2.55	72.86	54
WAPIC	0.40	0.68	0.28	70.00	55
LIVESTOCK	1.09	1.85	0.76	69.72	56
UCAP	14.00	23.00	9.00	64.29	57
ZENITHBANK	24.00	38.65	14.65	61.04	58
CADBURY	11.90	19.00	7.10	59.66	59
MEYER	2.27	3.59	1.32	58.15	60
OKOMUOIL	165.00	260.00	95.00	57.58	61
REGALINS	0.25	0.38	0.13	52.00	62
CUSTODIAN	5.95	9.00	3.05	51.26	63
ACADEMY	1.29	1.94	0.65	50.39	64
BETAGLAS	39.60	59.40	19.80	50.00	65
SOVRENINS	0.28	0.42	0.14	50.00	66
MCNICHOLS	0.57	0.84	0.27	47.37	67
LEARNAFRCA	2.20	3.19	0.99	45.00	68
GUINEAINS	0.20	0.29	0.09	45.00	69
WEMABANK	3.90	5.60	1.70	43.59	70
HONYFLOUR	2.34	3.32	0.98	41.88	71
REDSTAREX	2.26	3.18	0.92	40.71	72
UPDC	0.91	1.28	0.37	40.66	73
PRESCO	137.50	193.00	55.50	40.36	74
NEM	4.50	6.30	1.80	40.00	75
NEIMETH	1.43	1.94	0.51	35.66	76
AIICO	0.59	0.80	0.21	35.59	77
WAPCO	24.00	31.50	7.50	31.25	78
UNIVINSURE	0.20	0.26	0.06	30.00	79
UNILEVER	11.60	14.80	3.20	27.59	80
UPL	1.90	2.40	0.50	26.32	81
UACN	10.25	12.85	2.60	25.37	82
AFRIPRUD	6.00	7.40	1.40	23.33	83
MTNN	215.00	264.00	49.00	22.79	84
DANGCEM	261.00	319.90	58.90	22.57	85
MAYBAKER	4.30	5.25	0.95	22.09	86
PRESTIGE	0.42	0.51	0.09	21.43	87
CAP	17.80	20.85	3.05	17.13	88
CUTIX	2.01	2.35	0.34	16.92	89
FLOURMILL	28.40	33.05	4.65	16.37	90
AIRTELAFRI	1,635.00	1,887.00	252.00	15.41	91
NPFMCRFBK	1.69	1.94	0.25	14.79	92
VITAFOAM	20.45	22.00	1.55	7.58	93
INTBREW	4.70	4.80	0.10	2.13	94
NESTLE	1,100.00	1,100.00	-	-	95



MODEL EQUITY PORTFOLIO

PORTFOLIO VALUATION AS AT 12/01/2024												
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%
1/1/2024	WAPCO	50,000	1,606,500.00	32.13	32.72	40.00	41.77	1,963,690.00	90,000.00	2,053,690.00	447,190.00	27.84
1/1/2024	UBA	50,000	1,308,150.00	26.16	26.65	31.00	34.01	1,521,859.75	9,000.00	1,530,859.75	222,709.75	17.02
1/1/2024	ACCESS	50,000	1,180,650.00	23.61	24.05	28.00	30.70	1,374,583.00	9,000.00	1,383,583.00	202,933.00	17.19
1/1/2024	TRANSCORP	50,000	441,660.00	8.83	9.00	13.85	11.48	679,927.66	9,000.00	688,927.66	247,267.66	55.99
1/1/2024	MTN	50,000	13,464,000.00	269.28	274.26	283.00	350.06	13,893,106.75	9,000.00	13,902,106.75	438,106.75	3.25
1/1/2024	FIDELITY	50,000	553,350.00	11.07	11.27	13.40	14.39	657,836.15	9,000.00	666,836.15	113,486.15	20.51
1/1/2024	DANGSUGAR	50,000	2,907,000.00	58.14	59.22	68.20	75.58	3,348,091.45	67,500.00	3,415,591.45	508,591.45	17.50
1/1/2024	ZENITH	50,000	1,971,150.00	39.42	40.15	43.00	51.25	2,110,966.75	13,500.00	2,124,466.75	153,316.75	7.78
1/1/2024	UCAP PLC	50,000	1,173,000.00	23.46	23.89	25.50	30.50	1,251,852.38	67,500.00	1,319,352.38	146,352.38	12.48
1/1/2024	GTCO PLC	50,000	2,065,500.00	41.31	42.07	46.30	53.70	2,272,971.18	13,500.00	2,286,471.18	220,971.18	10.70
1/1/2024	FLOUR MILLS	50,000	1,685,550.00	33.71	34.33	38.00	43.82	1,865,505.50	96,750.00	1,962,255.50	276,705.50	16.42
1/1/2024	DANCEM	50,000	16,314,900.00	326.30	332.33	350.00	424.19	17,182,287.50	900,000.00	18,082,287.50	1,767,387.50	10.83
1/1/2024	FBNH	50,000	1,201,050.00	24.02	24.47	28.00	31.23	1,374,583.00	68,400.00	1,442,983.00	241,933.00	20.14
			45,872,460.00					49,497,261.06		50,859,411.06	4,986,951.06	10.87

