

Thursday, November 01, 2018

**BEARISH RUN CONTINUES IN NEW MONTH AS NSE ASI DOWN BY 1.42%**

Equities market closed the day's trading session in red zone as NSE All Share Index and Market Capitalisation depreciated by 1.42% to close at 32,006.65 and ₦11.68 trillion respectively. The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stand at -16.31% and -16.38%, while the Month-to-Date (MtD) and Week-to-Date returns stand at -1.42% and -2.74% respectively.

**NSE Sector Indices:** Of all the Industries on the NSE within our coverage all 6 sectors declined. The NSE sector indices that declined in points were NSE INSURANCE (-0.07%), NSE BANKING (-0.61%), NSE OIL AND GAS (-0.79%), NSE CONSUMER GOODS (-1.13%), NSE 30 (-1.26%) and NSE PREMIUM (-2.13%).

The market breadth (gainers/losers) of 0.48x 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, 11 stocks advanced as 23 stocks declines; JAPAUOIL (+10.00%), NEIMETH (+9.09%) and WAPIC (+7.50%) led the gainers chart while CADBURY (-10.00%), CAP (-9.97%) and ETERNA (-9.92%) led the losers chart for the day.

The day's trading activities by volume was led by FCMB (168.73million), GUARANTY (85.76million) and ZENITHBANK (24.37million) while the activities by value was led by GUARANTY (₦3.21billion), ZENITHBANK (₦0.56billion) and FCMB (₦0.26billion).

**Outlook:** Bearish run continues in new month as NSE ASI down by 1.42%. The market breadth of today's activity 0.48x (vs. 0.50x in last trading day) indicates that sellers dominated the market and were able to keep the market in the green zone.

Movements in the NSE index indicate the effect sentiments around 2019 general election is having on the market. We expect these fluctuating trends in the market to continue.

**TOP GAINERS**

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	JAPAUOIL	0.20	0.22	0.02 ↑	10.00
2	NEIMETH	0.55	0.60	0.05 ↑	9.09
3	WAPIC	0.40	0.43	0.03 ↑	7.50
4	LEARNAFRCA	1.10	1.18	0.08 ↑	7.27
5	PRESCO	56.20	59.85	3.65 ↑	6.49
6	HONYFLOUR	1.07	1.13	0.06 ↑	5.61
7	FIDSON	4.90	5.10	0.20 ↑	4.08
8	FCMB	1.49	1.55	0.06 ↑	4.03
9	WAPCO	17.50	17.85	0.35 ↑	2.00
10	FLOURMILL	18.25	18.50	0.25 ↑	1.37

**TOP LOSERS**

	Stock	Previous Close	Today's Close	Change (₦)	%Change
1	CADBURY	10.00	9.00	-1.00 ↓	-10.00
2	CAP	28.60	25.75	-2.85 ↓	-9.97
3	ETERNA	6.05	5.45	-0.60 ↓	-9.92
4	AFRIPRUD	3.97	3.58	-0.39 ↓	-9.82
5	CCNN	24.95	22.50	-2.45 ↓	-9.82
6	DANGFLOUR	6.00	5.50	-0.50 ↓	-8.33
7	DANGSUGAR	13.80	12.70	-1.10 ↓	-7.97
8	DIAMONDBNK	1.41	1.31	-0.10 ↓	-7.09
9	LASACO	0.30	0.28	-0.02 ↓	-6.67
10	LINKASSURE	0.69	0.65	-0.04 ↓	-5.80

NSE MARKET DAILY STATISTICS			
	Today	Previous	% Change
NSE All Share Index (NSEASI)	32,006.65	32,466.27	↓ -1.42%
Market Cap. (₦ 'trn)	11.68	11.85	↓ -1.42%
Transaction Volume (million)	355.76	212.51	↑ 67.41%
Market Turnover (₦ 'million)	4,858.38	3,765.46	↑ 29.02%
Number of Deals	3,019	3,211	↓ -5.98%

