



Market/Economic Insight

The Weekly Brief

Monday, 24 December - Friday, 28 December 2018

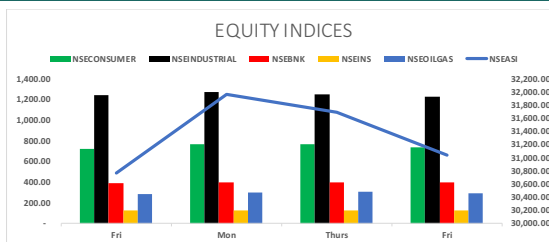
The performance of the Nigerian Equity Market remained bullish last week with the index (NSE ASI) up by **0.86%** WTD to close at an index level of 31,037.72 and Market capitalization of N11.34 trillion.

The Market sentiment was positive as bargain hunting was witnessed in all sectors with the exception of the Industrial Goods and Insurance Sector. The NSE Insurance and Industrial Goods Sectors were down by 0.83% and 0.99% respectively owing to significant price depreciation in **NEM (-7.91%)**, **MANSARD (-5.00%)** and **DANGCEM (-2.14%)**.

With just one trading session remaining for the year, the Nigeria equities market has been largely bearish with the NSE ASI year to date at negative territory of 18.84%. Factors that shaped the year market activities included: the new par value rule effected from 1st Jan. 2018; Increased Interest rate in advanced economies; political uncertainty ahead of 2019 General Election to mention a few.

In the global space, there is a mixed reaction post the Christmas break as demand increased in the US market due to inflow from Pension Funds and reduced anxiety as Donald Trump released a statement backing Fed actions during the week.

Equity Indices For The Week Ended 21/12/2018



EQUITY INDICES	MON 24/12/2018	TUES 25/12/2018	WED 26/12/2018	THUR 27/12/2018	FRI 28/12/2018
NSEASI	+3.88%	-	-	-0.86%	-2.07%
NSE CONSUMER	+5.49%	-	-	+0.04%	-3.58%
NSE INDUSTRIAL	+2.64%	-	-	-2.11%	-1.47%
NSEBANK	+1.38%	-	-	+0.23%	-0.62%
NSEINS	+0.96%	-	-	-0.69%	-1.08%
NSEOILGAS	+5.69%	-	-	+1.27%	-4.63%

Source: NSE, Anchoria AM Research

Market Statistics For The Week Ended 28/12/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
DIAMONDBNK	1.99	+32.67	+206.15	+32.67
FCMB	1.94	+17.58	+33.79	+31.08
STANBIC	53.25	+15.76	+10.94	+28.31
CCNN	19.95	+12.08	+10.83	+110.00
FO	31.85	+11.95	+76.94	-26.75
CONOIL	23.25	+10.71	+3.33	-16.96

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
UACN	9.75	-11.36	-2.50	-42.31
IKEJAHOTEL	1.53	-9.47	-8.93	-14.04
NIGERINS	0.22	-8.33	+0.00	-56.00
GUINEAINS	0.23	-8.00	-8.00	-54.00
NEM	2.56	-7.91	+8.94	+54.22
MANSARD	1.90	-5.00	-5.94	-1.55

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

FBNH (FBN Holdings) fell by 4.43% to close at N7.55. Recommendation: We maintain a buy rating on this stock.

UBA (United Bank of Africa) remained unchanged to close at N7.85. Recommendation: We maintain a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) rose by 1.48% to close at N34.30. Recommendation: We maintain a buy rating on this stock.

ZENITHBANK (Zenith Bank) rose by 1.32% to close at N23.00. Recommendation: We maintain a buy rating on this stock.

Macroeconomics

Indicator	Previous Rate	Current Rate
GDP Growth	1.50%	1.81%
Inflation Rate (Headline)	11.26%	11.28%
Food Inflation	13.28%	13.30%
MPR	14.00%	14.00%
Crude Oil Price (Brent Oil)	\$53.82	\$52.20
Crude Oil Price (WTI)	\$45.59	\$45.33

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 18.42% and 17.17% respectively. Consequently, the average money market rate fell by 5.58% to settle at 17.80% due to significant increase system liquidity on Monday bolstered by FAAC inflow. Outflow during the week included: Weekly Wholesale, Invisible and SME FX auction of \$210mn, Special OMO auction of cN645bn.

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	21/12/2018	28/12/2018	Difference
Open Buy Back (OBB)	21.67%	17.17%	-4.50%
Overnight Rate	25.08%	18.42%	-6.66%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	21/12/2018	28/12/2018	Change
USD	362.00	360.00	-0.55%
GBP	457.00	455.00	-0.44%
EURO	408.00	403.00	-1.23%

Sell Rates	21/12/2018	28/12/2018	Change
USD	365.00	363.50	-0.41%
GBP	465.00	463.00	-0.43%
EURO	416.00	411.00	-1.20%

Source: Everdon BDC, Anchoria AM Research

Week Ahead

The National Bureau of Statistics is set to release a report on 2017 Sustainable Development Goals Indicators on Monday, 31 December 2018.

The National Bureau of Statistics is set to release Labor force statistics- Volume 2: unemployment and underemployment (Q4 2017-Q3 2018) on Monday, 31 December 2018.

The National Bureau of Statistics is set to release Road Transport Data (Q3 2018) on Monday, 31 December 2018.

The Nigerian Stock Exchange (NSE) to effect its Sustainability Disclosure Guidelines from Tuesday, 01 January 2019.

African Indices For The Week Ended 28/12/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	31,037.72	+264.08	+0.86% ↑
JSE ASI <i>South Africa</i>	52,444.89	+1,014.53	+1.97% ↑
NSE ASI <i>Kenya</i>	142.00	+3.05	+2.20% ↑
GSE CI <i>Ghana</i>	2,572.40	+33.34	+1.31% ↑
EGX 30 <i>Egypt</i>	12,984.21	-153.37	-1.17% ↓

Source: African Market, Anchoria AM Research

Global Indices For The Week Ended 28/12/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,485.74	+69.12	+2.86% ↑
NASDAQ <i>United States</i>	6,584.52	+251.52	+3.97% ↑
FTSE 100 <i>United Kingdom</i>	6,733.97	+12.80	+0.19% ↑
CAC 40 <i>France</i>	4,678.74	-15.64	-0.33% ↓
Eurostoxx 50 <i>Eurozone</i>	2,986.53	-14.08	-0.47% ↓
CSI 300 <i>China</i>	3,010.65	-14.93	-0.49% ↓

Source: Bloomberg, Yahoo Finance, Anchoria AM Research

Corporate Disclosure

Forte Oil Plc announced that its majority shareholder, Mr. Femi Otedola, CON has reached an agreement with the Prudent Energy team to divest his 75% direct and indirect shareholding in the Company's downstream business.

Continental Reinsurance Plc held a Court-Ordered Meeting (COM) by way of a Poll. At the conclusion, 92.66% of the votes cast were in favour of the resolution approving that Cre African Investments Limited to acquire all the outstanding and issued shares of the company.

Diamond Bank Plc appointed Mr. Dele Babade as acting Chairman effective 24 December 2018 following the resignation of Mr. Oluseyi Bickersteth.

Berger Paints Nigeria Plc appointed Mrs. Modupe Oguntade as the Acting Managing Director/Chief Executive Officer effective 07 January 2019.

Continental Reinsurance Plc announced the retirement of Mrs. Abimbola Falana as the Company Secretary.