

What Moved the Markets this Week?

The Nigerian equities market once again closed in the positive region, as the NSEASI advanced by 13bps WoW to settle at 28,697.06pts. This further improved the YtD return to 6.91%. While other sectoral indices closed in the red, the consumer goods sector index (NSEFBT10) firmed up by 2.90%WoW.

INTBREW emerged as the best performer, recording an 18.20% gain week on week to close at NGN6.30. In contrast, **NNFM** shed 9.89% off its share price to end the week as the top loser.

AIRTELAFRI and **GUINNESS** released their H1:2021 and Q1:2021 financial scorecards, respectively. Both firms recorded improvements in topline, however, earnings slumped.

In the fixed income market, there was a bond auction (re-opening) on Wednesday. Both instruments on offer (15-year bond and 25-year bond) were oversubscribed with bid-to-cover ratios of 4.71x and 2.58x respectively. In the secondary market, sustained buying interests depressed average T-bills and bond yields to 0.68% (vs 0.94% last week) and 4.13% (vs 4.89% last week) respectively. The Naira weakened against the Dollar in the I&E FX and Parallel FX windows but remained unchanged in the interbank window.

Nigeria | October 23, 2020

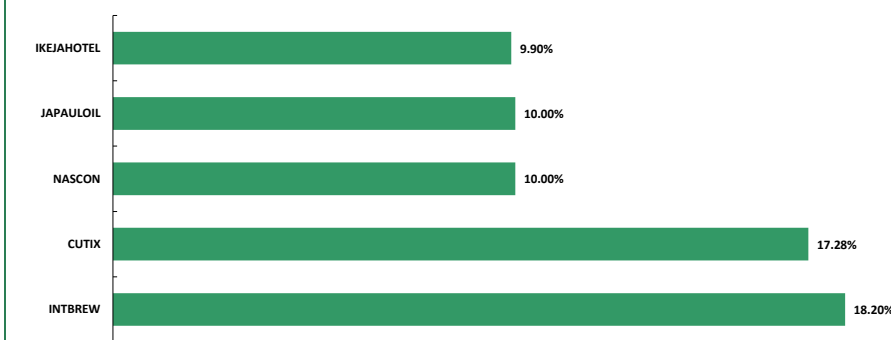
Market Performance

| Equities | This Week | Previous Week | % Δ |
|----------------|-----------|---------------|---------|
| NSEASI | 28,697.06 | 28,659.45 | 0.13% |
| Volume ('bn) | 0.28 | 0.49 | -42.25% |
| Value ('bn) | 4.43 | 4.72 | -6.22% |
| Mkt. Cap. | 15.00 | 14.98 | 0.13% |
| Market Breadth | 0.83 | 1.50 | |

| Sectoral Indices | WtD | MtD | YTD |
|------------------|-------|-------|--------|
| NSEBANK10 | -1.4% | 11.1% | -3.4% |
| NSEFBT10 | 2.9% | 7.2% | -17.9% |
| NSEIND | -0.1% | 3.4% | 14.7% |
| NSEINS10 | -0.6% | -1.0% | 9.2% |
| NSEOILGS | -0.7% | 3.0% | -22.8% |

