

21st JANUARY, 2019



CROSSWORLDRESEARCH

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## STOCK MARKET ACTIVITIES REVIEW FOR THE WEEK ENDED 18<sup>TH</sup> JANUARY, 2019.

- **A review of performance** of the equities market for the **third week of the year, 2019** shows that the market closed in the positive territory for the first time this year.
- **The All-Share-Index (ASI)** by close of last week trading gained 3.94% to close **at 31,005** compared to **-2.64** loss recorded in the preceding trading week.
- **Market capitalization** last week appreciated by **N438billion** or **3.937%** from **N11.124trillion** recorded in the previous week to end the week at **N11.562trillion** compared to **N301billion** loss recorded in the previous week.
- **The Market was lifted by Dangote Cement, Nestle, CCNN, Union Bank, Nem Insurance, Others.**
- **Top trades (by volume) Diamond Bank Plc, Guaranty Trust Bank Plc and Zenith Bank Plc.**
- **For sector performance**, all sectors recorded positive returns last week with the exception of NSE Banking that depreciated by -1.04%
- The **market breadth closed positive** with thirty-eight (38) equities appreciating in price during the week, higher the twenty-two (22) gainers recorded in the previous week. Twenty-nine (29) equities depreciated in price, lower than forty-four (44) of the previous week, while one hundred and two (102) equities remained unchanged.
- **Trading activities** recorded slight increase in volume with a lower value as **1.270billion shares** were traded, valued at **N13.463 billion** representing 0.39% and -4.34% appreciation in volume and decline in value respectively when compared to the previous week.
- **YTD ASI performance** is negative at **-1.35%** while YTD market cap lost **-N158billion**.

## OUTLOOK

- **Dangcem, Nestle, Cement Company of Northern Nigeria, Custodian Investments Plc, Nem Insurance Plc, others strongly lifted the market.**
- **Market characteristics:** The market last week witnessed a bullish run as all the trading sessions ended in the positive territory with investors taking advantage of depressed market condition and positioning themselves for corporate actions activities. Investors showed strong appetite for **Diamond, Guaranty Trust Bank, Zenith Bank, Others** while selling off **Resort Savings and Loans Plc, Beta Glass, Linkage Assurance, Others.**
- **Market Outlook:** We do not expect severe market correction in the short term that may arise from political uncertainties owing to the forthcoming general elections. Hence, prices may be relatively stable in the market this week following the heavy appreciation and recovery experienced last week.

## FIXED INCOME NEWS

- Sterling Investment SPV Plc N32,899,000,000, 7-Year 16.25% Fixed Rate Unsecured Bonds due 2025 (Series II) issued under the N65,000,000,000 Debt Issuance Program were admitted to trade at the Exchange on the 14th of January, 2019.
- Mixta Real Estate Plc N2,961,000,000 16.50% (Series II), Tranche A Senior Guaranteed Fixed Rate Bond due 2023; and N2,320,000,000 17.75% (Series II), Tranche B Senior Secured Fixed Rate Bonds due 2023, issued under the N30,000,000,000 Medium Term Note Programme were admitted to trade at the Exchange on the 16th of January, 2019..

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**NEWS SUMMARY**

- **C & I Leasing Plc:** The full suspension placed on trading in the shares of C & I Leasing Plc was lifted on, 14 January 2019. The shares of the Company were placed on full suspension on 13 December 2018 to enable the Registrars update the register of members, sequel to the share capital reconstruction exercise embarked upon by the Company. Trading in the shares of the Company has resumed. The outstanding shares of C & I Leasing before the reconstruction exercise was 1,882,818,912 of 50 Kobo each. With the conclusion of this exercise, the total outstanding ordinary shares of C & I Leasing is 404,252,500 ordinary shares of 50 Kobo each.
- **Sovereign Trust Insurance Plc:** Proposed Rights Issue Sovereign Trust Insurance Plc (Sovereign Trust or the Company) has through its Stockbroker, Dynamic Portfolio Limited, submitted an application to The Nigerian Stock Exchange for the approval and listing of a Rights Issue of Four Billion, One Hundred and Seventy Million, Four Hundred and Eleven Thousand, Six Hundred and Forty Eight (4,170,411,648) ordinary shares of Fifty Kobo at Fifty Kobo (N0.50) per share, on the basis of one (1) new share for every two (2) ordinary shares held. The Qualification Date for the Rights Issue was Tuesday, 15 January 2019.
- **Lafarge Africa Plc:** Proposed Rights Issue of 7,434,367,256 Ordinary Shares of N0.50 Kobo Each at N12.00 per Share on the Basis of Six (6) new Ordinary Shares for Every Seven (7) Ordinary Shares. The Rights Issue will now close on Monday, 28 January 2019 as against Saturday, 26 January 2019 earlier announced since Saturday, 26 January 2019 is not a business day.

