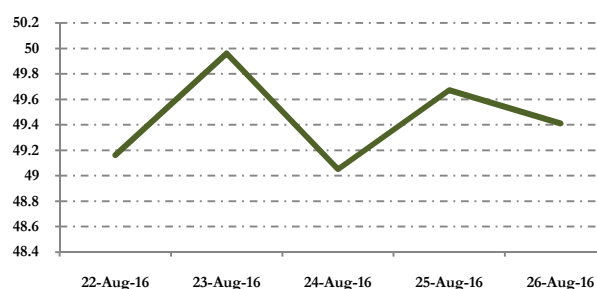


Key Statistics

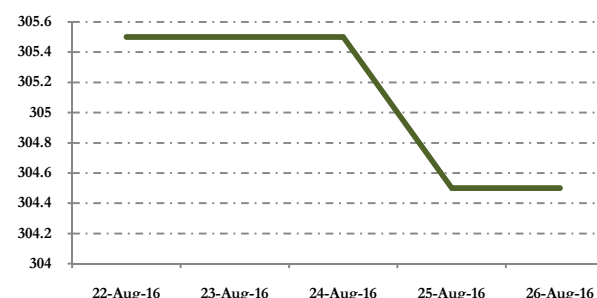
| | Current | Previous | %change |
|-----------------|------------|------------|---------|
| Inflation | 16.50% | 15.60% | (1.90%) |
| GDP | -0.36% | 2.11% | (2.47%) |
| MPR | 14.00% | 12.00% | 2.00% |
| Brent Crude | \$49.41 | \$50.85 | (2.83%) |
| Foreign Reserve | \$25.60bn | \$25.71bn | (0.43%) |
| Exchange rate | N304.50/\$ | N307.50/\$ | (0.98%) |
| NIBOR (Av.) | 18.14% | 17.93% | 0.21% |

Source: FMDQ, NBS, CBN, Planet Capital Research

One Week Oil price movement – Brent Crude



1-Week Exchange rate movement



Source: FMDQ, Planet Capital Research

Global Markets

| Index | 26/08/2016 | 19/08/2016 | Change (%) |
|------------|------------|------------|------------|
| S&P 500 | 2,172.47 | 2,183.87 | (0.52%) |
| FTSE 100 | 6,819.54 | 6,858.95 | (0.57%) |
| DJIA | 18,448.41 | 18,552.57 | (0.56%) |
| NIKKEI | 16,360.71 | 16,545.82 | (1.12%) |
| DAX | 10,510.32 | 10,544.36 | (0.32%) |
| JALSH | 53,305.89 | 52,989.66 | 0.60% |
| IBOV INDEX | 57,722.14 | 59,098.92 | (2.33%) |
| NIFTY | 8,572.55 | 8,666.90 | (1.09%) |
| MICEX | 1,993.35 | 1,959.72 | 1.72% |
| SHCOMP | 3,070.31 | 3,108.10 | (1.22%) |

Source: Bloomberg, Planet Capital Research

Global Economic Update

The U.S economy grew by 1.1 percent in the second quarter of 2016 compared to an increase of 0.80 percent in the first quarter of the year. The increase in Gross Domestic Product in the review period can be attributed to positive contributions from personal consumption expenditures and exports that were partly offset by negative contributions from private inventory investment, residential fixed investment, state and local government spending and non-residential fixed investment.

Negative sentiments dominated global market this week as most indices closed lower, the S&P 500 index declined by 0.52 percent; Dow Jones Industrial index (DJIA) was down 0.56 percent while the FTSE-100 index posted a -0.57 percent return. Germany's DAX index declined 0.52 percent while France's CAC-40 index firmed up by 1.09 percent. Emerging markets also posted negative returns. China SHCOMP index closed lower by 1.22 percent, Brazil's IBOV index decreased by 2.33 percent; Russia's MICEX index closed higher by 1.72 percent; South Africa JALSH edged up by 0.60 percent while Indian's NIFTY lost 1.09 percent.

