



Market/Economic Insight

The Weekly Brief

Monday, 06 August - Friday, 10 August 2018

The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **2.89%** WTD to close at an index level of 35,446.47 and Market capitalization at N12.94trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors. The Oil & Gas sector recorded the highest decline amongst NSE indices with the NSE Oil & Gas Index down by **5.41%** WTD, owing to significant price depreciation in **SEPLAT** (-8.45%) and **TOTAL** (-5.13%).

The market activities were characterised by profit taking on 5 out of 5 trading sessions last week despite good earnings scorecard of some companies that released their financials during the week and declaration of dividend by two Tier 1 banks.

In the global space, equities market witnessed a mixed sentiment last week as investors focused on trade wars between US-China and US-Turkey, and the financial crisis in Turkey. The US Dow Jones fell by 0.59% to close at 25,313.14, erasing all its gains for the month of August while the China CSI 300 rose by 2.71% to close at 3,405.02.

Market Statistics For The Week Ended 10/08/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
NEIMETH	0.80	+33.33	+60.00	+6.67
NIGERINS	0.39	+30.00	+50.00	-22.00
AIRSERVICE	4.95	+10.00	+10.00	-16.81
ETERNA	6.55	+8.26	+9.17	+61.33
LIVESTOCK	0.69	+7.81	+7.81	-16.87
HMARKINS	0.32	+6.67	+18.52	-36.00

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
NSLTECH	0.29	-19.44	-27.50	-42.00
CORNERST	0.25	-13.79	-13.79	-50.00
IKEJAHOTEL	2.79	-10.86	-10.86	+56.74
MBENEFIT	0.33	-10.81	-8.33	-34.00
LINKASSURE	0.72	-10.00	-10.00	+9.09
LAWUNION	0.90	-10.00	-10.00	+16.88

Source: NSE, Anchoria AM Research

Stock Watch

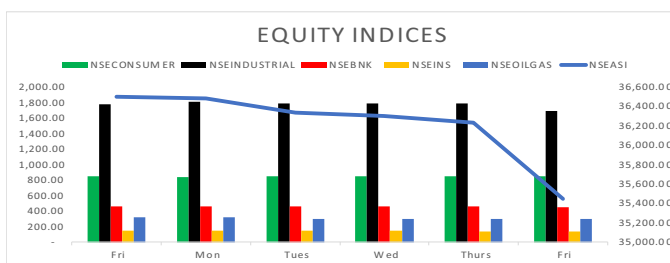
Over the last five trading sessions:

SEPLAT (Seplat Petroleum Dev. Company) fell by 8.45% to close at N650.00. Recommendation: We place a hold rating on this stock.

FBNH (First Bank of Nigeria Holdings) fell by 4.00% to close at N9.60. Recommendation: We place a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 2.62% to close at N39.00. Recommendation: We maintain a buy rating on this stock.

Equity Indices For The Week Ended 10/08/2018



EQUITY INDICES	MON	TUES	WED	THUR	FRI
	06/08/2018	07/08/2018	08/08/2018	09/08/2018	10/08/2018
NSEASI	-0.06%	-0.40%	-0.09%	-0.19%	-2.17%
NSE CONSUMER	-0.93%	+0.63%	-0.07%	+0.09%	-0.05%
NSE INDUSTRIAL	+2.00%	-0.93%	-0.03%	+0.00%	-5.39%
NSEBANK	+0.86%	-1.08%	-0.24%	-0.12%	-0.75%
NSEINS	+1.03%	-0.78%	-0.16%	-1.24%	-0.46%
NSEOILGAS	+0.42%	-4.69%	-0.96%	-0.68%	+0.46%

Source: NSE, Anchoria AM Research

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	2.11%	1.95%
Inflation Rate (Headline)	11.61%	11.23%
Food Inflation	13.45%	12.98%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$73.21	\$72.81
Crude Oil Price (WTI Oil)	\$68.49	\$67.63

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate increased last week as the Overnight rate (OVN) and Open Buy Back (OBB) rose to 9.25% and 8.42% respectively. Consequently, the average money market rate increased by 4.01% to settle at 8.84% as system liquidity fell to cN249bn due to outflows from OMO sales of N377bn, and FX Wholesale, Invisibles and SME of N90bn despite inflow from OMO maturity of N452bn during the week.

