

March 23, 2017

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Equity Market

COMMENTARY

- The Nigerian equities market closed flat, with the All Share Index unchanged at 25,514.03 points.
- Consequently, the Month-to-Date and Year-to-Date returns were unchanged at 0.73% and -5.06% respectively.
- The Industrial Goods (+3.38%) index fired on, as WAPCO (+8.47%) remained the toast of investors. Likewise, the Consumer Goods (+0.23%) and Insurance (+0.08%) indices recorded gains, following demand for NESTLE (+1.22%) and AIICO (+1.82%) respectively. On the flip side, the Oil & Gas (-3.58%) and Banking (-0.04%) indices shed weight, following selloffs in SEPLAT (-9.73%), FO (-1.77%), ZENITHBANK (-1.45%) and ACCESS (-3.58%) respectively.
- Market breadth was positive, with 20 gainers versus 14 losers. Total volume traded declined by 42.11% to 115.11 million shares, valued at N1.42 billion, and exchanged in 2,861 deals.
- We expect the market to close positive in tomorrow's session.

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
GUARANTY	548,383.04	38.74%
STANBIC	166,080.98	11.73%
ZENITHBANK	116,841.52	8.25%
WAPCO	111,264.95	7.86%
ACCESS	88,772.38	6.27%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
GUARANTY	20,536.56	17.84%
ACCESS	14,804.28	12.86%
UBA	9,483.58	8.24%
STANBIC	9,258.52	8.04%
TRANSCORP	8,562.79	7.44%

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	25,514.03
Today's return	0.00%
WtD	-0.54%
MtD	0.73%
YtD	-5.06%
52-week High	31,071.25
52-week Low	22,456.32
Market Capitalisation (N'b)	8,827.47

TOP 5 GAINERS

Ticker	Pclose	Close	Change
WAPCO	37.80	41.00	8.47%
LEARNAFRCA	0.65	0.68	4.62%
LIVESTOCK	0.66	0.69	4.55%
STERLNBANK	0.71	0.74	4.23%
FIDSON	0.97	1.01	4.12%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
SEPLAT	398.00	359.28	-9.73%
GUINNESS	62.64	60.00	-4.21%
AFRIPRUD	2.39	2.30	-3.77%
ACCESS	6.15	5.93	-3.58%
NASCON	7.12	6.91	-2.95%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
21-Mar-17	Thursday	25,514.03	↓ 0.00%	115,110,859	↓ -42.11%	1,415,693,430	↓ -43.99%	20	14
20-Mar-17	Wednesday	25,514.09	↓ -0.17%	198,838,062	↑ 29.35%	2,527,501,297	↑ 68.40%	15	22
19-Mar-17	Tuesday	25,558.57	↓ -0.44%	153,720,519	↓ -68.96%	1,500,877,048	↓ -41.11%	13	24
18-Mar-17	Monday	25,671.55	↑ 0.07%	495,238,034	↑ 227.14%	2,548,738,994	↑ 37.23%	13	22
17-Mar-17	Friday	25,653.16	↑ 0.92%	151,384,092	↓ -46.12%	1,857,230,771	↓ -20.95%	17	14

