

Segment Outlook:

Cowry Financial Markets Review, Outlook & Recommended Stocks

ECONOMY: Robust Growth Trajectory in Nigeria's Electronic Payment on Strong Telephony Adoption....

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EQUITIES MARKET: Local Equities Market Opens October Negative as Investors Lose N539 Billion.....

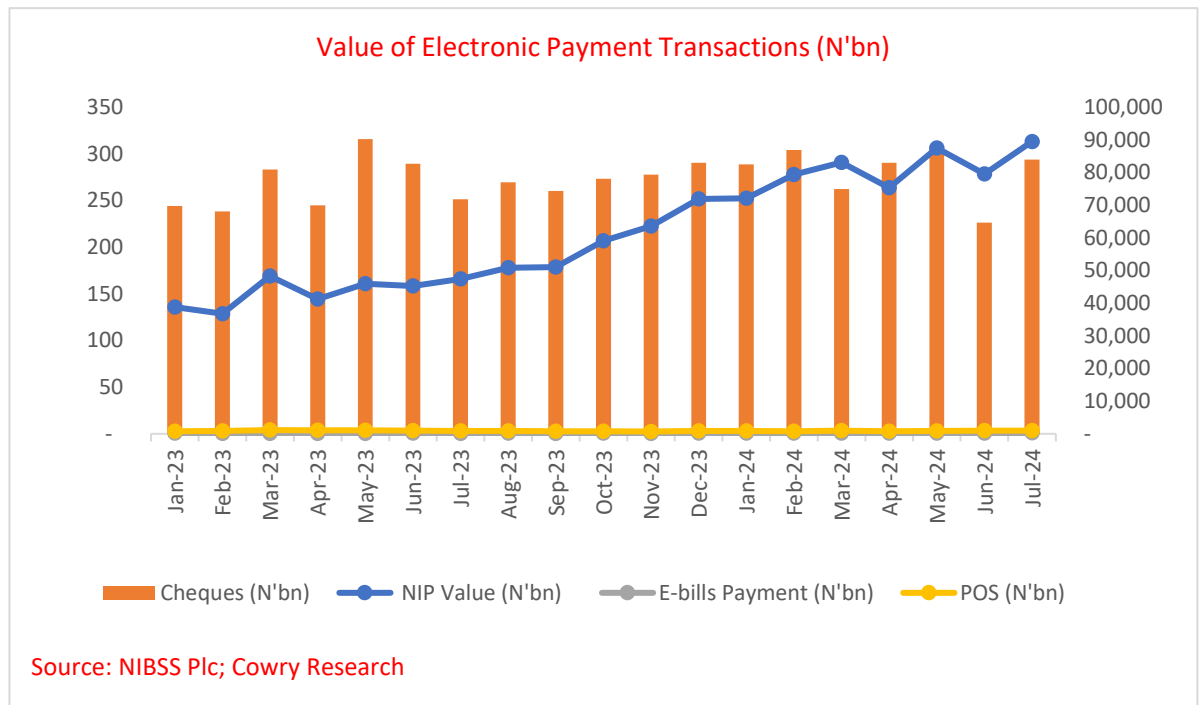
In the coming week, we anticipate a positive outing for the local bourse as we see the local bourse showing signs of recovery heading into the final quarter of the year, while the market awaits the nine months performance scorecards of some of the early filers such as GREGU, DANGCEM, DANGSUGAR, MTNN, amongst others. Nevertheless, we continue to advise investors to focus on fundamentally sound stocks.

ECONOMY: Robust Growth Trajectory in Nigeria’s Electronic Payment on Strong Telephony Adoption....

According to the most recent data from the Nigeria Inter-Bank Settlement System (NIBSS), the total value of electronic transactions processed under the NIBSS Instant Payments (NIP) platform returned to a normal growth path in July 2024 to print at N89.5 trillion, after a brief moderation in the prior month. This impressive growth can be attributed to the robust expansion of Nigeria's electronic transaction platforms, along with the increasing adoption of mobile telephony services across the country.

In the review month, the value of recorded transactions rose by 12% month-on-month, from N79.6 trillion in June 2024, and 88.9% year-on-year to N89.5 trillion, up from N47.4 trillion in July 2023. Cumulatively, the total value of transactions processed electronically through the NIP platform between January and July 2024 saw a remarkable increase of 86.4% year-on-year, reaching N566.4 trillion, up from N303.8 trillion in the same period last year.

