



# Market/Economic Insight

## The Weekly Brief

Monday, 10 December - Friday, 14 December 2018

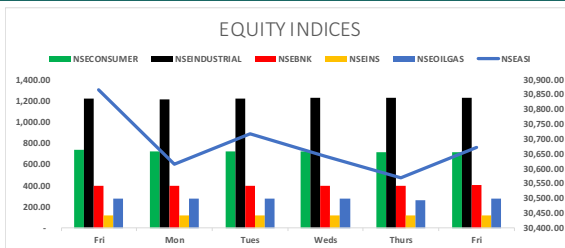
The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **0.63%** WTD to close at an index level of 30,672.79 and Market capitalization of N11.20 trillion.

The Market sentiment was positive as bargain hunting was witnessed on Banking, Insurance and Industrial Goods counters although heavily weighed down by sell offs on some high cap stocks in the Oil & Gas and Consumer Goods such as **MOBIL** (-10.41%), **CONOIL** (-10.00%) and **NESTLE** (-6.81%).

Market activities were characterised by profit taking on 3 out of 5 trading sessions with market participation relatively active during the week as both volume and values traded rose by 5.60% and 31.90% respectively.

In the global space, the equities markets witnessed mixed reaction with the US and China Indices finishing lower for the week while other selected markets closed the week in the green territory. Factors that shaped market activities during the week included:  
 a) Uncertainty about Fed rate ahead of the committee meeting to hold this week (Dec 19)  
 b) Trade tension between US, Mexico and Canada as US-China trade tension seem to have reduced.

### Equity Indices For The Week Ended 14/12/2018



EQUITY INDICES	MON 10/12/2018	TUES 11/12/2018	WED 12/12/2018	THUR 13/12/2018	FRI 14/12/2018
<b>NSEASI</b>	-0.82%	+0.34%	-0.25%	-0.24%	+0.34%
<b>NSE CONSUMER</b>	-0.72%	-0.13%	-0.18%	-0.27%	+1.95%
<b>NSE INDUSTRIAL</b>	-0.03%	-0.94%	+0.85%	-1.61%	-0.35%
<b>NSEBANK</b>	-0.39%	-0.09%	-0.09%	+0.43%	+0.32%
<b>NSEINS</b>	-0.74%	-0.35%	-2.04%	+2.46%	+0.93%
<b>NSEOILGAS</b>	-1.19%	+0.10%	-0.24%	-4.15%	+4.85%

Source: NSE, Anchoria AM Research

### Market Statistics For The Week Ended 14/12/2018

#### Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
FO	24.10	+33.89	+33.89	-44.57
JOHNHOLT	0.48	+20.00	+20.00	-4.00
VERITASKAP	0.25	+19.05	+13.64	-50.00
CAP	37.25	+18.25	+18.25	+9.56
UBN	6.10	+14.02	+18.45	-21.79
ETERNA	4.65	+10.71	+10.71	+14.53

#### Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
MOBIL	156.60	-10.41	-10.51	-19.53
CONOIL	20.25	-10.00	-10.00	-27.68
CUTIX	1.78	-9.64	-2.20	-11.14
LIVESTOCK	0.47	-9.62	-9.62	-43.37
CHAMS	0.20	-9.09	-16.67	-60.00
CORNERST	0.20	-9.09	-9.09	-60.00

Source: NSE, Anchoria AM Research

#### Stock Watch

Over the last five trading sessions:

**DANGSUGAR** (Dangote Sugar Refinery) fell by 1.48% to close at N13.30. Recommendation: We maintain a buy rating on this stock.

**UBA** (United Bank of Africa) rose by 0.67% to close at N7.55. Recommendation: We maintain a buy rating on this stock.

**HONYFLOUR** (Honey Well Flour Mill) fell by 3.48% to close at N1.11. Recommendation: We maintain a buy rating on this stock.

**ZENITHBANK** (Zenith Bank) fell by 2.34% to close at N23.00. Recommendation: We maintain a buy rating on this stock.

#### Macroeconomics

Indicator	Previous Rate	Current Rate
<b>GDP Growth</b>	1.50%	1.81%
<b>Inflation Rate (Headline)</b>	11.26%	11.28%
<b>Food Inflation</b>	13.28%	13.30%
<b>MPR</b>	14.00%	14.00%
<b>Crude Oil Price (Brent Oil)</b>	\$61.67	\$60.28
<b>Crude Oil Price (WTI)</b>	\$52.61	\$51.20

Source: Bloomberg, NBS

### Money Market Rate Weekly Closing Rate

The money market rate increased last week as the Overnight rate (OVN) and Open Buy Back (OBB) rose to 27.21% and 24.57% respectively. Consequently, the average money market rate rose by 0.69% to settle at 25.89% as the CBN continued its aggressive liquidity mop up during the week. Major inflow for the week included: OMO maturity and PMA repayment of cN550bn. Major outflow for the week included: OMO sales of cN63.38bn on Monday, cN38.84bn on Tuesday, cN25.96bn on Wednesday, cN295.81bn on Thursday and cN78.23bn on Friday; and weekly Wholesale, Invisible and SME FX auction of \$210mn.

