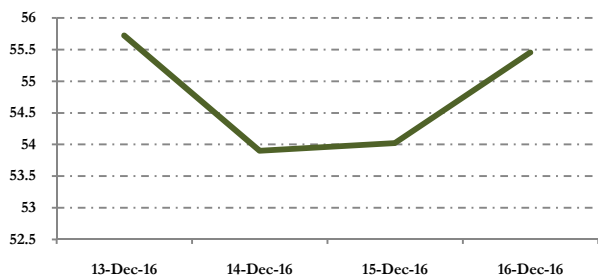


## Key Statistics

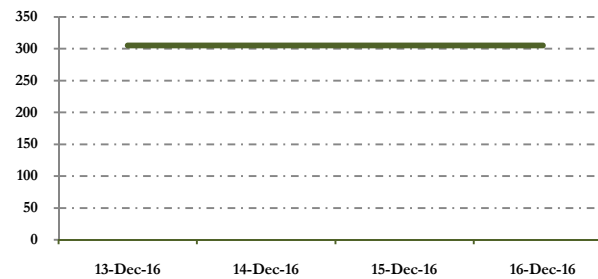
	Current	Previous	%change
Inflation	18.48%	18.33%	(0.15%)
GDP	-2.24%	-2.06%	(0.18%)
MPR	14.00%	14.00%	0.00%
Brent Crude	\$55.45	\$54.33	2.06%
Foreign Reserve	\$25.04bn	\$24.98bn	0.24%
Exchange rate	N305.00/\$	N305.50/\$	(0.16%)
NIBOR (Av.)	14.86%	14.87%	(0.01%)

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	16/12/2016	09/12/2016	Change (%)
S&P 500	2,262.03	2,259.53	0.11%
FTSE 100	7,010.42	6,954.21	0.81%
DJIA	19,852.24	19,756.85	0.48%
NIKKEI	19,401.15	18,996.37	2.12%
DAX	11,403.09	11,203.63	1.78%
JALSH	49,691.31	50,899.92	(2.37%)
IBOV INDEX	58,844.88	60,500.62	(2.74%)
NIFTY	8,139.45	8,261.75	(1.48%)
MICEX	2,234.46	2,208.53	1.17%
SHCOMP	3,122.98	3,232.88	(3.40%)

Source: Bloomberg, Planet Capital Research

## Global Economic Update

China's bank lending and securities investment accounted for \$301 billion in net outflows in the first nine months compared to \$78 billion from outbound foreign direct investment. Since 2012, China has taken steps to liberalise cross border flows as it sought to internationalise its currency and pursue the international Monetary Fund's endorsement as a reserve currency.

Performance across global markets was bullish this week, the FTSE-100 index firmed up by 0.81 percent; Dow Jones Industrial index (DJIA) rose 0.48 percent while the S&P 500 index was up 0.11 percent. Germany's DAX index closed higher by 1.78 percent while France's CAC-40 rose by 0.55 percent. Emerging markets posted mixed returns, Russia's MICEX index was up 1.17 percent; India's NIFTY edged lower by 1.48 percent; Brazil's IBOV index gained 2.78 percent; South African JALSH declined by 2.74 percent while China's SHCOMP index lost 3.40 percent.

Brent crude oil price gained 2.06 percent to close at \$55.45 per barrel as against \$54.33 per barrel last Friday.

