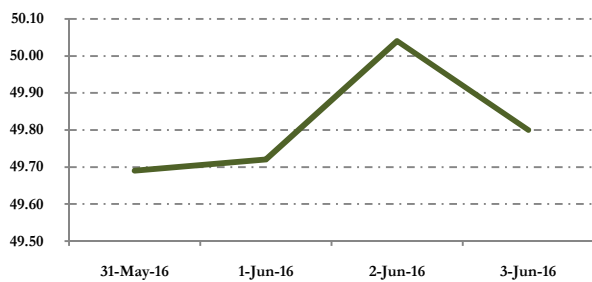


Key Statistics

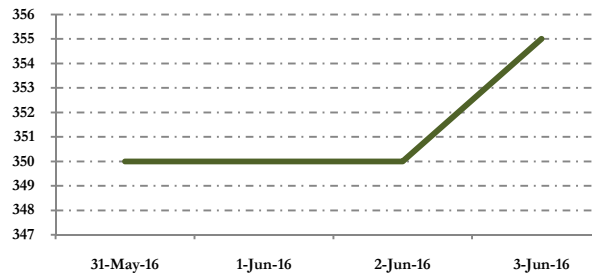
	Current	Previous	%change
Inflation	12.80%	11.40%	(1.40%)
GDP	-0.36%	2.11%	(2.47%)
MPR	12.00%	11.00%	1.00%
Brent Crude	\$49.81	\$49.32	0.99%
Foreign Reserve	\$26.37bn	\$26.42bn	(0.19%)
Exchange rate	N355.00/\$	N351.00/\$	1.14%
NIBOR (Av.)	4.40%	6.00%	(1.60%)

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	03/06/2016	27/05/2016	Change (%)
S&P 500	2,105.26	2,099.06	0.30%
FTSE 100	6,244.82	6,270.79	(0.41%)
DJIA	17,838.56	17,873.22	(0.19%)
NIKKEI	16,642.23	16,834.84	(1.14%)
DAX	10,268.43	10,286.31	(0.17%)
JALSH	54,220.33	54,105.37	0.21%
IBOV INDEX	49,887.24	49,051.49	1.70%
NIFTY	8,220.80	8,156.65	0.79%
MICEX	1,887.96	1,927.58	(2.06%)
SHCOMP	2,938.68	2,821.05	4.17%

Source: Bloomberg, Planet Capital Research

Global Economic Update

US economy created the fewest number of jobs in more than five years in May, hurt by strike by Verizon workers and a fall in goods producing employment, pointing to labour market weakness. That could make it difficult for Federal Reserve to raise interest rates.

Performance across global markets closed negative for the week with the MSCI-World index losing 0.14 percent. The S&P 500 index was up 0.30 percent; Dow Jones Industrial index (DJIA) declined 0.19 percent while the FTSE-100 index posted a -0.41 percent return. In the European markets, Germans' DAX index closed lower by 0.17 percent while France's CAC-40 index lost 2.06 percent. MSCI-Emerging market index rose 0.13 percent; China SHCOMP index higher by 4.17percent, Brazil's IBOV index firmed up by 1.70 percent; Russia's MICEX index declined by 2.06 percent while Indian's NIFTY was up 0.79 percent while South Africa JALSH rose 0.21 percent.

Brent crude price rose 0.99 percent to \$49.81 a barrel from \$49.32 per barrel last Friday.