Source: Nigerian Stock Exchange (NSE) / PAC Research

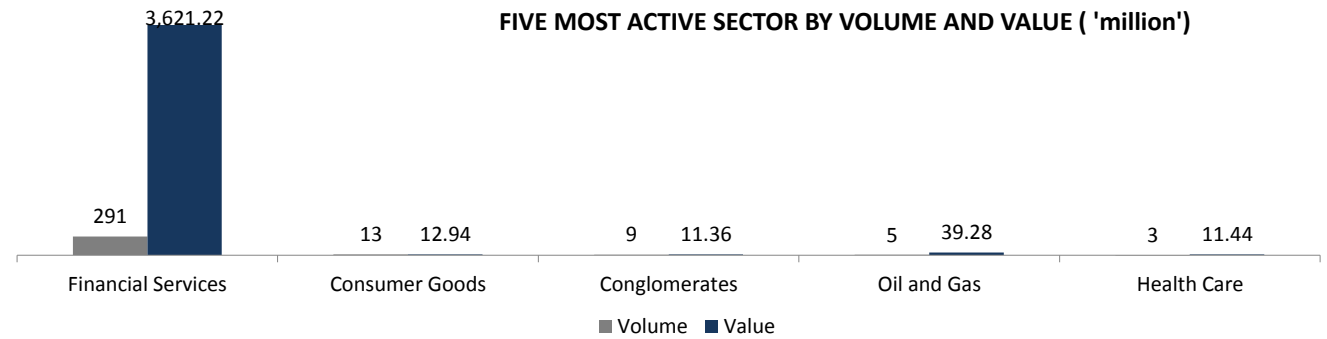
NSE SECTOR INDICES				
	Today	Previous	% Change	Ytd(%)
NSE 30	1,437.71	1,456.02	↓ -1.26%	↓ -17.69%
NSE Banking 10	415.65	418.21	↓ -0.61%	↓ -12.58%
NSE Oil&Gas 5	289.05	291.35	↓ -0.79%	↓ -12.59%
NSE Insurance 10	123.40	123.49	↓ -0.07%	↓ -11.46%
NSE Consumer Goods 10	715.36	723.54	↓ -1.13%	↓ -26.71%
NSE Premium Index	2,315.47	2,365.92	↓ -2.13%	↓ -9.70%

Source: Nigerian Stock Exchange (NSE) / PAC Research

10 TOP LOSER STOCKS YEAR TO DATE			BEST 10 STOCKS YEAR TO DATE		
1	MCNICHOLS	-68.22%	1	CCNN	136.84%
2	WAPCO	-60.24%	2	CILEASING	107.41%
3	FTNCOCOA	-60.00%	3	NEM	83.54%
4	UNIC	-60.00%	4	SKYEBANK	48.08%
5	AFRINSURE	-60.00%	5	UNITYBNK	41.82%
6	MULTIVERSE	-60.00%	6	STERLN BANK	41.59%
7	DUNLOP	-60.00%	7	CAVERTON	40.31%
8	COURTVILLE	-60.00%	8	FIDSON	37.47%
9	EQUITYASUR	-60.00%	9	LEARNAFRCA	34.09%
10	NSLTECH	-60.00%	10	AIICO	31.48%

