

Equity Market Dips 0.06%w/w Amid Profit-Taking

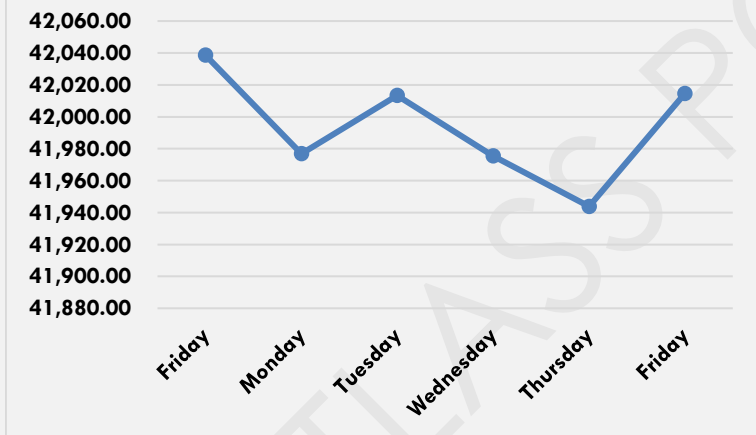
NIGERIA EQUITY MARKET

Equity Market Dips 0.06%w/w Amid Profit-Taking

Investors at the Lagos Custom Street embarked on profit-taking to halt the seven week-on-week positive rally as the market performance indices declined in three of the five trading sessions, following sell-off majorly in banking and Oil & Gas sectors.

Consequently, the All-Share Index shed 24.10 basis points, representing a decrease of 0.06% to close at 42,014.50, while the Market Capitalization lost ₦12.58 billion, representing a decline of 0.06%, to close at ₦21.93 trillion.

NSE-ASI Week Movement



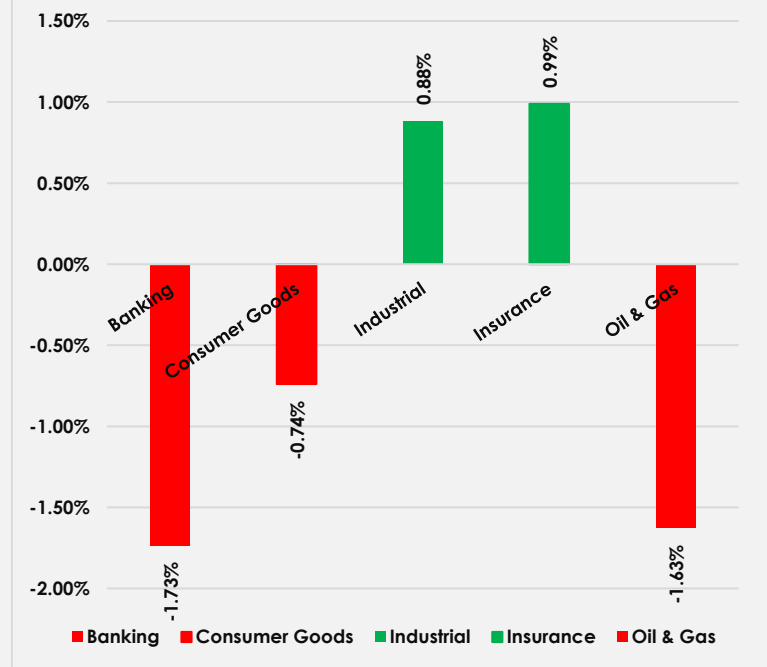
Source: NGX, Atlass Portfolios

The profit-taking was seen in some major stocks, such as ETERNA sheds 15.49%w/w to top the decliners' table, trailed by UNILEVER (-14.42%w/w), NGXGROUP (-11.25%w/w), NEIMETH (-9.28%w/w), ETI (-5.06%w/w), ARDOVA (-3.77%w/w), FLOURMILL (-2.72%w/w), ZENITHBANK (-2.57%w/w), DANGSUGAR (-1.76%w/w), UBA (-1.74%w/w), GTCO (-1.57%w/w), UBN (-0.99%w/w) and NB (-0.94%w/w), as 43 stocks depreciated during the week.

