

The Nigerian Equities Market Bulletin- January 2019

Equities Markets across the global ended January 2019 in positive territory, largely driven by optimism around cooling US-China trade tensions as well as comments by the US Fed signaling a relatively more dovish stance than expected. Contrary to global trends, the Nigerian Equities Market ended the first month of the year in the negative, returning -2.77%. Although the CBN's manufacturing PMI data showed expansion, the uncertainty around the upcoming general elections continued to impact market sentiments.

Fig. 1 Global Markets Performance (%)

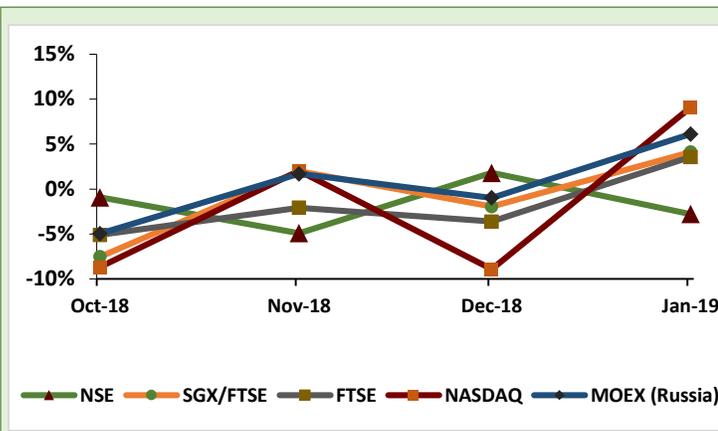
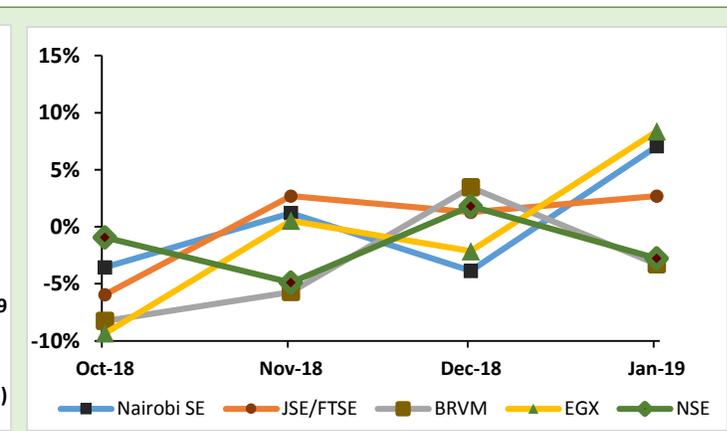


Fig. 2 African Markets Performance (%)



As shown in Fig. 1 and 2 above, the Nigerian market closed the month as the least performing (among the markets compared) and dropped to fourth among the African markets, marginally outperforming BRVM. Average daily value traded in January declined by 27% from N3.9Bn in December 2018 to N2.86Bn. In January, Market Depth decreased marginally to 6.28% from 6.44% in December.

Fig. 3 Market Indicators

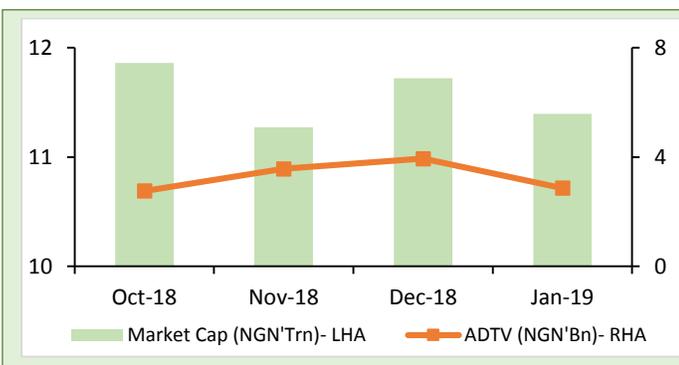


Fig. 4 NSE Indices Performance (%)

