# Global Asset Management (Nig.) Limited

## Research Report on Wema Bank Plc

| Market Profile | |
|---|---|
| Date | 7th August, 2026 |
| Current Price (Latest Price) | N28.70K |
| 52 Week Range | 14.95/36.00 |

| Wema Share Price Changes | |
|---|---|
| Year to Date | 40.69% |
| Quarter to Date | 10.38% |
| Month to Date | -1.03% |
| Week to date | -1.03% |

### Banking Sector Week on Week Returns 7th August, 2026

| Bank | % Change |
|---|---|
| FCMB | 13.10% |
| FBNH | 12.23% |
| ACCESSCORP | 2.47% |
| ZENITHBANK | 1.98% |
| STANBIC | 1.38% |
| UBA | 0.90% |
| FIDELITYBK | 0.00% |
| WEMA | -1.03% |
| GTCO | -1.54% |
| JAIZBANK | -1.73% |
| STERLINGNG | -1.88% |
| ETI | -18.94% |

Table 1

### Wema Bank Plc Share Price Weekly Performance Report: 7th August, 2026

### General Market Review

The NGX All-Share Index and Market Capitalization appreciated by 0.12% to close the week at 245,573.60 and ₦158.513 trillion respectively. Similarly, all other indices finished higher with the exception of NGX Main Board, NGX Insurance, NGX Consumer Goods, NGX Oil & Gas, NGX Lotus II, NGX Industrial Goods, NGX Growth, NGX Sovereign Bond and NGX Commodity indices which depreciated by 0.83%, 3.31%, 1.75%, 0.03%, 0.46%, 0.17%, 2.14%, 0.09% and 0.01% respectively.

A total turnover of 5.359 billion shares worth ₦139.053 billion in 261,869 deals was traded this week by investors on the floor of the Exchange, in contrast to a total of 5.119 billion shares valued at ₦404.762 billion that exchanged hands last week in 285,223 deals.

The Financial Services Industry (measured by volume) led the activity chart with 3.469 billion shares valued at ₦73.013 billion traded in 117,509 deals: thus contributing 64.73% and 52.51% to the total equity turnover volume and value respectively. The Oil & Gas Industry followed with 1.023 billion shares worth ₦18.900 billion in 17,680 deals. Third place was the ICT Industry, with a turnover of 232.368 million shares worth ₦14.624 billion in 31,866 deals.

Trading in the top three equities, namely Japaul Gold & Ventures Plc, Fortis Global Insurance Plc and FCMB Group Plc (measured by volume), accounted for 2.562 billion shares worth ₦14.173 billion in 6,645 deals, contributing 47.80% and 10.19% to the total equity turnover volume and value respectively.

**Sectoral Performance Returns in 7th August, 2026**

| INDEX | WtD (%) | MtD (%) | YtD (%) |
|---|---|---|---|
| NGX All-Share Index (ASI) | 0.12 | 0.12 | 57.81 |
| NGX Banking Index | 2.33 | 2.33 | 70.62 |
| NGX Insurance Index | -3.31 | -3.31 | -2.44 |
| NGX Consumer Goods Index | -1.75 | -1.75 | 8.88 |
| NGX Oil/Gas Index | -0.03 | -0.03 | 96.27 |
| NGX Industrial Goods Index | -0.17 | -0.17 | 85.1 |

### Banking Sector Review

Trading activities in the banking sector in the week ended 7th August, 2026 on a bullish note as the sector appreciated in market valued by 2.33%. On the gainer's side were FCMB, First Holdings, Access, Zenith, Stanbic and UBA while ETI topped the loser's chart, followed by Sterling, GTCO and Wema who shed market values. Fidelity 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 1.03% bringing the year to date at 40.69% in price appreciation.

| Open | Close Price | High | Low | Weekly % Change |
|---|---|---|---|---|
| 29.00 | 28.70 | 29.85 | 27.85 | -1.03 |

