

Monday, 31 December 2018

2019! A BEAR MARKET STILL LURKS; NSE ASI GAINS 1.27% AT THE CLOSE OF MARKET, SHEDS 17.81% YTD

Equities market closed the day's trading session in green zone as the NSE All Share Index and Market Capitalisation appreciated by 1.27% to close at 31,430.50 and ₦11.72 trillion respectively. Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stand at -17.81% and -4.08%, while the Month-to-Date (MtD) and Week-to-Date returns stand at -15.09% and 1.27% respectively

NSE Sector Indices: Of all the Industries on the NSE within our coverage, all 6 sectors advanced in points. The NSE sector indices that advanced in points were NSE OIL AND GAS (+3.73%), PREMIUM (+3.03%), NSE CONSUMER GOODS (+1.42%), NSE 30 (+1.08%), NSE INSURANCE (+0.41%) and NSE BANKING (+0.30%).

The market breadth (gainers/losers) of 1.88x for the day indicates that the number of buyers outpaced the number of sellers in the market today. At the end of the day's trading, 32 stocks advanced as 17 stocks declined; VITAFOAM (+10.00%), CHAMPION (+9.94%) and DIAMONDBNK (+9.55%) led the gainers chart while STANBIC (-9.95%), FO (-9.89%) and NEIMETH (-9.30%) led the losers chart for the day

The day's trading activities by volume was led by UNIONDAC (267.50million), DIAMONDBNK (227.57million) and NEM (145.29million) while the activities by value was led by ZENITHBANK (₦0.84billion), DANGCEM (₦0.60billion) and GUARANTY (₦0.53billion).

Outlook: Nigerian bourse ends the year 2018 trading in the green zone. The market however shed 17.81% Ytd with the market breadth of today's activity at 1.88x (vs 0.67x in last trading day).

With rates reaching record high in the US and falling investor confidence in the Nigerian equities market owing essentially to next year's general election tensions, we expect further sell off or Nigerian bourse till uncertainties around the elections fades off.

TOP GAINERS						
Stock	Previous Close	Today's Close	Change (₦)		%Change	
1 VITAFOAM	4.00	4.40	0.40	↑	10.00	
2 CHAMPION	1.81	1.99	0.18	↑	9.94	
3 DIAMONDBNK	1.99	2.18	0.19	↑	9.55	
4 UNITYBNK	0.98	1.07	0.09	↑	9.18	
5 LINKASSURE	0.66	0.72	0.06	↑	9.09	
6 NIGERINS	0.22	0.24	0.02	↑	9.09	
7 AIRSERVICE	7.25	7.90	0.65	↑	8.97	
8 SEPLAT	592.50	640.00	47.50	↑	8.02	
9 CUSTODIAN	5.25	5.65	0.40	↑	7.62	
10 PZ	11.45	12.10	0.65	↑	5.68	

TOP LOSERS						
Stock	Previous Close	Today's Close	Change (₦)		%Change	
1 STANBIC	53.25	47.95	-5.30	↓	-9.95	
2 FO	31.85	28.70	-3.15	↓	-9.89	
3 NEIMETH	0.86	0.78	-0.08	↓	-9.30	
4 AIICO	0.69	0.63	-0.06	↓	-8.70	
5 CUTIX	1.78	1.64	-0.14	↓	-7.87	
6 UNIONDAC	0.27	0.25	-0.02	↓	-7.41	
7 SOVRENINS	0.22	0.21	-0.01	↓	-4.55	
8 MANSARD	1.90	1.83	-0.07	↓	-3.68	
9 CCNN	19.95	19.40	-0.55	↓	-2.76	
10 FCMB	1.94	1.89	-0.05	↓	-2.58	

NSE MARKET DAILY STATISTICS				
	Today	Previous		% Change
NSE All Share Index (NSEASI)	31,430.50	31,037.72	↑	1.27%
Market Cap. (₦ 'trn)	11.72	11.34	↑	3.38%
Transaction Volume (million)	929.32	1,962.03	↓	-52.63%
Market Turnover (₦ 'million)	3,951.55	6,544.80	↓	-39.62%
Number of Deals	4,144	4,080	↑	1.57%

Source: Nigerian Stock Exchange (NSE) / PAC Research

NSE SECTOR INDICES					
	Today	Previous	% Change		YtD(%)
NSE 30	1,417.15	1,402.00	↑ 1.08%	↓	-18.87%
NSE Banking 10	398.94	397.76	↑ 0.30%	↓	-16.09%
NSE Oil&Gas 5	302.23	291.36	↑ 3.73%	↓	-8.61%
NSE Insurance 10	126.48	125.96	↑ 0.41%	↓	-9.25%
NSE Consumer Goods 10	748.83	738.38	↑ 1.42%	↓	-23.28%
NSE Premium Index	2,195.03	2,130.49	↑ 3.03%	↓	-14.39%

