

Market/Economic Insight

The Weekly Brief

Monday, 09 July - Friday, 13 July 2018

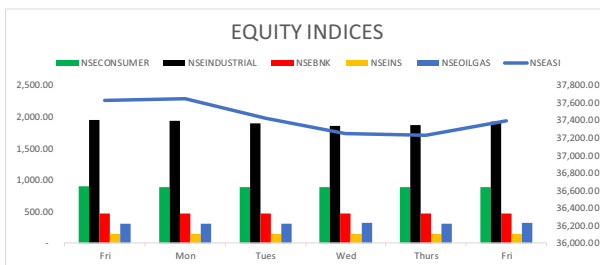
The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **0.62%** WTD to close at an index level of 37,392.77 and market capitalization of N13.55 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Oil & Gas index that rose by **0.71%**. The Insurance sector recorded the highest decline amongst NSE indices with the NSE Insurance index down by **5.10%** WTD, owing to significant price depreciation in **MBENEFIT** (-24.44%) and **SOVRENINS** (-14.81%).

The market activities were characterised by profit taking on 3 out of 5 trading sessions last week as foreign investors continued to dump Nigerian equities. According to Foreign Portfolio Investment (FPI) report released by the NSE, foreign investors' outflow from the equities market increased by 124.7% to N131 bn in May as against N58.25 bn recorded in April.

In the global space, equities market witnessed a changed sentiment last week as investors ignored the trade war between US and China to close all the selected indices in the green last week with the US Dow Jones up by 2.30% to close at 25,019.41 while China CSI 300 was up by 3.79% to close at 3,492.69.

Equity Indices For The Week Ended 13/07/2018



EQUITY INDICES	MON 09/07/2018	TUES 10/07/2018	WED 11/07/2018	THUR 12/07/2018	FRI 13/07/2018
NSEASI	+0.06%	-0.60%	-0.45%	-0.07%	+0.45%
NSE CONSUMER	-0.18%	-0.40%	-0.46%	+0.07%	+0.54%
NSE INDUSTRIAL	-0.46%	-2.33%	-2.34%	+0.55%	+3.29%
NSEBANK	+0.07%	-1.15%	+0.01%	-1.42%	+0.40%
NSEINS	-0.17%	-2.55%	-0.96%	-1.08%	-0.44%
NSEOILGAS	+0.02%	-1.10%	+1.73%	-0.62%	+0.71%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 13/07/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
CUSTODIAN	6.12	+17.47	+19.53	+57.33
CILEASING	2.48	+10.22	+19.81	+92.25
FO	28.90	+9.68	-12.02	-33.53
MOBIL	180.50	+9.39	-1.37	-7.25
EQUITYASUR	0.24	+9.09	+14.29	-52.00
REGALINS	0.26	+8.33	+4.00	-48.00

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
TANTALIZERS	0.27	-25.00	-25.00	-46.00
MBENEFIT	0.34	-24.44	-8.11	-32.00
DUNLOP	0.23	-20.69	-20.69	-54.00
MULTIVERSE	0.20	-16.67	+0.00	-60.00
SOVRENINS	0.23	-14.81	-23.33	-54.00
INITSPCL	0.62	-13.89	-18.42	-24.39

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

ZENITHBNK (Zenith Bank) fell by 1.23% to close at N24.00. Recommendation: We maintain a buy rating on this stock.

UBA (United Bank of Africa) fell by 3.38% to close at N10.00. Recommendation: We maintain a buy rating on this stock.

ACCESS (Access Bank) fell by 1.92% to close at N10.20. Recommendation: We maintain 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	\$76.72	\$77.02

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate decreased slightly last week as the Overnight rate (OVN) and Open Buy Back (OBB) fell to 9.42% and 8.92% respectively. Consequently, the average money market rate decreased marginally by 2.96% to settle at 9.17% as system liquidity is estimated to have increased to c.N303bn, following OMO T-bill maturities of c.N406bn which is higher than the outflow from OMO sales (c.N315.3bn), and FX Wholesale. Invisibles and SME (c.N90bn) during the week.

Instruments	06/07/2018	13/07/2018	Difference
Open Buy Back (OBB)	11.33%	8.92%	-2.41%
Overnight Rate	12.92%	9.42%	-3.50%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	06/07/2018	13/07/2018	Change
USD	358.00	358.00	+0.00%
GBP	473.00	475.00	+0.42%
EURO	411.00	412.00	+0.24%
Sell Rates	06/07/2018	13/07/2018	Change
USD	361.00	361.00	+0.00%
GBP	481.00	483.00	+0.42%
EURO	419.00	420.00	+0.24%

Source: Everdon BDC, Anchoria AM Research

Week Ahead

The National Bureau of Statistics (NBS) is set to release the CPI and Inflation report for June 2018 on Monday, 16 July, 2018.

The Monetary Policy Committee of the Central Bank of Nigeria is set to hold its bi-monthly meeting between Monday, 16 July and Tuesday, 17 July, 2018.

The Federal Government of Nigeria (FGN) through the CBN is set to hold Treasury bill Primary Market Auction (PMA) on Wednesday, 18 July, 2018. We expect CBN to roll over the same amount of T-bills maturing.

The National Bureau of Statistics (NBS) is set to release Q2 2018 Pension Asset and Membership Data on Friday, 20 July, 2018.

The Debt Management Office (DMO) is set to list N10.69 billion, 5-year FGN Sovereign Green Bond at coupon rate of 13.48% on the Daily Official List of the NSE on Friday, 20 July, 2018.

African Indices For The Week Ended 13/07/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	37,392.77	-232.82	-0.62% ↓
JSE ASI <i>South Africa</i>	56,364.14	-949.74	-1.66% ↓
NSE ASI <i>Kenya</i>	171.27	-1.68	-0.97% ↓
GSE CI <i>Ghana</i>	2,946.25	+24.56	+0.84% ↑
EGX 30 <i>Egypt</i>	15,879.81	-245.53	-1.52% ↓

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 13/07/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,801.31	+41.49	+1.50% ↑
NASDAQ <i>United States</i>	7,825.98	+137.59	+1.79% ↑
FTSE 100 <i>United Kingdom</i>	7,661.87	+44.17	+0.58% ↑
CAC 40 <i>France</i>	5,429.20	+53.43	+0.99% ↑
Eurostoxx 50 <i>Eurozone</i>	3,454.54	+6.05	+0.18% ↑
CSI 300 <i>China</i>	3,492.69	+127.57	+3.79% ↑

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

C&I Leasing Plc, a leasing and business service conglomerate has concluded the buyout of 27.5% minority stake in Petrotech Marine Ltd. - a JV company with 6 vessels presently deployed to a long-term contract with Shell Petroleum Development Company of Nigeria (SPDC).

Equity Assurance Plc notified the public that following the approval of the CAC and NAICOM of the Company's change of name from Equity Assurance to SUNU Assurance Nigeria Plc, the Federal Ministry of Industry, Trade and Investment approved the Company's new logo and trademark.

Sterling Bank Plc notified the Exchange of the appointment of Mrs. Folasade Kilaso and Mr. Michael Ajukwu as Non-Executive Director and Independent Director respectively.

Dangote Cement Plc notified the general public that no decision has been finalised as regards a possible international listing of its shares.

Ecobank Transnational Incorporated announced the departure of Mr. Charles Kie, Managing Director Ecobank Nigeria from the Ecobank Group.