

May 31, 2017

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Equity Market

COMMENTARY

- Gains extended on the bourse, driven by demand for insurance and industrial goods stocks. The All Share Index advanced by 0.76% to close at 29,598.31 points (the highest this year).
- Today's performance increased the Month-to-Date and Year-to-Date gains to 14.52% and 9.76% respectively. Interestingly, the market closed in the red on three trading sessions this month.
- The Insurance (+4.48%) index recorded the largest gain, following demand for MANSARD (+8.17%) and CUSTODYINS (+5.34%). Likewise, the Consumer Goods (+1.49%) and Industrial Goods (+1.87%) indices closed higher, as investors bought the shares of NESTLE (+0.58%) and DANGCEM (+4.73%) respectively. On the flip side, the Banking (-3.06%) and Oil & Gas (-2.35%) indices shed weight, as investors sold-off GUARANTY (-5.00%), ZENITHBANK (-2.82%), SEPLAT (-5.00%), and CONOIL (-0.29%) respectively.
- Market breadth was positive, with 31 gainers versus 19 losers. Total volume traded declined by 58.78% to 343.19 million shares, valued at N3.34 billion, and exchanged in 4,905 deals.
- We expect the market to close higher tomorrow, partly supported by today's positive market breadth – which suggests potential investor interest.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	29,498.31
Today's return	0.76%
WtD	1.49%
MtD	14.52%
YtD	9.76%
52-week High	31,071.25
52-week Low	24,581.99
Market Capitalisation (N'b)	10,197.73

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
GUARANTY	745,171.41	22.32%
ZENITHBANK	506,289.96	15.16%
FBNH	318,898.25	9.55%
UBA	264,761.25	7.93%
NB	212,069.49	6.35%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
FBNH	61,195.50	17.83%
DIAMONDBNK	41,863.86	12.20%
FIDELITYBK	38,775.14	11.30%
UBA	34,994.17	10.20%
ZENITHBANK	26,567.71	7.74%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
UAC-PROP	2.24	2.46	9.82%
MANSARD	2.08	2.25	8.17%
LAWUNION	0.91	0.98	7.69%
CHAMPION	2.15	2.29	6.51%
CUSTODYINS	3.37	3.55	5.34%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
NEM	1.00	0.95	-5.00%
GUARANTY	35.80	34.01	-5.00%
SEPLAT	370.50	351.99	-5.00%
7UP	99.75	94.77	-4.99%
OANDO	8.89	8.45	-4.95%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
3-Jun-17	Wednesday	29,498.31	↑ 0.76%	343,192,321	↓ -58.78%	3,338,701,460	↓ -56.02%	31	19
30-May-17	Tuesday	29,276.59	↑ 0.73%	832,517,967	↑ 14.74%	7,591,474,768	↑ 32.83%	29	17
26-May-17	Friday	29,064.52	↑ 2.10%	725,542,699	↑ 73.19%	5,715,138,653	↑ 15.18%	33	20
25-May-17	Thursday	28,467.61	↑ 0.64%	418,935,759	↑ 34.59%	4,962,089,933	↑ 43.49%	30	14
24-May-17	Wednesday	28,286.43	↑ 0.69%	311,276,249	↑ 46.35%	3,458,118,048	↑ 58.56%	27	19

FX, Money Market, Fixed Income

COMMENTARY

- Yesterday the apex bank sold USD482.6m at the interbank market, a breakdown of the intervention revealed that (1) USD 285.7million was offered to the retail secondary market, (2) USD100 million was to the wholesale secondary market, (3) USD52 million to SMEs, and (4) USD45 million to cater for invisible. That said, today at the interbank market, the GBP/NGN (-0.02%) and EUR/NGN (-0.38%) weakened to N404.32 and N353, respectively, while the USD/NGN closed flat at N305.40. In the parallel market, the USD/NGN, GBP/NGN, and EUR/NGN closed flat at N382, N495, and N425, respectively. Meanwhile, The USD/NGN (+0.16%) strengthened to N380.50 at the IEFX market.
- The overnight rate contracted by 10 bps to 12.33%, particularly driven by the expectation of maturing OMO bills tomorrow, worth N64.75 billion.
- Investors remained upbeat in the secondary market, with yield contracting by 7 bps to 18.79%. Yields contracted across all (short: -14 bps, mid: -5 bps, long: -4 bps) segments of the curve, as the 17-AUG-17 (-95 bps), 23-NOV-17 (-45 bps), and 30-NOV-17 (-48 bps) bills, respectively, experienced notable yield contraction. The result of today's primary auction was unavailable at the time of writing.
- Conversely, the bond market closed on a bearish note, as selloffs at the mid (+6 bps) and long (+1 bp) segments overshadowed demand at the short (-2 bps) end of the curve. In particular, yields on the JAN 2022 (+1 bp) and JUL 2034 (+4 bps) bonds respectively came under pressure, while the yield on the JUL 2017 (-2 bps) bond contracted owing to demand. Overall, average yield expanded by 4 bps to 16.84%.

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.24%	18.72%
Gross External Reserves	\$30.49bn *	\$26.09bn

* As at 25th May 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	31-May	Change	30-May
13.01 FGNSB 22-MAF	22-Mar-17	1.81	17.44%	↓ -0.03%	17.48%
12.794 FGNSB 12-AP	12-Apr-17	1.87	17.23%	↓ -0.03%	17.27%
13.189 FGNSB 17-MA	17-May-17	1.96	16.87%	↓ -0.04%	16.90%
^16.00 29-JUN-2019	29-Jun-12	2.08	16.43%	↓ -0.03%	16.46%

INTERBANK OFFERED RATE

Tenor	30-May	31-May	Change
O/N	12.43%	12.33%	-0.10%
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	31-May	Change	30-May
8-Jun-17	8	19.98%	0.00%	19.98%
15-Jun-17	15	19.33%	0.00%	19.33%
22-Jun-17	22	17.28%	0.08%	17.20%
29-Jun-17	29	17.30%	0.05%	17.26%
6-Jul-17	36	19.37%	0.00%	19.37%
13-Jul-17	43	18.92%	0.00%	18.92%
20-Jul-17	50	18.46%	0.00%	18.46%
27-Jul-17	57	19.00%	0.00%	19.00%
3-Aug-17	64	19.39%	-0.03%	19.42%
10-Aug-17	71	18.86%	0.00%	18.86%
17-Aug-17	78	18.05%	-0.95%	19.00%
24-Aug-17	85	17.80%	-0.79%	18.59%
31-Aug-17	92	18.05%	0.00%	18.05%
7-Sep-17	99	18.67%	0.00%	18.67%
14-Sep-17	106	19.32%	0.00%	19.32%
21-Sep-17	113	18.76%	0.00%	18.76%
28-Sep-17	120	18.93%	0.00%	18.93%
5-Oct-17	127	19.15%	0.00%	19.15%
12-Oct-17	134	19.37%	0.00%	19.37%
19-Oct-17	141	19.45%	0.00%	19.45%
26-Oct-17	148	19.56%	0.00%	19.56%
2-Nov-17	155	19.29%	0.00%	19.29%
9-Nov-17	162	19.62%	0.00%	19.62%

AUCTIONS

Tenor	17-May	17-May
91 days	13.50%	13.50%
182 days	17.15%	17.15%
364 days	18.70%	18.70%
VOLUME (N'bn)	110.94	110.94

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.40	→ 0.00%	↑ 0.20%
NGN/GBP	404.32	↓ -0.02%	↓ -42.25%
NGN/EUR	353.00	↓ -0.38%	↓ -59.54%

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