

Market/Economic Insight

The Weekly Brief

Monday, 26 November - Friday, 30 November 2018

The performance of the Nigerian Equity Market remained bearish last week with the index (NSE ASI) down by **2.54%** WTD to close at an index level of 30,874.17 and Market capitalization of N11.27 trillion.

The Sectoral performance was negative as bearish sentiments were witnessed in all sectors with the exception of Insurance and Consumer Goods Sectors up by **4.71%** and **0.08%** WTD respectively. However, the Oil and Gas sector recorded the highest decrease amongst NSE indices with the index down by **5.12%** owing to significant price depreciation in **SEPLAT** (-9.68%) and **ETERNA** (-6.67%).

Market activities were characterised by profit taking on 4 out of 5 trading sessions with sell offs well pronounced on the Oil and Gas counter as Oil price continued on its downward trend.

In the global space, all selected equities closed positive as investors were optimistic that the U.S. and China could settle their trade differences following a meeting between President Donald Trump and Chinese leader Xi Jinping at the G-20 summit in Argentina.

Market Statistics For The Week Ended 30/11/2018

Top performing stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
CONTINSURE	2.00	+33.33	+35.14	+42.86
BETAGLAS	68.30	+9.98	+9.98	+33.11
CUTIX	1.82	+9.64	-10.34	-9.45
GLAXOSMITH	14.50	+9.43	+30.63	-32.90
MBENEFIT	0.25	+8.70	-16.67	-50.00
CAP	31.50	+7.88	+10.14	-7.35

Top underperforming stocks for the week

	Closing Price (₦)	WTD%	MTD%	YTD%
DIAMONDBNK	0.65	-31.58	-53.90	-56.67
PRESTIGE	0.55	-30.38	-1.79	+10.00
UNITYBNK	0.69	-18.82	-11.54	+30.19
ABCTRANS	0.27	-12.90	-12.90	-46.00
AGLEVENT	0.29	-12.12	-19.44	-42.00
VERITASKAP	0.22	-12.00	-18.52	-56.00

Source: NSE, Anchoria AM Research

Stock Watch

Over the last five trading sessions:

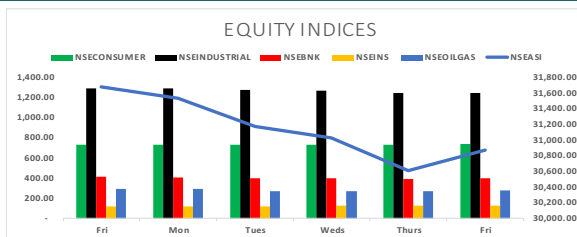
SEPLAT (Seplat Petroleum Dev. Company) fell by 9.68% to close at N589.50. Recommendation: We maintain a hold rating on this stock.

FBNH (First Bank of Nigeria Holdings) fell by 6.58% to close at N7.10. Recommendation: We maintain a buy rating on this stock.

GUARANTY (Guaranty Trust Bank) fell by 5.63% to close at N34.35. Recommendation: We maintain a buy rating on this stock.

ZENITHBNK (Zenith Bank) fell by 3.33% to close at N24.00. Recommendation: We maintain a buy rating on this stock.

Equity Indices For The Week Ended 30/11/2018



EQUITY INDICES	MON 26/11/2018	TUES 27/11/2018	WED 28/11/2018	THUR 29/11/2018	FRI 30/11/2018
NSEASI	-0.46%	-1.14%	-0.48%	-1.33%	+0.86%
NSE CONSUMER	-0.86%	-0.09%	+0.08%	+0.04%	+0.90%
NSE INDUSTRIAL	-0.04%	-0.93%	-0.42%	-2.14%	+0.14%
NSEBANK	-0.91%	-1.65%	-0.17%	-1.79%	+1.53%
NSEINS	+0.62%	+1.17%	+0.51%	+3.09%	-0.73%
NSEOILGAS	-0.08%	-5.68%	-0.79%	-0.05%	+1.52%

Source: NSE, Anchoria AM Research

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)	\$59.34	\$58.71
Crude Oil Price (WTI)	\$50.68	\$50.98

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 17.36% and 16.57% respectively. Consequently, the average money market rate rose by 10.76% to settle at 16.97% due to decreased system liquidity to close at cN32bn as CBN aggressively mopped up liquidity during the week with three OMO auction. Inflow for the week included: OMO bills maturity of cN443.76bn. Outflow included: OMO sales of cN161.08bn on Monday, cN371.56bn on Thursday, cN119.92bn on Friday and Wholesale, Invisible and SME FX auction of \$210mn.