FX, Money Market, Fixed Income

COMMENTARY

- The apex bank announced earlier in the day that it will sell USD 100 million in 60-day currency forwards on the interbank market through commercial lenders. Besides that, it was business as usual in the currency market, with the naira -- in the inter-bank space -- declining against the three major currencies we track. The NGN/USD (-0.08%), NGN/GBP (-1.76%), and NGN/EUR (-3.10%) weakened to N308.00, N399.50, and N342.40 respectively. In the parallel market segment, the LCY appreciated further, as the NGN/USD (+2.44%), NGN/GBP (+1.96%) AND NGN/EUR (+1.15%) strengthened to N400.00, N500.00, and N430.00 respectively.
- The overnight money market rate expanded by 750bps to 51.92%, from yesterday's close of 44.42%. Although updated system liquidity figures were not available at the time of writing, we sense that the overnight rate was sensitive to the debit for FX sales by the CBN.
- Investors were downbeat in the NTB space, with average yield expanding by 23bps to 17.31%. There were selloffs at all -- short (+48bps), mid (+27bps), and long (+6bs) -- segments of the curve, driven by the 25-MAY-17 (+146bps to 17.43%), 13-JUL-17 (+117bps to 18.46%) and 23-NOV-17 (+25bps to 18.70%) bills respectively. At yesterday's NTB auction, the apex bank fully allotted N134.98 billion across the 91-day (N28.12 billion), 182-day (N23.68 billion), and 364-day (N83.17 billion) bills. The stop rates on the 91-day (13.55% vs. 13.60%) bill came in lower, while the 364-day (18.69% vs. 18.56%) bill recorded a higher stop rate compared to the previous auction. The stop rate on the 182-day (17.20% vs. 17.20%) bill was unchanged from the last auctions. Noteworthy, the 182-day and 364-day bills were oversubscribed by N4.62 billion and N7.21 billion respectively, while the 91-day was undersubscribed by N11.07 billion.
- Likewise, the bonds market closed on a bearish note. Average yield expanded by 8bps to 16.60%, as selloffs at the short (+54bps) end doused snippets of demand at the intermediate (-4bps) and longer (-8bps) segments. At the short end, the APR 2017 (+124bps to 17.43%) bond recorded the largest yield expansion, while the JAN 2026 (-11bps to 15.95%) and MAR 36 (-10bps to 15.95%) bonds recorded the largest yield contraction at the intermediate and long segments. Yesterday, the DMO published the allotment result of the FGN Savings Bond on its website, revealing that it allotted N2.07 billion of the FGNB MAR 2019 at 13.01% coupon with reported successful subscriptions of 2,575.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	23-Mar	Change	22-Mar
30-Mar-17	7	11.42%	0.00%	11.42%
6-Apr-17	14	11.53%	0.00%	11.53%
13-Apr-17	21	12.78%	0.00%	12.78%
20-Apr-17	28	16.38%	1.16%	15.22%
27-Apr-17	35	12.80%	0.00%	12.80%
4-May-17	42	12.17%	0.00%	12.17%
11-May-17	49	13.55%	0.00%	13.55%
18-May-17	56	15.65%	1.13%	14.53%
25-May-17	63	17.43%	1.46%	15.98%
1-Jun-17	70	14.99%	0.94%	14.05%
8-Jun-17	77	16.64%	0.00%	16.64%
15-Jun-17	84	18.17%	1.07%	17.10%
22-Jun-17	91	18.13%	0.96%	17.17%
29-Jun-17	98	18.44%	0.48%	17.95%
6-Jul-17	105	17.51%	0.47%	17.04%
13-Jul-17	112	18.46%	1.17%	17.29%
20-Jul-17	119	18.27%	0.00%	18.28%
27-Jul-17	126	18.17%	0.00%	18.17%
3-Aug-17	133	18.49%	0.44%	18.05%
10-Aug-17	140	17.93%	0.00%	17.93%
17-Aug-17	147	18.03%	0.00%	18.03%
24-Aug-17	154	18.34%	0.00%	18.34%
31-Aug-17	161	18.25%	0.00%	18.25%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.78%	18.72%
Gross External Reserves	\$30.35bn *	\$26.09bn

* As at 21st Mar 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	23-Mar	Change	22-Mar
10.70 30-MAY-2018	30-May-18	1.19	20.04%	↓ -0.01%	20.05%
^16.00 29-JUN-2019	29-Jun-19	2.27	15.74%	↓ 0.00%	15.74%
7.00 23-OCT-2019	23-Oct-19	2.59	15.83%	↓ 0.00%	15.83%
^15.54 13-FEB-2020	13-Feb-20	2.89	15.93%	↓ 0.00%	15.93%

INTERBANK OFFERED RATE

Tenor	22-Mar	23-Mar	Change
O/N	44.42%	51.92%	7.50%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

	Tenor	22-Mar	15-Mar
Tbills	91 days	13.55%	13.60%
	182 days	17.20%	17.20%
	364 days	18.69%	18.56%
	VOLUME (N'bn)	134.98	253.76

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	308.00	↓ -0.08%	↓ -67.89%
NGN/GBP	399.50	↓ -1.76%	↓ -40.55%
NGN/EUR	342.40	↓ -3.10%	↓ -54.75%

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