

May 24, 2017

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Equity Market

COMMENTARY

- In line with our prognosis, gains extended on the domestic bourse. The All Share Index advanced by 0.69% to 28,286.43 points.
- Today's performance increased the Year-to-Date and Month-to-Date gains to 9.81% and 5.25% respectively.
- The Banking (+1.47%) and Insurance (+0.66%) indices closed higher, as investors bought the shares of ZENITHBANK (+1.69%), GUARANTY (+1.46%), MANSARD (+4.85%), and NEM (+0.96%) respectively. Likewise, the Consumer Goods (+0.72%) and Oil & Gas (+0.31%) indices gained, owing to demand for NB (+1.39%), INTBREW (+4.86%), SEPLAT (+4.64%), and TOTAL (+0.02%) respectively. The Industrial Goods (-0.68%) index bucked the trend, following selloffs in MEYER (-4.11%).
- Market breadth remained positive, with 27 gainers versus 19 losers. Total volume traded increased by 4.35% to 311.28 million shares, valued at N3.46 billion, and exchanged in 4,194 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	28,286.43
Today's return	0.69%
WtD	0.62%
MtD	9.81%
YtD	5.25%
52-week High	31,071.25
52-week Low	24,581.99
Market Capitalisation (N'b)	9,778.78

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
ZENITHBANK	1,701,386.95	49.20%
GUARANTY	334,425.55	9.67%
NB	258,953.15	7.49%
DANGCEM	222,293.19	6.43%
SEPLAT	186,110.99	5.38%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
ZENITHBANK	94,788.97	30.45%
JAIZBANK	35,075.00	11.27%
FBNH	34,350.70	11.04%
DIAMONDBNK	16,605.05	5.33%
FIDELITYBK	15,147.77	4.87%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
VITAFOAM	2.53	2.69	6.32%
CCNN	4.61	4.84	4.99%
INTBREW	20.98	22.00	4.86%
MANSARD	1.65	1.73	4.85%
UAC-PROP	1.86	1.95	4.84%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
JOHNHOLT	0.63	0.59	-6.35%
OANDO	9.00	8.55	-5.00%
MAYBAKER	1.61	1.53	-4.97%
FO	47.89	45.60	-4.78%
CHAMPION	2.16	2.06	-4.63%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
24-May-17	Wednesday	28,286.43	↑ 0.69%	311,276,249	↑ 46.35%	3,458,118,048	↑ 58.56%	27	19
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

FX, Money Market, Fixed Income

COMMENTARY

- It was disclosed that the apex bank (1) injected USD186.5 million into the interbank market yesterday, selling USD36.5 million, USD 100 million and USD50 million to meet demand for invisibles, SMES, and wholesale consumers respectively, and (2) planned to auction an undisclosed amount of dollars to settle a backlog of foreign exchange demand for airlines, fuel and raw material importers. However, the result of the auction was unavailable at the time of writing. Meanwhile, the naira strengthened against two of the currencies we track in the interbank market. At the time of writing, the GBP/NGN (+1.89%) and EUR/NGN (+1.60%) strengthened to N410.64 and N352.40 respectively, while the USD/NGN (-0.16%) weakened to N305.90. In the parallel market, the USD/NGN gained 0.26% to trade at N380, while the GBP/NGN and EUR/NGN remained flat at N490 and N420 respectively. Meanwhile, the USD/NGN (+0.13%) strengthened to N381.81 in the IEFX market.
- The overnight rate expanded further by 16.66% to 183.33%. 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 N0.98 billion, offering the 197-DTM (Nil vs. N5 billion offered) and 309-DTM (N0.98 billion vs. N10 billion offered) bills to investors.
- Selloffs resurfaced in the T-bills market amid the continued pressure on system liquidity. Yields at the short (+11 bps) and long (+4 bps) segments of the curve were pressured, as investors sold-off the 13-JUL-17 (+74 bps) and 23-NOV-17 (+58 bps) bills respectively. While demand was modest at the short (-2 bps) end, owing to demand for the 14-SEP-17 (-105 bps) maturity. Overall, average yield inched upward by 4 bps to 19.04%.
- Likewise, investors were downbeat in the bond market, with average yield expanding by 1 bp to 16.93%. Yields at the short (+2 bps) and mid (+6 bps) segments of the curve expanded, with the JUL 2017 (+16 bps) and JAN 2022 (+6 bps) bonds recording notable yield expansion. Activity at the long (-1 bp) end of the curve was modest, with the JUL 2034 bond contracting by 1 bp.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	24-May	Change	23-May
1-Jun-17	8	19.31%	0.00%	19.31%
8-Jun-17	15	18.10%	0.00%	18.10%
15-Jun-17	22	19.33%	0.03%	19.30%
22-Jun-17	29	20.47%	0.33%	20.14%
29-Jun-17	36	19.33%	-0.46%	19.79%
6-Jul-17	43	19.28%	0.00%	19.28%
13-Jul-17	50	18.87%	0.74%	18.13%
20-Jul-17	57	18.46%	0.00%	18.46%
27-Jul-17	64	19.00%	0.00%	19.00%
3-Aug-17	71	19.55%	0.11%	19.44%
10-Aug-17	78	18.86%	0.00%	18.86%
17-Aug-17	85	18.98%	0.59%	18.39%
24-Aug-17	92	18.59%	0.00%	18.59%
31-Aug-17	99	18.50%	0.00%	18.50%
7-Sep-17	106	19.63%	0.00%	19.63%
14-Sep-17	113	18.49%	-1.05%	19.54%
21-Sep-17	120	18.76%	0.00%	18.76%
28-Sep-17	127	18.93%	0.00%	18.93%
5-Oct-17	134	18.71%	0.00%	18.71%
12-Oct-17	141	19.37%	0.00%	19.37%
19-Oct-17	148	19.36%	-0.10%	19.46%
26-Oct-17	155	19.75%	0.00%	19.75%
2-Nov-17	162	19.93%	0.00%	19.93%

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	24-May	Change	23-May
13.01 FGNSB 22-MAR-17	22-Mar-17	1.83	17.49%	↓ -0.02%	17.51%
12.794 FGNSB 12-APR-17	12-Apr-17	1.88	17.28%	↓ -0.02%	17.30%
16.00 29-JUN-2019	29-Jun-12	2.10	16.47%	↓ -0.02%	16.49%
7.00 23-OCT-2019	23-Oct-09	2.42	16.49%	↑ 0.01%	16.48%

INTERBANK OFFERED RATE

Tenor	23-May	24-May	Change
O/N	121.67%	138.33%	16.66%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

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	305.90	↓ -0.16%	↑ 0.03%
NGN/GBP	410.64	↑ 1.89%	↓ -44.47%
NGN/EUR	352.40	↑ 1.60%	↓ -59.27%

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