

# Market/Economic Insight

## The Weekly Brief

Monday, 19 November - Friday, 23 November 2018

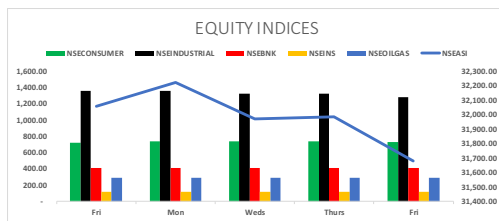
The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **1.18%** WTD to close at an index level of 31,678.70 and Market capitalization of N11.57 trillion.

Most sectors closed the week on a bullish note with the exception of the Banking and Industrial Goods Sectors, down by **0.75%** and **5.28%** WTD respectively. The Industrial Goods sector recorded the highest decrease amongst NSE indices owing to significant price depreciation in **DANGCEM (-4.18%)** and **WAPCO (-14.00%)**.

Market activities were characterised by profit taking on 2 out of 4 trading sessions as sell offs in bellwether stocks dragged the equity market to the negative zone despite gains in the Consumer goods, Insurance and Oil and Gas Stocks.

In the global space, all selected equities remained bearish after the Thanksgiving Day and Black Friday celebration in the U.S. The decline continued as slide in Oil prices weighed heavily on energy stocks and as U.S Government continues to persuade foreign allies to avoid Telecommunication Equipment from China.

### Equity Indices For The Week Ended 23/11/2018



EQUITY INDICES	MON 19/11/2018	TUES 20/11/2018	WED 21/11/2018	THUR 22/11/2018	FRI 23/11/2018
NSEASI	+0.51%	-	-0.78%	+0.05%	-0.96%
NSE CONSUMER	+1.37%	-	+0.18%	+0.14%	-0.60%
NSE INDUSTRIAL	+0.00%	-	-2.58%	+0.00%	-2.78%
NSEBANK	+0.38%	-	-1.55%	+0.15%	+0.28%
NSEINS	+0.80%	-	+0.26%	+0.05%	+0.27%
NSEOILGAS	-0.14%	-	+1.10%	-0.45%	-0.25%

Source: NSE, Anchoria AM Research

### Market Statistics For The Week Ended 23/11/2018

#### Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
PRESTIGE	0.79	+41.07	+41.07	+58.00
PZ	10.65	+18.33	-3.62	-48.30
HMARKINS	0.38	+15.15	+26.67	-24.00
FLOURMILLS	19.80	+15.12	+8.49	-31.72
NPFMCRFBK	1.53	+12.50	+2.00	+22.40
MOBIL	165.00	+10.00	-6.52	-15.21

#### Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
IKEJAHOTEL	1.67	-18.54	-26.43	-6.18
WAPCO	14.00	-12.50	-20.00	-68.81
JAIZBANK	0.41	-8.89	-18.00	-34.92
LAWUNION	0.52	-8.77	-5.45	-32.47
UNITYBNK	0.85	-8.60	+8.97	+60.38
AGLEVENT	0.33	-8.33	-8.33	-34.00

Source: NSE, Anchoria AM Research

#### Stock Watch

Over the last five trading sessions:

**SEPLAT** (Seplat Petroleum Dev. Company) remained unchanged to close at N652.70. Recommendation: We maintain a hold rating on this stock.

**FBNH** (First Bank of Nigeria Holdings) rose by 2.01% to close at N7.60. Recommendation: We maintain a buy rating on this stock.

**GUARANTY** (Guaranty Trust Bank) fell by 1.36% to close at N36.50. Recommendation: We maintain a buy rating on this stock.

**ZENITHBNK** (Zenith Bank) remained unchanged to close at N24.00. Recommendation: We maintain a buy rating on this stock.

#### Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.95%	1.50%
Inflation Rate (Headline)	11.28%	11.26%
Food Inflation	13.31%	13.28%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$67.10	\$59.34
Crude Oil Price (WTI)	\$56.46	\$50.68

Source: Bloomberg, 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 6.58% and 5.83% respectively. Consequently, the average money market rate fell by 0.55% to settle at 6.21% due to increased system liquidity to close at cN500bn. Inflow for the week included: OMO bills maturity of c409bn. Outflow included: OMO sales of cN199.6bn and Wholesale, Invisible and SME FX auction of \$210mn, Bond sales of cN39.52bn and biweekly retail auction.

We expect rates to inch up on Monday as banks are expected to fund for another round of FX sales in the Wholesale, Invisibles and SME Market.

