

Segment Outlook:

Cowry Financial Markets Review, Outlook & Recommended Stocks

DOMESTIC ECONOMY: Nigeria's Private Sector Sustains Strong Growth Momentum in April Despite Rising Input Costs

April's PMI data points to a private sector that remains on a strong footing, supported by resilient demand and firm-level expansion initiatives. Despite the overall positive performance, business confidence declined for the third consecutive month. While most firms continued to expect output to rise over the coming year—buoyed by expansion plans and anticipated investments—the softening in sentiment suggests increasing caution among business leaders. This dip in optimism may reflect concerns over persistent cost pressures, infrastructure challenges, and the uncertain trajectory of macroeconomic reforms.....

EQUITIES MARKET: NGX Records Mild Gains by 0.27% w/w on Strong Q1 Earnings and Investor Optimism.....

In the coming week, we maintain a positive outlook on the NGX. We expect the market to benefit from continued momentum in the earnings season, as investors digest more corporate results and take positions in dividend-paying stocks. The prevailing optimism is likely to be further bolstered by any economic data releases or policy signals from economic managers, which could provide additional direction to market participants.....

DOMESTIC ECONOMY: Nigeria’s Private Sector Sustains Strong Growth Momentum in April Despite Rising Input Costs...

According to the latest Purchasing Managers’ Index (PMI) report, Nigeria’s private sector sustained its robust performance in April 2025, recording the fifteenth consecutive month of output expansion. The headline index stood at 54.2 points, marginally lower than March’s reading of 54.3, but still firmly above the 50-point threshold that signifies growth. This indicates another solid monthly improvement in overall business conditions across the economy, extending the post-pandemic recovery momentum.

The start of the second quarter saw continued strength in customer demand and output growth, which together underpinned the solid improvement in private sector performance. Encouraged by rising workloads, businesses increased their input purchases and expanded their workforce. However, the additional capacity was not sufficient to eliminate supply bottlenecks, resulting in a modest accumulation of backlogs—the first in eleven months.

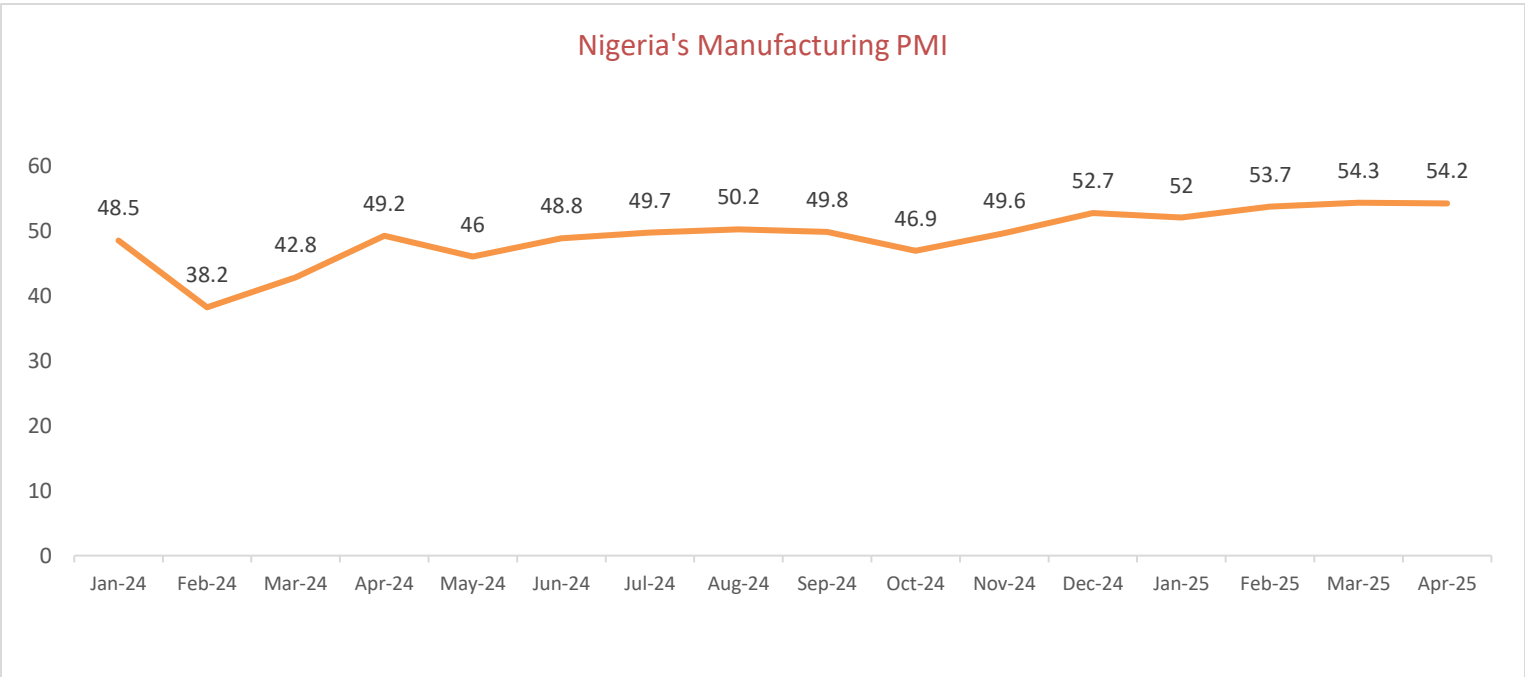
The expansion in output was broad-based across the economy’s key sectors, with the services sector leading the charge. The April data revealed that the rate of output growth was the strongest since January 2024, supported by a sharp increase in new orders and customer numbers. Respondents to the survey pointed to improved demand conditions and a better business environment as key drivers of this upturn. Notably, the pace of new order growth remained largely unchanged from March, indicating a stable trajectory of demand recovery.