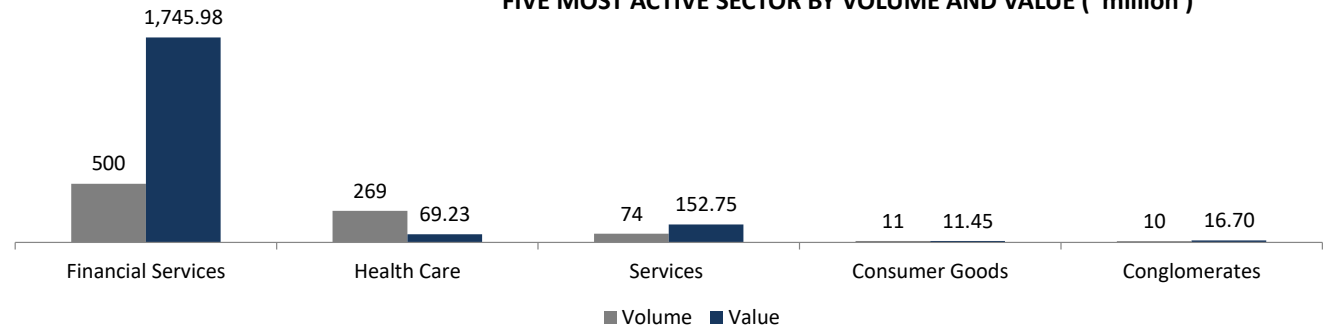
Source: Nigerian Stock Exchange (NSE) / PAC Research

10 TOP LOSER STOCKS YEAR TO DATE			BEST 10 STOCKS YEAR TO DATE		
1	WAPCO	-72.27%	1	NEM	70.89%
2	MCNICHOLS	-63.57%	2	STERLN BANK	68.14%
3	AGLEVENT	-61.43%	3	LEARNAFRCA	54.55%
4	FTNCOCOA	-60.00%	4	CAVERTON	48.84%
5	UNIC	-60.00%	5	SKYEBANK	48.08%
6	AFRINSURE	-60.00%	6	VITAFOAM	44.74%
7	MULTIVERSE	-60.00%	7	DIAMONDBNK	38.85%
8	DUNLOP	-60.00%	8	CONTINSURE	36.43%
9	COURTVILLE	-60.00%	9	FIDSON	33.42%
10	EQUITYASUR	-60.00%	10	BETAGLAS	33.11%

COMPANY	TURNOVER (₦'B)	CURRENT PAT (₦'B)	PREVIOUS PAT (₦'B)	PERIOD
ZENITH BANK PLC	322.20	81.74	75.32	H1 2018
NIGERIAN BREWERIES PLC	183.69	18.44	23.75	H1 2018
DANGOTE CEMENT PLC	482.44	113.16	109.71	H1 2018
ACCESS BANK PLC	137.53	22.12	22.41	Q1 2018
UNILEVER NIG PLC	48.13	5.60	3.51	H1 2018

