



# Market/Economic Insight

## The Weekly Brief

Monday, 01 October - Friday, 05 October 2018

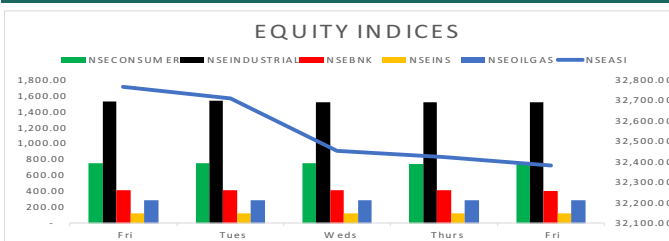
The performance of the Nigerian Equity Market returned bearish last week with the index (NSE ASI) down by **1.17%** WTD to close at an index level of 32,383.15 and Market capitalization of N11.82 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of the Oil & Gas Sector with the NSE Oil & Gas Index up by **1.13%**. However, the Insurance sector recorded the highest decrease amongst NSE indices with the NSE Insurance Index down by **1.01%** WTD, owing to significant price depreciation in **NIGERINS (-18.92%)** and **LAWUNION (-15.38%)**.

The market activities were characterised by profit taking on 4 out of 4 trading sessions last week bringing the WTD to close in the red after 2 consecutive weeks of positive growth.

In the global space, selected equities markets traded on a bearish note following the Federal Reserve rate hike for the for the third time this year; increasing Oil price and as 10-year note yield rose to 3.24% and hitting the highest rate since 2011 while the two-year note yield advanced to 2.897%. There was no activities in the Chinese market last week as the country observed its golden week holiday.

### Equity Indices For The Week Ended 05/10/2018



EQUITY INDICES	FRI	TUES	WED	THUR	FRI
	28/09/2018	02/10/2018	03/10/2018	04/10/2018	05/10/2018
NSEASI	+0.01%	-0.17%	-0.79%	-0.09%	-0.12%
NSE CONSUMER	-1.35%	-0.13%	-0.58%	-0.71%	+1.10%
NSE INDUSTRIAL	+0.16%	+0.62%	-1.33%	+0.40%	-0.02%
NSEBANK	-0.05%	+0.06%	+0.38%	+0.39%	-1.47%
NSEINS	-0.15%	-0.45%	-0.54%	-0.40%	+0.38%
NSEOILGAS	+0.21%	+0.36%	+0.00%	+0.47%	+0.30%

Source: NSE, Anchoria AM Research

### Market Statistics For The Week Ended 05/10/2018

#### Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
CUTIX	4.73	+15.37	+15.37	+135.32
FO	22.10	+10.22	+10.22	-49.17
JAPAUOIL	0.24	+9.09	+9.09	-52.00
AIICO	0.83	+7.79	+7.79	+59.62
UACN	11.50	+7.48	+7.48	-31.95
AIRSERVICE	6.00	+7.14	+7.14	+0.84

#### Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
NIGERINS	0.30	-18.92	-18.92	-40.00
LAWUNION	0.55	-15.38	-15.38	-28.57
NEIMETH	0.59	-10.61	-10.61	-21.33
UACN-PROP	1.76	-9.74	-9.74	-36.92
ROYALEX	0.20	-9.09	-9.09	-60.00
UNIONDAC	0.31	-8.82	-8.82	-38.00

Source: NSE, Anchoria AM Research

#### Stock Watch

Over the last five trading sessions:

**SEPLAT** (Seplat Petroleum Dev. Company) remained unchanged to close at N630.00. Recommendation: We maintain a hold rating on this stock.

**FBNH** (First Bank of Nigeria Holdings) remained unchanged to close at N8.90. Recommendation: We maintain a buy rating on this stock.

**GUARANTY** (Guaranty Trust Bank) fell by 0.41% to close at N36.40. Recommendation: We maintain a buy rating on this stock.

