



Market/Economic Insight

The Weekly Brief

Monday, 27 August - Friday, 31 August 2018

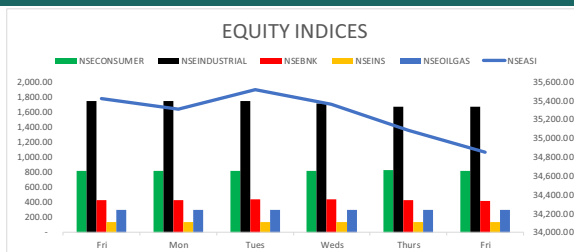
The performance of the Nigerian Equity Market returned bearish last week with the index (NSE ASI) down by **1.63%** WTD to close at an index level of 34,848.45 and Market capitalization at N12.72 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Consumer Goods sector and Oil & Gas that rose by **0.34%** and **0.97%** respectively. The Industrial Goods sector recorded the highest decline amongst NSE indices with the NSE Industrial Goods Index down by **4.73%** WTD, owing to significant price depreciation in **FIRSTALUM** (-15.00%) and **WAPCO** (-10.48%).

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 Industrial Goods sector as well as CBN fine on some listed banks (DIAMONDBNK and STANBIC) and MTN Nigeria during the week, ahead of MTN Nigeria's listing on the Exchange this year.

In the global space, equities markets traded on a mixed note with US Market and China CSI 300 closing the week in the green while Eurozone markets closed the week in the red: FTSE 100 (-1.91%), CAC 40 (-0.47%), Eurostoxx (-1.01%).

Equity Indices For The Week Ended 31/08/2018



EQUITY INDICES	MON 27/08/2018	TUES 28/08/2018	WED 29/08/2018	THUR 30/08/2018	FRI 31/08/2018
NSEASI	-0.32%	+0.58%	-0.44%	-0.77%	-0.68%
NSE CONSUMER	+0.24%	+0.32%	-0.05%	+0.20%	-0.36%
NSE INDUSTRIAL	-0.40%	+0.02%	-1.90%	-2.30%	-0.22%
NSEBANK	+0.96%	+1.67%	+0.18%	-1.77%	-2.48%
NSEINS	+0.99%	-0.16%	-0.31%	-1.48%	+0.91%
NSEOILGAS	+0.48%	+0.67%	+0.52%	-0.80%	+0.10%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 31/08/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
PORTPAINT	2.98	+20.65	+45.37	+35.45
AIICO	0.82	+17.14	+15.49	+57.69
PZ	15.00	+14.94	-0.66	-27.18
TRANSCORP	1.26	+14.55	+5.00	-13.70
NEM	3.40	+13.33	+15.25	+104.82
FLOURMILL	24.30	+13.02	-15.33	-16.21

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
IKEJAHOTEL	2.27	-18.64	-27.48	+27.53
FIRSTALUM	0.34	-15.00	-8.11	-32.00
GLAXOSMITH	13.10	-14.38	-22.94	-39.38
FO	20.00	-13.04	-20.16	-54.00
SKYEBANK	0.51	-10.53	-20.31	+2.00
WAPCO	23.50	-10.48	-14.55	-47.65

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 8.80% to close at N8.80. Recommendation: We place a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 4.00% 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)	\$75.82	\$77.42
Crude Oil Price (WTI)	\$68.72	\$69.80

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 6.83% and 6.00% respectively. Consequently, the average money market rate decreased by 0.92% to settle at 6.42% due to increase in the system liquidity to close at cN780bn as a result of an inflow from OMO T-bills maturities of cN315bn and CBN retail refund of cN360bn despite an outflow from Wholesale, Invisible & SME FX auction of \$210mn, Retail Auction of cN350bn and CRR of cN2.9bn during the week.

Instruments	24/08/2018	31/08/2018	Difference
Open Buy Back (OBB)	6.75%	6.00%	-0.75%
Overnight Rate	7.92%	6.83%	-1.09%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	24/08/2018	31/08/2018	Change
USD	357.00	357.00	+0.00%
GBP	457.00	460.50	+0.77%
EURO	408.00	412.00	+0.98%

Sell Rates	24/08/2018	31/08/2018	Change
USD	360.00	360.00	+0.00%
GBP	465.00	468.50	+0.75%
EURO	411.00	419.00	+1.95%

Source: Everdon BDC, Anchoria AM Research

Week Ahead

Beijing Summit of the Forum on China-Africa Cooperation (FOCAC) is set to hold between Monday, 03 and Tuesday, 04 September, 2018.

The National Bureau of Statistics (NBS) is set to release the Foreign Trade in Goods Statistics for Q2 2018 on Monday, 03 September 2018.

The National Bureau of Statistics (NBS) is set to release Labour Force Statistics (Unemployment and Underemployment) for Q4 2017 and Q1 2018 on Tuesday, 04 September 2018.

Northern Nigeria Flour Mill is set to hold its Annual General Meeting on Tuesday, 04 September 2018.

The National Bureau of Statistics (NBS) is set to release Rail Transportation Data for Q1 - Q2 2018 on Thursday, 06 September 2018.

African Indices For The Week Ended 31/08/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	34,848.45	-577.72	-1.63% ↓
JSE ASI <i>South Africa</i>	58,668.48	-129.20	-0.22% ↓
NSE ASI <i>Kenya</i>	167.59	-5.39	-3.12% ↓
GSE CI <i>Ghana</i>	2,897.53	-42.33	-1.44% ↓
EGX 30 <i>Egypt</i>	16,009.41	+736.02	+4.82% ↑

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 31/08/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,901.52	+26.83	+0.93% ↑
NASDAQ <i>United States</i>	8,109.54	+163.56	+2.06% ↑
FTSE 100 <i>United Kingdom</i>	7,432.42	-145.07	-1.91% ↓
CAC 40 <i>France</i>	5,406.85	-25.65	-0.47% ↓
Eurostoxx 50 <i>Eurozone</i>	3,392.90	-34.54	-1.01% ↓
CSI 300 <i>China</i>	3,335.50	+9.16	+0.28% ↑

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

Flour Mills of Nigeria Plc announced the resignation of Mr. Jacques Vauthier as the Chief Finance Officer and the appointment of Mr. Anders Kristiansson as his successor.

United Bank for Africa Plc appointed 4 Non-Executive Directors (Ms. Angela Aneke, Erelu Angela Adebayo, Mr. Isaac Olukayode Fasola and Mr. Abdulkadir J. Bello) following the resignation of these 4 Non-Executive Directors (Mrs. Rose Okwechime, Mr. Adekunle Olumide, OON, Alhaji Ja'afaru Paki and Mr. Yahaya Zekeri).

Seplat Petroleum Development Company Plc notified the Nigerian Stock Exchange (NSE) of the sales of 95,238 ordinary shares registered in the name of Lexican Consulting Limited, a company wholly owned by Mr. Michael Richard Alexander.

Courteville Business Solutions Plc announces withdrawal as Capital Market Operator (Corporate Investment Adviser) effective August 13, 2018.