

Equity Market Extends Loss till Day Three

The equity market closed the day's trading session in the red zone as the NSE All Share Index and Market Capitalization declined by 0.51% to close at 25,903.55 points and ₦8.93 trillion respectively. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stand at -3.61% and -3.61%, while the Month-to-Date (MtD) and the Week-to-Date returns stand at -0.51% and -1.61% respectively.

NSE Sector Indices: Only one out of the major NSE indices (within our coverage) advanced in points while the remaining five major NSE Index declined in point. The only NSE index advancer is the NSE Premium (+0.71%) while the NSE index decliners are the NSE Consumer Goods (-3.21%), the NSE Oil & Gas (-2.31%), the NSE 30 (-0.90%), the NSE Banking (-0.47%) and the NSE Insurance (-0.46%).

The market breadth (gainers/losers) of 0.33x for the day indicates that the number of sellers outpaced the number of buyers in the market today. At the end of the day's trading, 9 stocks advanced as 27 stocks declined; WAPCO (+8.27%), CAVERTON (+4.00%) and ACCESS (+3.03%) led the gainers chart while FO (-5.00%), GUINNESS (-4.99%) and UNILEVER (-4.99%) led the losers chart for the day.

The day's trading activities by volume was led by DIAMONDBNK (43.127 million), STACO (20.002 million) and FIDELITYBK (18.347 Million) while the activity by value was led by GLAXOSMITH (₦0.208 billion), SEPLAT (₦0.201 billion) and GUARANTY (₦0.123 billion).

Outlook: The equity market closed in the red zone for the third consecutive trading session as persistent sell offs in market blue chip stocks dragged the NSEASI southwards. We however attribute the negative outing witnessed in the market today to poor earnings result released by some companies in the week, even as the general weak sentiment remains prevalent in the equities space. We advise investors to take positions in the market based on stock fundamentals.

TOP GAINERS

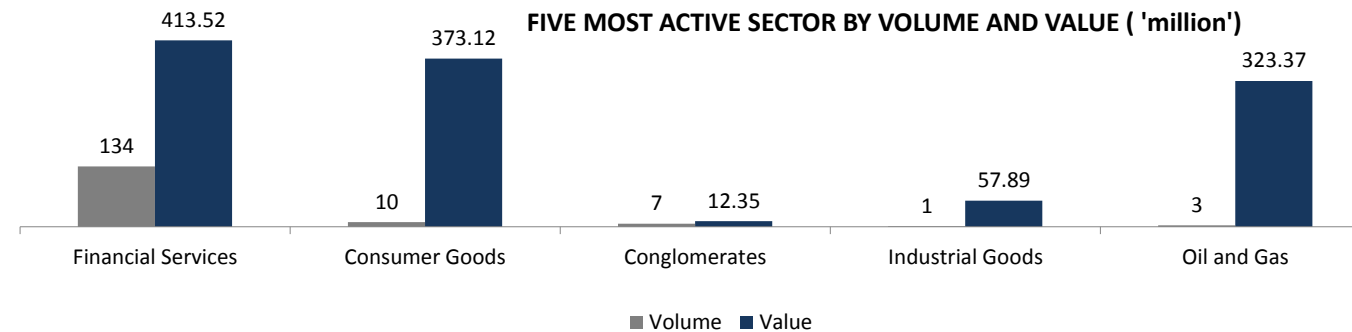
	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	WAPCO	41.01	44.40	3.39 ↑	8.27%
2	CAVERTON	0.75	0.78	0.03 ↑	4.00%
3	ACCESS	6.60	6.80	0.20 ↑	3.03%
4	UNITYBNK	0.78	0.80	0.02 ↑	2.56%
5	UBA	4.77	4.88	0.11 ↑	2.31%
6	NASCON	7.83	8.00	0.17 ↑	2.17%
7	MOBIL	270.00	275.00	5.00 ↑	1.85%
8	DANGCEM	166.00	168.00	2.00 ↑	1.20%
9	MANSARD	1.59	1.60	0.01 ↑	0.63%
10				0.00 ↑	0.00%

