CORDROS CAPITAL

DAILY MARKET UPDATE

July 12, 2017

Contact: research@cordros.com

Equity Market

COMMENTARY

- The domestic bourse fired on for the fifth consecutive session, as investors remained upbeat in large cap counters, causing the All Share Index to appreciate by 0.46% to 32,981.63 points
- Today's proceeding improved the Year-to-Date return to 22.72% while moderating the Month-to-Date loss to 0.41%.
- Gains accrued across all sectors, with the Banking (1.34%) index taking the lead -- stemming from demand for GUARANTY (+1.94%) and ACCESS (+1.53%). The Consumer Goods (+0.46%), Insurance (+0.29%), Industrial Goods (+0.18%), and Oil & Gas (+0.04%) indices also remained positive, driven by investor interest in DANGFLOUR (+2.25%), NESTLE (+0.14%), NEM (+4.85%), DANGCEM (+0.02%), SEPLAT (+1.08%), and FO (+2.67).
- Market breadth was positive with 28 gainers and 14 losers. Total volume traded decreased by 16.77% to N182 million shares, valued at N2.03 billion, and exchanged in 3,940 deals.
- Corporate Release: 2016FY; GUINEAINS (PAT: N2.5million Vs -N7.2million)
- In line with our prognosis for the week, we expect the market to gain more points in the coming session.

KEY MARKET STATISTICS

METRICS	OUTCOME
ASI	32,981.63
Today's return	0.47%
WtD	1.61%
MtD	-0.41%
YtD	22.72%
52-week High	34,375.60
52-week Low	24,581.99
Market Capitalisation (N'b)	11,367.36

TOP 5 TRADES BY VALUE

Ticker	Value N'000	Market Value
ZENITHBANK	581,706.29	28.69%
UBA	434,309.45	21.42%
ACCESS	339,459.93	16.74%
GUARANTY	335,158.16	16.53%
FBNH	197,490.87	9.74%

TOP 5 GAINERS

Ticker	Pclose	Close	Change
7UP	82.00	89.23	8.82%
NEIMETH	0.70	0.75	7.14%
CAP	34.00	35.70	5.00%
LINKASSURE	0.60	0.63	5.00%
ETI	13.11	13.76	4.96%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
UBA	48,273.60	26.51%
ACCESS	34,537.45	18.97%
FBNH	31,948.51	17.55%
UCAP	30,376.33	16.68%
ZENITHBANK	26,419.09	14.51%

TOP 5 LOSERS

Ticker	Pclose	Close	Change
UPL	3.23	2.92	-9.60%
CHAMPION	2.78	2.57	-7.55%
UCAP	3.29	3.05	-7.29%
CONOIL	33.21	31.55	-5.00%
CAPHOTEL	3.48	3.31	-4.89%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value	% Change	Gainers	Losers
12-Jul-17	Wednesday	32,981.63	0.47%	182,069,133	-16.77%	2,027,532,709	-3.69%	28	14
11-Jul-17	Tuesday	32,827.98	0.65%	218,763,848	20.15%	2,105,161,908	3.83%	24	20
10-Jul-17	Monday	32,614.60	0.48%	182,070,633	-14.27%	2,027,533,999	-18.06%	26	15
7-Jul-17	Friday	32,459.17	0.32%	212,383,931	26.03%	2,474,319,618	-31.79%	28	17
6-Jul-17	Thursday	32,354.78	0.16%	168,512,935	-45.88%	3,627,452,990	21.93%	20	23

