Daily Market Update. *November 19, 2018*

CORDROS CAPITAL

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Equities Market.

Commentary

- The equities market started the week positive, as the ASI rose 0.51% to 32,222.24 points, owing to interest in Consumer Goods stocks.
- Accordingly, the Month-to-Date and Year-to-Date losses moderated to 0.75% and 15.74%, respectively.
- The Consumer Goods (-1.37%) index was the top gainer, following price appreciations in index heavyweights NB (+2.66%) and NESTLE (+1.35%). The Insurance (+0.80%) and Banking (+0.38%) indices followed suit, driven by interest in CONTINSURE (+6.38%) and FBNH (+2.01%). Conversely, a decline in FO (-7.77%) led to a loss in the Oil & Gas (-0.14%) index. The Industrial Goods index closed flat.
- Market breadth was positive with 26 gainers and 5 losers, led by GLAXOSMITH (+9.96%) and MBENEFIT (-8.00%) stocks respectively. Total volume and value of trades dropped by 9.8% and 35.6% to 148.10 million units and NGN1.80 billion, respectively, exchanged in 2,853 deals.
- We reiterate our negative outlook for the equities market in the short to medium term, amidst political concerns ahead of the 2019 elections, and the absence of a positive market trigger. However, positive macroeconomic fundamentals remain supportive of recovery in the long term.

Key Market Statistics

Metrics	Outcome
All-Share Index	32,222.24
Today's return	▲ 0.51%
WtD	▲ 0.51%
MtD	▼ -0.75%
YtD	▼ -15.74%
52-week High	45,092.83
52-week Low	31,864.80
Market Capitalisation (N'bn)	11,763.61

Top 5 Trades by Value

Ticker	Value NGN'000	Market Value
NESTLE	408,771.24	22.76%
GUARANTY	338,576.20	18.85%
OANDO	154,235.48	8.59%
UNILEVER	150,134.05	8.36%
ZENITHBANK	115,155.86	6.41%

Top 5 Gainers

Ticker	Pclose (NGN)	Close (NGN)	Change
GLAXOSMITH	12.05	13.25	9.96%
UAC-PROP	1.44	1.58	9.72%
NPFMCRFBK	1.36	1.49	9.56%
PRESTIGE	0.56	0.61	8.93%
JAIZBANK	0.45	0.49	8.89%

Top 5 Trades by Volume

Ticker	Volume Units '000	Market Volume
OANDO	30,303.66	20.46%
DIAMONDBNK	16,351.94	11.04%
UBA	12,852.48	8.68%
FIDELITYBK	11,473.09	7.75%
GUARANTY	9,159.85	6.18%

Top 5 Losers

Ticker	Pclose (NGN)	Close (NGN)	Change
MBENEFIT	0.25	0.23	-8.00%
UNIONDAC	0.25	0.23	-8.00%
FO	20.60	19.00	-7.77%
WAPIC	0.42	0.40	-4.76%
DIAMONDBNK	0.90	0.89	-1.11%

Current Market Information

Date	Days	NSE ASI	% Change	Volume	% Change	Value (NGN)	% Change	Gainers	Losers
19-Nov-18	Monday	32,222.24	▲ 0.51%	148,101,533	▼ -9.84%	1,796,075,044	▼ -35.59%	26	5
16-Nov-18	Friday	32,058.28	▲ 0.61%	164,263,686	▼ -52.97%	2,788,428,088	▲ 13.66%	19	16
15-Nov-18	Thursday	31,864.80	▼ -0.76%	349,253,071	▲ 52.34%	2,453,302,539	▼ -1.80%	10	21
14-Nov-18	Wednesday	32,108.92	▼ -0.14%	229,264,469	▼ -42.65%	2,498,219,890	▲ 11.40%	16	15
13-Nov-18	Tuesday	32,152.90	▲ 0.03%	399,757,012	▲ 181.30%	2,242,647,563	▲ 44.10%	16	26

FX, Money Market, Fixed Income.

Commentary

- The naira weakened against the dollar by 0.27% to NGN364 in the parallel market (highest since 28th May 2018), while it strengthened by +0.09% to NGN363.69 in the I&E FX window. Total turnover in the IEW fell by 39.6% to USD108.17 million in Friday's session, vs. the previous session, with trades consummated within the range of NGN357.00-NGN365.00/USD. Meanwhile, the apex bank, on Friday, intervened in the FX market, injecting USD310.03 million into the interbank retail Secondary Market Intervention Sales (SMIS), and selling CNY62.18 million in spot and short-tenured forwards.
- The overnight lending rate rose 366 bps to 10.83%, from 7.17% in the previous session, as banks provisioned for the CBN's wholesale FX intervention.
- Trading in the treasury bills market was mixed, as average yield closed flat at 14.00%. Yield expanded at the long (+3 bp) end of the curve, owing to a selloff of the 311DTM (+30 bps) bill. Conversely, yield contracted at the short (-2 bps) segment, following interest in the 10DTM (-42 bps) bill. Yield at the mid segment was flat.
- Activities in the bond market were also mixed, albeit with a bullish bias, as average yield moderated by 2 bps to 15.40%. Demand was concentrated at the short (-5 bps) and long (-2 bps) ends of the curve, with respective yields on the FEB-2020 (-33 bps) and JUL-2034 (-5 bps) bonds contracting. Conversely, a selloff of the JAN-2026 (+2 bps) bond led to yield expansion at the mid (+1 bp) segment. At the FGN bond auction scheduled for Wednesday, the DMO will offer NGN115 billion – NGN35 billion of the APR-2023 (re-opening), NGN35 billion of the MAR-2025 (re-opening), and NGN45 billion of the FEB 2028 (re-opening) – in bonds to investors.