TOP LOSERS

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	FO	71.22	67.66	-3.56 ↓	-5.00%
2	GUINNESS	64.15	60.95	-3.20 ↓	-4.99%
3	UNILEVER	35.50	33.73	-1.77 ↓	-4.99%
4	TOURIST	3.68	3.50	-0.18 ↓	-4.89%
5	NEIMETH	0.65	0.62	-0.03 ↓	-4.62%
6	CONTINSURE	1.11	1.06	-0.05 ↓	-4.50%
7	TOTAL	290.01	278.00	-12.01 ↓	-4.14%
8	LEARNAFRCA	0.77	0.74	-0.03 ↓	-3.90%
9	NESTLE	727.00	699.99	-27.01 ↓	-3.72%
10	NB	139.80	134.85	-4.95 ↓	-3.54%

NSE MARKET DAILY STATISTICS				
	Today	Previous		% Change
NSE All Share Index (NSEASI)	25,903.55	26,036.24	↓	-0.51%
Market Cap. (₦ 'trn)	8.93	8.97	↓	-0.51%
Transaction Volume (million)	305.02	205.77	↑	48.23%
Market Turnover (₦ 'million)	1,571.33	2,762.79	↓	-43.13%
Number of Deals	2,620	2,914	↓	-10.09%

Source: Nigerian Stock Exchange (NSE) / PAC Research



NSE SECTOR INDICES				
	Today	Previous	% Change	YtD(%)
NSE 30	1,147.75	1,158.22	↓ -0.90%	↓ -3.97%
NSE Banking 10	276.03	277.32	↓ -0.47%	↑ 0.62%
NSE Oil&Gas 5	292.44	299.35	↓ -2.31%	↓ -6.47%
NSE Insurance 10	124.31	124.89	↓ -0.46%	↓ -1.57%
NSE Consumer Goods 10	640.01	661.26	↓ -3.21%	↓ -10.19%
NSE Premium Index	1,658.90	1,647.27	↑ 0.71%	↓ -2.16%

Source: Nigerian Stock Exchange (NSE) / PAC Research

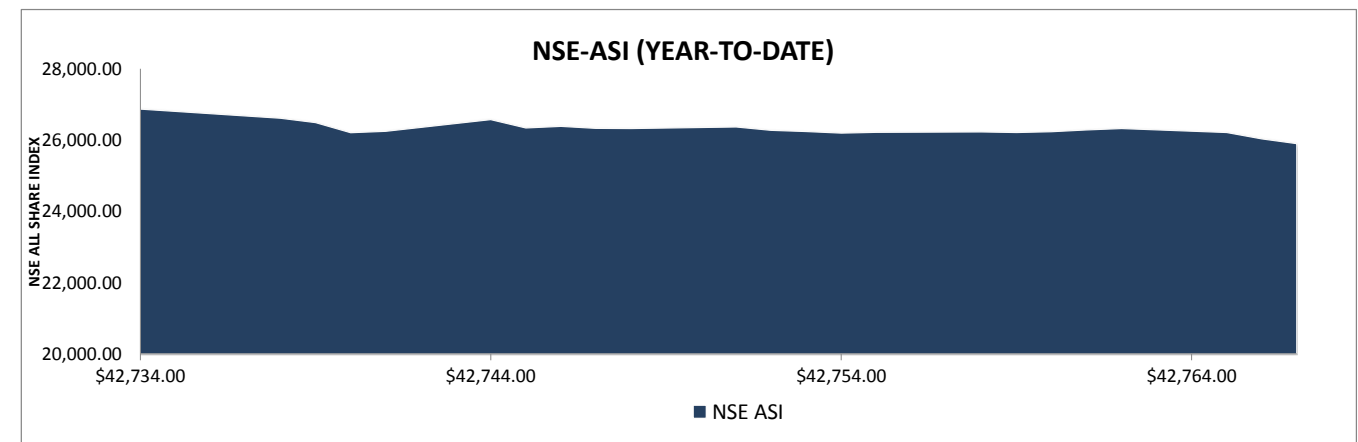
NSE RETURN HISTORY		
Day Change	↓	-0.51%
Week-to-Date	↓	-1.61%
Month-to-Date	↓	-0.51%
Quarter-to-Date	↓	-3.61%
Year-to-Date	↓	-3.61%