### Volume Analysis

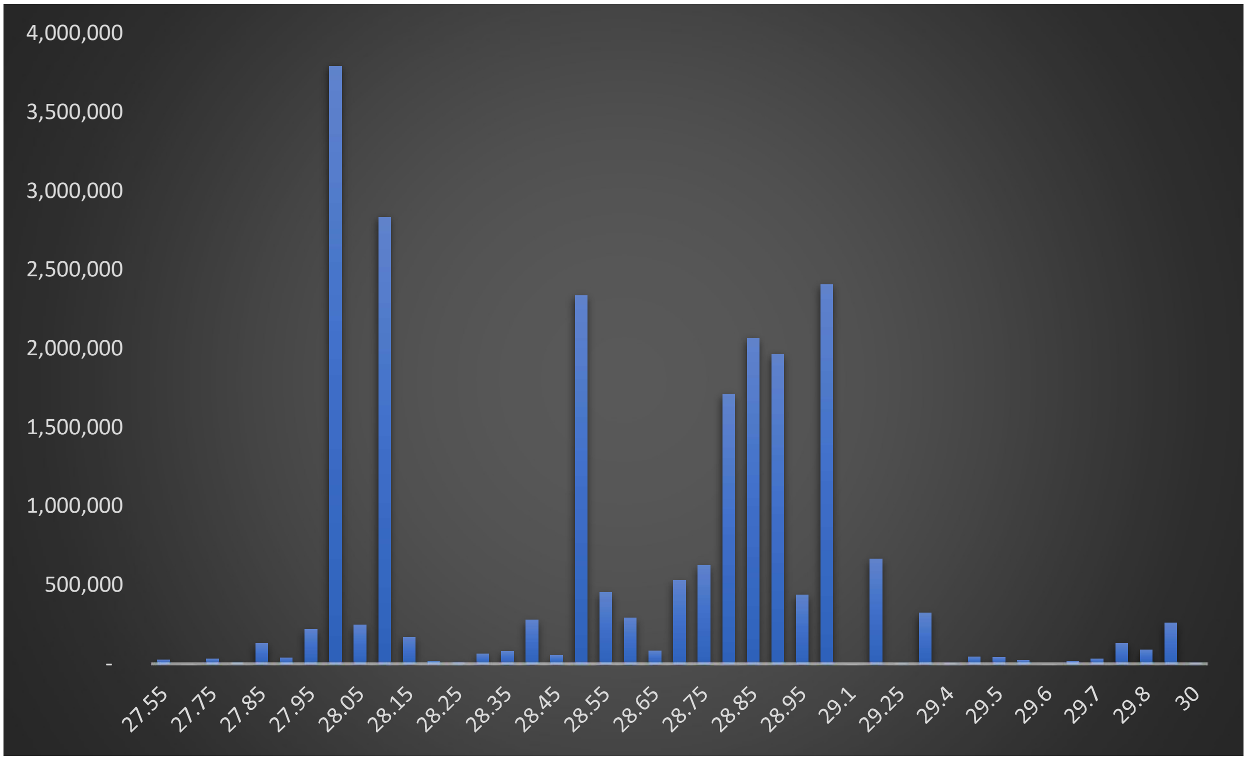
The trading activities in Wema Bank Shares saw 22,548,352 units of shares exchanged hands between buyers and sellers as against previous week's 33,492,572 units of shares valued at N644,362,065.60 in 3,090 deals

**Volume Behavior Table**

| Week Vol. | 5 Day Volume Average | WoW Vol. Change |
|---|---|---|
| 22,548,352 | 8,891,355 | -1.03% |

### Wema Stock Price Tracking

During the week under review, the bank's share price fluctuated within a range of N27.55 (low) to N30 (high) as against previous week's N28.55 (low) to N32.15 (high). The most significant trading price for the week with the highest volume traded stood at N28 below previous week's value area of N29. This signifies that the value area is below previous week's investors value area.