Source: Nigerian Stock Exchange (NSE) / PAC Research

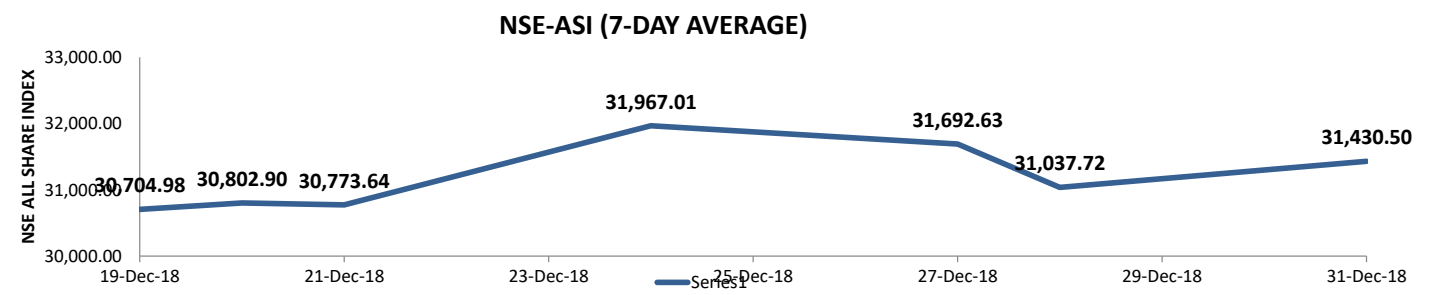
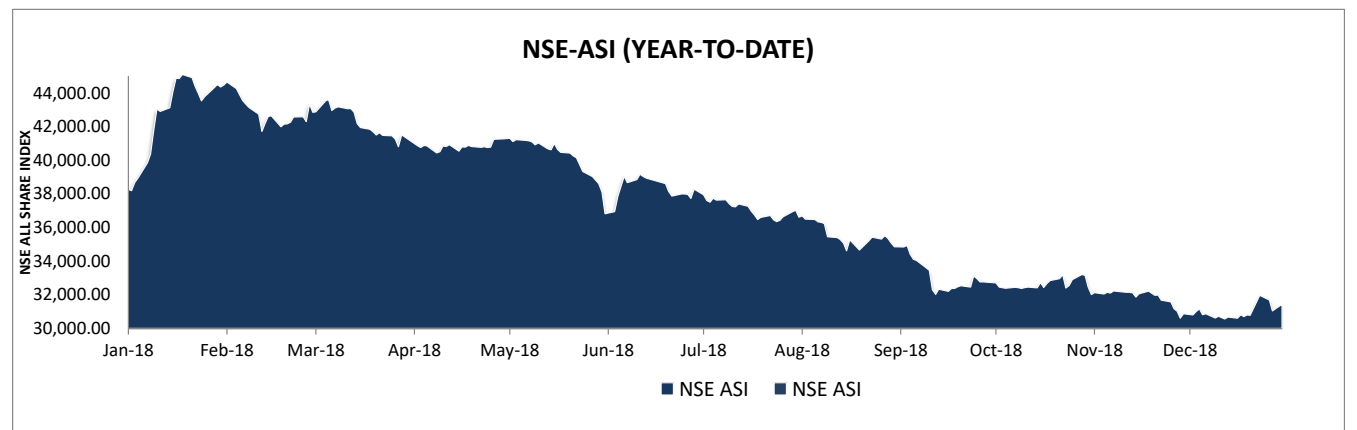
FIVE MOST ACTIVE SECTOR BY VOLUME AND VALUE ('million')



NSE RETURN HISTORY		
Day Change	↑	1.27%
Week-to-Date	↑	1.27%
Month-to-Date	↓	-15.09%
Quarter-to-Date	↓	-4.08%
Year-to-Date	↓	-17.81%

TOP TRADED STOCKS BY VOLUME		TOP TRADED STOCKS BY VALUE	
STOCK	VOLUME (UNITS)	STOCK	VALUE (₦)
UNIONDAC	267,496,891	ZENITHBANK	840,973,082.15
DIAMONDBNK	227,572,237	DANGCEM	596,453,951.30
NEM	145,288,647	GUARANTY	529,019,200.65
MEDVIEWAIR	70,912,684	DIAMONDBNK	492,748,840.07
FIDELITYBK	48,031,190	NEM	392,198,666.32

Source: Nigerian Stock Exchange (NSE) / PAC Research



FIXED INCOME REPORT AS AT DECEMBER 31, 2018

Treasury Bills Market:

In the treasury bills markets, the average yield decrease by 1bps as it closed at 14.44% today (vs. 14.45% average market yield of last trading session). At the end of the trading session today, the 21-Mar-19, 20-Jun-19 and 12-Dec-19 bills closed at 12.59% (-0.01%), 13.41% (-0.01%), and 17.31% (-0.02%) respectively.

FGN Bond Market:

In the bond market, the average market yield increase by an average of 5bps as it closed at 15.39% as against 15.34% of the previous session. The result for the 13-Dec-2020, 12-Sep-2021, 14-Mar-2024, 22-Jan-2026, 28-Nov-2028, 18-Jul-2034 and 18-Apr-2037 bonds traded are 16.03% (-0.07%), 15.05% (0.01%), 14.57% (0.15%), 15.74% (0.00%), 15.54% (0.26%), 15.49% (0.00%) and 15.54% (0.00%) respectively.

Foreign Exchange Market:

At the FX Market (CBN Official Window), Naira remains unchanged 0kobo, closing at ₦307.00/\$ today compared to the ₦307.00/\$ it traded in the previous trading session. On Investors and Exporters Window, Naira appreciated by 50 kobo against dollar as it closed at ₦364.00/\$ today (vs. ₦364.50/\$ it closed in the previous trading session).

Money Market:

In the Money Market today, the REPO rate decreased by an average of 0bps to ease liquidity. At the end of the trading session, the call, 1M, 2M, 3M rate closed at 15.00% (0.00%), 12.75% (0.00%), 12.63% (0.00%) and 13.13% (0.00%) respectively. However, Open-Buy-Back (OBB) and Overnight (O/N) rate increased by an average of 179 bps, closing at 19.00% and 20.17% respectively.

