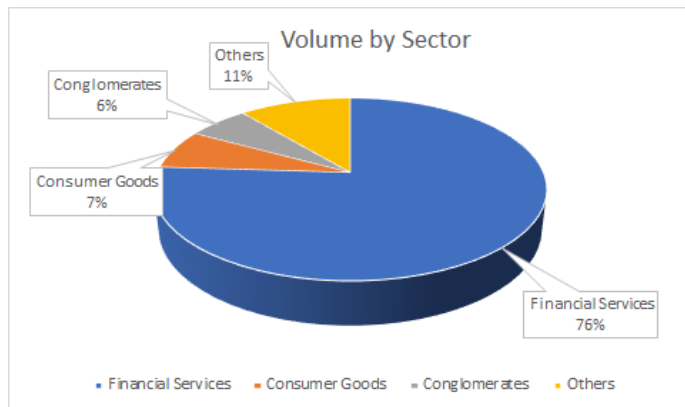
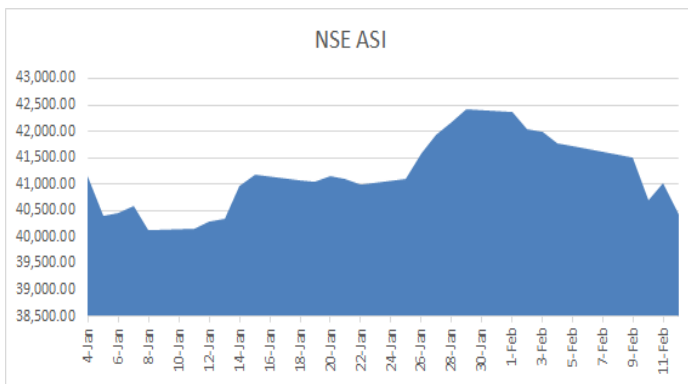


Bearish week on The Nigerian Bourse - ASI inches down -3.04%



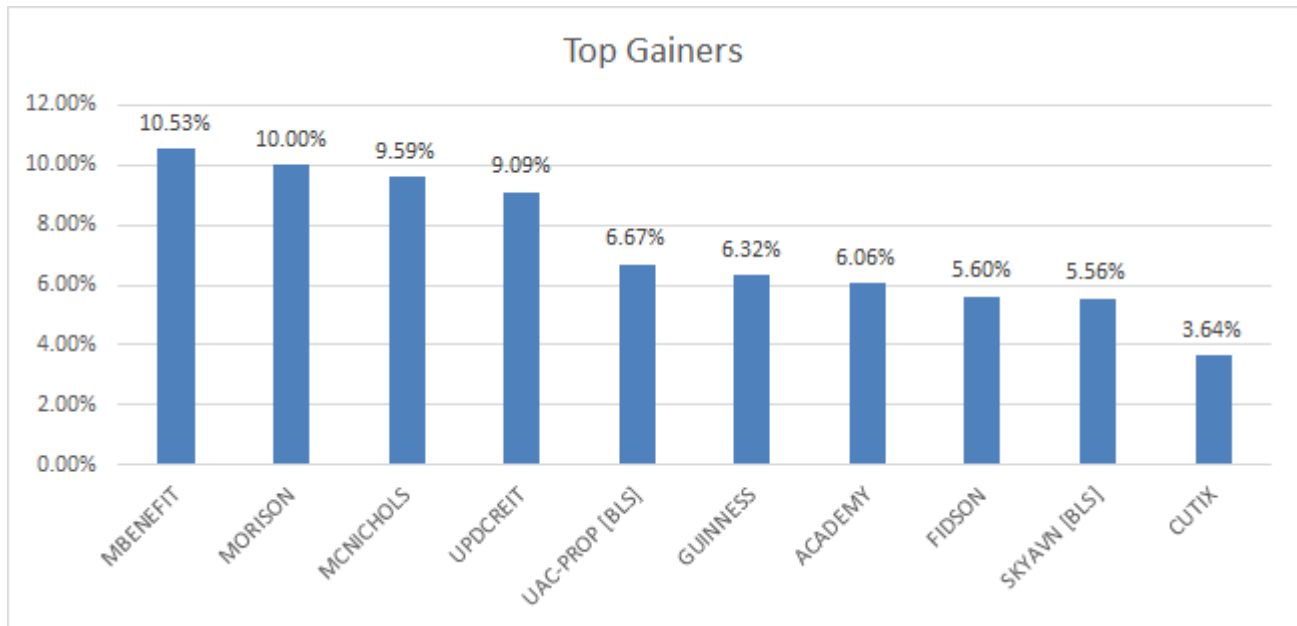
- It was a bearish week on the Nigerian equities market as the NSEASI closed negative on all five trading days. The NSE All-Share Index and Market Capitalization depreciated by -3.04% to close the week at 40,439.85 and N21.156 trillion respectively.
- All sectorial indices under our coverage depreciated during the week with the NSE Banking index recording the most decline -8.76%. MBENEFIT topped the weeks gainers (+10.53%), while NNFM (-18.84%) topped the bottom table.
- LIVINGTRUST, First Bank Holding Plc, and Zenith Bank, led the volume trade for the week. Together, they accounted for 45.02% and 27.81% of the total equity turnover volume and value respectively.
- Sixteen (16) equities appreciated in price during the week while fifty - five (55) companies depreciated in price.

