

## Equity Market Resumes Week Bearish as Market Capitalization Declines to N8.82 Trillion

The equity market closed the first day of the week's trading session in the red zone as the NSE All Share Index and Market Capitalization declined by 0.83% to close at 25,587.09 points and ₦8.82 trillion respectively. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stand at -4.79% and -4.79%, while the Month-to-Date (MtD) and the Week-to-Date returns stand at -1.73% and -0.83% 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 Consumer Goods (+0.02%), while the NSE index decliners are the NSE Premium (-1.67%), the NSE Banking (-0.96%), the NSE Insurance (-0.95%), the NSE 30 (-0.68%) and the NSE Oil & Gas (-0.52%).

The market breadth (gainers/losers) of 0.32x 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, 8 stocks advanced as 25 stocks declined; UCAP (+4.79%), LIVESTOCK (+4.00%) and AIICO (+1.72%) led the gainers chart while UAC-PROP (-9.27%), AIRSERVICE (-9.13%) and GLAXOSMITH (-5.00%) led the losers chart for the day.

The day's trading activities by volume was led by FBNH (25.253 million), STACO (20.000 million) and FIDELITYBK (13.551 Million) while the activity by value was led by ZENITHBANK (₦0.187 billion), GUARANTY (₦0.115 billion) and FBNH (₦0.088 billion).

**Outlook:** The equity market opens the week in the southward direction similar to the previous week sustaining the negative sentiment from the previous week. The bearish market performance remains driven by expectations of uninspiring corporate earnings releases and declines across key sectors. We expect further losses on the bourse in tomorrow's session given the prevalent bearish market sentiment. However, we do not rule out the possibility of bargain hunting.

### TOP GAINERS

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	UCAP	3.55	3.72	0.17 ↑	4.79%
2	LIVESTOCK	0.75	0.78	0.03 ↑	4.00%
3	AIICO	0.58	0.59	0.01 ↑	1.72%
4	NEM	0.80	0.81	0.01 ↑	1.25%
5	DANGSUGAR	6.01	6.05	0.04 ↑	0.67%
6	NB	133.11	133.50	0.39 ↑	0.29%
7	GUARANTY	23.02	23.08	0.06 ↑	0.26%
8	STANBIC	17.80	17.81	0.01 ↑	0.06%
9				0.00 ↑	0.00%
10				0.00 ↑	0.00%

### TOP LOSERS

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	UAC-PROP	2.48	2.25	-0.23 ↓	-9.27%
2	AIRSERVICE	2.63	2.39	-0.24 ↓	-9.13%
3	GLAXOSMITH	15.00	14.25	-0.75 ↓	-5.00%
4	PZ	13.54	12.87	-0.67 ↓	-4.95%
5	NEIMETH	0.62	0.59	-0.03 ↓	-4.84%
6	MANSARD	1.52	1.45	-0.07 ↓	-4.61%
7	NPFMCRFBK	1.13	1.08	-0.05 ↓	-4.42%
8	TRANSEXPR	0.96	0.92	-0.04 ↓	-4.17%
9	LEARNAFRCA	0.74	0.71	-0.03 ↓	-4.05%
10	UBA	5.00	4.80	-0.20 ↓	-4.00%

NSE MARKET DAILY STATISTICS				
	Today	Previous		% Change
NSE All Share Index (NSEASI)	25,587.09	25,802.54	↓	-0.83%
Market Cap. (₦ 'trn)	8.82	8.89	↓	-0.84%
Transaction Volume (million)	152.40	144.63	↑	5.37%
Market Turnover (₦ 'million)	903.53	1,223.70	↓	-26.16%
Number of Deals	2,706	2,350	↑	15.15%

Source: Nigerian Stock Exchange (NSE) / PAC Research

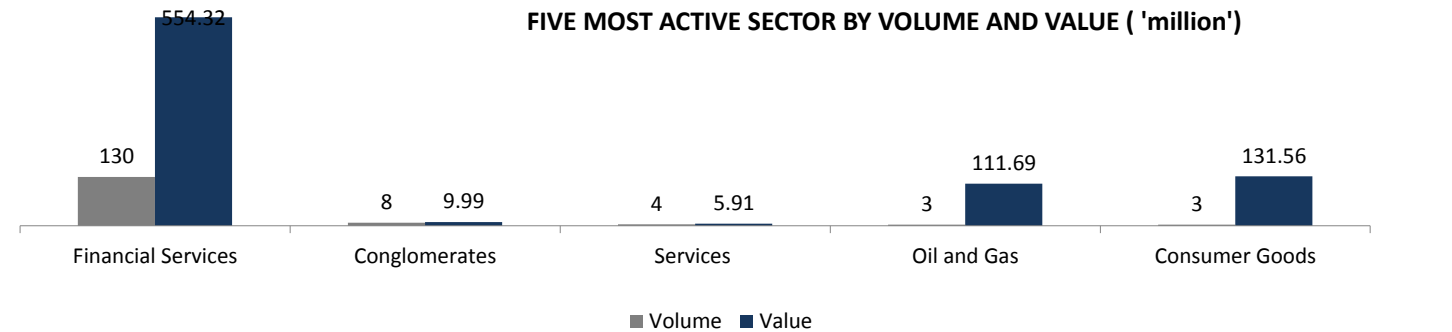
NSE SECTOR INDICES				
	Today	Previous	% Change	YtD(%)
NSE 30	1,133.99	1,141.72	↓ -0.68%	↓ -5.12%
NSE Banking 10	273.53	276.17	↓ -0.96%	↓ -0.29%
NSE Oil&Gas 5	286.46	287.96	↓ -0.52%	↓ -8.39%
NSE Insurance 10	122.51	123.69	↓ -0.95%	↓ -2.99%
NSE Consumer Goods 10	632.99	632.85	↑ 0.02%	↓ -11.18%
NSE Premium Index	1,633.66	1,661.46	↓ -1.67%	↓ -3.65%

