

What Moved the Markets this Week?

Nigeria | May 8, 2020

This week, the Nigerian equities market powered to a positive close, closing up on four of the five trading days. The NSEASI advanced by 4.45% WoW to 24,045.00pts, moderating the year to date loss to -10.42%. ARDOVA, again, emerged as the week's top performer, gaining 32.47% to close at NGN15.30 while LINKASSURE led the losers' chart, shedding 16.98% of its share price to close at NGN0.44.

Following the approval of Nigeria's USD3.4bn loan request. IMF announced the disbursement of the funds to the Central Bank this week. We expect this to cushion the pressures on the Naira in the near term and give room for the CBN to meet up with the demand for dollars. On Thursday, the 7th, President Buhari approved import duties and VAT waivers for critical medical equipment coming into the country. On the corporate scene, UCAP announced its intention to raise NGN20bn under its NGN30bn bond issuance programme. A number of companies across the banking, industrial and insurance sectors released their first-quarter financial results this week, most of which were largely downbeat.

Activities in the fixed income market were markedly bearish this week, as yields settled higher across instruments. Average yields ticked up to 2.50% and 9.61% in the treasury bills and bonds market respectively. The Interbank FX rate remained flat at NGN360/USD while rates in the I&E FX window and parallel FX market appreciated to NGN387.25/USD and NGN445/USD respectively.

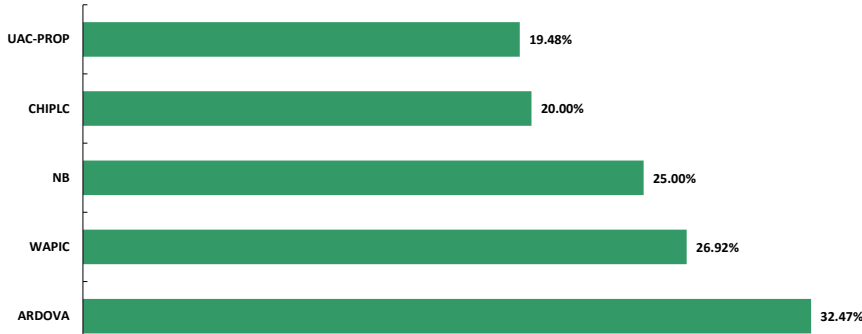
Market Performance

Equities	This Week	Previous Week	% Δ
NSEASI	24,045.40	23,021.01	4.45%
Deals	28,791.00	17,023.00	69.13%
Volume ('bn)	1.66	1.01	64.46%
Value ('bn)	18.21	9.89	84.07%
Mkt. Cap.	12.53	12.00	4.42%
Market Breadth	1.86	1.26	

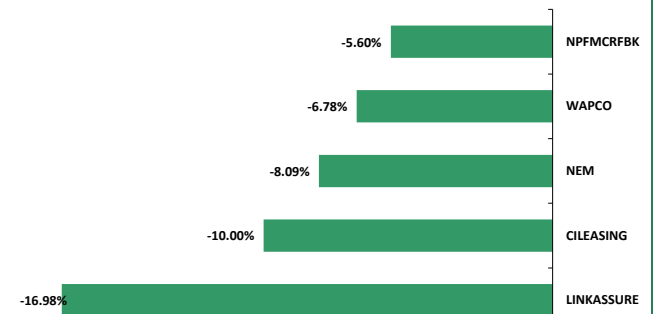
Sectoral Indices	WtD	MtD	YtD
NSEBNK10	3.99%	3.99%	-20.86%
NSEFBT10	8.45%	8.45%	-32.11%
NSEIND	2.20%	2.20%	-3.79%
NSEINS10	2.76%	2.76%	-0.46%
NSEOILG5	2.83%	2.83%	-18.09%

