Global Asset Management (Nig.) Limited

Research Report on Wema Bank Plc

WEMA BANK

Market Profile	
Date	31st July, 2026
Current Price (Latest Price)	N29.00K
52 Week Range	14.95/36.00

Wema Share Price Changes	
Year to Date	42.16%
Quarter to Date	11.54%
Month to Date	11.54%
Week to date	8.81%

Banking Sector Week on Week Returns 31st July, 2026

Bank	% Change
FBNH	7.51%
FIDELITYBK	2.62%
ETI	0.00%
STERLINGNG	0.00%
GTCO	-1.52%
ZENITHBANK	-2.33%
STANBIC	-2.45%
UBA	-3.26%
FCMB	-4.58%
JAIZBANK	-4.95%
WEMA	-8.81%
ACCESSCORP	-9.93%

Table 1

Wema Bank Plc Share Price Weekly Performance Report: 31st July, 2026

General Market Review

The NGX All-Share Index and Market Capitalization depreciated by 0.84% and 0.79% to close the week at 245,283.68 and ₦158.326 trillion respectively. Similarly, all other indices finished lower with the exception of NGX Premium, NGX Insurance and NGX Sovereign Bond indices which appreciated by 0.02%, 1.72% and 0.27% respectively.

A total turnover of 5.119 billion shares worth ₦404.762 billion in 285,223 deals was traded this week by investors on the floor of the Exchange, in contrast to a total of 4.433 billion shares valued at ₦306.143 billion that exchanged hands last week in 255,589 deals.

The Financial Services Industry (measured by volume) led the activity chart with 3.918 billion shares valued at ₦271.428 billion traded in 123,514 deals: thus contributing 76.55% and 67.06% to the total equity turnover volume and value respectively. The Services Industry followed with 203.203 million shares worth ₦3.061 billion in 18,333 deals. Third place was the Consumer Goods Industry, with a turnover of 191.283 million shares worth ₦13.203 billion in 30,730 deals.

Trading in the top three equities, namely First Holdco Plc, AVA Capital Plc and Access Holdings Plc (measured by volume), accounted for 2.308 billion shares worth ₦224.773 billion in 27,359 deals, contributing 45.09% and 55.53% to the total equity turnover volume and value respectively.

Sectoral Performance Returns in 31st July, 2026

INDEX	WtD (%)	MtD (%)	YtD (%)
NGX All-Share Index (ASI)	-0.84	6.92	57.62
NGX Banking Index	-0.69	22.1	66.74
NGX Insurance Index	1.72	9.28	0.9
NGX Consumer Goods Index	-2.29	-4.11	10.82
NGX Oil/Gas Index	-0.24	3.21	96.32
NGX Industrial Goods Index	-0.20	3.57	85.42

Banking Sector Review

Trading activities in the banking sector in the week ended 31st July, 2026 on a marginal bearish note as the sector depreciated in market valued by 0.69%. On the gainer's side were First Holdings and Fidelity while Access, Wema, Jaiz, among others shed market values. Sterling and ETI ended the week unchanged (See Table 1 for full banks performance).

Wema Bank Share Performance Review

Investor's sentiments in the week under-review were bearish with the share price ended the week on a lost with 8.81% bringing the year to date at 42.16% in price appreciation.