Nigeria's electronic payment ecosystem has experienced significant expansion in recent years, driven by several factors, with the Central Bank of Nigeria (CBN) playing a pivotal role through policy initiatives such as the adoption of a cashless policy. This is evidenced by the substantial surge in the total value and volume of payment transactions. Notably, Nigeria's E-payment landscape is experiencing steady growth, as businesses and individuals enthusiastically embrace digital channels.



According to data from the NIBSS platform, transactions through mobile money channels grew by 63% year-on-year to N6.23 trillion in July 2024, up from N3.82 trillion, and also recorded a 9.7% month-on-month increase from N5.7 trillion in June 2024. Meanwhile, all payments processed through the Point-of-Sale (PoS) channel saw increases of 8.02% month-on-month and 8.89% year-on-year, reaching N1.01 trillion at the close of July 2024.

In addition, the NIBSS Instant Payments (NIP) channel recorded an impressive transaction volume of 907 million, marking a 4.1% month-on-month increase from 872 million and a 22% year-on-year surge from 743 million in the same period last year. The E-bills payment platform, commonly used for bill payments, rose by 4.6% month-on-month to N239 billion, and on a year-on-year basis, the value of transactions increased by 7.46%, up from N137 billion. Cheque payments also rose by 30% month-on-month and 16.87% year-on-year to about N294 billion, indicating that some individuals and corporates still prefer cheque transactions.

We note the positive growth in electronic payment channels during the review period, highlighting the convergence of technological advancements, a thriving e-commerce sector, an expanding population, increasing internet and smartphone penetration, and the CBN's steadfast commitment to achieving 70% financial inclusion among underserved individuals in Nigeria. This has paved the way for remarkable growth in electronic payment channels.

This trajectory, combined with the ongoing expansion of e-commerce, positions Nigeria on the brink of an era dominated by sophisticated digital payment methods. We expect that the CBN's continued efforts towards a cashless society and the growing emergence of fintech companies will further drive the widespread adoption of electronic payments in Nigeria.

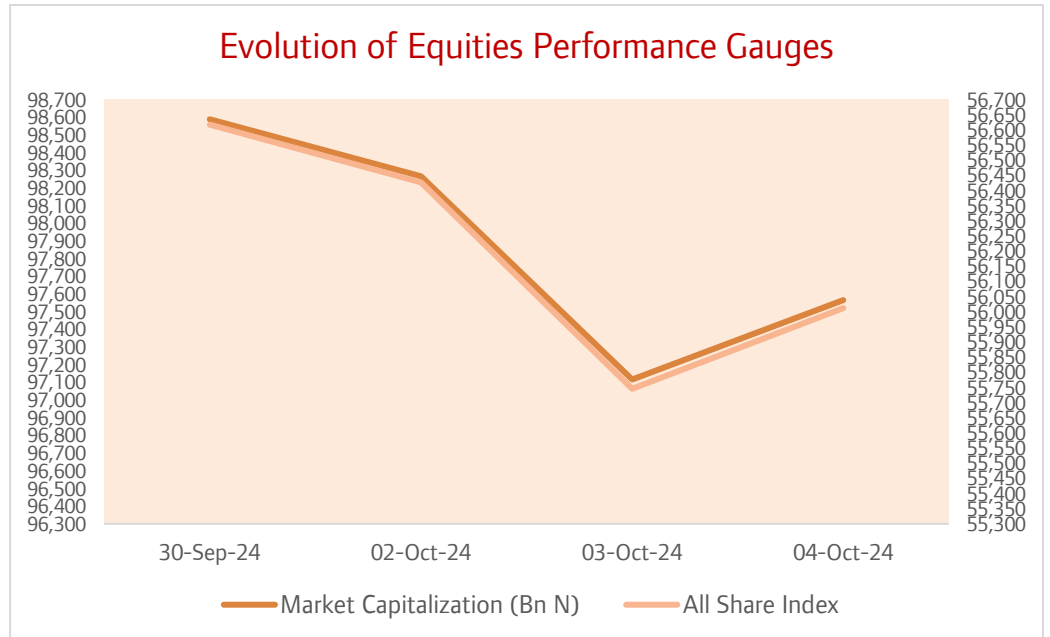
EQUITIES MARKET: Local Equities Market Opens October Negative as Investors Lose N539 Billion.....

