

# Market/Economic Insight

## The Weekly Brief

Monday, 13 August - Friday, 17 August 2018

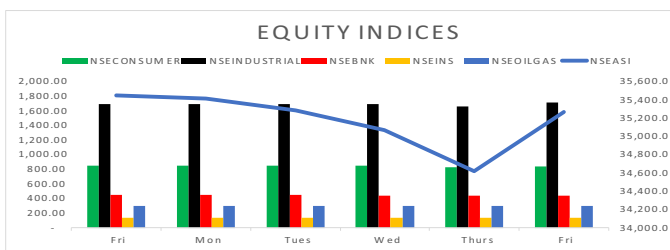
The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **0.51%** WTD to close at an index level of 35,266.29 and Market capitalization at N12.88 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Industrial Goods sector that rose by 1.29% owing to price increase in **DANGCEM** by **2.80%**. The Banking sector recorded the highest decline amongst NSE indices with the NSE Banking Index down by **3.80%** WTD, owing to significant price depreciation in **UBA** (-11.64%) and **ZENITHBNK** (-3.18%).

The market activities were characterised by profit taking on 4 out of 5 trading sessions last week. Despite an improved macroeconomic environment, investor remained sceptical about the equities market as the nation approaches election period.

In the global space, equities market witnessed a mixed sentiment last week as investors focused on trade wars between US and China and as the currency crisis in Turkey triggered more sell off of assets in emerging economies. The US Dow Jones fell by 1.41% to close at 25,669.32, while the China CSI 300 fell by 4.67% to close at 3,229.62.

### Equity Indices For The Week Ended 17/08/2018



EQUITY INDICES	MON	TUES	WED	THUR	FRI
	13/08/2018	14/08/2018	15/08/2018	16/08/2018	17/08/2018
<b>NSEASI</b>	-0.10%	-0.35%	-0.62%	-1.29%	+1.87%
<b>NSE CONSUMER</b>	+0.11%	+0.10%	+0.00%	-1.58%	+0.26%
<b>NSE INDUSTRIAL</b>	+0.02%	-0.03%	-0.03%	-2.11%	+3.51%
<b>NSEBNK</b>	-0.77%	-1.06%	-1.03%	-0.81%	-0.19%
<b>NSEINS</b>	-0.49%	-2.19%	+0.04%	+0.20%	-1.15%
<b>NSEOILGAS</b>	-0.29%	-0.79%	-0.76%	+0.48%	-0.11%

Source: NSE, Anchororia AM Research

### Market Statistics For The Week Ended 17/08/2018

#### Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
INTBREW	35.20	+10.00	-4.86	-35.41
PORTLAND	2.47	+9.78	+20.49	+12.27
SOVRENINS	0.26	+8.33	-3.70	-48.00
MANSARD	2.55	+7.14	-3.77	+32.12
UNILEVER	55.00	+4.76	+4.66	+34.15
CUTIX	4.18	+4.50	-4.57	+107.96

#### Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
NEIMETH	0.60	-25.00	+20.00	-20.00
NSLTECH	0.23	-20.69	-42.50	-54.00
SKYEBANK	0.48	-18.64	-25.00	-4.00
BERGER	6.55	-18.13	-18.13	-22.85
CONTINSURE	1.40	-17.16	-17.16	+0.00
WAPIC	0.35	-12.50	-7.89	-30.00

Source: NSE, Anchororia AM Research

#### Stock Watch

Over the last five trading sessions:

**SEPLAT** (Seplat Petroleum Dev. Company) remained unchanged to close at N650.00. Recommendation: We place a hold rating on this stock.

**FBNH** (First Bank of Nigeria Holdings) fell by 2.08% to close at N9.80. Recommendation: We place a buy rating on this stock.

**GUARANTY** (Guaranty Trust Bank) fell by 2.56% to close at N38.00. Recommendation: We maintain a buy rating on this stock.