Economic Indicators

	Current	Year Start
MPR	14.00%	14.00%
Inflation	11.23%	15.90%
Gross External Reserves	$41.62bn *	$38.77bn

* As at 15th Nov 2018

Currency

Currency	Current Value	1-Day Change	YTD Change
NGN/USD	306.75	▼ -0.02%	▼ -0.24%
NGN/GBP	393.35	▲ 0.30%	▲ 5.16%
NGN/EUR	350.62	▼ -0.51%	▲ 4.63%

Interbank Offered Rate

Tenor	16-Nov	19-Nov	Change
O/N	7.17%	10.83%	3.66%

Benchmark Bonds—Secondary Market

New Nomenclature	Issue	TTM	19-Nov	Change	16-Nov
^16.00 29-JUN-2019	29-Jun-12	0.61	14.39%	▲ 0.14%	14.24%
^15.54 13-FEB-2020	13-Feb-15	1.23	14.74%	▼ -0.33%	15.07%
^14.50 15-JUL-2021	15-Jul-16	2.65	15.46%	▲ 0.06%	15.39%
^16.39 27-JAN-2022	27-Jan-12	3.19	15.01%	▼ -0.08%	15.09%
^14.20 14-MAR-2024	14-Mar-14	5.32	15.32%	▲ 0.02%	15.30%
^12.50 22-JAN-2026	22-Jan-16	7.18	15.62%	▲ 0.02%	15.60%
^16.2884 17-MAR-2027	17-Mar-17	8.32	15.70%	▲ 0.00%	15.69%
^13.98 23-FEB-2028	23-Feb-18	9.26	15.82%	▲ 0.00%	15.82%
^10.00 23-JUL-2030	23-Jul-10	11.67	15.71%	▼ -0.01%	15.73%
^12.1493 18-JUL-2034	18-Jul-14	15.66	15.79%	▼ -0.05%	15.84%
^12.40 18-MAR-2036	18-Mar-16	17.33	15.66%	▼ 0.00%	15.67%
^16.2499 18-APR-2037	18-Apr-17	18.41	15.59%	▼ 0.00%	15.59%

Auctions

	Tenor	14-Nov	31-Oct
Tbills	91 days	10.95%	10.98%
	182 days	13.16%	13.49%
	364 days	14.45%	14.40%
	VOLUME (N'bn)	128.24	145.29

Treasury Bills—Secondary Market

Maturity	DTM	19-Nov	Change	16-Nov
29-Nov-18	10	11.03%	-0.42%	11.46%
06-Dec-18	17	12.25%	-0.01%	12.26%
13-Dec-18	24	11.28%	0.21%	11.07%
20-Dec-18	31	11.66%	0.11%	11.55%
27-Dec-18	38	12.23%	-0.22%	12.46%
03-Jan-19	45	13.19%	0.10%	13.09%
10-Jan-19	52	12.90%	0.12%	12.79%
17-Jan-19	59	13.02%	-0.04%	13.06%
24-Jan-19	66	13.08%	0.09%	12.99%
31-Jan-19	73	12.75%	0.00%	12.75%
07-Feb-19	80	13.14%	0.01%	13.13%
14-Feb-19	87	13.18%	-0.20%	13.38%
21-Feb-19	94	13.44%	0.14%	13.30%
28-Feb-19	101	13.01%	-0.45%	13.46%
07-Mar-19	108	13.43%	0.14%	13.29%
14-Mar-19	115	13.67%	-0.18%	13.85%
21-Mar-19	122	13.38%	0.00%	13.39%
04-Apr-19	136	13.66%	0.07%	13.59%
18-Apr-19	150	13.28%	-0.01%	13.30%
02-May-19	164	13.77%	-0.02%	13.79%
09-May-19	171	13.77%	0.05%	13.72%
16-May-19	178	13.85%	0.22%	13.62%
18-Jul-19	241	15.27%	-0.02%	15.29%
01-Aug-19	255	14.98%	-0.44%	15.41%
12-Sep-19	297	16.22%	-0.17%	16.39%
19-Sep-19	304	16.43%	0.29%	16.14%
26-Sep-19	311	16.48%	0.30%	16.18%
03-Oct-19	318	16.56%	0.02%	16.54%