

Daily Market Update.

October 8, 2018

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Equities Market.

Commentary

- The equities market started the week positive, as the ASI inched up 0.19% to 32,444.96 points, amidst bargain-hunting in value stocks.
- As a result, the Month-to-Date and Year-to-Date losses moderated to -0.98% and -15.16%, respectively.
- Among sectoral indices, the Insurance (+0.77%) index posted the largest gain, following interest in NEM (+5.42%) shares. The Banking (+0.42%) and Consumer Goods (+0.09%) indices also closed positive, owing to gains in the shares of ZENITHBANK (+0.93%) and NB (+0.33%), respectively. The Industrial Goods and Oil & Gas indices closed flat.
- Market breadth remained positive, with 16 gainers and 11 losers, led by UNITYBNK (+9.09%) and JOHNHOLT (-9.43%), respectively. Total volume of trades fell by 27.50% to 120.82 million units, valued at NGN1.34 billion, and exchanged in 2,662 deals.
- Our outlook for equities in the near-to-medium term remains conservative, in the absence of a near term positive catalyst and amidst brewing political concerns.

Key Market Statistics

Metrics	Outcome
All-Share Index	32,444.96
Today's return	▲ 0.19%
WtD	▲ 0.19%
MtD	▼ -0.98%
YtD	▼ -15.16%
52-week High	45,092.83
52-week Low	32,022.23
Market Capitalisation (N'bn)	11,844.91

Top 5 Trades by Value

Ticker	Value NGN'000	Market Value
ZENITHBANK	341,224.55	25.51%
GUARANTY	237,473.29	17.75%
ACCESS	225,600.00	16.86%
DANGCEM	183,797.88	13.74%
FBNH	133,059.09	9.95%

Top 5 Gainers

Ticker	Pclose (NGN)	Close (NGN)	Change
UNITYBNK	0.88	0.96	9.09%
NEIMETH	0.59	0.64	8.47%
MBENEFIT	0.26	0.28	7.69%
CAVERTON	1.84	1.98	7.61%
NEM	2.95	3.11	5.42%

Top 5 Trades by Volume

Ticker	Volume Units '000	Market Volume
ACCESS	21,665.37	17.93%
ZENITHBANK	13,923.99	11.52%
FBNH	12,709.37	10.52%
TRANSCORP	11,568.78	9.58%
UBA	11,098.78	9.19%

Top 5 Losers

Ticker	Pclose (NGN)	Close (NGN)	Change
JOHNHOLT	0.53	0.48	-9.43%
GUINEAINS	0.32	0.29	-9.38%
AIICO	0.83	0.78	-6.02%
PRESCO	56.55	53.35	-5.66%
JAPAUOIL	0.24	0.23	-4.17%

Current Market Information

Date	Days	NSE ASI	% Change	Volume	% Change	Value (NGN)	% Change	Gainers	Losers
08-Oct-18	Monday	32,444.96	▲ 0.19%	120,822,125	▼ -27.50%	1,337,704,321	▼ -9.93%	16	11
05-Oct-18	Friday	32,383.15	▼ -0.12%	166,645,843	▲ 10.11%	1,485,183,330	▼ -3.72%	21	15
04-Oct-18	Thursday	32,423.57	▼ -0.09%	151,346,953	▲ 10.69%	1,542,640,726	▲ 7.82%	19	18
03-Oct-18	Wednesday	32,454.03	▼ -0.79%	136,731,565	▼ -25.93%	1,430,739,793	▼ -57.72%	15	14
02-Oct-18	Tuesday	32,711.65	▼ -0.17%	184,592,595	▲ 0.03%	3,383,635,553	▲ 19.89%	15	17

FX, Money Market, Fixed Income.

Commentary

- Increased demand pressure on the dollar led to a depreciation of the USD/NGN (-0.22%) to NGN364.61 in the I&E FX window, highest since 11th of August 2017, while it remained flat at NGN361 in the parallel market. Total turnover in the IEW rose by 104.7% to USD128.04 million, with total trades consummated within the NGN351-NGN365.30 band.
- The overnight lending rate fell by 1,192 bps to close at 10.58%, as inflows from the previously recalled Paris club refunds (c. NGN320 billion), which came in late last Friday, boosted liquidity.
- Trading in the NTB market was bearish, as average yield expanded by 3 bps to 13.29%. Selloffs of the 157DTM (+42 bps) and 346DTM (+44 bps) bills led to yield respective yield expansions at the mid (+1 bp) and long (+18 bps) segments. Conversely, yields contracted marginally at the short (-1 bp) end of the curve, following interest in the 17DTM (-21 bps) bill.
- Sentiments in the bond market were also bearish, as market players reacted to the increased offering indicated in the recently released Q4-18 bond issuance calendar. Consequently, yields rose by 9 bps, on average, to 14.87%. Yields expanded across the short (+21 bps), mid (+2 bps) and long (+5 bps) ends of the curve, following selloffs of the FEB-2020 (+36 bps), FEB-2028 (+8 bps) and APR-2037 (+13 bps) bonds, respectively.