## Domestic Economy

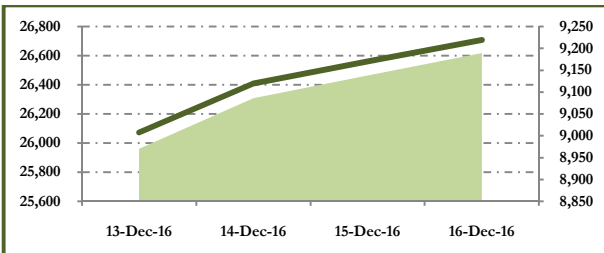
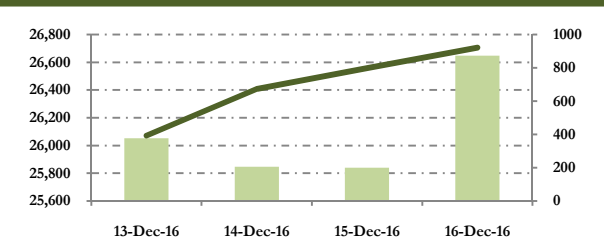
The continued depreciation of the local currency at the parallel market and the cost push effect on the price of raw material and consumer goods dragged Nigeria's inflation further to 18.48 percent in November, 15bps higher than 18.33 percent seen in October. We anticipate a further rise as a result of increased demand for food items, clothing and transportation during the festive season.

According to the National Bureau of Statistics, Nigeria's unemployment rate for the third quarter of 2016 rose to 13.90 percent, 0.60 percent higher than 13.30 percent seen in the second quarter. Working age population (ages between 15 and 64) increased to 108.03 million in the review period compared to 106.69 million in the second quarter, representing a rise of 1.26 percent.

Labour Force Population (working age population willing, able and actively looking for work) rose to 80.67 million from 79.90 million in second quarter.

**Weekly Statistics**

	16/12/2016	09/12/2016	Change
ASI	26,707.10	25,817.69	3.44%
CAP	₦9.19tn	₦8.88tn	N306.03bn
VOLUME	1.76bn	894.77mn	96.70%
VALUE	₦14.22bn	₦10.63bn	33.77%
DEALS	15,372	13,419	14.55%

**1-Week Index Vs Market Cap**

**Weekly Index Vs Volume(mn)**

**Top gainers**

Symbol	Current	Previous	Return
HONYFLOUR	₦1.32	₦1.06	24.53%
ETI	₦12.04	₦9.94	21.13%
SEPLAT	₦410.00	₦340.00	20.59%
UCAP	₦2.91	₦2.60	11.92%
LIVESTOCK	₦0.87	₦0.78	11.54%
VITAFOAM	₦2.43	₦2.19	10.96%
AFRIPRUD	₦3.19	₦2.90	10.00%
NEIMETH	₦0.66	₦0.60	10.00%
FO	₦116.24	₦106.23	9.42%
GUARANTY	₦25.50	₦23.34	9.25%

**Top losers**

Symbol	Current	Previous	Return
PORTPAINT	₦1.98	₦2.29	(13.54%)
UNILEVER	₦39.57	₦45.00	(12.07%)
FIDSON	₦1.27	₦1.39	(8.63%)
CAVERTON	₦0.86	₦0.94	(8.51%)
MOBIL	₦280.00	₦305.00	(5.20%)
BETAGLASS	₦30.40	₦32.99	(7.85%)
AIRSERVICE	₦2.46	₦2.60	(5.38%)
AVONCROWN	₦1.14	₦1.20	(5.00%)
MANSARD	₦1.64	₦1.71	(4.09%)
CADBURY	₦10.70	₦11.15	(4.04%)

**Gains in Banking and Oil&Gas stocks lifted the index higher by 3.44%.....**

The bulls tightened their grip on the local bourse as the ASI firmed up by 3.44 percent to close at 26,707.10 compared to a gain of 0.30 percent last Friday. Market capitalization improved by N306.03billion to settle at N9.19trillion.

**Increase in activity level.....**

The volume of equities traded for the week rose by 96.70 percent as investors exchanged 1.76billion shares valued at N14.22billion traded in 15,372 deals compared to 894.77million shares worth N10.63billion traded last week. The financial services sector remained the most active, accounting for over 75 percent of total market volume. Shares of Access Bank Plc boosted activity in the financial services sector.

