



Insurgency

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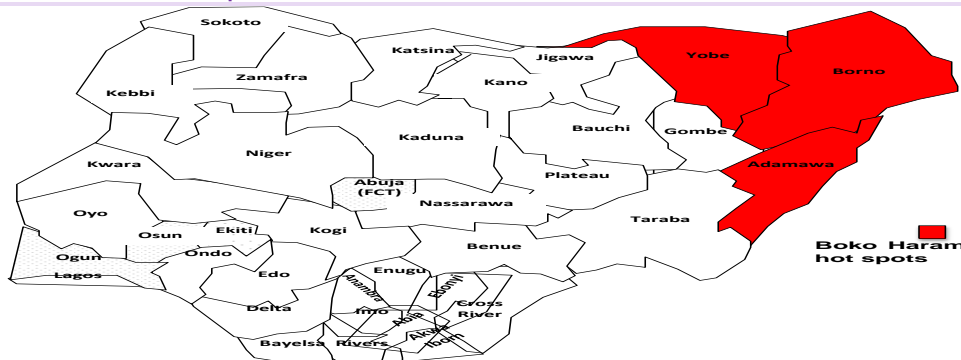
ISWAP versus Boko Haram

Based on a This Day report, Borno State Governor, Professor Babagana Zulum, yesterday, expressed concern about the increasing sophistication and spread of the terrorist group, Islamic State's West Africa Province (ISWAP), in the state. He noted that the federal government must do everything in its power to defeat ISWAP now, or else the menace constituted by the Boko Haram terrorist sect would be nothing compared to what the group would do when they gain stability. According to him, the ISWAP terrorist group is more sophisticated, better funded and more educated than their Bokoharam counterparts.

Elsewhere, in various news reports, the federal government, yesterday, revealed that an analysis by the Nigerian Financial Intelligence Unit (NFIU) between 2020 and 2021 had indicted some 96 financiers of terrorism in the country, 424 associates of the financiers, and the involvement of about 123 companies and 33 bureaux de change. It said the inquiry also identified 26 suspected bandits/kidnappers and seven co-conspirators. Bringing peace to the North East, and by extension to the North generally, is important. Consumer goods companies reckon they can sell up to 50% of their products in the North, but violence and instability have held back sales since Boko Haram stepped up its offensive in late 2011. However, distribution has improved considerably over the past few years.

ISWAP became a dominant faction in Nigeria's conflict, especially after the death of rival Boko Haram commander Abubakar Shekau in May 2021. Despite repeated government and military assertions that the insurgents have been defeated, insurgents continue to carry out hit-and-run attacks with rising occurrence. One point to note, however, is that the front line has been pushed back to the three most North-Eastern states of Yobe, Borno and Adamawa, of which Borno is by far the worst affected. Boko Haram, which pledged allegiance to Islamic State, controlled a swathe of land in northeast Nigeria at the start of 2015 but has been largely pushed back by Nigeria and regional troops. Granted, the Military's offensive strategy has made significant headway in crippling the activities of insurgents. We are, however, of the view that more dedicated use of military intelligence would go a long way in eliminating insurgency threats in the medium to long term.

Boko Haram hot spots



Source: CSL Research

MARKET UPDATE

	1 year	31-Dec-21	1 day
NSE - Index*	42,000.01	42,716.44	47,329.80
Naira / US\$	395.50	435.00	416.07
Brent, US\$/bbl	58.46	77.78	91.11
MPR %	11.50	11.50	11.50

Source: Nigerian Stock Exchange, Central Bank of Nigeria, Bloomberg. *Nigerian Stock Exchange All-Share Index

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Today's news headlines:

FG gives N250bn Sukuk bond to three ministries: The Federal Government has given a cheque of N250bn from Sukuk bond to three ministries for the implementation of capital projects across the country. These are the Ministry of Works and Housing, Ministry of Federal Capital Territory, and the Ministry of the Niger Delta Affairs. Out of the N250bn cheque, the Ministry of Works and Housing got the lion share of N210.565cbn, the Ministry of Federal Capital Territory was allocated N29bn, while the Ministry of Niger Delta Affairs was allocated N10.435bn. The Minister of Finance, Budget and National Planning, Zainab Ahmed, who released the fund on Thursday in Abuja, said the N250bn was part of the capital expenditure in the 2021 appropriation bill. Source: punchng.com

<https://punchng.com/fg-gives-n250bn-sukuk-bond-to-three-ministries/>

Reps panel accuses developers of duping subscribers, flouting regulations: An ad hoc committee set up by the House of Representatives to investigate estate developers in the Federal Capital Territory has decried the high rate of breaches and infringement on the laws and procedures governing real estate business in Nigeria. The committee condemned the developers for failing to deliver houses to their subscribers and building without necessary approvals by relevant government authorities. The House Ad Hoc Committee on Investigation of Operations of Real Estate Developers in the FCT toured sites in Abuja on Wednesday. The Chairman of the committee, Blessing Onuh, while speaking on the findings by the lawmakers after the tour, said they were "mind-boggling," adding that the developers violated processes and regulations governing land and building in the nation's capital. Source: punchng.com

<https://punchng.com/reps-panel-accuses-developers-of-duping-subscribers-flouting-regulations/>

WACT commends Customs for new Onne port scanner: The Managing Director of West Africa Container Terminal Nigeria, Naved Zafar, has commended the Nigeria Customs Service for installing a new scanning machine at the Onne Port Complex. A statement on Thursday noted that the new scanning machine was acquired by the Federal Government in September 2021 and inaugurated last week by the Comptroller-General of Customs, Col. Hameed Ali (ret'd.). Ali was quoted as saying the scanner would facilitate trade, ensure security and drastically reduce the importation of illicit goods by unscrupulous persons. Zafar, who attended the inauguration ceremony at the port, said the scanner would aid manifest verification, Customs tariff collection and the identification of contraband.

Source: punchng.com

<https://punchng.com/wact-commends-customs-for-new-onne-port-scanner/>

Reps subsidy, refineries repairs' panel may invite NNPC, marketers: The House of Representatives' Ad Hoc Committee on the State of Refineries in Nigeria has begun investigation of the current state of the country's four refineries and the amounts spent on the 'Turn-Around Maintenance' of the national assets. The Chairman of the committee, Ganiyu Johnson, who spoke to select journalists after the inauguration of the panel, disclosed that stakeholders in the petroleum sector in both the public and private sectors would soon begin to appear before the lawmakers. Johnson also disclosed that the committee would also engage the services of consultants in the sector to verify the information to be made available to the panel. Source: punchng.com

<https://punchng.com/reps-subsidy-refineries-repairs-panel-may-invite-nnpc-marketers/>



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	Buy	Hold	Sell	Not Rated	Total
Coverage universe	17	10	5	3	35
% distribution	49%	29%	14%	9%	
Investment banking clients	0	1	1	0	2
% distribution	0%	50%	50%	0%	

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- Asset allocation:** Asset allocation is the responsibility of the strategy team. The recommended weight (Buy, Hold and Sell) for equities, cash and fixed income instruments is based on a number of metrics and does not relate to a particular size change in one variable.



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