Instruments	16/11/2018	23/11/2018	Difference
<b>Open Buy Back (OBB)</b>	6.33%	5.83%	<b>-0.50%</b>
<b>Overnight Rate</b>	7.17%	6.58%	<b>-0.59%</b>

Source: FMDQ OTC

### Currency Movement During The Week

Buy Rates	16/11/2018	23/11/2018	Change
<b>USD</b>	361.50	361.50	<b>+0.00%</b>
<b>GBP</b>	464.00	463.00	<b>-0.22%</b>
<b>EURO</b>	405.00	406.00	<b>+0.25%</b>

Sell Rates	16/11/2018	23/11/2018	Change
<b>USD</b>	364.50	364.50	<b>+0.00%</b>
<b>GBP</b>	472.00	471.00	<b>-0.21%</b>
<b>EURO</b>	413.00	414.00	<b>+0.24%</b>

Source: Everdon BDC, Anchororia AM Research

### Week Ahead

The National Bureau of Statistics is set to release Federation Allocation Account Committee report for October 2018 disbursement on Monday, 26 November, 2018.

The National Bureau of Statistics is set to release Petroleum Product Imports Statistics Report for the Q3 2018 on Wednesday, 28 November, 2018.

The Federal Government through the Central Bank of Nigeria (CBN) is set to hold T-bills Primary Market Auction on Wednesday, 28 November, 2018.

Economic Associates (EA) is set to host a one-day conference on Nigeria's Economic Outlook on Wednesday, 28 November 2018 at Lagos Continental Hotel, Kofo Abayomi Street, Victoria Island, Lagos.

The National Bureau of Statistics is set to release Internally Generated Revenue at State Level for Q1-Q3 2018 on Thursday, 29 November, 2018.

### African Indices For The Week Ended 23/11/2018

Country	Index Level	Index Change	Change
<b>NGSE ASI</b> <i>Nigeria</i>	31,678.70	<b>-379.58</b>	<b>-1.18%</b> ↓
<b>JSE ASI</b> <i>South Africa</i>	50,697.70	<b>-1,398.34</b>	<b>-2.68%</b> ↓
<b>NSE ASI</b> <i>Kenya</i>	144.13	<b>-0.77</b>	<b>-0.53%</b> ↓
<b>GSE CI</b> <i>Ghana</i>	2,639.73	<b>-81.59</b>	<b>-3.00%</b> ↓
<b>EGX 30</b> <i>Egypt</i>	13,675.37	<b>-6.30</b>	<b>-0.05%</b> ↓

Source: African Market, Anchororia AM Research

### Global Indices For The Week Ended 23/11/2018

Country	Index Level	Index Change	Change
<b>S&amp;P 500</b> <i>United States</i>	2,632.56	<b>-103.71</b>	<b>-3.79%</b> ↓
<b>NASDAQ</b> <i>United States</i>	6,938.98	<b>-308.89</b>	<b>-4.26%</b> ↓
<b>FTSE 100</b> <i>United Kingdom</i>	6,952.86	<b>-61.02</b>	<b>-0.87%</b> ↓
<b>CAC 40</b> <i>France</i>	4,946.95	<b>-78.25</b>	<b>-1.56%</b> ↓
<b>Eurostoxx 50</b> <i>Eurozone</i>	3,137.21	<b>-43.53</b>	<b>-1.37%</b> ↓
<b>CSI 300</b> <i>China</i>	3,143.47	<b>-114.20</b>	<b>-3.51%</b> ↓

Source: Bloomberg, Yahoo Finance, Anchororia AM Research

### Corporate Disclosure

Ecobank Transnational Incorporated announced the closure of USD 200 million syndicated loan facility. This facility was oversubscribed at USD 268.5 million and due for repayment in November 2019.

Cornerstone Insurance Plc announced the appointment of Mr. Chidiebere Nwokeocha as an Executive Director of the Company.

UAC of Nigeria Plc has announced the appointment of Mr. Bolaji Adekunle Odunsi as a Non-Executive Director following the resignation of Mrs. Olufunke Ighodaro from the Board.

Goldlink Insurance Plc announced the resignation of Mohammed Mustapha Bintube as the Director of the Company effective from 5 November, 2018.

Valualliance, member of the ACA Group announced the 7th Annual General Meeting of the ValuAlliance Value Fund which is scheduled to hold on Thursday, 13 December, 2018 at Colonades Hotel, Ikoyi, Lagos.