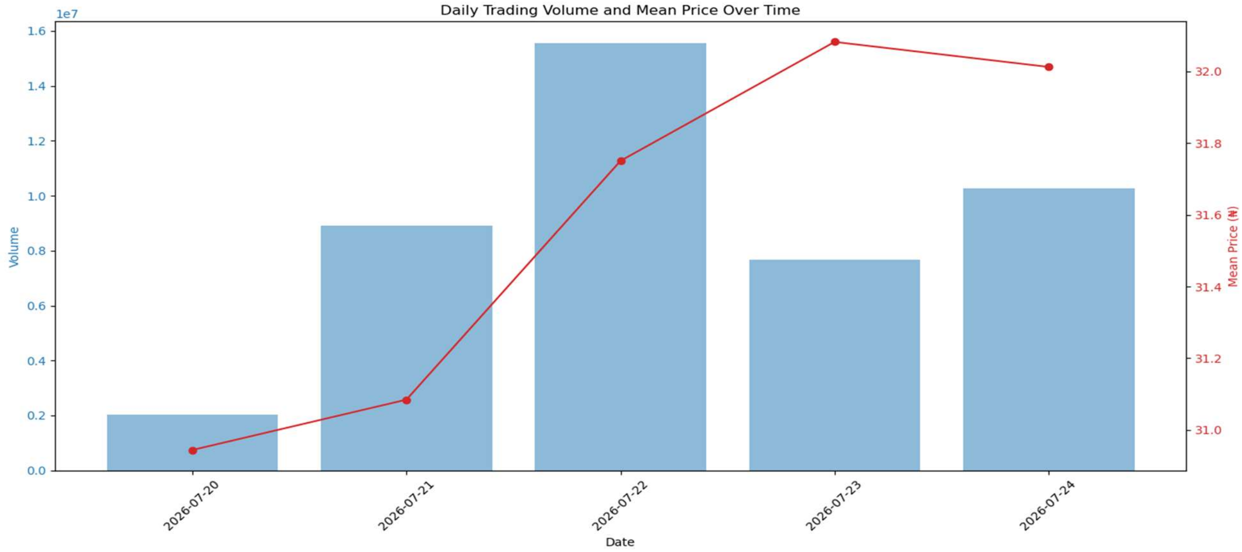

Out of the total transactions, 34 deals resulted in changes to the bank's share price on the exchange, while 3,090 deals did not impact the stock price.

| | |
|---|---|
| **TRUE** | 34 |
| **FALSE** | 3,056 |
| **Total** | 3,090 |

The top 10 price-moving transactions with the highest single trade volume reaching 500,000 as against previous largest volume of 1,803,527 units. The smallest trade involved a single unit in one transaction.

| Price | Quantities | Value |
|---|---|---|
| 29.00 | 500,000 | 14,500,000.00 |
| 28.00 | 500,000 | 14,000,000.00 |
| 29.00 | 478,210 | 13,868,090.00 |
| 28.10 | 361,077 | 10,146,263.70 |
| 28.10 | 360,077 | 10,118,163.70 |
| 28.10 | 360,077 | 10,118,163.70 |
| 28.10 | 360,077 | 10,118,163.70 |
| 28.00 | 331,680 | 9,287,040.00 |
| 28.85 | 310,903 | 8,969,551.55 |
| 29.30 | 250,000 | 7,325,000.00 |

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




Wema Bank shares stabilized and began recovering through the week of August 3–7 following the sharp correction seen the prior week. Mean price opened at ₦29.0 on August 3 dipped to a weekly low of ₦28.34 on August 4 before staging a steady, consistent recovery through the remainder of the week climbing to ₦28.36 on August 5, ₦28.71 on August 6 and closing at ₦28.94 on August 7, effectively retracing back toward the week's opening level.

Volume activity was heaviest early in the week and tapered progressively thereafter: trading opened strong at ~6.93 million shares on August 3 before falling sharply to ~2.68 million on August 4 (coinciding with the price low) and ~4.84 million on August 5. Volume ticked up again to ~5.72 million on August 6 before easing to a weekly low of ~2.36 million on August 7.

The pattern of declining volume alongside a steady price recovery from August 4 onward is a constructive signal, it suggests the sell-side pressure that dominated the prior week has largely been absorbed with the stock finding support near ₦28.3–28.4 and grinding higher on progressively lighter (and therefore less contested) volume into the close of the week.

## 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 7th August, 2026)

### Wema Bank Plc – Weekly Chart Trend Analysis (3rd – 7th August, 2026)

### Technical Price Action & Momentum Review

Wema Bank opened the week at ₦29.0, traded within a narrower range of ₦27.85–₦29.85, and closed at ₦28.7, a modest decline of 1.03% a marked contrast to the prior week's steep 8.8% drop (₦31.8 to ₦29.0). The daily data underlying the candle confirms an intraweek stabilization pattern: price bottomed early at ₦28.34 on August 4, then recovered steadily through ₦28.36 (Aug 5), ₦28.71 (Aug 6), and ₦28.94 (Aug 7) effectively retracing most of the week's opening weakness by the close. This represents a clear deceleration in downside momentum compared to July 27–31 where the sell-off was sharp, sustained and closed near the week's low. Price remains below the 15-week MA (₦30.79, down marginally from ₦30.96 the prior week) but the shrinking weekly range and higher low (₦27.85 vs. ₦28.8 the prior week, though still lower) suggest selling pressure is easing rather than intensifying.

### Volume & Market Participation Insight

Participation fell sharply week-on-week with total weekly volume at 22.55 million shares versus 33.49 million the prior week, a decline of roughly 33%. This lower-volume week combined with the price stabilization is a materially different signature from July 27–31, when a 33.49-million-share print accompanied an 8.8% decline (high-volume distribution). The daily breakdown reinforces this: volume was heaviest early in the week (~6.93 million on Aug 3) and tapered progressively into the close (~2.36 million by Aug 7) with the price recovery from August 4 onward occurring on comparatively lighter volume. Declining volume alongside a firming price is generally interpreted as exhaustion of selling pressure rather than fresh distribution, sellers are becoming less aggressive, though the lighter volume also means the recovery has not yet been strongly confirmed by fresh buying interest.