In the just concluded week in the local bourse, we saw investors remain cautious amid prevailing macroeconomic uncertainties, with many seeking to rebalance their portfolios in light of global and domestic economic challenges. The losses were primarily driven by profit-taking in large-cap stocks, further eroding investor confidence.

The Nigerian equities market began October on a negative note, with investors losing N539 billion in market capitalisation. This decline reflects renewed bearish sentiment, as sell-offs across key sectors like the banking and industrial goods weighed on market performance. The NGX All-Share Index fell by a significant margin (0.95%) week on week to 97,520.54 points, marking a continuation of the downward trend seen in the early days of the month.

Consequently, market capitalisation of listed equities nosedived by 0.95% week on week to N56.04 trillion on profit taking activities across major sectors. The year to date return of the index printed at 30.42% even as the local exchange recorded more gainers (45) compared to the week's losers of 33 and reflects the positive market breadth and internals driving market dynamics.

Market momentum was weak, fuelled by sell interest across small, mid, and large-cap stocks. As a result, the weekly trade value advanced by 188.7% week-on-week to N132.63 billion, while the traded volumes this week declined by 13.9% week on week to 2.85 billion shares, all executed in 39,529 deals – a 20% decrease from the previous week.



Across the sectoral spectrum, performance was in the mixed bag, with three of the five sectors under observation closing in the bullish territory. The NGX-Oil & Gas and NGX-Insurance indexes led the charge with weekly gains of 7.29% and 3.81%, respectively, driven by buying interest in stocks such as SEPLAT, VERITASKAP, REGALINS, and NEM. Also, the NGX-Consumer Goods index saw some pockets of gains by 0.34% week on week due to upticks in MECURE, INTBREW, GUINNESS and TANTALIZER in that order. On the contrary, the NGX-Industrial Goods and, NGX-Banking indices closed the week down by 6.84% and 0.74% respectively, buoyed by downbeat sentiments in the likes of FIDELITY, FBNH, DANGCEM, BUACEMENT and UPDCREIT.

At the close of the week, stocks like DEAPCAP (32%), SEPLAT ENERGY (21%), TRIPPLE G (20%), VERITASKAP (20%), and REGALINS (19%) emerged as the top gainers, drawing significant investor attention. Conversely, MCNICHOLS (-19%), FIDELITYBK (-18%), DANGSUGAR (-14%), FBNH (-13%), and DANGCEM (-10%) were the week's laggards, as investors offloaded these stocks as part of a broader portfolio rebalancing exercise.

In the coming week, we anticipate a positive outing for the local bourse as we see the local bourse showing signs of recovery heading into the final quarter of the year, while the market awaits the nine months performance scorecards of some of the early filers such as GEREGU, DANGCEM, DANGSUGAR, MTNN, amongst others. Nevertheless, we continue to advise investors to focus on fundamentally sound stocks.

Weekly Gainers and Loser as at Friday, October 4, 2024

Top Ten Gainers				Bottom Ten Losers			
Symbol	04-Oct-24	27-Sep-24	% Change	Symbol	04-Oct-24	27-Sep-24	% Change
DEAPCAP	1.46	1.11	31.5%	MCNICHOLS	1.35	1.60	-19.0%
SEPLAT	4,964.70	4,103.10	21.0%	FIDELITYBK	13.00	15.00	-18.2%
TRIPPLEG	4.97	4.13	20.3%	DANGSUGAR	30.60	34.85	-14.1%
VERITASKAP	1.68	1.40	20.0%	FBNH	25.00	28.15	-12.9%
REGALINS	0.82	0.69	18.8%	DANGCEM	478.80	532.00	-9.9%
AFRIPRUD	10.65	9.00	18.3%	ETERNA	27.00	30.00	-9.9%
LIVESTOCK	3.28	2.80	17.1%	ACADEMY	2.86	3.17	-9.7%
RTBRISCOE	3.50	3.01	16.3%	PZ	17.65	19.50	-9.4%
NEM	8.75	7.65	14.4%	NASCON	30.00	33.00	-7.4%
CWG	6.20	5.60	10.7%	ELLAHLAKES	4.50	4.92	-7.4%

