

March 9, 2017

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Equity Market

COMMENTARY

- The Nigerian equities market reversed yesterday's loss, with the All Share Index advancing 0.74% in today's session to close at 25,170.36 points.
- Today's bullish performance trimmed the Month-to-Date and Year-to-Date losses to 0.63% and 6.34% respectively.
- The Industrial Goods (+2.43%) and Insurance (+0.24%) indices appreciated, following demand for DANGCEM (+5.00%) and NEM (+4.82%) respectively. On the flip side, the Consumer Goods (-2.01%) and Oil & Gas (-0.29%) indices declined driven by selloffs in NB (-6.75%) and FO (-3.18%) respectively. The Banking (-1.29%) index also shed weight, owing to investors liquidating their holdings in UBA (-0.60%) and GUARANTY (-4.87%), as the latter's full year result failed to impress investors.
- Market breadth turned positive, with 16 gainers versus 9 losers. Total volume traded declined by 1.29% to 215.90 million shares, valued at N2.19 billion, and exchanged in 3,279 deals.
- We expect the market to decline tomorrow.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	25,170.36
Today's return	0.70%
WtD	0.63%
MtD	-0.63%
YtD	-6.34%
52-week High	31,071.25
52-week Low	22,456.32
Market Capitalisation (N'b)	8,710.98

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
GUARANTY	828,856.37	37.91%
ZENITHBANK	659,014.52	30.14%
FLOURMILL	191,182.95	8.74%
NB	79,626.06	3.64%
ACCESS	68,248.40	3.12%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
ZENITHBANK	45,000.92	20.84%
FIDELITYBK	34,678.61	16.06%
GUARANTY	33,901.17	15.70%
UCAP	14,767.28	6.84%
UBA	12,669.39	5.87%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
NESTLE	691.00	725.55	5.00%
DANGCEM	152.15	159.75	5.00%
MEDVIEWAIR	1.43	1.50	4.90%
NEM	0.83	0.87	4.82%
HONYFLOUR	0.92	0.96	4.35%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
NB	139.80	130.36	-6.75%
GUARANTY	25.87	24.61	-4.87%
NAHCO	2.30	2.19	-4.78%
TRANSCORP	0.75	0.72	-4.00%
FO	52.16	50.50	-3.18%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
9-Mar-17	Thursday	25,170.36	↑ 0.70%	215,908,200	↓ -1.29%	2,186,235,596	↓ -43.88%	16	9
8-Mar-17	Wednesday	24,994.81	↓ -0.54%	218,720,476	↑ 1.56%	3,895,922,495	↑ 50.07%	16	10
7-Mar-17	Tuesday	25,129.27	↑ 2.23%	215,362,024	↑ 68.04%	2,596,081,210	↑ 76.27%	17	18
6-Mar-17	Monday	24,581.99	↓ -1.72%	128,160,621	↓ -53.26%	1,472,821,485	↓ -56.66%	15	21
3-Mar-17	Friday	25,012.08	↑ 0.73%	274,173,305	↑ 47.40%	3,397,947,841	↑ 94.28%	16	8