As Saudi Arabia dampens prospects of output freeze, Brent crude price declined by 2.83 percent to \$49.41 a barrel from \$50.85 per barrel last Friday.

Domestic Economy

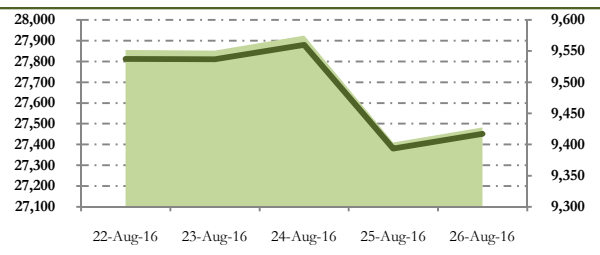
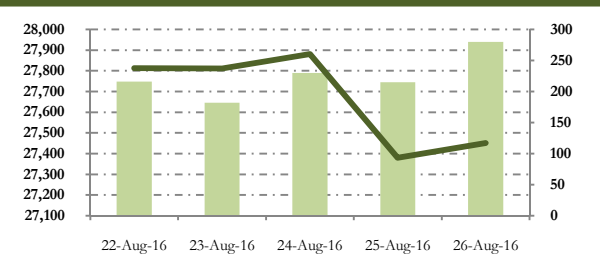
Despite efforts of the apex bank to stem the volatility in the local currency at the parallel market, the local currency depreciated by 3.78 percent at the parallel market to an all time low of N412/\$ compared to its last week close of N397/\$.

Inflation Watch

Nigeria's July 2016 inflation figure is expected to be released by the National Bureau of Statistics next week. Based on the surge in commodity prices which has lingered since May as a result of the devaluation of the local currency and increase in the price of Premium Motor Spirit (PMS), we forecast a 50bps increase in Consumer Price Index to 17.00 percent for July, 2016.

Weekly Statistics

| | 26/08/2016 | 19/04/2016 | Change |
|--------|------------|------------|------------|
| ASI | 27,450.91 | 27,650.32 | (0.72%) |
| CAP | ₦9.43tn | ₦9.50tn | (N68.49bn) |
| VOLUME | 1.12Bn | 1.37Bn | (18.25%) |
| VALUE | ₦13.84bn | ₦12.94bn | 6.96% |
| DEALS | 15,625 | 16,915 | (7.63%) |

1-Week Index Vs Market Cap

Weekly Index Vs Volume(mn)

Top gainers

| Symbol | Current | Previous | Return |
|-----------|---------|----------|--------|
| SEPLAT | ₦275 | ₦240 | 14.58% |
| FO | ₦177 | ₦160.10 | 10.56% |
| TRANSCORP | ₦1.16 | ₦1.05 | 10.48% |
| CAP | ₦30.09 | ₦27.30 | 10.22% |
| PRESCO | ₦40.49 | ₦36.96 | 9.55% |
| INTBREW | ₦19.76 | ₦18.39 | 7.45% |
| FIDSON | ₦1.70 | ₦1.59 | 6.92% |
| UBN | ₦4.10 | ₦3.90 | 5.13% |
| BOCGAS | ₦3.89 | ₦3.71 | 4.85% |
| GUARANTY | ₦26.29 | ₦25.25 | 4.12% |

Top losers

| Symbol | Current | Previous | Return |
|------------|---------|----------|----------|
| FCMB | ₦1.08 | ₦1.27 | (14.96%) |
| AGLEVENT | ₦0.89 | ₦0.99 | (10.10%) |
| ACADEMY | ₦0.57 | ₦0.63 | (9.52%) |
| SKYEYBANK | ₦0.59 | ₦0.64 | (7.81%) |
| UNITYBNK | ₦0.84 | ₦0.91 | (7.69%) |
| MAYBAKER | ₦1.01 | ₦1.09 | (7.34%) |
| DANGFLOUR | ₦3.86 | ₦4.15 | (6.99%) |
| FIDELITYBK | ₦0.97 | ₦1.03 | (5.83%) |
| AIRSERVICE | ₦2.07 | ₦2.19 | (5.48%) |
| CHAMPION | ₦2.61 | ₦2.76 | (5.43%) |

Market succumbs to sell pressure..... down 0.72%

The equities market was unable to sustain last week upside as the benchmark index lost 0.72 percent to close the week at 27,450.91 compared to an appreciation of 1.48 percent last week. Consequently, market capitalisation dipped N68.49billion to settle at N9.43trillion.

