

Market/Economic Insight

The Weekly Brief

Monday, 29 October - Friday, 02 November 2018

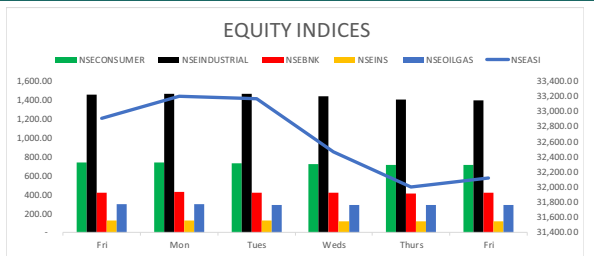
The performance of the Nigerian Equity Market returned bearish last week with the index (NSE ASI) down by **2.38%** WTD to close at an index level of 32,124.94 and Market capitalization of N11.73 trillion.

The sectoral performance was negative as bearish sentiments were witnessed in all sectors, the Oil & Gas sector recorded the highest decrease amongst NSE indices with the NSE Industrial index down by **4.06%** WTD, owing to significant price depreciation in **CCNN** (-18.84%).

The market activities were characterised by profit taking on 3 out of 5 trading sessions due to increased sell offs on some stocks in all the sectors. This is due to unimpressive quarterly report and risk ahead of 2019 General Elections.

In the global space, all selected equities markets halted the bearish trend as demand increased due to developments around the US-China trade war as Trump's administration is set to draft trade accords with China ahead of the Mid term elections on 06 November 2018. Other factors include: Low prices of stocks as some market are considered to be oversold, and strong economic data.

Equity Indices For The Week Ended 02/11/2018



EQUITY INDICES	MON 29/10/2018	TUES 30/10/2018	WED 31/10/2018	THUR 01/11/2018	FRI 02/11/2018
NSEASI	+0.88%	-0.08%	-2.12%	-1.42%	+0.37%
NSE CONSUMER	-0.17%	-0.31%	-1.56%	-1.13%	-0.11%
NSE INDUSTRIAL	+0.43%	+0.02%	-2.04%	-2.10%	-0.41%
NSEBANK	+1.98%	-1.66%	-0.92%	-0.61%	+0.88%
NSEINS	-0.39%	-0.34%	-0.39%	-0.07%	-1.20%
NSEOILGAS	-0.25%	-2.59%	+0.74%	-0.79%	+0.28%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 02/11/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
PRESKO	59.85	+12.92	+6.49	-12.63
NEIMETH	0.60	+11.11	+9.09	-20.00
HMARKINS	0.33	+10.00	+10.00	-34.00
AIRSERVICE	6.60	+10.00	+0.00	+10.92
CILEASING	2.80	+9.80	+0.00	+117.05
LIVESTOCK	0.57	+9.62	+0.00	-31.33

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
UNITYBNK	0.71	-21.11	-8.97	+33.96
DANGFLOUR	5.80	-21.09	-3.33	-52.26
CCNN	20.25	-18.84	-17.84	+113.16
MEYER	0.56	-17.65	+0.00	-20.00
DIAMONDBNK	1.20	-16.67	-14.89	-20.00
FBNH	7.65	-15.00	-4.38	-13.07

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

SEPLAT (Seplat Petroleum Dev. Company) fell by 3.09% to close at N625.00. Recommendation: We maintain a hold rating on this stock.

FBNH (First Bank of Nigeria Holdings) fell by 15.00% to close at N7.65. Recommendation: We maintain a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) rose by 1.35% to close at N37.50. Recommendation: We maintain a buy rating on this stock.

ZENITHBNK (Zenith Bank) fell by 1.88% to close at N23.55. Recommendation: We maintain a buy rating on this stock.

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.95%	1.50%
Inflation Rate (Headline)	11.23%	11.28%
Food Inflation	13.16%	13.31%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$77.62	\$72.33
Crude Oil Price (WTI)	\$67.59	\$62.67

Source: Bloomberg, 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 4.83% and 4.03% respectively. Consequently, the average money market rate fell by 6.45% to settle at 4.43% due to increased system liquidity to close at cN811bn. Inflow for the week included: OMO bills maturity of cN382bn, and FAAC payments of cN355bn while Outflow included: OMO sales of cN518bn and Wholesale, Invisible and SME FX auction of \$210mn.

Instruments	26/10/2018	02/11/2018	Difference
Open Buy Back (OBB)	10.33%	4.03%	-6.30%
Overnight Rate	11.42%	4.83%	-6.59%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	26/10/2018	02/11/2018	Change
USD	359.00	359.50	+0.14%
GBP	467.00	465.00	-0.43%
EURO	403.00	405.00	+0.50%

Sell Rates	26/10/2018	02/11/2018	Change
USD	362.00	362.50	+0.14%
GBP	475.00	473.00	-0.42%
EURO	411.00	413.00	+0.49%

Source: Everdon BDC, Anchoria AM Research

Week Ahead

The Nigerian High Commission in Canada, in collaboration with Prime Essentials Development & Investment Ltd (PEDI) is set to hold the first Nigeria-Canada Investment Summit between Monday and Tuesday, 05 - 06 November, 2018.

Bonds, Loans & Sukuk Nigeria, an annual debt finance event is set to hold on Tuesday, 06 November, 2018.

The National Bureau of Statistics is set to release 2017 Sustainable Development Goals Indicators on Tuesday, 06 November, 2018.

The CFA Society Nigeria is set to hold the Nigeria Investment Conference 2018 on Thursday, 08 November, 2018 at Eko Convention Center.

Women in Investment Management Workshop organized by CFA Society Nigeria is set to hold on Friday, 09 November, 2018 at Eko Convention Center.

African Indices For The Week Ended 02/11/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	32,124.94	-782.39	-2.38% ↓
JSE ASI <i>South Africa</i>	54,271.19	+3,433.62	+6.75% ↑
NSE ASI <i>Kenya</i>	147.89	+2.00	+1.37% ↑
GSE CI <i>Ghana</i>	2,837.75	-90.32	-3.08% ↓
EGX 30 <i>Egypt</i>	13,202.32	+178.59	+1.37% ↑

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 02/11/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,723.06	+64.37	+2.42% ↑
NASDAQ <i>United States</i>	7,356.99	+189.78	+2.65% ↑
FTSE 100 <i>United Kingdom</i>	7,094.12	+154.56	+2.23% ↑
CAC 40 <i>France</i>	5,105.26	+137.89	+2.78% ↑
Eurostoxx 50 <i>Eurozone</i>	3,214.41	+79.52	+2.54% ↑
CSI 300 <i>China</i>	3,290.25	+116.61	+3.67% ↑

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

The Nigerian Stock Exchange on Thursday, 01 November 2018 suspended 6 listed companies from trading on the floor of the Exchange. The listed companies include: Unity Bank, Fortis Micro Finance Bank, Thomas Wyatt Nigeria, Multi-Trex Integrated Foods, Golden Guinea Breweries and Deap Capital Management & Trust Plc.

On Friday, 02 November, 2018, Unity Bank Plc submitted its outstanding Audited and Interim Financial Statements to the Exchange, hence suspension placed on the trading of the shares was lifted.

Guinness Nigeria Plc appointed Professor Fabian Ajogwu, SAN and Mr. Paul Gallagher as Non-Executive Directors of the company with effect from 1st November 2018.

UAC of Nigeria Plc appointed Dr. Vitus Chidiebere Ezinwa as Group Human Resource Director.

Greif Nigeria Plc announced the appointment of Mr. David Olufemi Onabanjo as the Managing Director of the company with effect from 01 November, 2018.