In tandem with rising output, employment levels increased for the fifth consecutive month, marking the longest stretch of job creation in nearly two years. While the pace of hiring remained modest, it was at an eight-month high, reflecting companies’ efforts to meet rising production demands and reduce delivery times.

To keep up with orders, firms sharply increased their purchasing activity, which rose at the fastest rate since February 2022. This restocking drive was aimed at building inventory buffers, especially amid concerns around input availability. However, despite these efforts, supply-side challenges persisted. Several firms reported difficulties in sourcing materials due to high input costs and intermittent power supply, which in some cases led to project delays and the re-emergence of work backlogs.

On the pricing front, inflationary pressures ticked up in April, although they remained relatively contained compared to the volatile conditions of 2024. Purchase costs rose sharply, driven by higher raw material prices and continued currency weakness. This fed through to staff costs, which also increased at a solid pace as firms adjusted wages to retain talent. The combination of these pressures resulted in higher output prices, with firms passing on part of the burden to customers. While the rate of output price inflation was stronger than in March, it remained moderate by historical standards.

April’s PMI data points to a private sector that remains on a strong footing, supported by resilient demand and firm-level expansion initiatives. Despite the overall positive performance, business confidence declined for the third consecutive month. While most firms continued to expect output to rise over the coming year—buoyed by expansion plans and anticipated investments—the softening in sentiment suggests increasing caution among business leaders. This dip in optimism may reflect concerns over persistent cost pressures, infrastructure challenges, and the uncertain trajectory of macroeconomic reforms.



Source: CBN, S & P Global, Cowry Research

EQUITIES MARKET: NGX Records Mild Gains by 0.27% w/w on Strong Q1 Earnings and Investor Optimism...

The Nigerian Exchange (NGX) sustained its bullish momentum during the week as investor sentiment turned increasingly positive, fuelled by strong first-quarter 2025 earnings results and the ongoing earnings season. The market’s benchmark indicator, the All-Share Index (ASI), rose by 0.27% week-on-week to close at 106,042.57 points. This uptick was largely driven by strong buy-side activity, particularly within the consumer goods sector, as investors responded positively to solid corporate performance and earnings expectations.

In line with the index movement, the overall market capitalisation increased by 0.28% to N66.65 trillion, reflecting the underlying confidence in the equities market. The bourse recorded a healthier breadth this week, with 52 stocks appreciating in value compared to 36 decliners, bringing the market breadth ratio to a solid 1.44 times. This positive breadth, combined with sustained demand in select large and mid-cap stocks, pushed the year-to-date return of the NGX higher to 3.03%, reaffirming the bullish undertone of the market.

Trading activity was notably upbeat throughout the week. The total number of deals executed surged by 36.86% week-on-week to 70,329 deals, signalling increased participation by both institutional and retail investors. In terms of volume, the market recorded a significant 18.63% increase to 2.19 billion units traded. Similarly, the value of transactions climbed 34.60% from the previous week to settle at N75.41 billion, reflecting renewed investor appetite and a shift toward higher-value trades.