**Oil&Gas index leads sector performance.....**

The NSE-OIL&GAS index edged higher by 7.36 percent on gains in Seplat and Forte Oil Plc; the NSE-BANKING index firmed up by 6.28 percent on positive posture in ETI and Guaranty Trust Bank Plc while the NSE-IND.GOODS index closed higher by 3.51 percent on renewed optimism in Dangote Cement Plc. On the flip side, the NSE-CON.GOODS index lost 1.68 percent on losses in Honeywell Flour Mills and Vita Foam Plc while the NSE-INSURANCE index shed 0.53 percent on losses in Mansard Insurance Plc

**Market breadth turns positive.....**

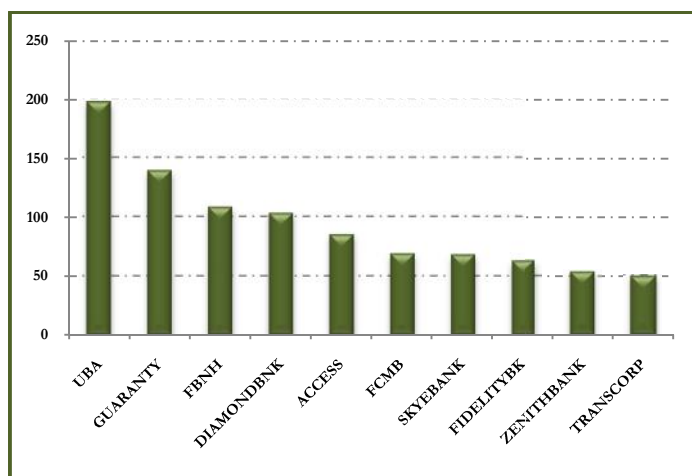
Market breadth closed negative with 40 advancers and 19 decliners. HONYFLOUR posted the highest return by 24.53 percent, ETI 21.13 percent, SEPLAT 20.59 percent, UCAP 11.92 percent and LIVESTOCK 11.54 percent. Conversely, PORTPAINT led the losers by 13.54 percent, UNILEVER 12.07 percent, FIDSON 8.65 percent, CAVERTON 8.51 percent and MOBIL 5.20 percent.

## Sector Performance

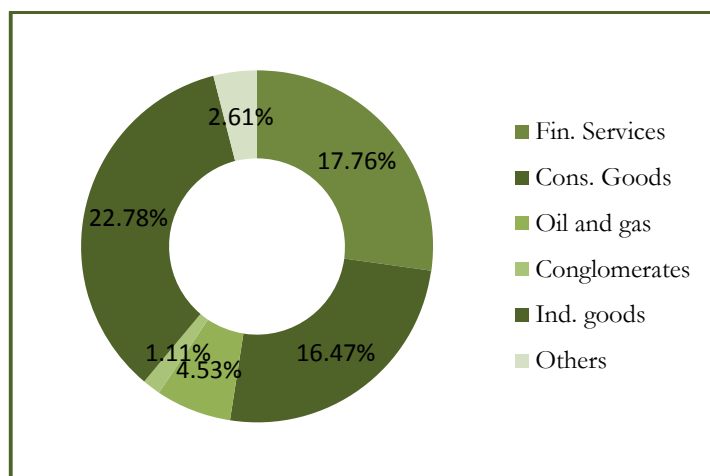
SECTOR ANALYSIS	16/12/2016	09/12/2016	WK RETURN (%)	YTD RETURN (%)
NSE-30	1,192.20	1,156.91	3.05%	(7.41%)
NSE-BANKING	277.43	261.03	6.28%	3.33%
NSE-INSURANCE	123.48	124.14	(0.53%)	(13.67%)
NSE-CON.GOODS	700.71	712.70	(1.68%)	(6.09%)
NSE-OIL&GAS	332.86	310.04	7.36%	(6.65%)
NSE-IND.GOODS	1,547.92	1,495.47	3.51%	(28.56%)