Source: Nigerian Stock Exchange (NSE) / PAC Research

10 TOP LOSER STOCKS YEAR TO DATE			BEST 10 STOCKS YEAR TO DATE		
1	FO	-27.87%	1	UNITYBNK	40.35%
2	NEIMETH	-24.36%	2	UCAP	32.38%
3	NEM	-22.86%	3	DNMEYER	30.00%
4	GUINNESS	-20.26%	4	FCMB	18.18%
5	UAC-PROP	-18.18%	5	NEWGOLD	16.36%
6	CUTIX	-17.99%	6	ETERNA	15.48%
7	NESTLE	-16.05%	7	ACCESS	14.46%
8	HONYFLOUR	-15.38%	8	STANBIC	13.51%
9	TRANSCORP	-14.94%	9	CONTINSURE	11.11%
10	AGLEVENT	-14.58%	10	PRESCO	10.02%

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

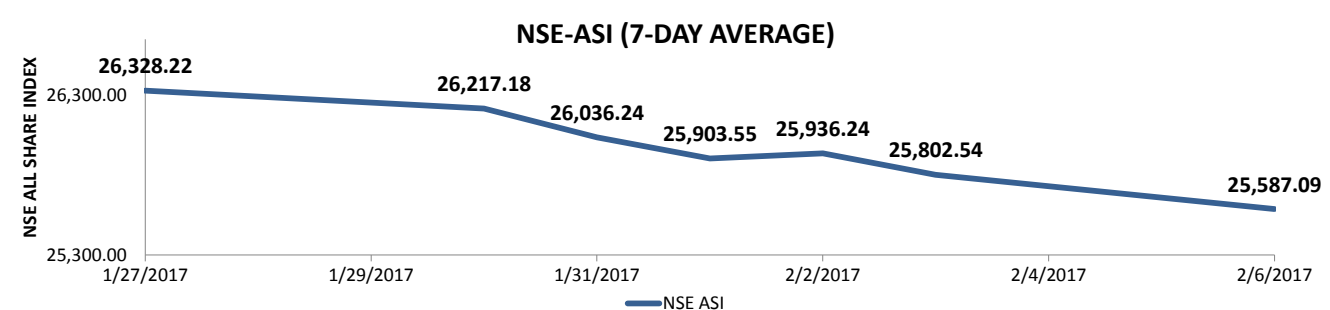
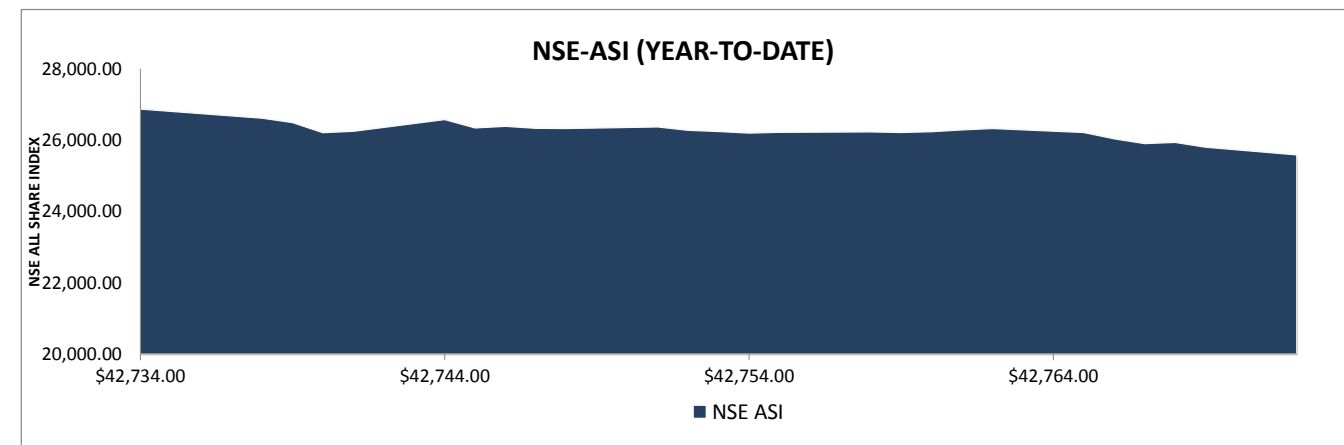