Weekly Stock Recommendations as at Friday, October 4, 2024

Stock	Current EPS	Forecast EPS	BV/S	P/B Ratio	P/E Ratio	52 Wks' High	52 Wks' Low	Current Price	Price Target	Short term Stop Loss	Short term Take Profit	Potential Upside	Recommendation
GTCO	32.12	41.76	85.66	0.57	1.52x	48.80	22.05	49.10	63.3	41.4	56.0	30.00	Buy
MTNN	-24.72	-34.61	-27.5	-6.92	-7.70x	319.8	178	190.30	266.4	161.8	218.8	40.00	Buy
OKOMUOIL	21.17	27.52	47.92	7.57	17.15x	417.7	236.8	363.00	471.9	308.6	417.5	30.00	Buy
NIGERIAN BREW.	-3.21	-3.85	-2	-14.5	-9.35x	48.85	28.8	30.00	41.0	25.5	34.5	36.67	Buy
LAFARGE	1.82	2.55	26.93	1.35	19.95x	47.95	20.10	37.00	50.9	30.9	41.8	40.00	Buy

FGN Eurobonds Trading Above 8% Yield as at Friday, October 4, 2024

FGN Eurobonds	Issue Date	TTM (years)	04-Oct-24 Price (N)	Weekly USD Δ	04-Oct-24 Yield	Weekly PPT Δ
7.625 21-NOV-2025	21-Nov-18	1.13	99.87	-0.05	7.7%	0.05
6.50 NOV 28, 2027	28-Nov-17	3.15	93.73	-0.08	8.8%	0.04
6.125 SEP 28, 2028	28-Sep-21	3.99	90.54	-0.05	9.0%	0.03
8.375 MAR 24, 2029	24-Mar-22	4.47	96.64	-0.19	9.3%	0.06
7.143 FEB 23, 2030	23-Feb-18	5.39	90.50	-0.28	9.4%	0.08
8.747 JAN 21, 2031	21-Nov-18	6.30	95.71	-0.44	9.7%	0.10
7.875 16-FEB-2032	16-Feb-17	7.37	89.79	-0.15	9.9%	0.04
7.375 SEP 28, 2033	28-Sep-21	8.99	84.46	-0.51	10.0%	0.10
7.696 FEB 23, 2038	23-Feb-18	13.40	81.19	-0.38	10.3%	0.07
7.625 NOV 28, 2047	28-Nov-17	23.16	75.97	-0.46	10.4%	0.06
9.248 JAN 21, 2049	21-Nov-18	24.32	90.07	-0.51	10.4%	0.06
8.25 SEP 28, 2051	28-Sep-21	27.00	79.31	-0.43	10.6%	0.05
						9.63%

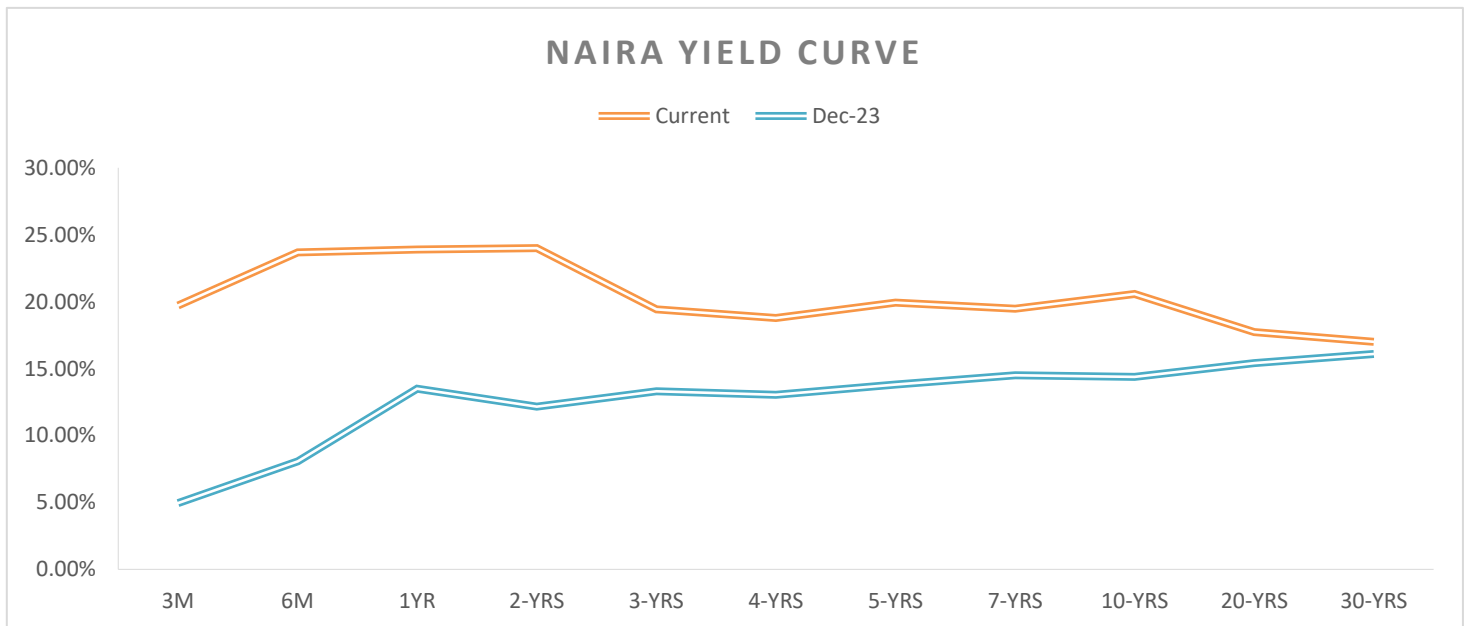
U.S.-dollar foreign-exchange rates as at 4:30 PM GMT+1, Friday, October 4, 2024