However, a deeper look at sectoral performance revealed a mixed picture. Out of the six key sectors tracked during the

week, four closed in negative territory while only two posted gains. The oil and gas sector led the laggards, shedding 2.90% following price declines in key stocks such as ARADEL. The insurance sector followed closely with a weekly loss of 2.89%, reflecting negative sentiment around stocks like LINKASSURE, GUINEAINS, and SUNUASSURE. The commodities index also dipped by 1.12%, while the banking sector lost 0.38%, weighed down by losses in ACCESSCORP and ETI.

On the brighter side, the consumer goods sector emerged as the best performer for the week, recording a solid gain of 2.89%. This was primarily driven by impressive price advances in counters such as FIDSON, CADBURY, and MAYBAKER, as investors rotated into names with promising earnings outlooks. The industrial goods sector also managed to close the week in positive territory with a modest gain of 0.40%, buoyed by strength in stocks like CAVERTON, UPDC and BETAGLASS.

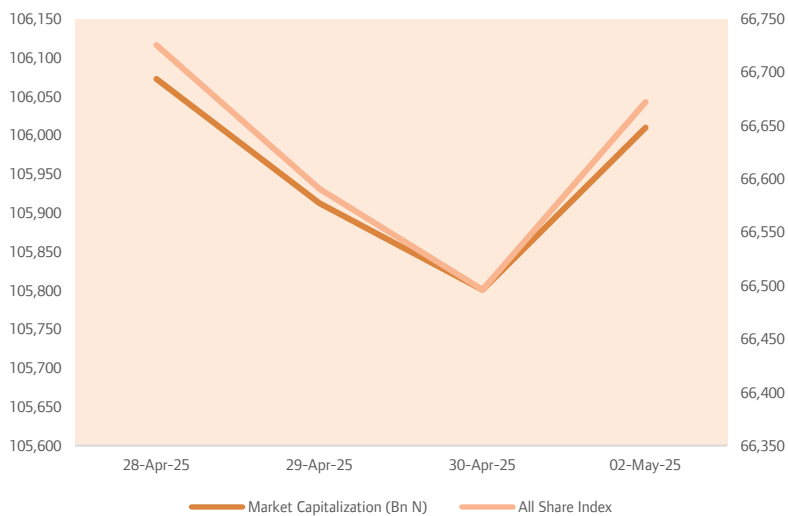
Among individual stocks, some names stood out for their remarkable weekly performances. LEGEND INTERNET topped the gainers’ chart with an impressive 45.6% return, followed closely by ABCTTRANS, which gained 44.9%. Other notable gainers included FIDSON with 22.8%, UPL with 20.9%, and NAHCO with 20.2%, all reflecting strong investor interest and positive sentiment. On the other hand, the worst-performing stocks included ETI, which lost 18.8%, MULTIVERSE with a decline of 18.6%, LIVESTOCK down by 10.6%, ARADEL shedding 9.9%, and TRIPPLE GEE, which dipped 9.6% during the week.

Looking ahead to the coming week, we maintain a positive outlook on the NGX. We expect the market to benefit from continued momentum in the earnings season, as investors digest more corporate results and take positions in dividend-paying stocks. The prevailing optimism is likely to be further bolstered by any economic data releases or policy signals from economic managers, which could provide additional direction to market participants. Given the current dynamics, we encourage investors to maintain a selective buying strategy, focusing on fundamentally sound equities with strong earnings potential and resilient business models.

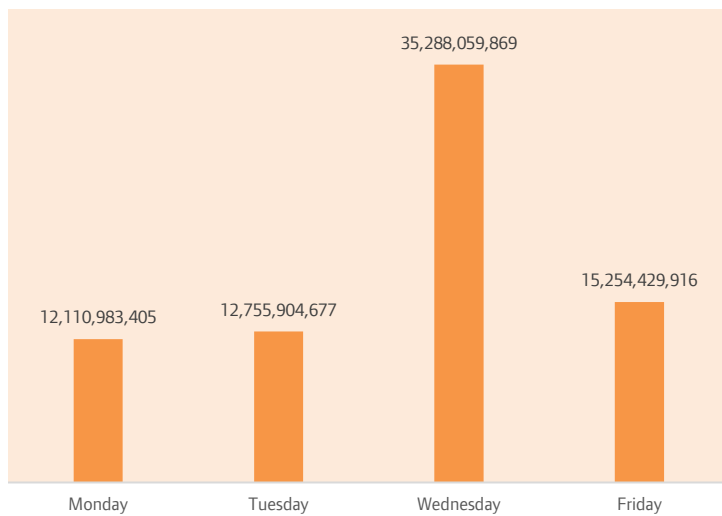
Weekly Top Gainers and Losers as at Friday, May 2, 2025

