

Market/Economic Insight

The Weekly Brief

Monday, 03 September - Friday, 07 September 2018

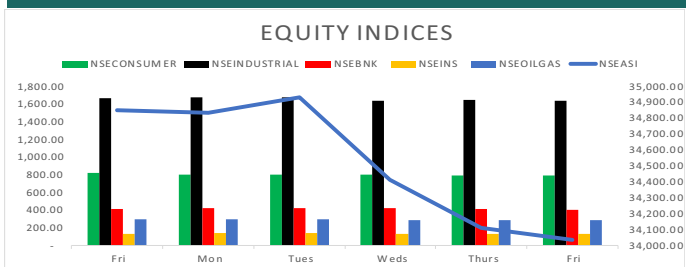
The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **2.33%** WTD to close at an index level of 34,037.91 and Market capitalization at N12.43 trillion.

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 **3.68%** WTD, owing to significant price depreciation in **SEPLAT** (-7.23%).

The market activities were characterised by profit taking on 4 out of 5 trading sessions last week. This is majorly driven by sell offs in blue chip stocks in the Oil & Gas sector and Consumer Goods sector during the week.

In the global space, equities markets traded on a bearish note as all market within our coverage closed the week in the red territory as trade wars between US and China intensified during the week, with the Donald Trump ready to impose another \$267 billion tariffs on Chinese goods.

Equity Indices For The Week Ended 07/09/2018



EQUITY INDICES	MON 03/09/2018	TUES 04/09/2018	WED 05/09/2018	THUR 06/09/2018	FRI 07/09/2018
NSEASI	-0.03%	+0.28%	-1.49%	-0.88%	-0.21%
NSE CONSUMER	-1.57%	-0.69%	+0.25%	-1.06%	+0.30%
NSE INDUSTRIAL	+0.51%	+0.00%	-2.30%	+0.38%	-0.44%
NSEBANK	+0.57%	+1.41%	-1.20%	-2.49%	-0.62%
NSEINS	+1.91%	-0.33%	-1.59%	-0.21%	+0.18%
NSEOILGAS	-0.72%	+0.27%	-3.21%	+0.15%	-0.18%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 07/09/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
HMARKINS	0.38	+26.67	+26.67	-24.00
CONTINSURE	1.60	+16.79	+16.79	+14.29
CILEASING	2.90	+16.00	+16.00	+124.81
SKYEBANK	0.58	+13.73	+13.73	+16.00
CORNERST	0.27	+12.50	+12.50	-46.00
NPFMCRFBK	1.60	+10.34	+10.34	+28.00

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
LAWUNION	0.54	-26.03	-26.03	-29.87
STDINSURE	0.29	-23.68	-23.68	-42.00
UNIVINSURE	0.33	-17.50	-17.50	-34.00
FLOURMILL	21.50	-11.52	-11.52	-25.86
NIGERINS	0.39	-11.36	-11.36	-22.00
PZ	13.50	-10.00	-10.00	-34.47

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

SEPLAT (Seplat Petroleum Dev. Company) fell by 7.23% to close at N603.00. Recommendation: We place a hold rating on this stock.

FBNH (First Bank of Nigeria Holdings) rose by 2.27% to close at N9.00. Recommendation: We place a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 2.78% to close at N36.00. 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)	\$77.42	\$76.83
Crude Oil Price (WTI)	\$69.80	\$67.75

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 3.42% and 2.83% respectively. Consequently, the average money market rate decreased by 3.29% to settle at 3.13% due to buoyant system liquidity to close at cN538.68bn as a result of an inflow from FAAC payments of cN330bn and OMO T-bills maturities of cN294.52bn despite outflow from OMO sales of cN361bn and Wholesale, Invisibles and SME FX auction of \$210mn during the week.

Instruments	31/08/2018	07/09/2018	Difference
Open Buy Back (OBB)	6.00%	2.83%	-3.17%
Overnight Rate	6.83%	3.42%	-3.41%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	31/08/2018	07/09/2018	Change
USD	357.00	357.00	+0.00%
GBP	460.50	460.00	-0.11%
EURO	412.00	410.00	-0.49%

Sell Rates	31/08/2018	07/09/2018	Change
USD	360.00	360.50	+0.14%
GBP	468.50	468.00	-0.11%
EURO	419.00	418.00	-0.24%

Source: Everdon BDC, Anchororia AM Research

Week Ahead

The National Bureau of Statistics (NBS) is set to release 2017/18 Sector Survey Report for Creative Industries, Manufacturing, Solid Minerals & Mining, and Transport & Storage Sectors on Monday, 10 September, 2018.

A.G Leventis Plc and Global Spectrum Energy Services Plc are set to hold their Annual General Meetings on Wednesday, 12 September, 2018.

The National Bureau of Statistics (NBS) is set to release the August 2018 Price Watch for Diesel, Kerosene, Petrol and Cooking Gas on Thursday, 13 September 2018.

The National Bureau of Statistics (NBS) is set to release CPI and Inflation Report for August 2018 on Friday, 14 September 2018.

The Nigerian Stock Exchange is set to hold the 5th edition of its Corporate Challenge on Saturday, 15 September 2018.

African Indices For The Week Ended 07/09/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	34,037.91	-810.54	-2.33% ↓
JSE ASI <i>South Africa</i>	57,068.45	-1,600.03	-2.73% ↓
NSE ASI <i>Kenya</i>	163.71	-3.88	-2.32% ↓
GSE CI <i>Ghana</i>	2,871.06	-26.47	-0.56% ↓
EGX 30 <i>Egypt</i>	15,803.17	-206.24	-1.29% ↓

Source: African Market, Anchororia AM Research

Global Indices For The Week Ended 31/09/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,871.68	-29.84	-1.03% ↓
NASDAQ <i>United States</i>	7,902.54	-207.00	-2.55% ↓
FTSE 100 <i>United Kingdom</i>	7,277.70	-154.72	-2.08% ↓
CAC 40 <i>France</i>	5,252.22	-154.63	-2.86% ↓
Eurostoxx 50 <i>Eurozone</i>	3,293.36	-99.54	-2.93% ↓
CSI 300 <i>China</i>	3,247.90	-86.60	-2.60% ↓

Source: Bloomberg, Yahoo Finance, Anchororia AM Research

Corporate Disclosure

The Central Bank of Nigeria deducted fines levied against Diamond Bank, Citibank, Standard Chartered Bank and Stanbic IBTC Bank, following its investigation of foreign exchange remittances on behalf of MTN Communications Nigeria Limited.

Stanbic IBTC Holdings Plc informed the Exchange that the company has applied to the Securities and Exchange Commission (SEC) to surrender its licence as a Venture Capital Manager.

Dangote Sugar announced the appointment of Mr. Ravindra Singh Singhvi as the Chief Operating Officer (COO) of the company.

Universal Insurance Plc has resolved to conduct its business within Tier 2 category in the new capitalization policy released by the National Insurance Commission (NAICOM).

PZ Cussons Nigeria Plc announced a final dividend of N0.15 per share. This represent a dividend yield of 3.70% based on the last traded price.