

Equity Market

COMMENTARY

- The market closed higher, despite a reported contraction (for the fifth consecutive quarter) in Nigeria's GDP in Q1-2017. Indeed, investors shifted focus to recent positive developments in the macroeconomic space including relative stability in the foreign exchange market. The All Share Index advanced by 0.05% to close at 28,093.30 points.
- Today's performance increased the Month-to-Date and Year-to-Date gains to 9.06% and 4.53% respectively.
- The Insurance (+1.33%) and Consumer Goods (+0.66%) indices gained, due to demand for the shares of MANSARD (+4.43%), CONTINSURE (+1.57%), NESTLE (+1.67%), and NB (+2.24%) respectively. On the flip side, the Oil & Gas (-0.36%), Industrial Goods (-0.26%), and Banking (-0.14%) indices shed weight, following selloffs in TOTAL (-3.70%), OANDO (-1.10%), DANGCEM (-0.61%), CCNN (-4.55%), ACCESS (-0.68%), and UBA (-3.19%) respectively.
- Market breadth remained positive, with 23 gainers versus 18 losers. Total volume traded increased by 2.09% to 212.69 million shares, valued at N2.18 billion, and exchanged in 3,908 deals.
- We expect the market to advance further in tomorrow's session, partly supported by today's positive market breadth – which speaks to investor interest.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	28,093.30
Today's return	0.05%
WtD	-0.07%
MtD	9.06%
YtD	4.53%
52-week High	31,071.25
52-week Low	24,581.99
Market Capitalisation (N'b)	9,712.01

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
SEPLAT	557,519.54	25.56%
GUARANTY	458,816.08	21.04%
ZENITHBANK	226,713.41	10.40%
NESTLE	151,367.47	6.94%
NB	114,148.08	5.23%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
FBNH	27,862.99	13.10%
DIAMONDBNK	27,662.16	13.01%
FIDELITYBK	19,223.26	9.04%
GUARANTY	14,291.40	6.72%
ZENITHBANK	12,787.21	6.01%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
UAC-PROP	1.70	1.86	9.41%
FIDSON	1.80	1.96	8.89%
VITAFOAM	2.41	2.53	4.98%
HONYFLOUR	1.21	1.27	4.96%
AIRSERVICE	4.07	4.27	4.91%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
DANGFLOUR	4.34	4.13	-4.84%
LEARNAFRCA	0.85	0.81	-4.71%
CCNN	4.83	4.61	-4.55%
DIAMONDBNK	0.92	0.88	-4.35%
CILEASING	0.69	0.66	-4.35%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
23-May-17	Tuesday	28,093.30	↑ 0.05%	212,689,799	↑ 2.09%	2,180,976,610	↓ -41.67%	23	18
22-May-17	Monday	28,078.30	↓ -0.12%	208,337,223	↓ -31.91%	3,738,712,154	↓ -30.76%	27	17
19-May-17	Friday	28,113.38	↑ 0.04%	305,973,950	↓ -13.36%	5,399,321,217	↓ -41.07%	22	21
18-May-17	Thursday	28,101.63	↑ 0.72%	353,144,074	↓ -4.93%	9,162,441,009	↑ 162.48%	22	15
17-May-17	Wednesday	27,900.44	↑ 1.05%	371,455,788	↓ -34.74%	3,490,714,200	↓ -47.76%	25	13

