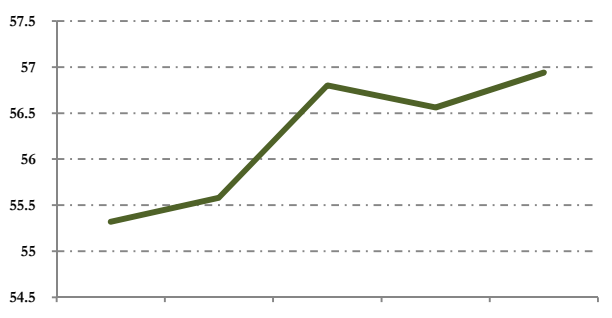


## Key Statistics

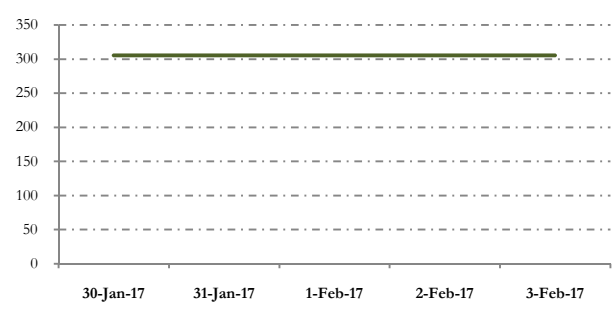
	Current	Previous	%change
Inflation	18.48%	18.33%	(0.15%)
GDP	-2.24%	-2.06%	(0.18%)
MPR	14.00%	14.00%	0.00%
Brent Crude	\$56.94	\$55.70	2.23%
Foreign Reserve	\$28.28bn	\$27.95bn	1.18%
Exchange rate	N305.25/\$	N305.25/\$	0.00%
NIBOR (Av.)	16.42%	17.67%	(0.08%)

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	03/02/2017	27/01/2017	Change (%)
S&P 500	2,280.85	2,280.90	0.00%
FTSE 100	7,173.35	7,118.48	0.77%
DJIA	19,884.91	19,971.13	(0.43%)
NIKKEI	18,918.20	19,368.85	(2.33%)
DAX	11,652.80	11,681.89	(0.25%)
JALSH	52,290.89	52,660.94	(0.70%)
IBOV INDEX	64,898.98	64,301.73	0.93%
NIFTY	8,740.95	8,632.75	1.25%
MICEX	2,225.39	2,234.14	(0.39%)
SHCOMP	3,140.17	3,159.17	(0.60%)
CAC-40	4,838.01	4,784.64	1.12%

Source: Bloomberg, Planet Capital Research

## Global Economic Update

United States economy added 227,000 jobs in January while average hourly earnings rose by 2.50 percent year-on-year, a slowdown from 2.80 percent recorded in December. The numbers reflect the slack remaining in the labour market.

Performance across global market was bearish this week. The FTSE-100 index gained 0.77 percent; Dow Jones Industrial index (DJIA) was down 0.43 percent while the S&P 500 index closed flat, Germans' DAX index declined by 0.25 percent while France's CAC-40 rose by 1.12 percent. Likewise, Emerging markets also posted negative returns, China SHCOMP index declined by 0.60 percent, Brazil's IBOV index firmed up by 0.93 percent; Russia's MICEX index declined 0.39 percent; Indian's NIFTY edged higher 1.25 percent while South Africa JALSH edged lower by 0.70 percent.

Organisation of Petroleum Exporting Countries (OPEC) deal compliance rate pushed Brent crude price higher by 2.23 percent to \$56.94 per barrel as against \$55.70 per barrel last Friday.

## Domestic Economy

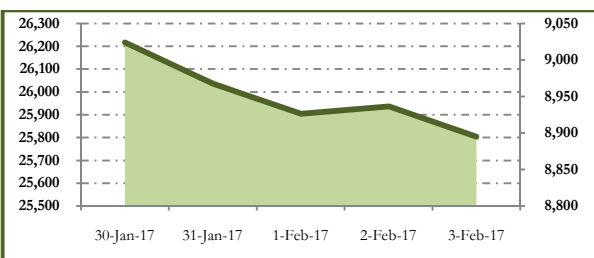
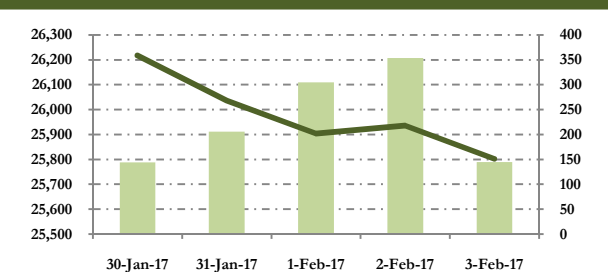
Nigeria's capital imports in 2016 declined by 47 percent to \$5.12billion from \$9.64billion imported in 2015 due to weak currency. The capital imported in 2016 was the lowest value seen in nine years, reflecting the numerous economic challenges facing the country. Portfolio investment into the equities market recorded the highest decline in 2016, dipping by 70 percent from 2015.

