

4th FEBRUARY, 2019



CROSSWORLDRESEARCH

22b Milverton Road, Ikoyi, Lagos.
www.crossworldsec.biz

DISCLAIMER: Crossworld securities Limited shall not be liable for any loss suffered by an investor based on the above recommendations as investments in the stock market are associated with market risk which Crossworld has no control over. Our recommendations only serve as a guide to your investment decisions.

STOCK MARKET ACTIVITIES REVIEW FOR THE WEEK ENDED 1ST FEBRUARY, 2019.

- **A review of performance** of the equities market for last week shows that the market closed in the negative territory eroding the gains of the preceding week.
- **The All-Share-Index (ASI)** by close of last week trading lost **2.51%** to close at **30,636.36** compared to **1.36%** gain recorded in the preceding trading week.
- **Market capitalization** last week depreciated by **N295billion** or **2.51%** from **N11.719trillion** recorded in the previous week to end the week at **N11.424trillion** compared to **N157billion** gain recorded in the previous week.
- **The Market was impacted by Nigerian Breweries, Guinness, CCNN, NESTLE, GTB, UBA Access, Others.**
- **Trading in the Top Three Equities: Diamond Bank Plc, UBA, Zenith and Consolidated Hallmark Insurance Plc.**
- **For sector performance**, four sectors recorded negative returns last week with NSE Industrial Goods having the highest depreciation of **3.67%**, Oil & Gas was the only sector that recorded gain with a marginal positive return of 0.05%.
- The **market breadth closed negative** with sixteen (16) equities appreciating in price during the week, lower than the forty (40) gainers recorded in the previous week. Fifty (50) equities depreciated in price, higher than twenty-five (25) of the previous week, while one hundred and three (102) equities remained unchanged.
- **Trading activities** recorded decrease in volume and value as **1.452billion shares** were traded, valued at **N14.788 billion** representing **19.64%** and **14.18%** depreciation in volume and value respectively when compared to the previous week.
- **YTD ASI performance** is negative at **2.53%** while YTD market cap lost **N296billion**.

OUTLOOK

- **Guaranty Trust Bank, Access Bank, Zenith Bank, Diamond Bank, Fidelity Bank, FCMB Plc, Others strongly lifted the market.**
- **Market characteristics:** The market last week experienced low volatility as selling activities driven by profit taking across all sectors. The sell-off came on the back of two consecutive weeks of significant positive returns in the market. The selling pressure was concentrated in Banking and Consumer Goods sectors. Hence the following stocks were kicked off investors' portfolio – UBA, ACCESS, GUARANTY, OANDO, NIGERIAN-BREWERIES, GUINNESS, NESTLE, OTHERS. While the following stocks attracted investors' patronage – STERLING BANK, UACN, VITAFOAM, TOTAL, ASSOCIATED BUS COMPANY, OTHERS.
- **Market Outlook:** We expect relative stability in prices this week following the recovery witnessed on the final trading day of last week.

FIXED INCOME NEWS

Bonds

- The Bond market remained slightly bullish on the back of sustained demand on the 2028 bond which compressed by 0.15bps on the last trading day of the week. This was mostly due to some short covering by market players who missed out on the bond at the previous day's auction. Offers also pulled lower across most maturities as traders rode on the recent bullish wave, compressing yields by 0.3bps on average.
- Whilst we expect this trend to persist in the near term, we believe that yields would reverse slightly higher as we approach the forthcoming elections and next bond auction due in three weeks.

DISCLAIMER: Crossworld securities Limited shall not be liable for any loss suffered by an investor based on the above recommendations as investments in the stock market are associated with market risk which Crossworld has no control over. Our recommendations only serve as a guide to your investment decisions.

NEWS SUMMARY

- **Fidson Healthcare Plc:** Revised Terms of Rights Issue. The revised terms of the Rights Issue as stated in the SEC approved Rights Circular are now Seven Hundred and Fifty Million (750,000,000) ordinary shares of Fifty Kobo (N0.50) each at Four Naira (N4.00) per share on the basis of one (1) new ordinary share for every two (2) ordinary shares held as at 28 December 2018.