MAJOR	04-Oct-24	Previous	Δ from Last	Weekly	Monthly	Yearly
EURUSD	1.0971	1.1035	-0.58%	-1.69%	-1.23%	4.04%
GBPUSD	1.3107	1.3128	-0.16%	-1.96%	-0.49%	7.55%
USDCHF	0.8589	0.8518	0.83%	2.21%	1.80%	-5.82%
USDRUB	95.2526	94.7504	0.53%	0.98%	7.94%	-3.91%
USDNGN	17.5115	17.4923	0.11%	-1.40%	2.56%	116.02%
USDZAR	17.5115	17.4923	0.11%	2.22%	-1.21%	-10.33%
USDEGP	48.3425	48.2990	0.09%	0.07%	-0.10%	57.21%
USDCAD	19.19	19.3468	-0.80%	0.43%	0.53%	-0.98%
USDMXN	19.19	19.3468	-0.80%	-2.55%	-3.47%	5.20%
USDBRL	5.47	5.4778	-0.12%	0.62%	-1.82%	5.84%
AUDUSD	0.6163	0.6217	-0.87%	-1.40%	0.96%	6.85%
NZDUSD	0.6163	-0.0600	-0.87%	-2.72%	-0.89%	3.42%
USDJPY	7.0894	7.0478	0.59%	4.45%	3.59%	0.02%
USDCNY	7.0894	7.0478	0.59%	1.53%	-0.01%	-2.97%
USDINR	84.0236	84.0068	0.02%	0.36%	0.05%	0.99%

Global Commodity Prices as at 3:30 PM GMT+1, Friday, October 4, 2024

Commodity		04-Oct-24	Previous	Δ from Last	Weekly	Monthly	Yearly
CRUDE OIL	USD/Bbl	74.3	73.7	0.74%	8.85%	7.32%	-8.17%
BRENT	USD/Bbl	78.3	77.6	0.82%	9.31%	7.58%	-5.37%
NATURAL GAS	USD/MMBtu	2.9	9.8	-2.45%	-0.17%	28.54%	-17.48%
GASOLINE	USD/Gal	2.1	2.1	-0.14%	7.22%	8.36%	-2.47%
COAL	USD/T	142.6	141.6	0.74%	2.15%	2.22%	-1.66%
GOLD	USD/t.oz	2,651.8	2,655.8	-0.15%	-0.30%	5.29%	45.62%
SILVER	USD/t.oz	31.8	32.0	-0.73%	0.65%	10.38%	52.28%
WHEAT	USD/Bu	595.4	603.5	-1.34%	2.48%	5.95%	2.79%
PALM-OIL	MYR/T	4,305.0	4,182.0	2.94%	6.24%	9.85%	19.35%
COCOA	USD/T	7,009.9	7,167.5	-2.20%	-15.42%	-2.07%	106.20%

FGN Bonds Yield Curve, Friday October 4, 2024



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