Summary of Auction Result - 10th February 2021

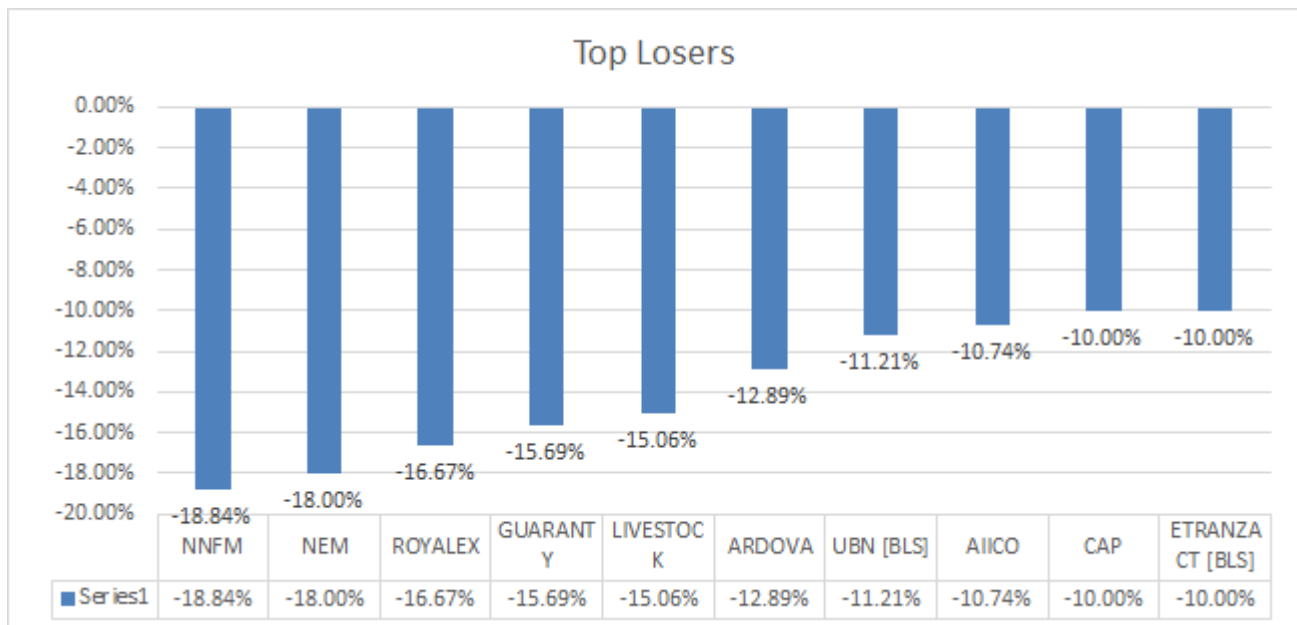
| Tenor | 91 - Day | 182 - Day | 364 - Day |
|-------------------|----------|-----------|-----------|
| Previous Rates(%) | 0.55 | 1.30 | 2.00 |
| Stop Rates(%) | 1.00 | 2.00 | 4.00 |

| Sector report | WoW |
|---------------|--------|
| NSE 30 | -3.66% |
| NSEBNK10 | -8.76% |
| NSECG | -4.87% |
| NSEOILG5 | -1.03% |
| NSEINS10 | -6.46% |

- A number of companies released their unaudited results during the week, performance was mixed generally.
- The oil market rally continued last week with Brent Crude closing in on \$61 per barrel for the first time since January 2020, this signals good news for the foreign reserves which should invariably attract foreign investors.
- Inflation figures for January 2021 would be released this week, we expect an uptick to 16.05% from the 15.75% recorded in December 2020.
- The Securities and Exchange Commission (SEC) announced that it would be suspending its plans to regulate cryptocurrencies until the ban by the CBN is lifted and crypto operators are able to open bank accounts in Nigeria.
- The Federal Executive Council has approved the Medium Term Debt Management Strategy for 2020 – 2023. Under the new strategy, maximum Debt-to-GDP ratio was revised to 40% from 25% while the target ratio of domestic to foreign debt was put at 70:30 from 60:40. This connotes that the FGN is now committed to domestic borrowings rather than foreign debt, obviously this is in a bid to take advantage of the low interest environment in the Nigerian fixed income space. We believe this action may spur growth in the fixed income rates in the medium term.
- A primary auction for Treasury Bills was held during the week and rates spiked. The continuous uptick in fixed income rates poses great threat to the equities market. We expect profit taking to continue this week, however investors who want to participate in the dividend driven rally should take advantage of the current low prices and take a position.
- Investors should diversify their portfolio to inculcate both short/medium-term positions and long-term positions. Investors should consider sectors with high upside potentials on the strength of earnings and fundamentals.



| Date | Days | NSEASI | %Change | Volume(m) | Value(N m) | Gainers | Losers |
|-----------|-----------|-----------|---------|-----------|------------|---------|--------|
| 12/2/2021 | Friday | 40,439.85 | -1.40% | 395.62 | 5,190.44 | 29 | 9 |
| 11/2/2021 | Thursday | 41,014.30 | 0.78% | 1274.48 | 6,397.18 | 6 | 43 |
| 10/2/2021 | Wednesday | 40,696.01 | -1.96% | 366.86 | 5,482.55 | 12 | 50 |
| 9/2/2021 | Tuesday | 41,564.31 | -0.13% | 305.93 | 3,951.73 | 23 | 23 |
| 8/2/2021 | Monday | 41,564.31 | -0.35% | 340.28 | 2,640.39 | 14 | 10 |



Contact Information

Research

research@atlassportfolios.com

Corporate website: <https://atlassportfolios.com/>