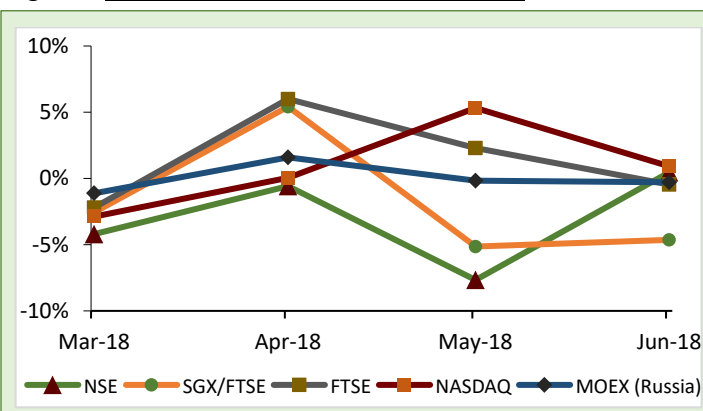


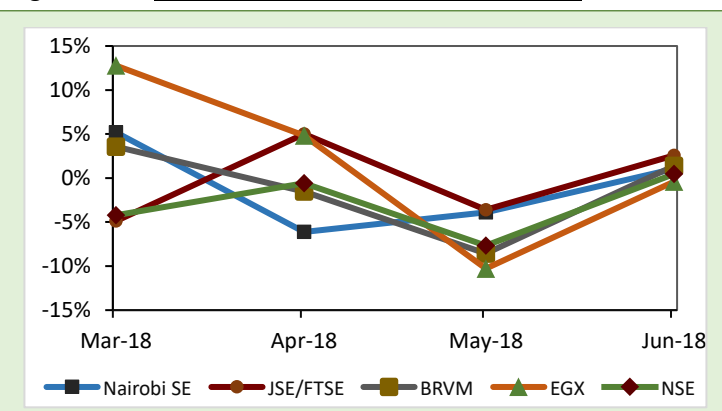
# The Nigerian Equities Market Bulletin- June 2018

Although persisting trade war fears between the US and China resulted in global equity markets ending the month of June broadly flat, the US equity market ended in a positive territory largely driven by Dollar strengthening in Q2. On the other hand, Equities performance in emerging markets further weakened as the MSCI Emerging Markets recorded a 4.57% MoM decline with headwinds driven by the announcement of the second rate hike of 2018 by the US Federal Reserve. However, the Nigerian story was that of a rebound in June 2018 despite reduction in net portfolio flows.

**Fig. 1 Global Markets Monthly Performance**



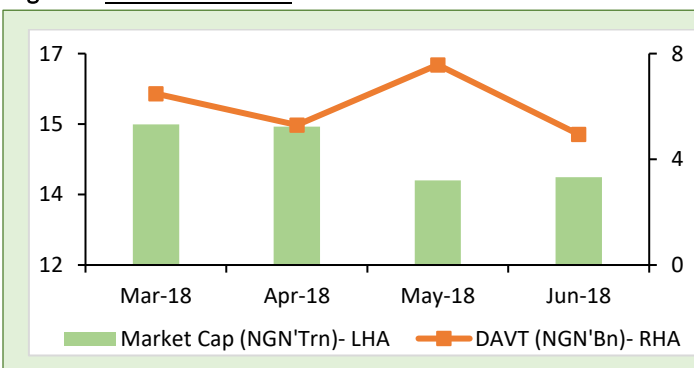
**Fig. 2 African Markets Monthly Performance**