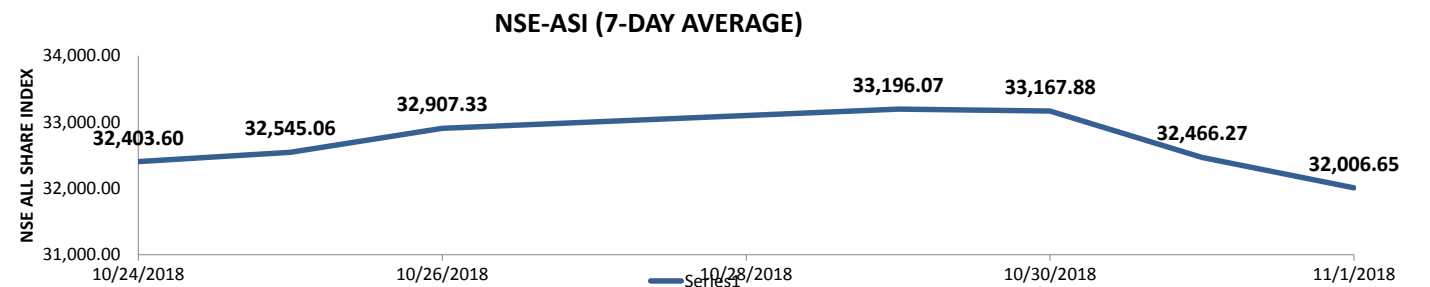
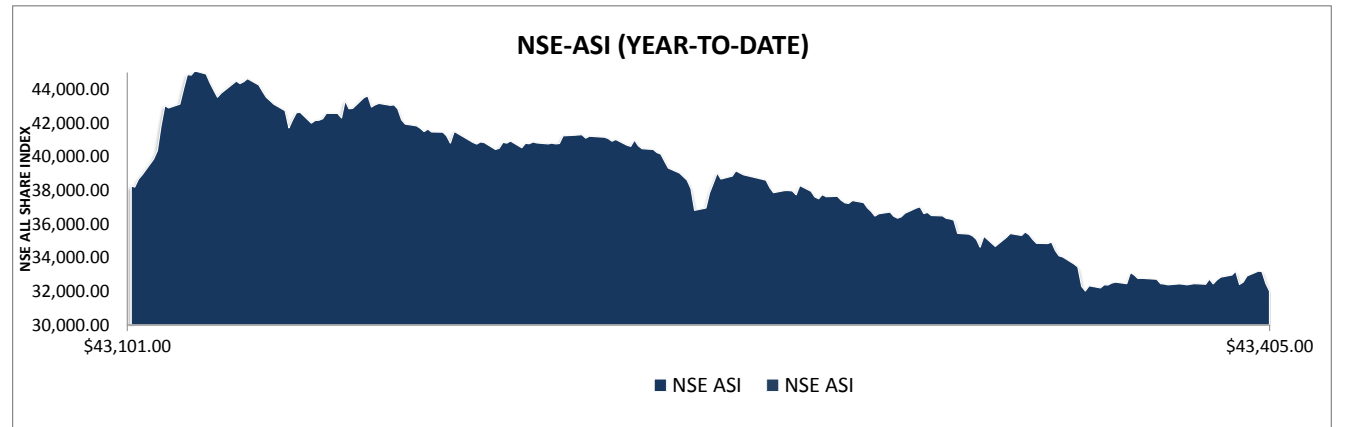
COMPANY	TURNOVER (₦'B)	CURRENT PAT (₦'B)	PREVIOUS PAT (₦'B)	PERIOD
ZENITH BANK PLC	322.20	81.74	75.32	H1 2018
NIGERIAN BREWERIES PLC	183.69	18.44	23.75	H1 2018
DANGOTE CEMENT PLC	482.44	113.16	109.71	H1 2018
ACCESS BANK PLC	137.53	22.12	22.41	Q1 2018
UNILEVER NIG PLC	48.13	5.60	3.51	H1 2018

Source: Nigerian Stock Exchange (NSE) / PAC Research



NSE RETURN HISTORY		TOP TRADED STOCKS BY VOLUME		TOP TRADED STOCKS BY VALUE	
		STOCK	VOLUME (UNITS)	STOCK	VALUE (₦)
Day Change	↓ -1.42%	FCMB	168,727,690	GUARANTY	3,209,590,705.90
Week-to-Date	↓ -2.74%	GUARANTY	85,757,061	ZENITHBANK	562,862,972.45
Month-to-Date	↓ -1.42%	ZENITHBANK	24,365,493	FCMB	261,228,826.63
Quarter-to-Date	↓ -16.38%	TRANSCORP	8,575,998	NESTLE	216,555,515.10
Year-to-Date	↓ -16.31%	FBNH	6,094,639	PRESCO	114,390,914.00

Source: Nigerian Stock Exchange (NSE) / PAC Research



## FIXED INCOME REPORT

### Treasury Bills Market:

In the treasury bills markets, the average yield decrease by 3bps as it closed at 14.31% today (vs. 14.34% average market yield of last trading session). At the end of the trading session today, the 03-Jan-19, 04-Apr-19 and 03-Oct-19 bills closed at 12.80% (-0.22%), 13.65% (-0.01%), and 16.49% (0.15%) respectively.

### FGN Bond Market:

In the bond market, the average market yield increase by an average of 7bps as it closed at 15.50% as against 15.43% of the previous session. The result for the 22-Mar-19, 12-Apr-19, 17-May-2019, 14-Jun-19, 29-06-2019, 12-Jul-19, 16-Aug-19, 20-Sep-19, 18-Oct-19, 23-Oct-19, 15-Nov-19, 13-Dec-19, 17-Jan-20, 13-Feb-20, 14-Feb-20, 14-Mar-20, 12-Apr-20, 18-Apr-20, 16-May-20, 17-May-20, 13-Jun-20, 14-Jun-20, 11-Jul-20, 12-Jul-20, 15-Aug-20, 16-Aug-20, 20-Sep-20, 18-Oct-20, 15-Nov-20, 13-Dec-20, 17-Jan-21, 14-Feb-21, 14-Mar-21, 18-Apr-21, 16-May-21, 13-Jun-21, 11-Jul-21, 15-Jul-21, 15-Aug-21 and 27-Jan-22 bonds traded are 13.12% (-0.24%), 13.33% (-0.24%), 13.73% (-0.23%), 14.08% (-0.18%), 14.27% (-0.16%), 14.44% (-0.14%), 14.87% (-0.10%), 15.31% (-0.05%), 15.73% (0.00%), 15.74% (0.04%), 15.56% (0.07%), 15.35% (0.12%), 14.65% (0.24%), 15.17% (0.14%), 14.98% (0.17%), 14.80% (0.20%), 14.76% (0.21%), 14.69% (0.21%), 14.70% (0.21%), 14.70% (0.20%), 14.71% (0.20%), 14.71% (0.19%), 14.72% (0.18%), 14.72% (0.18%), 14.73% (0.17%), 14.74% (0.16%), 14.75% (0.15%), 14.76% (0.14%), 14.78% (0.13%), 14.79% (0.12%), 14.80% (0.11%), 14.81% (0.10%), 14.82% (0.09%), 14.83% (0.08%), 14.84% (0.07%), 15.40% (0.07%), 14.86% (0.06%) and 14.92% (0.01%) respectively.