TOP TRADED STOCKS BY VOLUME	
STOCK	VOLUME
DIAMONDBNK	43,127,358
STACO	20,002,000
FIDELITYBK	18,347,189
GLAXOSMITH	13,875,130
UBA	11,363,140

TOP TRADED STOCKS BY VALUE	
STOCK	VALUE (₦)
GLAXOSMITH	208,126,927.50
SEPLAT	201,282,430.20
GUARANTY	122,676,642.60
NB	107,732,959.03
INTBREW	102,979,380.00

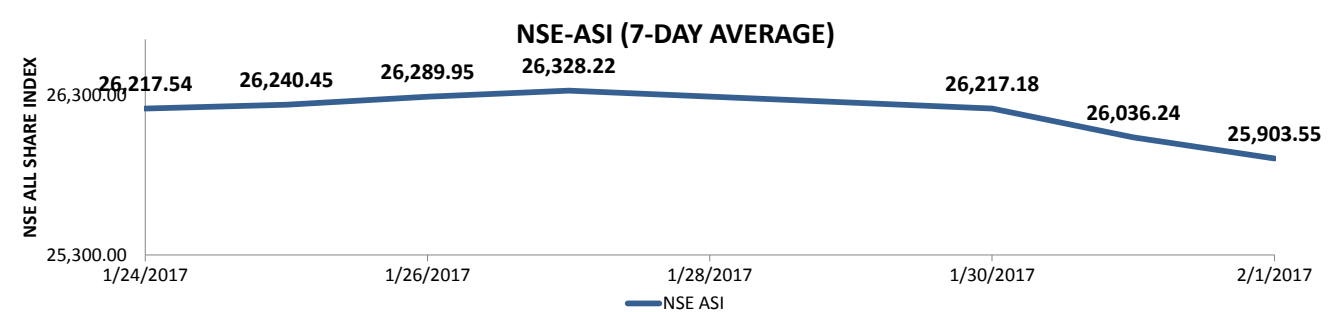
Source: Nigerian Stock Exchange (NSE) / PAC Research

10 TOP LOSER STOCKS YEAR TO DATE			BEST 10 STOCKS YEAR TO DATE		
1	GUINNESS	-26.61%	1	UNITYBNK	40.35%
2	NEM	-22.86%	2	DNMEYER	30.00%
3	NEIMETH	-20.51%	3	UCAP	24.20%
4	FO	-19.66%	4	FCMB	20.00%
5	CUTIX	-16.40%	5	ACCESS	17.04%
6	HONYFLOUR	-15.38%	6	NEWGOLD	16.36%
7	AGLEVENT	-14.58%	7	ETERNA	15.48%
8	FIDSON	-14.29%	8	STANBIC	10.26%
9	NAHCO	-14.24%	9	PRESCO	10.22%
10	NESTLE	-13.58%	10	OKOMUOIL	9.98%



COMPANY	TURNOVER (₦'B)	CURRENT PAT (₦'B)	PREVIOUS PAT (₦'B)	PERIOD
VITAFOAM NIGERIA PLC.	5.287	0.836	0.108	Q4 2016
UNIVERSITY PRESS PLC.	0.232	-0.075	-0.084	Q4 2016
HONEYWELL FLOUR MILLS PLC.	0.038	0.001	0.001	Q4 2016
FLOURMILLS NIGERIA PLC.	134.639	0.933	-5.016	Q4 2016
AVON CROWNCRAPPS & CONTAI	6.389	-0.123	-0.022	Q4 2016

Source: Nigerian Stock Exchange (NSE) / PAC Research



FIXED INCOME REPORT

Treasury Bills Market:

In the treasury bills market, the average market yield fell by 7bps as it closed at 18.43% compared to 18.55% it closed in the last trading session. At the end of the trading today, the 27-APR-17, 20-JUL-17 and 21-DEC-17 bills closed at 14.50% (+0.04%), 18.99% (-0.22%) and 21.94% (-0.04%).