Source: Investing.com

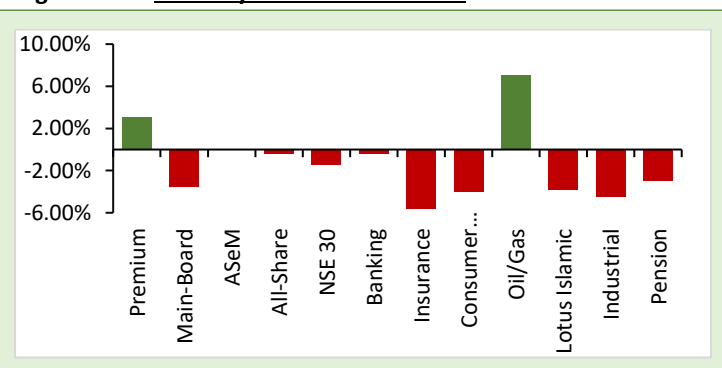
The NSE ASI advanced in the month of June, buffering YtD returns to 0.46%, from a negative of 7.67% in May 2018. Excluding the Oil & Gas Index which gained 7.12% MoM, other sectorial indices ended in negative territory albeit improved from previous months' returns with the exception of the Insurance index which took a further 5.66% hit. Turnover declined significantly by c.41% MoM, lowering DAVT to N4.94bn by month end to justify the c41.3% decline in market depth which closed at 8.13%. Despite improvements in market breadth from 0.28 in previous month to 0.84, losers still topped the chart relative to gainers.

**Fig. 3 Market Indicators**



Source: NSE

**Fig. 4 Monthly Index Performance**



**Table 1 NSE Turnover and Market Capitalization**

Indicators	Jun-18	May-18
Turnover (NGN'Bn)	93.89	159.1
Market Depth	8.13%	13.84%
Breadth	0.84	0.28
Market Cap (NGN'Trn)	13.87	13.80
DAVT	4.94	7.58
Trading Days	19	21
YTD Market Return	0.09	-0.36%

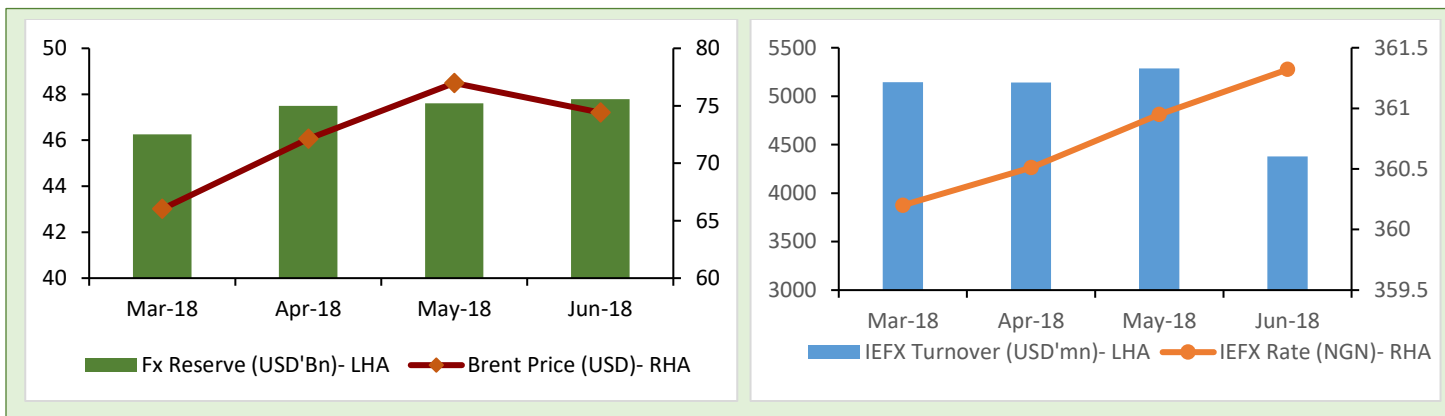
**Table 2 Top Gainers and Losers**

Top Losers	% Loss	Top Gainers	% Gain
NEIMETH	-13.64	JAPAUOIL	71.43
SEPLAT	-12.54	CILEASING	55.64
HMARKINS	-12.12	NEM	25
MAYBAKER	-11.7	IKEJAHOTEL	24.7
FO	-11.22	FIDELITYBK	21.05

Despite a strengthening of the Naira against the Dollar, turnover in the IEFX window declined by 20.7% relative to May 2018. This may have contributed to lower net portfolio flows to the Equities market as earlier indicated. The observed growth in the Nation's foreign reserves could be attributable to the rise in crude oil production within the period, which made up for the drop in crude oil price.