Domestic Economy

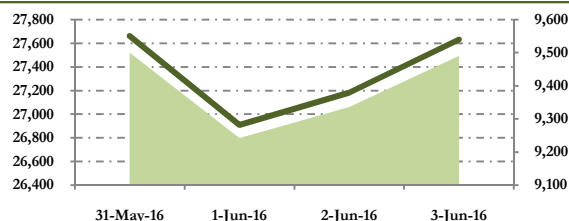
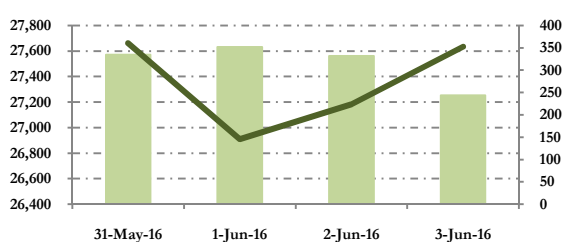
Due to decline in imports and exports, Nigeria's total value of merchandise trade at the end of first quarter 2016 declined by 22.56 percent to N2.73trillion from N3.52trillion recorded in the fourth quarter of 2015. Exports fell by 34.60 percent while imports declined by 7.8 percent in the review period. The steep decline in exports bought Nigeria's traded balance down to (-N184.1billion). Crude oil component of total trade reduced by 46.60percent when compared to its fourth quarter 2015 level.

According to Purchasing Managers Index report by the apex bank, Manufacturing PMI rose to 45.8 index point in May 2016 compared to 43.7 percent in April. Manufacturing sector declined at a slower rate during the review period. Eleven manufacturing sub-sector recorded decline as follows: primary metal; paper products; petroleum & coal products; furniture & related products; fabricated metal products; printing & related support activities; non-metallic mineral products; electrical equipment; textile, apparel, leather & footwear; food, beverage & tobacco products and chemical & pharmaceutical products.

The remaining five sub sectors expanded in the following order: computer & electronic products; appliances and components; cement; plastics & rubber products and transportation equipment.

Weekly Statistics

	03/06/2016	27/05/2016	Change
ASI	27,634.48	28,902.25	(4.39%)
CAP	₦9.49tn	₦9.93tn	(N435.41bn)
VOLUME	1.26bn	2.34bn	(46.15%)
VALUE	₦11.58bn	₦14.79bn	(21.70%)
DEALS	17,434	24,942	(30.10%)

1-Week Index Vs Market Cap

Weekly Index Vs Volume(mn)

Top gainers

Symbol	Current	Previous	Return
CADBURY	₦20.50	₦16.85	21.66%
ETRANZACT	₦5.88	₦5.01	17.37%
TRANSEXPR	₦1.73	₦1.52	13.82%
PORTPAINT	₦2.05	₦1.86	10.22%
PZ	₦22.74	₦21.66	4.99%
UNIONDICON	₦12.43	₦11.87	4.72%
ACADEMY	₦0.69	₦0.66	4.55%
LEARNAFRCA	₦0.79	₦0.76	3.95%
OKOMUOIL	₦30.05	₦29.02	3.55%
MAYBAKER	₦1.20	₦1.16	3.45%

Top losers

Symbol	Current	Previous	Return
OANDO	₦6.16	₦7.50	(17.87%)
NEIMETH	₦0.79	₦0.93	(15.05%)
MANSARD	₦2.00	₦2.32	(13.79%)
STANBIC	₦15.75	₦17.71	(11.07%)
HONYFLOUR	₦1.67	₦1.86	(10.22%)
ZENITHBANK	₦14.95	₦16.58	(9.83%)
CCNN	₦7.14	₦7.90	(9.62%)
NAHCO	₦4.88	₦5.39	(9.46%)
UACN	₦19.00	₦20.90	(9.09%)
ETI	₦16.43	₦18.05	(8.98%)

Market succumbs to sell pressure.....index down 4.39%

The six week gaining streak on the local bourse came to a halt, as sell pressure in the Banking and Oil&Gas sectors pulled ASI lower by 4.39 percent to settle 27,634.48 from a 6.53 percent return posted last week. Market capitalization lost N435.41billion to close at N9.49trillion.

Lull in activity level.....

Turnover declined by 46.15 percent as investors exchanged 1.26billion shares worth N11.58billion in 17,434 deals as against 2.34billion shares valued at N14.79billion 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.

All sector indices closed lower.....