Top Ten Gainers				Bottom Ten Losers			
Symbol	02-May-25	26-Apr-25	% Change	Symbol	02-May-25	26-Apr-25	% Change
LEGENDINT	9.03	6.20	45.6%	ETI	26.00	32.00	-18.8%
ABCTTRANS	2.26	1.56	44.9%	MULTIVERSE	6.35	7.80	-18.6%
FIDSON	22.85	18.60	22.8%	LIVESTOCK	8.49	9.50	-10.6%
UPL	4.11	3.40	20.9%	ARADEL	448.00	497.00	-9.9%
NAHCO	82.50	68.65	20.2%	TRIPPLEG	1.79	1.98	-9.6%
CADBURY	31.90	26.60	19.9%	AUSTINLAZ	1.71	1.89	-9.5%
NB	46.00	39.00	17.9%	DANGSUGAR	35.00	38.55	-9.2%
MAYBAKER	8.60	7.40	16.2%	ACCESSCORP	21.90	23.80	-8.0%
DEAPCAP	1.10	0.95	15.8%	JOHNHOLT	5.80	6.30	-7.9%
NPFMCRFBK	2.00	1.75	14.3%	MCNICHOLS	1.75	1.90	-7.9%

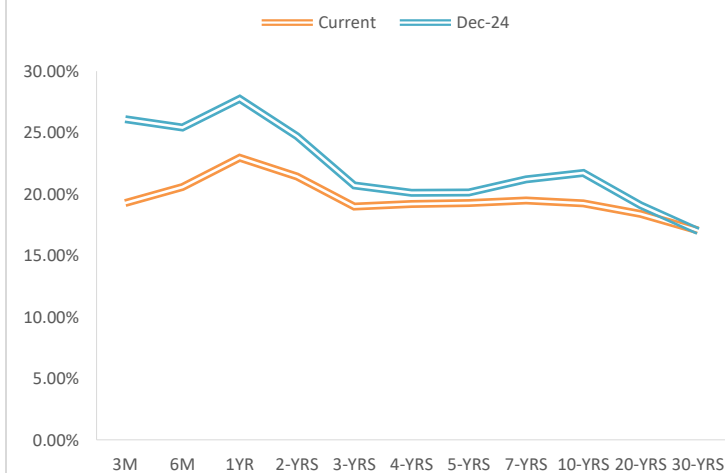
Evolution of Equities Performance Gauges



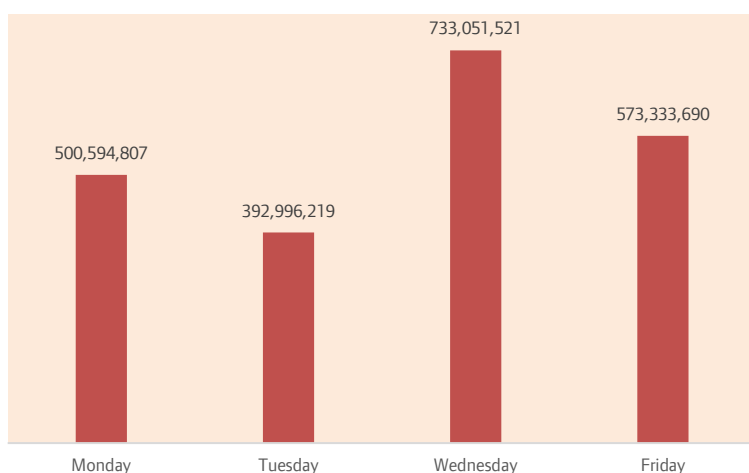
Daily Traded Value



NAIRA YIELD CURVE



Daily Traded Volume



FGN Eurobonds Trading Above 8% Yield as at Friday, May 2, 2025

FGN Eurobonds	Issue Date	TTM (years)	02-May-25 Price (N)	Weekly USD Δ	02-May-25 Yield	Weekly PPT Δ
7.625 21-NOV-2025	21-Nov-18	0.56	99.54	-0.29	8.5%	0.57
6.50 NOV 28, 2027	28-Nov-17	2.58	93.46	-1.04	9.4%	0.50
6.125 SEP 28, 2028	28-Sep-21	3.41	89.11	-1.31	10.0%	0.51
8.375 MAR 24, 2029	24-Mar-22	3.90	93.43	-1.98	10.5%	0.66
7.143 FEB 23, 2030	23-Feb-18	4.82	86.39	-2.25	10.9%	0.67
8.747 JAN 21, 2031	21-Nov-18	5.73	90.83	-2.57	10.9%	0.65
7.875 16-FEB-2032	16-Feb-17	6.80	85.34	-2.75	11.0%	0.64
7.375 SEP 28, 2033	28-Sep-21	8.41	80.36	-2.90	11.0%	0.61
7.696 FEB 23, 2038	23-Feb-18	12.82	76.24	-3.05	11.2%	0.54
7.625 NOV 28, 2047	28-Nov-17	22.59	70.68	-3.59	11.2%	0.56
9.248 JAN 21, 2049	21-Nov-18	23.74	82.83	-3.44	11.4%	0.48
8.25 SEP 28, 2051	28-Sep-21	26.42	72.93	-3.47	11.5%	0.53