**Fig. 5 Crude Oil Price & FX Reserves**

**Fig. 6 CBN IEFX Market**

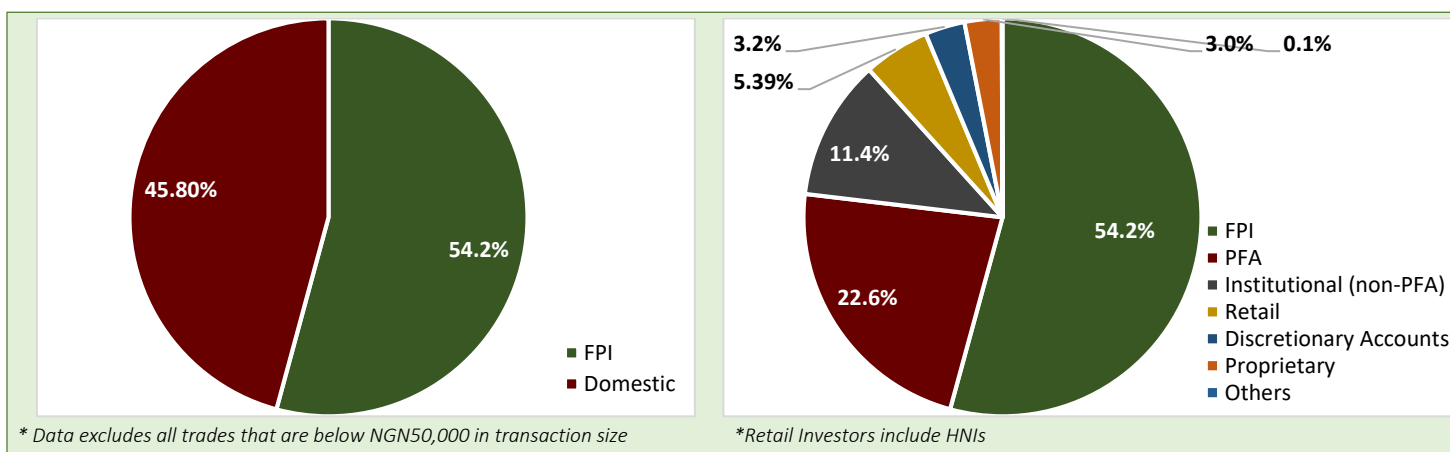


Sources: CBN, FMDQ, U.S. Energy Information Administration

FPIs continued to dominate trading with 54.2% participation, while Domestic investors constituted 45.8% within the month. Amongst the domestic players, PFAs led the pack with 22.6%, followed by Institutional investors (non-PFAs) who accounted for 11.4% of market activities. Retail participation also increased to 5.4% from 2.96% in the previous month. Positioning for the July 1<sup>st</sup> takeoff date for the multi-fund investment structure introduced by PenCom may have triggered PFA activities in June.

**Fig. 7 Foreign vs Domestic Participation**

**Fig. 8 Investors' Classification**



Source: NSE

**Table 3 Top 5 Sectors/Industries**

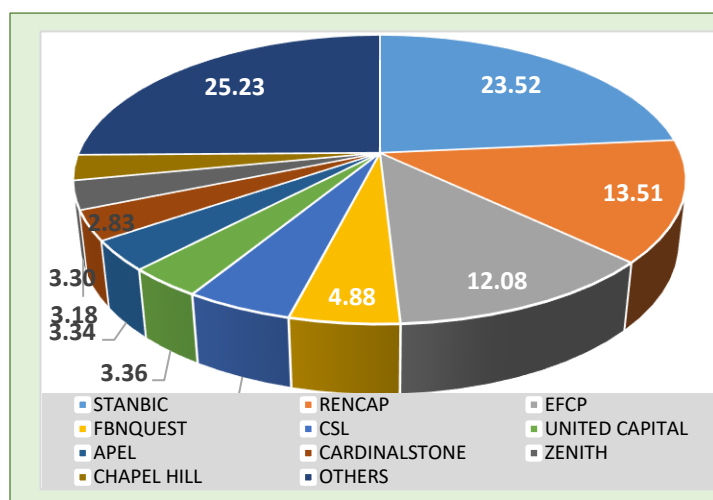
**Table 4 Top 10 Securities**

Sector	Volume	Value (NGN)	Val (%)
BANKING	3,594,791,536	49,701,988,664.89	52.93
BUILDING MATERIALS	113,607,528	9,499,295,070.50	10.12
BEVERAGES	247,728,683	8,723,209,330.57	9.29
OTHER FINANCIAL	1,102,762,772	7,201,318,906.09	7.67
FOOD	339,951,820	5,507,349,163.84	5.87
<b>TOP 5 TOTAL</b>	<b>5,398,842,339</b>	<b>80,633,161,135.89</b>	<b>85.88</b>
<b>EQUITY TOTAL</b>	<b>7,104,350,397</b>	<b>93,893,496,483.00</b>	<b>100.00</b>