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	₦18.50	(0.00%)	6,471	H1'16/17	-73.06%	UR	₦1.68	₦26.32
PRESCO	₦41.87	(0.00%)	6,803	9M'16	97.99%	UR	₦3.01	₦40.49
UCAP	₦2.91	11.92%	4,696	9M'16	145%	UR	60Kobo	₦2.68
UBA	₦4.50	2.51%	52,269	9M'16	7.64%	₦5.51	N1.44	₦5.40
DANGSUGAR	₦6.10	0.33%	10,117	9M'16	8.37%	HOLD	₦0.60	₦7.74
AIICO	₦0.60	5.26%	3,043	9M'16	13.00%	₦1.70	₦0.39	₦1.19
CONTINSURE	₦1.00	(0.00%)	3,751	9M'16	144.05%	₦1.23	₦0.15	₦1.10
ACCESS	₦5.62	4.27%	57,095	9M'16	18.72%	₦7.18	₦1.36	₦7.00
AFRIPRUD	₦3.19	10.00%	264	H1'16	-64.75%	₦3.99*	54Kobo	₦3.37
ZENITHBANK	₦14.39	(0.76%)	100,074	9M'16	20.44%	UR	₦0.85	₦25.05

\*Revised upward

**EARNINGS UPDATE**

SYMBOL	PERIOD	TURNOVER (N'mn)			PAT (N'mn)			CORP. ACTION
		PRESENT	PREVIOUS	%CHANGE	PRESENT	PREVIOUS	%CHANGE	
TOURIST	Q1'16/17	679	789	-13.94%	(1,660)	(155)	970.97	
TOURIST	FY'15/16	2,891	3,209	-9.91%	(5,547)	(2,642)	109.95%	
TRANSCORP	9M'16	(14,206)	5,887	-341.31%	41,921	30,425	37.78%	
WEMABANK	9M'16	1,269	1,299	-2.31%	37,891	32,564	16.36%	
DIAMONDBNK	9M'16	3,513	15,970	-78.00%	151,106	156,541	-3.47%	
FIDELITYBNK	9M'16	110,346	107,140	2.99%	8,753	11,445	-23.52%	
FBNH	9M'16	42,517	50,217	-15.33%	417,300	390,000	7.00%	
ZENITHBNK	9M'16	100,074	83,087	20.44%	380.352	336,853	12.91%	
ACCESS	9M'16	57,095	48,092	18.72%	328,153	239.536	37.00%	
CCNN	9M'16	723	1,650	-56.18%	9,229	11,145	-17.19%	
DANGCEM	9M'16	133,521	157,993	-15.49%	442,092	365,450	20.97%	
ASHAKACEM	9M'16	1,428	3,700	-61.41%	10,863	14,548	-25.33%	
SEPLAT	9M'16	(24,290)	13,579	-278.88%	47,672	83,004	-42.57%	
TOTAL	9M'16	11,633	2,770	319.96%	220,216	159,299	38.24%	
CHAMPION	9M'16	99	46	115.22%	2,660	2,270	17.18%	
NNFM	H1'16	16	45	-64.22%	341	549	-37.89%	
NESTLE	9M'16	486	17,237	-97.18%	129,482	107,985	19.91%	
NASCON	9M'16	1,764	1,620	8.86%	12,794	10,192	25.53%	
HONEYFLOUR	H1'16/17	389	903	-56.92%	24,423	26,192	-6.75%	
GUINNESS	Q1'16/17	2,227	364	-711.81%	23,018	21,741	5.87%	
FLOURMILLS	9M'16	6,471	24,020	-73.06%	255,304	177,583	43.77%	
DANGSUGAR	9M'16	10,117	9,336	8.37%	115,253	73,046	57.78%	
NB	9M'16	20,113	26,176	-23.16%	222.716	214,918	3.63%	
GUARANTY	9M'16	329,282	229,370	43.56%	119,928	75,160	59.56%	
TRANSEXPR	9M'16	602	589	2.21%	35	47	-25.53%	
UBA	9M'16	265,527	245,492	8.16%	52,269	48,557	7.64%	
UCAP	9M'16	5,689	4,088	39.16%	4,696	1,910	145.86%	
TRANSCORP	9M'16	(14,206)	5,887	-341.31%	41,921	30,425	37.78%	
WEMABANK	9M'16	1,269	1,299	-2.31%	37,891	32,564	16.36%	

