

The day in review

- Equity market edged higher by 58bps
- Interbank rates closed lower
- Flattish activity in NT bills market
- Naira closed flat at the NAFEX window

Looking forward

Jan Bond Auction - DMO

Daily Insight

NGX-ASI rebounds by 58bps as large-caps rally

The Nigerian bourse recorded gains in yesterday's trading session, reversing the previous day's losses. Notably, the rebound was largely propelled by buy interest in large-cap stocks as BUACEMENT (+2.0%), BUAFODS (+4.2%), GTCO (+1.4%) and ACCESS (+2.1%) rallied, on the back of improved investor sentiment. As a result, the NGX All-Share Index (NGX-ASI) climbed 58bps, to close the day at 44,655.9points, with market capitalisation adding N256.2bn to close at N24.1tn. Thus, the bourse's YTD return strengthened to 4.5%, from 3.9% previously. The average volume of shares traded increased 10.0% to 235.2m shares, while the total value of stocks traded declined 29.0% to N1.9bn.

On a sectoral level, performance reflected the positive sentiment as four (4) sectors out of the five (5) we cover closed in the green, leaving one (1) sector in the red. The Banking sector (+1.0%) sector spearheaded the upward momentum on the back of share price appreciation in ACCESS (+2.1%) and ZENITHBA (+0.8%). Similarly, the Industrial Goods (+0.8%), Consumer Goods (+0.7%) and Oil and Gas (+0.3%) sectors, appreciated due to bargain hunting in BUACEMENT (+2.0%), CUTIX (+3.7%), DANGSUGA (+7.4%), ETERNA (+5.8%) and CONOIL (+3.1%). On the other hand, the Insurance (-1.6%) sector was the lone laggard owing to selloffs NEM (-8.3%), WAPIC (-3.9%) and CORNERST (-2.0%).

Investor sentiment strengthened to 2.2x as measured by the market breadth (gainers to losers' ratio) with 26 tickers advancing while 12 declined. Looking ahead to the rest of the week, we expect the momentum to slow as we approach a crucial bond auction which we expect to close at higher yields, possibly triggering negative investors' reaction to the equities market later in the week.

Headline	Level	1 day	YTD
NGX ASI	44,655.9	0.6% ▲	4.5%
Mkt. Cap (N'bn)	24,059.8	0.6% ▲	
Mkt. Cap (\$'mn)	57,790.1	0.6% ▲	
Value (N'mn)	1,918.2	-28.7% ▼	
Value (\$'mn)	4.6	-28.7% ▼	
Volume	235.2	9.8% ▲	
Deals	4,151.0		
Market Breadth	2.2X		

T-Bills Yields	Current	Previous	%Δ
3 months	3.42	3.42	0.00
6 months	4.39	4.39	0.00
12 months	5.22	5.22	0.00

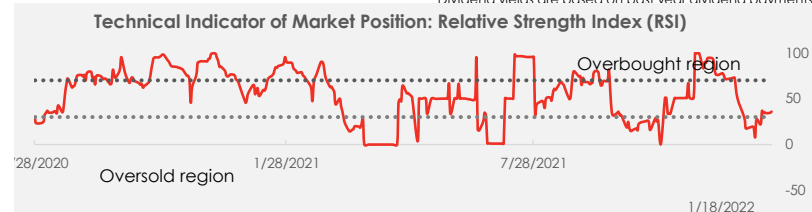
Bonds Yields	Current	Previous	% Δ
3 years	9.05	9.05	0.00
5 years	11.49	11.47	0.02
7 years	12.34	12.34	0.00
10 years	12.62	12.61	0.01

Currencies	Current	Previous	% Δ
NAFEX	416.33	416.33	0.0%

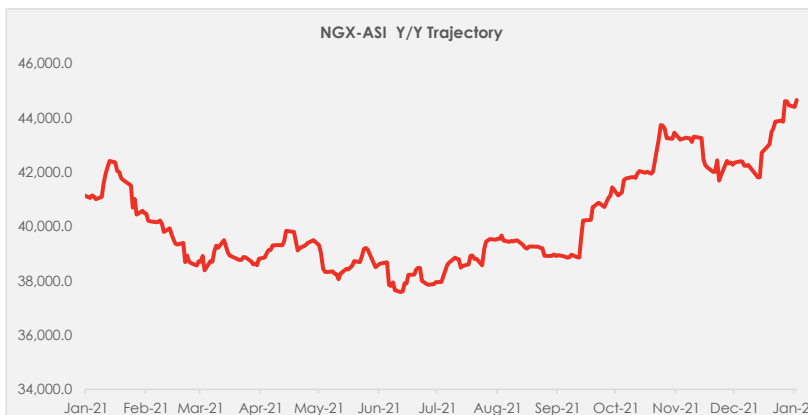
Other Key indices	Current	Previous	% Δ
OBB	12.5	14.5	-2.00
OVN	13.0	15.3	-2.25
Brent	87.0	86.5	0.57

	1 day	MTD	YTD	P/E (x)	Div. Yid.
Agriculture	0.0%	0.0%	0.0%	na	na
Banks	1.0%	2.4%	2.4%	2.5	8.3%
Consumer	0.7%	-4.3%	-4.3%	26.2	3.7%
Industrial	0.8%	5.6%	5.6%	17.8	3.5%
Insurance	-1.6%	-4.2%	-4.2%	2.0	3.0%
Oil & Gas	0.3%	5.0%	5.0%	9.7	4.4%
Mkt. Avg. P/E	9.8		Mkt. Avg. Div. Yid	4.4%	

*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	204.1	-0.1% ▲	0.9%	9.3	5.2%
Egypt	11,830.9	-1.5% ▼	-0.3%	9.0	2110.7%
Kenya	165.1	0.1% ▼	-0.8%	11.6	3.5%
Mauritius	2,131.3	0.0% ▲	1.6%	na	3.0%
Morocco	357.3	1.5% ▲	2.7%	23.8	2.7%
MSCI FM	661.5	0.1% ▼	-0.6%	14.5	2.7%
South Africa	75,160.2	-1.0% ▲	2.0%	12.6	4.1%
Tunisia	7,099.7	0.3% ▲	0.8%	23.4	2.3%
Zimbabwe	341,842.1	0.3% ▲	15.8%	21.8	1.0%



Source: NGX, United Capital Research

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