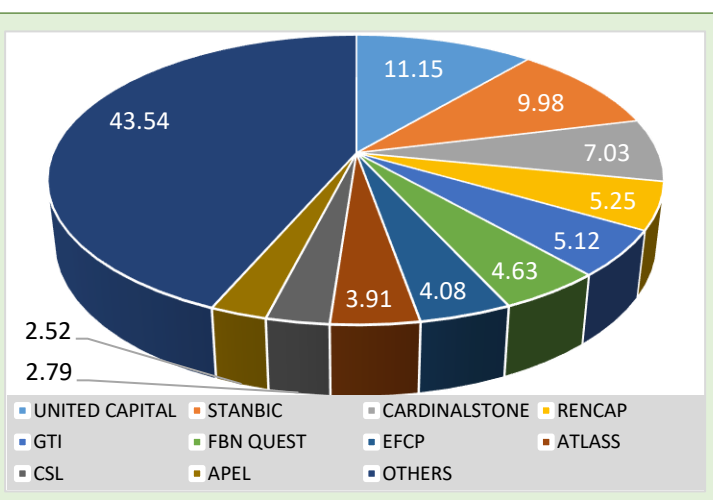
Security	Volume	Value (NGN)	Val (%)
GUARANTY	535,118,852	21,944,491,979.35	23.37
ZENITHBANK	483,529,218	12,682,758,686.15	13.51
DANGCEM	30,633,820	7,028,147,581.30	7.49
NB	58,320,611	6,381,619,156.30	6.80
UBA	544,558,953	5,899,588,518.30	6.28
ACCESS	471,990,004	5,057,573,602.90	5.39
NESTLE	2,594,952	3,831,884,928.30	4.08
FBNH	327,782,422	3,525,562,272.45	3.75
DANGSUGAR	163,192,795	3,251,069,878.50	3.46
SEPLAT	3,936,328	2,765,434,074.80	2.95
<b>TOP 10 TOTAL</b>	<b>2,621,657,955</b>	<b>72,368,130,678.35</b>	<b>77.07</b>
<b>EQUITY TOTAL</b>	<b>7,104,350,397</b>	<b>93,893,496,482.86</b>	<b>100.00</b>

Top ten brokers executed 74.77% of total transaction value and 56.46% of total volumes traded in the month of June.

**Fig. 9 Top Brokers by Transaction Value (%)**



**Fig. 10 Top Brokers by Volume (%)**



Source: NSE

**Table 5: Corporate Results**

S/N	COMPANY	PERIOD	CORPORATE ACTION	DIVIDEND
1.	CONOIL PLC	FY DEC 2017	Dividend	N2.00
2.	EKOCORP PLC.	FY DEC 2017	-	-
3.	LEARN AFRICA PLC	FY DEC 2017	-	-
4.	GREAT NIGERIA INSURANCE PLC	FY DEC 2017 & Q1 MAR 2018	-	-
5.	CHELLARAMS PLC.	FY MAR 2018	-	-
6.	TRIPPLE GEE AND COMPANY PLC.	FY MAR 2018	-	-
7.	NIGER INSURANCE PLC.	FY DEC 2017	-	-
8.	STANBIC IBTC HOLDINGS PLC	HY JUN 2018	-	-
9.	HONEYWELL FLOUR MILL PLC	FY MAR 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
HY	Half Year
IEFX	Investors and Exporters Foreign Exchange Window
JSE/FTSE	FTSE/JSE All Share Index
LHA	Left Hand Axis
MOEX	Moscow Exchange Russia Index
MoM	Month on Month
MSCI DM	MSCI Developed Market Index
Nairobi SE	Nairobi Stock Exchange All Share Index
PenCom	National Pension Commission
PFA	Pension Fund Administrators
Q1	First Quarter
RHA	Right Hand Axis
SGX/FTSE	FTSE Strait Times Singapore Index
US	The United States
YtD	Year to Date
9M	Nine Months

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