Negative sentiment in Zenith Bank and STANBIC IBTC Plc dragged the NSE-BANKING index lower by 7.73 percent; losses in Oando and Mobil Oil Plc pulled the NSE-OIL&GAS index down by 5.29 percent; the NSE-INSURANCE index lost 4.08 percent on sell pressure in Mansard and AIICO Plc while the NSE-IND.GOODS index and the NSE-CON.GOODS index up shed 3.35 percent and 3.01 percent respectively.

Market breadth closed negative.....

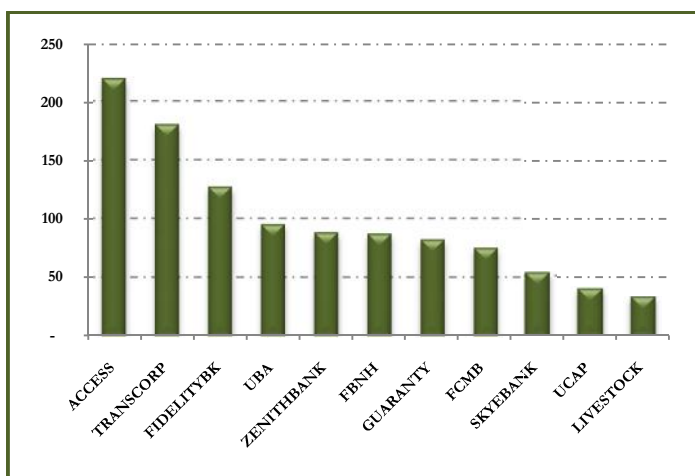
Market breadth closed negative with 11 gainers and 57 losers. CADBURY led advancers for the week by 21.66 percent, ETRANZACT 17.37 percent, TRANSEXPR 13.82 percent, PORTPAINT 10.22 percent and PZ 4.99 percent. On the other hand, OANDO led the losers chart by 17.87 percent, NEIMETH 15.05 percent, MANSARD 13.79 percent, STANBIC 11.07 percent and HONYFLOUR 10.22 percent. Market Year-to-date return now stands at -3.52 percent.

Sector Performance

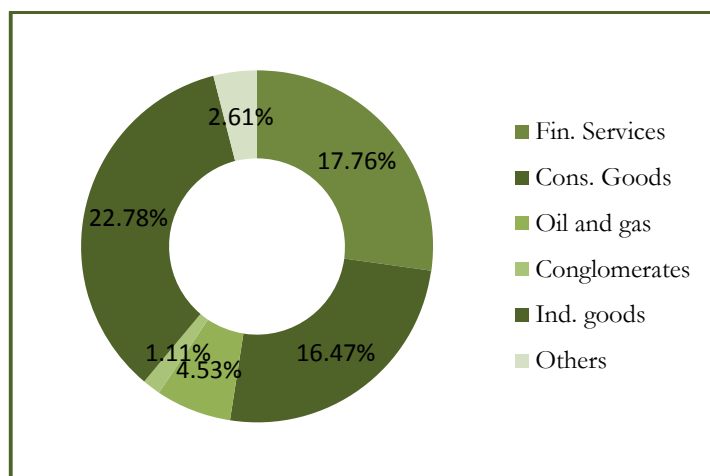
SECTOR ANALYSIS	03/06/2016	27/05/2016	WK RETURN (%)	YTD RETURN (%)
NSE-30	1,229.25	1,292.24	(4.87%)	(4.54%)
NSE-BANKING	278.98	302.36	(7.73%)	3.91%
NSE-INSURANCE	130.12	135.61	(4.06%)	(8.76%)
NSE-CON.GOODS	705.45	727.36	(3.01%)	(5.46%)
NSE-OIL&GAS	326.05	344.27	(5.29%)	(8.56%)
NSE-IND.GOODS	1,990.21	2,059.26	(3.35%)	(8.15%)