According to the National Bureau of Statistics, Nigeria imported bulk of its capital from India, United States and Netherlands, with telecoms, banking and oil sectors as the main beneficiaries. Total value of capital imported in Nigeria dropped by 5.38 percent in the fourth quarter of 2016 to \$1.54billion from \$1.82billion recorded in the third quarter.

Other investment type accounted for 59 percent of total capital imported while Foreign Direct Investment got a share of 22.25 percent (\$344.63million) in 2016.

**Weekly Statistics**

	03/02/2017	27/01/2017	Change
ASI	25,802.54	26,328.22	(1.58%)
CAP	₦8.89trn	₦9.06trn	(₦128.27bn)
VOLUME	1.15bn	990.58mn	16.09%
VALUE	₦8.03bn	₦18.82bn	(57.33%)
DEALS	12,783	14,916	(14.30%)

**1-Week Index Vs Market Cap**

**Weekly Index Vs Volume(mn)**

**Top gainers**

Symbol	Current	Previous	Return
CAVERTON	₦0.80	₦0.69	15.94%
WAPCO	₦44.40	₦40.43	9.82%
UNITYBNK	₦0.80	₦0.74	8.11%
MOBIL	₦275.99	₦264.56	4.32%
7UP	₦112.10	₦108.00	3.80%
UCAP	₦3.55	₦3.44	3.20%
MAYBAKER	₦1.00	₦0.97	3.09%
ETERNA	₦3.58	₦3.48	2.87%
STERLNBANK	₦0.75	₦0.73	2.74%
GUINNESS	₦66.50	₦64.90	2.47%

**Top losers**

Symbol	Current	Previous	Return
FO	₦61.00	₦71.88	(15.14%)
NEIMETH	₦0.62	₦0.73	(15.07%)
UAC-PROP	₦2.48	₦2.88	(13.89%)
TOTAL	₦268.00	₦298.96	(10.36%)
DIAMONDBNK	₦0.89	₦0.99	(10.10%)
NESTLE	₦680.00	₦750.00	(9.33%)
WEMABANK	₦0.50	₦0.55	(9.09%)
CONTINSURE	₦1.11	₦1.22	(9.02%)
CUSTODYINS	₦3.33	₦3.60	(7.50%)
UACN	₦15.20	₦16.41	(7.37%)

**Bearish run persists.....index down 1.58 percent**

Market indicators closed the week on a bearish note as sell pressure from high cap stocks like Forte Oil and Nestle and Guaranty Trust Bank Plc pulled the benchmark index lower by 1.58 percent to close at 25,802.54 compared to a loss of 0.42 percent recorded last week. Market capitalization also slumped N128.27billion to settle at N8.89trillion.

**Improvement in activity level.....**

Turnover rose by 16.09percent as investors exchanged 1.15billion shares worth N8.03billion traded in 12,783 deals as against 990.58million shares valued at N18.82billion traded previously. Shares of United Bank for Africa and Zenith Bank Plc boosted activity in the financial services sector, seeing that the sector accounted for over 70 percent of total market volume.

**Industrial Goods index; the lone gainer.....**

Gains in Lafarge Africa and Dangote Cement Plc pushed the NSE-IND.GOODS index higher by 8.94 percent while other sector indices closed lower. The NSE-CON.GOODS index lost 5.54 percent on sell pressure in UAC and Nestle Plc; the NSE-OIL&GAS index declined by 5.04 percent on losses in Forte Oil and Total Plc; the NSE-BANKING index was down by 2.81 percent on negative sentiment in Diamond Bank and Wema Bank Plc while the NSE-INSURANCE index shed 2.56 percent on losses in Continental Reinsurance Plc and Custody Insurance Plc.