**ZENITHBNK** (Zenith Bank) rose by 0.23% to close at 21.55. Recommendation: We maintain a buy rating on this stock.

### Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.95%	1.50%
Inflation Rate (Headline)	11.14%	11.23%
Food Inflation	12.85%	13.16%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$82.72	\$84.16
Crude Oil Price (WTI)	\$73.25	\$74.34

Source: Bloomberg, NBS

### Money Market Rate Weekly Closing Rate

The Money Market rate increased significantly last week as the Overnight rate (OVN) and Open Buy Back (OBB) rose to 22.50% and 20.86% respectively. Consequently, the average Money Market Rate rose by 15.20% to settle at 21.68% due to a decrease in the system liquidity to close at cN76bn as a result of outflow of cN553bn from OMO sales and Wholesale, Invisibles and SME FX auction of \$210mn in spite of inflow of cN278.37bn from OMO T-bills Maturities during the week.

Instruments	28/09/2018	05/10/2018	Difference
<b>Open Buy Back (OBB)</b>	6.00%	20.86%	+14.86%
<b>Overnight Rate</b>	7.17%	22.50%	+15.33%

Source: FMDQ OTC

### Currency Movement During The Week

Buy Rates	28/09/2018	05/10/2018	Change
<b>USD</b>	358.00	358.00	+0.00%
<b>GBP</b>	472.00	470.00	-0.42%
<b>EURO</b>	418.00	407.00	-2.63%

Sell Rates	28/09/2018	28/09/2018	Change
<b>USD</b>	361.00	361.00	+0.00%
<b>GBP</b>	480.00	478.00	-0.42%
<b>EURO</b>	426.00	415.50	-2.46%

Source: Everdon BDC, Anchoria AM Research

### Week Ahead

Bloomberg in Collaboration with the Nigerian Stock Exchange (NSE) is set to hold its CEO roundtable on Tuesday, 09 October, 2018.

Lasaco Assurance Plc is set to hold its Extra General Meeting on Wednesday, 10 October, 2018.

The Artificial Intelligence For Financial Inclusion Summit is set to hold on Wednesday, 10 October, 2018.

The National Bureau of Statistics, Nigeria is set to release Q1 and Q2 2018 Job Creation Report on Wednesday, 10 October, 2018.

Morison Industries Plc is set to hold its Annual General Meeting on Thursday, 11 October, 2018.

### African Indices For The Week Ended 05/10/2018

Country	Index Level	Index Change	Change
<b>NGSE ASI</b> <i>Nigeria</i>	32,383.15	-383.22	-1.17% ↓
<b>JSE ASI</b> <i>South Africa</i>	54,409.47	-1,299.00	-2.33% ↓
<b>NSE ASI</b> <i>Kenya</i>	150.88	+1.21	+0.81% ↑
<b>GSE CI</b> <i>Ghana</i>	3,052.31	+51.30	+1.71% ↑
<b>EGX 30</b> <i>Egypt</i>	14,104.90	-527.50	-3.61% ↓

Source: African Market, Anchoria AM Research

### Global Indices For The Week Ended 05/10/2018

Country	Index Level	Index Change	Change
<b>S&amp;P 500</b> <i>United States</i>	2,885.57	-28.41	-0.97% ↓
<b>NASDAQ</b> <i>United States</i>	7,788.45	-257.90	-3.21% ↓
<b>FTSE 100</b> <i>United Kingdom</i>	7,318.54	-191.66	-2.55% ↓
<b>CAC 40</b> <i>France</i>	5,359.36	-134.13	-2.44% ↓
<b>Eurostoxx 50</b> <i>Eurozone</i>	3,345.51	-53.69	-1.58% ↓
<b>CSI 300</b> <i>China</i>	3,438.86	-	-

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

### Corporate Disclosure

Access Bank Plc informed the Nigerian Stock Exchange that a meeting of the Board of Directors is scheduled for Tuesday, 30 October, 2018 to consider and approve the Group's Unaudited Financial Statements for Q3 2018.

Union Bank of Nigeria Plc announced the appointment of Mr. Joseph Mbulu as the Chief Financial Officer following the resignation of Mrs. Oyinkansade Adewale.

Berger Paints Plc informed the Nigerian Stock Exchange that the meeting of Board of Directors is scheduled to hold on Thursday, 25 October, 2018 to consider the Company's Q3 Unaudited Financial Statement.

Wema Bank Plc appointed Johnson Lebile as the new Company Secretary/Legal Adviser following the redeployment of the incumbent to the head the Lagos Business Group.

Staco Insurance Plc updated the Shareholders that the Company has been taking steps to resolve the queries raised by NAICOM and is in the process of finalising the 2017 Audited Financial Statement with its External Auditor.