WEEKLY MARKET STATISTICS

MARKET INDICATOR	25/01/2019	01/02/2019	Change %
All Share Index	31,426.63	30,636.93	-2.51
Volume	1.807billion	1.452billion	-19.64
Value (N)	17.232billion	14.788billion	-14.18
Market Cap(N)	11.719trillion	11.424trillion	-2.51

YTD MARKET PERFORMANCE

MARKET INDICATOR	YR END 2018 (31/12/2018)	2018 YTD Change %	01/02/2019	2018 YTD Change %
All Share Index	31,430.50	-17.57	30,636.36	-2.53
Market Cap (N)	11.720trillion	-13.88	11.424	-2.53
YTD Change (N)		-N1.89trillion		-N296billion

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
25/01/2019	31,426.63	1.41	417.17	55.51	3.144	-0.03	11.719	161
28/01/2019	31,344.24	-0.26	222.68	-46.62	1.843	-41.38	11.688	-31
29/01/2019	31,178.71	-0.53	359.51	61.45	1.912	3.74	11.626	-62
30/01/2019	31,145.34	-0.11	249.53	-30.59	3.122	63.28	11.614	-12
31/01/2019	30,557.20	-1.89	349.30	39.98	3.491	11.82	11.394	-220
01/2/2019	30636.36	0.26	270.93	-22.43	4.424	26.73	11.424	30

Top 10 Gainers of the week

In all **16 equities appreciated** in prices at close of trading last week, lower than **40** stocks recorded the previous week. **Associated Bus Company Plc** led the gainers list with 24.14% appreciations in price. The top 10 gainers are presented below.

STOCK	OPEN	CLOSE	CHANGE N	CHANGE %
ABC	0.29	0.36	0.07	24.14
Mutual	0.20	0.22	0.02	10.00
Beta Glass	55.00	60.00	5.00	9.09
Sterling Bank	2.26	2.45	0.19	8.41
UAC-PROP	1.59	1.72	0.13	8.18
Vitafoam	4.49	4.79	0.30	6.68
UACN	8.65	9.20	0.55	6.36
Champion	1.70	1.80	0.10	5.88
Total	214.50	223.30	8.80	4.10
University Press	2.00	2.08	0.08	4.00

TOP 10 LOSERS of the week

50 equities declined in price at close of the week's trading compared to 25 equities recorded the previous week. **Consolidated Hallmark Insurance Plc** led the losers list for the with -17.14% depreciation in price. The top 10 losers are presented below.

STOCK	OPEN	CLOSE	CHANGE N	CHANGE %
Consolidated Ins	0.35	0.29	-0.06	-17.14
Niger Insurance	0.26	0.29	-0.04	-15.38
Dangote Flour	6.50	0.22	-0.70	-10.77
Ikeja Hotel	1.68	1.50	-0.18	-10.00
Academy Press	0.50	0.45	-0.05	-10.00
AIICO	0.71	0.64	-0.07	-9.86
Newrest ASL	7.15	6.45	-0.70	-9.79
Berger Paints	7.75	7.00	-0.75	-9.68
First Aluminium	0.35	0.32	-0.03	-8.57
Meyer	0.59	0.54	-0.05	-8.47

SECTORIAL REVIEW FOR THE WEEK

	Index Level (week open)	Index Level (week close)	Change (%)
NSE30	1,402.97	1,366.69	-2.59
NSE BANKING	406.64	396.59	-2.47
NSE INSURANCE	124.75	121.98	-2.22
NSE CONS. GOODS	720.88	696.73	-3.35
NSE OIL\GAS	278.95	279.09	0.05
NSE IND. GOODS	1,318.97	1,270.52	-3.67

- 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	
			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		
UBERGER	Q3	SEPT 2018	118.472	105.485	12.31	3.403	-0.329	-1134.3	5.04	0.04