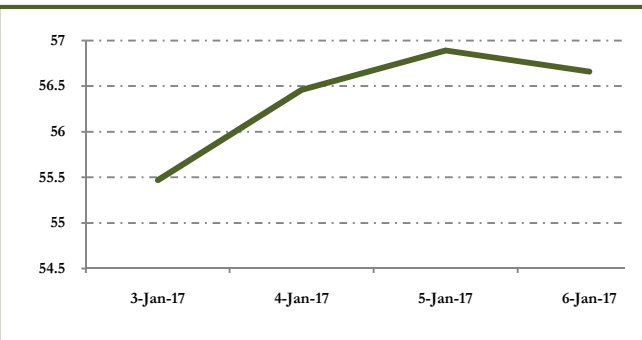


## Key Statistics

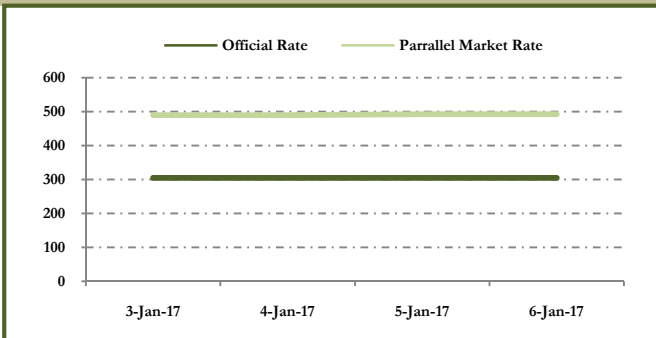
	Current	Previous	%change
Inflation	18.48%	18.33%	(0.15%)
GDP	-2.24%	-2.06%	(0.18%)
MPR	14.00%	14.00%	0.00%
Brent Crude	\$56.66	\$56.82	(0.28%)
Foreign Reserve	\$26.22bn	\$25.84bn	1.47%
Exchange rate	N305/\$	N305/\$	0.00%
NIBOR (Av.)	16.44%	17.13%	(0.69%)

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	06/01/2017	30/12/2016	Change (%)
S&P 500	2,269.00	2,238.83	1.35%
FTSE 100	7,183.90	7,142.83	0.57%
DJIA	19,899.29	19,762.60	0.69%
NIKKEI	19,454.33	19,114.37	1.78%
DAX	11,565.83	11,481.06	0.74%
JALSH	51,127.67	50,653.54	0.94%
IBOV INDEX	61,567.77	60,227.29	2.23%
NIFTY	8,243.80	8,185.80	0.71%
MICEX	2,212.18	2,232.72	(0.92%)
SHCOMP	3,154.32	3,103.64	1.63%

Source: Bloomberg, Planet Capital Research

## Global Economic Update

United States wage recorded the highest increase since 2009 in December underscoring inflationary pressure. Average hourly rate rose by 0.4 percent in December (m-o-m) and 2.9 percent higher than December 2015 (y-o-y). Jobless rate rose to 4.70 percent from 4.60 percent in November. Despite the increase in wages, the economy added 156,000 jobs in December, lower than 204,000 jobs added in November.

Performance across Global markets was bullish this week, the FTSE-100 index gained 0.57 percent; Dow Jones Industrial index (DJIA) rose 0.69 percent while the S&P 500 index posted a marginal increase of 1.35 percent. Germans' DAX index closed higher by 0.74 percent while France's CAC-40 rose by 0.63 percent. Emerging markets also posted positive returns, Russia's MICEX index was down 0.92 percent; Indian's NIFTY edged lower by 0.71 percent; Brazil's IBOV index edged higher 2.23 percent; South African JALSH gained 0.94 percent while China's SHCOMP index edged higher by 1.63 percent..

Brent crude oil price declined by 0.28 percent to close at 56.66 per barrel as against \$56.82 per barrel last Friday.

