

Daily Markets Report



Thursday, January 5, 2017

EQUITIES

The Nigerian bourse shed -1.07% at the end of today's session, closing negative for the third day in a row, following over 4% decline in DANGCEM(-345.8pts) as well as sell-offs in both GUINNESS (-18.19pts) and STANBIC (-18.34pts). This outcome dwarfed the recovery in Banking tickers; GUARANTY (+48.8pts), ACCESS (+24.42pts) and FBNH (+11.90pts). Consequently, the benchmark index weakened by -282.95pts to settle at 26,212.09pts, corresponding to a market capitalisation of c.N9.02trillion.

Market turnover weakened as investors exchanged over 137m units of stocks valued at c.N898m. This represents over -77% and -25% decline in both volume and value turnover. FIDELITYBANK and DIAMONDBANK were the most actively traded stocks with 25m and 16m units respectively.

In today's session, there were 17 gainers led by UAC-PROP (+7.29%) as against 16 decliners topped by NAHCO (-9.49%). Consequently, market breadth index (0.01x) closed positive.

With the exception of the Banking tracker (+1.67%) which closed positive, the Industrial (-1.81%), the Oil & gas (-0.14%) and the Consumer Goods (-0.29%) closed in the red.

Though our near term expectation is that the index would begin the year on a bearish note, given the current fragile macro outlook, we advise gradual building of positions in quality names for investors with a medium to longer term horizon.

NSE ASI Statistics

Current	26,212.09
Previous	26,495.04
Day Change	-1.07%
YTD Return	-2.47%
YTD High	26,874.62
YTD Low	26,212.09
52wk High	31,071.25
52wk Low	22,456.32

Sources: NSE, Bloomberg, InvestmentOne Research

NSE Top 5 Gainers

Stock	Close	% Chg	Volume
UAC-PROP	3.09	+7.29	802,116
OANDO	4.54	+5.58	3,435,874
ACCESS	6.14	+4.96	7,335,146
DIAMONDBNK	0.90	+4.65	16,953,983
ETERNA	3.20	+4.58	603,070

Sources: NSE, Bloomberg, InvestmentOne Research

NSE Top 5 Losers

Stock	Close	% Chg	Volume
NAHCO	2.86	-9.49	191,557
GUINNESS	78.90	-5.00	415,432
DANGFLOUR	4.04	-4.94	448,135
CUSTODYINS	3.70	-4.88	201,090
CAVERTON	0.86	-4.44	198,000

Sources: NSE, Bloomberg, InvestmentOne Research

Global Markets*

	Close	Chg	%	YtD
FTSE 100	7,196.3	6.6	0.09	0.75
Dow	19,942.2	60.4	0.30	0.91
S&P 500	2,270.8	12.9	0.57	1.43
NIKKEI	19,520.7	-73.5	-0.37	2.13
Egypt	12,824.3	215.9	1.71	3.88
Kenya	132.3	-0.3	-0.26	-0.80

Sources: Bloomberg & InvestmentOne Research (as at time of report)

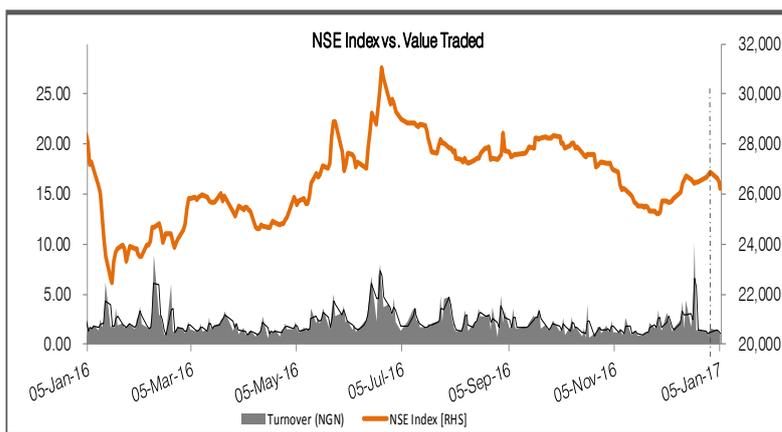


CHART 1: ASI vs. Value 1 year movement (Sources: Bloomberg & InvestmentOne Research)
(Dotted line is a reference for the start of the year)

