

June 6, 2017

Contact: [research@cordros.com](mailto:research@cordros.com)

## Equity Market

### COMMENTARY

- The market closed lower, following profit taking, particularly in the shares of DANGCEM and MOBIL. The All Share Index shed 1.16% to close at 32,200.38 points.
- Today's performance reduced the Month-to-Date and Year-to-Date gains to 9.16% and 19.82% respectively.
- The Industrial Goods (-0.77%) and Insurance (-0.22%) indices closed lower, as investors liquidated their holdings in DANGCEM (-5.00%), CAP (-0.24%), MANSARD (-4.44%), and CUSTODYINS (-1.52%) respectively. Conversely, the Banking (+0.27%), Consumer Goods (+0.85%), and Oil & Gas (+0.20%) indices extended gains, following demand for STANBIC (+1.82%), ACCESS (+0.53%), NB (+0.32%), 7UP (+2.31%), SEPLAT (+5.00%), and FO (+2.17%) respectively.
- Market breadth continued to be positive, with 38 gainers versus 22 losers. The total volume traded increased by 16.33% to 74.99 million shares, valued at N6.52 billion, and exchanged in 7,841 deals.
- We expect gains to resurface on the bourse tomorrow, partly supported by today's positive market breadth—which speaks to continued buying interest.

### KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	32,200.38
Today's return	-1.16%
WtD	2.64%
MtD	9.16%
YtD	19.82%
52-week High	32,578.38
52-week Low	24,581.99
Market Capitalisation (N'b)	11,131.85

### TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
ZENITHBANK	1,027,916.58	15.77%
GUARANTY	776,396.43	11.91%
ACCESS	652,129.46	10.00%
SEPLAT	533,834.00	8.19%
FBNH	484,191.86	7.43%

### TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
DIAMONDBNK	133,511.40	17.92%
FIDELITYBK	76,829.81	10.31%
ACCESS	69,586.80	9.34%
FBNH	66,465.49	8.92%
FCMB	59,742.01	8.02%

### TOP 5 GAINERS

Ticker	Pclose	Close	Change
STERLNBANK	0.82	0.90	9.76%
MAYBAKER	1.96	2.15	9.69%
CHAMPION	2.84	3.10	9.15%
DIAMONDBNK	1.21	1.28	5.79%
UAC-PROP	2.71	2.85	5.17%

### TOP 5 LOSERS

Ticker	Pclose	Close	Change
MOBIL	319.72	288.56	-9.75%
DANGCEM	210.00	199.50	-5.00%
NPFMCRCFBK	1.40	1.33	-5.00%
UNILEVER	37.49	35.79	-4.53%
MANSARD	2.48	2.37	-4.44%

### CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
6-Jun-17	Tuesday	32,200.38	↓ -1.16%	744,992,196	↑ 16.33%	6,518,929,308	↓ -15.07%	38	22
5-Jun-17	Monday	32,578.38	↑ 3.85%	640,439,207	↓ -9.59%	7,675,245,295	↓ -7.03%	44	13
2-Jun-17	Friday	31,371.63	↑ 3.49%	708,411,054	↑ 63.07%	8,255,569,101	↑ 78.42%	51	8
1-Jun-17	Thursday	30,314.14	↑ 2.77%	434,433,487	↑ 26.59%	4,627,068,440	↑ 38.59%	39	11
31-May-17	Wednesday	29,498.31	↑ 0.76%	343,192,321	↓ -58.78%	3,338,701,460	↓ -56.02%	31	19

