

Wednesday, January 6, 2021

**The day in review**

- Equities market closed positive
- Financial system liquidity remained elevated
- Muted activity in NTB market
- Naira depreciated at the NAFEX window

**Looking forward**

- CBN MPC Meeting 271 - 20th Jan

**Daily Insight**

**Global Financial Market in 2021: ...no real threat in sight**

Global financial markets in 2020 were largely bullish as fiscal and monetary measures bolstered liquidity and triggered a sentiment for stocks in place of low yielding bonds. After an initial downturn, major exchanges around the globe returned positive.

The Dow Jones Industrial Average (+7.3%), S&P 500 (+16.3%), tech-heavy Nasdaq (+43.6%) and the MSCI emerging market index (+15.8%) all gained in 2020, despite the pandemic. Again, markets seemed to welcome the Biden win alongside the announcement of the vaccine, as indices around the world surged to near all-time highs in Q4 2020

In 2021, the outlook for global stocks remains positive amid the reopening of economies, positive vaccine news and the rebound in household spending which the demand outlook for household expenditure. Although, we expect government fiscal programs and interventions to be reduced in 2021, a dovish monetary stance expected to be sustained throughout 2021 continues to brighten the outlook for stocks.

Headline	Level	1 day	YTD
NSE ASI	40,465.2	▲ 0.2%	▲ 0.5%
Mkt. Cap (N'bn)	21,158.4	▼ -1.8%	▲ 0.3%
Mkt. Cap (\$'mn)	55,827.0	▼ -1.8%	▲ 0.3%
Value (N'mn)	2,184.2	▼ -57.3%	
Value (\$'mn)	5.8	▼ -57.3%	
Volume	249.5	▼ -46.4%	
Deals	7,574.0	▲ 0.0%	
Market Breadth	1.6x		

T-Bills Yields	Current	Previous	%Δ
3 months	0.23	0.35	▼ -0.12
6 months	0.38	0.38	0.00
12 months	0.72	0.72	0.00

Bonds Yields	Current	Previous	% Δ
3 years	3.82	3.49	▲ 0.33
5 years	5.61	5.44	▲ 0.17
7 years	6.33	6.34	▼ -0.01
10 years	7.27	7.27	0.00

Currencies	Current	Previous	% Δ
Official	379.00	379.00	0.00%
Parallel	467.50	467.50	0.00%
NAFEX	394.50	393.83	▼ -0.17%

Other Key indices	Current	Previous	% Δ
OBB	0.4	0.6	▼ -0.25
OVN	0.8	1.0	▼ -0.25
Brent	54.6	53.6	▲ 1.79

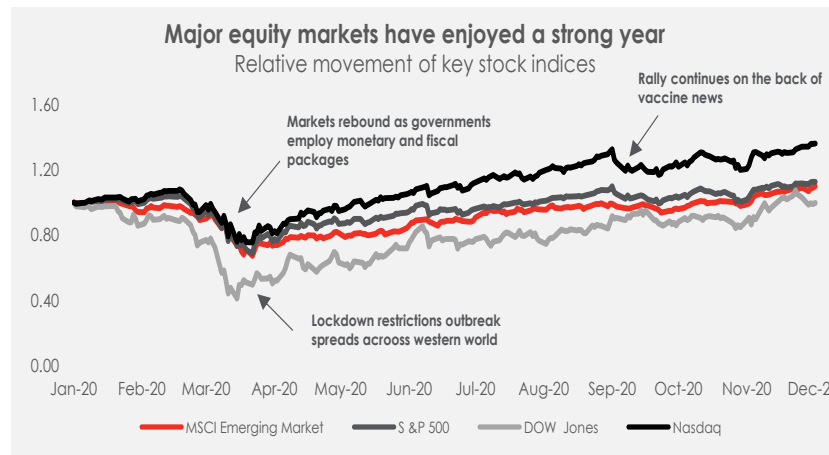
	1 day	MTD	YTD	P/E (x)	Div. Yid.
<b>Agriculture</b>	0.0%	0.0%	0.0%	0.0	0.0%
<b>Banks</b>	3.7%	3.7%	3.7%	4.2	8.5%
<b>Consumer</b>	1.4%	1.4%	1.4%	863.6	3.8%
<b>Industrial</b>	4.7%	4.7%	4.7%	na	0.0%
<b>Insurance</b>	4.4%	4.4%	4.4%	3.0	2.3%
<b>Oil &amp; Gas</b>	0.1%	0.1%	0.1%	83.1	6.1%
<b>Mkt. Avg. P/E</b>	<b>15.5</b>		<b>Mkt. Avg. Div. Yid</b>	<b>4.5%</b>	

\*P/Es are based on the last twelve months trailing earnings  
\*Dividend yields are based on past year dividend payments



**Pan African Market Monitor as at today**

Equities	Level	1 day	YTD	P/E (x)	Div. Yid.
BRVM	141.6	▼ -2.6%	▼ -2.6%	8.7	6.7%
Egypt	10,813.8	▼ -0.3%	▼ -0.3%	11.6	2.9%
Ghana	1,941.6	▲ 0.1%	▲ 0.1%	n/a	4750.4%
Kenya	152.0	▼ 0.0%	▼ 0.0%	11.3	4.4%
Mauritius	1,644.1	▼ -0.3%	▼ -0.3%	n/a	2.3%
Morocco	304.9	▲ 0.8%	▲ 0.0%	30.6	3.1%
MSCI FM	551.1	▲ 0.0%	▲ 0.0%	12.8	3.4%
South Africa	60,479.4	▲ 1.8%	▲ 1.8%	27.6	2.6%
Tunisia	6,808.1	▼ -1.1%	▼ -1.1%	20.6	0.6%
Zimbabwe	46,327.4	▲ 0.0%	▲ 0.0%	0.9	2.4%



Sources: Bloomberg, United Capital Research

**Contact us**

**Research** | +234-1-631-7898  
research@unitedcapitalplcgroup.com

**Trustees** | +234-1-631-7877  
trustees@unitedcapitalplcgroup.com

**Securities Trading** | +234-1-631-7891  
securities@unitedcapitalplcgroup.com

**Investment Banking** | +234-1-631-7883  
investmentbanking@unitedcapitalplcgroup.com

**Asset Management** | +234-1-631-7876  
assetmanagement@unitedcapitalplcgroup.com