

What Moved the Markets this Week?

Bearish sentiment prevailed in the Nigerian equities market this week. The All Share Index declined by 0.31%WoW to close at 38,547.08pts. Consequently, year-to-date losses worsened to -4.28%. **NGXOILGAS** (3.84%) and **NGXCNSMRGDS** (0.06%) closed positive while **NGXBNK** (-0.95%), **NGXINS** (-1.12%) and **NGXINDUSTR** (-1.32%) closed in the negative region. **OANDO** emerged top gainer with a share price appreciation of +23.17%, while **LINKASSURE** lost 14.29%, emerging as the worst performer.

In the MPC meeting held this week, the CBN Governor announced the discontinuation of USD sales to Bureau De Change Operators due to the neglect of their obligation to retail fx demand. Henceforth, fx sales will be directed to **Deposit Money Banks**, which are to sell onward to retail and international customers at the I&E window rate.

The H1:2021 earnings season swirled into full gear this week as corporate results were released by **PRESCO**, **DANGCEM**, **NESTLE**, **BERGER**, **FIDSON**, **CUSTODIAN**, **FCMB**, amongst several others. The companies' performances were mixed across sectors.

The CBN offered NGN216.19bn worth of existing Tbills at the primary market auction held on Wednesday in the fixed income market. This attracted a subscription of NGN452.93bn exceeding the amount offered by 2.10x, mainly driven by robust investors' appetite for the 364-day instrument. Stop rates remained constant on both the 91 and 182-day instruments but declined further on the 364-day instrument to 8.20%. Again, mixed sentiments dominated the secondary fixed income market this week as average Tbills declined to 5.88% (vs. 5.91% in the prior week) while average Bond yields inched higher to 11.41% (vs. 11.40% in the prior week).