FX, Money Market, Fixed Income

COMMENTARY

- At the time of writing, the LCY – in the interbank market – had appreciated against the USD, GBP and EUR by 0.02%, 0.01% and 0.42% to N305.95, N404.9, and 359.13, respectively. However, in the parallel market, the naira was flat against two of the currencies we track – USD (N368), GBP (N470) and depreciated by 0.48% against the EUR to N420. Meanwhile, in the I&E FX window, the NGN/USD depreciated by 0.80% to N366.25.
- The overnight rate dipped further by 100 bps to 15.17%. The contraction was due to the expected inflow of maturing OMO bills tomorrow – valued at N89.96 billion – which subdued the impact of outflow via OMO auctions today, wherein the apex bank sold N34.32 billion (vs. N40.00 billion offered) of the 344-day bill, while no sale was recorded on the N5.00 billion offered of the 197-day bill.
- The bulls continued to dominate the NTB space, as average yield contracted by 17 bps to 18.11%. The yield at the short (-63 bps) end contracted further, amid investor interest in the 20-JUL-2017 (+602 bps) bill. However, yields at the mid (+1 bps) and long (+3 bps) ends expanded, driven by snippets of selloffs, particularly of the 02-NOV-2017 (+20 bps) and 18-JAN-2018 (+47 bps) bills respectively.
- The bond market was relatively quiet,, as average yield contracted by less than 1 bp. Yield at the long (-1 bp) end declined, owing to demand for the 17-MAR-2027 (-5 bps) bond. Meanwhile, yields at the short and mid ends of the curve expanded marginally by less than 1 bp apiece, following selloffs of the 31-AUG-2017 (+9 bps) and 29-JUN-2019 (+2 bps) bonds. The result of today's auction was not available at the time of writing.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	12-Jul	Change	11-Jul
20-Jul-17	8	10.02%	-6.02%	16.03%
27-Jul-17	15	14.66%	-1.45%	16.11%
3-Aug-17	22	17.95%	0.00%	17.95%
10-Aug-17	29	17.79%	0.00%	17.79%
17-Aug-17	36	16.61%	-0.68%	17.29%
24-Aug-17	43	17.61%	-0.15%	17.76%
31-Aug-17	50	17.67%	0.01%	17.67%
7-Sep-17	57	18.91%	0.00%	18.91%
14-Sep-17	64	17.22%	0.00%	17.22%
21-Sep-17	71	18.43%	-0.08%	18.51%
28-Sep-17	78	18.48%	0.00%	18.48%
5-Oct-17	85	18.77%	0.00%	18.77%
12-Oct-17	92	18.63%	0.23%	18.40%
19-Oct-17	99	17.88%	0.00%	17.88%
26-Oct-17	106	18.41%	0.00%	18.41%
2-Nov-17	113	18.91%	0.20%	18.72%
9-Nov-17	120	18.89%	0.00%	18.89%
16-Nov-17	127	18.72%	0.00%	18.72%
23-Nov-17	134	18.56%	0.00%	18.56%
30-Nov-17	141	18.82%	0.00%	18.82%
7-Dec-17	148	18.63%	0.00%	18.63%
14-Dec-17	155	18.61%	0.00%	18.61%
21-Dec-17	162	18.40%	0.00%	18.40%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	16.25%	18.72%
Gross External Reserves	$30.33bn *	$26.09bn

* As at 6th July 2017

BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	12-Jul	Change	11-Jul
13.01 FGNSB 22-MAR	22-Mar-17	1.69	17.97%	-0.01%	17.98%
12.794 FGNSB 12-APR	12-Apr-17	1.75	17.71%	0.00%	17.71%
13.189 FGNSB 17-MA	17-May-17	1.85	17.26%	0.01%	17.25%
13.189 FGNSB 14-JUN	14-Jun-17	1.92	16.91%	0.02%	16.89%

INTERBANK OFFERED RATE

Tenor	11-Jul	12-Jul	Change
O/N	16.17%	15.17%	-1.00%
1M	N/A	N/A	N/A
3M	N/A	N/A	N/A
6M	N/A	N/A	N/A

AUCTIONS

	Tenor	28-Jun	21-Jun
Tbills	91 days	13.50%	13.50%
	182 days	17.50%	17.50%
	364 days	18.60%	18.65%
	VOLUME (N'bn)	133.25	133.25

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.95	0.02%	0.02%
NGN/GBP	404.99	0.01%	-42.48%
NGN/EUR	359.13	0.42%	-62.31%