

Daily Market Update.

August 14, 2018

Equities Market.

Commentary

- Sentiments remained bearish the equities market, as the ASI dropped further by 0.31%, to 35,288.23 points, amidst continued selloffs.
- Accordingly, the Month-to-Date and Year-to-Date losses increased to -4.67% and -7.44%, respectively.
- Sell pressure in the shares of CONTINSURE (-9.47%), GUARANTY (-1.42%), ETERNA (-9.72%), and BERGER (-9.43%) led to respective losses in the Insurance (-2.19%), Banking (-1.05%), Oil & Gas (-0.79%), and Industrial Goods (-0.03%) indices. Meanwhile, returns in the Consumer Goods (+0.10%) index remained positive, owing to gains in UNILEVER (+0.76%) shares.
- Market breadth remained negative, with a wider margin – 33 losers and 13 gainers – led by ABCTRANS (-10.00%), and MBENEFIT (+10.0%) respectively. Total volume of trades inched up by 2.54% to 164.51 million units, valued at NGN1.61 billion (-27.19%), and exchanged in 3,448 deals.
- In our view, the continued selloffs call for cautious trading among investors, amidst absence of a near-term one-off positive catalyst in the short to medium term, as well as concerns in the political space, ahead of the 2019 elections. Negative sentiments towards emerging markets, following the US-Turkey trade spat (which led to a significant decline in the Lira), also poses a threat to domestic risky assets.

Key Market Statistics

Metrics	Outcome
All-Share Index	35,288.23
Today's return	▼ -0.31%
WtD	▼ -0.45%
MtD	▼ -4.67%
YtD	▼ -7.44%
52-week High	45,092.83
52-week Low	34,846.82
Market Capitalisation (N'bn)	12,883.40

Top 5 Trades by Value

Ticker	Value NGN'000	Market Value
ZENITHBANK	341,224.55	21.16%
GUARANTY	237,473.29	14.73%
ACCESS	225,600.00	13.99%
DANGCEM	183,797.88	11.40%
FBNH	133,059.09	8.25%

Top 5 Gainers

Ticker	Pclose (NGN)	Close (NGN)	Change
MBENEFIT	0.30	0.33	10.00%
CUSTODIAN	5.13	5.64	9.94%
LIVESTOCK	0.63	0.69	9.52%
HMARKINS	0.32	0.35	9.38%
WEMABANK	0.63	0.67	6.35%

Top 5 Trades by Volume

Ticker	Volume Units '000	Market Volume
ACCESS	21,665.37	13.17%
ZENITHBANK	13,923.99	8.46%
FBNH	12,709.37	7.73%
TRANSCORP	11,568.78	7.03%
UBA	11,098.78	6.75%

Top 5 Losers

Ticker	Pclose (NGN)	Close (NGN)	Change
ABCTRANS	0.40	0.36	-10.00%
UNIONDAC	0.30	0.27	-10.00%
ETERNA	7.20	6.50	-9.72%
NNFM	7.20	6.50	-9.72%
UACN	14.00	12.65	-9.64%

Current Market Information

Date	Days	NSE ASI	% Change	Volume	% Change	Value (NGN)	% Change	Gainers	Losers
14-Aug-18	Tuesday	35,288.23	▼ -0.31%	164,512,517	▲ 2.54%	1,612,575,383	▼ -27.19%	13	33
13-Aug-18	Monday	35,399.28	▼ -0.13%	160,433,891	▼ -16.87%	2,214,810,899	▲ 8.95%	14	26
10-Aug-18	Friday	35,446.47	▼ -2.17%	192,995,348	▲ 2.52%	2,032,790,659	▲ 57.44%	14	25
09-Aug-18	Thursday	36,232.66	▼ -0.19%	188,259,155	▲ 65.09%	1,291,160,100	▲ 76.85%	12	22
08-Aug-18	Wednesday	36,299.82	▼ -0.09%	114,037,650	▼ -54.03%	730,084,916	▼ -67.49%	19	16

FX, Money Market, Fixed Income.

Commentary

- The naira continued to trade flat against the dollar, at NGN360, in the parallel market. In the IEW, the USD/NGN weakened by 0.03% to NGN362.30. Total turnover in the window surged 92.86% to USD498.13 million, traded within the NGN359-NGN363.50/USD band.
- The overnight lending rate shed 125 bps, to close at 11.17%, amidst absence of any significant outflows.
- Proceedings in the treasury bills market were mixed, as average yield was flat, closing at 12.12%. Yields expanded at the short (+1 bp) and long (+3 bps) ends of the curve, owing to selloffs of the 79DTM (+52 bps) and 219DTM (+31 bps) bills. Conversely, demand for the 114DTM (-25 bps) bill led to yield contraction at the mid (-2 bps) segment. At the NTB auction scheduled for tomorrow, the CBN will offer NGN33.38 billion – NGN3.38 billion of the 91-day, NGN10.00 billion of the 182-day, and NGN20.00 billion of the 364-day – worth of bills to the market.
- Sentiments were bearish in the bond market, as average yield rose 5 bps to 14.30%. There was sell pressure at the mid (+11 bps) and long (+10 bps) ends of the curve, with the FEB-2028 (+20 bps) and JUL-2034 (+26 bps) bonds recording significant yield expansions. Conversely, yield at the short (-7 bps) segment contracted, owing to demand for the JUL-2034 (-14 bps) bond. At tomorrow's primary auction, the DMO plans to offer NGN90 billion – NGN25 billion of the APR-2023 (re-opening), NGN25 billion of the MAR-2025 (re-opening), and NGN40 billion of the FEB 2028 (re-opening) – in bonds to investors.