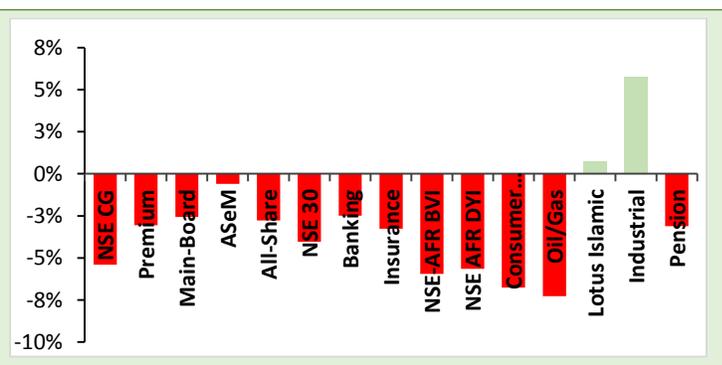


Table 1 NSE Turnover and Market Capitalization

Indicators	Dec-18	Jan-19
Turnover (NGN'Bn)	62.93	59.6
Market Depth	6.44%	6.28%
Breadth	1.87	0.6
Market Cap (NGN'Trn)	11.72	11.39
DAVT	3.95	2.86
Trading Days	19	22

Table 2 Top Gainers and Losers

Top Losers	% Loss	Top Gainers	% Gain
RESORTSAL	-60.00	CILEASING	407.87
MCNICHOLS	-29.79	ROYALEX	31.82
FLOURMILL	-19.70	JBERGER	29.35
GLAXOSMITH	-19.66	STERLNBANK	25.79
BERGER	-18.60	CCNN	23.71

The month of January witnessed a rise in crude oil prices driven by geopolitical tensions while the IEFX window witnessed reduced transactions from a daily average turnover of \$262Mn to c. \$214Mn. There was marginal accretion to the nation's FX reserves, strengthening the ability of the CBN to prevent unnecessary FX rate volatility heading into the peak of the electioneering season.

Fig. 5 Crude Oil Price & FX Reserves

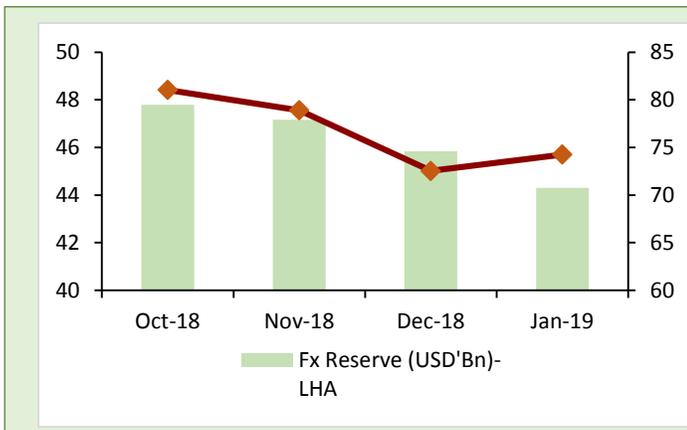
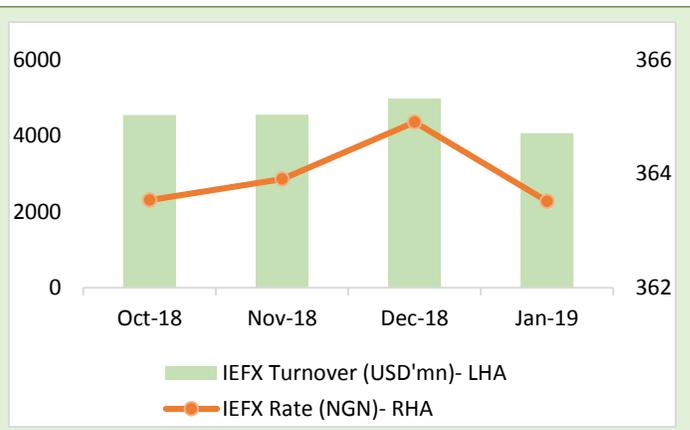


Fig. 6 CBN IEFX Market



Foreign participation continued to lead market activities accounting for 55% of market transactions within the period. Retail (mainly HNIs) and Institutional investors including PFAs largely drove trades in the domestic space.