Lull in activity level.....

Turnover fell by 18.25 percent as investors exchanged 1.12billion shares worth N13.84billion in 15,625 deals compared to 1.37billion shares valued at N12.94billion traded last week. Shares of Guaranty Trust Bank and FBN Holdings Plc boosted activity in the financial services sector, seeing that the sector accounted for over 85 percent of total market volume.

Most sector indices closed higher.....

The NSE-OIL&GAS index rose 6.74 percent on gains in Seplat and Forte Oil Plc; the NSE-CON.GOODS index closed higher by 0.93 percent on positive posture in International Breweries and Presco Plc while the NSE-BANKING index and the NSE-INSURANCE index rose 0.86 percent and 0.04 percent respectively. On the contrary, the NSE-IND.GOODS index declined 1.13 percent on losses in Dangote Cement Plc

Market breadth turns positive.....

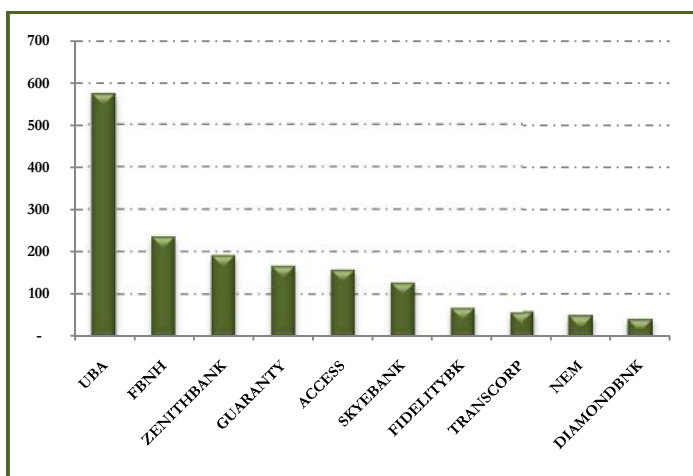
Market breadth closed positive with 27 advancers and 24 decliners. SEPLAT led stock performance for the week by 14.58 percent, FO 10.56 percent, TRANSCORP 10.48 percent, CAP 10.22 percent, and PRESCO 9.55 percent. On the Other hand, FCMB led the losers chart by 14.96 percent, AGLEVENT 10.10 percent, ACADEMY 9.52 percent, SKYEYBANK 7.81 percent and UNITYBNK 7.69 percent.

Sector Performance

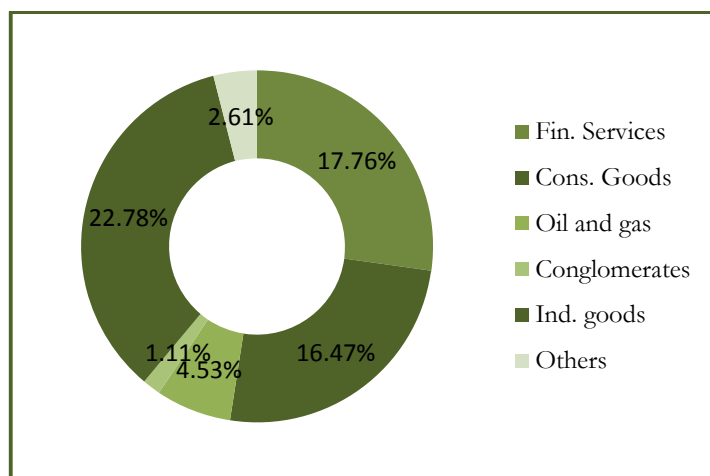
| SECTOR ANALYSIS | 26/08/2016 | 19/08/2016 | WK RETURN (%) | YTD RETURN (%) |
|-----------------|------------|------------|---------------|----------------|
| NSE-30 | 1,229.75 | 1,225.72 | 0.33% | (4.50%) |
| NSE-BANKING | 284.56 | 282.13 | 0.86% | 5.99% |
| NSE-INSURANCE | 129.44 | 128.39 | 0.04% | (10.20%) |
| NSE-CON.GOODS | 714.39 | 707.78 | 0.93% | (4.26%) |
| NSE-OIL&GAS | 298.61 | 279.75 | 6.74% | (16.25%) |
| NSE-IND.GOODS | 1,827.88 | 1,848.82 | (1.13%) | (15.64%) |

