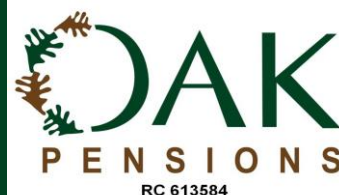


FINANCIAL MARKET WEEKLY REPORT

14TH FEBRUARY 2020



FX Market

- The Naira steadied against the Greenback at the official and parallel window but weakened at the I & E FX window.
- In the outgoing week, CBN injected a total of \$210.00 million into the foreign exchange market; of which \$100.00 million was allocated to Wholesale (SMIS), \$55.00 million was allocated to Small and Medium Scale Enterprises and \$55.00 million was sold for invisibles
- We expect a relatively stable exchange rate at most market segments as CBN continues its intervention coupled with increased dollar liquidity at the BDC segment

Money Market

- With System liquidity closing at c.₦1.09 trillion, the effect of FX Retail debit (c.₦250.00 billion) was not seen in the interbank market, as rate further dropped by c.15bps. OBB and overnight rates closed at 2.50% and 3.25%, respectively.
- During the week, ₦516.85 billion worth of treasury bills matured via OMO which, combined with the primary market maturities (₦807.93 billion), resulted in total inflows worth ₦1.32 trillion
- We expect rates to remain depressed for the most part of next week, as OMO maturities of c.₦620.00 billion flows into the system.

Fixed Income Market

- The Bond Market traded on a bearish trend, with good volumes passed across the bond yield curve.
- This week, Debt Management Office will issue bonds worth ₦140.00 billion, viz: 12.75% FGN APR 2023 (5-Yr Re-opening) worth ₦45.00 billion, FGN APR 2029 (10-Yr Re-opening) worth ₦45.00 billion and FGN APR 2049 (30-Yr Re-opening) worth ₦50.00 billion respectively
- With Inflation figures and Bond Auction scheduled next week, we expect a tepid start to the market, as investors stay cautious and await the outcome of these events

Equity Market

- The key performance indicators nosedived, amidst sustained sell-offs by investors. Consequently, The NSE All-Share Index and Market Capitalization both depreciated 1.11% to close the week at 27,755.87 and ₦14.456 trillion, respectively. With this, the NSE ASI has returned a positive 3.40% year-to-date.
- Investors continued to take profit, especially on consumer goods and insurance stocks, even as NB printed lower profit after tax (PAT fell by 17.28% to ₦16.11 billion in FY 2019). Consequently, the NSE Consumer Goods and NSE Insurance indices declined by 6.47% and 2.16% to close at 510.79 points and 129.45 points respectively. Also, the NSE Oil/Gas and NSE Banking indices fell by 0.69% and 0.21% to close at 242.21 points and 367.35 points respectively. However, NSE Industrial index rose by 0.78% to close at 1,189.50 points.
- This week, we expect the NSE ASI to close lower despite the release of generally positive unaudited FY 2019 corporate results

Other Statistics

- Inflation rate – 12.13%; Monetary Policy Rate – 13.50%, GDP Growth – 2.28%, Unemployment rate – 23.10%, Brent Crude - \$57.32/bbl

FX MARKET			
	7-Feb	14-Feb	Direction
CBN (₦)	306.95	306.95	↔
I & E FX (₦)	364.37	364.76	↓
Parallel (₦)	360.00	360.00	↔

MONEY MARKET			
	OBB	O/N	Call
7-Feb	5.50	6.33	4.50
14-Feb	2.50	3.25	3.00
Direction	↓	↓	↓

T-BILL MARKET				
	60D	91D	182D	364D
7-Feb	3.42	2.62	3.77	4.32
14-Feb	3.96	2.97	3.78	4.31
Direction	↑	↑	↑	↓

BOND MARKET				
Bond ID	Tenor	Price	Yield (%)	Direction
15.54 13-Feb-2020	2Y	110.14	6.86	↓
16.39 27-Jan-2022	3Y	115.76	7.54	↑
14.20 14-Mar-2024	5Y	115.70	9.46	↓
12.50 22-Jan-2026	7Y	110.95	10.00	↑
13.98 22-Feb-2028	10Y	117.00	10.76	↓
16.25 18-Apr-2037	20Y	139.78	11.03	↓

EQUITY MARKET					
Market Indicators		Value	Trend		
Market Capitalisation (₦tr)		14.456	↓		
NSE – All Share Index (Points)		27,755.87	↓		
NSE – Pension Index (Points)		1,042.87	↓		
Top Gainers	Closing Price (₦)	Chg (%)	Top Losers	Closing Price (₦)	Chg (%)
LIVESTOCK	0.70	16.67	LINKAGE	0.46	25.81
UCAP	2.94	15.29	SKYAVN	2.87	23.26
TRANSEXPR	0.90	11.11	GUINNESS	25.20	16.56
LEARNAFRCA	1.24	9.73	VITAFOAM	4.79	12.11
PRESTIGE	0.59	9.26	NESTLE	1242.00	10.00

COLLECTIVE INVESTMENT TRUST SCHEMES			
Fund	Unit Price (₦)	Trend	
Coral Growth	3,068.09	↑	
ARM Discovery	343.877	↓	
IBTC Nigeria Equity	7,595.34	↓	
IBTC Aggressive Fund	1,896.31	↓	
Nigeria International Growth	2,1837	↔	
UPDC Real Estate Investment Trust	4.45	↔	
Meristem Equity	9.486	↓	

Source: CBN, FMDQ, NBS, NSE, SEC

Note: All rates/prices are bid rates/prices; Nigeria International Growth fund as at 24th Aug

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