NSE Daily Market Tracker

Date	ASI	ASI Chg	% Chg	Mkt Cap (N'bn)	Vol ('000)	Value (N'mn)	Gainers	Non Movers	Losers	M B I
Thur Jan 05	26,212.09	-282.95	-1.07	9,019	137,694	899	17	58	16	0.01
Wed Jan 04	26,495.04	-121.85	-0.46	9,116	602,047	1,204	14	51	17	-0.04
Tues Jan 03	26,616.89	-257.73	-0.96	9,158	296,427	1,396	13	50	18	-0.06
Fri Dec 30	26,874.62	91.69	0.34	9,247	156,797	1,599	23	42	16	0.09
Thur Dec 29	26,782.93	94.68	0.35	9,215	117,401	878	24	49	20	0.04

Sources: NSE & InvestmentOne Research

CURRENCY

The NGN remained flat at the interbank market closing at N305/\$ largely due to the daily intervention sales by the CBN. It equally closed flat against the GBP and the EUR to berth at N383.71 and N328.34.

At the parallel market, the Naira weakened by -0.6%, -0.8% and -0.2% against the USD, the GBP and the EUR to settle at N493/\$, N595/£ and N506/€.

We expect the pressure on the NGN to intensify in the coming weeks as business activities resume.

FIXED INCOME

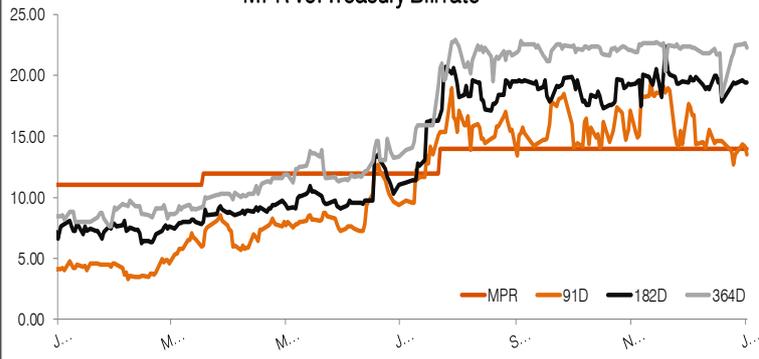
With the exception of the 1month NIBOR rate which contracted by 8bps to berth at 15.91% , the 3month and the 6month NIBOR rates expanded by 35bps and 72bps to settle at 17.87% and 22.31% respectively.

We expect improvement in system liquidity from c.N55b OMO maturity hitting the system today. This is likely to lead to contraction in rates in the absence of OMO auction by the CBN.

In spite of the c.N50B OMO maturity hitting the system today, yields on FGN bonds expanded across all tenors. This may not be unconnected with lack of clarity regarding direction of rates in the New Year. Consequently, yields on the 5yr, the 7yr and the 10yr benchmark bonds inched up by 8bps, 9bs and 3bps to settle at 15.96%, 15.90% and 16.37%.

We expect activity in subsequent session to be influenced by liquidity level.

MPR vs. Treasury Bill rate



FX Reserve (\$)	*Close	1M% Chg	3M% Chg
As at 15/12/2016	\$25.04	3.34%	0.69%

Sources: Bloomberg, CBN & InvestmentOne Research, *30-day moving average figure

FX Rates *		% Chg	YTD (%)
GBP/NGN	383.71	0.00	1.09
USD/NGN	305.00	0.00	0.00
EUR/NGN	328.34	-0.01	-1.26

Sources: Bloomberg, CBN & InvestmentOne Research

Nigeria Eurobond* /GDR Listings*

	Price (\$)	Yield (%)	Yield Chg(%)
6.75 FGN 2021	102.71	5.87	-2.64
6.00 GTB 2018	100.69	5.29	1.97
		Chg	YTD (%)
GT BANK	3.55	0.00	0.00
DIAMOND	3.40	0.00	0.00
ZENITHBNK	2.90	0.00	0.00