Source: NSE, Planet Capital Research()

Top Volume(mn)



Market Cap by sectors



Buy Recommendation

| SYMBOL | CLOSE | WK RTN | PAT (N'm) | PERIOD | CHANGE | TARGET PRICE | EPS | 52wk high |
|------------|--------|---------|-----------|--------|---------|--------------|--------|-----------|
| FLOURMILLS | ₦20.01 | 2.09% | 4,416 | Q1'16 | 354.79% | UR | ₦1.68 | ₦26.32 |
| PRESCO | ₦40.49 | 9.55% | 3,013 | H1'16 | 152.56% | UR | ₦3.01 | ₦40.49 |
| UCAP | ₦2.37 | 3.04% | 3,592 | H1'16 | 154.93% | UR | 60Kobo | ₦2.68 |
| UBA | ₦4.44 | 1.83% | 16,986 | Q1'16 | 0.18% | ₦5.51 | 47Kobo | ₦5.40 |
| DANGSUGAR | ₦6.51 | 0.15% | 7,382 | H1'16 | 16.91% | HOLD | ₦0.60 | ₦7.74 |
| AIICO | ₦0.62 | (1.59%) | 1,391 | H1'16 | 78.56% | ₦1.70 | ₦0.39 | ₦1.19 |
| CONTINSURE | ₦0.98 | 0.00% | 2,248 | H1'16 | 12.52% | ₦1.23 | ₦0.15 | ₦1.10 |
| ACCESS | ₦5.60 | 0.00% | 39,489 | H1'16 | 26.22% | ₦7.18 | ₦1.36 | ₦7.00 |
| AFRIPRUD | ₦2.75 | 2.23% | 264 | H1'16 | -64.75% | ₦3.99* | 54Kobo | ₦3.37 |
| ZENITHBANK | ₦15.30 | (3.16%) | 44,843 | H1'16 | -15.68% | HOLD | ₦0.85 | ₦25.05 |

