

Market/Economic Insight

The Weekly Brief

Monday, 18 June - Friday, 22 June 2018

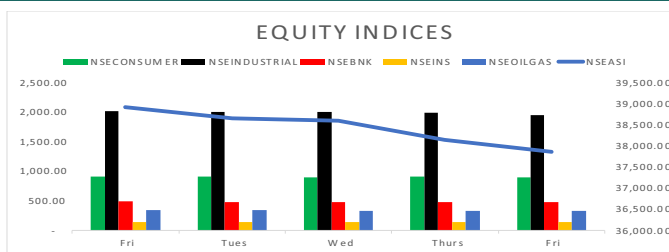
The performance of the Nigerian Equity Market returned bearish last week with the index (NSE ASI) down by **2.74%** WTD to close at an index level of 37,862.53 and market capitalization of N13.72 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Insurance index that rose by **3.55%**. The Oil and Gas sector recorded the highest decline amongst NSE indices with the NSE Oil & Gas index down by **5.94%** WTD, owing to significant price depreciation in **SEPLAT** (-9.26%) and **FO** (-7.73%).

The market activities were characterised by profit taking during all the trading sessions last week as passage of an expansionary budget of N9.12 trillion by President Muhammadu Buhari during the week failed to positively impact investor sentiment.

In the global space, bearish sentiments were witnessed in all selected markets except the UK FTSE 100 that closed in the green last week as investors focused on trade war between the United States, China and European Union. The Dow Jones fell for eight consecutive times until a rebound on Friday to close the week in the red (-2.03% WTD).

Equity Indices For The Week Ended 22/06/2018



EQUITY INDICES	MON 18/06/2018	TUES 19/06/2018	WED 20/06/2017	THUR 21/05/2018	FRI 22/06/2018
NSEASI	-	-0.68%	-0.15%	-1.17%	-0.76%
NSE CONSUMER	-	+0.06%	-0.25%	+0.47%	-0.79%
NSE INDUSTRIAL	-	-0.43%	-0.13%	-0.54%	-1.94%
NSEBNK	-	-2.25%	+0.29%	-0.54%	+0.65%
NSEINS	-	-0.45%	+1.36%	+1.54%	+1.05%
NSEOILGAS	-	-0.70%	-2.36%	-2.39%	-0.61%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 22/06/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
JAPAUOIL	0.47	+23.68	+135.00	-6.00
CILEASING	1.98	+14.45	+48.87	+53.49
NEM	3.04	+14.29	+18.75	+83.13
MBENEFIT	0.35	+12.90	-5.41	-30.00
SOVRENINS	0.31	+10.71	+19.23	-38.00
IKEJAHOTEL	3.13	+9.82	+24.70	+75.84

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
HONYFLOUR	2.09	-16.06	-9.13	-0.48
LASACO	0.34	-10.53	-12.82	-32.00
CCNN	24.75	-10.00	-7.13	+160.53
SEPLAT	685.00	-9.26	-7.83	+9.39
SKYEBANK	0.69	-9.21	-1.43	+38.00
LIVESTOCK	0.79	-9.20	+2.60	-4.82

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

FBNH (FBN Holdings) fell by 1.84% to close at N10.65. Recommendation: We maintain a hold rating on this stock.

UBA (United Bank of Africa) fell by 3.63% to close at N10.60. Recommendation: We maintain a buy rating on this stock.

ACCESS (Access Bank) fell by 1.89% to close at N10.40. Recommendation: We place a buy 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	\$75.24	\$75.82

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 3.58% and 2.83% respectively. Consequently, the average money market rate decreased by 0.76% to settle at 3.21% as system liquidity is estimated to have increased significantly to c.N542bn, following inflows from T-bill maturities of c. N444.29bn and the refund of the previous retail FX provision during the week. We expect rates to be relatively stable in the short term, due to the buoyant system liquidity and the slowdown in OMO issuance by the CBN.

Instruments	14/05/2018	22/06/2018	Difference
Open Buy Back (OBB)	3.67%	2.83%	-0.84%
Overnight Rate	4.25%	3.58%	-0.67%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	14/06/2018	22/06/2018	Change
USD	360.00	359.00	-0.28%
GBP	479.00	474.00	-1.04%
EURO	416.00	414.00	-0.48%

Sell Rates	14/06/2018	22/06/2018	Change
USD	362.00	362.00	+0.00%
GBP	489.00	482.00	-1.43%
EURO	426.00	422.00	-0.94%

Source: Everdon, Anchoria AM Research

Week Ahead

The Nigeria Hotel and Tourism Investment Conference (NHTIC) 2018 is scheduled to hold on Wednesday, 27 June, 2018 in Lagos.

Newrest ASL Nigeria, Capital Hotel and Mutual Benefits Assurance Plc are set to hold their Annual General Meetings on Wednesday, 27 June, 2018.

11 (Mobil), BOC Gases and Cement Company of Northern Nigeria Plc are set to hold their Annual General Meetings on Thursday, 28 June, 2018.

The National Bureau of Statistics (NBS) is set to release the Rail Transportation Data for Q3 and Q4 2017 on Thursday, 28 June, 2018.

The National Bureau of Statistics (NBS) is set to release the Crime Date - Drug Abuse Enforcement Report for 2017 on Friday, 29 June, 2018.

African Indices For The Week Ended 22/06/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	37,862.53	-1,065.49	-2.74% ↓
JSE ASI <i>South Africa</i>	56,856.66	-803.84	-1.39% ↓
NSE ASI <i>Kenya</i>	172.74	-5.45	-3.06% ↓
GSE CI <i>Ghana</i>	2,918.27	-71.41	-2.39% ↓
EGX 30 <i>Egypt</i>	16,345.77	+124.84	+0.77% ↑

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 22/06/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,754.88	-24.54	-0.88% ↓
NASDAQ <i>United States</i>	7,692.82	-53.56	-0.69% ↓
FTSE 100 <i>United Kingdom</i>	7,682.27	+48.36	+0.63% ↑
CAC 40 <i>France</i>	5,387.38	-114.50	-2.08% ↓
Eurostoxx 50 <i>Eurozone</i>	3,441.60	-63.42	-1.81% ↓
CSI 300 <i>China</i>	3,608.91	-144.52	-3.85% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

The Nigerian Stock Exchange reviewed its Equities Market Structure, which will become effective from Monday, 2 July, 2018. The new Market Structure will create a level playing field for all market participants and enable investors deploy broader trading strategies, and benefit from enhanced market depth.

Lotus Capital listed its Lotus Halal Fixed Income Fund on the Nigerian Stock Exchange on Thursday, 21 June, 2018.

UAC of Nigeria Plc Shareholders approved N1,872,842,776.00 as dividend for 2017 financial year, this represents a dividend per share of NO.65.

Berger Paints Nigeria Plc notified the Exchange of its meeting of the Board of Director and Closure period which is set to hold on Thursday, 19 July, 2018 and between June 28 and July 23, 2018 respectively.

Dangote Cement Plc announced the issuance of its N150 billion Commercial Paper Issuance Programme. The Offer period is between Friday, 22 June and Tuesday, 26 June, 2018.