



Market/Economic Insight

The Weekly Brief

Monday, 21 May - Friday, 25 May 2018

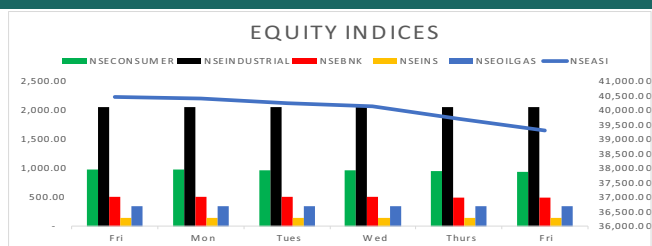
The performance of the Nigerian Equity Market was bearish last week with the index (NSE ASI) down by **2.84%** WTD to close at an index level of 39,323.62 and market capitalization of N14.24 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors. The Banking sector recorded the highest loss amongst NSE indices with the NSE Banking index down by **4.38%** WTD, owing to significant price depreciation in **FCMB** (-15.38%) and **DIAMONDBNK** (-11.61%).

The market activities were characterised by profit taking during all trading sessions last week. This is due to reduced investor confidence owing to upcoming general elections, potential increase in US Fed rate and increasing yield in advanced economies.

In the global space, there are mixed reactions in the stock markets as US markets climbed up while Asian markets fell during the week as Trump cancelled the June 12 summit with Kim Jon Un of North Korea. We expect Energy stocks to fall further on a backdrop of potential increase in oil output from OPEC and non-OPEC members.

Equity Indices For The Week Ended 25/05/2018



EQUITY INDICES	MON 21/05/2018	TUES 22/05/2018	WED 23/05/2018	THUR 24/05/2018	FRI 25/05/2018
NSEASI	-0.12%	-0.43%	-0.25%	-1.06%	-1.01%
NSE CONSUMER	+0.13%	-0.47%	-0.47%	-1.79%	-1.06%
NSE INDUSTRIAL	+0.28%	+0.03%	-0.10%	-0.20%	-0.02%
NSEBANK	-0.21%	-0.39%	-0.17%	-1.70%	-1.97%
NSEINS	-0.86%	+1.26%	-0.30%	-1.10%	-0.80%
NSEOILGAS	+0.52%	-0.79%	+0.08%	-0.01%	+0.02%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 25/05/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
IKEJAHOTEL	2.58	+44.94	+44.94	+44.94
MRS	36.05	+21.18	+27.16	+31.28
LAWUNION	0.98	+20.99	+25.64	+27.27
NIGERINS	0.25	+19.05	-16.67	-50.00
HMARKINS	0.30	+11.11	-11.76	-40.00
OKOMUOIL	85.00	+8.42	+9.68	+25.57

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
ETERNA	5.27	-22.27	-15.95	+29.80
JAPAUOIL	0.24	-20.00	-50.00	-52.00
DANGFLOUR	8.90	-16.82	-33.08	-26.75
TRANSCORP	1.33	-16.35	-21.76	-8.90
AIICO	0.57	-16.18	-20.83	+9.62
EQUITYASUR	0.21	-16.00	-27.59	-58.00

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

FBNH (FBN Holdings) fell by 14.30% to close at N9.70. We maintain a hold rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 4.66% to close at N41.95. We place a sell rating on this stock.

ZENITHBANK (Zenith Bank) fell by 4.82% to close at N26.65. We place a sell rating on this stock.

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.40%	1.92%
Inflation Rate (Headline)	13.34%	12.48%
Food Inflation	16.08%	14.80%
MPR	14.00%	14.00%
Crude Oil Price	\$79.73	\$79.88

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate increased last week as the Overnight rate and Open Buy Back rate rose to 19.67% and 17.17% respectively. Consequently, the average money market rate increased by 10.00% to settle at 18.42% following OMO T-bills auction and retail FX intervention by the Central Bank of Nigeria during the week. We expect rates to decrease this week due to expected inflows from FAAC payment.

Instruments	18/05/2018	25/05/2018	Difference
Open Buy Back (OBB)	7.83%	17.17%	+9.34%
Overnight Rate	9.00%	19.67%	+10.67%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	18/05/2018	25/05/2018	Change
USD	362.00	364.00	+0.55%
GBP	493.00	488.00	-1.01%
EURO	422.00	421.00	-0.24%

Sell Rates	18/05/2018	25/05/2018	Change
USD	365.00	367.00	+0.55%
GBP	500.00	498.00	-0.40%
EURO	431.00	431.00	+0.00%

Source: Everdon, Anchoria AM Research

Week Ahead

The Central Securities Clearing System Plc (CSCS) is set to hold its Annual General Meeting on Monday, 28 May, 2018 in Lagos.

Institute of Chartered Accountants of Nigeria (ICAN) is set to hold its Annual General Meeting on Thursday, 31 May, 2018 in Lagos.

May & Baker Nigeria Plc is set to hold its Annual General Meeting on Thursday, 31 May, 2018 in Lagos.

The Institute Of Directors (IoD) Advocacy Round Table Programme on Infrastructure will take place in Lagos with the theme "Filling the Infrastructure Gap" on Thursday, 31 May, 2018 in Lagos.

The Nigeria Stock Exchange is set to host the 5th Edition of the Nigerian Stock Exchange-London Stock Exchange Dual Listing Conference on Friday, 01 June, 2018 in Lagos.

African Indices For The Week Ended 25/05/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	39,323.62	-1,148.83	-2.84% ↓
JSE ASI <i>South Africa</i>	56,916.97	-887.36	-1.54% ↓
NSE ASI <i>Kenya</i>	175.37	-3.88	-2.16% ↓
GSE CI <i>Ghana</i>	3,295.62	-88.40	-2.61% ↓
EGX 30 <i>Egypt</i>	16,633.97	-148.10	-0.88% ↓

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 25/05/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,721.33	+8.36	+0.31% ↑
NASDAQ <i>United States</i>	7,433.85	+79.51	+1.08% ↑
FTSE 100 <i>United Kingdom</i>	7,730.28	-45.67	-0.59% ↓
CAC 40 <i>France</i>	5,542.55	-71.96	-1.28% ↓
Eurostoxx 50 <i>Eurozone</i>	3,515.36	-58.40	-1.63% ↓
CSI 300 <i>China</i>	3,816.50	-86.06	-2.21% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

The Nigerian Stock Exchange lifts the suspension on Ikeja Hotel Plc on Monday, 21 May 2018 as approved by the Quotations Committee of the National Council of The Exchange. The Company had on Friday, 18 May 2018 provided a status update to the Market at a Facts Behind the Restructuring event.

Forte Oil Plc notified the Nigerian Stock Exchange of the company's duly approved resolution at the 39th Annual General Meeting.

Prestige Assurance Plc passed a full suspension on its ordinary shares from trading on the floor of the Exchange due the company's ongoing share capital reconstruction exercise.

Sterling Bank Plc notified the Exchange of the retirement of Mr. Mudathir Kayode Lawal and Mrs. Egbichi Akinsanya as Executive and Non Executive Directors respectively.

Cornerstone Insurance Plc notified the Exchange of its relocation of its Kano branch, merger of its Surulere and Ikeja branches and closure of Kaduna and Calabar branches.