## Domestic Economy

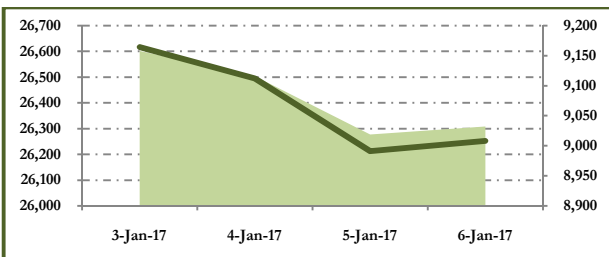
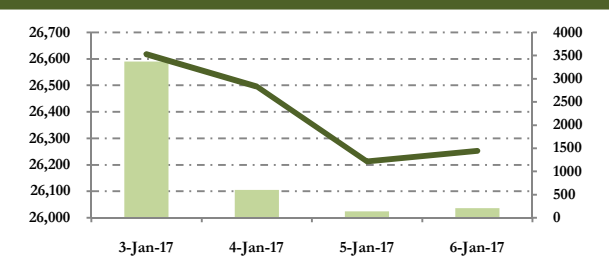
According to the Central Bank of Nigeria, Nigeria's Purchasing Managers' Index (PMI) rose in December to 52.00 from 48.80 seen in November, indicating expansion in the manufacturing sector of the economy. Eight sub-sector recorded expansion in the review period in the following order: cement; food, beverage & tobacco products; textile, apparel, leather & footwear; plastics & rubber products; paper products; appliances & components; chemical & pharmaceutical products; and furniture & related products while Fabricated metal products remained unchanged.

The other seven sub-sectors declined in the following order: computer & electronic products; electrical equipment; primary metal; transportation equipment; petroleum & coal products; printing & related support activities; and non-metallic mineral products.

Likewise, production level index for manufacturing sector indicated the sector expanded in the review period, compared to the decline witnessed in the preceding eleven months.

**Weekly Statistics**

	06/01/2016	30/12/2016	Change
ASI	26,251.39	26,874.62	(2.32%)
CAP	₦9.03tn	₦9.25tn	(N214.44bn)
VOLUME	4.32bn	404.79mn	967.22%
VALUE	₦7.38bn	₦3.68bn	100.54%
DEALS	9,330	6,363	46.63%

**1-Week Index Vs Market Cap**

**Weekly Index Vs Volume(mn)**

**Top gainers**

Symbol	Current	Previous	Return
UAC-PROP	₦3.00	₦2.62	14.50%
UCAP	₦3.02	₦2.73	10.62%
ACCESS	₦6.28	₦5.87	6.98%
ETERNA	₦3.30	₦3.10	6.45%
FCMB	₦1.17	₦1.10	6.36%
UNITYBNK	₦0.58	₦0.55	5.45%
FBNH	₦3.50	₦3.35	4.48%
UBA	₦4.68	₦4.50	4.00%
FIDSON	₦1.33	₦1.28	3.91%
CAP	₦33.00	₦32.00	3.13%

**Top losers**

Symbol	Current	Previous	Return
NAHCO	₦2.72	₦3.16	(13.92%)
CCNN	₦4.33	₦5.00	(13.40%)
NEM	₦0.95	₦1.05	(9.52%)
STERLNBANK	₦0.70	₦0.76	(7.89%)
CADBURY	₦9.50	₦10.29	(7.68%)
UBN	₦5.22	₦5.50	(5.09%)
MOBIL	₦265.05	₦279.00	(5.00%)
DANGFLOUR	₦4.04	₦4.25	(4.94%)
ASHAKACEM	₦11.43	₦12.02	(4.91%)
CUSTODYINS	₦3.70	₦3.89	(4.88%)

**Sell pressure dragged ASI lower..... down 2.32%**

The equities market start the year on a bearish note as the benchmark index lost 2.32 percent to close the week at 26,251.39 as against an appreciation of 1.47 percent last week. Market capitalization lost N214.44billion to settle at N9.03trillion.

**Significant improvement in activity level.....**

The volume of equities traded for the week rose by 967.22 percent as investors exchanged 4.32billion shares valued at N7.38billion traded in 9,330 deals compared to 404.79million shares worth N3.68billion traded yesterday. 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.

**All sector indices closed lower.....**

Losses in Cement Company of Northern Nigeria and Ashaka Cement Plc pulled the NSE-IND.GOODS index lower by 3.02 percent; the NSE-CON.GOODS index declined by 2.28 percent on sell pressure in Cadbury and Dangote Flour Mills Plc; the NSE-OIL&GAS index edged lower by 1.64 percent on negative sentiment in Mobil Oil Plc; the NSE-BANKING index declined by 1.57 percent on losses in Sterling Bank Plc; the NSE-INSURANCE index shed 0.17 percent.