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
UCAP	₦2.27	(4.62%)	1,139	Q1'16	61.00%	UR	19Kobo	₦2.39
UBA	₦4.72	(6.35%)	16,986	Q1'16	0.18%	₦5.51	47Kobo	₦5.40
DANGSUGAR	₦6.80	(5.29%)	3,341	Q1'16	40.67%	₦7.00	₦0.78	₦7.74
AIICO	₦0.74	(8.64%)	2,692	9M'15	-0.85%	₦1.70	₦0.39	₦1.19
CONTINSURE	₦1.10	0.00%	1,537	9M'15	12.52%	₦1.23	₦0.15	₦1.10
ACCESS	₦5.56	(6.71%)	19,418	Q1'16	42.07%	₦7.18	₦0.67	₦10.00
AFRIPRUD	₦3.08	(0.96%)	191	Q1'16	48.793%	₦3.99*	54Kobo	₦3.37
ZENITHBNK	₦14.95	(9.83%)	26,573	Q1'16	-4.00%	₦16.01	₦0.85	₦25.05
GUARANTY	₦19.20	(6.84%)	25,616	Q1'16	-3.57%	₦19.07	₦0.87	₦31.88

*Revised upward

EARNINGS UPDATE
TURNOVER
PAT

SYMBOL	PERIOD	PRESENT	PREVIOUS	%CHANGE	PRESENT	PREVIOUS	%CHANGE	CORP. ACTION
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%	
ZENITH	Q1'16	99,435	113,322	-12.25%	26,573	27,680	-1.49%	
ETI	Q1'16	131,374	136,222	-3.56%	18,552	24,749	-25.04%	
NEM	FY'15	10,895	9,836	10.77%	712	1,525	-53.31%	
UCAP	Q1'16	1,856	1,306	42.00%	1,139	708	61.00%	
FIDSON	FY'15	8,210	9,719	-15.53%	745	632	17.88%	
UBN	FY'15	117,211	135,898	-13.75%	13,890	26,685	-47.95%	
NASCON	FY'15	16,178	11,250	43.80%	2,106	1,868	12.70%	
TOTAL	FY'15	208,027	240,618	-13.54%	4,047	5,290	-23.50%	
UAC	FY'15	73,145	85,654	-14.60%	5,149	10,732	-52.00%	
M23RS	FY'15	87,099	92,325	-5.66%	935	747	25.17%	
BERGER	FY'15	3,022	3,082	-1.95%	331	149	122.15%	
NCR	FY'15	6,303	6,642	-5.10%	18	157	-88.50%	
UPDC	FY'15	5,120	11,700	-56.24%	379	3,588	-89.44%	
WEMABANK	FY'15	45,867	41,335	10.96%	2,327	2,374	-1.98%	
STERLINGBANK	FY'15	110,191	103,676	6.28%	10,293	9,004	14.32%	
ACCESS	FY'15	337,401	244,631	17.46%	65,869	43,064	52.96%	30Kobo
ZENITH	FY'15	432,535	403,343	7.24%	167,877	163,702	2.55%	N1.55
UBA	FY'15	314,830	286,624	9.84%	59,654	47,907	24.52%	40Kobo
MAYBAKER	9M'15	5,283	7,018	(24.72%)	41	63	-34.92%	
STANBIC	9M'15	104,418	94,637	10.34%	13,562	25,261	-46.31%	

FIXED INCOME REPORT

Market Commentary

The **Treasury bills market** opened the week bullish on Tuesday with a drop of 10 bps as liquidity levels remained went up off the FAAC inflow from last week. The bullish run accelerated on Wednesday as burgeoning liquidity and lack of OMO auction sales led to increased demand particularly at the short to mid end with an average drop in rates of 41 bps. Demand continued to pour in on Thursday leading rates to drop a further 25 bps. Trading in the bills market closed the week on a bullish note as liquidity remains buoyant.

The **FGN bond market** opened the week quiet on Tuesday with little volumes been traded. Market remained quiet on Wednesday albeit with a drop of 10bps occasioned by light demand from local investors. There was an uptick in volumes traded on Thursday as there was selloff across the curve with an average hike in yields by 23 bps. Bond markets closed the week bearish with yields up by 15 bps.