*Revised upward

EARNINGS UPDATE

| SYMBOL | PERIOD | TURNOVER (N'mn) | | | PAT (N'mn) | | | CORP. ACTION |
|------------|----------|-----------------|----------|---------|------------|----------|----------|--------------|
| | | PRESENT | PREVIOUS | %CHANGE | PRESENT | PREVIOUS | %CHANGE | |
| PZ | FY'15/16 | 69,527 | 73,126 | -4.92% | 2,130 | 4,570 | -53.39% | 50Kobo |
| GUARANTY | H1'16 | 209,871 | 152,994 | 37.18% | 77,464 | 53,377 | 45.13% | 25Kobo |
| ZENITHBANK | H1'16 | 214,812 | 229,082 | -6.23% | 82,914 | 86,301 | -3.92% | 25Kobo |
| FO | H1'16 | 84,422 | 61,166 | 38.02% | 2,234 | 2,530 | -11.70% | |
| SKYE | FY'15 | 163,878 | 145,718 | 12.46% | (40.726) | 18,717 | -317.59% | |
| MANSARD | H1'16 | 13,218 | 10,569 | 25.06% | 2,264 | 1,075 | 110.60% | |
| NEM | H1'16 | 5,894 | 6,428 | -8.31% | 1,123 | 1,584 | -29.10% | |
| FBNH | H1'16 | 271,960 | 274,506 | -0.93% | 35,852 | 40,061 | -10.51% | |
| FIDSON | H1'16 | 2,610 | 4,034 | -35.30% | 40 | 325 | -87.69% | |
| FLOURMILLS | FY'15/16 | 342,586 | 308,756 | 10.96% | 14,422 | 8,463 | 70.41% | |
| CAP | H1'16 | 3,447 | 3,558 | -3.12% | 782 | 869 | -10.01% | |
| REDSTAREX | FY'15/16 | 6,632 | 6,658 | -0.39% | 335 | 384 | -12.76% | |
| OANDO | Q1'16 | 27,725 | 30,649 | -9.54% | 4,101 | (20,911) | -119.61% | |
| OANDO | FY'15 | 161,489 | 92,912 | 73.81% | (31,198) | (93,633) | -66.68% | |
| CHELLARAMS | FY'15/16 | 20,086 | 25,063 | -19.86% | 157 | (3,161) | -104.97% | |
| RAK | FY'15/16 | 6,682 | 7,246 | -7.78% | 53 | 89 | -40.45% | |
| ROYALEX | Q1'16 | 5,781 | 3,622 | 59.61% | 154 | 36 | 327.78% | |
| 7UP | FY'15/16 | 85,634 | 82,450 | 3.86% | 3,347 | 7,154 | -53.21% | |
| ROYALEX | FY'15 | 10,790 | 9,425 | 14.48% | 2,377 | 3,391 | -29.90% | |
| CADBURY | Q1'16 | 7,121 | 6,731 | 5.79% | 674 | (304) | 321.71% | |
| CADBURY | FY'15 | 27,825 | 30,518 | -8.82% | 1,154 | 2,139 | -46.05% | |
| UACN | Q1'16 | 17,517 | 17,729 | -1.20% | 1,320 | 1,677 | -21.29% | |
| TOTAL | Q1'16 | 59,704 | 60,042 | -0.56% | 2,826 | 449 | 529.40% | |
| DANGCEM | Q1'16 | 140,521 | 114,738 | 22.47% | 52,779 | 68,620 | -23.09% | |
| ACCESS | Q1'16 | 83,546 | 63,661 | 31.24% | 19,418 | 13,668 | 42.07% | |
| MOBIL | Q1'16 | 22,680 | 16,499 | 37.46% | 1,817 | 1,490 | 21.96% | |
| UBN | Q1'16 | 27,275 | 27,283 | -0.03% | 4,719 | 2,307 | 104.55 | |
| UBA | Q1'16 | 74,134 | 83,098 | -10.79% | 16,986 | 16,956 | 0.18% | |

FIXED INCOME REPORT

The **Treasury bills market** opened trading mixed on Monday; however demand at the mid to long end led to rates dropping by an average of 11 bps. Markets traded bullish on Tuesday as client demand came in the absence of OMO auctions, rates dropped by an average of 40 bps. Activity in the bills market was low on Wednesday with rate movements diverging across maturities; overall rates dropped by 17 bps. Rates traded bearish with little demand on Thursday, rates gained by 6 bps. The week closed on a bearish note as the CBN conducted an auction of 195 and 279 day OMO bills, with rates gaining by 17 bps.

The **FGN bond market** traded quiet on Monday, yields gained marginally by 3 bps. Yields dropped by 8 bps on Tuesday as offshore demand was observed at the long end. Trading was subdued on Wednesday with a bearish tilt; yields gained by 5 bps. Sentiment in the bonds market was bent towards bearishness on Thursday; yields closed higher by 7 bps. The bond market closed bearish with yields gaining by an average of 11 bps.

