

February 23, 2017

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Equity Market

COMMENTARY

- The Nigerian equities market rebounded, with the All Share Index recording its largest gain (0.64%) since 9th January 2017 (1.25%) to close at 25,409.06 points, following buying interest across major sectors.
- Today's positive performance pared the Month-to-Date and Year-to-Date losses to 2.41% and 5.45% respectively.
- The Banking (+1.40%) index recorded its first gain of the week, bolstered by rallies in GUARANTY (+3.92%) and UBA (+3.16%). Firing on, the Consumer Goods (+1.36%) index benefitted from sustained interest in GUINNESS (+4.81%) and NB (+3.08%). Still on the positive, price increases in MOBIL (+3.30%) and CCNN (+3.13%) buoyed the Oil & Gas (+0.28%) and Industrial Goods (+0.05%) indices. The Insurance index, however, closed flat.
- Market breadth improved, albeit negative, with 13 gainers versus 15 losers. Total volume traded increased by 23.85% to 146.71 million shares, valued at N1.75 billion, and traded in 2,563 deals.
- We expect today's gain to be sustained in the coming session.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	25,409.06
Today's return	0.63%
WtD	0.97%
MtD	-2.41%
YtD	-5.45%
52-week High	31,071.25
52-week Low	22,456.32
Market Capitalisation (N'b)	8,793.59

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
NB	509,925.74	29.06%
MOBIL	297,729.01	16.97%
GUARANTY	224,314.82	12.78%
ZENITHBANK	107,023.90	6.10%
FLOURMILL	92,594.70	5.28%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
FCMB	28,961.68	19.74%
FIDELITYBK	20,859.36	14.22%
UCAP	17,102.61	11.66%
TRANSCORP	10,052.63	6.85%
UBA	9,674.06	6.59%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
BERGER	6.08	6.38	4.93%
GUINNESS	64.88	68.00	4.81%
NPFMCRFBK	1.10	1.15	4.55%
LIVESTOCK	0.72	0.75	4.17%
GUARANTY	23.72	24.65	3.92%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
UNILEVER	30.69	29.16	-4.99%
UACN	12.65	12.02	-4.98%
UAC-PROP	1.90	1.81	-4.74%
VITAFOAM	1.90	1.81	-4.74%
DANGSUGAR	6.19	6.00	-3.07%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
23-Feb-17	Thursday	25,409.06	↑ 0.63%	146,709,146	↑ 23.85%	1,754,566,384	↓ -2.46%	13	15
22-Feb-17	Wednesday	25,249.74	↓ -0.01%	118,456,164	↓ -9.69%	1,798,829,068	↓ -34.69%	8	19
21-Feb-17	Tuesday	25,251.63	↑ 0.01%	131,161,565	↑ 20.31%	2,754,389,115	↑ 179.81%	11	22
20-Feb-17	Monday	25,249.49	↑ 0.34%	109,016,793	↓ -77.29%	984,387,368	↓ -50.27%	10	19
17-Feb-17	Friday	25,164.91	↑ 0.44%	480,000,153	↑ 232.42%	1,979,409,019	↑ 28.93%	21	10