**Market breadth turns negative.....**

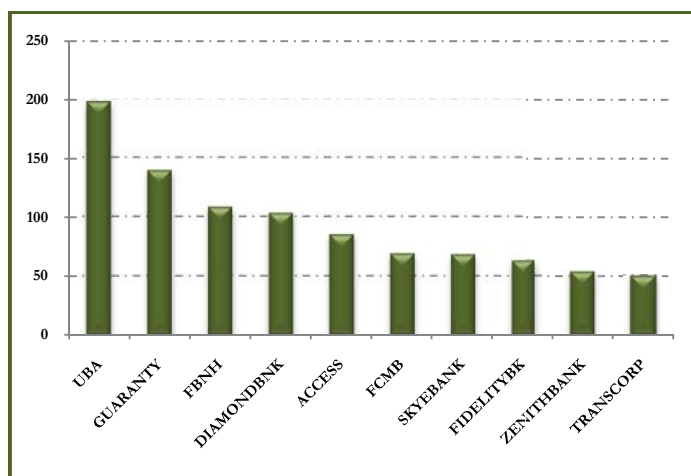
Market breadth closed negative with 19 advancers and 31 decliners. UAC-PROP posted the highest return for the week by 14.50 percent, UCAP 10.62 percent, ACCESS 6.98 percent, ETERNA 6.45 percent and FCMB 6.36 percent. Conversely, NAHCO led the losers by 13.92 percent, CCNN 13.40 percent, NEM 9.52 percent, STERLNBANK 7.89 percent and CADBURY 7.68 percent.

## Sector Performance

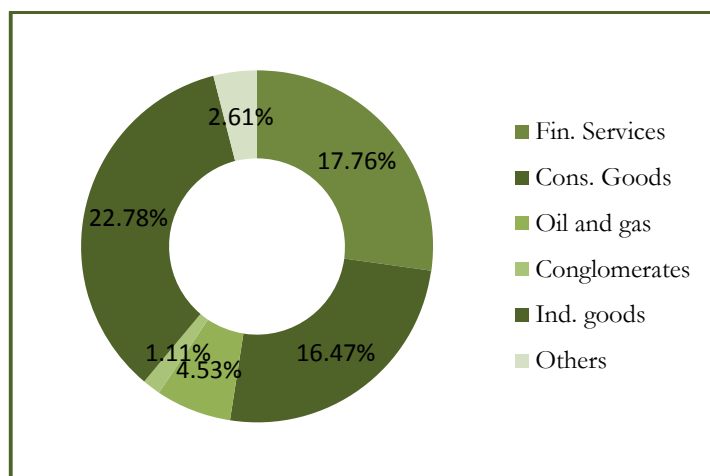
SECTOR ANALYSIS	06/01/2017	30/12/2016	WK RETURN (%)	YTD RETURN (%)
NSE-30	1,170.68	1,195.20	(2.05%)	(2.05%)
NSE-BANKING	270.01	274.32	(1.57%)	(1.57%)
NSE-INSURANCE	126.08	126.29	(0.17%)	(0.17%)
NSE-CON.GOODS	696.41	712.65	(2.28%)	(2.28%)
NSE-OIL&GAS	307.55	312.68	(1.64%)	(1.64%)
NSE-IND.GOODS	1,547.19	1,595.33	(3.02%)	(15.99%)

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	₦18.48	(0.05%)	6,471	H1'16/17	-73.06%	UR	₦1.68	₦26.32
PRESCO	₦40.10	(0.00%)	6,803	9M'16	97.99%	UR	₦3.01	₦40.49
UCAP	₦3.02	10.62%	4,696	9M'16	145%	UR	60Kobo	₦2.68
UBA	₦4.68	(4.00%)	52,269	9M'16	7.64%	₦5.51	N1.44	₦5.40
DANGSUGAR	₦5.99	(1.96%)	10,117	9M'16	8.37%	HOLD	₦0.60	₦7.74
AIICO	₦0.62	(1.59%)	3,043	9M'16	13.00%	₦1.70	₦0.39	₦1.19
CONTINSURE	₦1.00	1.01%	3,751	9M'16	144.05%	₦1.23	₦0.15	₦1.10
ACCESS	₦6.28	6.98%	57,095	9M'16	18.72%	₦7.18	₦1.36	₦7.00
AFRIPRUD	₦3.02	(0.98%)	264	H1'16	-64.75%	₦3.99*	54Kobo	₦3.37
ZENITHBANK	₦14.77	0.14%	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

The Treasury bills market opened the year on a bullish note with demand concentrated at the short to mid end notwithstanding the CBN conducting OMO auctions to mop up liquidity, rates dropped by an average of 19 bps. The short and mid end continued to trade bullish on Wednesday with the 23<sup>rd</sup> March maturity crossing into single digit territory; rates dropped by an average of 33 bps. The bullish run extended on Thursday with rates dropping by 45bps in the absence of OMO auctions. The short end continued its rally on Friday with a drop of 67 bps notwithstanding a CRR debit of 66 Billion from the system, rates closed the week with a drop of 36 bps across board.