FX, Money Market, Fixed Income

COMMENTARY

- In its continuous bid to narrow the spread between the interbank and parallel market rate, the apex bank has cleared 3,114 BDCs to bid for USD25 million at N381 from International Money Transfer Operators. The President of the Association of Bureaus De Change Operators of Nigeria (ABCON) also claimed that the CBN will increase weekly dollar supply from USD8,000 to USD15,000 in the week ahead, to curb the supply scarcity in the parallel segment of the market. Aside that, it was business as usual in the currency space, with the naira –in the inter-bank market -- declining against two of the currencies we track. The NGN/USD (-0.03%) and NGN/EUR (-0.51%) weakened to N305.80 and N333.57 while the NGN/GBP (+0.67%) strengthened to N385.18. In the parallel market space, the LCY strengthened 0.65% against the greenback and 1.79% against the pound, to exchange for N462.00 and N550.00 respectively, while the naira shed 0.42% against the euro to trade at N477.00.
- The money market overnight rate eased 333bps to 15.25%, from yesterday's close of 18.58%, following an improvement in system liquidity to a positive balance (N16.51 billion) – on the back of OMO repayment of N71.64 billion. In a bid to mop up the inflow, the apex bank, in today's OMO auction, offered N20.00 billion of the 168-day and N30.00 billion of the 322-day bills. The result of the auction was unknown at the time of writing.
- Bullish sentiments persisted in the T-bills market, with average yield contracting by 7bps to 16.60%. Demand occurred across all segments of the curve, with yield contracting the most at the short (-39bps) end, wherein the 11-MAY-17 (-72bps to 14.35%) bill recorded the largest contraction. Average yield at the mid (-18bps) and long (-10bps) segments also contracted, following demand for the 15-JUN-17 (-25bps to 15.35%) and 18-JAN-18 (-50bps to 18.48%) bills respectively.
- Although mostly quiet, investors were marginally upbeat in the bond space, as yield contracted 5bps to 16.46%. Demand occurred across board with the short (-16bps) end of the curve recording the largest contraction, following demand for the APR 2017 (-35bps) maturity. Demand was modest at the mid (-1bps) and long (-3bps) end of the curve; notable bonds in the spot light being the JUN 2019 (-5bps) and the JUL 2034 (-7bps) maturities respectively, which recorded the largest contraction.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	9-Mar	Change	8-Mar
16-Mar-17	7	12.52%	0.00%	12.52%
23-Mar-17	14	13.72%	0.00%	13.72%
30-Mar-17	21	4.13%	0.00%	4.13%
6-Apr-17	28	12.69%	-0.38%	13.07%
13-Apr-17	35	14.54%	0.00%	14.54%
20-Apr-17	42	12.80%	-0.46%	13.25%
27-Apr-17	49	12.76%	-0.43%	13.18%
4-May-17	56	13.32%	0.00%	13.32%
11-May-17	63	14.35%	-0.72%	15.07%
18-May-17	70	12.25%	0.00%	12.25%
25-May-17	77	15.47%	0.00%	15.47%
1-Jun-17	84	13.93%	0.00%	13.93%
8-Jun-17	91	15.59%	-0.19%	15.78%
15-Jun-17	98	15.35%	-0.25%	15.60%
22-Jun-17	105	15.68%	0.09%	15.59%
29-Jun-17	112	17.30%	-0.20%	17.50%
6-Jul-17	119	16.96%	0.00%	16.96%
13-Jul-17	126	17.24%	0.00%	17.24%
20-Jul-17	133	17.27%	0.09%	17.18%
27-Jul-17	140	17.63%	0.00%	17.63%
3-Aug-17	147	17.40%	0.00%	17.40%
10-Aug-17	154	17.86%	0.00%	17.86%
17-Aug-17	161	17.97%	0.00%	17.97%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	18.72%	18.72%
Gross External Reserves	\$29.97bn*	\$26.09bn

* As at 7th Mar 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	9-Mar	Change	8-Mar
10.70 30-MAY-2018	30-MAY-2018	1.22	20.24%	↓ -0.12%	20.36%
^16.00 29-JUN-2019	29-JUN-2019	2.31	15.67%	↓ -0.05%	15.73%
7.00 23-OCT-2019	23-OCT-2019	2.62	15.83%	↓ -0.03%	15.86%
^15.54 13-FEB-2020	13-FEB-2020	2.93	16.01%	↓ 0.00%	16.01%

INTERBANK OFFERED RATE

Tenor	8-Mar	9-Mar	Change
O/N	18.58%	15.25%	-3.33%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

Tenors	1-Mar	15-Feb
91 days	13.65%	13.69%
182 days	17.20%	17.15%
364 days	18.50%	18.45%
VOLUME (N'bn)	310.23	202.44

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.80	↓ -0.03%	↓ -66.69%
NGN/GBP	385.18	↑ 0.67%	↓ -35.51%
NGN/EUR	333.57	↓ -0.51%	↓ -50.76%

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