**Overall Technical Interpretation**

The week of August 3–7 reads as a consolidation/stabilization phase following the sharp corrective break of July 27–31. Price is no longer making a new lower low on a closing basis, volume has contracted meaningfully from the prior week's distribution spike, and the daily pattern shows a clear intraweek reversal off the ₦27.85–28.34 zone. The chart also now flags a fresh support marker at ₦27.98, just below the current close of ₦28.7, which sits close to the recent swing low — this level is emerging as short-term technical support. That said, price remains capped below the 15-week MA (₦30.79), and the broader picture is still one of a stock digesting its prior rally rather than confirming a resumption of the uptrend; the 45-week MA (₦25.49) and 100-week MA (₦18.60) remain firmly upward-sloping and continue to underpin the medium-term bull structure.

**Technical Outlook**

Near-term, the ₦27.98 support level is the key line to watch. A decisive weekly close below it would open room toward the ₦25–26 zone near the 45-week MA, the next significant support band. Conversely, a reclaim of the 15-week MA (~₦30.79) on rising volume would be the strongest signal that the correction is over and the primary uptrend is reasserting itself, targeting a retest of the July highs near ₦34–36. In the interim, expect the stock to trade in a tightening range (₦28–30) as the market digests both the prior week's technical damage and the strong H1 2026 fundamentals, with declining volume suggesting a lower-conviction, wait-and-see posture from market participants heading into the next trading week.

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

The August 3–7 session shows early signs of stabilization following the prior week's sharp correction, and this technical picture is well supported by Wema Bank's underlying fundamentals, which remain among the strongest in the mid-tier banking space.

On the results side, Wema Bank's H1 2026 unaudited financials released just days before the July correction began showed profit before tax of ₦154.56 billion, up 53.65% year-on-year, and profit after tax of ₦131.37 billion, up 50.12%. This was underpinned by broad-based operational strength: interest income rose 42.7% to ₦342.64 billion, net interest income expanded over 51% to ₦195.45 billion, and total assets grew to ₦5.76 trillion from ₦5.07 trillion at end-2025, driven by loan book expansion to ₦2.12 trillion. Net trading income was a standout, surging over 650% year-on-year to ₦21.53 billion, reflecting a strong treasury rebound. The one drag remains EPS dilution earnings per share fell to ₦6.55 from ₦7.13 a direct consequence of the enlarged share base following recapitalization, and this remains the key near-term overhang on per-share valuation even as absolute profitability strengthens.

*Read against this backdrop, the current price action, declining volume, a higher intraweek low, and a steady recovery from ₦28.34 back to ₦28.94 looks like the market digesting and beginning to re-anchor around the H1 results, rather than a continuation of the prior week's distribution.* The lighter volume suggests the aggressive profit-taking has largely run its course, though it also means the recovery has not yet attracted fresh, high-conviction buying, consistent with a stock in a "wait-and-see" consolidation rather than a confirmed reversal.

On the sector, the outlook for the remainder of 2026 remains a mixed but broadly supportive backdrop for well-capitalized banks like Wema. Nigerian lenders are navigating a pre-election year with earnings normalizing as the naira stabilizes and interest rates soften, following the outsized FX-devaluation gains of 2023–2024. Regulatory pressure has intensified around capital strength, with the sector having just cleared the March 2026 recapitalization deadline - a process Wema has already completed, positioning it ahead of peers still working through compliance. Despite tighter monetary conditions, capital adequacy and profitability across the sector remain robust, and the 2026 banking-sector rally has been driven largely by domestic retail participation, which continues to produce the kind of sharp, volume-driven volatility seen in both the July 27–31 sell-off and the current stabilization.

**Bottom line:** The technical setup into the second week of August is cautiously constructive support is holding near ₦27.98–28.3, selling pressure is visibly easing, and this aligns with fundamentals that remain firmly intact (strong profit growth, expanding balance sheet, completed recapitalization). The key test for the coming week(s) is whether the recovery can attract volume confirmation and reclaim the 15-week MA (~₦30.79); until then, the stock is best characterized as consolidating strong fundamentals against a still-cautious technical backdrop, with the EPS dilution and pre-election political risk as the main factors likely to keep upside moves measured rather than sharp through Q4 2026.

## Recommendations - Hold