

The day in review

- Equity market declined by 15bps
- Interbank rates closed lower
- Mixed activity in bonds market
- Naira depreciated at the NAFEX window

Looking forward

FY-2021 Earnings Season - NGX

Daily Insight

PMS Continues an Unwavering Upward Trajectory- NBS PMS Watch

Earlier this year, Nigerians began facing a severe fuel crisis as news of the importation of unadulterated petrol. It was later revealed that the supply shortage crisis was due to logistical, fiscal, and structural, constraints associated with the downstream oil and gas sector. Increased shortages enhanced the relevance of the black market and allowed some retailers to sell PMS above the approved price range set by the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA).

Due to efforts from the NNPC to resolve the issue, queues have rescinded in recent weeks. In February, fuel pump prices ranged from N165 to N180, as the panic ensued. Extracts from the recently released Feb-22 Premium Motor Spirit (PMS) Watch, the supply pull inflation seen in petrol pump prices have been mildest in Benue (N165.4), Nasarawa (N165.3), Jigawa (N165.0) as opposed to the intensity seen in Kaduna (N189.1), Anambra (N184.1) and Kebbi (N180.0).

We expect the pump price to remain within NMDPRA's recommended price. However, in reality, if supply-side constraints persist, we could continue to see an uptick in average PMS pump prices in the next quarter. We suspect the recent short-term shortages are also due to the increased cost of crude, which translates into a higher landing cost of oil which was not then transferred to the pump price of PMS due to the ongoing subsidy program. The disruptions caused by the shortages will add to increased month-on-month inflationary pressures as these cost pressures have already trickled down into transportation and logistical costs on the food index.

Headline	Level	1 day	YTD
NGX ASI	46,893.9	-0.1% ▲	9.8%
Mkt. Cap (N'bn)	25,273.2	-0.1%	
Mkt. Cap (\$'mn)	61,100.8	-0.1%	
Value (N'mn)	2,611.1	-37.5%	
Value (\$'mn)	6.3	-37.6%	
Volume	359.9	103.2%	
Deals	5,163.0	▲ 33.3%	
Market Breadth	1.1x		

T-Bills Yields	Current	Previous	%Δ
3 months	1.88	1.89 ▼	-0.01
6 months	3.04	3.04	0.00
12 months	4.02	4.02	0.00

Bonds Yields	Current	Previous	% Δ
3 years	9.08	9.10 ▼	-0.02
5 years	10.26	10.26	0.00
7 years	10.59	10.58 ▲	0.01
10 years	10.90	10.90	0.00

Currencies	Current	Previous	% Δ
NAFEX	416.50	416.30 ▼	0.0%

Other Key indices	Current	Previous	% Δ
OBB	4.5	5.7 ▼	-1.20
OVN	5.0	6.2 ▼	-1.20
Brent	108.7	120.7 ▼	-9.92

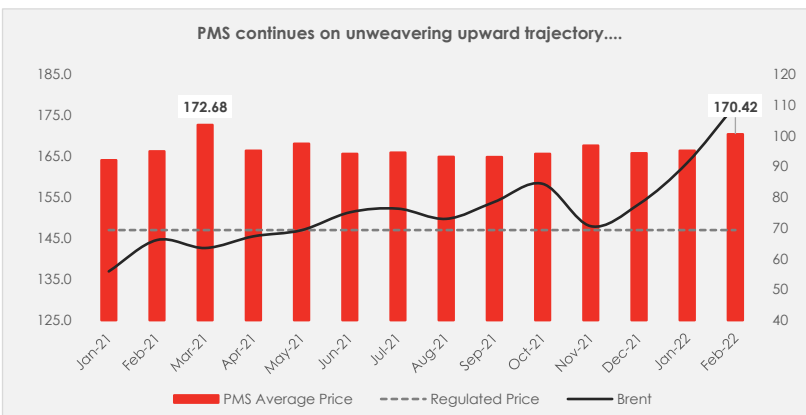
	1 day	MTD	YTD	P/E (x)	Div. Yid.
Agriculture	0.0% ▲	16.9% ▲	25.9%	na	na
Banks	-4.4% ▼	-7.1% ▲	3.8%	2.3	9.0%
Consumer	0.2% ▼	-3.8% ▼	-4.0%	22.2	4.0%
Industrial	0.1% ▼	-0.8% ▲	5.4%	16.9	3.6%
Insurance	-0.3% ▼	-3.2% ▼	-6.6%	2.9	3.1%
Oil & Gas	-0.1% ▲	4.0% ▼	28.0%	8.2	3.6%
Mkt. Avg. P/E		9.9		Mkt. Avg. Div. Yid	4.3%

*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	218.2	-0.8% ▲	7.9%	8.9	4.9%
Egypt	11,240.8	-2.6% ▼	-5.9%	8.3	1.5%
Kenya	159.0	-0.9% ▼	-4.5%	9.5	4.1%
Mauritius	2,155.3	0.3% ▲	2.7%	na	3.1%
Morocco	321.9	0.6% ▼	-7.4%	20.9	3.0%
MSCI FM	604.1	0.1% ▼	-9.2%	12.1	3.2%
South Africa	74,328.3	0.0% ▲	0.8%	11.3	3.8%
Tunisia	7,070.3	-0.9% ▲	0.3%	23.2	2.3%
Zimbabwe	462,106.1	-0.3% ▲	56.6%	25.9	0.6%



Source: NBS and 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