**Negative market breadth sustained.....**

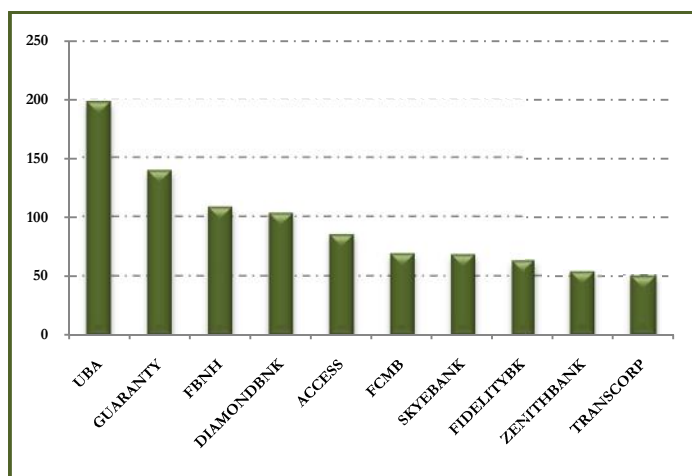
Market breadth closed negative with 23 gainers and 37 losers. CAVERTON led advancers for the week by 15.94 percent, WAPCO 9.82 percent, UNITYBNK 8.11 percent, MOBIL 4.32 percent and 7UP 3.80 percent. On the other hand, FO led the losers chart by 15.14 percent, NEIMETH 15.07 percent, UAC-PROP 13.89 percent, TOTAL 10.36 percent and DIAMONDBNK 10.10 percent. Market Year-to-date return now stands at -3.99 percent.

## Sector Performance

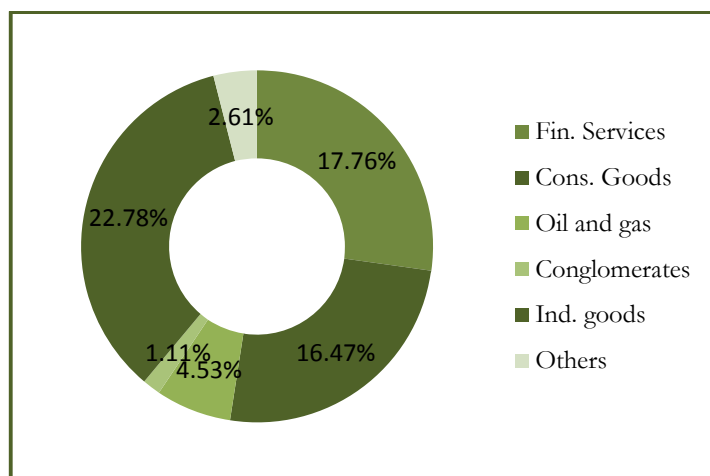
SECTOR ANALYSIS	03/02/2017	27/01/2017	WK RETURN (%)	YTD RETURN (%)
NSE-30	1,141.72	1,172.86	(2.66%)	(4.47%)
NSE-BANKING	276.17	284.16	(2.81%)	0.67%
NSE-INSURANCE	123.69	126.94	(2.56%)	(2.06%)
NSE-CON.GOODS	632.85	670.00	(5.54%)	(11.20%)
NSE-OIL&GAS	287.96	303.24	(5.04%)	(7.91%)
NSE-IND.GOODS	1,690.32	1,551.57	8.94%	5.95%

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
TOTAL	₦268	(10.36%)	11,633	9M'16	319.66%	UR	₦34.42	₦345
FLOURMILLS	₦18.00	(2.70%)	6,471	H1'16/17	-73.06%	UR	₦1.68	₦26.32
PRESCO	₦44.12	(0.18%)	6,803	9M'16	97.99%	UR	₦3.01	₦40.49
UCAP	₦3.55	3.20%	4,696	9M'16	145%	UR	60Kobo	₦2.68
UBA	₦5.00	(2.34%)	52,269	9M'16	7.64%	₦5.51	N1.44	₦5.40
DANGSUGAR	₦6.01	(5.35%)	10,117	9M'16	8.37%	HOLD	₦0.60	₦7.74
AIICO	₦0.58	(3.33%)	3,043	9M'16	13.00%	₦1.70	₦0.39	₦1.19
CONTINSURE	₦1.11	(9.02%)	3,751	9M'16	144.05%	₦1.23	₦0.15	₦1.10
ACCESS	₦6.80	1.04%	57,095	9M'16	18.72%	₦7.18	₦1.36	₦7.00
AFRIPRUD	₦3.15	1.61%	264	H1'16	-64.75%	₦3.99*	54Kobo	₦3.37
ZENITHBANK	₦15.56	(2.75%)	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	
STANBIC	Q3'16	114,622	104,418	9.77%	20,152	13,562	48.59%	
LINKASSURE	Q3'16	3,357	3,060	9.71%	616	651	-5.38%	
LINKASSURE	H1'16	2,565	2,382	7.68%	751	485	54.85%	
LINKASSURE	Q1'16	1,609	1,353	18.92%	532	671	-20.72%	
VITAFOAM	FY'15/16	13,569	16,853	-19.49%	(32)	(71)	-54.93%	
LINKASSURE	FY'15	3,789	3,054	24.07%	512	324	58.02%	
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%	
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%	
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%	