Market Outliers

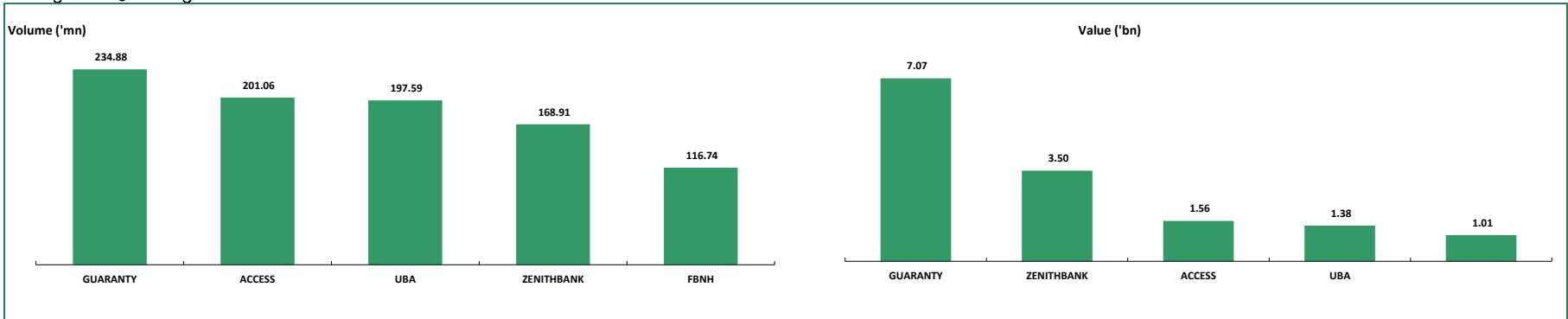
Top Gainers



Top Losers



Weekly Trading Activity



Weekly Currency Watch

| | This Week | Previous Week | %Δ |
|---------------------|-----------|---------------|-------|
| I & E (per USD) | 386.00 | 385.83 | 0.04% |
| Interbank (Per USD) | 379.00 | 379.00 | 0.00% |
| Parallel (per USD) | 463.00 | 462.00 | 0.22% |

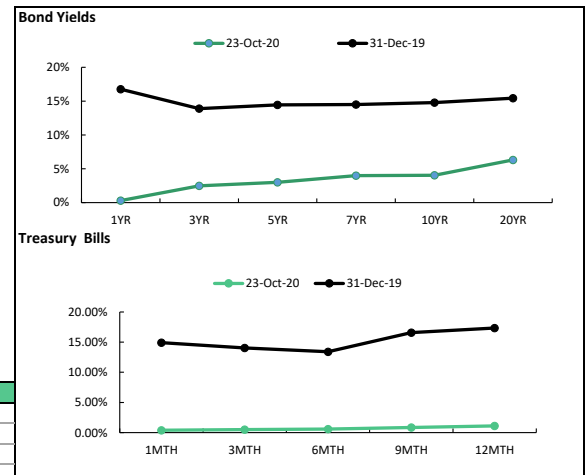
| Money Market Rates | This Week | Previous |
|--------------------|-----------|----------|
| OBB | 9.00% | 1.17% |
| OVN | 9.75% | 2.00% |
| Average | 9.38% | 1.59% |

Bond Yields

| | This Week | Previous Week | %Δ |
|------|-----------|---------------|--------|
| 1YR | 0.30% | 1.55% | -1.25% |
| 3YR | 2.48% | 2.98% | -0.50% |
| 5YR | 3.00% | 3.82% | -0.82% |
| 7YR | 4.00% | 4.76% | -0.76% |
| 10YR | 4.03% | 5.24% | -1.22% |

| Treasury Bills Yields | This Week | Previous |
|-----------------------|-----------|----------|
| 1MTH | 0.40% | 0.89% |
| 3MTH | 0.49% | 1.04% |
| 6MTH | 0.58% | 1.36% |
| 9MTH | 0.85% | 1.89% |
| 12MTH | 1.11% | 2.34% |

Fixed Income Monitor



In Other Markets

| | Nigeria | Ghana | Egypt | Kenya | South Africa | Frontier | Emerging | Developed |
|-------|---------|--------|--------|--------|--------------|----------|----------|-----------|
| Today | 0.47% | 0.33% | -1.03% | 0.35% | 0.85% | 0.10% | -0.12% | -0.69% |
| WTD | 0.1% | 0.2% | 0.0% | 1.1% | 0.4% | 1.7% | 1.1% | -0.4% |
| YTD | 6.9% | -18.1% | -21.3% | -15.1% | -3.2% | -16.1% | 2.0% | -8.0% |
| P/E | 10.4x | | 11.7x | 9.7x | 22.9x | 17.8x | 21.0x | 34.6x |

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.