Benchmark Bonds—Secondary Market

New Nomenclature	Issue	TTM	8-Oct	Change	5-Oct
^16.00 29-JUN-2019	29-Jun-12	0.72	14.02%	▲ 0.22%	13.80%
^15.54 13-FEB-2020	13-Feb-15	1.35	14.11%	▲ 0.36%	13.75%
^14.50 15-JUL-2021	15-Jul-16	2.77	15.05%	▲ 0.19%	14.86%
^16.39 27-JAN-2022	27-Jan-12	3.31	14.54%	▲ 0.07%	14.47%
^14.20 14-MAR-2024	14-Mar-14	5.43	15.05%	▼ -0.02%	15.07%
^12.50 22-JAN-2026	22-Jan-16	7.29	14.81%	▲ 0.01%	14.80%
^16.2884 17-MAR-2027	17-Mar-17	8.44	15.12%	▲ 0.04%	15.08%
^13.98 23-FEB-2028	23-Feb-18	9.38	15.18%	▲ 0.08%	15.10%
^10.00 23-JUL-2030	23-Jul-10	11.79	14.98%	▲ 0.01%	14.98%
^12.1493 18-JUL-2034	18-Jul-14	15.78	15.14%	▲ 0.00%	15.14%
^12.40 18-MAR-2036	18-Mar-16	17.44	15.21%	▲ 0.03%	15.17%
^16.2499 18-APR-2037	18-Apr-17	18.53	15.19%	▲ 0.13%	15.07%

Auctions

	Tenor	03-Oct	19-Sep
Tbills	91 days	10.90%	11.00%
	182 days	12.10%	12.20%
	364 days	13.33%	13.48%
	VOLUME (N'bn)	133.49	182.14

Economic Indicators

	Current	Year Start
MPR	14.00%	14.00%
Inflation	11.23%	15.90%
Gross External Reserves	\$43.84bn *	\$38.77bn

* As at 5th Oct 2018

Currency

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	306.45	▼ -0.02%	▼ -0.15%
NGN/GBP	473.98	▲ 0.41%	▲ 2.73%
NGN/EUR	416.60	▲ 0.40%	▲ 3.67%

Interbank Offered Rate

Tenor	05-Oct	08-Oct	Change
O/N	22.50%	10.58%	-11.92%

Treasury Bills—Secondary Market

Maturity	DTM	08-Oct	Change	05-Oct
18-Oct-18	10	12.96%	-0.01%	12.97%
25-Oct-18	17	12.86%	-0.21%	13.06%
01-Nov-18	24	13.01%	0.32%	12.69%
08-Nov-18	31	12.98%	-0.10%	13.08%
15-Nov-18	38	13.07%	-0.19%	13.25%
22-Nov-18	45	13.06%	-0.16%	13.22%
29-Nov-18	52	13.01%	-0.17%	13.18%
06-Dec-18	59	13.24%	0.29%	12.95%
13-Dec-18	66	12.83%	-0.03%	12.85%
20-Dec-18	73	12.64%	-0.03%	12.67%
27-Dec-18	80	12.92%	0.13%	12.79%
03-Jan-19	87	12.79%	0.09%	12.70%
10-Jan-19	94	12.71%	-0.11%	12.83%
17-Jan-19	101	12.63%	-0.15%	12.78%
24-Jan-19	108	12.86%	-0.01%	12.88%
31-Jan-19	115	12.79%	-0.26%	13.04%
07-Feb-19	122	13.21%	0.05%	13.16%
14-Feb-19	129	13.35%	0.15%	13.20%
21-Feb-19	136	13.20%	-0.01%	13.21%
28-Feb-19	143	13.08%	-0.02%	13.10%
07-Mar-19	150	13.05%	-0.02%	13.07%
14-Mar-19	157	13.61%	0.42%	13.19%
21-Mar-19	164	13.24%	-0.03%	13.27%
04-Apr-19	178	13.42%	0.06%	13.36%
18-Jul-19	283	14.58%	0.06%	14.52%
01-Aug-19	297	14.73%	0.28%	14.44%
12-Sep-19	339	14.99%	-0.04%	15.03%
19-Sep-19	346	15.27%	0.44%	14.83%

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