FGN Bond Market:

In the bond market today, the average market yield fell by 4bps as it closed at 16.00% against the 16.04% yield recorded in the last trading session. The result for the 27-APR-2017, 29-JUN-2019, 13-FEB-2020, 15-JULY-2021, 27-JAN-2022, 14-MAR-2024, 22-JAN-2026, 18-JUL-2034 and 18-MAR-2036 bonds traded are 13.74% (+0.17%), 16.08% (-0.20%), 16.38% (-0.05%), 16.32% (-0.07%), 16.15% (0.00%), 16.11% (+0.02%), 16.65% (-0.07%), 15.87% (-0.08%) and 16.73% (-0.07%).

Foreign Exchange Market:

At the FX Market, Naira appreciated by ₦9.75/\$ against the greenback, closing at ₦315/\$ against ₦304.50/\$ traded in the previous trading session. Also, at the parallel market, the Naira closed at ₦498.00/\$.

Money Market:

In the Money Market today, the inter-bank placement rate rose by an average of 46bps due to liquidity squeeze in the market. At the end of the trading session, the Call, 1M, 3M and 6M rate closed at 7.67% (+0.59%), 8.08% (+0.50%), 8.42% (+0.42%) and 8.67% (+0.34%) respectively. While in the Money Market Open-Buy-Back (OBB) and Overnight (O/N) rate fell by an average of 67bps, closing at 5.42% and 6.25% respectively.

EXCHANGES				
AFRICA	Index as at 01/02/2017	VALUE Δ	1/02/2016	% CHANGE
NSE	25,903.55	-132.69	26,036.24	-0.51%
BOTSWANA	1,111.45	-2.78	1,114.23	-0.25%
GHANA SE	1,781.59	5.19	1,776.40	0.29%
JSE	53,175.18	387.06	52,788.12	0.73%
RWANDA S	127.26	0.00	127.26	0.00%
UGANDA SE	1,342.00	0.00	1,342.00	0.00%
GLOBAL		VALUE Δ		% CHANGE
DOW JONES	19937.63	73.54	19864.09	0.37%
FTSE 100	7134.49	35.34	7099.15	0.50%
DAX	11708.37	173.06	11535.31	1.50%
NIKKEI 225	19148.08	106.74	19041.34	0.56%
S&P 500	2286.62	7.75	2278.87	0.34%

Source: Bloomberg / PAC Research as at 17.00 GMT

CURRENCY			
MAJOR CURRENCIES			
	CURRENCY/₦		CURRENCY/\$
USDNGN	316.00	CFA FRANC	612.29
EURNGN	327.34	S.A RAND	13.44
GBPNGN	392.78	GHANA CEDI	4.37
JPYNGN	2.68	KENYAN SHILLING	103.85
AUDNGN	230.30	RWANDA FRANC	822.50
ZARNGN	22.66	EGYPTIAN POUND	18.90
Source: Bloomberg / PAC Research as at 17.00 GMT			
CBN MONETARY INSTRUMENTS RATES			
			Jan-17
MONETARY POLICY RATE (MPR)			14
LIQUIDITY RATIO(LR)			30
CASH RESERVE RATIO(CRR) - Private(Public)			22.50 (22.50)
INFLATION RATE			18.55

MONEY MARKET INDICATORS (01/02/2017)			
INDICES	NIBOR(180 days)	LIBOR (180 days) (USD)	TB (180 days)
RATE (%)	8.3300	1.3474	19.2100

Source: FMDQ / PAC Research

COMMODITIES			
ENERGY	TODAY'S PRICE	VALUE Δ	PREVIOUS PRICE
BRENT CRUDE	56.05	0.47	55.58
WTI CRUDE	53.17	0.36	52.81
GASOLINE	157.61	2.60	155.01
NATURAL GAS	3.17	0.05	3.12
METALS		VALUE Δ	
GOLD	1201.19	-9.53	1210.72
SILVER	17.42	-0.13	17.56
PLATINIUM	996.35	1.35	995.00
PALLADIUM	758.13	3.76	754.37
ALUMINIUM	1819.00	17.00	1802.00
COPPER	5991.00	171.00	5820.00
AGRICULTURE		VALUE Δ	
CORN	362.50	2.75	359.75
WHEAT	423.00	2.25	420.75
SOYBEANS	1032.50	8.00	1024.50
SUGAR	20.67	0.22	20.45
COTTON	75.79	0.85	74.94
COCOA	2126.00	23.00	2103.00

