



Monday February 12, 2024

Addressing Nigeria's Food Crisis

The Minister of Agriculture and Food Security, Mr. Abubakar Kyari, has stated that achieving food security through agricultural development is at the core of President Bola Ahmed Tinubu's eight-point agenda, because all the programmes on the agenda are connected to agriculture. He noted that the president is concerned about the capacity of farmers to acquire agricultural inputs and has now begun a process to accelerate access to such inputs by farmers. Food inflation jumped by 10.18ppts to 33.93% in 2023, reflecting risks like insecurity and high input costs. On the latter, Nigeria primarily relies on imports of Muriate of Potash (MOP), a crucial ingredient for blending agricultural inputs, which is sourced from Russia. However, due to the web of sanctions imposed on Russia, this essential supply chain has been disrupted. The Minister of Information and National Orientation, Mohammed Idris, has announced that food items would be released from the storage facilities (the National Food Reserve) across the country as part of measures to reduce food prices. This was made known after the meeting of the Special Presidential Committee in Emergency Food Intervention. Idris also noted that major millers and commodity traders would be engaged by the government. Food inflation jumped by 10.18ppts to 33.93% in 2023, reflecting risks like insecurity, adverse climate, and high input costs. Insecurity, a significant factor prompting many farmers to abandon their farmlands, along with climate-related changes, escalating input costs due to the devaluation of the Naira, and disruptions in the supply chain have collectively contributed to the soaring food prices in Nigeria. One critical element exacerbating this issue is the country's heavy reliance on imports of Muriate of Potash (MOP), a vital component for blending agricultural inputs, sourced primarily from Russia. Unfortunately, the imposition of sanctions on Russia has entangled this essential supply chain, further complicating the challenge. The escalation in food prices is also influenced by elevated transportation costs resulting from the removal of subsidies on Petroleum Motor Spirit (PMS). Additionally, there are allegations of opportunistic individuals exploiting the situation by hoarding food items, anticipating a depreciation of the Naira, and intending to capitalize on selling these items at inflated prices to maximize profits. President Bola Tinubu's declaration of a "State of Emergency" on food insecurity last year has not translated into a reversal of the persistent upward trend in food prices. It is evident that critical issues affecting food production remain unaddressed. Urgent and proactive measures are imperative in 2024 to bolster food production and mitigate the looming risk of a potential food crisis. Such a crisis could not only jeopardize the health of the active population but also impede economic growth. Tensions are already escalating, underscoring the pressing need for a comprehensive and feasible plan to be formulated. The government must prioritize resolving the root causes of these challenges to ensure sustainable solutions that go beyond symbolic declarations.

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Capital Market Summary.

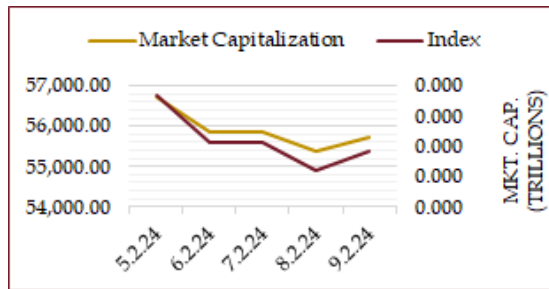
Analysis of the market activity in the week ended February 09, 2024 shows that the Nigerian equity market closed on a bearish note. The NGX All Share Index and market capitalization of listed equities depreciated by 2.45% and 2.49% from the opening figures of 104,421.23 and N57,158 trillion to close at 101,858.37 and N55,735 trillion respectively. Its year to date (YTD) return stands at +36.22%.

