

March 15, 2017

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Equity Market

COMMENTARY

- The Nigerian equities market recorded a modest gain in today's session, with the All Share Index climbing by 0.07% to 25,301.23 points.
- Today's performance trimmed the Month-to-Date and Year-to-Date losses to 0.11% and 5.85% respectively.
- The Insurance (+0.99%) index recorded the largest gain, driven by a notable rally in CONTINSURE (+8.11%), which has gained 12.83% since the release of its 2016FY results (PAT: +45.54% y/y) yesterday. Likewise, the Banking (+0.11%), Consumer Goods (+0.13%) and Industrial Goods (+0.07%) indices recorded modest gains, owing to demand for ZENITHBANK (+2.83%), STANBIC (+2.78%), GUINNESS (+2.94%), UNILEVER (+4.95%), CUTIX (+3.33%) and CCNN (+4.65%) respectively. The Oil & Gas (-0.85%) index bucked the trend, following price declines in FO (-4.38%) and SEPLAT (-0.25%).
- Market breadth remained positive, with 17 gainers (previously 20) versus 17 losers (previously 13). Total volume traded increased by 2.64% to 233.78 million shares, valued at N2.16 billion, and exchanged in 3,196 deals.
- We expect the market to close lower in tomorrow's session.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	25,301.23
Today's return	0.07%
WtD	0.25%
MtD	-0.11%
YtD	-5.85%
52-week High	31,071.25
52-week Low	22,456.32
Market Capitalisation (N'b)	8,756.28

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
NESTLE	1,311,652.93	60.62%
FBNH	131,549.65	6.08%
GUARANTY	104,063.90	4.81%
DIAMONDBNK	82,400.98	3.81%
NB	65,796.37	3.04%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
AFRIPRUD	2.34	2.53	8.12%
CONTINSURE	1.11	1.20	8.11%
HONYFLOUR	1.00	1.05	5.00%
UNILEVER	32.30	33.90	4.95%
UCAP	2.69	2.82	4.83%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
DIAMONDBNK	95,749.24	40.96%
FBNH	42,000.54	17.97%
FIDELITYBK	19,133.73	8.18%
UCAP	11,170.85	4.78%
UBA	10,482.25	4.48%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
NAHCO	2.10	2.00	-4.76%
NEIMETH	0.67	0.64	-4.48%
FO	50.00	47.81	-4.38%
ASHAKACEM	10.36	10.00	-3.47%
TRANSCORP	0.74	0.72	-2.70%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
15-Mar-17	Wednesday	25,301.23	↑ 0.07%	233,777,697	↑ 2.64%	2,163,797,253	↑ 133.04%	19	17
14-Mar-17	Tuesday	25,284.56	↑ 0.59%	227,757,045	↑ 68.21%	928,498,239	↑ 36.31%	20	13
13-Mar-17	Monday	25,136.63	↓ -0.40%	135,404,296	↓ -44.82%	681,163,478	↓ -70.55%	11	13
10-Mar-17	Friday	25,238.01	↑ 0.27%	245,385,956	↑ 13.65%	2,313,207,074	↑ 5.81%	16	16
9-Mar-17	Thursday	25,170.36	↑ 0.70%	215,908,200	↓ -1.29%	2,186,235,596	↓ -43.88%	16	9