#### BONDS MARKET HIGHLIGHT

The FGN bond market opened the year bearish on Tuesday with profit taking at the 2034 maturity which gained 40 bps, overall yields gained by 18 bps. Bonds continued to trade bearish on Wednesday with yields gaining by 12 bps on the average. The selloff continued on Thursday with all but a few instruments crossing into 16% territory, yields closed up by 10 bps. Bond traded actively to close the week with 56 Billion in volume traded while yields gained by 5 bps.

### OUR OUTLOOK

The treasury bills market traded bullish all week as the system remained liquid fuelling local demand while the bonds market traded bearish as participants sell off ahead of the auction. The bonds market is expected to trade bearish next week as traders short ahead of the auction while the bills market is expected to continue its bullishness in the absence of OMO auctions.

#### Market Indicators

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

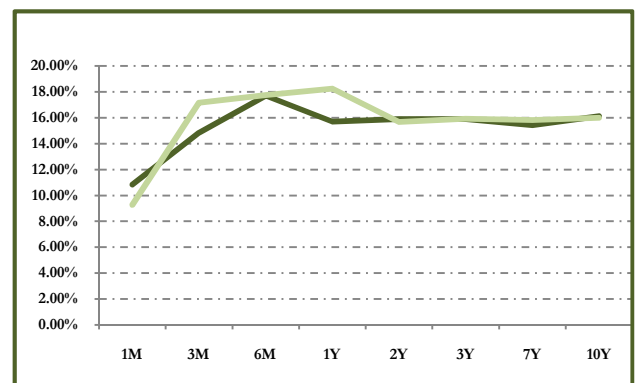
Source: DMO, Planet Capital Research

#### NIBOR

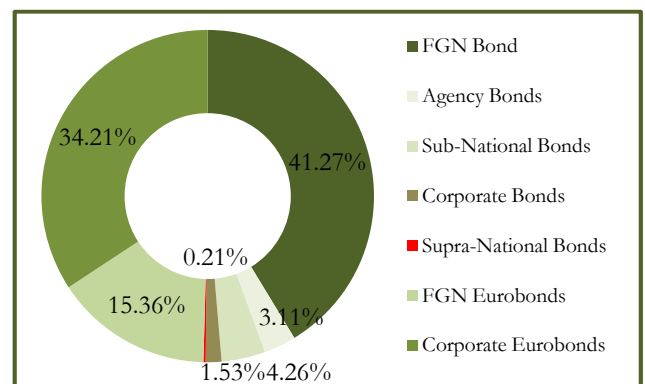
Tenor	Rate(Jan 06, 2017)	Rate(Dec 30, 2016)	Change (%)
O/N	9.67%	10.04%	(0.37%)
1M	15.91%	17.72%	(1.81%)
3M	17.88%	18.56%	(0.68%)
6M	22.31%	22.21%	0.10%

Source: FMDQ, Planet Capital Research

#### Yield Curve



#### Bond Market Capitalisation



**System Liquidity for the week 3<sup>th</sup> January 2017 – 6<sup>th</sup> January 2017:**

DATE	OBB RATE (%)	OVERNIGHT RATE (%)
03-January-17	8.25	8.75
04-January-17	8.00	8.42
05-January-17	8.50	9.42
06-January-17	8.33	8.83