Fig. 7 Foreign vs Domestic Participation

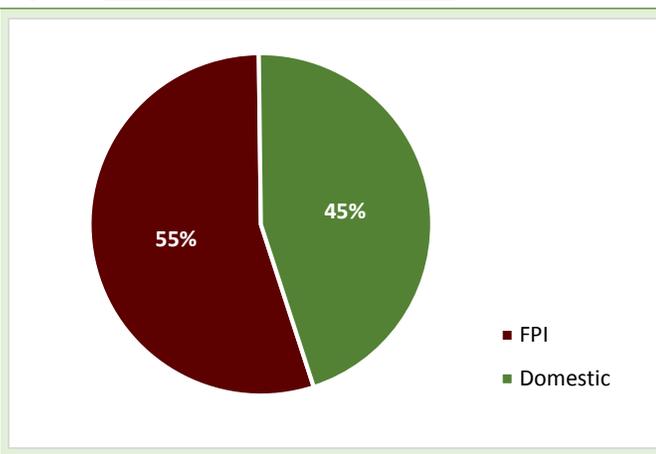
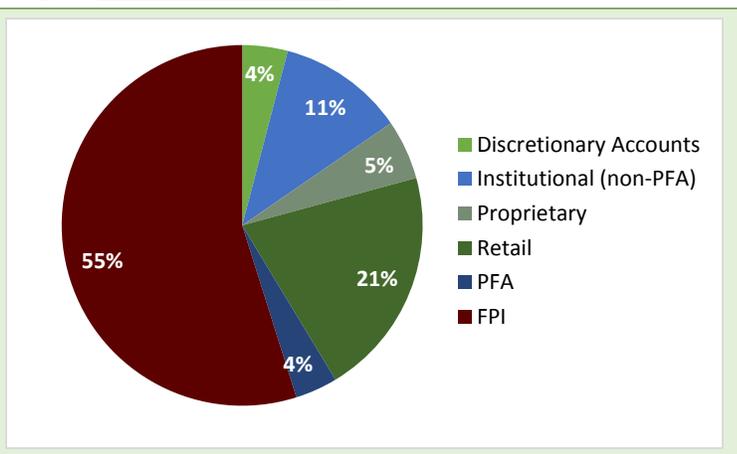


Fig. 8 Investors' Classification



* This data excludes all trades that are below NGN50,000 in transaction size

*Retail Investors include HNIs

Table 3 Top 5 Sectors/Industries

Sector	Volume	Value (NGN)	Val (%)
Banking	3,977,843,160	38,749,700,156.96	65.01
Other Financial	884,967,404	5,331,804,727.36	8.94
Beverages	60,201,752	4,033,834,687.01	6.76
Building Mat	10,132,857	3,469,062,762.50	5.82
Food Products	59,186,640	2,610,492,394.41	4.38
Total	4,992,331,813	54,194,894,728	90.93

Table 4 Top 5 Sectors/Industries

Security	Volume	Value (NGN)	Val (%)
GUARANTY	469,591,268	15,299,801,421.15	25.67
ZENITHBANK	548,899,745	12,059,709,118.25	20.23
UBA	479,751,334	3,471,111,660.30	5.82
NESTLE	2,386,644	3,392,122,399.80	5.69
ACCESS	563,140,368	3,272,464,389.05	5.49
NB	40,836,526	3,189,727,306.45	5.35
FBNH	390,215,642	2,879,523,280.65	4.83
DIAMONDBNK	1,307,585,292	2,720,613,176.95	4.56
DANGCEM	10,285,663	1,879,050,404.70	3.15
CUSTODIAN	162,178,999	956,917,519.40	1.61
Total	3,974,871,481	49,121,040,676.70	82.42

The prominent sectors within the month included Financial Services, Consumer Goods, and Industrial Goods, with the most trading activity in GUARANTY, ZENITHBANK and DIAMONDBNK stocks.