OUR OUTLOOK

Markets were mixed this week as participants awaited fund inflows from FAAC allocations which came in late towards the weekend. Inflation data is expected to be released soon, forecasts and expectations of this are expected to drive market direction in the coming week.

Market Indicators

| | |
|--------------------------|----------|
| FGN Bond Cap.(Nbillion) | 4,273.99 |
| FGN Bond Cap.(\$billion) | 26.97 |

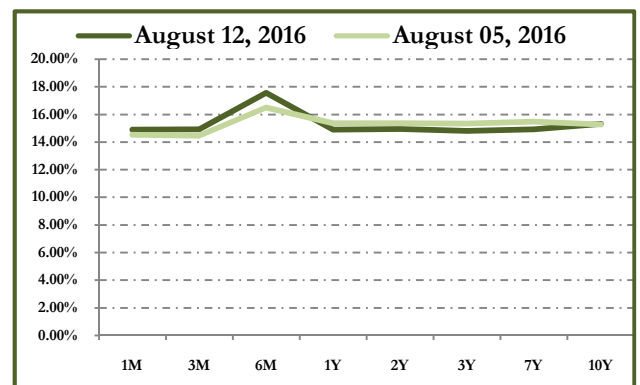
Source: DMO, Planet Capital Research

NIBOR

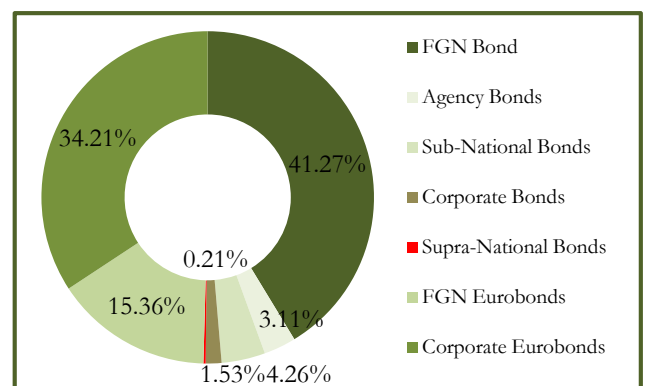
| Tenor | Rate(Aug 26, 2016) | Rate(Aug 19, 2016) | Change (%) |
|-------|--------------------|--------------------|------------|
| O/N | 18.16% | 17.44% | 0.72% |
| 1M | 16.45% | 16.77% | (0.32%) |
| 3M | 17.73% | 17.67% | 0.06% |
| 6M | 20.22% | 19.83% | 0.39% |

Source: FMDQ, Planet Capital Research

Yield Curve



Bond Market Capitalisation



System Liquidity for the week 22nd August – 26th August 2016:

| DATE | LIQUIDTY POSITION(₦'000,000) | OBB RATE (%) | OVERNIGHT RATE (%) |
|--------------|------------------------------|--------------|--------------------|
| 22-August-16 | 22,266.64 | 19.00 | 21.75 |
| 23-August-16 | 24,967.04 | 17.50 | 18.58 |
| 24-August-16 | -16,135.18 | 17.00 | 18.08 |
| 25-August-16 | 10,665.63 | 16.83 | 17.92 |
| 26-August-16 | 62,839.96 | 18.17 | 18.92 |