Open	Close Price	High	Low	Weekly % Change
31.80	29.00	32.00	28.80	-8.81

Volume Analysis

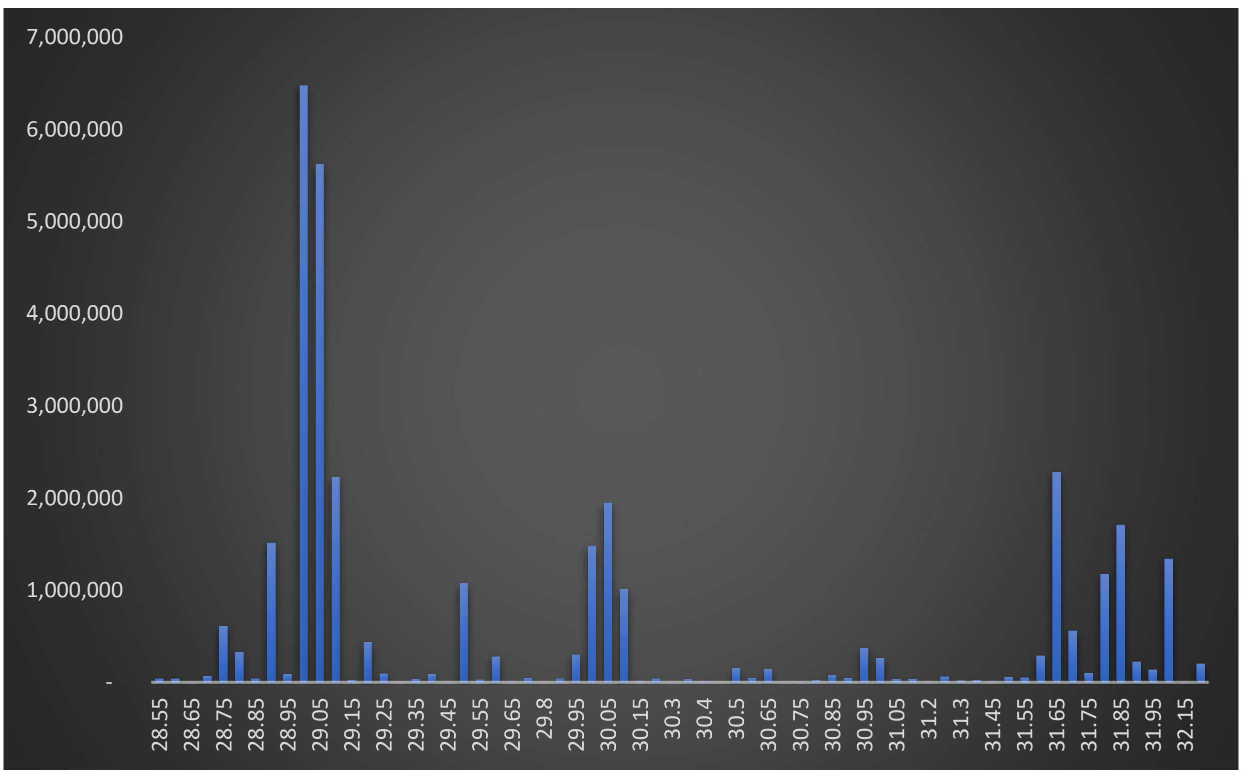
The trading activities in Wema Bank Shares saw 33,492,572 units of shares exchanged hands between buyers and sellers as against previous week's 44,456,772 units of shares valued at N1,002,582,011.80 in 3,413 deals

Volume Behavior Table

Week Vol.	5 Day Volume Average	WoW Vol. Change
33,492,572	8,891,355	-8.81%

Wema Stock Price Tracking

During the week under review, the bank's share price fluctuated within a range of N28.55 (low) to N32.15 (high) as against previous week's N29.5 (low) to N32.45 (high). The most significant trading price for the week with the highest volume traded stood at N29 below previous week's value area of N32. This signifies that the value area is below previous week's investors value area.



