## United Capital Research | Daily Market Commentary

Monday, October 4, 2021



# The Intelligent Choice

### The day in review

- Equity market agined 0.1%
- Interbank rates dropped by 700bps
- Bullish activity in Bonds market
- Naira depreciated at NAFEX window

## **Looking forward**

Sep-2021 Inflation Report - NBS

#### **Daily Insight**

#### Local bourse sustained bullish run...ASI up by 0.1%

The domestic stock market started the first trading session of the week in green as the market continued its bullish run from the previous close. The All-Share index climbed by 0.1% to close at 40,243.05 points due to marginally bargain-hunting activities in the market as investors continue to take positions in attractive stocks. Market capitalization also rose by N14.5.1bn to hit N21.0tn while YTD loss moderated to 0.1%. Activity level weakened, as total volume and value traded declined by 80.7% and 74.9% to 202.4m units (previously 1.0bn units) and N1.9bn (previously N7.4bn), respectively.

On a sectoral level, the performance was mainly bullish as three of the five sectors we cover closed in the green. The Insurance sector led the pack as it gained 1.5% price appreciation in MANSARD (+9.9%) and WAPIC (+4.2%). Similarly, the Consumer goods sector closed higher by 0.1% as HONYFLOUR (+1.6%), DANGSUGAR (+0.6%) drove the index northwards. The Banking sector rose marginally by 1bp on the back of buying interest in FCMB (+2.1%) and FBNH (+1.9%). On the other hand, the Oil and Gas sector declined by 0.4% as profit-taking activities in OANDO (-3.1%). The Industrial goods sector was the biggest loser shedding 2bps, falling on the account of selloffs in WAPCO (-0.4%).

Investor sentiment as measured by market breadth improved to 1.7x as 22 stocks advanced, and 13 stocks declined.

Looking ahead, we expect the market to be in a IuII, with occasionally bargain hunting until 9M-2021 results are released.

Headline	Level	1 day	YTD
NGX ASI	40,243.1	0.1% 🔻	-0.1%
Mkt. Cap (₦'bn)	20,970.0 📤	0.1%	
Mkt. Cap (\$'mn)	50,707.2	0.1%	
Value (N'mn)	1,864.4 🔻	-74.9%	
Value (\$'mn)	4.5	-74.9%	
Volume	202.4 🔻	-80.7%	
Deals	4,066.0		
Market Breadth	1.7x		

T-Bills Yields	Current	Previous	%∆
3 months	4.14	4.14 💳	0.00
6 months	4.10	4.11 🔻	-0.01
12 months	7.49	7.49 💳	0.00

<b>Bonds Yields</b>	Current	Previous	% △
3 years	8.81	8.83 🔻	-0.02
5 years	10.24	10.25 🔻	-0.01
7 years	11.55	11.55 💳	0.00
10 years	11.83	12.02 🔻	-0.19

Currencies

NAFEX	413.55	413.38 🔻	0.0%
Other Key indices	Current	Previous	% Δ
OBB	8.0	15.0 🔻	-7.00
OVN	8.8	15.8 🔻	-7.00
Brent	81.4	78.5 📤	3.72

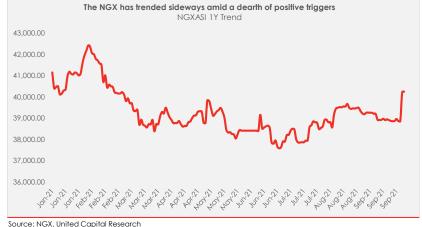
Current

Γ			1 day	MTD	YTD	P/E (x)	Div. Yid.
	Agriculture		0.0% 🔻	-0.7% 📤	18.6%	na	na
	Banks		0.0% 📤	0.0% 🔻	-5.6%	3.0	9.3%
	Consumer		0.1% 📤	0.1% 🔻	-1.0%	83.3	3.7%
	Industrial	~	0.0% 🔻	0.0% 📤	1.8%	17.7	4.5%
	Insurance		1.5% 📤	1.5% 🔻	-7.3%	8.9	3.1%
Γ	Oil & Gas	•	-0.4% 🔻	-0.4% 📤	61.7%	10.4	4.1%
	I	Mkt.	Avg. P/E	10.8	Mkt.	Avg. Div. Yid	5.2%
				*P/F	are hased on	the last twelve month	s trailina earninas

P/Es are based on the last twelve months trailing earnings



Pan African Market Monitor as at today							
Equities	Level	1 day	YTD	P/E (x)	Div. Yid.		
BRVM	185.2 📥	0.2% 📤	27.4%	9.6	5.8%		
Egypt	10,427.4 📥	0.6% 🔻	-3.9%	9.2	1.6%		
Kenya	181.9 📥	0.4% 📤	19.6%	13.8	3.3%		
Mauritius	2,029.3	0.4% 📤	23.1%	na	1.9%		
Morocco	345.7	-0.6% 📤	13.4%	25.6	3.3%		
MSCI FM	662.8 🔻	0.0% 📤	15.9%	15.3	2.6%		
South Africa	64,129.0	0.7% 📤	7.9%	11.6	4.5%		
Tunisia	7,284.0	-0.1% 📤	5.8%	22.5	2.2%		
Zimbabwe	202,902.5 📤	1.4% 📤	338.0%	16.3	1.4%		



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