**EURO BONDS CLOSING YIELDS**

Issuer	Ticker	Fitch	S&P	Bid px	Ask px	Bid %	Ask %
REPUBLIC OF NIGERIA	NGERIA 5 1/8 07/12/18	B+	B	102.25	103.25	3.58	2.9
REPUBLIC OF NIGERIA	NGERIA 6 3/4 01/28/21	B+	B	103	104	5.91	5.63
REPUBLIC OF NIGERIA	NGERIA 6 3/8 07/12/23	B+	B	99.25	100.25	6.52	6.33
ACCESS FINANCE BV	ACCESS 7 1/4 07/25/17	B	B	100.75	102	5.82	3.49
ACCESS BANK PLC	ACCESS 9 1/4 06/24/21	B-	CCC+	91	92.5	13.68	12.9
ACCESS BANK PLC	ACCESS 10 1/2 10/19/21	B	B	100.25	101.5	10.42	10.09
DIAMOND BANK PLC	DIAMBK 8 3/4 05/21/19	B-	B-/*-	77.5	80.5	21.33	19.4
EBN FINANCE CO BV	ECOTRA 8 3/4 08/14/21	-	CCC+	83	86	17.12	15.49
FIRST BNK NIGERIA	FBNNL 8 1/4 08/07/20	CCC	CCC	84	85.5	20.64	19.35
FIRST BNK NIGERIA	FBNNL 8 07/23/21	CCC	CCC	79	80.5	18.78	17.89
FIDELITY BANK PLC	FIDBAN 6 7/8 05/09/18	B-	B-	86	89	19.27	16.38
GTB FINANCE BV	GRTBNL 6 11/08/18	B+	B	100.125	100.875	5.92	5.49
HELIOS TOWERS	IHSHLD 9 1/2 10/27/21	B+	B+	104	105	7.34	6.75
SEVEN ENERGY	SEVENE 10 1/4 10/11/21	C	D	47	60	28.22	22.44
ZENITH BANK PLC	ZENITH 6 1/4 04/22/19	B+	B	98.625	99.375	6.9	6.54

**FGN BONDS CLOSING YIELDS**

Maturity	Bid Yield (%)	Offer Yield (%)
NIGB 16.00% JUN 19	16.29%	16.24%
NIGB 15.54% FEB 20	16.67%	16.37%
NIGB 14.50% JUL 21	16.50%	16.40%
NIGB 16.39% JAN 22	16.12%	16.01%
NIGB 14.20% MAR 24	16.05%	15.98%
NIGB 12.50% JAN 26	16.60%	16.50%
NIGB 12.1493% JUL 34	15.97%	15.90%
NIGB 12.40% MAR 36	16.61%	16.52%
NIGB 12.40% MAR 36	15.75%	15.69%

**TREASURY BILLS CLOSING RATES**
**Benchmark Treasury Bills**

Maturity	Bid Discount (%)	Offer Discount (%)
19-Jan-17	9.74	9.49
2-Feb-17	11.89	11.64
16-Feb-17	14.00	13.75
23-Feb-17	13.91	13.66
2-Mar-17	11.80	11.55
9-Mar-17	13.68	13.43
16-Mar-17	13.87	13.62
23-Mar-17	9.84	9.59
30-Mar-17	14.11	13.86
6-Apr-17	13.05	12.80
13-Apr-17	13.53	13.28
20-Apr-17	14.02	13.77
27-Apr-17	14.14	13.89
4-May-17	14.26	14.01
11-May-17	16.63	16.38
25-May-17	15.42	15.17
1-Jun-17	16.20	15.95
15-Jun-17	16.23	15.98
22-Jun-17	16.83	16.58
29-Jun-17	16.95	16.70
6-Jul-17	17.12	16.87
13-Jul-17	16.90	16.65
20-Jul-17	17.51	17.26
27-Jul-17	18.13	17.88
3-Aug-17	17.56	17.31
10-Aug-17	18.11	17.86
17-Aug-17	18.11	17.86
24-Aug-17	18.11	17.86
31-Aug-17	18.11	17.86
7-Sep-17	18.18	17.93
14-Sep-17	17.89	17.64
21-Sep-17	18.07	17.82
28-Sep-17	18.00	17.75
5-Oct-17	18.40	18.15
19-Oct-17	18.24	17.99
26-Oct-17	18.21	17.96
2-Nov-17	18.18	17.93
9-Nov-17	18.31	18.06
16-Nov-17	18.29	18.04
30-Nov-17	18.14	17.89
7-Dec-17	17.90	17.65
14-Dec-17	18.40	18.15
21-Dec-17	18.36	18.11

Analysts:

Ibinabo Princewill  
[iprincewill@planetcapitaltd.com](mailto:iprincewill@planetcapitaltd.com)

Wale Ojo  
[oojo@planetcapitaltd.com](mailto:oojo@planetcapitaltd.com)

Office:  
Planet Capital Limited  
3rd floor, St. Peter's house  
3, Ajelestreet, P.O. Box 360, Marina, Lagos-Nigeria.  
Tel: 01-2702296  
Email: [info@planetcapitaltd.com](mailto:info@planetcapitaltd.com)  
Research: [informationalservices@planetcapitaltd.com](mailto:informationalservices@planetcapitaltd.com)  
Website: [www.planetcapitaltd.com](http://www.planetcapitaltd.com)

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