Despite the negative sentiment, investors witnessed capital gain in 23 listed stocks, among which are; REGALINS, which emerged as the best performing stock of the week with 18.92% growth, followed by WEMABANK with 8.64% growth, while FIDSON, OKOMUOIL, BUACEMENT, GUINNESS, HONYFLOUR, VITAFOAM and FBNH grew by 6.34%w/w, 5.19%w/w, 3.47%w/w, 1.65%w/w, 1.11%w/w, 1.08%w/w and 0.45%w/w, respectively.

Accordingly, two (2) of the five major sectors in the market experienced positive sentiment, led by Insurance with 0.99%w/w gain and Industrial Goods sectors with 0.88%w/w growth. While the Banking, Oil & Gas and Consumer Goods Sectors declined by 1.73%w/w, 1.63%w/w and 0.74%w/w, respectively.

Sectorial W/W %Change



Source: NGX, Atlass Portfolios

Meanwhile, a total of 1.43 billion shares valued at ₦12.37 billion in 23,987 deals were traded in the week, compared to 3.00 billion shares worth ₦34.55 billion in 25,932 deals traded in the prior week.

Outlook

We expect investors sentiment to remain mixed in the coming week.

FX, FOREIGN RESERVE & OIL MARKET

Naira Plunges Further Amid Low Liquidity

The Naira in the FX market appreciated as the Naira closed at ₦414.30/USD in the I&E Window, representing a growth of 0.19%w/w, but weakened at the Black market by 0.88% to close for the week at ₦570/USD, according to the BDC operators.

FX Rate	Open	Close	W/W %Change
I & E Window	415.10	414.30	▲ 0.19%
Parallel Market	565.00	570.00	▼ -0.88%

Source: FMDQ, Abokifx, Atlass Portfolios

Oil Prices Lower Amid Increase In U.S. Stock and Resumption of IRAN Nuclear Talk

The global oil prices slipped as industry data pointed to a big build in crude oil and distillate stocks in the United States, the world's largest oil consumer, and as pressure mounted on OPEC to increase supply. Also, coupled with the resumption of nuclear talk between Iran and world powers this month, which could lead to the removal of U.S. sanctions on Iranian oil, increasing global supplies.

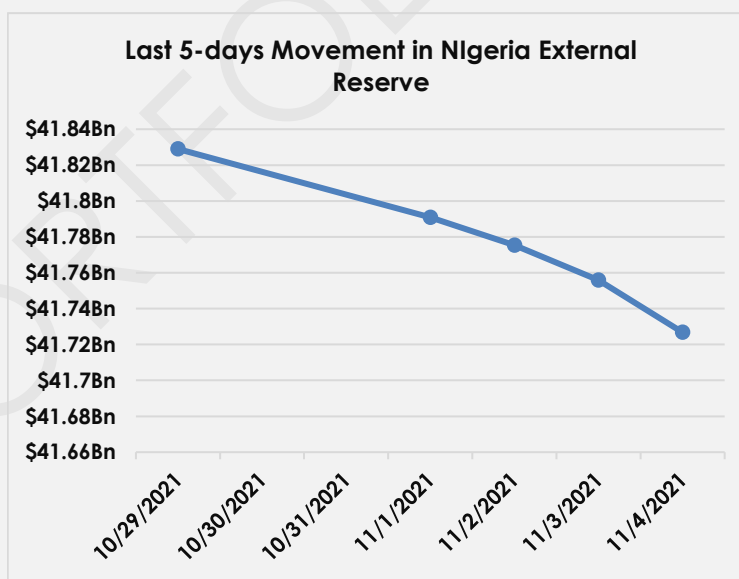
Consequently, the Brent shed 1.17% to close at \$82.74pb, while the Nigeria oil benchmark (Bonny Light) dipped by 1.09% to \$82.59pb.