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)	28.92%	December, 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\$83.36/Bar	January 19, 2024
Nigeria's Gross External Reserves	US\$33.249bn	January 18, 2024

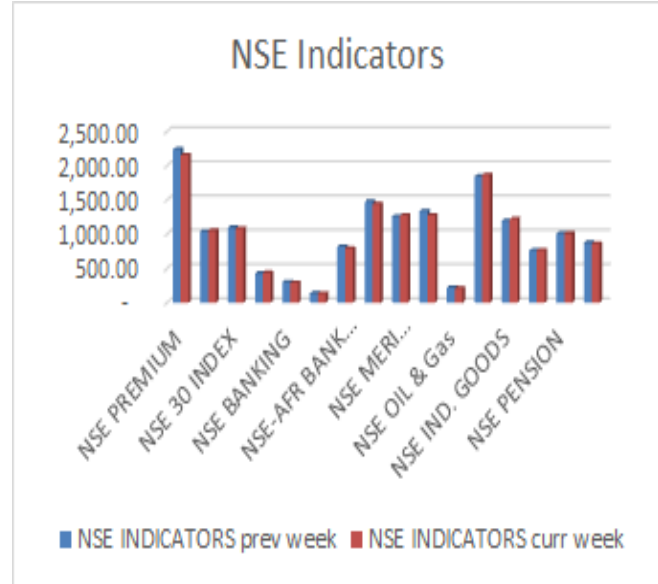
Source: Central Bank of Nigeria (CBN)

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 12/02/24-16/02/2024)

The listed equity market posted its first weekly loss for the year 2024 at **-2.45%** due to losses across major indexes.