Fig. 9 Top Brokers by Transaction Value (%)

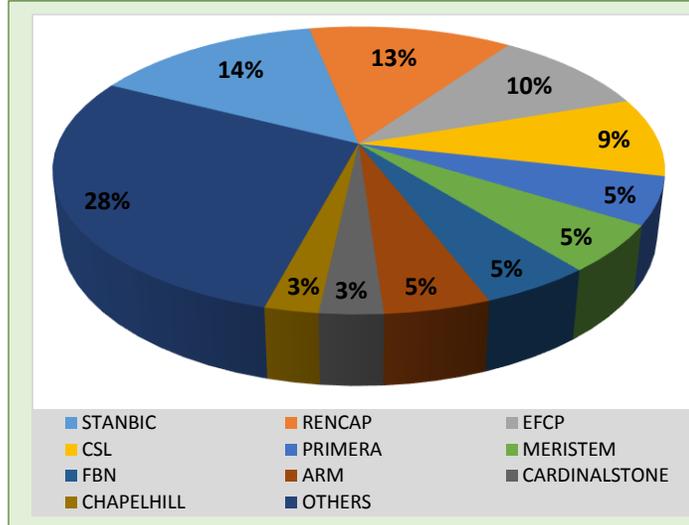
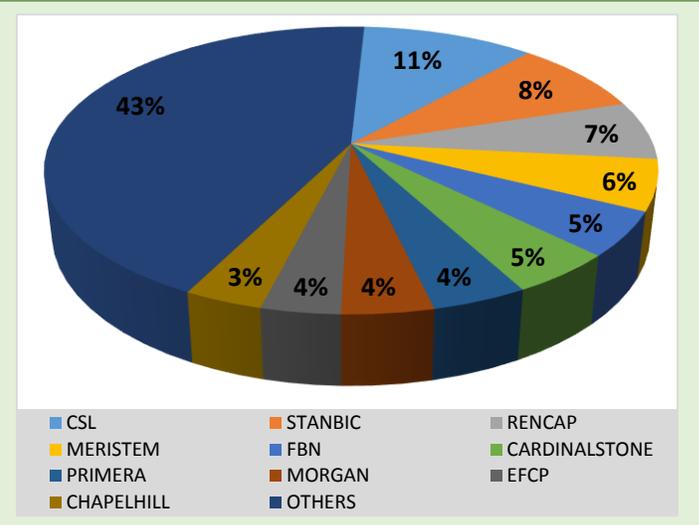


Fig. 10 Top Brokers by Volume (%)



Top ten brokers drove 72% of total transaction value and 57% of total volumes traded in January 2019.

Table 5: Corporate Results

S/N	COMPANY	PERIOD	CORPORATE ACTION	DIVIDEND
1.	RESORT SAVINGS & LOANS PLC	FY 2017 & 9MONTHS SEPT 2018	-	-
2.	VITAFOAM NIGERIA PLC		CASH DIVIDEND & SCRIP ISSUE	NO.25k; 1:5
3.	AFRICAN ALLIANCE INSURANCE	Q1, Q2 & Q3 2018	-	-
4.	UNION HOMES REIT	KEY PERFORMANCE METRICS DEC. 2018	-	-
5.	ELLAH LAKES	Q1 OCT 2018	-	-
6.	TRIPPLE GEE AND COMPANY PLC	9M DEC 2018	-	-
7.	RED STAR EXPRESS PLC	9M DEC 2018	-	-
8.	CHELLARAMS PLC	Q3 DEC 2018	-	-
9.	NEIMETH INTERNATIONAL PHARM. PLC	Q1 DEC 2018	-	-
10.	GUINNESS NIG. PLC	HALF YR DEC 018	-	-
11.	VITAFOAM NIG PLC.	Q1 DEC 2018	-	-
12.	FLOUR MILLS NIG. PLC	9M DEC 2018	-	-

Acronyms and Abbreviations

BN	Billion
BVRM	BVRM Composite Index
CBN	Central Bank of Nigeria
DAVT	Daily Average Value Traded
EGX	EYGPT 30 Index
FPI	Foreign Portfolio Investors
FX	Foreign Exchange
FTSE	FTSE All Share Index
FY	Full Year
HNI	High Net worth Investors
IEFX	Investors and Exporters Foreign Exchange Window
JSE/FTSE	FTSE/JSE All Share Index
MOEX	Moscow Exchange Russia Index
Nairobi SE	Nairobi Stock Exchange All Share Index
SGX/FTSE	FTSE Strait Times Singapore Index

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