Instruments	03/08/2018	10/08/2018	Difference
Open Buy Back (OBB)	4.33%	8.42%	+4.09%
Overnight Rate	5.33%	9.25%	+3.92%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	03/08/2018	10/08/2018	Change
USD	357.00	357.00	+0.00%
GBP	471.00	467.00	-0.85%
EURO	411.00	408.00	-0.73%

Sell Rates	03/08/2018	10/08/2018	Change
USD	360.00	360.00	+0.00%
GBP	479.00	475.00	-0.84%
EURO	419.00	416.00	-0.72%

Source: Everdon BDC, Anchororia AM Research

Week Ahead

The National Bureau of Statistics (NBS) is set to release the July 2018 Price Watch for Kerosene, Diesel, Petrol and Cooking Gas on Tuesday, 14 August 2018.

The National Bureau of Statistics (NBS) is set to release Q2 2018 Pension Asset and Membership Data on Tuesday, 14 August 2018.

The National Bureau of Statistics (NBS) is set to release the CPI and Inflation report for July 2018 on Wednesday, 15 August 2018.

The Central Bank of Nigeria (CBN) is set to hold its T-Bills Primary Market Auction on Wednesday, 15 August 2018.

The National Bureau of Statistics (NBS) is set to release the report on Federation Account Allocation Committee (FAAC) June 2018 Disbursement on Thursday, 16 August 2018.

African Indices For The Week Ended 10/08/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	35,446.47	-1,053.20	-2.89% ↓
JSE ASI <i>South Africa</i>	57,703.02	+584.99	+1.02% ↑
NSE ASI <i>Kenya</i>	172.84	+1.67	+0.98% ↑
GSE CI <i>Ghana</i>	2,944.38	+8.63	+0.29% ↑
EGX 30 <i>Egypt</i>	15,924.06	+187.01	+1.19% ↑

Source: African Market, Anchororia AM Research

Global Indices For The Week Ended 10/08/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,833.28	-7.07	-0.25% ↓
NASDAQ <i>United States</i>	7,839.11	+27.09	+0.35% ↑
FTSE 100 <i>United Kingdom</i>	7,667.01	+7.91	+0.10% ↑
CAC 40 <i>France</i>	5,414.68	-64.30	-1.17% ↓
Eurostoxx 50 <i>Eurozone</i>	3,426.28	-56.12	-1.61% ↓
CSI 300 <i>China</i>	3,405.02	+89.74	+2.71% ↑

Source: Bloomberg, Yahoo Finance, Anchororia AM Research

Corporate Disclosure

FBN Holdings Plc released its Half-year (HY) 2018 financial statement showing a marginal growth of 1.57% year-on-year (YoY) in Gross Earnings to N293.33 billion and the Profit After Tax (PAT) grew by 13.68% YoY to N33.52 billion.

Guaranty Trust Bank Plc released its Half-year (HY) 2018 financial statement showing a growth of 5.85% year-on-year (YoY) in Gross Earnings to N226.63 billion and the Profit After Tax (PAT) grew by 14.22% YoY to N95.58 billion. The Management proposed an interim dividend of N0.30 per share.

Zenith Bank Plc released its Half-year (HY) 2018 financial statement showing a decrease of 15.31% year-on-year (YoY) in Gross Earnings to N322.30 billion while the Profit After Tax (PAT) grew by 16.46% YoY to N107.36 billion. The Management proposed an interim dividend of N0.30 per share.

The Exchange lifted the suspension placed on trading in the shares of Conoil Plc after the company submitted its Unaudited Financial Statement for the period ended 31 March 2018.