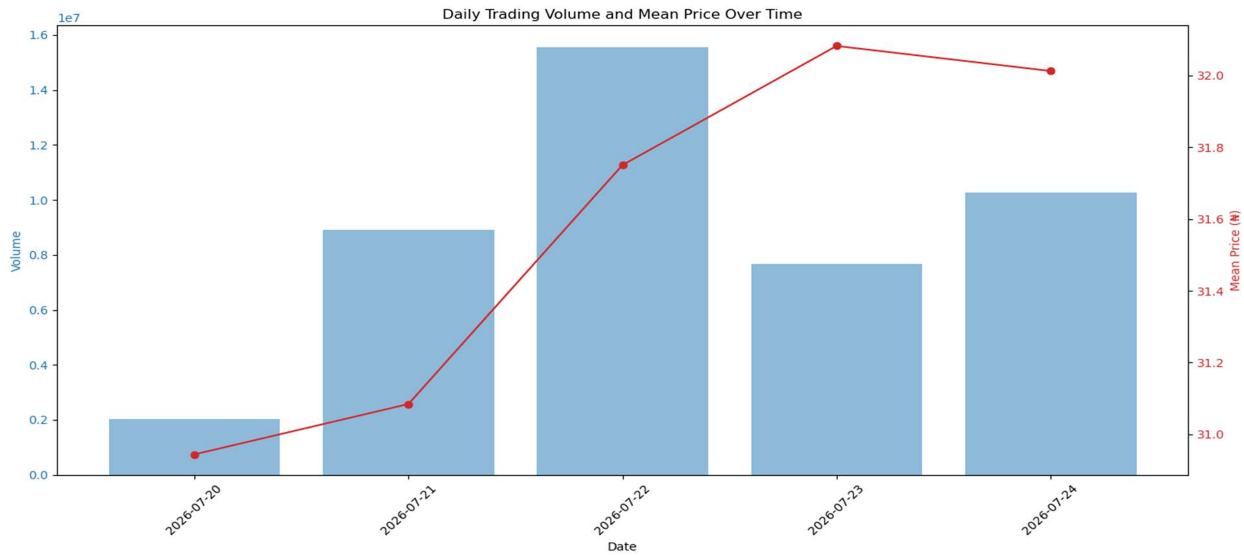
Out of the total transactions, 65 deals resulted in changes to the bank's share price on the exchange, while 3,413 deals did not impact the stock price.

TRUE	65
FALSE	3,348
Total	3,413

The top 10 price-moving transactions with the highest single trade volume reaching 1,803,527 as against previous largest volume of 2,000,000 units. The smallest trade involved a single unit in one transaction.

Price	Quantities	Value
29.05	1,803,527	52,392,459.35
29.05	1,500,000	43,575,000.00
29.05	800,174	23,245,054.70
29.00	654,386	18,977,194.00
29.10	500,000	14,550,000.00
29.10	500,000	14,550,000.00
30.05	500,000	15,025,000.00
30.00	500,000	15,000,000.00
31.85	500,000	15,925,000.00
29.05	499,826	14,519,945.30

Wema Bank (WEMA) – Trading Activity, July 27–31, 2026



Wema Bank shares came under sustained selling pressure through the week of July 27–31, with the mean price declining steadily from approximately ₦31.9 on July 27 to ₦29.0 by July 31, a drop of roughly 9% over the five trading sessions. The decline was broadly linear across the first three sessions (₦31.9 → ₦31.8 → ₦31.1) before accelerating into the back half of the week, with price falling to ₦29.7 on July 30 and ₦29.0 on July 31.

Notably, the price weakness coincided with a marked pickup in trading volume mid-week: after opening the period at a relatively subdued ~4.0 million and ~3.7 million shares traded on July 27 and July 28 respectively, volume nearly doubled to ~6.4 million on July 29 and then surged to a weekly high of ~14.0 million shares on July 30 more than 3.5x the July 28 level before easing to ~5.3 million on July 31.

The inverse relationship between rising volume and falling price over July 29–30 in particular suggests the sell-off was distribution-driven rather than a low-liquidity drift with the July 30 volume spike likely marking a capitulation point ahead of the price stabilizing near ₦29.0 by week's end.