OUR OUTLOOK

Markets sentiments diverged this week with investors piling into the Treasury bills market as liquidity remained high and OMO sales didn't materialize while the bond market suffered from reduced volumes amid expectations of higher inflation and a higher rate at the upcoming auction next week.

Investors sentiment this week was predominantly influenced by presently high liquidity levels and an expected liquidity squeeze once the modalities of the flexible FX regime is announced. This has led investors to predominantly place funds in short term investments to be able to take advantage of higher rates once the new FX regime comes into effect. We expect markets to open next week on a mixed note.

Market Indicators

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

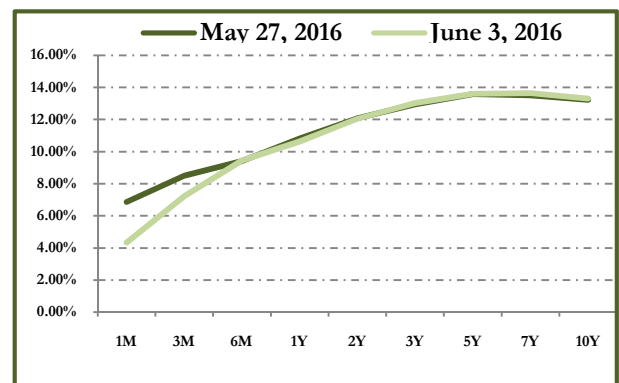
Source: DMO, Planet Capital Research

NIBOR

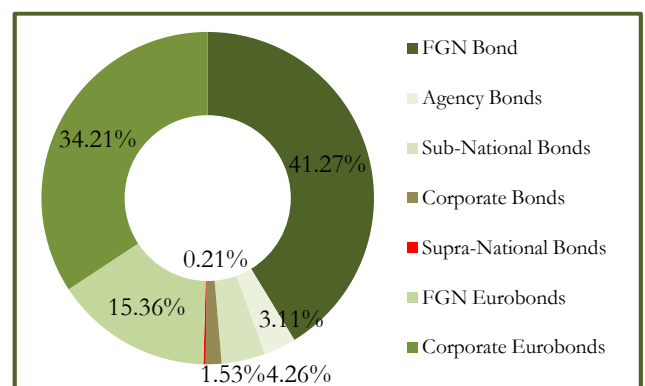
Tenor	Rate(June 3, 2016)	Rate(May 27, 2016))	Change (%)
O/N	3.00%	5.00%	(2.00%)
1M	4.08%	5.83%	(1.75%)
3M	4.83%	6.33%	(1.50%)
6M	5.67%	6.83%	(1.16%)

Source: FMDQ, Planet Capital Research

Yield Curve



Bond Market Capitalisation



System Liquidity for the week 31st May –3rd June 2016:

DATE	LIQUIDTY POSITION(₦'000,000)	OBB RATE (%)	OVERNIGHT RATE (%)
31-May-16	463,151	3.08	3.40
01-June-16	412,537	2.83	3.42
02-June-16	439,432	2.67	3.25
03-June-16	408,253	2.83	3.17

