

FINANCIAL MARKET DAILY REPORT

20TH SEP, 2017



FX Market

- Naira closed flat at the official window yesterday, as there was no intervention sale by the CBN. However, it depreciated at the I&E FX market due to increased demand pressure but appreciated at the parallel market
- Barring any sale by the apex bank, the local currency is likely to depreciate further at the I&E FX market

Money Market

- Lending rates dropped at the OBB and Overnight tenors due to sustained sell-offs in the fixed income market in the bid to fund cash obligations but rose on the Call tenor as liquidity dwindles
- We expect money market rates to drop further today in anticipation of more sell-offs by the fixed income securities' dealers towards participation at the DMO auctions

Fixed Income Market

- It was a relatively quiet session in the fixed income market yesterday as yields of most benchmark securities closed flat whilst others closed sideways buoyed by market forces of demand and supply
- FGN bond market capitalisation remained unchanged when compared to previous day's value of ₦6.11tr
- The DMO is expected to offer ₦141bn worth of NTBs via issuance of 91D (₦28bn), 182D (₦24bn) and 364D (₦89bn) papers for subscription at the auction today. Also, ₦100bn worth of 7Y FGN Sukuk bond will be offered for subscription at the auction
- We expect mild trading activities in the fixed income market today as dealers participate at the auction today

Equity Market

- Market indicators of the Nigerian bourse closed bearish for the third consecutive day as investors continue to engage in profit taking activities. High capitalized stocks of Linkage Assurance Plc (5.00%), AXA Mansard (4.74%) and Jaiz Bank Plc (4.48%) led the top gainers' chart whilst those of First Bank Nigeria Holdings (4.99%), Seven Up Bottling Company (4.96%) and NEM Insurance Plc (4.92%) led the top losers' chart yesterday
- NSE ASI and Market Capitalisation depreciated further by 0.08% to close at 34,846.82 points and ₦12.01tr when compared to previous day's close of 34,873.07 points and ₦12.02tr respectively
- A total turnover of 174.66m shares worth of ₦2.83bn were exchanged in 3,783 deals. There were 14 gainers and 24 losers whilst 57 stocks remained unchanged
- Outlook for the day is mixed but we are optimistic of a rebound in the twin indicator of the bourse before end of the week

Global Watch

- Stocks notch up new high but it's all about the Fed: World stocks eked out a new record high on Wednesday and the dollar dipped against its major rivals with the focus on a U.S. Federal Reserve policy meeting that may give clues as to whether it will raise interest rates for a third time this year (*Reuters*)

Other Statistics

- Inflation rate – 16.01%; Monetary Policy Rate – 14.00%, GDP Growth – 0.55%, Unemployment rate – 14.20%

FX MARKET			
	18-Sep	19-Sep	Direction
CBN (₦)	305.90	305.90	↔
I & E FX (₦)	359.06	360.22	↓
Parallel (₦)	369.00	367.00	↑

MONEY MARKET			
	OBB	O/N	Call
18-Sep	10.33	11.42	11.00
19-Sep	9.50	10.33	11.25
Direction	↓	↓	↑

T-BILL MARKET				
	60D	91D	182D	364D
18-Sep	18.22	18.72	17.80	16.93
19-Sep	18.83	18.68	17.79	16.93
Direction	↑	↓	↓	↔

BOND MARKET					
Bond ID	Tenor	Price	Yield (%)	Direction	
16.00 29-Jun-2019	2Y	99.51	16.28	↑	
15.54 13-Feb-2020	3Y	98.50	16.30	↔	
16.39 27-Jan-2022	5Y	100.72	16.13	↓	
14.20 14-Mar-2024	7Y	91.74	16.36	↔	
12.50 22-Jan-2026	10Y	82.72	16.36	↔	
12.15 18-Jul-2034	20Y	76.09	16.35	↔	

EQUITY MARKET					
Market Indicators		Value	Trend		
Market Capitalisation (₦tr)		12.01	↓		
NSE – All Share Index (Points)		34,846.82	↓		
Top Gainers	Closing Price (₦)	Chg (%)	Top Losers	Closing Price (₦)	Chg (%)
LINKASSUR	0.63	5.00	FBNH	5.14	4.99
MANSARD	1.99	4.74	7UP	85.82	4.96
JAIZBNK	0.70	4.48	NEM	1.16	4.92
NESTLE	1,228.9	1.98	TRANSCOP	1.21	4.72
VITAFOAM	2.70	1.89	FIDSON	1.21	4.72

COLLECTIVE INVESTMENT TRUST SCHEMES		
Fund	Unit Price (₦)	Trend
Coral Growth	2,814.65	↓
ARM Discovery	352.59	↓
IBTC Nigeria Equity	9,100.93	↓
Nigeria International Growth	2.04	↓
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 15th Sep
 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; NTBs: 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

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