

FINANCIAL MARKET WEEKLY REPORT

20TH Nov, 2017



FX Market

- A week-on-week analysis revealed that the local currency remained unchanged against the greenback at the official window and IE FX market due to controlled supply to the market but depreciated at the parallel segment of the FX as supply was insufficient to quell demand pressure
- We expect high demands for the Dollar to be sustained across all segments of the FX market as end of year activities draws nearer

Money Market

- Inter-bank money market rates closed northwards on a week-on-week comparison due to system illiquidity as a result of fundings for Treasury bills, OMO papers and FX purchased at the CBN window
- With an inflow of about ₦200bn from maturing OMO bills and funding for about ₦100bn worth of FGN bonds, we expect the system to remain relatively illiquid this week barring additional inflow from either coupon payments or intervention

Fixed Income Market

- Despite an active session in the fixed income market intra-week, yields of most benchmark securities closed the week southwards due to increased bullish sentiments from dealers and investors, partly due to position taking ahead of the outcome of the CBN MPC meeting slated to hold on 20th & 21st November, 2017
- As a result, FGN bond market capitalisation appreciated by 0.73% to close the week at ₦6.90tr when compared to previous week's position of ₦6.85tr
- The DMO is expected to offer about ₦100bn worth of FGN Bonds at the auction on Wednesday via reopening of 5Y and 10Y FGN bonds
- As system illiquidity looms and members of CBN MPC meet to decide on monetary rate, sentiments are likely to be mixed this week

Equity Market

- The twin indicators of the bourse, unlike their performance in the previous week, closed bearish on a week-on-week comparison largely due to profit taking activities by both investors and speculators. Blue chip conglomerate stock of AG Leventis led the top gainers chart for the week by 27.27% followed by Forte Oil (10.25%), BOC Gas (9.88%) and Redstar Express Plc (5.00%) while the top losers for week were Caverton Helicopter Services (21.43%), Linkage Assurance Plc (17.65%), C&I Leasing (13.77%) and University Press Plc (10.92%)
- NSE ASI and Market capitalisation depreciated by 1.12% and 0.57% to close the week at 36,703.58 points and ₦12.77tr when compared to previous week's close of 37,120.28 points and ₦12.85tr respectively
- A total turnover of 2.80bn shares worth of ₦54.78bn were exchanged in 17,792 deals. There were 20 gainers and 43 losers whilst 108 stocks remained unchanged during the week
- We look forward to an active session on the floor this week

Global Watch

- Asian stocks wilt, German coalition impasse hits Euro: Asian shares pulled back on Monday with investor sentiment hurt by a retreat on Wall Street, while the euro and German stock futures skidded after German coalition talks hit an impasse (*Reuter*)

FX MARKET			
	10-Nov	17-Nov	Direction
CBN (₦)	305.95	305.95	↔
I & E FX (₦)	360.40	360.40	↔
Parallel (₦)	363.00	366.00	↓

MONEY MARKET			
	OBB	O/N	Call
10-Nov	7.17	7.75	9.00
17-Nov	26.67	27.67	30.00
Direction	↑	↑	↑

T-BILL MARKET				
	60D	91D	182D	364D
10-Nov	17.97	16.50	17.26	15.30
17-Nov	16.09	15.74	17.18	15.92
Direction	↓	↓	↓	↑

BOND MARKET					
Bond ID	Tenor	Price	Yield (%)	Direction	
16.00 29-Jun-2019	2Y	101.43	14.94	↓	
15.54 13-Feb-2020	3Y	100.84	15.05	↔	
16.39 27-Jan-2022	5Y	105.02	14.72	↓	
14.20 14-Mar-2024	7Y	97.28	14.87	↓	
12.50 22-Jan-2026	10Y	88.68	14.93	↓	
16.25 18-Apr-2037	20Y	110.15	14.66	↓	

EQUITY MARKET					
Market Indicators		Value	Trend		
Market Capitalisation (₦tr)		12.77	↓		
NSE – All Share Index (Points)		36,703.58	↓		
Top Gainers	Closing Price (₦)	Chg (%)	Top Losers	Closing Price (₦)	Chg (%)
AGLEVENT	0.70	27.27	CAVERTON	1.32	21.43
FO	48.62	10.25	LINKASSUR	0.56	17.65
BOCGAS	4.56	9.88	CILEASING	1.44	13.77
REDSTARX	5.04	5.00	UPL	2.53	10.92
PHARMDEK	2.36	4.89	ETERNA	3.76	10.48

COLLECTIVE INVESTMENT TRUST SCHEMES			
Fund	Unit Price (₦)	Trend	
Coral Growth	2,892.65	↓	
ARM Discovery	371.09	↓	
IBTC Nigeria Equity	9,498.56	↓	
Nigeria International Growth	2.07	↓	
UPDC Real Estate Investment Trust	10.00	↔	

Source: CBN, FMDQ, NBS, NSE, SEC
 Note: All rates/prices are bid rates/prices; Nigeria International Growth fund as at 17th Nov
 Legend: ASI: All Share Index; CBN: Central Bank of Nigeria; DMO: Debt Management Office of Nigeria; GDP: Gross Domestic Product; FAA: Federal Account Allocation; OBB: Open Buy Back; NBS: National Bureau of Statistics; I&E FX: Investors & Exporters FX Window; NTB: Nigerian Treasury Bills; FGN: Federal Government of Nigeria; MPC/R: Monetary Policy Committee/Rate; NSE: Nigerian Stock Exchange; PMA: Primary Market Auction; OTC: Over-the-Counter

Other Statistics

- Inflation rate – 15.91%; Monetary Policy Rate – 14.00%, GDP Growth – 0.55%, Unemployment rate – 14.20%

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