Market Outliers

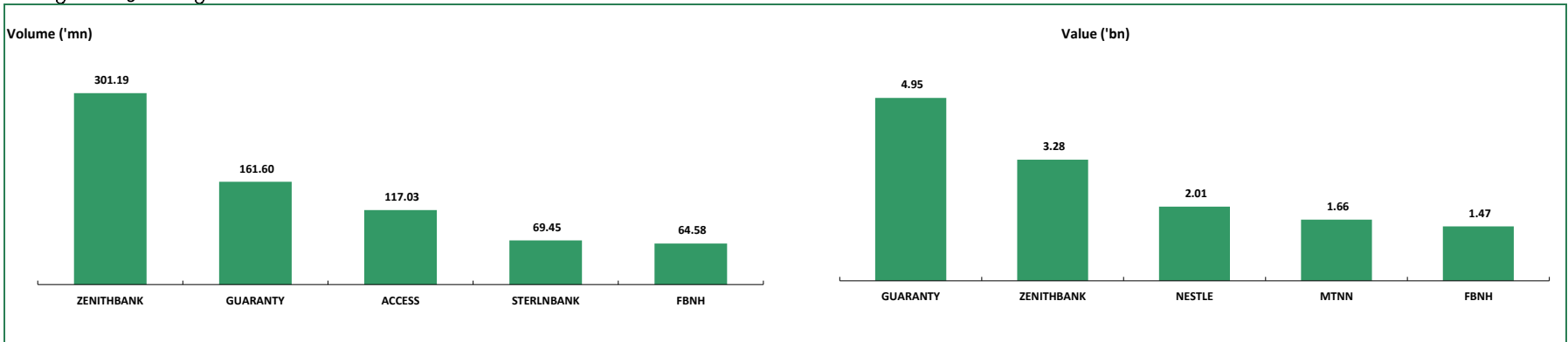
Top Gainers



Top Losers



Weekly Trading Activity



Weekly Currency Watch

	This Week	Previous Week	%Δ
I & E (per USD)	387.25	383.00	0.0111%
Interbank (Per USD)	361.00	361.00	0.0000%
Parallel (per USD)	445.00	450.00	-0.0111%

Money Market Rates

	This Week	Previous
OBB	7.42%	2.25%
OVN	8.33%	2.75%
Average	7.88%	2.50%

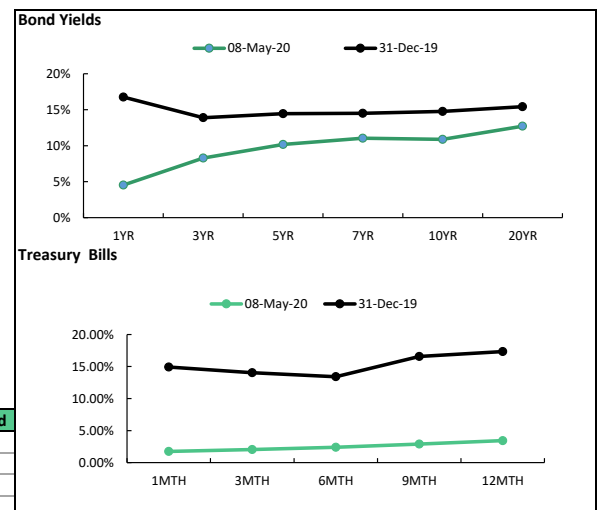
Bond Yields

	This Week	Previous Week	%Δ
1YR	4.53%	4.69%	-0.16%
3YR	8.29%	8.49%	-0.20%
5YR	10.18%	8.01%	2.17%
7YR	11.05%	11.01%	0.04%
10YR	10.88%	11.28%	-0.40%
30YR	12.71%	12.49%	0.22%

Treasury Bills Yields

	This Week	Previous
1MTH	1.75%	1.64%
3MTH	2.03%	1.82%
6MTH	2.39%	2.32%
9MTH	2.90%	2.73%
12MTH	3.44%	3.15%

Fixed Income Monitor



Contact Information

Investment Research

research@meristemng.com

Meristem Research can also be accessed on the following platforms:

Meristem Research portal: meristem.com.ng/rhub

Bloomberg: MERI <GO>

Capital IQ: www.capitaliq.com

ISI Emerging Markets: www.securities.com/ch.html?pc=NG

Reuters: www.thomsonreuters.com

FactSet: www.factset.com

IMPORTANT

Meristem Securities Limited ("Meristem") equity reports and its attendant recommendations are prepared based on publicly available information and are meant for general information purposes only and it may not be reproduced or distributed to any other person. All reasonable care has been taken to ensure that the information contained herein is not misleading or untrue at the time of publication; Meristem can neither guarantee its accuracy nor completeness as they are an expression of our analysts' views and opinions.

Meristem and any of its associated or subsidiary companies or the employees thereof cannot be held responsible for any loss suffered by relying on the said information as this information as earlier stated, is based on publicly available information, analysts' estimates and opinions and is meant for general information purposes and should not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell securities or any financial instruments. The value of any investment is subject to fluctuations, i.e. may fall and rise. Past performance is no guide to the future. The rate of exchange between currencies may cause the value of investment to increase or diminish. Hence investors may not get back the full value of their original investment. Meristem Securities is registered with the Securities and Exchange (SEC) and is also a member of The Nigerian Stock Exchange (The NSE). Meristem Securities' registered office is at 124 Norman Williams Street, South West, Ikoyi, Lagos, Nigeria. Website: www.meristemng.com; Email: research@meristemng.com. © Meristem Securities Limited 2020.