EUROBOND CLOSING PRICES

| Issuers | Ticker | Fitch | S&P | Bid px | Ask px | Bid % | Ask % |
|------------------------|------------|-------|-----|---------|--------|--------|-------|
| REPUBLIC OF NIGERIA | 12/07/2018 | 5.125 | B+ | B+ | 101.25 | 102.25 | 4.42 |
| REPUBLIC OF NIGERIA | 28/01/2021 | 6.75 | B+ | B+ | 102.50 | 103.50 | 6.09 |
| REPUBLIC OF NIGERIA | 12/07/2023 | 6.375 | B+ | B+ | 100.00 | 100.75 | 6.37 |
| ACCESS FINANCE BV | 25/07/2017 | 7.25 | B | B+ | 100.00 | 101.00 | 7.24 |
| ACCESS BANK PLC | 24/06/2021 | 9.25 | B- | B- | 82.00 | 83.50 | 17.61 |
| DIAMOND BANK PLC | 21/05/2019 | 8.75 | B | B- /*- | 73.00 | 76.00 | 22.51 |
| ECOBANK NIGERIA LTD | 14/08/2021 | 8.75 | - | B- | 82.00 | 84.00 | 16.71 |
| FIRST BANK NIGERIA LTD | 07/08/2020 | 8.25 | B- | CCC /*- | 82.50 | 84.50 | 19.52 |
| FIRST BANK NIGERIA LTD | 23/07/2021 | 8 | B- | CCC /*- | 73.50 | 75.50 | 20.58 |
| FIDELITY BANK PLC | 09/05/2018 | 6.875 | B | B | 82.00 | 86.00 | 19.89 |
| GTB FINANCE BV | 08/11/2018 | 6 | B+ | B+ | 99.50 | 100.25 | 6.24 |
| HELIOS TOWERS | 15/07/2019 | 8.375 | B | B | 96.50 | 100.00 | 9.79 |
| SEVEN ENERGY LTD | 11/10/2021 | 10.25 | CCC | CCC+ | 52.00 | 57.00 | 28.68 |
| ZENITH BANK PLC | 22/04/2019 | 6.25 | B+ | B+ | 97.00 | 97.75 | 7.52 |

FGN BONDS CLOSING YIELDS

| Maturity | Bid Yield | Offer Yield |
|----------------------|-----------|-------------|
| NIGB 16.00% JUN 19 | 15.00% | 14.75% |
| NIGB 15.54% FEB 20 | 15.03% | 14.96% |
| NIGB 16.39% JAN 22 | 14.97% | 14.83% |
| NIGB 14.20% MAR 24 | 15.02% | 14.99% |
| NIGB 12.50% JAN 26 | 15.38% | 15.24% |
| NIGB 10.00% JUL 30 | 15.26% | 15.19% |
| NIGB 12.1493% JUL 34 | 15.12% | 15.07% |
| NIGB 12.40% MAR 36 | 15.00% | 14.75% |

TREASURY BILLS CLOSING RATES

| Benchmark Treasury Bills | | |
|--------------------------|-------|-------|
| 08-Sep-16 | 15.30 | 15.05 |
| 22-Sep-16 | 14.00 | 13.75 |
| 06-Oct-16 | 16.00 | 14.00 |
| 13-Oct-16 | 14.55 | 14.30 |
| 20-Oct-16 | 13.20 | 12.95 |
| 27-Oct-16 | 14.50 | 14.25 |
| 03-Nov-16 | 15.00 | 12.50 |
| 17-Nov-16 | 14.25 | 14.00 |
| 01-Dec-16 | 14.50 | 13.50 |
| 08-Dec-16 | 13.60 | 13.35 |
| 15-Dec-16 | 14.85 | 14.60 |
| 29-Dec-16 | 15.00 | 14.75 |
| 05-Jan-17 | 17.20 | 15.00 |
| 19-Jan-17 | 15.45 | 15.20 |
| 02-Feb-17 | 17.50 | 15.50 |
| 16-Feb-17 | 16.60 | 16.35 |
| 02-Mar-17 | 17.50 | 14.50 |
| 06-Apr-17 | 17.50 | 14.50 |
| 20-Apr-17 | 15.45 | 15.20 |
| 04-May-17 | 17.50 | 16.50 |
| 11-May-17 | 16.45 | 16.20 |
| 01-Jun-17 | 18.00 | 16.50 |
| 15-Jun-17 | 16.75 | 16.50 |
| 06-Jul-17 | 18.00 | 15.00 |
| 13-Jul-17 | 16.65 | 16.40 |
| 20-Jul-17 | 16.70 | 16.45 |
| 27-Jul-17 | 16.65 | 16.40 |
| 03-Aug-17 | 18.00 | 14.00 |

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