

Market/Economic Insight

The Weekly Brief

Monday, 11 June - Friday, 15 June 2018

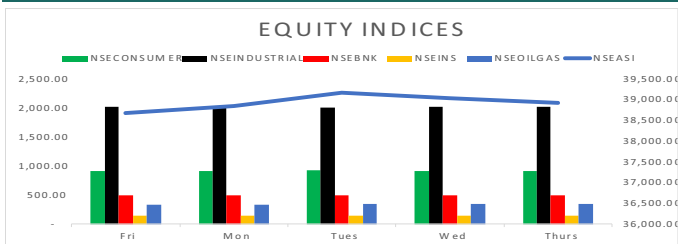
The performance of the Nigerian Equity Market remained bullish last week with the index (NSE ASI) up by 0.67% WTD to close at an index level of 38,928.02 and market capitalization of N14.10 trillion.

The sectoral performance was positive as bullish sentiments were witnessed in all sector with the exception of Consumer and Industrial index that slipped by 0.85% and 0.12% respectively. The Oil and Gas sector recorded the highest gain amongst NSE indices with the NSE Oil & Gas index up by 3.84% WTD, owing to significant price appreciation in **SEPLAT** (+6.16%), and **MOBIL** (+4.99%).

The market activities were characterised by bargain hunting on 2 out of the 4 trading sessions last week as some investors took advantage of the low and attractive prices of some stocks while some positioned themselves for dividend ahead of the H1 2018 results.

In the global space, there were mixed reactions in the stock markets last week following Fed decision to increase the Fed rate by 25 basis point and trade tension between US and China. Consequently, the Dow Jones (US) fell for four consecutive times to close the week in the red while S&P 500 and NASDAQ close the week in the green.

Equity Indices For The Week Ended 14/06/2018



EQUITY INDICES	MON 11/06/2018	TUES 12/06/2018	WED 13/06/2018	THUR 14/05/2018	FRI 15/06/2018
NSEASI	+0.45%	+0.83%	-0.35%	-0.27%	-
NSE CONSUMER	+0.36%	+0.38%	-0.60%	-0.98%	-
NSE INDUSTRIAL	-0.89%	+0.49%	+0.17%	+0.11%	-
NSEBANK	+1.05%	-0.04%	-0.47%	-0.28%	-
NSEINS	+0.45%	+0.88%	-0.43%	+1.63%	-
NSEOILGAS	-0.09%	+4.89%	+0.01%	-0.93%	-

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 14/06/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
JAPAUOIL	0.38	+22.58	+80.95	-24.00
EQUITYASUR	0.24	+20.00	+20.00	-52.00
UBN	6.20	+10.71	+11.71	-20.51
OKOMUOIL	90.40	+10.24	+13.00	+33.55
LEARNAFRICA	1.58	+9.72	+14.49	+79.55
LASACO	0.38	+8.48	-2.56	-24.00

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
MBENEFIT	0.31	-13.89	-16.22	-38.00
AGLEVENT	0.49	-7.55	-7.55	-30.00
NB	110,00	-5.98	+1.95	-18.46
BERGER	8.55	-5.00	-5.00	+0.71
BOCGAS	4.21	-4.97	-9.07	-8.08
UNIONDAC	0.40	-4.76	-4.76	-20.00

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

FBNH (FBN Holdings) rose by 2.84% to close at N10.85. Recommendation: We maintain a hold rating on this stock.

UBA (United Bank of Africa) rose by 0.46% to close at N11.00. Recommendation: We maintain a buy rating on this stock.

ZENITHBANK (Zenith Bank) fell by 2.40% to close at N26.40. Recommendation: We maintain a sell rating on this stock.

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	2.11%	1.95%
Inflation Rate (Headline)	12.48%	11.61%
Food Inflation	14.80%	13.45%
MPR	14.00%	14.00%
Crude Oil Price	\$74.31	\$75.24

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate decreased marginally last week as the Overnight rate and Open Buy Back rate fell to 4.25% and 3.67% respectively. Consequently, the average money market rate decreased by 1.12% to settle at 3.96% as system liquidity is estimated to have increased significantly to c.N320bn, following inflows from OMO maturity during the week. We expect rates to increase slightly this week as the CBN is expected to intervene in the market via an OMO auction sale and the provision for FX wholesale, invisible and SME bid.

Instruments	08/05/2018	14/06/2018	Difference
Open Buy Back (OBB)	4.83%	3.67%	-1.16%
Overnight Rate	5.33%	4.25%	-1.08%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	08/06/2018	14/06/2018	Change
USD	360.00	360.00	+0.00%
GBP	480.00	479.00	-0.21%
EURO	416.50	416.00	-0.12%

Sell Rates	08/06/2018	14/06/2018	Change
USD	363.00	362.00	-0.28%
GBP	490.00	489.00	-0.20%
EURO	426.50	426.00	-0.11%

Source: Everdon, Anchoria AM Research

Week Ahead

The Executive Management of BOC Gases will visit the Exchange and address capital market stakeholders with a Facts Behind the Figures Presentation on Monday, 18 June, 2018.

Chemical & Allied Products, Stanbic IBTC Holdings and Eterna Plc are set to hold their Annual General Meeting on Tuesday, 19 June, 2018.

The National Bureau of Statistics (NBS) is set to release the Federation Account Allocation Committee (FAAC) May 2018 Disbursement report on Wednesday, 20 June, 2018.

Dangote Cement, NEM Insurance and UAC of Nigeria Plc are set to hold their Annual General Meeting on Wednesday, 20 June, 2018.

Dangote Sugar Refinery, Total Nigeria, Julius Berger Nigeria, CWG, and Lasaco Assurance set to hold their Annual General Meeting on Thursday, 21 June, 2018.

African Indices For The Week Ended 15/06/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	38,928.02	+258.79	+0.67% ↑
JSE ASI <i>South Africa</i>	57,660.50	-563.22	-0.97% ↓
NSE ASI <i>Kenya</i>	178.19	+1.52	+0.86% ↑
GSE CI <i>Ghana</i>	2,989.68	-48.73	-1.60% ↓
EGX 30 <i>Egypt</i>	16,220.93	+297.27	+1.87% ↑

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 15/06/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,779.42	+0.39	+0.01% ↑
NASDAQ <i>United States</i>	7,746.38	+100.87	+1.32% ↑
FTSE 100 <i>United Kingdom</i>	7,633.91	-47.16	-0.61% ↓
CAC 40 <i>France</i>	5,501.88	+51.66	+0.95% ↑
Eurostoxx 50 <i>Eurozone</i>	3,505.02	+57.72	+1.67% ↑
CSI 300 <i>China</i>	3,753.43	-26.19	-0.69% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

Seplat Petroleum Development Company Plc notified the Exchange of the sales of 900,000 Ordinary Shares registered in the name of Mr. Macaulay Ofurhie, a Non-Executive Director of the company. Following the sale, Mr. Ofurhie now holds a direct interest in 4,001,611 ordinary shares in the company which equates to a voting interest of 0.68%.

Cement Company of Northern Nigeria Plc declared a final dividend of N1.25 per shares which represents a dividend yield of 4.54% based on the last traded price.

African Alliance Insurance Plc announced the resignation of Hon. Ambassador Nurain Abayomi Mumuni as a Non-Executive Director from the Board of the company effective from 15 May, 2018.

11 Plc announced its re-entry into retailing of Liquefied Petroleum Gas (Domestic Cooking Gas) at some of Mobil service stations in Lagos.

United Capital Plc appointed Mr. Peter Ashade as the Group CEO following the retirement of its Group CEO, Oluwatoyin Sanni effective from 30 June, 2018.