Sources: Bloomberg & InvestmentOne Research

NIBOR & MPR*

	Rate (%)	Chg (%)
Call		
30 Days	15.91	-0.12
90 Days	17.87	-0.03
180 Days	22.08	0.17
365 Days	NA	NA
MPR	14.00	NA

Sources: Bloomberg, CBN, FMDA & InvestmentOne Research

Treasury Bill/FGN Bond - Mark-to-Market

	Tenor	TTM	Yield (%)
Nigerian Treasury Bill	364D	350D	22.27
12.50% 22-JAN-2026	10yr	9.05Y	11.65

Sources: Bloomberg, FMDA & InvestmentOne Research

Commodity Watch

	Price (\$)	chg	% chg	Ytd (%)
OPEC	52.71	-0.42	-0.79	-1.11
Brent	56.85	0.39	0.69	0.05
Gold	1177.33	13.72	1.18	2.17

Sources: Bloomberg & InvestmentOne Research (as at time of report)

Company Results & Corporate Actions

Stock	Release	Turnover (N'bn)	% Chg.	P B T (N'bn)	% Chg.	P A T (N'bn)	% Chg.	Div. (kobo)	Bonus	Closure date	Payment date
FCMB	9M 2016	140.7	28.8	14.2	453.0	13.0	595.6	nil	nil	nil	nil
FIDELITY	9M 2016	110.3	3.5	9.8	-28.7	8.8	-23.5	nil	nil	nil	nil
ACCESS	9M 2016	274.5	6.6	72.0	19.3	57.1	18.7	nil	nil	nil	nil
PRESCO	9M 2016	11.9	48.0	9.7	105.0	6.3	98.0	nil	nil	nil	nil
SEPLAT	9M 2016	47.7	-42.6	-21.5	-258.6	-24.1	-277.3	nil	nil	nil	nil
FO	9M 2016	121.1	32.0	5.6	7.0	2.8	-35.0	nil	nil	nil	nil
GUARANTY	9M 2016	329.3	43.6	140.8	53.0	119.9	59.6	nil	nil	nil	nil
ZENITHBANK	9M 2016	380.4	12.9	121.3	16.6	100.1	20.4	nil	nil	nil	nil
UBA	9M 2016	265.5	7.4	61.6	7.3	52.3	7.6	nil	nil	nil	nil
FBNH	9M 2016	417.3	7.0	57.5	-3.5	59.6	-15.3	nil	nil	nil	nil
UCAP	9M 2016	5.7	39.0	4.0	65.0	4.7	146.0	nil	nil	nil	nil
DANGCEM	9M 2016	442.1	21.0	148.7	-10.9	133.5	-15.5	nil	nil	nil	nil
UNILEVER	9M 2016	49.9	16.9	1.5	655.0	1.6	1006.4	nil	nil	nil	nil
NB	9M 2016	222.7	3.6	27.8	-26.1	20.1	-23.3	100	nil	17/11/2016	24/11/2016
TOTAL	9M 2016	220.2	38.0	17.0	244.0	11.6	320.0	700	nil	21/11/2016	05/12/2016
NESTLE	9M 2016	129.5	19.9	5.5	-73.6	0.5	-97.2	nil	nil	nil	nil
DANGSUGAR	9M 2016	115.3	57.8	15.3	7.7	10.1	8.4	nil	nil	nil	nil
GUINNESS	Q1 2017	23.0	5.9	-2.2	-527.6	-2.3	-714.7	nil	nil	nil	nil
PZ	Q1 2017	16.8	12.0	-2.4	-341.1	-1.6	-260.7	nil	nil	nil	nil

Sources: Company Filings & InvestmentOne Research

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