## FIXED INCOME REPORT

### Market Commentary

#### TREASURY BILLS MARKET HIGHLIGHT

**Trading** opened the week on a cautious note with markets being mixed, rates dipped marginally by 3 bps overall. Bills traded bullish on Tuesday as liquidity remained buoyant with expectation of further inflows, rates dipped by an average of 23 bps across board. Surplus liquidity led to the bullishness continuing on Wednesday with a drop of 11bps. The lower than expected PMA results led to a downward slide in rates on Thursday with a drop of 43bps. An OMO auction of 181 and 342 day bills on Friday led to rates gaining across board by 16 bps.

#### BONDS MARKET HIGHLIGHT

**The FGN bond market** opened trading on Monday initially bullish due to demand at the short to mid end, this encouraged profit taking which led to yields closing up by an average of 7bps. Bonds retraced from an initial 2 bps hike at beginning of trading on Tuesday to close with an average drop of 3 bps in yields. Offshore demand drove yields down by 7bps on Wednesday. Demand was concentrated at the 2026 and 2036 maturities early in trading on Thursday; there was profit taking afterwards by participants with markets closing marginally bullish. Bonds traded bearish across the curve on Friday with a 9 bps gain as the CBN mopped up liquidity with an OMO sale.

#### OUR OUTLOOK

**Markets** traded bullish this week as liquidity remained surplus till an OMO auction today bucked the trend. Markets are expected to trade bearish next week as liquidity tightens.

#### Market Indicators

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

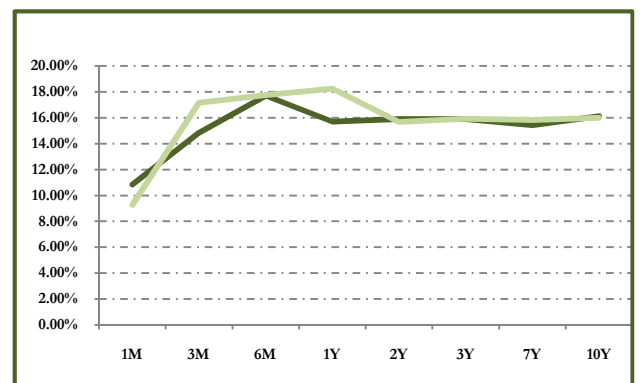
Source: DMO, Planet Capital Research

#### NIBOR

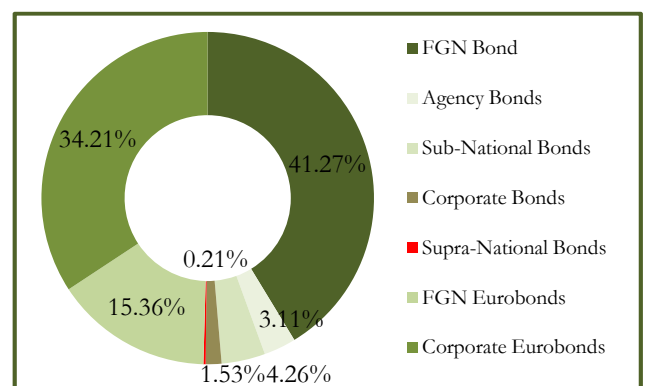
Tenor	Rate(Feb 3, 2017)	Rate(Jan 27, 2017))	Change (%)
O/N	5.79%	5.50%	0.29%
1M	17.31%	17.86%	(0.55%)
3M	19.51%	19.50%	0.01%
6M	23.05%	23.14%	(0.09%)