A total turnover of 2.48bn shares worth N47.86bn was traded in 54,982 deals in the week compared with a total of 3.89bn shares valued at N95.15bn exchanged in 69,117 deals the previous week. Investors lost N1.42trn in the week as market capitalization dropped to N55.74trn from N57.16trn. The benchmark all-share index (ASI) fell from 104,421.23 points in the previous week to 101,858.37 points, pressuring the year-to-date (YTD) to return to +36.22% from 39.65% last week. The unlisted OTC Exchange sustained its bullish trend, posting a gain of **+4.02% from 1,088.74 in the previous week to close at 1,132.56**. Investors gained N60bn as market capitalization rose from N1.48trn the previous week to N1.54trn. **The market recorded its first negative during the week due to selling pressure and rising yield in the fixed-income market. We expect the market to trade mix in the coming week. However, the positive earnings releases may encourage investors to pick fundamentally sound stocks in the coming week. 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, MTNN, WAPCO PLC, MTNN PLC., ACCESS PLC, DANGOTE SUGAR, and NASCON 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=	No of shares	Total Assets N=	Div. Yeild	ROCE	Remark	
	29/12/2023	9/2/2024	%	N=	N=	Return %	N=M current	Last YR		N=	High	Low		Target price	N=M	mill	N=m	%	per Qter	Decision	
ZENITH	38.65	36.85	(4.66)	13.82	3.20	3.62	434,172	174,331	3rd Qter	61.12	37.80	19.00	2.67	47.91	1,918,935	31,396	18,160,814	8.68	22.63	BUY	
GTCO	40.50	40.00	(1.23)	12.98	3.10	6.42	367,417	130,348	3rd Qter	43.25	41.80	16.80	3.08	52.00	1,272,925	29,431	8,615,504	7.75	28.86	HOLD	
ACCESS	23.15	24.75	6.91	6.92	1.50	13.39	250,444	136,914	3rd Qter	46.15	19.80	7.50	3.58	32.18	1,640,242	35,545	21,405,399	6.06	15.27	BUY	
UBA	25.65	25.45	(0.78)	12.93	1.10	3.51	449,296	115,043	3rd Qter	51.99	18.00	6.55	1.97	33.09	1,778,139	34,199	16,222,620	4.32	25.27	BUY	
FIDELITY	10.85	10.95	0.92	1.94	0.50	5.53	91,759	23,219	3rd Qter	12.84	9.82	2.87	5.64	14.24	410,752	32,000	5,413,655	4.57	22.34	HOLD	
WAPCO	31.50	37.20	18.10	2.44	2.00	24.44	39,305	44,900	3rd Qter	26.27	31.50	20.10	15.25	48.36	423,191	16,108	653,598	5.38	9.29	BUY	
NAHCO	25.40	28.75	13.19	2.53	1.20	17.91	4,964	2,107	3rd Qter	6.00	25.95	5.12	11.36	37.38	11,696	1,949	21,913	4.17	42.44	HOLD	
NASCON	53.75	62.00	15.35	5.54	1.00	17.21	11,008	2,882	3rd Qter	10.34	59.50	9.50	11.19	80.60	27,403	2,649	78,273	1.61	40.17	BUY	
FLOUR MILLS	33.05	40.00	21.03	(2.43)	2.25	27.84	(8,529)	5,700	2nd Qter	52.85	36.20	27.00	(16.46)	52.00	216,704	4,100	1,316,248	5.63	(3.94)	BUY	
MTNN	264.00	275.00	4.17	7.06	15.64	10.09	148,091	270,339	3rd Qter	15.20	288.00	185.00	38.95	357.50	309,367	20,354	3,078,929	5.69	47.87	BUY	
DANSUGAR	57.00	72.00	26.32	(2.22)	1.50	28.95	(27,987)	4,590	3rd Qter	10.37	63.10	15.00	(32.43)	93.60	126,000	12,146	616,547	2.08	(22.21)	BUY	
DANCEM	319.90	763.00	138.51	16.08	20.00	144.76	277,548	213,101	3rd Qter	80.16	360.00	220.00	47.45	991.90	1,366,010	17,041	3,344,733	2.62	20.32	BUY	
NB	36.00	38.00	5.56	(6.89)	1.43	9.53	(57,195)	14,755	3rd Qter	10.94	48.80	28.80	(5.52)	49.40	112,461	10,276	707,843	3.76	(50.86)	BUY	
UCAP	23.00	21.45	(6.74)	1.88	1.50	(0.22)	8,469	7,715	3rd Qter	10.20	17.10	9.00	11.41	27.89	61,212	6,000	732,498	6.99	13.84	HOLD	
AFRIPRUD	7.40	7.95	7.43	0.44	0.50	14.19	0.871	1,290	3rd Qter	4.86	7.70	5.00	18.07	10.34	9,722	2,000	23,731	6.29	0.01	BUY	
NEM INS.	6.30	7.70	22.22	0.52	0.30	26.98	5,207	3,955	3rd Qter	3.08	6.99	3.13	14.81	10.01	30,870	10,032	65,984	3.90	16.87	BUY	
CADBURY	19.00	21.90	15.26	(5.45)	0.40	17.37	(10,242)	2,817	3rd Qter	1.53	18.8	10.2	(4.02)	28.47	2,872	1,878	76,446	1.83	(356.62)	SELL/HOLD	
FBNH	23.55	25.50	8.28	6.54	0.50	10.40	236,502	91,202	3rd Qter	38.27	23.5	8.2	3.90	33.15	1,373,853	35,895	14,455,659	1.96	17.21	BUY	
FCMB	7.40	9.00	21.62	3.58	0.25	25.00	35,410	13,663	2nd Qter	17.40	7.70	2.92	2.51	11.70	344,557	19,803	3,720,980	2.78	10.28	BUY	
OKOMU	260.00	270.00	3.85	21.93	12.00	8.46	29,225	24,620	3rd Qter	45.61	250	157	12.31	351.00	43,508	954	79,034	4.44	67.17	SELL/HOLD	
PRESCO	193.00	244.00	26.42	23.47	6.50	29.79	23,473	15,878	3rd Qter	50.83	220	110	10.40	317.20	50,833	1,000	159,205	2.66	46.18	SELL/HOLD	
PZ	26.70	30.90	15.73	2.82	1.01	19.51	11,214	5,641	3rd Qter	11.32	24	8.05	10.96	40.17	44,944	3,971	152,112	3.27	24.95	SELL/HOLD	
VITAFOAM	22.00	26.00	18.18	2.66	1.52	25.09	3,698	4,541	3rd Qter	12.80	24	16.8	9.77	33.80	16,007	1,251	44,716	5.85	23.10	SELL/HOLD	
STANBIC IBTC	69.65	60.00	(13.85)	5.12	2.52	(10.24)	109,249	15,068	3rd Qter	36.36	70	27.5	11.72	78.00	471,055	12,957	4,674,057	4.20	23.19	SELL/HOLD	
TRANSCORP	8.66	13.49	55.77	0.36	0.05	56.35	22,738	19,031	3rd Qter	4.42	7.01	0.98	37.47	17.54	179,826	40,648	479,826	0.37	12.64	BUY	

Source: Nigerian Stock Exchange (NSE) & Regency Research



STOCK MARKET REPORT

Domestic Market Review

GAINERS FOR THE WEEK

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

LOSERS FOR THE WEEK

Sixty eight stocks depreciated in price during the week as against Thirty five stocks in the preceding week. The top ten price losers during the week were:

EXCHANGE TRADED PRODUCTS (ETP)

A total of 3,143,719 units of Exchange Traded Products valued at N108,298,522.61 in 659 deals were traded during the week compared with 181,095 units of Exchange Traded Products valued at N40,091,113.74 traded last week in 522 deals.