FX, Money Market, Fixed Income

COMMENTARY

- Further to yesterday's auction, the apex bank also injected USD105 million into the interbank market; selling USD50 million to cater for basic travel allowances and USD55 million to meet the needs of SMEs. At the time of writing, the naira had appreciated against the three currencies we track. The USD/NGN (+0.02%), GBP/NGN (+0.16%) and EUR/NGN (+0.02%) strengthened to N305.40, N412.06 and N353.52 respectively. In the parallel market, the USD/NGN, GBP/NGN, and EUR/NGN closed flat at N381, N490, and N420 respectively. Meanwhile, the USD/NGN (+0.07%) strengthened to N382.31 at the IEFX market.
- The overnight rate surged 98.84% to 121.67%. We attribute today's movement in rate to (1) commercial bank debit for FX sales, and (2) today's OMO auction, wherein the apex bank sold N8.06 billion, offering the 198-DTM (N0.28 billion vs. N5 billion offered) and 345-DTM (N7.78 billion vs. N10 billion offered) bills to investors..
- Investors were upbeat in the T-bills market, with yield contracting across all (short: -7 bps, mid: -8 bps, and long: -1 bp) segments of the curve. The 29-JUN-17 (-59 bps), 21-SEP-17 (-70 bps), and 1-MAR-18 (-19 bps) bills recorded notable yield contraction. Overall, average yield contracted by 4 bps to 19.00%.
- Conversely, the bond market closed on a bearish note. Today's performance was driven by selloffs at the short (+6 bps) and long (+3 bps) segments of the curve, in particular the AUG 2017 (+30 bps) and APR 2037 (+16 bps) bonds respectively. There was modest demand at the mid (-6 bps) segment, with the JAN 2022 (-10 bps) bond attracting the most interest.

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.24%	18.72%
Gross External Reserves	\$30.67bn *	\$26.09bn

* As at 19th May 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	23-May	Change	22-May
13.01 FGNSB 22-MAR-17	22-Mar-17	1.83	17.51%	↓ 0.00%	17.51%
12.794 FGNSB 12-APR-17	12-Apr-17	1.89	17.30%	↓ 0.00%	17.30%
16.00 29-JUN-2019	29-Jun-12	2.10	16.49%	↑ 0.00%	16.49%
7.00 23-OCT-2019	23-Oct-09	2.42	16.48%	↑ 0.01%	16.47%

INTERBANK OFFERED RATE

Tenor	22-May	23-May	Change
O/N	22.83%	121.67%	98.84%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	23-May	Change	22-May
1-Jun-17	9	19.31%	0.00%	19.31%
8-Jun-17	16	18.10%	0.00%	18.10%
15-Jun-17	23	19.30%	0.00%	19.30%
22-Jun-17	30	20.14%	0.00%	20.14%
29-Jun-17	37	19.79%	-0.59%	20.38%
6-Jul-17	44	19.28%	0.00%	19.28%
13-Jul-17	51	18.13%	0.00%	18.13%
20-Jul-17	58	18.46%	-0.09%	18.55%
27-Jul-17	65	19.00%	0.00%	19.00%
3-Aug-17	72	19.44%	-0.22%	19.66%
10-Aug-17	79	18.86%	0.00%	18.86%
17-Aug-17	86	18.39%	0.11%	18.27%
24-Aug-17	93	18.59%	0.34%	18.25%
31-Aug-17	100	18.50%	0.15%	18.35%
7-Sep-17	107	19.63%	0.00%	19.63%
14-Sep-17	114	19.54%	-0.06%	19.59%
21-Sep-17	121	18.76%	-0.70%	19.46%
28-Sep-17	128	18.93%	-0.55%	19.48%
5-Oct-17	135	18.71%	0.00%	18.71%
12-Oct-17	142	19.37%	0.00%	19.37%
19-Oct-17	149	19.46%	-0.06%	19.52%
26-Oct-17	156	19.75%	0.00%	19.75%
2-Nov-17	163	19.93%	0.00%	19.93%

AUCTIONS

Tenor	17-May	3-May
91 days	13.50%	13.60%
182 days	17.15%	17.26%
364 days	18.70%	18.82%
VOLUME (N'bn)	110.94	230.58

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.40	↑ 0.02%	↑ 0.20%
NGN/GBP	412.06	↑ 0.16%	↓ -44.97%
NGN/EUR	353.52	↑ 0.02%	↓ -59.78%

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