

Market/Economic Insight

The Weekly Brief

Monday, 28 May - Friday, 01 June 2018

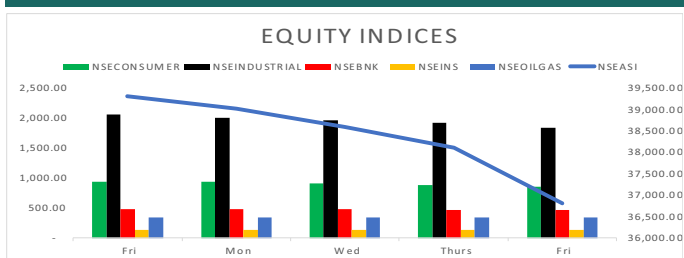
The performance of the Nigerian Equity Market was largely bearish last week with the index (NSE ASI) down by **6.38%** WTD to close at an index level of 36,816.29 and market capitalization of N13.34 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors. The Industrial sector recorded the highest loss amongst NSE indices with the NSE Industrial Goods index down by 10.30% WTD, owing to significant price depreciation in **WAPCO** (-16.05%), and **DANGCEM** (-8.60%).

The market activities were characterised by profit taking during all trading sessions last week. This is due to increasing selling pressure on large cap stocks, consequently dragging the YTD returns to the negative territory of **-3.73%**.

In the global space, there are mixed reactions in the stock markets as US markets surged higher on Friday following the release of an impressive Jobs data for the Month of May disregarding concerns over global trade war and political deadlock in Italy, while other markets could not shield from these factors, hence the week ended in red for most selected market

Equity Indices For The Week Ended 01/06/2018



EQUITY INDICES	MON	TUES	WED	THUR	FRI
	28/05/2018	29/05/2018	30/05/2018	31/05/2018	01/06/2018
NSEASI	-0.75%	-	-1.08%	-1.30%	-3.38%
NSE CONSUMER	-0.09%	-	-2.63%	-2.59%	-3.49%
NSE INDUSTRIAL	-2.25%	-	-2.56%	-2.13%	-3.77%
NSEBANK	-1.95%	-	-0.34%	-1.10%	-1.16%
NSEINS	-1.1%	-	+0.99%	+0.23%	-0.21%
NSEOILGAS	-0.64%	-	+0.06%	-0.34%	-1.41%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 01/06/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
ETERNA	6.33	+20.11	+4.98	+55.91
CCNN	27.95	+16.46	+4.88	+194.21
MBENEFIT	0.38	+8.57	+2.70	-24.00
JAIZBANK	0.67	+6.35	+4.69	+34.00
DANGSUGAR	17.45	+5.76	+0.00	-12.75
FLOURMILL	31.10	+5.42	+0.00	+7.24

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
INTBREW	40.20	-22.39	-9.66	-26.24
WAPCO	34.00	-16.05	-2.30	-24.26
FO	35.15	-13.64	-5.00	-19.16
NB	103.00	-10.75	-4.54	-23.65
NESTLE	1,430.00	-10.63	-2.89	-8.10
AGLEVENT	0.53	-10.17	-0.00	-24.29

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

FBNH (FBN Holdings) rose by 4.64% to close at N10.15. We maintain a hold rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 7.87% to close at N38.65. We place a sell rating on this stock.

ZENITHBANK (Zenith Bank) fell by 4.32% to close at N25.50. 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	\$79.88	\$77.89

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate decreased last week as the Overnight rate and Open Buy Back rate fell to 4.42% and 3.33% respectively. Consequently, the average money market rate declined by 14.55% to settle at 3.88% following inflow from FAAC payment and bond maturity during the week. We expect rates to remain moderate next week as liquidity is buoyant in the money market.

Instruments	25/05/2018	01/06/2018	Difference
Open Buy Back (OBB)	17.17%	3.33%	-13.84%
Overnight Rate	19.67%	4.42%	-15.25%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	25/05/2018	01/06/2018	Change
USD	364.00	361.00	-0.82%
GBP	488.00	483.00	-1.02%
EURO	421.00	416.00	-1.19%

Sell Rates	25/05/2018	01/06/2018	Change
USD	367.00	364.00	-0.82%
GBP	498.00	493.00	-1.00%
EURO	431.00	426.00	-1.16%

Source: Everdon, Anchoria AM Research

Week Ahead

The National Bureau of Statistics (NBS) is set to release Labour Force Statistics (Unemployment and Underemployment Report) for Q1 2018 on Tuesday, 5 June, 2018.

The FMDQ OTC Exchange is set to hold the Nigerian Green Week event between Tuesday, 5 June and Thursday, 7 June 2018 in Lagos.

Seplat Petroleum Development Company is set to hold its Annual General Meeting (AGM) on Wednesday, 6 June 2018.

Rand Merchant Bank is set to hold the Nigeria Business Conference as part of its 5th year anniversary on Thursday, 7 June 2018 at Oriental Hotel, Victoria Island, Lagos.

The Nigerian Stock Exchange (NSE) is set to hold its Annual General Meeting (AGM) on Thursday, 7 June 2018.

African Indices For The Week Ended 01/06/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	36,816.29	-2,507.33	-6.83% ↓
JSE ASI <i>South Africa</i>	57,282.14	+365.17	+0.64% ↑
NSE ASI <i>Kenya</i>	172.53	-2.84	-1.62% ↓
GSE CI <i>Ghana</i>	3,192.30	-103.32	-3.14% ↓
EGX 30 <i>Egypt</i>	16,414.53	-219.44	-1.32% ↓

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 01/06/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,734.62	+13.29	+0.49% ↑
NASDAQ <i>United States</i>	7,554.33	+120.48	+1.62% ↑
FTSE 100 <i>United Kingdom</i>	7,701.77	-28.51	-0.37% ↓
CAC 40 <i>France</i>	5,465.53	-77.02	-1.39% ↓
Eurostoxx 50 <i>Eurozone</i>	3,453.54	-61.82	-1.76% ↓
CSI 300 <i>China</i>	3,770.59	-46.40	-1.22% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

Stanbic IBTC Holding Plc notified the Exchange that Stanbic Africa Holdings Limited (a wholly owned subsidiary of Standard Bank Group Limited) and parent company of Stanbic IBTC Holdings, has recently acquired an additional 1,141,191,943 ordinary shares in Stanbic IBTC Holdings PLC in an "Off-Market" transaction.

May & Baker Plc held its 67th Annual General Meeting on Thursday, 31 May 2018 in which the company's intention of increasing share capital to N3 billion was approved.

Paints & Coatings Manufacturers Company Plc's ordinary share was placed on suspension from trading on the floor of the Exchange in order to align with the effective date for determining the shareholders who will qualify to receive the scheme shares ahead of the implementation of the voluntary delisting of the company.

Conoil Plc released its FY 2017 financial statement showing 7.72% year-on-year (YOY) decline in Gross Profit while the Profit After Tax (PAT) fell by 44.38% YOY. The management declared a dividend of 200 Kobo per share.