BOND MARKET

A total of 69,544 units of FGN Bond valued at N67,743,810.15 in 35 deals were traded during the week compared with 52,338 units of FGN Bond N51,123,192.66 traded last week in 31 deals

MARKET SUMMARY

	Curr. Week	Previous week	% Change
Volume	2,478 M	3,893 M	-36.35
Value N=	N47,856 B	N95,147 B	-49.70
Total Gain	20	27	-25.93
Total Loss	68	35	-94.29
Deals	54,982	69,117	-20.45
All Share Index	101,858.37	104,421.23	-2.45
Market Cap.	N=55,735 Trillion	N=57,158 Trillion	-2.49

TOP TEN GAINERS

Company	Op.Price	cl. Price	Gain	Gain in %
MEYER	4.30	6.91	2.61	60.70
JULI	0.70	1.01	0.31	44.29
GEREGU	568.00	675.90	107.90	19.00
CONERSTONE	1.90	2.23	0.33	17.37
MAY BAKER	6.30	7.04	0.74	11.75
CADBURY	20.00	21.90	1.90	9.50
MRS	126.00	135.00	9.00	7.14
RED STAR EXP	3.60	3.85	0.25	6.94
DEAP CAP.	0.67	0.70	0.03	4.48
BUA FOOD	285.00	295.90	10.90	3.82

TOP TEN LOSERS

Company	Op.Price	Cl. Price	Loss	Loss in %
ETERNA	22.10	17.95	(4.15)	(18.78)
ABBEY	2.99	2.44	(0.55)	(18.39)
UNITY	2.81	2.31	(0.50)	(17.79)
MUTUAL	0.74	0.61	(0.13)	(17.57)
STERLING	6.60	5.58	(1.02)	(15.45)
PZ	36.40	30.90	(5.50)	(15.11)
JAIZ	2.90	2.48	(0.42)	(14.48)
FIDELITY	12.80	10.95	(1.85)	(14.45)
NEIMETH	2.09	1.80	(0.29)	(13.88)
CHAMS	2.90	2.50	(0.40)	(13.79)

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 09/02/2024												
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	37.20	41.77	1,826,231.70	90,000.00	1,916,231.70	309,731.70	19.28
1/1/2024	UBA	50,000	1,308,150.00	26.16	26.65	25.45	34.01	1,249,397.76	9,000.00	1,258,397.76	- 49,752.24	- 3.80
1/1/2024	ACCESS	50,000	1,180,650.00	23.61	24.05	24.75	30.70	1,215,033.19	9,000.00	1,224,033.19	43,383.19	3.67
1/1/2024	TRANSCORP	50,000	441,660.00	8.83	9.00	13.49	11.48	662,254.45	9,000.00	671,254.45	229,594.45	51.98
1/1/2024	MTN	50,000	13,464,000.00	269.28	274.26	273.00	350.06	13,402,184.25	9,000.00	13,411,184.25	- 52,815.75	- 0.39
1/1/2024	FIDELITY	50,000	553,350.00	11.07	11.27	10.95	14.39	537,560.14	9,000.00	546,560.14	- 6,789.86	- 1.23
1/1/2024	DANGSUGAR	50,000	2,907,000.00	58.14	59.22	72.00	75.58	3,534,642.00	67,500.00	3,602,142.00	695,142.00	23.91
1/1/2024	ZENITH	50,000	1,971,150.00	39.42	40.15	36.85	51.25	1,809,049.41	13,500.00	1,822,549.41	- 148,600.59	- 7.54
1/1/2024	UCAP PLC	50,000	1,173,000.00	23.46	23.89	21.45	30.50	1,053,028.76	67,500.00	1,120,528.76	- 52,471.24	- 4.47
1/1/2024	GTCO PLC	50,000	2,065,500.00	41.31	42.07	40.00	53.70	1,963,690.00	13,500.00	1,977,190.00	- 88,310.00	- 4.28
1/1/2024	FLOUR MILLS	50,000	1,685,550.00	33.71	34.33	40.00	43.82	1,963,690.00	96,750.00	2,060,440.00	374,890.00	22.24
1/1/2024	DANCEM	50,000	16,314,900.00	326.30	332.33	763.00	424.19	37,457,386.75	900,000.00	38,357,386.75	22,042,486.75	135.11
1/1/2024	FBNH	50,000	1,201,050.00	24.02	24.47	25.50	31.23	1,251,852.38	68,400.00	1,320,252.38	119,202.38	9.92
			45,872,460.00					67,926,000.79		69,288,150.79	23,415,690.79	51.05