The Equity Portfolio Model which closed the previous week at 5.83% appreciated during the first week of the year and closed at 10.87% (YTD). This can be compared with NGX All Share Index which closed at 6.54% at the end of the previous week, appreciated during the first week of the year and closed at +11.06% {YTD}. The EPM appreciated during the week under review but under-performed the All Share Index of the market. Some of the stocks that contributed positively are ZENITH, 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)

[Access Holdings Plc Announces The Acquisition of Megatech Insurance Brokers Ltd](#)

Access Holdings Plc is pleased to have announced that it has obtained all required regulatory approvals for the acquisition of Megatech Insurance Brokers Ltd an insurance brokerage company licensed and regulated by the National Insurance Commission, NAICOM. In a letter to the Nigeria Exchange Limited signed by the Access Holdings Plc Company Secretary Sunday Ekwochi stated that the acquisition complements the Company's bouquet of product offerings in pursuit of its vision of building globally connected community of ecosystems inspired by Africa for the world. Speaking on the acquisition the Group Chief Executive Officer Mr. Herbert .O. Wigwe said "This acquisition is a natural step in our evolution as a globally connected community and ecosystem and aligns with our mission to build and sustain one global platform, open for anyone to join where people can be connected to exceptional opportunities. The Company will design and provide intelligent solutions that mitigate the unique risks faced by individuals and business in an ever-changing world using leading risk management tools and governance standards." Established in 2022, Access Holdings Plc consists of Access Bank Group, a Payment & Switching Services Company, a Digital Lending Company, a Pension Fund Company and an Insurance Brokerage Company.

INVESTMENT BASICS

10 Investors KPIs

1/ Return on Investment (ROI)

Description: How much money you made compared to your investment. Formula: $\text{Income from asset} / \text{Asset invested}$

2/ Return on Equity (ROE)

Description: Measures the return on shareholders' equity, Formula: $\text{Net Income} / \text{Shareholders' Equity}$

3/ Earnings per Share (EPS)

Description: Company's profitability on a per-share basis

Formula: $\text{Net Income} / \text{Average number of outstanding shares}$

4/ Price-to-Earnings Ratio (P/E)

Description: Price of a company's shares relative to its earnings, Formula: $\text{Market Price per Share} / \text{Earnings per Share}$

5/ Dividend Yield

Description: Return on investment from dividends, Formula: $\text{Annual Dividend per Share} / \text{Market Price per Share}$

6/ Debt-to-Equity Ratio

Description: Measures the company's financial leverage, Formula: $\text{Total Liabilities} / \text{Shareholders' Equity}$

7/ Current Ratio

Description: Company's ability to pay its current liabilities with current assets

Formula: $\text{Current Assets} / \text{Current Liabilities}$

8/ Quick Ratio

Description: Company's ability to pay its current liabilities with quick assets

Formula: $(\text{Current Assets} - \text{Inventories}) / \text{Current Liabilities}$

9/ Gross Margin Ratio

Description: Measures the profitability of a company's products or services

Formula: $(\text{Revenue} - \text{Cost of Goods Sold}) / \text{Revenue}$

10/ Net Promoter Score (NPS)

Description: Measures customer satisfaction and loyalty, Formula: $\% \text{ of Promoters} - \% \text{ of Detractors}$

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

The double auctions held mid-week dried up market liquidity, raising the interbank rates. Consequently, the Open repo rate (OPR) and Overnight rate (O/N) increased by 16.35% and 19.46% to settle at 16.58bps and 17.80bps respectively.

Treasury Bills.

At this week's NTB auction, the DMO offered N56.56bn across 91-day, 182-day and 364-day papers and had a total subscription of N1.14trn. The three tenors were oversubscribed at N38.87bn, N94.33bn and N1,007.17bn against N2.78bn, N1.49bn, and N52.29bn offered for the 91-day, 182-day, and 365-day respectively. The stop rates attached were 2.44%, 4.22% and 8.40% for 91-day, 182-day, and 364-day, lower than 7.00%, 10.00% and 12.24% offered at the previous auction (see table 6 below).

Foreign Currency (EXCHANGE RATE).

The naira volatility persisted this week, attaining a weekly low of N1089.51/US\$1 on Tuesday and a weekly high of N856.57/US\$1 on Monday. Eventually, the naira closed the week, depreciating by N21.41k or 2.46% week-on-week to close at N890.54/US\$1 at the Nigerian Autonomous Foreign Exchange Market (NAFEM).

OIL PRICE.

The Nigeria's oil price (WTI) appreciated during the week under review. According to the latest data, the oil price closed at \$73.97 per barrel during the week, compared with \$73.89 recorded in the previous week.

NIGERIAN INTER BANK OFFER RATE NIBOR

	5-Jan-24	12-Jan-24	W-o-W % Change
OPR (%)	14.25	16.58	+16.35%
O/N (%)	14.9	17.8	+19.46%

Source:

TREASURY BILLS RATES

NTB AUCTION JANUARY 10, 2023

Tenor	Amount offered (N'bn)	Total Subscription (N'bn)	Amount Sold (N'bn)	Stop Rate (%)	Previous rate (%)
91-day	2.78	38.87	2.78	2.44	7.00
182-day	1.49	94.33	1.49	4.22	10.00
364-day	52.29	1,007.17	52.29	8.40	12.24

Source: Central Bank of Nigeria (CBN)

MONEY MARKET RATES

	5-Jan-24	12-Jan-24	W-o-W% Change
NAFEM	869.13	890.54	2.46%

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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