We expect the CBN to continue its aggressive mop up activities this week, hence anticipated increase in money market rates.

Instruments	07/12/2018	14/12/2018	Difference
<b>Open Buy Back (OBB)</b>	24.33%	24.57%	+0.24%
<b>Overnight Rate</b>	26.08%	27.21%	+1.13%

Source: FMDQ OTC

### Currency Movement During The Week

Buy Rates	07/12/2018	14/12/2018	Change
<b>USD</b>	362.00	362.00	+0.00%
<b>GBP</b>	461.00	461.00	+0.00%
<b>EURO</b>	409.00	406.00	-0.73%

Sell Rates	07/12/2018	14/12/2018	Change
<b>USD</b>	366.00	365.00	-0.27%
<b>GBP</b>	468.00	469.00	+0.21%
<b>EURO</b>	416.50	414.00	-0.60%

Source: Everdon BDC, Anchoria AM Research

### Week Ahead

Unity Bank Plc is set to hold its Annual General Meeting on Monday, 17 December 2018 at Akwa Ibom.

The National Bureau of Statistics is set to release Job Creation Statistics for the Q1 & Q2 2018 on Monday, 17 December, 2018.

Continental Re-Insurance Plc is set to hold its Annual General Meeting on Thursday, 20 December, 2018.

The National Bureau of Statistics is set to release Price Watch Statistics for Petrol, Kerosene, Cooking Gas and Diesel, and the Inflation Report for the November 2018 on Thursday, 20 December, 2018.

The National Bureau of Statistics is set to release Q3 2018 Nigeria Capital Importation report and Statistics on selected Food on Friday, 21 December 2018.

### African Indices For The Week Ended 14/12/2018

Country	Index Level	Index Change	Change
<b>NGSE ASI</b> <i>Nigeria</i>	30,672.79	-194.03	-0.63% ↓
<b>JSE ASI</b> <i>South Africa</i>	51,560.47	+522.78	+1.02% ↑
<b>NSE ASI</b> <i>Kenya</i>	142.53	-1.52	-1.06% ↓
<b>GSE CI</b> <i>Ghana</i>	2,569.95	-38.47	-1.47% ↓
<b>EGX 30</b> <i>Egypt</i>	12,996.89	+609.31	+4.92% ↑

Source: African Market, Anchoria AM Research

### Global Indices For The Week Ended 14/12/2018

Country	Index Level	Index Change	Change
<b>S&amp;P 500</b> <i>United States</i>	2,599.95	-33.13	-1.26% ↓
<b>NASDAQ</b> <i>United States</i>	6,910.67	-58.58	-0.84% ↓
<b>FTSE 100</b> <i>United Kingdom</i>	6,845.17	+67.06	+0.99% ↑
<b>CAC 40</b> <i>France</i>	4,853.70	+40.57	+0.84% ↑
<b>Eurostoxx 50</b> <i>Eurozone</i>	3,092.60	+34.07	+1.11% ↑
<b>CSI 300</b> <i>China</i>	3,165.91	-15.65	-0.49% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

### Corporate Disclosure

Sunu Assurance Nigeria Plc announced the appointment of Mr. Samuel Ogbodu as an Acting Managing Director following the resignation of Mr. Morufu Apampa as the Managing Director/Chief Executive Officer of the Company.

Zenith Bank Plc announced the retirement of Alhaji Baba Tela as the Independent Non Executive Director.

Trans-Nationwide Express Plc announced the appointment of Mr. Theodore Chikelu as the Acting Chief Executive Officer following the retirement of Mrs. Chidinma Iheme.

Great Nigeria Insurance Plc through its issuing house filed with the SEC for the voluntary delisting of the entire share capital approved on 10 December 2018.

Stanbic IBTC Holdings Plc listed an additional 126,878,501 ordinary shares of 50 kobo each resulted from the scrip dividend offered to eligible shareholders of the company.

C&I Leasing Plc proposed share capital reconstruction in which four (4) ordinary shares will be consolidated into one (1) new share.