The Equity Portfolio Model which closed the previous week at 55.88% depreciated during the week and closed at 51.05% (YTD). This can be compared with NGX All Share Index which closed at 39.65% in previous week , depreciated during the week and closed at +36.22% {YTD}. Despite the depreciation of the EPM during the week under review it still over-performed the All Share Index of the market. Some of the stocks that contributed positively are DANCEM, DANGSUGAR, and NASCON 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)

TotalEnergies Commences Production at the Akpo West Field on the PML2 License in Nigeria. TotalEnergies and its partners announce the start of production from the Akpo West field on the PML2 license in Nigeria. Located 135 kilometers off the coast, Akpo West is tied back to the existing Akpo Floating Production Storage and Offloading (FPSO) facility, which started-up in 2009 and produced 124,000 barrels of oil equivalent per day in 2023. By mid-2024, Akpo West will add 14,000 barrels of condensate production per day, to be followed by up to 4 million cubic meters of gas per day by 2028. The Akpo West development leverages the existing Akpo facilities to keep costs low and minimize greenhouse gas emissions. The project's carbon intensity is expected to be below 5 kg CO₂e/boe and will contribute to reduce the average carbon intensity of TotalEnergies' portfolio. "After Ikike in 2022, TotalEnergies is pleased to start production of another tie-back project in Nigeria, Akpo West, which will contribute to maintaining the production of the existing Akpo facilities by developing additional nearby resources. This project fits the Company's strategy of developing low-cost and low-emission projects", said Mike Sangster, Senior Vice President Africa, Exploration and Production at TotalEnergies. "This project leverages TotalEnergies' solid footprint in Nigeria and will quickly bring value to the country, TotalEnergies and its partners." TotalEnergies is the operator of PML2 with a 24% interest, in partnership with CNOOC (45%), Sapetro (15%), Prime 130 (16%) and the Nigerian National Petroleum Company Ltd as the concessionaire of the PSC. Also We refer to our market bulletin of 23 January 2024 with reference Number: NGXREG/LRD/MB4/24/01/23 wherein the Market was notified of the full suspension placed on trading in the securities of GlaxoSmithKline Consumer Nigeria Plc in preparation for the delisting of the Company. Following the approval of the Company's application to delist its entire issued share capital from the Nigerian Exchange Limited (NGX), please be informed that the entire issued share capital of GSK were on Monday, 5 February 2024, delisted from the Daily Official List of NGX

INVESTMENT BASICS

INVESTMENT IN TREASURY BILLS

T-bills are the typical traditional investments, as opposed to stocks, which are more speculative in nature. Buying into T-Bills is a great way to save and grow your money steadily, especially during periods of high interest rate when you can get yields comparable to or exceeding that of stock returns. Here are the key steps to get you started in investing in T-bills.

Understand your financial needs.

While T-bills should be a part of almost anyone's portfolio, how much you should invest in T-bills will depend on your personal circumstances and objectives of saving/investing. But as a low-income earner, you can always start small.

Where to buy T-Bills.

T-bills are can only be bought or traded through registered dealers. Most banks are first point of contact as they are actively involved in buying and selling of T-bills. In addition, some big investment houses are actively involved as well. I will recommend the investment houses because of the retail model of their businesses.

The minimum transaction .

