

April 6, 2017

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Equity Market

COMMENTARY

- The Nigerian equities market closed higher, with the All Share Index advancing by 1.11% to 25,755.18 points.
- Today's positive performance swung the Week-to-Date (+0.94%) return into the green and reduced the Year-to-Date loss to 4.17%.
- The Industrial Goods (+3.25%) index recorded the largest gain, owing to investors buying into WAPCO (+5.00%) and DANGCEM (+2.17%). Likewise, the Consumer Goods (+0.36%), Oil & Gas (+1.41%), Banking (+0.54%), and Insurance (+0.50%) indices appreciated, following demand for 7UP (+9.40%), MOBIL (+3.66%), GUARANTY (+2.04%), and CONTINSURE (+4.31%) respectively.
- Market breadth was positive, with 19 gainers compared to 18 losers. Total volume traded increased by 52.24% to 241.62 million shares, valued at N1.49 billion, and exchanged in 3,339 deals.
- We expect the market to close the week in the green, as investors continue to take advantage of cheap valuation.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	25,755.18
Today's return	1.11%
WtD	0.94%
MtD	0.94%
YtD	-4.17%
52-week High	31,071.25
52-week Low	22,456.32
Market Capitalisation (N'b)	8,911.60

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
GUARANTY	227,439.87	15.27%
ZENITHBANK	221,769.36	14.89%
FBNH	197,330.44	13.25%
NESTLE	152,240.13	10.22%
MOBIL	119,323.10	8.01%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
DANGFLOUR	3.79	4.16	9.76%
7UP	95.89	104.90	9.40%
LEARNAFRCA	0.80	0.86	7.50%
OANDO	5.78	6.20	7.27%
HONYFLOUR	1.00	1.05	5.00%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
FBNH	63,671.36	26.35%
FIDELITYBK	43,604.75	18.05%
UCAP	23,893.43	9.89%
ZENITHBANK	15,297.97	6.33%
CILEASING	15,034.50	6.22%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
CONOIL	35.00	33.25	-5.00%
JAIZBANK	1.21	1.15	-4.96%
MAYBAKER	0.91	0.88	-3.30%
UCAP	2.99	2.90	-3.01%
REDSTAREX	4.41	4.30	-2.49%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
12-Apr-17	Thursday	25,755.18	↑ 1.11%	241,620,708	↑ 52.24%	1,489,831,931	↑ 32.17%	19	18
9-Apr-17	Wednesday	25,471.69	↑ 0.81%	158,705,354	↓ -11.94%	1,127,251,162	↓ -30.42%	23	15
6-Apr-17	Tuesday	25,266.15	↓ -0.03%	180,220,049	↑ 84.47%	1,620,115,512	↑ 137.29%	19	19
3-Apr-17	Monday	25,273.03	↓ -0.95%	97,693,582	↓ -83.55%	682,755,902	↓ -99.28%	28	7
31-Mar-17	Friday	25,516.34	↓ -0.07%	593,869,361	↑ 68.71%	94,263,983,572	↑ 3742.77%	19	17

