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CROSSWORLDRESEARCH

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STOCK MARKET ACTIVITIES REVIEW FOR THE WEEK ENDED 4TH JANUARY, 2019.

- **A review of performance** of the equities market for the **first week of year, 2019** shows that the market closed in the negative territory.
- **The All-Share-Index (ASI)** by close of last week trading lost **-1.28%** to close at **30,771.32** compared to **0.86%** gain recorded in the last trading week of 2018.
- **Market capitalization** last week rose by **N88billion** or **0.77%** from **N11.337trillion** recorded previous week to **N11.425trillion** compared to **N96billion** gain recorded in the previous week.
- **The Market was dragged down by Nigerian Breweries, Forte Oil, Dangcem, FCMB, Access, Others.**
- **Top trades (by volume) Diamond Bank Plc, Union Diagnostic & Clinical Services Plc and NEM Insurance Plc.**
- **For sector performance**, all sectors recorded negative returns last week with the exception of NSE Oil & Gas that appreciated by 2.91%.
- The **market breadth closed negative** with **22 gainers** (lower than 52 gainers recorded the previous week) and **45 losers** (higher than 18 losers recorded the previous week).
- **Trading activities** recorded significant drop in volume with a lower value as **1.647billion shares** were traded, valued at **N8.413 billion** representing -47.36% and -41.36% depreciation in volume and value respectively when compared to the previous week.
- **YTD ASI performance** is negative at **-2.52%** while YTD market cap lost **-N295billion**.

OUTLOOK

- **Nigerian Breweries, Dangcem, Access, Guaranty, FBNH, Diamond, OTHERS PULLED THE MARKET INTO NEGATIVE TERRITORY.**
- **Market characteristics:** The market last week recorded high volatility as profit taking and selling pressure dominated the last three trading days of the week. All of the gains recorded on Monday were later reversed. Notwithstanding the negative sentiment during the week, investors however showed interest in **Custodian Plc, Jelius Berger, Vitafoam Seplat, PZ, Union Bank, Others**
- **Market Outlook:** As the 2019 elections approach, political uncertainties continue to impact the market negatively and the likelihood of rate hike, lower crude oil price still remain major concerns for the economy in the New Year. The market shall however continue to witness intermittent recoveries/rallies as depressed prices provide bargain opportunities for investors and expectations of corporate actions.

FIXED INCOME NEWS

Bonds

Having retraced sharply by 0.18bps in the first trading session of the year, yields in the bond market moderated in the last two days of the week, declining by 0.8bps on Friday amid renewed interests by clients mostly on the long end of the curve which compressed by 0.20bps on the day. The spike in the yield curve consequently moderated to 0.12bps (15.42%) from their closing levels of 0.15.30% in the previous year.

Treasury Bills

The T-bills market remained slightly bearish with yields rising higher by 0.5bps, as system liquidity was significantly compressed by debits for the Retail FX intervention by the CBN. We witnessed continued selloffs on the shorter tenured maturities while yields moderated marginally by 0.5bps on the longer end of the curve, in the absence of an OMO auction by the CBN.

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NEWS SUMMARY

- **Full Suspension of Trading in Shares - Proposed Scheme of Arrangement for Continental Reinsurance Plc:** Trading in the shares of Continental Reinsurance was suspended effective 31st December, 2018 so as to determine the shareholders that will qualify to receive the scheme consideration.
- **Cement Company of Northern Nigeria Plc – Supplementary Listing of Ordinary Shares:** 11,886,823,200 ordinary shares of Cement Company of Northern Nigeria Plc (CCNN or the Company) were on 31st December, 2018 listed on the Daily Official List of The Exchange. The additional shares of 11,886,823,200 ordinary shares of 50 kobo each are the Scheme Shares arising from the Scheme of Merger between CCNN and Kalambaina Cement Company Limited. With this listing of 11,886,823,200 ordinary shares, the total issued and fully paid up shares of the Company has now increased from 1,256,677,766 ordinary shares to 13,143,500,966 ordinary shares
- Forte Oil Plc announces that its Majority Shareholder, Mr. Femi Otedola CON has reached an agreement with the Prudent Energy Team, investing through Ignite Investment and Commodities Limited to divest of full 75% direct and indirect shareholding in the Company's downstream business. The transaction is expected to close in the First Quarter (Q1) of 2019 subject to the satisfaction of various conditions and receipt of applicable regulatory approvals.
- **LAFARGE AFRICA PLC RIGHT ISSUE:** This offer opens on Monday 17th December, 2018 and will close on Wednesday 23rd January, 2019. Lafarge Africa will raise N89.2 billion by way of a Rights Issue of 7,434,367,256 shares at N12.00 per share, by issuing 6 new shares for every 7 shares held by shareholders as at 4th December, 2018 which is the Qualification Date.
- **Skyway Aviation Handling Company Plc** has obtained the approval of the Securities and Exchange Commission (SEC) to extend the Offer period of its Initial Public Offering by way of an Offer for Sale of 406,074,000 ordinary shares of 50 kobo each at N4.65 per share by twelve (12) working days. With this approval, the Offer initially scheduled to close on Wednesday, 19 December 2018 will now close on Wednesday, 09 January 2019.

