

Exploring Short-Term Market Opportunity | June:2023

After the close of market last week, President Bola Tinubu suspended the Central Bank of Nigeria (CBN) Governor, Mr. Godwin Emefiele with immediate effect. Additionally, Mr. Folashodun Shonubi, the Deputy CBN Governor, Operations, was announced the acting CBN governor.

We assert that the development is expected to further increase investors' confidence; thus, entice both domestic and foreign investors to the Nigerian equities market, especially in the banking stocks. In our opinion, the policies underscore our initial expectation of the pro-market stance of this administration and its impact on companies and the financial markets.

Furthermore, the unification of exchange rates which should be implemented in the coming quarters as reiterated by a member of the President's advisory board portends a positive outlook for the banks. Thus, the consolidation of these policies should bode well for the banking tickers in the medium-term. More importantly, we envisage more buying activities from investors. Therefore, we have selected some banking tickers for investors to position for short-term trading gains.

Selected Banking Tickers			
Ticker	Current Price	Advised Exit Price	Estimated Gain %
ACCESSCORP	14.30	18.00	25.87
ETI	13.85	18.70	35.02
FCMB	5.00	7.30	46.00
FIDELITYBK	6.09	7.30	19.87
GTCO	30.80	35.00	13.64
UBA	10.90	15.16	39.08
ZENITHBANK	30.80	35.00	13.64

N.B: Our advised exit prices are based on the perception of market sentiment and technical readings