CORDROS CAPITAL

DAILY MARKET UPDATE

May 14, 2018

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Equities Market

COMMENTARY

- The equities market started the week on a negative note, as the ASI dipped 0.84% to 40,677.61 points, as investors took profit in value stocks.
- Accordingly, the Month-to-Date and Year-to-Date returns dropped to -1.43% and 6.37% respectively.
- The Consumer Goods (-1.55%), Insurance (-1.74%), Banking (-0.44%), and Industrial Goods (-0.25%) indices closed lower, owing to profit taking in NESTLE (-3.16%), CUSTODIAN (-3.65%), ZENITHBANK (-0.52%), and DANGCEM (-0.61%) shares, respectively. Meanwhile, interest in ETERNA (+1.01%) stocks caused positive returns in the Oil & Gas (+0.01%) index.
- Market breadth turned negative, with 32 losers and 11 gainers, led by CILEASING (-9.36%) and CAVERTON (+4.98%) respectively. Total volume of trades dipped 1.95% to 218.77 million units, valued at NGN2.23 billion, and exchanged in 4,109 deals.
- Our outlook for the equities market remains positive, as strengthening macroeconomic fundamentals suggest legroom for gains exist.

KEY MARKET STATISTICS

METRICS	OUTCOME
All-Share Index	40,677.61
Today's return	-0.84%
WtD	-1.31%
MtD	-1.43%
YtD	6.37%
52-week High	45,092.83
52-week Low	27,513.69
Market Capitalisation (N'bn)	14,734.65

TOP 5 TRADES BY VALUE

Ticker	Value NGN'000	Market Value
UBA	706,636.64	31.68%
NESTLE	168,873.39	7.57%
ZENITHBANK	159,417.45	7.15%
GUARANTY	152,816.64	6.85%
FBNH	143,100.53	6.42%

TOP 5 GAINERS

Ticker	Pclose (NGN)	Close (NGN)	Change
CAVERTON	2.61	2.74	4.98%
STERLNBANK	1.57	1.63	3.82%
MBENEFIT	0.28	0.29	3.57%
FCMB	2.54	2.63	3.54%
CUTIX	3.05	3.15	3.28%

TOP 5 TRADES BY VOLUME

Ticker	Volume Units '000	Market Volume
UBA	60,444.97	2.71%
FCMB	17,509.49	0.78%
SOVRENINS	12,443.01	0.56%
FBNH	11,912.52	0.53%
FIDELITYBK	10,535.12	0.47%

TOP 5 LOSERS

Ticker	Pclose (NGN)	Close (NGN)	Change
CILEASING	1.71	1.55	-9.36%
FIRSTALUM	0.45	0.41	-8.89%
JAPAULOIL	0.40	0.37	-7.50%
OKOMUOIL	90.00	85.50	-5.00%
OANDO	8.15	7.75	-4.91%

CURRENT MARKET INFORMATION

Date	Days	NSE ASI	% Change	Volume	% Change	Value (NGN)	% Change	Gainers	Losers
14-May-18	Monday	40,677.61	-0.84%	218,772,603	1.95%	2,230,693,827	-47.32%	11	32
11-May-18	Friday	41,022.31	0.26%	214,581,352	-12.39%	4,234,139,165	3.35%	26	23
10-May-18	Thursday	40,915.17	-0.40%	244,924,308	-28.19%	4,096,999,068	-56.06%	22	26
09-May-18	Wednesday	41,080.12	-0.18%	341,056,034	-39.49%	9,325,087,150	61.65%	22	27
08-May-18	Tuesday	41,155.80	-0.19%	563,619,285	154.58%	5,768,591,773	124.74%	24	25

FX, Money Market, Fixed Income

COMMENTARY

- The USD/NGN was flat at NGN363 in the parallel market, while it depreciated by 0.14% to NGN361.57 (highest since August 2017) in the I&E FX window. Total turnover in the I&E FX window dropped by 30.77% to USD125.71 million, traded within the NGN358-NGN363/USD band.
- The overnight lending rate spiked 9,075 bps to 164.17% (highest since 12th April 2017), from 73.42% last Friday, as liquidity remained strained in the absence of any significant inflows.
- Activities in the treasury bills market were bearish, weighed by the squeeze in system liquidity. Consequently, average yield expanded (+34 bps), to close at 13.64%. Yields expanded at the short (+31 bps), mid (+47 bps), and long (+25 bps) ends of the curve, driven by selloffs of the 59DTM (+174 bps), 136DTM (+266 bps), and 325DTM (+88 bps) bills, respectively.
- The bond market was also bearish, with average yield inching upwards by 3 bps to 13.21%. The long (+11 bps) segment experienced sell pressure, with the MAR-2036 (+22 bps) bond recording a significant expansion. Conversely, yield at the short (-3 bps) end contracted, driven by demand for the MAR-2036 (+22bps) bond. Yield at the mid segment was flat.