**WEEKLY MARKET STATISTICS**

| MARKET INDICATOR | 11/01/2019     | 18/01/2019     | Change %     |
|------------------|----------------|----------------|--------------|
| All Share Index  | 29,830.70      | 31,005.17      | <b>3.94</b>  |
| Volume           | 1.265billion   | 1,270billion   | <b>0.39</b>  |
| Value (N)        | 14.074billion  | 13.074billion  | <b>-4.34</b> |
| Market Cap(N)    | 11.124trillion | 11,562trillion | <b>3.94</b>  |

**YTD MARKET PERFORMANCE**

| MARKET INDICATOR | YR END 2018 (31/12/2018) | 2018 YTD Change %     | 18/01/2019       | 2018 YTD Change %   |
|------------------|--------------------------|-----------------------|------------------|---------------------|
| All Share Index  | <b>31,430.50</b>         | <b>-17.57</b>         | <b>31,005.17</b> | <b>-1.35</b>        |
| Market Cap (N)   | <b>11.720trillion</b>    | <b>-13.88</b>         | <b>11,562</b>    | <b>-1.35</b>        |
| YTD Change (N)   |                          | <b>-N1.89trillion</b> |                  | <b>-N158billion</b> |

**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 |
|------------|-----------|--------------|--------------------|----------------|-------------------|---------------|-----------------------|-----------------------------|
| 11/01/2019 | 29,830.70 | 1.06         | 206.30             | -46.55         | 2.747             | -10.43        | 11.124                | 117                         |
| 14/01/2019 | 29,964.79 | 0.45         | 132.40             | -35.82         | 1.085             | -60.50        | 11.174                | 50                          |
| 15/01/2019 | 30,137.53 | 0.58         | 300.03             | 126.60         | 3.247             | 199.26        | 11.238                | 64                          |
| 16/01/2019 | 30,460.68 | 1.07         | 305.80             | 1.92           | 2.102             | -35.26        | 11.359                | 121                         |
| 17/01/2019 | 30,583.21 | 0.40         | 231.01             | -24.45         | 3.260             | 55.09         | 11.404                | 45                          |
| 18/1/2019  | 31,005.17 | 1.38         | 300.80             | 30.21          | 3.764             | 15.46         | 11.562                | 158                         |

**Top 10 Gainers of the week**

In all **38 equities appreciated** in prices at close of trading last week, higher than **22** stocks recorded the previous week. **Nem Insurance Plc** led the gainers list with +43.35% appreciations in price. The top 10 gainers are presented below.

| STOCK          | OPEN   | CLOSE  | CHANGE N | CHANGE % |
|----------------|--------|--------|----------|----------|
| Nem            | 1.73   | 2.48   | 0.75     | 43.35    |
| Soverign       | 0.20   | 0.26   | 0.06     | 30.00    |
| Royal Exchange | 0.21   | 0.27   | 0.06     | 28.57    |
| CCNN           | 20.00  | 25.10  | 5.10     | 25.50    |
| Custodian      | 5.30   | 6.45   | 1.15     | 21.70    |
| UBN            | 6.00   | 6.75   | 0.75     | 12.50    |
| DangCem        | 177.00 | 194.90 | 17.90    | 10.11    |
| Regency        | 0.20   | 0.22   | 0.02     | 10.00    |
| Unity Bank     | 0.83   | 0.91   | 0.08     | 9.64     |
| Ikeja Hotel    | 1.39   | 1.52   | 0.13     | 9.35     |

**TOP 10 LOSERS of the week**

**29 equities declined** in price at close of the week's trading compared to 44 equities recorded the previous week. **Resort Savings and loan Plc** led the losers list for the with -29.73% depreciation in price. The top 10 losers are presented below.

| STOCK             | OPEN  | CLOSE | CHANGE N | CHANGE % |
|-------------------|-------|-------|----------|----------|
| Resort            | 0.37  | 0.26  | -0.11    | -29.73   |
| Beta Glass        | 67.00 | 55.00 | -12.00   | -17.91   |
| Linkage           | 0.65  | 0.56  | -0.09    | -13.85   |
| Berger Paint      | 8.60  | 7.75  | -0.85    | -9.88    |
| E-Tranzact        | 3.95  | 3.56  | -0.39    | -9.87    |
| Newrest ASL       | 7.90  | 7.15  | -0.75    | -9.49    |
| Livestock         | 0.53  | 0.48  | -0.05    | -9.43    |
| N.Nig Flour Mills | 4.35  | 3.95  | -0.40    | -9.20    |
| Corner Stone      | 0.22  | 0.20  | -0.02    | -9.09    |
| Wapic Insurance   | 0.44  | 0.40  | -0.04    | -9.09    |

**SECTORIAL REVIEW FOR THE WEEK**

|                 | Index Level<br>(week open) | Index Level<br>(week close) | Change (%) |
|-----------------|----------------------------|-----------------------------|------------|
| NSE30           | 1,343.94                   | 1,378.95                    | 2.61       |
| NSE BANKING     | 383.50                     | 379.51                      | -1.04      |
| NSE INSURANCE   | 115.97                     | 122.36                      | 5.51       |
| NSE CONS. GOODS | 704.73                     | 723.68                      | 2.72       |
| NSE OIL\GAS     | 281.01                     | 282.68                      | 0.59       |
| NSE IND. GOODS  | 1,194.35                   | 1,346.18                    | 12.71      |

For sector performance, 4 sector Indices recorded massive gains with **NSE Industrial Goods** recording highest gain of +12.7% from appreciation in DangCem, CCNN, others while **NSE Banking** was the only loser for the week.

- 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 |