NSE RETURN HISTORY		
Day Change	↓	-0.83%
Week-to-Date	↓	-0.83%
Month-to-Date	↓	-1.73%
Quarter-to-Date	↓	-4.79%
Year-to-Date	↓	-4.79%

Source: Nigerian Stock Exchange (NSE) / PAC Research

TOP TRADED STOCKS BY VOLUME		TOP TRADED STOCKS BY VALUE	
STOCK	VOLUME	STOCK	VALUE (₦)
FBNH	25,253,363	ZENITHBANK	187,323,664.64
STACO	20,000,000	GUARANTY	114,730,626.66
FIDELITYBK	13,550,950	FBNH	88,244,842.78
FCMB	13,259,058	NB	62,571,315.54
ZENITHBANK	12,179,889	DANGCEM	61,488,540.84

Source: Nigerian Stock Exchange (NSE) / PAC Research



## FIXED INCOME REPORT

### Treasury Bills Market:

In the treasury bills market, the average market yield fell by 8bps as it closed at 17.92% compared to 18.00% 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 14.04% (+0.07%), 18.36% (-0.16%) and 21.37% (-0.14%).

### FGN Bond Market:

In the bond market today, the average market yield fell by 5bps as it closed at 15.96% against the 16.01% 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 12.64% (-0.59%), 16.15% (+0.03%), 16.47% (0.00%), 16.47% (0.00%), 16.18% (+0.02%), 16.19% (+0.05%), 16.73% (-0.04%), 15.97% (+0.06%) and 16.80% (+0.02%).

### Foreign Exchange Market:

At the FX Market, Naira traded flat against the greenback, closing at ₦305.5/\$ it traded in the previous trading session. Also, at the parallel market, the Naira traded flat at ₦498.00/\$.

### Money Market:

In the Money Market today, the inter-bank placement rate fell by an average of 88bps due to liquidity ease in the market. At the end of the trading session, the Call, 1M, 3M and 6M rate closed at 12.67% (+0.67%), 13.83% (-0.67%), 14.33% (-0.67%) and 14.83% (-0.67%) respectively. While in the Money Market Open-Buy-Back (OBB) and Overnight (O/N) rate fell by an average of 34bps, closing at 11.50% and 12.00% respectively.

EXCHANGES				
AFRICA	Index as at 06/02/2017	VALUE Δ	03/02/2016	% CHANGE
NSE	25,587.09	-215.45	25,802.54	-0.83%
BOTSWANA	1,079.90	0.00	1,079.90	0.00%
GHANA SE	1,794.48	-31.11	1,825.59	-1.70%
JSE	52,170.64	-94.52	52,265.16	-0.18%
RWANDA S	127.32	0.06	127.26	0.05%
UGANDA SE	1,368.21	0.06	1,368.15	0.00%
GLOBAL		VALUE Δ		% CHANGE
DOW JONES	20071.77	0.31	20071.46	0.00%
FTSE 100	7181.15	-7.15	7188.30	-0.10%
DAX	11556.55	-94.94	11651.49	-0.81%
NIKKEI 225	18976.71	58.51	18918.20	0.31%
S&P 500	2294.39	-3.03	2297.42	-0.13%

Source: Bloomberg / PAC Research as at 17.00 GMT

CURRENCY			
MAJOR CURRENCIES			
	CURRENCY/₦		CURRENCY/\$
USDNGN	315.06	CFA FRANC	612.97
EURNGN	337.87	S.A RAND	13.39
GBPNGN	392.02	GHANA CEDI	4.40
JPYNGN	2.80	KENYAN SHILLING	103.73
AUDNGN	240.63	RWANDA FRANC	817.99
ZARNGN	23.54	EGYPTIAN POUND	18.41

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 (06/02/2017)			
INDICES	NIBOR(180 days)	LIBOR (180 days) (USD)	TB (180 days)
RATE (%)	14.8300	1.3499	18.3600

Source: FMDQ / PAC Research

COMMODITIES			
ENERGY	TODAY'S PRICE	VALUE Δ	PREVIOUS PRICE
BRENT CRUDE	56.54	-0.27	56.81
WTI CRUDE	53.68	-0.15	53.83
GASOLINE	155.80	0.43	155.37
NATURAL GAS	3.04	-0.02	3.06
METALS		VALUE Δ	
GOLD	1226.33	6.03	1220.30
SILVER	17.61	0.09	17.51
PLATINIUM	1009.03	4.26	1004.77
PALLADIUM	768.27	17.85	750.42
ALUMINIUM	1834.50	5.50	1829.00
COPPER	5772.00	-114.00	5886.00
AGRICULTURE		VALUE Δ	
CORN	366.50	1.25	365.25
WHEAT	431.00	0.75	430.25
SOYBEANS	1039.25	12.25	1027.00
SUGAR	21.26	0.15	21.11
COTTON	75.77	-0.64	76.41
COCOA	2045.00	-27.00	2072.00

## 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](http://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](mailto: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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