Instruments	23/11/2018	30/11/2018	Difference
Open Buy Back (OBB)	5.83%	16.57%	+10.74%
Overnight Rate	6.58%	17.36%	+10.78%

Source: FMDQ OTC

Currency Movement During The Week

Buy Rates	23/11/2018	30/11/2018	Change
USD	361.50	365.00	+0.97%
GBP	463.00	464.00	+0.22%
EURO	406.00	410.00	+0.99%

Sell Rates	23/11/2018	30/11/2018	Change
USD	364.50	370.50	+1.65%
GBP	471.00	472.00	+0.21%
EURO	414.00	418.00	+0.97%

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, 03 December, 2018.

The National Bureau of Statistics is set to release Nigerian Capital Importation Statistics for the Q3 2018 on Monday, 03 December, 2018.

The National Bureau of Statistics is set to release Daily Energy Generated and Sent Out Statistics for the Q3 2018 on Tuesday, 04 December, 2018.

The Nigerian Stock Exchange is set to hold Exchange Traded Products Conference 2018 at Oriental Hotel, Lagos on Wednesday, 05 December, 2018.

Accion Microfinance Bank is set to hold the Financial Inclusion Seminar 2018 on Thursday, 06 December, 2018 in Lagos.

African Indices For The Week Ended 30/11/2018

Country	Index Level	Index Change	Change
NGSE ASI <i>Nigeria</i>	30,874.17	-804.53	-2.54% ↓
JSE ASI <i>South Africa</i>	50,663.94	-33.76	-0.07% ↓
NSE ASI <i>Kenya</i>	146.08	+1.95	+1.35% ↑
GSE CI <i>Ghana</i>	2,629.54	-10.19	-0.39% ↓
EGX 30 <i>Egypt</i>	13,319.50	-355.87	-2.60% ↓

Source: African Market, Anchororia AM Research

Global Indices For The Week Ended 30/11/2018

Country	Index Level	Index Change	Change
S&P 500 <i>United States</i>	2,760.17	+127.61	+4.85% ↑
NASDAQ <i>United States</i>	7,330.54	+391.56	+5.64% ↑
FTSE 100 <i>United Kingdom</i>	6,980.24	+27.38	+0.39% ↑
CAC 40 <i>France</i>	5,003.92	+56.97	+1.15% ↑
Eurostoxx 50 <i>Eurozone</i>	3,173.13	+35.92	+1.14% ↑
CSI 300 <i>China</i>	3,172.69	+29.22	+0.93% ↑

Source: Bloomberg, Yahoo Finance, Anchororia AM Research

Corporate Disclosure

Diamond Bank Plc received Central Bank of Nigeria (CBN) approval to operate as a National Bank subject to the conclusion of sale of the bank's West African Subsidiary and United Kingdom subsidiary.

FBNQuest Capital, a subsidiary of FBN Holdings Plc has passed a resolution for business restructuring which involved the transfer of all its shareholding interest in FBNQuest Trustees Limited to FBN Holdings Plc.

Continental Reinsurance Plc received an offer from Continental Reinsurance African Investments Limited to acquire all the outstanding and issued share.

Fitch upgraded United Bank for Africa Plc Long Term Issuer Default Rating (IDR) to B+ with stable outlook from B.

Seplat Petroleum Development Company Plc notified the sale of 1.2 million ordinary shares from Dr. A.B.C Orjiako, the Chairman of the Company.