



Market/Economic Insight

The Weekly Brief

Monday, 20 August - Friday, 24 August 2018

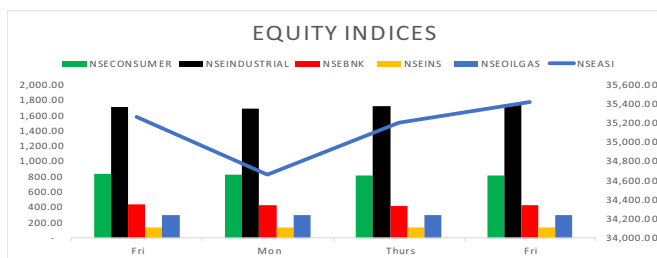
The performance of the Nigerian Equity Market returned bullish last week with the index (NSE ASI) up by 0.45% WTD to close at an index level of 35,426.17 and Market capitalization at N12.93 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Industrial Goods sector and Insurance that rose by 1.96% and 0.78% respectively. The Banking sector recorded the highest decline amongst NSE indices with the NSE Banking Index down by 3.04% WTD, owing to significant price depreciation in **UBA** (-4.19%) and **ZENITHBNK** (-3.94%).

The market activities were characterised by bargain hunting on 2 out of 3 trading sessions last week. This is majorly driven by increased demand in a blue chip stock, DANGCEM despite sell offs in the stocks of Banking, Oil & Gas and Consumer Goods sectors.

In the global space, equities markets were bullish as US stock market reached an all-time high and the longest bull run in history. Also, the China Stock market closed in the green as US and China initiated trade talks during the week.

Equity Indices For The Week Ended 24/08/2018



EQUITY INDICES	MON 20/08/2018	TUES 21/08/2018	WED 22/08/2018	THUR 23/08/2018	FRI 24/08/2018
NSEASI	-1.71%	-	-	+1.57%	+0.62%
NSE CONSUMER	-1.37%	-	-	-0.39%	-0.43%
NSE INDUSTRIAL	-1.24%	-	-	+1.98%	+1.23%
NSEBNK	-2.65%	-	-	-0.64%	+0.25%
NSEINS	+0.08%	-	-	+0.25%	+0.45%
NSEOILGAS	-0.41%	-	-	+0.20%	-0.03%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 24/08/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
AIRSERVICE	5.30	+19.10	+17.78	-10.92
SKYEBANK	0.57	+18.75	-10.94	+14.00
VERITASKAP	0.28	+7.69	-6.67	-44.00
FCMB	1.83	+7.65	-8.50	+23.65
DANGCEM	235.00	+6.82	+0.43	+2.17
DANGFLOUR	8.20	+6.49	-6.82	-32.51

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
JAIZBANK	0.48	-11.11	-17.24	-23.81
UNIONDAC	0.26	-10.34	+0.00	-48.00
UPL	2.07	-10.00	-10.00	-9.21
LIVESTOCK	0.55	-9.84	-14.06	-33.73
INTBREW	32.00	-9.09	-13.51	-41.28
REDSTAREX	5.20	-8.77	-7.14	+1.56

Source: NSE, Anchoria 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 1.53% to close at N9.65. Recommendation: We place a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 1.32% to close at N37.50. Recommendation: We maintain a buy rating on this stock.

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.95%	1.50%
Inflation Rate (Headline)	11.23%	11.14%
Food Inflation	12.98%	12.85%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$71.83	\$75.82
Crude Oil Price (WTI)	\$65.91	\$68.72

Source: CBN, NBS

Money Market Rate Weekly Closing Rate

The money market rate decreased marginally last week as the Overnight rate (OVN) and Open Buy Back (OBB) fell to 7.92% and 6.75% respectively. Consequently, the average money market rate decreased by 0.50% to settle at 7.34% despite reduction in the system liquidity to close at cN361bn due to outflow from Wholesale, Invisible & SME FX Auction of \$210mn, OMO T-Bills sales of cN97.9bn and CRR of cN22bn despite an inflow from OMO T-bills maturities of cN364.33bn during the week.

Instruments	17/08/2018	24/08/2018	Difference
Open Buy Back (OBB)	7.33%	6.75%	-0.58%
Overnight Rate	8.33%	7.92%	-0.41%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	17/08/2018	24/08/2018	Change
USD	357.00	357.00	+0.00%
GBP	459.00	457.00	-0.44%
EURO	408.00	408.00	+0.00%
Sell Rates	17/08/2018	24/08/2018	Change
USD	360.00	360.00	+0.00%
GBP	467.00	465.00	-0.43%
EURO	416.00	411.00	-1.20%

Source: Everdon BDC, Anchoria AM Research

Week Ahead

The National Bureau of Statistics (NBS) is set to release the Nigerian Gross Domestic Product (GDP) report for Q2 2018 on Monday, 27 August 2018.

The National Bureau of Statistics (NBS) is set to release Road Transportation Data for Q2 2018 on Tuesday, 28 August 2018.

Linkage Assurance Plc is set to hold its Annual General Meeting on Tuesday, 28 August 2018 in Lagos.

The Central Bank of Nigeria (CBN) is expected to conduct its T-bills Primary Market Auction of Wednesday, 29 August 2018. The CBN is expected to rollover the same amount of T-bills maturing.

Smart Products Nigeria, Learn Africa, Red Star Express and Flour Mills of Nigeria Plc are set to hold their Annual General Meeting on Thursday, 30 August, 2018.

African Indices For The Week Ended 24/08/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	35,426.17	+159.88	+0.45% ↑
JSE ASI <i>South Africa</i>	58,797.68	+2,150.16	+3.80% ↑
NSE ASI <i>Kenya</i>	172.98	-1.61	-0.92% ↓
GSE CI <i>Ghana</i>	2,939.86	-3.03	-0.10% ↓
EGX 30 <i>Egypt</i>	15,239.03	-56.94	-0.37% ↓

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 24/08/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,874.69	+24.56	+0.86% ↑
NASDAQ <i>United States</i>	7,945.98	+129.65	+1.66% ↑
FTSE 100 <i>United Kingdom</i>	7,577.49	+18.90	+0.25% ↑
CAC 40 <i>France</i>	5,432.50	+87.57	+1.64% ↑
Eurostoxx 50 <i>Eurozone</i>	3,427.44	+54.50	+1.62% ↑
CSI 300 <i>China</i>	3,325.34	+95.72	+2.96% ↑

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

Ecobank Transnational Incorporated announces the appointment of Paul-Harry Aithnard as Managing Director Cote d'Ivoire & Regional Executive, UEMOA - Designate.

CWG Plc launched Entersekt product line into the Nigerian Market. Entersekt is globally recognized innovator in mobile-first fintech solutions.

GlaxosmithKline Consumer Nigeria Plc appoints Ms. Debra Mallowah and Mr. Basel Nizameddin as Non-Executive Directors of the company.

Sunu Assurance Nigeria Plc, formerly Equity Assurance Plc changed its trading symbol from EQUITYASUR to SUNUASSUR.

Lafarge Africa Plc notified the Exchange of its Extra-Ordinary General Meeting which is scheduled to hold on Tuesday, 25 September, 2018 at Muson Center (Shell Hall), Lagos.