### Foreign Exchange Market:

At the FX Market (CBN Official Window), Naira remains unchanged 0kobo, closing at ₦306.60/\$ today compared to the ₦306.60/\$ it traded in the previous trading session. On Investors and Exporters Window, Naira appreciated by 0 kobo against dollar as it closed at ₦363.54/\$ today (vs. ₦363.54/\$ it closed in the previous trading session).

### Money Market:

In the Money Market today, the REPO rate increased by an average of 73bps to tighten liquidity. At the end of the trading session, the call, 1M, 2M, 3M rate closed at 5.50% (0.00%), 9.90% (1.23%), 10.05% (0.89%) and 10.20% (0.80%) respectively. However, Open-Buy-Back (OBB) and Overnight (O/N) rate increased by an average of 9 bps, closing at 4.50% and 4.92% respectively.

EXCHANGES				
AFRICA	1-Nov-18	VALUE Δ	31-Oct-18	% CHANGE
NSE	32,006.65	-459.62	32,466.27	-1.42%
BOTSWANA	1,255.15	-1.81	1,256.96	-0.14%
GHANA SE	2,860.10	9.22	2,850.88	0.32%
JSE	52,243.68	-997.67	53,241.35	-1.87%
RWANDA SE	131.58	0.00	131.58	0.00%
UGANDA SE	1,749.63	0.00	1,749.63	0.00%
GLOBAL		VALUE Δ		% CHANGE
DOW JONES	25517.33	-281.09	25798.42	-1.09%
FTSE 100	7029.85	-29.55	7059.40	-0.42%
DAX	11679.10	-97.45	11776.55	-0.83%
NIKKEI 225	22841.12	291.88	22549.24	1.29%
S&P 500	2789.30	-20.62	2809.92	-0.73%

Source: Bloomberg / PAC Research as at 18.00 GMT

CURRENCY			
MAJOR CURRENCIES			
	CURRENCY/₦		CURRENCY/\$
USD	363.14	CFA FRANC	566.08
EUR	418.61	S.A RAND	14.20
GBP	476.70	GHANA CEDI	4.85
JPY	3.24	KENYAN SHILLING	100.98
AUD	258.30	RWANDA FRANC	876.64
ZAR	25.56	EGYPTIAN POUND	17.92

Source: Bloomberg / PAC Research as at 17.00 GMT

CBN MONETARY INSTRUMENTS RATES	
	1-Nov-18
MONETARY POLICY RATE (MPR)	14%
LIQUIDITY RATIO(LR)	30%
CASH RESERVE RATIO(CRR) - Private(Public)	22.50%
INFLATION RATE	11.28%

COMMODITIES			
ENERGY	TODAY'S PRICE	VALUE Δ	PREVIOUS PRICE
BRENT CRUDE	79.48	-1.93	81.41
WTI CRUDE	69.80	-2.12	71.92
GASOLINE	192.41	-5.32	197.73
NATURAL GAS	3.27	0.03	3.24
METALS		VALUE Δ	
GOLD	1225.92	0.97	1224.95
SILVER	14.63	-0.03	14.66
PLATINIUM	834.07	-7.38	841.45
PALLADIUM	1075.58	-4.76	1080.34
ALUMINIUM	2034.00	7.00	2027.00
COPPER	6215.00	-86.00	6301.00
AGRICULTURE		VALUE Δ	
CORN	374.75	-0.50	375.25
WHEAT	516.75	-6.75	523.50
SOYBEANS	885.75	1.00	884.75
SUGAR	13.66	0.41	13.25
COTTON	77.93	-0.40	78.33

COCOA	2213.00	19.00	2194.00
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## 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

**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

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