FX, Money Market, Fixed Income

COMMENTARY

- The apex bank announced earlier in the day that it would sell USD100 million in 60-day currency forwards at the interbank market through commercial lenders. Besides that, it was business as usual in the currency market, with the naira -- in the interbank space -- strengthening by 0.08% against the pound to N398.44, while it weakened by 3.65% against the euro to N337.54. The LCY was flat against the dollar at N306.20. In the parallel market space, the NGN/USD (+0.25%) strengthened to N397.00, while the NGN/EUR (-1.20%) weakened to N420.00. The NGN/GBP was flat at N485.00.
- The money market overnight rate expanded by 208bps to 14.58%, from yesterday's close of 12.50%, following today's OMO auction, wherein the apex bank offered the 189-DTM (N10.00 billion) and 308-DTM (N20.00 billion) bills, and sold N3.35 billion and N20.91 billion respectively. The increase in rate also mirrored a reported drop in system liquidity to N35.07 billion, from yesterday's close of N62.20 billion.
- Activities in the treasury bills space were mixed, closing with a bearish bias. On average, yield moved northward by 2 bps to 17.41%, following selloffs at the short (+2 bps) and long (+1 bp) ends of the curve. The 4-MAY-17 (+111 bps) and 4-JAN-18 (+7 bps) bills came under the most pressure at both ends. At the long (-1bp) segment of the curve, the 3-AUG-17 (-23 bps) experienced the largest yield contraction. At yesterday's NTB auction, the apex bank fully allotted N234.89 billion across the 91-DTM (N35.00 billion), 182-DTM (N33.49 billion), and 364-DTM (N166.40 billion) bills. The stop rate on the 91-DTM (13.55% vs. 13.55%) was unchanged from the previous auction, while the stop rate on the 182-DTM (17.21% vs. 17.20%) and 364-DTM (18.74% vs. 18.69%) came in higher than the previous auction. Noteworthy, the 91-DTM, 182-DTM, and 364-DTM bills were oversubscribed by N2.5 billion, N1.2 billion, and N0.37 billion respectively.
- Likewise, investors were downbeat in the bond market, with average yield expanding by 12bps to 1.30%. Yields at the short (+49 bps), mid, and long (+1 bp apiece) ends of the curve were pressured, as investors sold-off the APR 2017 (+129 bps), JAN 2022 (+4 bps), and MAR 2036 (+2 bps) maturities respectively.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	6-Apr	Change	5-Apr
13-Apr-17	7	13.35%	0.00%	13.35%
20-Apr-17	14	14.96%	0.00%	14.96%
27-Apr-17	21	11.80%	0.00%	11.80%
4-May-17	28	14.17%	1.11%	13.07%
11-May-17	35	12.99%	-1.13%	14.12%
18-May-17	42	13.37%	-0.04%	13.41%
25-May-17	49	14.13%	0.16%	13.97%
1-Jun-17	56	14.91%	0.00%	14.91%
8-Jun-17	63	17.51%	0.00%	17.51%
15-Jun-17	70	17.91%	0.00%	17.91%
22-Jun-17	77	17.96%	-0.25%	18.21%
29-Jun-17	84	18.13%	0.00%	18.13%
6-Jul-17	91	17.06%	0.35%	16.72%
13-Jul-17	98	17.71%	0.00%	17.71%
20-Jul-17	105	17.52%	0.11%	17.41%
27-Jul-17	112	17.79%	0.00%	17.79%
3-Aug-17	119	17.93%	-0.23%	18.16%
10-Aug-17	126	18.09%	-0.15%	18.23%
17-Aug-17	133	18.25%	-0.06%	18.31%
24-Aug-17	140	18.34%	0.00%	18.34%
31-Aug-17	147	18.18%	0.00%	18.18%
7-Sep-17	154	18.24%	-0.04%	18.27%
14-Sep-17	161	18.30%	-0.08%	18.37%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.78%	18.72%
Gross External Reserves	\$30.32bn *	\$26.09bn

* As at 4th Apr 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	6-Apr	Change	5-Apr
10.70 30-MAY-2018	30-May-18	1.15	20.51%	↓ 0.00%	20.51%
^16.00 29-JUN-2019	29-Jun-19	2.23	15.83%	↑ 0.03%	15.80%
7.00 23-OCT-2019	23-Oct-19	2.55	15.85%	↑ 0.02%	15.83%
^15.54 13-FEB-2020	13-Feb-20	2.86	15.87%	↓ 0.00%	15.87%

INTERBANK OFFERED RATE

Tenor	5-Apr	6-Apr	Change
O/N	12.50%	14.58%	2.08%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

	Tenor	5-Apr	22-Mar
Tbills	91 days	13.55%	13.55%
	182 days	17.21%	17.20%
	364 days	18.74%	18.69%
	VOLUME (N'bn)	234.89	134.98

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	306.20	→ 0.00%	↓ -66.91%
NGN/GBP	398.44	↑ 0.08%	↓ -40.18%
NGN/EUR	337.74	↓ -3.65%	↓ -52.64%

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