TREASURY BILLS—SECONDARY MARKET

Maturity	DTM	14-May	Change	11-May
24-May-18	10	8.19%	-0.01%	8.20%
31-May-18	17	13.83%	-0.02%	13.85%
07-Jun-18	24	9.16%	-0.01%	9.17%
14-Jun-18	31	14.39%	1.04%	13.35%
21-Jun-18	38	13.89%	-0.02%	13.90%
28-Jun-18	45	13.60%	-0.02%	13.61%
05-Jul-18	52	13.73%	-0.02%	13.75%
12-Jul-18	59	13.90%	1.74%	12.17%
19-Jul-18	66	13.82%	-0.02%	13.83%
26-Jul-18	73	13.75%	-0.11%	13.85%
02-Aug-18	80	14.15%	1.31%	12.84%
09-Aug-18	87	13.69%	-0.18%	13.87%
16-Aug-18	94	13.75%	-0.08%	13.83%
23-Aug-18	101	13.82%	0.11%	13.71%
30-Aug-18	108	13.60%	-0.02%	13.62%
06-Sep-18	115	13.70%	-0.15%	13.84%
13-Sep-18	122	13.94%	-0.13%	14.07%
20-Sep-18	129	13.96%	0.07%	13.88%
27-Sep-18	136	13.71%	2.66%	11.05%
04-Oct-18	143	14.47%	1.12%	13.35%
11-Oct-18	150	13.58%	0.90%	12.68%
18-Oct-18	157	13.47%	2.21%	11.25%
25-Oct-18	164	14.00%	-0.37%	14.37%
01-Nov-18	171	14.14%	-0.05%	14.19%
08-Nov-18	178	13.81%	-0.20%	14.02%
15-Nov-18	185	13.85%	0.04%	13.81%
22-Nov-18	192	13.86%	-0.27%	14.13%
29-Nov-18	199	13.96%	-0.11%	14.07%
06-Dec-18	206	13.91%	0.01%	13.91%
13-Dec-18	213	13.63%	-0.02%	13.65%
20-Dec-18	220	13.19%	-0.01%	13.21%
27-Dec-18	227	13.60%	0.35%	13.25%
03-Jan-19	234	13.91%	-0.02%	13.92%
17-Jan-19	248	13.61%	0.76%	12.85%
31-Jan-19	262	14.08%	0.69%	13.39%
14-Feb-19	276	14.68%	0.58%	14.10%
14-Mar-19	304	14.57%	0.58%	13.99%
21-Mar-19	311	14.04%	-0.02%	14.05%
04-Apr-19	325	15.01%	0.88%	14.13%
00-Jan-00	0	0.00%	0.00%	0.00%
00-Jan-00	0	0.00%	0.00%	0.00%

ECONOMIC INDICATORS

	Current	Year Start
MPR	14.00%	14.00%
Inflation	13.34%	15.90%
Gross External Reserves	$47.85bn *	$38.77bn

* As at 11th May 2018

INTERBANK OFFERED RATE

Tenor	11-May	14-May	Change
O/N	73.42%	164.17%	90.75%

BENCHMARK BONDS—SECONDARY MARKET

New Nomenclature	Issue	TTM	14-May	Change	11-May
^16.00 29-JUN-2019	29-Jun-12	1.13	11.76%	-0.03%	11.78%
^15.54 13-FEB-2020	13-Feb-15	1.75	13.27%	0.02%	13.25%
^14.50 15-JUL-2021	15-Jul-16	3.17	13.41%	-0.07%	13.48%
^16.39 27-JAN-2022	27-Jan-12	3.71	13.44%	-0.04%	13.48%
^14.20 14-MAR-2024	14-Mar-14	5.83	13.37%	-0.01%	13.38%
^12.50 22-JAN-2026	22-Jan-16	7.69	13.44%	-0.03%	13.47%
^16.2884 17-MAR-2027	17-Mar-17	8.84	13.42%	0.03%	13.39%
^10.00 23-JUL-2030	23-Jul-10	12.19	13.37%	0.06%	13.30%
^12.1493 18-JUL-2034	18-Jul-14	16.18	13.30%	0.14%	13.16%
^12.40 18-MAR-2036	18-Mar-16	17.84	13.34%	0.22%	13.12%
^16.2499 18-APR-2037	18-Apr-17	18.93	13.23%	0.03%	13.20%

AUCTIONS

	Tenor	02-May	18-Apr
Tbills	91 days	10.00%	10.90%
	182 days	10.95%	12.00%
	364 days	11.15%	12.08%
	VOLUME (N'bn)	95.42	58.49

CURRENCY

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	305.80	0.00%	0.07%
NGN/GBP	485.57	1.34%	0.27%
NGN/EUR	428.77	1.09%	0.72%