Source: FMDQ, Planet Capital Research

#### Yield Curve



#### Bond Market Capitalisation



**System Liquidity for the week 30<sup>th</sup> January – 3<sup>rd</sup> February 2017:**

MONEY MARKET				TRADING VOLUMES	
DATE	LIQUIDITY POSITION (₦'000,000)	OBB RATE (%)	OVERNIGHT RATE (%)	TBILLS('000)	BONDS('000)
3-Feb-17	n/a	11.25	10.50	231,516,000	33,700,000
2-Feb-17	303,413.70	5.00	5.75	370,090,233	20,260,000
1-Feb-17	n/a	5.42	6.25	264,829,925	49,310,000
31-Jan-17	325,439.75	6.08	6.92	227,055,000	41,400,000
30-Jan-17	295,966.79	5.00	5.58	424,356,932	116,851,068

**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	102.13	4.21	3.59
REPUBLIC OF NIGERIA	28/01/2021	B+	B	101.75	102.75	6.25	5.96
REPUBLIC OF NIGERIA	12/07/2023	B+	B	97.25	98.25	6.91	6.71
ACCESS FINANCE BV	25/07/2017	B	B	100.88	101.75	5.32	3.43
ACCESS BANK PLC	24/06/2021	B-	CCC+	90.00	91.00	14.34	13.80
ACCESS BANK PLC	19/10/2021	-	B	100.00	101.50	10.49	10.08
DIAMOND BANK PLC	21/05/2019	B-	B- /*-	82.00	84.00	18.75	17.51
ECOBANK NIGERIA LTD	14/08/2021	-	CCC+	84.00	87.00	16.79	15.14
FIRST BANK NIGERIA LTD	07/08/2020	CCC	CCC	86.50	88.00	19.01	17.71
FIRST BANK NIGERIA LTD	23/07/2021	CCC	CCC	81.50	83.00	17.57	16.70
FIDELITY BANK PLC	09/05/2018	B-	B-	89.00	91.50	16.93	14.49
GTB FINANCE BV	08/11/2018	B+	B	101.25	102.25	5.24	4.64
IHS TOWERS HOLDING	27/10/2021	B+	B+	104.25	105.25	8.15	7.84
SEVEN ENERGY LTD	11/10/2021	C	D	41.00	55.00	32.07	24.90
ZENITH BANK PLC	22/04/2019	B+	B	99.75	100.50	6.37	6.00

**FGN BONDS CLOSING YIELDS**

Maturity	Bid Yield (%)	Offer Yield (%)
NIGB 16.00% JUN 19	16.19	16.12
NIGB 15.54% FEB 20	16.61	16.49
NIGB 14.50% JUL 21	16.59	16.52
NIGB 16.39% JAN 22	16.24	16.16
NIGB 14.20% MAR 24	16.27	16.20
NIGB 12.50% JAN 26	16.88	16.81
NIGB 12.1493% JUL 34	16.00	15.95
NIGB 12.40% MAR 36	16.91	16.85

**TREASURY BILLS CLOSING RATES**

Benchmark Treasury Bills		
Maturity	Bid Discount (%)	Offer Discount (%)
16-Feb-17	12.40	12.15
23-Feb-17	13.70	13.45
02-Mar-17	12.10	11.85
16-Mar-17	12.45	12.20
30-Mar-17	12.75	12.50
06-Apr-17	13.90	13.65
13-Apr-17	13.85	13.60
20-Apr-17	13.85	13.60
27-Apr-17	14.20	13.95
04-May-17	13.40	13.15
11-May-17	13.05	12.80
25-May-17	15.55	15.30
01-Jun-17	14.90	14.65
08-Jun-17	16.75	16.50
15-Jun-17	16.60	16.35
22-Jun-17	16.55	16.30
29-Jun-17	17.00	16.75
06-Jul-17	16.40	16.15
13-Jul-17	16.45	16.20
20-Jul-17	17.05	16.80
27-Jul-17	17.65	17.40
03-Aug-17	18.00	17.75
10-Aug-17	17.95	17.70
17-Aug-17	17.85	17.60
24-Aug-17	18.00	17.75
31-Aug-17	18.15	17.90
14-Sep-17	18.10	17.85
21-Sep-17	18.30	18.05
05-Oct-17	18.25	18.00
19-Oct-17	18.10	17.85
02-Nov-17	18.30	18.05
16-Nov-17	18.35	18.10
07-Dec-17	18.25	18.00
14-Dec-17	18.35	18.10
21-Dec-17	18.35	18.10
28-Dec-17	18.35	18.10
04-Jan-18	18.25	18.00
18-Jan-18	18.25	18.00



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