## FX, Money Market, Fixed Income

### COMMENTARY

- In its continuous stride to achieve rate convergence, the apex bank (1) sold USD190 million to the interbank segment of the market yesterday, consisting of wholesale interventions (USD100 million), sales to SMEs (USD50 million), and sales to end users for invisibles (USD40 million), and (2) issued new directives to further liberalize the forex market. The circular states that (a) authorized dealers may defease their excess FX currency trading positions to other authorized dealers, without seeking prior approval from CBN, and (b) all inter-bank transactions shall be subject to a maximum spread of N1.00. That said, the naira -- in the inter-bank market -- appreciated against the pound (+0.21%) to N405.92, and weakened against the euro (-0.14%) to N354.68. The naira was unchanged against the dollar at N305.55. In the parallel market, the USD/NGN and EUR/NGN were flat at N372 and N410 respectively, while the GBP/NGN (+1.04%) strengthened to N475. Meanwhile, the USD/NGN (-0.20%) weakened to N378.67 at the IEFX market.
- The overnight rate expanded by 2.83% to 12.50%, as the apex bank mopped up N18.27 billion from the system via the sale of OMO bills (N0.18 billion of the 191-DTM and N18.09 billion of the 345-DTM) to investors.
- The T-bills market closed on a bullish note, with average yield contracting by 12 bps to 18.35%. Yield contraction occurred across all (short: -22 bps, mid: -7 bps, and long: -8 bps) segments of the curve, as the 3-AUG-17 (-121 bps), 9-NOV-17 (-39 bps), and 11-JAN-18 (-34 bps) maturities were in high demand.
- The bond market closed on a bearish note, with average yield expanding by 11 bps to 16.87%. Yield expanded at the short (+32 bps) segment of the curve, following selloffs, most notably in the AUG 2017 (+167 bps) bond. Demand was modest at the mid and long(-1 bp apiece) segments, with the JUL 2021 (-4 bps) and APR 2037 (-1 bps) recording notable yield contraction.

### TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	6-Jun	Change	5-Jun
15-Jun-17	9	16.29%	0.00%	16.29%
22-Jun-17	16	17.12%	-0.16%	17.28%
29-Jun-17	23	17.05%	0.01%	17.04%
6-Jul-17	30	18.52%	0.00%	18.52%
13-Jul-17	37	18.49%	0.00%	18.49%
20-Jul-17	44	18.46%	0.00%	18.46%
27-Jul-17	51	16.89%	-0.43%	17.32%
3-Aug-17	58	18.17%	-1.21%	19.38%
10-Aug-17	65	17.66%	0.00%	17.66%
17-Aug-17	72	17.44%	-0.61%	18.05%
24-Aug-17	79	17.44%	-0.11%	17.55%
31-Aug-17	86	16.90%	-0.07%	16.96%
7-Sep-17	93	18.61%	0.05%	18.56%
14-Sep-17	100	19.32%	0.00%	19.32%
21-Sep-17	107	18.76%	0.00%	18.76%
28-Sep-17	114	18.93%	0.00%	18.93%
5-Oct-17	121	18.71%	-0.36%	19.07%
12-Oct-17	128	18.80%	-0.15%	18.95%
19-Oct-17	135	18.90%	0.07%	18.83%
26-Oct-17	142	19.56%	0.00%	19.56%
2-Nov-17	149	18.69%	0.00%	18.69%
9-Nov-17	156	18.59%	-0.39%	18.98%
16-Nov-17	163	18.27%	-0.18%	18.45%

### ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	17.24%	18.72%
Gross External Reserves	\$30.28bn *	\$26.09bn

\* As at 5th June 2017

### BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	6-Jun	Change	5-Jun
13.01 FGNSB 22-MAR	22-Mar-17	1.79	17.62%	↑ 0.05%	17.57%
12.794 FGNSB 12-APR	12-Apr-17	1.85	17.37%	↑ 0.03%	17.34%
13.189 FGNSB 17-MAY	17-May-17	1.95	16.93%	↑ 0.00%	16.92%
^16.00 29-JUN-2019	29-Jun-12	2.06	16.40%	↓ -0.03%	16.43%

### INTERBANK OFFERED RATE

Tenor	5-Jun	6-Jun	Change
O/N	9.67%	12.50%	2.83%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

### AUCTIONS

Tenor	31-May	17-May
91 days	13.40%	13.50%
182 days	17.14%	17.15%
364 days	18.65%	18.70%
VOLUME (N'bn)	117.15	110.94

### CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.55	→ 0.00%	↑ 0.15%
NGN/GBP	405.92	↑ 0.21%	↓ -42.81%
NGN/EUR	354.68	↓ -0.14%	↓ -60.30%

**DISCLAIMER:** This document has been issued and approved by Cordros Capital (Cordros) and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction. Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of Cordros clients who are then expected to make their own investment decisions. Cordros conducts designated investment business with market counter parties and customers and this document is directed only to such persons. Cordros accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of Cordros. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance. Cordros and/or a connected company may or may not have a relationship with any of the entities mentioned in this document for which it has received or may receive in the future fees or other compensation. Cordros is regulated by the Securities and Exchange Commission to conduct investment business in Nigeria.

©Cordros Capital Limited.