Oil Price	Open	Close	W/W %Change
Brent (\$)	83.72	82.74	▼ -1.17%
Bonny Light (\$)	83.50	82.59	▼ -1.09%

Source: oilprice.com, Atlass Portfolios

Foreign Reserve

After gaining \$8.43Bn between August 24 and October 29, the Nigeria Foreign Reserve retreated by \$102.20Mn from the closing position of \$41.83Bn (Friday, 29th October, 2021) to \$41.73Bn on Thursday 4th November 2021.



Source: CBN, Atlass Portfolios

GLOBAL STOCKS

Strong U.S. Data Drag Global Stocks Higher

Positive sentiment triumphed in the global stocks as the U.S. job unemployment rate fell to 4.7% more than expected in October as per the headwind from the surge in COVID-19 infections, offering more evidence that economic activity is regaining momentum early in the fourth quarter of 2021.

As a result, all of the three major market indices in the U.S., the DJIA, S&P 500 and NASDAQ, closed the week higher by 1.42%w/w, 2.00%w/w and 3.05%w/w, respectively.

European stocks similarly wrapped up the week with growth led by advances in travel stocks after a positive update from U.S. drugmaker Pfizer on its pill for COVID-19 and the persistent optimism about earnings season.

Consequently, France CAC 400, UK FTSE 100 and Germany DAX climbed by 3.05%w/w, 0.92%w/w and 2.33%w/w, respectively.

Region	STOCK MARKET	OPEN	CLOSE	W/W % CHANGE
US	DJIA	35,819.56	36,327.95	▲ 1.42%
	S&P 500	4,605.38	4,697.53	▲ 2.00%
	NASDAQ	15,498.39	15,971.59	▲ 3.05%
EUROPE	France: CAC 40	6,830.34	7,040.79	▲ 3.08%
	Germany: DAX	15,688.77	16,054.36	▲ 2.33%
	UK: FTSE 100	7,237.57	7,303.96	▲ 0.92%
ASIA	China: Shanghai Composite	3,547.34	3,491.57	▼ -1.57%
	Hong Kong: Hang Seng	25,377.24	24,870.51	▼ -2.00%
	Japan: Nikkei 225	28,892.69	29,611.57	▲ 2.49%
	Indian: S&P BSE Sensex	59,306.93	60,067.62	▲ 1.28%
SOUTH AMERICA	Brazil: Bov espa	103,500.71	104,824.23	▲ 1.28%
	Mexico: IPC All-Share	51,309.84	51,977.96	▲ 1.30%
	Argentina: Merval	83,560.96	92,895.89	▲ 11.17%
AFRICA	South Africa: FTSE/JSE Africa All-Share	67,464.69	67,825.34	▲ 0.53%
	Egypt: EGX 30	11,506.63	11,612.84	▲ 0.92%
	Ghana: GSE Composite	2,849.34	2,894.21	▲ 1.57%
	Nigeria: All-Share	42,038.60	42,014.50	▼ -0.06%

Source: WSJ, Atlas Portfolios

However, the U.S. employment data failed to impact the Asia market as Chinese markets dragged on Asian shares, failing to latch on to a global rally after a week in which central banks around the world refrained from any hawkish surprises in a boost to the dollar. As a result, China Shanghai Composite and Honk-Kong HANG SENG dipped by 1.57%w/w and 2.00%w/w, while the Japan Nikkei 225 and India S&P BSE grew by 2.49%w/w and 1.28%w/w respectively.

Positive sentiment however triumphed in other emerging markets, all market withing our coverage had a positive week-on-week sentiment, except for the Nigeria stock market that declined marginally by 0.06%w/w.

We expect the positive sentiment to continue into next week as investors may begin to readjust portfolios toward tech stocks.

Contact Information

Investment Research

obaanu@atlassportfolios.com

info@atlassportfolios.com

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