EXCHANGES				
AFRICA	31-Dec-18	VALUE Δ	30-Dec-18	% CHANGE
NSE	31,430.50	392.78	31,037.72	1.27%
BOTSWANA	1,272.06	0.00	1,272.06	0.00%
GHANA SE	2,459.68	3.13	2,456.55	0.13%
JSE	51,346.17	-223.60	51,569.77	-0.43%
RWANDA SE	130.91	0.00	130.91	0.00%
UGANDA SE	1,645.63	0.00	1,645.63	0.00%
GLOBAL		VALUE Δ		% CHANGE
DOW JONES	23256.97	-66.69	23323.66	-0.29%
FTSE 100	6735.15	-30.79	6765.94	-0.46%
DAX	10604.36	-161.85	10766.21	-1.50%
NIKKEI 225	20392.58	-595.34	20987.92	-2.84%
S&P 500	2489.81	-17.15	2506.96	-0.68%

Source: Bloomberg / PAC Research as at 18.00 GMT

CURRENCY			
MAJOR CURRENCIES			
	CURRENCY/₦		CURRENCY/\$
USD	364.36	CFA FRANC	575.74
EUR	416.65	S.A RAND	14.23
GBP	460.90	GHANA CEDI	4.91
JPY	3.26	KENYAN SHILLING	101.40
AUD	259.58	RWANDA FRANC	875.75
ZAR	25.59	EGYPTIAN POUND	17.92
Source: Bloomberg / PAC Research			
ECONOMIC INDICATORS			
	31-Dec-18		
MONETARY POLICY RATE (MPR)	14%		
LIQUIDITY RATIO(LR)	30.00%		
CASH RESERVE RATIO(CRR) Private(Public)	22.50%		
INFLATION RATE	11.28%		
GDP GROWTH RATE (Q3'18)	1.81%		

COMMODITIES			
ENERGY	TODAY'S PRICE	VALUE Δ	PREVIOUS PRICE
BRENT CRUDE	47.24	1.00	46.24
WTI CRUDE	PX_LAST	CHG_NET_1D	#VALUE!
GASOLINE	57.14	0.88	56.26
NATURAL GAS	533.75	3.50	530.25
METALS		VALUE Δ	
GOLD	3.61	-0.23	3.84
SILVER	1257.27	7.85	1249.42
PLATINIUM	14.81	0.17	14.64
PALLADIUM	798.85	8.00	790.85
ALUMINIUM	1259.00	7.75	1251.25
COPPER	1925.00	-17.00	1942.00
AGRICULTURE		VALUE Δ	
CORN	5970.00	-153.00	6123.00
WHEAT	384.50	-1.00	385.50
SOYBEANS	526.50	-6.25	532.75
SUGAR	100.50	1.10	99.40
COTTON	12.53	0.23	12.30
COCOA	28.85	0.18	28.67

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

DANGOTE CEMENT PLC(FINAL DIVIDEND)**Proposed Dividend:** 10.50 Naira per share**Proposed Bonus:** NA**Closure Date:** 16th April, 2018**Qualification Date:** 13th April, 2018**AGM Date:** 20th June, 2018**Payment Date:** 21st June, 2018**AGM Venue:** Civic Centre Victoria Island Lagos.**GUARANTY TRUST BANK PLC(INTERIM DIVIDEND)****Proposed Dividend:** 30 kobo per share**Proposed Bonus:** NA**Closure Date:** 16 August, 2018**Qualification Date:** 15 August, 2018**AGM Date:** NA**Payment Date:** 30 August, 2018**AGM Venue:** NA**ZENITH BANK PLC(FINAL DIVIDEND)****Proposed Dividend:** 30 kobo per share**Proposed Bonus:** NA**Closure Date:** 20 August, 2018**Qualification Date:** 17 August, 2018**AGM Date:** NA**Payment Date:** 29 August, 2018**AGM Venue:** NA**UNITED BANK OF AFRICA (UBA) - INTERIM DIVIDEND****Proposed Dividend:** 20 kobo per share**Proposed Bonus:** NA**Closure Date:** 12 September, 2018**Qualification Date:** 11 September, 2018**AGM Date:** NA**Payment Date:** 17 September, 2018**AGM Venue:** NA

8A, Elsie Femi Pearse, Adeola Odeku

Victoria Island, Lagos.

Tel: 234 (0) 1 2716899, 2718630

Website: www.panafricancapitalholdings.com

Email: info@panafricancapitalholdings.com

For further enquiries, please call **Charles Okonkwo on +2348036824312**

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