Weekly Stock Recommendations as at Friday, May 2, 2025

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
MTN NIGERIA PLC	6.37	8.91	-15.46	-15.85	38.48x	319.8	178	255.00	350.0	212.5	287.5	40.00	Buy
ETERNA OIL PLC	0.53	0.74	4.25	11.76	94.82x	49.95	23.1	45.00	69.9	42.5	57.4	40.00	Buy
TRANSCORP	1.92	2.61	29.22	1.58	24.08x	61.00	5.45	45.00	62.9	39.3	53.2	36.00	Buy
NIGERIAN BREWERIES PLC	1.44	2.52	15	2.87	29.90x	43.5	22.6	46.00	73.0	45.0	60.9	37.87	Buy
ZENITH BANK PLC	7.59	10.93	108.18	0.44	6.30x	52.00	29.70	47.50	68.8	40.6	55.0	44.00	Buy

U.S.-dollar foreign-exchange rates as at 4:30 PM GMT+1, Friday, May 2, 2025

MAJOR	02-May-25	Previous	Δ from Last	Weekly	Monthly	Yearly
EURUSD	1.1359	1.1289	0.62%	-0.07%	2.76%	5.53%
GBPUSD	1.3314	1.3275	0.30%	0.02%	1.66%	6.15%
USDCHF	0.8248	0.8299	-0.62%	-0.45%	-4.03%	-8.88%
USDRUB	82.8445	81.9999	1.03%	0.27%	-1.49%	-9.56%
USDNGN	18.4244	18.5561	-0.71%	-0.35%	4.33%	15.99%
USDZAR	18.4244	18.5561	-0.71%	-1.35%	-1.59%	-0.50%
USDEGP	27.7600	27.9107	-0.54%	-0.59%	-0.14%	2.95%
USDCAD	19.65	19.6104	0.21%	-0.57%	-2.24%	0.71%
USDMXN	19.65	19.6104	0.21%	0.70%	-1.51%	15.76%
USDBRL	5.65	5.6727	-0.47%	-0.69%	0.29%	11.30%
AUDUSD	0.5964	0.5908	0.96%	1.03%	2.08%	-2.25%
NZDUSD	0.5964	-0.0600	0.96%	0.08%	2.82%	-0.72%
USDJPY	7.2183	7.2787	-0.83%	0.34%	-1.30%	-5.78%
USDCNY	7.2183	7.2787	-0.83%	-0.94%	-0.84%	0.39%
USDINR	84.4830	84.6862	-0.24%	-1.06%	-0.94%	1.32%

Global Commodity Prices as at 3:30 PM GMT+1, Friday, May 2, 2025

Commodity		02-May-25	Previous	Δ from Last	Weekly	Monthly	Yearly
CRUDE OIL	USD/Bbl	58.3	59.2	-1.60%	-7.53%	-12.96%	-25.40%
BRENT	USD/Bbl	61.3	62.1	-1.32%	-6.84%	-12.61%	-26.11%
NATURAL GAS	USD/MMBtu	3.6	9.8	3.14%	15.01%	-13.45%	67.20%
GASOLINE	USD/Gal	2.0	2.0	-1.32%	-4.93%	-6.48%	-20.94%
COAL	USD/T	97.5	97.5	0.00%	2.90%	-3.47%	-34.01%
GOLD	USD/t.oz	3,252.2	3,237.3	0.46%	-1.96%	4.56%	41.43%
SILVER	USD/t.oz	32.1	32.4	-1.06%	-2.84%	0.70%	21.02%
WHEAT	USD/Bu	526.0	515.2	2.09%	-0.65%	-1.77%	-15.42%
PALM-OIL	MYR/T	3,970.0	3,910.2	1.53%	-2.17%	-11.58%	3.33%
COCOA	USD/T	8,937.9	8,768.6	1.93%	-5.16%	-3.46%	9.42%



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