EUROBOND CLOSING PRICES

Issuers	Ticker	Fitch	S&P	Bid px	Ask px	Bid %	Ask %	Bid Z-spr	Ask Z-spr
REPUBLIC OF NIGERIA	NGERIA 5 1/8 07/12/18	BB-	B+	99.25	99.75	5.51	5.25	457	431
REPUBLIC OF NIGERIA	NGERIA 6 3/4 01/28/21	BB-	B+	97.88	98.75	7.29	7.07	614	591
REPUBLIC OF NIGERIA	NGERIA 6 3/8 07/12/23	BB-	B+	94	94.75	7.48	7.34	614	599
ACCESS FINANCE BV	ACCESS 7 1/4 07/25/17	B	B+	99.5	100.3	7.71	7.01	689	618
ACCESS BANK PLC	ACCESS 9 1/4 06/24/21	B-	B-	78.5	80.5	18.83	17.81	1780	1677
DIAMOND BANK PLC	DIAMBK 8 3/4 05/21/19	B	B	78.5	80.5	18.51	17.47	1750	1645
EBN FINANCE CO BV	ECOTRA 8 3/4 08/14/21	-	B-	82.5	84.5	15.95	15.04	1490	1399
FIRST BNK NIGERIA (FBN F	FBNNL 8 1/4 08/07/20	B-	B-	76.5	79	22.51	20.74	2155	1978
FIRST BNK NIGERIA (FBN F	FBNNL 8 07/23/21	B-	B-	69	71.25	22.26	20.98	2122	1993
FIDELITY BANK PLC	FIDBAN 6 7/8 05/09/18	B	B	77.5	81	21.81	19.14	2089	1822
GTB FINANCE BV	GRTBNL 6 11/08/18	B+	B+	97.88	98.5	6.97	6.68	600	571
HELIOS TOWERS	HELTOW 8 3/8 07/15/19	B	B	90	93	12.34	11.09	1131	1006
SEVEN ENERGY	SEVENG 10 1/4 10/11/21	CCC	CCC+	61	63.5	23.38	22.24	2220	2105
ZENITH BANK PLC	ZENITH 6 1/4 04/22/19	B+	B+	94.25	95.25	8.54	8.13	753	712

FGN BONDS CLOSING YIELDS

FGN Benchmark Bonds				
Maturity	Bid Price	Offer Price	Bid Yield	Offer Yield
NIGB 16.00% JUN 19	107.12	107.35	13.09%	13.00%
NIGB 15.54% FEB 20	105.42	106.07	13.60%	13.38%
NIGB 16.39% JAN 22	110.28	110.73	13.70%	13.59%
NIGB 14.20% MAR 24	102.19	102.77	13.72%	13.60%
NIGB 12.50% JAN 26	94.25	95.17	13.58%	13.40%
NIGB 12.1493% JUL 34	88.83	89.92	13.84%	13.66%
NIGB 12.40% MAR 36	92.60	93.24	13.60%	13.45%

NTB AUCTION RESULTS

Auction Date	01/06/2016	01/06/2016	01/06/2016
Allotment / Issue Date	02/06/2016	02/06/2016	02/06/2016
Tenor	(91-Day)	(182-Day)	(364-Day)
Offer Amount (=N=)	45,850,150,000	18,000,000,000	80,000,000,000
Total Subscription (=N=)	64,333,377,000	58,906,867,000	271,046,854,000
Allotment (=N=)	45,850,150,000	18,000,000,000	80,000,000,000
Range of Bid Rates (%):	6.0000 – 12.1250	8.0000 – 10.6905	10.1200 – 14.5521
Stop Rates (%):	7.9900	9.0500	11.1000

TREASURY BILLS CLOSING RATES

Benchmark Treasury Bills		
Maturity	Bid Discount (%)	Offer Discount (%)
02-Jun-16	5.20	4.95
09-Jun-16	6.90	6.65
16-Jun-16	6.85	6.60
23-Jun-16	6.60	6.35
30-Jun-16	6.60	6.35
14-Jul-16	6.95	6.70
21-Jul-16	7.60	7.35
28-Jul-16	8.30	8.05
04-Aug-16	8.10	7.85
11-Aug-16	8.20	7.95
18-Aug-16	8.15	7.90
01-Sep-16	9.50	9.25
08-Sep-16	9.70	9.45
06-Oct-16	10.00	9.75
13-Oct-16	10.15	9.90
20-Oct-16	10.00	9.75
27-Oct-16	10.05	9.80
03-Nov-16	10.05	9.80
17-Nov-16	10.05	9.80
01-Dec-16	9.95	9.70
15-Dec-16	10.30	10.05
05-Jan-17	10.65	10.40
19-Jan-17	11.05	10.80
02-Feb-17	11.05	10.80

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