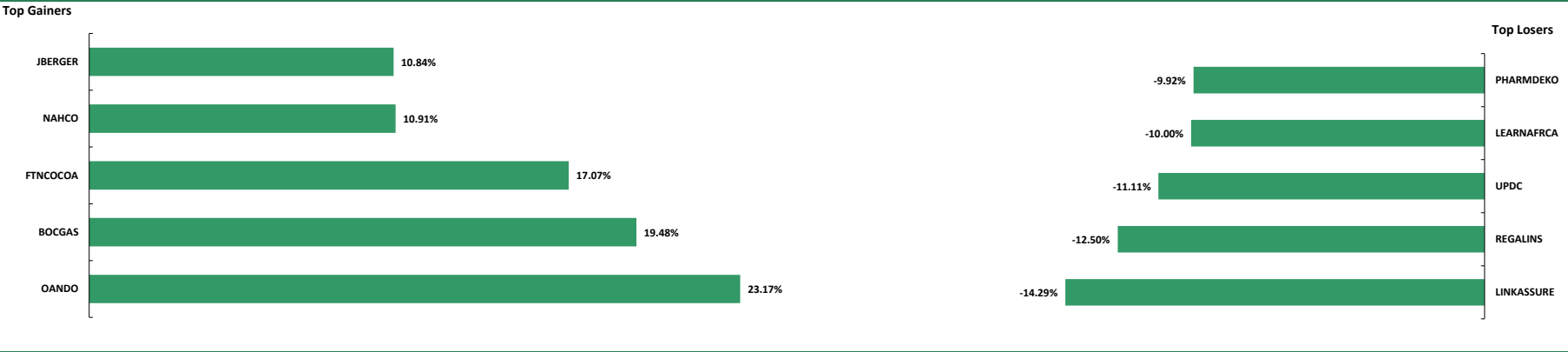
Nigeria | July 30, 2021

Market Performance

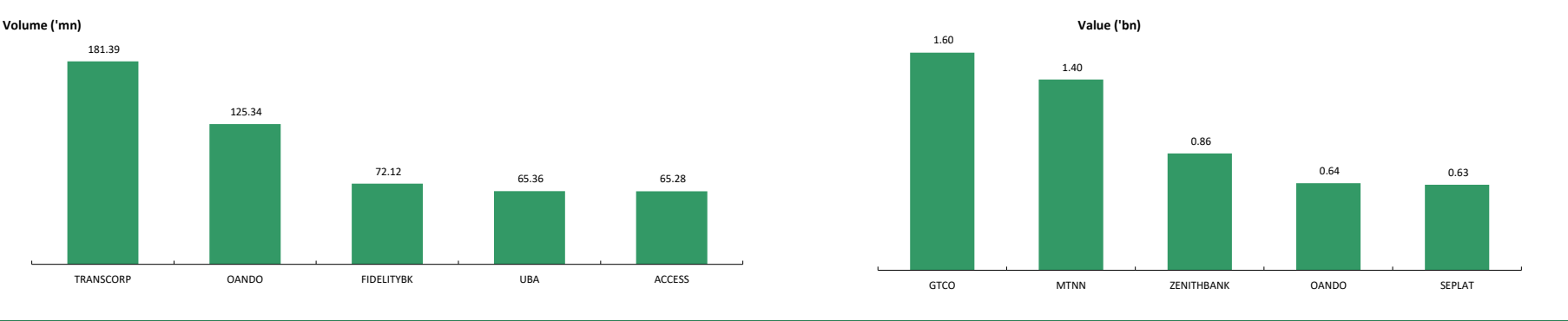
Equities	This Week	Previous Week	% Δ
NSEASI	38,547.08	38,667.90	-0.31%
Volume ('bn)	1.37	0.90	53.35%
Value ('bn)	11.82	5.23	125.92%
Mkt. Cap.	20.08	20.15	-0.31%
Market Breadth	1.08	2.75	

Sectoral Indices	WtD	MtD	YtD
NGXBNK	-0.95%	4.06%	-2.97%
NGXCNSMRGDS	0.06%	-0.54%	4.24%
NGXOILGAS	3.84%	20.40%	66.64%
NGXINS	-1.12%	-2.98%	4.36%
NGXINDUSTR	-1.32%	4.64%	-3.75%

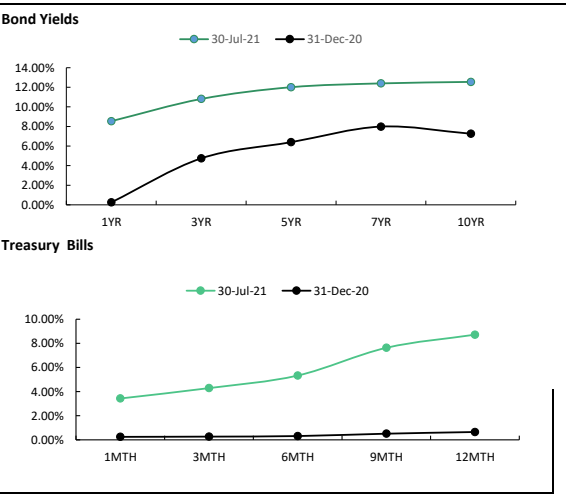
Market Outliers



Weekly Trading Activity



Fixed Income Monitor



Weekly Currency Watch				Money Market Rates		
	This Week	Previous Week	%Δ		This Week	Previous
I & E (per USD)	411.44	411.50	0.01%	OBB	7.50%	27.50%
Parallel (per USD)	517.00	503.00	-2.71%	OVN	7.75%	28.75%
				Average	7.63%	28.13%

Bond Yields				Treasury Bills Yields		
	This Week	Previous Week	%Δ		This Week	Previous
1YR	8.54%	8.73%	-0.19%	1MTH	3.43%	3.36%
3YR	10.81%	11.07%	-0.26%	3MTH	4.29%	4.16%
5YR	12.01%	12.12%	-0.11%	6MTH	5.33%	5.59%
7YR	12.40%	12.35%	0.05%	9MTH	7.63%	7.72%
10YR	12.55%	12.61%	-0.06%	12MTH	8.72%	8.72%
30YR	13.53%	13.12%	0.41%			

In Other Markets							
	Nigeria	Ghana	Egypt	Kenya	South Africa	Frontier	Emerging
Today	0.16%	0.18%	-0.25%	-0.16%	-0.92%	0.68%	2.15%
WtD	-0.31%	2.51%	0.00%	-0.82%	1.27%	1.13%	-1.21%
YtD	-4.28%	40.13%	-0.95%	16.71%	16.02%	-2.69%	0.32%
P/E	12.02x	14.49x	10.47x	13.92x	17.03x	21.32x	18.13x

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 2021.