Treasury Bills—Secondary Market

Maturity	DTM	14-Aug	Change	13-Aug
23-Aug-18	9	11.33%	-0.10%	11.43%
30-Aug-18	16	10.73%	-0.17%	10.90%
06-Sep-18	23	10.41%	-0.40%	10.81%
13-Sep-18	30	11.15%	0.41%	10.74%
20-Sep-18	37	10.96%	0.09%	10.87%
27-Sep-18	44	11.17%	0.18%	10.99%
04-Oct-18	51	11.40%	-0.38%	11.78%
11-Oct-18	58	11.51%	-0.03%	11.54%
18-Oct-18	65	11.57%	0.00%	11.58%
25-Oct-18	72	11.65%	0.07%	11.58%
01-Nov-18	79	11.99%	0.52%	11.47%
08-Nov-18	86	11.58%	-0.03%	11.61%
15-Nov-18	93	11.16%	-0.23%	11.39%
22-Nov-18	100	11.66%	-0.18%	11.84%
29-Nov-18	107	11.78%	-0.08%	11.86%
06-Dec-18	114	12.64%	-0.25%	12.89%
13-Dec-18	121	12.66%	-0.12%	12.78%
20-Dec-18	128	12.61%	0.02%	12.60%
27-Dec-18	135	12.81%	-0.03%	12.84%
03-Jan-19	142	12.89%	0.03%	12.86%
10-Jan-19	149	12.83%	0.06%	12.77%
17-Jan-19	156	13.00%	0.08%	12.93%
24-Jan-19	163	12.89%	0.08%	12.81%
31-Jan-19	170	13.10%	0.31%	12.79%
07-Feb-19	177	13.12%	0.09%	13.03%
14-Feb-19	184	13.05%	0.08%	12.98%
14-Mar-19	212	13.13%	-0.15%	13.28%
21-Mar-19	219	12.73%	0.31%	12.42%
04-Apr-19	233	13.10%	0.05%	13.05%
18-Jul-19	338	13.09%	-0.16%	13.25%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

Economic Indicators

	Current	Year Start
MPR	14.00%	14.00%
Inflation	11.23%	15.90%
Gross External Reserves	\$46.56bn *	\$38.77bn

* As at 10th Aug 2018

Interbank Offered Rate

Tenor	13-Aug	14-Aug	Change
O/N	12.42%	11.17%	-1.25%

Benchmark Bonds—Secondary Market

New Nomenclature	Issue	TTM	14-Aug	Change	13-Aug
^16.00 29-JUN-2019	29-Jun-19	0.87	12.93%	-0.09%	13.02%
^15.54 13-FEB-2020	13-Feb-20	1.50	13.72%	-0.14%	13.86%
^14.50 15-JUL-2021	15-Jul-21	2.92	14.03%	0.00%	14.03%
^16.39 27-JAN-2022	27-Jan-22	3.46	14.12%	-0.06%	14.18%
^14.20 14-MAR-2024	14-Mar-24	5.58	14.47%	-0.02%	14.49%
^12.50 22-JAN-2026	22-Jan-26	7.44	14.75%	0.13%	14.62%
^16.2884 17-MAR-2027	17-Mar-27	8.59	14.65%	0.03%	14.62%
^13.98 23-FEB-2028	23-Feb-28	9.53	14.68%	0.20%	14.47%
^10.00 23-JUL-2030	23-Jul-30	11.94	14.73%	0.20%	14.53%
^12.1493 18-JUL-2034	18-Jul-34	15.93	14.72%	0.26%	14.45%
^12.40 18-MAR-2036	18-Mar-36	17.59	14.67%	0.05%	14.62%
^16.2499 18-APR-2037	18-Apr-37	18.68	14.17%	0.00%	14.17%

Auctions

	Tenor	01-Aug	18-Jul
Tbills	91 days	10.00%	10.00%
	182 days	10.40%	10.50%
	364 days	11.30%	11.49%
	VOLUME (N'bn)	215.63	102.31

Currency

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	306.05	0.00%	-0.02%
NGN/GBP	458.19	1.00%	5.90%
NGN/EUR	408.34	1.27%	5.45%

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