FX, Money Market, Fixed Income

COMMENTARY

- In its continued bid to boost dollar liquidity and narrow the gap between the official and parallel market FX rates, the CBN auctioned USD230 million in forward contracts on the official market today. This is in addition to its regular USD1.5 million intervention on the spot market which has helped keep inter-bank rate at a range of N305.00 – N305.50/USD. At the parallel market, the naira strengthened to N490 after opening at N505. At the time of writing however, the LCY was trading at N500/USD, indicating 0.99% appreciation against the greenback. The NGN/GBP (+3.23%) and NGN/EUR (+1.92%) had firmed to N600 and N510 respectively. At the parallel market, the naira had depreciated by 0.08%, 0.52% and 0.23% against the USD, GBP and EUR to trade at N305.50, N395.75 and N332.92 respectively.
- The money market overnight rate jumped by 100 percentage points to 133.33%, from yesterday's close of 33.67%, despite inflows from maturing OMO bills worth N198.05 billion which boosted liquidity from a deficit balance of N329.50 billion to a negative balance of N136.34 billion. The impact of the inflow was largely subdued by banks provisioning for today's CBN foreign exchange intervention (discussed above).
- Proceedings ended on a bearish note in the Nigerian Treasury Bills market, driven by banks liquidating their positions to create liquidity for the FX intervention held by the apex bank. Average yield rose by 27bps to close at 17.49%. Majority (c.91%) of traded bills came under pressure, consequently causing yields to expand across all – short (+23bps), mid (+23bps) and long 9+31bps) – ends of the curve. In particular, the 294DTM (+149bps to 18.49%) bill recorded the largest expansion.
- Driven by the same factor mentioned above, the bonds market was equally pressured, with investors selling off across all traded maturities. This led to yield expansion across board, with short (+17bps) dated bonds taking the most hit. The intermediate and long ends of the curve recorded yield expansion of 9bps and 8bps respectively. Overall, average yield closed at 16.88%, having moved 10bps southward.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	23-Feb	Change	22-Feb
2-Mar-17	7	16.60%	0.41%	16.19%
9-Mar-17	14	14.50%	-0.38%	14.88%
16-Mar-17	21	16.53%	1.48%	15.06%
23-Mar-17	28	13.78%	0.00%	13.78%
30-Mar-17	35	13.37%	-1.17%	14.54%
6-Apr-17	42	14.57%	0.17%	14.40%
13-Apr-17	49	15.29%	0.29%	15.00%
20-Apr-17	56	16.02%	0.42%	15.60%
27-Apr-17	63	15.25%	0.32%	14.93%
4-May-17	70	14.48%	0.22%	14.26%
11-May-17	77	16.89%	0.47%	16.41%
25-May-17	91	17.33%	0.57%	16.76%
1-Jun-17	98	14.75%	0.02%	14.73%
8-Jun-17	105	16.50%	-0.54%	17.04%
15-Jun-17	112	17.94%	1.11%	16.84%
22-Jun-17	119	17.94%	0.80%	17.15%
29-Jun-17	126	18.54%	0.18%	18.36%
6-Jul-17	133	17.79%	0.24%	17.55%
13-Jul-17	140	17.87%	0.34%	17.53%
20-Jul-17	147	17.95%	0.45%	17.51%
27-Jul-17	154	18.03%	-0.12%	18.15%
3-Aug-17	161	18.12%	0.19%	17.93%
10-Aug-17	168	18.26%	0.14%	18.12%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	18.72%	18.72%
Gross External Reserves	\$29.31bn*	\$26.09bn

* As at 21 Feb 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	23-Feb	Change	22-Feb
10.70 30-MAY-2018	30-MAY-2018	1.27	20.06%	↑ 0.11%	19.95%
^16.00 29-JUN-2019	29-JUN-2019	2.35	15.99%	↑ 0.05%	15.94%
7.00 23-OCT-2019	23-OCT-2019	2.67	16.13%	↑ 0.08%	16.05%
^15.54 13-FEB-2020	13-FEB-2020	2.97	16.28%	↑ 0.11%	16.17%

INTERBANK OFFERED RATE

Tenor	22-Feb	23-Feb	Change
O/N	33.67%	133.33%	99.66%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

	Tenor	15-Feb	14-Jan
Tbills	91 days	13.69%	13.80%
	182 days	17.15%	17.25%
	364 days	18.45%	18.54%
	VOLUME (N'bn)	202.44	302.39

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.50	↓ -0.08%	↓ -66.53%
NGN/GBP	395.75	↓ -0.52%	↓ -39.23%
NGN/EUR	332.92	↓ -0.23%	↓ -50.47%

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