I BALANCED FUND

Investment takes different forms. In investing you need to consider a few basic things;

- a) What opportunities exist in the market
- b) How much capital to commit into investment.
- c) Transaction cost
- d) Skill and time to monitor the investment
- e) How to exit the investment

Many people often ask the question why a particular stock made more than 390% last year, and think 'if I had put my money in there my investment would have quadrupled'. While that is true, have you considered investing in some stock that delivers a negative return of about 65%? - That could be catastrophic. You wouldn't know on face value what stock would likely do well at the end of the day. This is why diversification is essential, so that as your portfolio risk is spread out.

It does not require a huge amount to build a well-diversified portfolio. One can benefit from portfolio diversification, professional management, competitive returns and broad investment opportunities simply by investing in a vehicle such as a Mutual Fund. Buying into a fund provides great benefit to investors with limited knowledge, time or money, while expanding the opportunities available to the investor.

A Balanced Fund is a type of collective investment scheme that invests in multiple asset classes giving you an opportunity to benefit from a broader range of investment securities. Let me introduce PACAM Balanced Fund sponsored by the PAC Asset Management LTD.

The PACAM Fund is an Open-ended Balanced Fund that will be invested in a mix of instruments across four asset classes and target locations are as follow ; Equity (up to 40%), Bonds (up to 15%), Money Market (up to 15%) and Real Estate (up to 30%.) The Fund seeks to achieve an efficient balance between capital appreciation and income for investors with modest risk appetite.

Unit Of Sale: Minimum of 50,000 units and multiples of 10,000 units thereafter.

Offer Price: N1:00 per unit

How to subscribe:

Visit www.pacassetmanagement.com/mutualfunds download the application form, complete it and make payment at any branch of Access or Unity Bank to the following account numbers

Access Bank: 0694495528

Unity Bank: 0024075950

Please scan completed application form and payment evidence to info@pacassetmanagement.com

Redemption: You can redeem your money within 5 working days after the relevant documents have been submitted to the fund manager, but any redemption within 90 days from the date you subscribed for units will attract a fee in an amount equal to 10% of the positive total return of the units being redeemed on the day of redemption.

Reinvestment Option: Investors may either elect to receive dividend payments or, reinvestment of such dividends.

Dividend Payment: Dividend as declared, shall be distributed electronically within 7 working days after SEC approval of the funds financial results.

To know more, please contact **Dele** on **01 271 8632**.

EARNINGS UPDATES

VITAFOAM NIGERIA PLC (INTERIM DIVIDEND)

Proposed Dividend: 12 kobo per share
Proposed Bonus: NA
Closure Date: 13th February - 17th February 2017
Qualification Date: NA
AGM Date: 2nd March, 2017
Payment Date: 9th March, 2017
AGM Venue: Lagos Sheraton Hotel, Ikeja, Lagos

TOTAL NIGERIA PLC. (INTERIM DIVIDEND)

Proposed Dividend: 700 kobo per share
Proposed Bonus: NA
Closure Date: 21st November - 25th November 2016
Qualification Date: 18th November, 2016
AGM Date: NA
Payment Date: 5th Decmber, 2016
AGM Venue: NA

NIGERIAN BREWERIES (INTERIM DIVIDEND)

Proposed Dividend: 100 kobo per share
Proposed Bonus: NA
Closure Date: 17th November - 23th November 2016
Qualification Date: 16th November, 2016
AGM Date: NA
Payment Date: 24th November 2016
AGM Venue: NA

ACCESS BANK PLC. (INTERIM DIVIDEND)

Proposed Dividend: 25k
Proposed Bonus: NA
Closure Date: 6 September, 2016
Qualification Date: NA
AGM Date: NA
Payment Date: 13 September, 2016
AGM Venue: NA

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