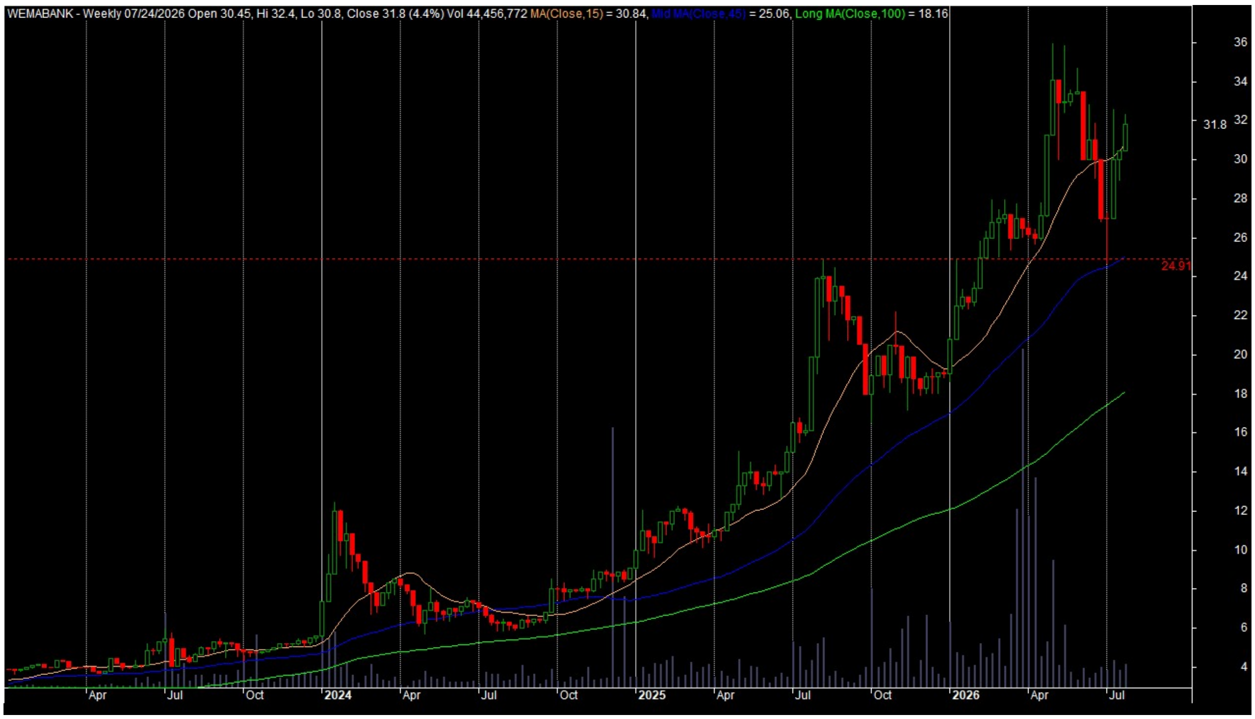
Overall, WEMA Bank experienced a weak trading week, with the mean price declining by approximately 9.1% from ₦31.9 to ₦29.0. The sustained decline in price, coupled with the sharp spike in trading volume during the sell-off on 30 July, points to significant distribution and a deterioration in investor sentiment. Unless stronger buying interest emerges to re-establish support above the ₦29.00–₦30.00 range, the stock may remain vulnerable to further downside pressure in the near term.

TREND ANALYSIS AND OUTLOOK

Key Technical Levels

Major Resistance: N36.00K **Major Support level:** N25.00K

Intermediate Support: N28.00K



(Source: Amibroker – Weekly Chart Ending 31st July, 2026)

Wema Bank Plc – Weekly Chart Trend Analysis (27th – 31st July, 2026)

Technical Price Action & Momentum Review

Wema Bank opened the week at ₦31.8, pushed to a high of ₦32.0, but reversed sharply to a low of ₦28.8 before closing the week at ₦29.0 a decline of 8.8%. The daily breakdown shows the deterioration was progressive rather than a single-day shock: mean price slipped from ₦31.9 on July 27 to ₦31.8 on July 28, then accelerated lower to ₦31.1 (July 29), ₦29.7 (July 30), and ₦29.0 (July 31). This marks a clear reversal from the prior week (July 20–24) which closed constructively and extended the broader uptrend that had carried the stock from the ₦24–26 range in April/May to highs of ₦34–36 in early-to-mid July. The week's candle long upper wick, deep-red body is a classic distribution/rejection signature at the top of an extended rally and price has now closed just below the 15-week MA (₦30.96) for the first time in several months.

Volume & Market Participation Insight

Participation was heavily skewed toward the back half of the week. Daily volume opened subdued at ~4.0 million (July 27) and ~3.7 million (July 28), before nearly doubling to ~6.4 million on July 29 and surging to a weekly peak of ~14.0 million on July 30 over 3.5x the July 28 level before easing to ~5.3 million on July 31. On a weekly basis, total volume printed at 33.49 million shares, well above the trailing average seen through the July uptrend. The inverse relationship between rising volume and falling price on July 29–30 is the key signal here*: heavy participation into weakness typically points to genuine distribution/profit-taking by larger holders rather than a low-liquidity air-pocket, lending more weight to the reversal than price action alone would suggest.*

Overall Technical Interpretation

The shift from the July 20–24 week (trend-continuation, price holding above short-term MA) to the July 27–31 week (sharp corrective break on elevated volume) marks a clear momentum inflection after an extended bullish run. The close below the 15-week MA (₦30.96), combined with the volume-confirmed sell-off suggests the short-term uptrend is losing steam. That said, the broader medium-term structure remains intact: the 45-week MA (₦25.25) and 100-week MA (₦18.38) are both still rising, and price remains well above both, meaning this read as a correction within an uptrend rather than a trend reversal at this stage.