#### Macroeconomics

Indicator	Previous Rate	Current Rate
<b>GDP Growth</b>	2.11%	1.95%
<b>Inflation Rate (Headline)</b>	11.23%	11.14%
<b>Food Inflation</b>	12.98%	12.85%
<b>MPR</b>	14.00%	14.00%
<b>Crude Oil Price (Brent Oil)</b>	\$72.81	\$71.83
<b>Crude Oil Price (WTI)</b>	\$67.63	\$65.91

Source: CBN, NBS

### Money Market Rate Weekly Closing Rate

The money market rate decreased last week as the Overnight rate (OVN) and Open Buy Back (OBB) fell to 8.33% and 7.33% respectively. Consequently, the average money market rate decreased by 1.01% to settle at 7.83% as system liquidity rose to cN500bn due to inflow from OMO T-Bills maturity of cN514bn, T-Bills maturity of cN33.38bn and CBN refund from retail FX provision of cN150bn despite an outflow from Wholesale, Invisible & SME FX auction of \$210mn, OMO T-bill sales of cN153.54bn, Bond auction of cN39.7bn, T-bill auction of cN33.38bn and retail FX bid (Yuan and USD) during the week.

Instruments	10/08/2018	17/08/2018	Difference
<b>Open Buy Back (OBB)</b>	8.42%	7.33%	-1.09%
<b>Overnight Rate</b>	9.25%	8.33%	-0.92%

Source: FMDQ OTC

### Currency Movement During The Week

Buy Rates	10/08/2018	17/08/2018	Change
<b>USD</b>	357.00	357.00	+0.00%
<b>GBP</b>	467.00	459.00	-1.71%
<b>EURO</b>	408.00	408.00	+0.00%

Sell Rates	10/08/2018	17/08/2018	Change
<b>USD</b>	360.00	360.00	+0.00%
<b>GBP</b>	475.00	467.00	-1.68%
<b>EURO</b>	416.00	416.00	+0.00%

Source: Everdon BDC, Anchoria AM Research

### Week Ahead

The National Bureau of Statistics (NBS) is set to release the July 2018 disbursement report for the Federation Account Allocation Committee (FAAC) on Tuesday, 21 August 2018.

The National Bureau of Statistics (NBS) is set to release Q2 2018 Nigerian Capital Importation Data on Wednesday, 22 August 2018.

Businessday is set to hold an event tagged "The CEO Apprentice" between Monday and Saturday, 20 - 25 August, 2018.

The Institute of Directors (IODs) is set to hold the Independent Directors Masterclass on Thursday, 23 August, 2018 in Lagos.

The management of the Guardian Newspaper is set to visit the Exchange on Friday, 24 August, 2018 as part of the celebration of the company's 35th anniversary.

### African Indices For The Week Ended 17/08/2018

Country	Index Level	Index Change	Change
<b>NGSE ASI</b> <i>Nigeria</i>	35,266.29	-180.18	-0.51% ↓
<b>JSE ASI</b> <i>South Africa</i>	56,647.52	-1,055.50	-1.83% ↓
<b>NSE ASI</b> <i>Kenya</i>	174.59	+1.75	+1.01% ↑
<b>GSE CI</b> <i>Ghana</i>	2,942.89	-1.49	-0.05% ↓
<b>EGX 30</b> <i>Egypt</i>	15,295.97	-628.09	-3.94% ↓

Source: African Market, Anchoria AM Research

### Global Indices For The Week Ended 17/08/2018

Country	Index Level	Index Change	Change
<b>S&amp;P 500</b> <i>United States</i>	2,850.13	+16.85	+0.59% ↑
<b>NASDAQ</b> <i>United States</i>	7,816.33	-22.78	-0.29% ↓
<b>FTSE 100</b> <i>United Kingdom</i>	7,558.59	-108.42	-1.41% ↓
<b>CAC 40</b> <i>France</i>	5,344.93	-69.75	-1.29% ↓
<b>Eurostoxx 50</b> <i>Eurozone</i>	3,372.94	-53.34	-1.56% ↓
<b>CSI 300</b> <i>China</i>	3,229.62	-158.29	-4.67% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

### Corporate Disclosure

Zenith Bank Plc rescheduled the payment of interim dividend from 24 August, 2018 to 29 August, 2018 due to two (2) days public holidays for the celebration of Eid-el-Kabir.

Nigerian Aviation Handling Company Plc appointed Mrs. Olatokunbo A. Fagbemi as a Non-Executive Director of the Company following the resignation of Mr. Denis Hasdenteufel.

FCMB Plc confirmed that there were attempted fraudulent card transactions on a few customers' accounts. The bank's system immediately placed a lien on the affected accounts to minimise potential losses.

Dangote Cement Plc announced the proposed issuance of N50 billion Series 3 and 4 Notes under its N150 billion Commercial Paper Programme announced on 27th June 2018.

Stanbic IBTC Holdings Plc declared an interim dividend of N1.00 per shares. This represents a dividend yield of 2.00% based on the last traded price.