FX, Money Market, Fixed Income

COMMENTARY

- At the time of writing, the naira -- in the interbank market -- had declined against two of the three currencies we track. The NGN/GBP (-1.16%) and NGN/EUR (-0.79%) weakened to N387.31 and N336.99 respectively, while the NGN/USD (+0.08%) strengthened to N306.00. In the parallel market space, the NGN/GBP and NGN/EUR shed 0.55% and 1.04% respectively, to N550.00 and N485.00, while the NGN/USD remained flat at N457.00.
- Despite the deficit balance in system liquidity increasing to N82.14 billion, amid withdrawals from today's NTB (N213.76 billion) and bond (N130 billion) auctions, the overnight money market rate eased 225bps from yesterday's close of 15.67% to 13.42%.
- Investors were upbeat in the treasury bills market, with average yield contracting 4bps to 16.68%. Yield contracted across all ends of the curve, although investors were most bullish at the short (-8bps to 12.93%) end, buying into the 11-MAY-17 (-75bps) and 6-APR-17 (-74bps) bills. There were snippets of demand at the intermediate (-2bps to 17.56%) and long (-4bps to 18.32%) ends, driven by the 7-SEP-17 (-49bps) and 21-SEP-17 (-33bps) maturities. The result of today's primary auction was unknown at the time of writing.
- Likewise, the bonds market closed on a moderately bullish note, with average yield easing 2bps to 16.38%. Demand at the short (-9bps) end overshadowed selloffs at the mid and long (1bp apiece) segments. Notable bonds in the spotlight were the AUG 2017 (-21bps), FEB 2020 (+4bps) and JUL 2030 (+1bp) maturities respectively. At today's bond auction, the DMO -- on behalf of the FGN -- raised N160 billion (vs. planned N130 billion) across the JUL 2021 (N30 billion), MAR 2027 (N50 billion) and MAR 2036 (N80 billion) bonds. Stop rates on the JUL 2021 (16.24% vs. 16.55%) and MAR 2036 (16.28% vs. 16.77%) bonds came in lower relative to the previous auction while the MAR 2027 (new issue) recorded a stop rate of 16.29%. Notably, the JUL 2021 maturity was undersold by N15 billion, while the MAR 2035 maturity was oversold by N45 billion.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	15-Mar	Change	14-Mar
23-Mar-17	8	14.34%	0.00%	14.34%
30-Mar-17	15	4.13%	0.00%	4.13%
6-Apr-17	22	11.02%	-0.74%	11.76%
13-Apr-17	29	12.78%	0.00%	12.78%
20-Apr-17	36	13.36%	0.26%	13.10%
27-Apr-17	43	12.63%	0.00%	12.63%
4-May-17	50	13.07%	-0.10%	13.17%
11-May-17	57	13.22%	-0.75%	13.97%
18-May-17	64	14.93%	0.42%	14.51%
25-May-17	71	15.69%	0.00%	15.69%
1-Jun-17	78	13.93%	0.00%	13.93%
8-Jun-17	85	16.05%	0.00%	16.05%
15-Jun-17	92	16.18%	0.14%	16.04%
22-Jun-17	99	17.13%	0.34%	16.79%
29-Jun-17	106	17.81%	0.23%	17.58%
6-Jul-17	113	17.29%	0.00%	17.29%
13-Jul-17	120	17.29%	0.05%	17.24%
20-Jul-17	127	17.74%	0.00%	17.74%
27-Jul-17	134	17.97%	-0.22%	18.20%
3-Aug-17	141	17.75%	-0.14%	17.89%
10-Aug-17	148	17.94%	0.00%	17.94%
17-Aug-17	155	17.87%	-0.13%	18.00%
24-Aug-17	162	17.93%	-0.13%	18.06%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.78%	18.72%
Gross External Reserves	\$30.19bn *	\$26.09bn

* As at 13th Mar 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	15-Mar	Change	14-Mar
10.70 30-MAY-2018	30-May-18	1.21	19.97%	↓ -0.15%	20.12%
^16.00 29-JUN-2019	29-Jun-19	2.29	15.76%	↓ 0.00%	15.76%
7.00 23-OCT-2019	23-Oct-19	2.61	15.90%	↑ 0.02%	15.89%
^15.54 13-FEB-2020	13-Feb-20	2.92	16.07%	↑ 0.04%	16.03%

INTERBANK OFFERED RATE

Tenor	14-Mar	15-Mar	Change
O/N	15.67%	13.42%	-2.25%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

	Tenor	1-Mar	15-Feb
Tbills	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	306.00	↑ 0.08%	↓ -66.80%
NGN/GBP	387.31	↓ -1.16%	↓ -36.26%
NGN/EUR	336.99	↓ -0.79%	↓ -52.30%

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