Technical Outlook

Near-term, the 15-week MA (~₦30.96) becomes the level to watch a failure to reclaim it in the coming week(s) would reinforce a short-term bearish/consolidation bias with the next meaningful support band around ₦25–26 near the 45-week MA and the psychological zone that preceded the recent breakout. The ₦24.91 marker (prior resistance-turned-support from earlier in the year) remains a deeper technical floor, though it is currently well below price and not an immediate concern. A reclaim of ₦31.8–32.0 with volume confirmation would be needed to negate the corrective signal and resume the primary uptrend; absent that, expect choppy, volume-driven price action as the market digests the recent run-up.

Conclusion, Outlook & Strategic Implication (Week 24th July, 2026)

The July 27–31 sell-off though sharp needs to be read against a backdrop of exceptionally strong underlying fundamentals which supports the "correction-within-an-uptrend" interpretation rather than a trend reversal thesis.

Wema Bank's H1 2026 results released on July 29 directly coinciding with the week's heaviest volume and steepest price decline showed a pre-tax profit of ₦154.56 billion for the six months ended June 30, 2026 representing a 53.65% increase year-on-year while profit after tax rose 50.12% to ₦131.37 billion. Growth was broad-based with gross interest income surging to ₦342.64 billion net interest income after impairment charges at ₦194.62 billion and total assets expanding to ₦5.76 trillion as of 30 June 2026 up from ₦5.07 trillion at the end of December 2025 driven substantially by loans and advances to customers rising to ₦2.12 trillion from ₦1.74 trillion. Net trading income was a standout, surging 657.42% year-on-year to ₦21.53 billion reflecting a strong rebound in treasury operations. The one soft spot was per-share dilution: earnings per share dropped to N6.55 from N7.13 reflecting share dilution effects tied to the bank's recent recapitalization raise.

Given this, the week's price action is best interpreted as a "sell-the-news" / profit-taking event rather than a fundamentals-driven repricing investors who had positioned ahead of results into the July rally used the strong headline numbers as an opportunity to lock in gains particularly given the EPS dilution caveat which tempers near-term per-share earnings momentum even as the underlying franchise strengthens.

On the sector backdrop, the outlook for the remainder of 2026 is mixed but broadly constructive for well-capitalized banks. Nigerian lenders are navigating a pre-election year with a complex mix of pressures and prospects that could reshape performance after two years of reform-driven windfalls with earnings normalizing as the currency stabilizes and interest rates soften following the FX-devaluation-driven bumper years of 2023–2024. Regulators are also maintaining pressure on capital strength with the sector having just cleared the March 2026 recapitalization deadline, with compliant banks rising from just 8 in mid-2025 to 20 by January 2026. Despite tighter conditions, capital adequacy remains strong, profitability is robust, and risk management continues to evolve across the industry, and the 2026 bank-sector rally has been driven largely by domestic retail investors though with extreme volatility as capital rotates between banks and other sectors, a dynamic consistent with the sharp volume-driven swings seen in Wema's own July 27–31 candle.

Bottom line: Wema Bank's technical correction appears to be a liquidity/positioning event layered on top of genuinely strong H1 2026 fundamentals (profit growth >50%, balance sheet expansion, asset quality intact) rather than a signal of deteriorating company or sector health. The key monitorable through year-end is whether price can reclaim and hold above the 15-week MA (₦30.96), which would confirm fundamentals are reasserting themselves over near-term profit-taking; a failure to do so combined with the broader sector's pre-election political risk and EPS-dilution overhang would argue for a more cautious, range-bound stance into Q4 2026.

Recommendations - Hold