

Market/Economic Insight

The Weekly Brief

Monday, 30 July - Friday, 03 August 2018

The performance of the Nigerian Equity Market returned bearish last week with the index (NSE ASI) down by **0.37%** WTD to close at an index level of 36,499.67 while market capitalization rose by **0.32%** to close at N13.32 trillion.

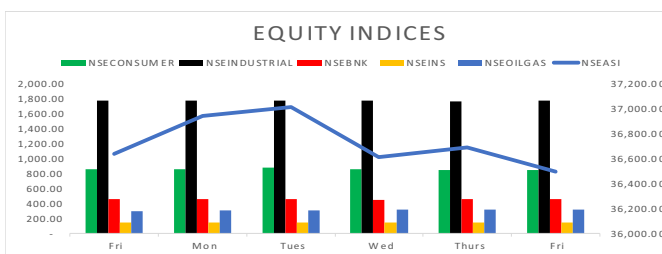
The increase in Market Cap. can be attributed to listing by way of introduction of 1.612 billion shares of Notore Chemical Industries Plc at a market price of N62.50 per share during the week.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Banking and Oil & Gas index that rose by **0.83%** and **6.76%** respectively. The Consumer Goods sector recorded the highest decline amongst NSE indices with the NSE Consumer Goods Index down by **1.01%** WTD, owing to significant price depreciation in **INTBREW** (-17.57%) and **DANGSUGAR** (-3.03%).

The market activities were characterised by profit taking on 3 out of 5 trading sessions last week despite good earnings scorecard of some companies that released their financials during the week.

In the global space, equities market witnessed a mixed sentiment last week as China CSI 300 fell by 5.68% to lose its position as second largest stock market while NASDAQ grew by 0.96% as Apple (AAPL) reached its \$1 trillion Market Cap. during the week.

Equity Indices For The Week Ended 03/08/2018



EQUITY INDICES	MON 23/07/2018	TUES 24/07/2018	WED 25/07/2018	THUR 26/07/2018	FRI 27/07/2018
NSEASI	+0.84%	+0.19%	-1.09%	+0.21%	-0.52%
NSE CONSUMER	+0.58%	+2.19%	-2.31%	-1.03%	-0.39%
NSE INDUSTRIAL	-0.21%	+0.09%	-0.42%	-0.50%	+0.50%
NSEBANK	+1.48%	-1.42%	-0.66%	+2.39%	-0.90%
NSEINS	-0.61%	+1.27%	+0.02%	+0.87%	-2.48%
NSEOILGAS	+4.99%	+1.22%	+0.57%	-0.29%	+0.19%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 03/08/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
UNIONDAC	0.33	+50.00	+26.92	-34.00
NEIMETH	0.60	+42.86	+20.00	-20.00
MBENEFIT	0.37	+23.33	+2.78	-26.00
NIGERINS	0.30	+15.38	+15.38	-40.00
SEPLAT	710.00	+13.60	+0.85	+13.38
LASACO	0.36	+12.50	-28.00	-28.00

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
SMURFIT	0.44	-18.52	-0.00	-12.00
INTBREW	30.50	-17.57	-17.57	-44.04
DIAMONDBNK	1.17	-16.43	-7.14	-22.00
PHARMADEKO	1.90	-13.64	-4.04	-19.49
SKYEBANK	0.62	-11.43	-3.13	+24.00
NSLTECH	0.36	-10.00	-10.00	-28.00

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

SEPLAT (Seplat Petroleum Dev. Company) rose by 13.60% to close at N710.00. Recommendation: We place a hold rating on this stock.

FBNH (First Bank of Nigeria Holdings) remained unchanged to close at N10.00. Recommendation: We place a buy rating on this stock.

ACCESS (Access Bank) fell by 0.50% to close at N10.00. Recommendation: We maintain a buy rating on this stock.

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)	\$74.29	\$73.21

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 5.33% and 4.33% respectively. Consequently, the average money market rate decreased by 2.21% to settle at 4.83% as system liquidity increased to cN450bn due to inflow from FAAC payment of N375bn, OMO maturity of N379bn, T-bills maturity of N215bn and refund of the last retail auction of N225bn despite outflows from OMO sales of N363bn, FX Wholesale, Invisibles and SME of N90bn, T-bills auction of N215bn and CBN fortnight retail auction during the week.

Instruments	27/07/2018	03/08/2018	Difference
Open Buy Back (OBB)	6.83%	4.33%	-2.50%
Overnight Rate	7.25%	5.33%	-1.92%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	27/07/2018	03/08/2018	Change
USD	357.00	357.00	+0.00%
GBP	472.00	471.00	-0.21%
EURO	408.00	411.00	+0.74%

Sell Rates	27/07/2018	03/08/2018	Change
USD	360.00	360.00	+0.00%
GBP	480.00	479.00	-0.21%
EURO	418.00	419.00	+0.24%

Source: Everdon BDC, Anchororia AM Research

Week Ahead

Union Diagnostic and Clinical Services Plc is set to hold its Annual General Meeting on Monday, 06 August, 2018 in Calabar.

C & I Leasing is set to present its Fact Behind the Figure on Tuesday, 07 August, 2018 at the Exchange.

The Lagos Business School Breakfast Club is set to hold its monthly meeting on Wednesday, 08 August, 2018.

Bloomberg is set to hold its Capital Market Forum on Wednesday, 08 August, 2018 in Lagos.

The National Bureau of Statistics is set to release the Telecom data for Q2 2018 on Thursday, 09 August, 2018.

The Securities and Exchange Commission (SEC) is set to hold its second Capital Market Committee (CMC) Meeting between Thursday, 09 August and Friday, 10 August, 2018.

African Indices For The Week Ended 03/08/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	36,499.67	-137.30	-0.37% ↓
JSE ASI <i>South Africa</i>	57,118.03	-44.35	-0.08% ↓
NSE ASI <i>Kenya</i>	171.17	-1.30	-0.75% ↓
GSE CI <i>Ghana</i>	2,932.77	-8.00	-0.27% ↓
EGX 30 <i>Egypt</i>	15,806.38	+607.09	+3.99% ↑

Source: African Market, Anchororia AM Research

Global Indices For The Week Ended 03/08/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,840.35	+21.53	+0.76% ↑
NASDAQ <i>United States</i>	7,812.02	+74.60	+0.96% ↑
FTSE 100 <i>United Kingdom</i>	7,658.10	-42.21	-0.55% ↓
CAC 40 <i>France</i>	5,478.98	-32.78	-0.59% ↓
Eurostoxx 50 <i>Eurozone</i>	3,482.40	-44.78	-1.27% ↓
CSI 300 <i>China</i>	3,315.28	-199.80	-5.68% ↓

Source: Bloomberg, Yahoo Finance, Anchororia AM Research

Corporate Disclosure

Notore Chemical Industries Plc by way of introduction listed 1.612 billion ordinary share of the company at the market price of N62.50 per share on the floor of the Exchange.

Great Nigeria Insurance Plc notified the public of the proposed voluntary delisting of its shares from the Nigerian Stock Exchange

Nascon Allied Industries Plc released its Half Year (H1) 2018 Financial Statements showing an increase of 0.79% year-on-year in Revenue and the Profit After Tax (PAT) rose by 12.41% (YOY).

Staco Insurance Plc dismissed Dr. Sakiru Oyefeso as the Chief Executive Officer of the company due to financial misappropriation, abuse of office and breach of corporate governance best practices.

Africa Prudential Plc recently released its H1 Financial Statement showing 47.62% Year-on-Year growth in Revenue while Profit After Tax (PAT) grew by 13.95%.