WEEKLY MARKET STATISTICS

MARKET INDICATOR	28/12/2018	04/01/2019	Change %
All Share Index	31,037.72	30,638.90	-1.28
Volume	3.129billion	1.647	-47.36
Value (N)	14.348billion	8.413	-41.36
Market Cap(N)	11.337trillion	11.425	0.77

YTD MARKET PERFORMANCE

MARKET INDICATOR	YR END 2018 (31/12/2018)	2018 YTD Change %	04/01/2019	2018 YTD Change %
All Share Index	31,430.50	-17.57	30,638.9	-2.28
Market Cap (N)	11.720trillion	-13.88	11.425trillion	-2.51
YTD Change (N)		-N1.89trillion		-N295billion

INDEX MOVEMENT / MARKET PERFORMANCE FOR THE WEEK

DATE	ASI	ASI Change %	Volume (N) million	Volume Change%	Value (N) billion	Value Change%	Mkt. Cap (N) trillion	Mkt. Cap Change (N) billion
28/12/2018	31,037.72	-2.07	1,962.03	333.82	6.544	150.92	11.337	242
31/12/2018	31,430.50	1.27	929.32	-52.63	3.951	-39.62	11.720	383
02/01/2019	31,070.06	-1.15	214.41	-76.93	1.562	-60.46	11.586	-134
03/01/2019	30,771.32	-0.96	169.19	-21.09	1.128	-27.78	11.474	-114
04/01/2019	30,638.90	-0.43	334.32	97.60	1.771	57.00	11.425	-49

Top 10 Gainers of the week

In all **22 stocks appreciated** in prices at close of week trading compared to **52** stocks recorded the previous week. **Custodian Insurance Plc** led the gainers list with +16.19% appreciations in price. The top 10 gainers are presented below.

STOCK	OPEN	CLOSE	CHANGE N	CHANGE %
Custodian	5.25	6.10	0.85	16.19
Julius Berger	20.10	23.25	3.15	15.67
Vitafoam	4.00	4.5	0.50	12.50
Niger Insurance	0.22	0.24	0.02	9.09
Linkage Ass.	0.66	0.72	0.06	9.09
Newrest ASL	7.25	7.90	0.65	8.97
Seplat	592.50	640	47.50	8.02
Trans Express	0.65	0.70	0.05	7.69
PZ	11.45	12.30	0.85	7.42
Union Bank	5.6	6.00	0.40	7.14

TOP 10 LOSERS of the week

45 stocks declined in price at close of week's trading compared to 18 stocks also recorded the previous week. **FCMB** led the losers list for the with -16.49% depreciation in price. The top 10 losers are presented below.

STOCK	OPEN	CLOSE	CHANGE N	CHANGE %
FCMB	1.94	1.62	0.32	-16.49
Glaxo	14.50	12.20	2.30	-15.86
Access	6.80	5.80	1	-14.71
Stanbic	53.25	46.50	6	-12.68
Dangflour	6.85	6	0.85	-12.41
Transcorp	1.31	1.16	0.15	-11.45
B.O.C Gas	4.21	3.79	0.42	-9.98
CAP	34.85	31.50	3.35	-9.61
Lafarge	12.50	11.30	1.20	-9.60
Diamond	1.99	1.80	0.19	-9.55

SECTORIAL REVIEW FOR THE WEEK

	Index Level (week open)	Index Level (week close)	Change (%)
NSE30	1402.00	1378.82	-1.62
NSEBNK	397.76	387.04	-2.7
NSEINSURANCE	125.96	124.70	-1.00
NSE CONS. GOODS	738.38	730.77	-1.03
NSE OIL\GAS	291.36	299.85	2.91
NSE IND. GOODS	1230.26	1182.47	-3.88

For sector performance, 4 sector Indices recorded losses while **NSE Oil/Gas** recording highest gain of +2.91% from appreciation in Seplat, Forte Oil, others.