## FIXED INCOME REPORT

### Market Commentary

#### TREASURY BILLS MARKET HIGHLIGHT

The Treasury bills market traded mixed on Tuesday with seesaws between sell offs and rallies while the CBN conducted an OMO auction of 177 & 352 day bills, rates dropped by an average of 10 bps. The short and mid end rallied hard on Wednesday while the long end traded flat; rates dropped by an average of 21 bps. Markets opened bearish early on Thursday as the CBN conducted an OMO auction, this reversed midsession as only the 357 day bill was sold; rates closed around opening levels. The short end traded bearish to close the week on Friday with a 55 bps gain while the mid-end dropped 19 bps and the long end closed flat.

#### BONDS MARKET HIGHLIGHT

The FGN bond market opened the week bearish on Tuesday ahead of the auction, this retraced mid-session as demand came in, yields declined by 3 bps. Bonds traded mixed on Wednesday with the auction bonds (2026& 2036) gaining while the dropped, average yield closed around opening levels. Demand for non auction bonds from local players drove yields down by 10 bps on Thursday. The effect of the higher inflation figure at 18.48% filtered into the market today with yields gaining by 7 bps.

### OUR OUTLOOK

Bonds traded bullish most of the week off local demand while bills traded mixed with activity predominant at the short to mid end. Markets are expected to trade mixed next week. There is a NTB auction on Wednesday 21th December 2016.

#### Market Indicators

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

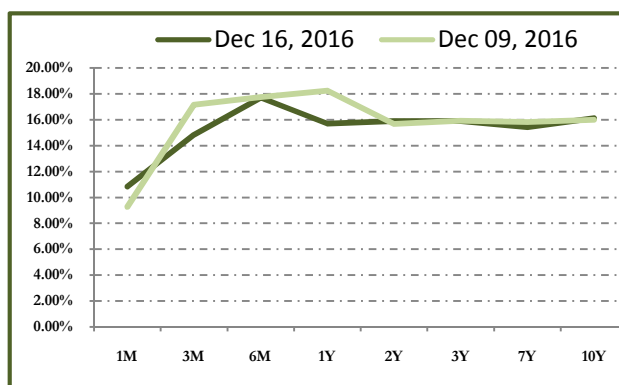
Source: DMO, Planet Capital Research

#### NIBOR

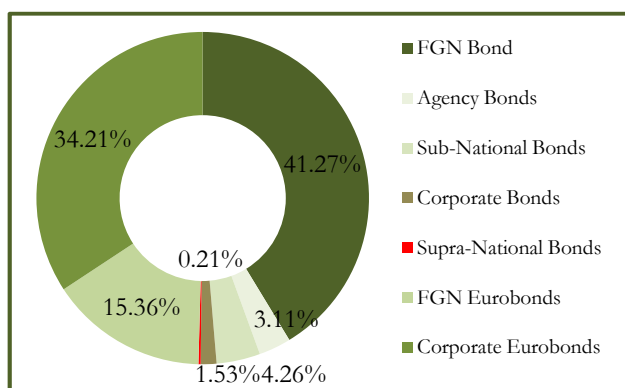
Tenor	Rate(Dec 16, 2016)	Rate(Dec 09 25, 2016)	Change (%)
O/N	4.25%	4.15%	0.10%
1M	15.61%	15.86%	(0.25%)
3M	18.16%	18.39%	(0.23%)
6M	21.43%	21.06%	0.37%

Source: FMDQ, Planet Capital Research

#### Yield Curve



#### Bond Market Capitalisation



**System Liquidity for the week 09<sup>th</sup> December 2016 –16<sup>th</sup> December 2016:**

DATE	LIQUIDITY POSITION(N'000,000)	OBB RATE (%)	OVERNIGHT RATE (%)
13-December-16	300,000(est.)	3.33	3.83
14-December-16	350,000 (est.)	3.00	3.67
15-December-16	300,000 (est.)	3.42	4.17
16-December-16	n/a	3.92	4.42

