CORDROS CAPITAL

Daily Market Update.

August 8, 2018

Equities Market.

Commentary

- The equities market closed negative for the fourth consecutive session, with the ASI dropping 0.09% to 36,299.82 points, as selloffs ensued across all major sectors.
- Accordingly, the Month-to-Date and Year-to-Date losses increased further to -1.94% and -5.08%, respectively.
- All sector indices closed in the red – Oil & Gas (-0.96%), Banking (-0.24%), Insurance (-0.16%), Consumer Goods (-0.07%), and Industrial Goods (-0.03%) – owing to sell pressure in the shares of TOTAL (-2.56%), UBA (-1.04%), MBENEFIT (-9.68%), HONYFLOUR (-1.73%), and CUTIX (-5.88%).
- Market breadth remained positive, with 19 gainers and 16 losers, led by UNITYBNK (+9.30%) and MBENEFIT (-9.68%) shares, respectively. Total volume and value of trades fell by 54.03% and 67.49% to 114.04 million units and NGN730.08 million, respectively, and exchanged in 2,610 deals.
- We guide investors to trade cautiously in the short-to-medium term, as the absence of a positive one-off catalyst and brewing political concerns, continues to cast a shadow on our outlook for risky assets. However, the likelihood of recovery in the long term remains supported by stable macroeconomic fundamentals.

Key Market Statistics

Metrics	Outcome
All-Share Index	36,299.82
Today's return	-0.09%
WtD	-0.55%
MtD	-1.94%
YtD	-5.08%
52-week High	45,092.83
52-week Low	34,846.82
Market Capitalisation (N'bn)	13,249.52

Top 5 Trades by Value

Ticker	Value NGN'000	Market Value
ZENITHBANK	341,224.55	46.74%
GUARANTY	237,473.29	32.53%
ACCESS	225,600.00	30.90%
DANGCEM	183,797.88	25.17%
FBNH	133,059.09	18.23%

Top 5 Gainers

Ticker	Pclose (NGN)	Close (NGN)	Change
UNITYBNK	0.86	0.94	9.30%
SOVRENINS	0.23	0.25	8.70%
NEIMETH	0.71	0.77	8.45%
REDSTAREX	5.35	5.70	6.54%
UAC-PROP	1.70	1.80	5.88%

Top 5 Trades by Volume

Ticker	Volume Units '000	Market Volume
ACCESS	21,665.37	19.00%
ZENITHBANK	13,923.99	12.21%
FBNH	12,709.37	11.14%
TRANSCORP	11,568.78	10.14%
UBA	11,098.78	9.73%

Top 5 Losers

Ticker	Pclose (NGN)	Close (NGN)	Change
MBENEFIT	0.31	0.28	-9.68%
NSLTECH	0.33	0.30	-9.09%
UNIONDAC	0.39	0.36	-7.69%
CUTIX	4.25	4.00	-5.88%
OANDO	5.70	5.45	-4.39%

Current Market Information

Date	Days	NSE ASI	% Change	Volume	% Change	Value (NGN)	% Change	Gainers	Losers
08-Aug-18	Wednesday	36,299.82	-0.09%	114,037,650	-54.03%	730,084,916	-67.49%	19	16
07-Aug-18	Tuesday	36,333.80	-0.40%	248,046,767	36.07%	2,245,691,594	10.43%	22	21
06-Aug-18	Monday	36,479.42	-0.06%	182,291,105	-31.57%	2,033,528,546	-52.21%	21	25
03-Aug-18	Friday	36,499.67	-0.52%	266,403,743	-16.87%	4,255,369,889	20.47%	18	28
02-Aug-18	Thursday	36,688.91	0.21%	320,452,197	33.40%	3,532,335,059	-29.14%	26	16

FX, Money Market, Fixed Income.

Commentary

- The naira traded flat against the dollar at NGN360 in the parallel market, while it strengthened by 0.06% to NGN362.08 in the I&E FX window. Total volume of trades dropped by 62.8% to USD138.53 million, consummated within the NGN359-NGN363.75/USD band. Meanwhile, yesterday, the apex bank injected USD210 million into the FX market, allocating USD100 million to the wholesale window, and USD55 million apiece to the SMEs and invisibles segments.
- The overnight lending rate expanded by 13 bps, closing at 8.54%, in the absence of any significant inflows.
- Proceedings in the NTB market were bullish, as average yield moderated by 10 bps to 11.80%. There was demand across the short (-18 bps), mid (-2 bps), and long (-14 bps) ends of the curve, with the yields on the 36DTM (-100 bps), 169DTM (-24 bps), and 218DTM (-30 bps) bills contracting, respectively.
- Mixed sentiments persisted in the bond market, as average yield was flat, at 13.86%, for the third consecutive day. Yields expanded at the mid (+1 bps) and long (+5bps) ends of the curve, following selloffs of the JUL-2030 (+5 bps) and JUL-2034 (+10 bps) bonds, respectively. Conversely, yield at the short (-5 bps) segment moderated, owing to demand for the JUN-2019 (-12 bps) bond.