- CORPORATE ACTION FOR THE PERIOD**

COMPANY	PERIOD	DIVIDEND TYPE	CLOSURE DATE	PROPOSED DIV	PAYMENT DATE	BONUS
VITAFOAM	SEPT 2018	FINAL	18-22 FEB 2019	N0.25	8 MARCH 2019	1 FOR 5

SIX MONTHS, NINE MONTHS RESULTS OF PZ and CCNN

Company	Type	Period	Gross Revenue (Billions)		%Change	Profit After Tax (Billions)		%Change	Earnings Per Share	
			Current N	Pervious N		Current N	Previous N		Current N	Previous N
PZ	Q2	Nov. 2018	35.05	41.12	-14.8	1.22	0.56	107.3	0.31	0.15
CCNN	Q3	Sept 2018	19.57	13.62	43.69	4.01	2.03	101.97	3.19	1.62

FINANCIAL RESULTS FOR THE PERIOD

Company	TYPE	PERIOD	Gross Earnings (billions)		Change %	Profit after Tax (billions)		Change %	EPS	EPS
			Current N	Previous N		Current N	Previous N		2018 N	2017 N
OKOMUOIL	Q3	SEPT 2018	16.685	16.586	0.60	7.243	6.394	13.28	7.59	6.70
ZENITH	Q3	SEPT 2018	474.607	531.266	-10.66	144.179	129.235	11.56	4.58	4.11
GUARANTY	Q3	SEPT 2018	237.545	248.270	-4.32	142.224	125.578	13.26	5.03	4.44
DANGCEM	Q3	SEPT 2018	685.290	603.575	13.50	158.277	154.122	2.70	9.25	9.01
CONOIL	Q3	SEPT 2018	75.838	70.229	7.99	1.587	1.358	16.86	2.29	1.96
AFRIPRUD	Q3	SEPT 2018	2.582	2.271	13.65	1.345	1.308	2.83	0.67	0.65
CAP	Q3	SEPT 2018	5.451	4.905	11.13	1.226	0.964	27.18	1.75	1.38
UBA	Q3	SEPT 2018	268.937	238.092	12.96	61.698	60.920	1.28	1.72	1.74
LAFARGE	Q3	SEPT 2018	234.300	223.669	4.75	-10.373	0.973	-1166	-1.20	0.10
FBNH	Q3	SEPT 2018	443.400	441.400	0.45	44.897	45.002	-0.23	1.22	1.25
FIDELITYBK	Q3	SEPT 2018	139.001	130.086	6.85	17.857	14.450	23.58	0.62	0.50
UNILEVER	Q3	SEPT 2018	24.180	22.673	6.65	3.846	1.239	210.41	0.67	0.33
ETI	Q3	SEPT 2018	577.658	564.725	2.29	75.718	57.955	30.65	2.46	2.01
GUINNESS	Q3	SEPT 2018	28.094	29.904	-6.05	0.835	0.041	1936.5		
REDSTAREX	Q3	SEPT 2018	4.880	4.102	18.97	0.238	0.221	7.69	0.41	0.37
NB	Q3	SEPT 2018	254.996	270.206	-5.63	14.789	24.011	-38.41	1.85	3.00
TOTAL	Q3	SEPT 2018	226.914	221.198	2.58	7.666	5.956	28.71		
MRS OIL	Q3	SEPT 2018	76.074	81.948	-7.17	-0.425	0.809	-152.53	-1.40	3.19
TRANSCORP	Q3	SEPT 2018	79.861	56.757	40.71	15.963	8.185	95.03	0.17	0.08
UNITYBANK	AUD	DEC 2017	86.629	69.377	24.87	-14.918	2.184	-783.06	-1.27	0.18
UNITYBANK	Q3	SEPT 2018	26.125	65.027	-59.82	0.585	2.448	-76.10	0.05	0.21
DIAMOND	Q3	SEPT 2018	142.0	143.0	-0.77	1.6	3.9	-57.6		
FLOURMILL	Q2	SEPT 2018	269.737	298.443	-9.62	5.069	9.356	-45.82	1.25	3.17
FO	Q3	SEPT 2018	94.812	68.031	39.37	78.00	-0.626			
OANDO	Q3	SEPT 2018	505.1	383.5	31.71	10.4	7.1	46.48		
UACN	Q3	SEPT 2018	55.763	68.279	-18.33	0.254	1.976	-87.15		
JBERGER	Q3	SEPT 2018	118.472	105.485	12.31	3.403	-0.329	-1134.3	5.04	0.04