**EURO BONDS CLOSING YIELDS**

Issuer	Ticker	Fitch	S&P	Bid px	Ask px	Bid %	Ask %
REPUBLIC OF NIGERIA	12/07/2018	B+	B	101.25	101.75	4.29	3.96
REPUBLIC OF NIGERIA	28/01/2021	B+	B	99.5	100.5	6.89	6.61
REPUBLIC OF NIGERIA	12/07/2023	B+	B	95	96	7.35	7.15
ACCESS FINANCE BV	25/07/2017	B	B	100.875	101.75	5.72	4.24
ACCESS BANK PLC	24/06/2021	B-	CCC+	91	92.5	13.6	12.84
ACCESS BANK PLC	19/10/2021	-	B	99.75	100.5	10.56	10.36
DIAMOND BANK PLC	21/05/2019	B-	B- /*-	78	80.5	20.76	19.18
EBN FINANCE CO BV	14/08/2021	-	CCC+	83	86	16.96	15.36
FIRST BNK NIGERIA	07/08/2020	CCC	CCC	82.5	84.5	21.5	19.8
FIRST BNK NIGERIA	23/07/2021	CCC	CCC	77	79	19.75	18.56
FIDELITY BANK PLC	09/05/2018	B-	B-	86	89	18.79	16.02
GTB FINANCE BV	08/11/2018	B+	B	99.75	100.5	6.14	5.71
HELIOS TOWERS	27/10/2021	B+	(P)B+	101	102	9.18	8.87
SEVEN ENERGY	11/10/2021	C	D	47	60	32.89	24.97
ZENITH BANK PLC	22/04/2019	B+	B	97.5	98.5	7.43	6.95

**FGN BONDS CLOSING YIELDS**

Maturity	Bid Yield (%)	Offer Yield (%)
NIGB 16.00% JUN 19	15.75%	15.69%
NIGB 15.54% FEB 20	16.00%	15.90%
NIGB 16.39% JAN 22	15.80%	15.71%
NIGB 14.20% MAR 24	15.50%	15.43%
NIGB 12.50% JAN 26	16.20%	16.12%
NIGB 10.00% JUL 30	15.70%	15.65%
NIGB 12.1493% JUL 34	16.30%	16.25%
NIGB 12.40% MAR 36	15.75%	15.69%

**TREASURY BILLS CLOSING RATES**

Benchmark Treasury Bills		
Maturity	Bid Discount (%)	Offer Discount (%)
29-Dec-16	8.28	8.03
5-Jan-17	10.01	9.76
19-Jan-17	11.07	10.82
2-Feb-17	15.01	14.76
16-Feb-17	17.36	17.11
23-Feb-17	17.31	17.06
2-Mar-17	13.47	13.22
9-Mar-17	15.25	15.00
16-Mar-17	15.07	14.82
23-Mar-17	14.21	13.96
30-Mar-17	15.39	15.14
6-Apr-17	15.95	15.70
13-Apr-17	16.14	15.89
20-Apr-17	16.33	16.08
4-May-17	17.71	17.46
11-May-17	17.76	17.51
25-May-17	17.85	17.60
1-Jun-17	17.69	17.44
15-Jun-17	17.47	17.22
29-Jun-17	17.95	17.70
6-Jul-17	17.58	17.33
13-Jul-17	17.45	17.20
20-Jul-17	18.02	17.77
27-Jul-17	18.03	17.78
3-Aug-17	18.41	18.16
10-Aug-17	18.20	17.95
17-Aug-17	18.00	17.75
24-Aug-17	18.62	18.37
31-Aug-17	18.54	18.29
14-Sep-17	18.32	18.07
21-Sep-17	18.45	18.20
19-Oct-17	18.48	18.23
26-Oct-17	18.50	18.25
2-Nov-17	18.53	18.28

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