The lowest denomination is N1,000 but it is traded in chunks. Basically, banks won't accept any trade less than N100,000. But the investment houses accepts retail amount of N10,000 as minimum transaction, and you upgrade it later as your income grows.

Period of Transaction.

It is a bi-weekly business activity among the dealers unlike stocks that are traded every working day. The announcements are done by CBN on behalf of government; you may get to know through your respective dealers.

Understand How to Buy or trade.

To buy T-bills, you must process an account with a registered dealer or your bank. Then you give a trade mandate by filling an application form to indicate your volume of trade with right amount. Allow your dealer to advise you on rates and periods of maturity.

The interest.

The interest on T-Bills is paid upfront and credited to your bank account. e.g. if you apply for the purchase of N10,000 T-Bills at 10%, the CBN debits your account with N9,000 and N1,000 interest is paid instantly. While at maturity stage, you will be paid the face value of N10,000.

The yield.

Yield is the return on investment. The yield for the N10,000 is 10%. As a result of upfront payment of N1,000, the yield would now be calculated to be the N1,000 interest divided by the N9,000 initial payment for the T-Bills. i.e. N1,000/N9,000, which gives you 11.11% yield.

Possibility of Roller Over.

Through your dealer, you can roll-over the principal and interest on your T-Bills upon maturity. This will give you an opportunity to earn compound interest on your money. This is really advisable.

The Durations.

Durations are usually 91days, 182days and 364 days. It is so because T-Bills are typically short term money market instruments but you can sell before maturity. Very well, you can sell T-Bills before maturity, using the OTC market. But note that this is going to be determined by demand and supply. If T-bill you are holding is on demand i.e. trading at higher rate in the OTC market, you may want to take advantage of that. On a conclusive note, please remember that seeking a professional advice from a registered financial advisor cannot be over emphasised. Regardless of who you are seeking advice from, you should understand that your investment/saving objective is very key to your investment decisions. And it is compulsory for your financial advisor to respect and honour that in advising you accordingly. So stop thinking and start doing now!

Source: Nigerian Stock Exchange (NSE) & Regency Research



FIXED INCOME MARKET REPORT

Money Market.

The system liquidity turned negative after the NTB auction settlement, bumping up interbank rates. However, the rates moderated towards the end of the week, with the Open repo rate (OPR) and Overnight rate (O/N) settling at 15.50bps and 17.00bps from 20.20bps and 21.20bps in the previous week

Treasury Bills.

The mid-week NTB auction was oversubscribed at N1.98trn compared to the N1.00trn offered. Stop rates increased to 17.24%, 18.00% and 19.00% for 91-day, 182-day, and 364-day, respectively, from 5.00%, 7.50% and 11.54% in the previous auction. This upward adjustment of stop rates lessened the negative real return, which attracted investors. The oversubscription was concentrated at the 364-day bill at N1.87trn, while the 91-day and 182-day bills were undersubscribed at N39.90bn and N76.83bn.

Foreign Currency (EXCHANGE RATE).

The value of the naira against the dollar depreciated by 2.34% week-on-week to close at N1,469.97/US\$ at 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 \$76.58 per barrel during the week, compared with \$72.32 recorded in the previous week .

NIGERIAN INTER BANK OFFER RATE NIBOR

	2-Feb-24	9-Feb-24	W-o-W % Change
OPR (%)	20.2	15.5	- 23.27%
O/N (%)	21.2	17	- 19.81%

Source: Financial Markets Dealers Quotations (FMDQ)

TREASURY BILLS RATES

NTB AUCTION JANUARY 29, 2024

Tenor	Amount offered (N'bn)	Total Subscription	Amount Sold (N'bn)	Stop rate (%)
91-day	200.00	39.9	39.9	17.24
182-day	200.00	76.83	51.35	18
364-day	600.00	1,866.20	908.75	19

Average Benchmark Yields for Treasury Bill Market

	2-Feb-24	9-Feb-24	W-o-W % Change
T. Bills (%)	9.93	15.94	+60.52%
OMO bills (%)	10.09	17.02	+68.68%

Source: Central Bank of Nigeria (CBN)

MONEY MARKET RATES

	2-Feb-24	9-Feb-24	W-o-W % Change
NAFEM	1,435.53	1,469.97	2.34%

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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