Treasury Bills—Secondary Market

Maturity	DTM	08-Aug	Change	07-Aug
16-Aug-18	8	11.35%	0.12%	11.23%
23-Aug-18	15	10.33%	-0.17%	10.50%
30-Aug-18	22	10.34%	0.19%	10.15%
06-Sep-18	29	9.87%	-0.79%	10.65%
13-Sep-18	36	10.71%	-1.00%	11.70%
20-Sep-18	43	10.50%	-0.44%	10.95%
27-Sep-18	50	10.86%	0.08%	10.78%
04-Oct-18	57	10.78%	-0.26%	11.04%
11-Oct-18	64	11.34%	0.03%	11.31%
18-Oct-18	71	11.55%	0.09%	11.46%
25-Oct-18	78	11.42%	0.01%	11.40%
01-Nov-18	85	11.78%	0.00%	11.78%
08-Nov-18	92	11.26%	0.00%	11.26%
15-Nov-18	99	11.15%	-0.05%	11.19%
22-Nov-18	106	11.50%	0.07%	11.43%
29-Nov-18	113	11.47%	0.21%	11.26%
06-Dec-18	120	12.37%	-0.10%	12.48%
13-Dec-18	127	12.51%	0.14%	12.37%
20-Dec-18	134	12.59%	-0.06%	12.65%
27-Dec-18	141	12.67%	0.00%	12.68%
03-Jan-19	148	12.66%	-0.18%	12.84%
10-Jan-19	155	12.70%	0.15%	12.55%
17-Jan-19	162	12.71%	-0.16%	12.87%
24-Jan-19	169	12.60%	-0.24%	12.85%
31-Jan-19	176	12.66%	0.02%	12.64%
07-Feb-19	183	12.88%	0.00%	12.88%
14-Feb-19	190	12.87%	-0.15%	13.02%
14-Mar-19	218	12.90%	-0.30%	13.20%
21-Mar-19	225	12.31%	-0.02%	12.34%
04-Apr-19	239	12.90%	-0.16%	13.06%
18-Jul-19	344	12.38%	-0.23%	12.61%
-	-	-	-	-
-	-	-	-	-

Economic Indicators

	Current	Year Start
MPR	14.00%	14.00%
Inflation	11.23%	15.90%
Gross External Reserves	$46.87bn *	$38.77bn

* As at 6th Aug 2018

Interbank Offered Rate

Tenor	07-Aug	08-Aug	Change
O/N	8.42%	8.54%	0.12%

Benchmark Bonds—Secondary Market

New Nomenclature	Issue	TTM	8-Aug	Change	7-Aug
^16.00 29-JUN-2019	29-Jun-19	0.89	12.61%	-0.12%	12.72%
^15.54 13-FEB-2020	13-Feb-20	1.52	12.92%	0.00%	12.93%
^14.50 15-JUL-2021	15-Jul-21	2.93	13.67%	-0.06%	13.73%
^16.39 27-JAN-2022	27-Jan-22	3.47	13.74%	0.00%	13.74%
^14.20 14-MAR-2024	14-Mar-24	5.60	13.77%	0.00%	13.77%
^12.50 22-JAN-2026	22-Jan-26	7.46	14.12%	0.00%	14.12%
^16.2884 17-MAR-2027	17-Mar-27	8.61	14.21%	-0.03%	14.24%
^13.98 23-FEB-2028	23-Feb-28	9.54	14.41%	0.04%	14.37%
^10.00 23-JUL-2030	23-Jul-30	11.96	14.22%	0.05%	14.16%
^12.1493 18-JUL-2034	18-Jul-34	15.94	14.30%	0.10%	14.20%
^12.40 18-MAR-2036	18-Mar-36	17.61	14.25%	0.08%	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	306.00	0.00%	0.00%
NGN/GBP	465.22	0.88%	4.46%
NGN/EUR	418.91	0.31%	3.00%