

# WEEKLY ECONOMIC & MARKET REPORT

3 September 2022

## EQUITY MARKET

market update	
Total Deals for the Week	19,305
Total Turnover Volume for the Week	1,195,376,199
Total Turnover Value for the week	12,923,503,200.32
Total Traded stocks	156
Total Advanced stocks (w/w)	43
Total Declined Stocks (w/w)	21
Total Unchanged stocks (w/w)	92

### Sector Indices

Sector	(26/08/2022) Open	(02/09/2022) Close	Change	% Change
ASI	49682	50045.83	363.68	0.73
NGX30	1772	1784.67	12.25	0.69
NGXBNK	385	389.22	4.67	1.21
CNSMRGDS	592	603.38	11.87	2.01
NGXINDUSTR	1771	1794.65	24.05	1.36
NGXINS	181	180.79	0.09	0.05
NGXOILGAS	530	533.59	3.44	0.65

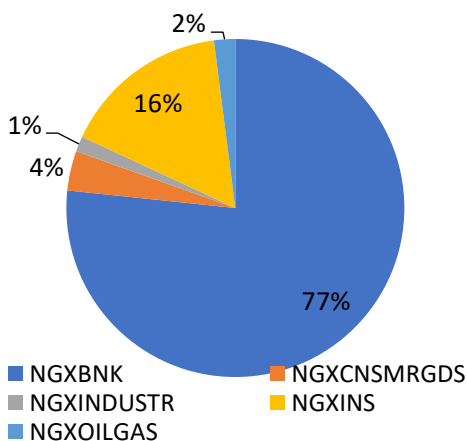
### Top 5 Gainers for the Week

Security	Open	Close Price	Change	% Change
VITAFOAM	20.30	23.60	3.30	16.26
ETRANZACT	2.28	2.65	0.37	16.23
FIDELITYBK	3.06	3.40	0.34	11.11
GUINNESS	80.00	87.90	7.90	9.88
NGXGROUP	20.05	22.00	1.95	9.73

### Top 5 Losers for the Week

Security	Open	Close Price	Change	% Change
UNILEVER	13.50	12.20	-1.30	-9.63
MCNICHOLS	0.74	0.67	-0.07	-9.46
CWG	0.99	0.90	-0.09	-9.09
JOHNHOLT	0.89	0.81	-0.08	-8.99
RTBRISCOE	0.35	0.32	-0.03	-8.57

### Distribution of Quantity Traded w/w across Major Sectors



### Growth in Major Market Sectors Propelled Local Bourse to a w/w Growth of 0.73%

The Nigeria equity market expanded by 0.73% week-on-week as the market indicators rose in three of the five trading periods. The market positive performance can be attributed to gains in all the five major market sectors, led by the Consumer goods sector that grew by 2.01% w/w.

The Market All-Share Index increased by 363.68 basis points, representing a rise of 0.73% to close at 50,045.83, while the Market Capitalization gained ₦196.65 million, representing a growth of 0.73%, to close at ₦26.99 trillion.

The positive sentiment was also driven by price appreciation in VITAFOAM, which emerged as the best performing stock of the week with 16.26% growth, followed by ETRANZACT with 16.23% growth. While FIDELITYBK, GUINNESS, NGXGROUP, STANBIC, ACCESS, TRANSCORP and FLOURMILL grew by 11.11%w/w, 9.88%w/w, 9.73%w/w, 8.20%w/w, 6.10%w/w, 5.77%w/w and 3.89%w/w respectively, to be among the 43 appreciated stocks for the week.

Meanwhile, UNILEVER receded by 9.63%w/w to led the losers' chart, trailed by MCNICHOLS (-9.46%w/w), CWG (-9.09%w/w), JOHNHOLT (-8.99%w/w), HONYFLOUR (-6.99%w/w), UPDC (-3.77%), and CADBURY (-2.99%w/w), as 21 stocks depreciated during the week.

Also, all the five major sectors closed on a positive note, led by Consumer goods (2.01%w/w), Industrial (1.36%w/w), Banking (1.21%w/w), Oil & Gas (0.65%w/w), and Insurance (0.05%w/w).

### Outlook

*we expect moderate bargain hunting in the coming week.*

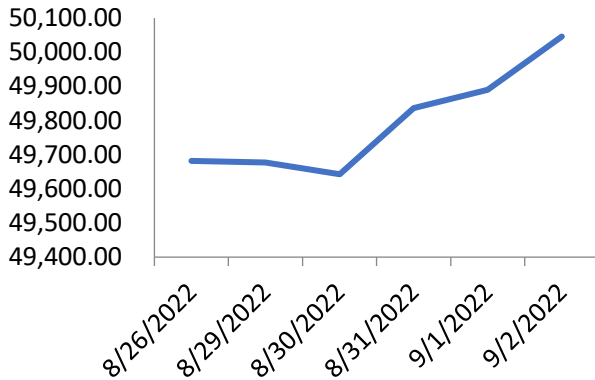
### Companies Highlight for the Week

UAC of Nigeria Plc listed additional shares of 44,835,076 of 50 kobo each on the Nigerian stock exchange on Friday, 2nd September 2022.

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## Index Movement for the Week



## Interim Dividend Update

Qualification deadline for the Coming Week

1. Company – Zenith Bank Plc (₦0.30) – 6th Sep 2022
2. Company – Stanbic Plc (₦1.50) – 6th Sep 2022

Payment for next week

Company – Seplat Energy Plc – 9th Sept 2022

## FIXED INCOME MARKET

### NITTY

Tenor	Open 25/8/2022	Close 1/09/2022	Change (%)
1M	8.81	5.55	↓ -36.99
3M	10.40	6.50	↓ -37.48
6M	11.12	7.50	↓ -32.58
9M	9.55	7.66	↓ -19.78
12M	9.41	8.73	↓ -7.28

Source: FMDQ, Atlasportfolio

NITTY rates average benchmark yield was down by 267bps to 7.10% in a week, as increased buying sentiment was witnessed across the bills.

The OMO Bills market rates were down within a week, as increased buying was seen across the bills, especially on the OMO 4 OCT 22, OMO 7 Mar 23 bill and the OMO 2 MAR 23, bills, as the average yield was down by 3bps to 11.22%.

Rates on the secondary Treasury bills were also majorly bearish within the last week of August, as investor's increased buying interest was witnessed across both ends of the bill, specifically on the 26 Jan 23, 9 Mar 23 and 27 April 23.

Whereas, the FGN Bonds secondary market closed trading activities mixed, as sell-off and buying sentiment was seen across both the short-term and long-term bills. Buying interest was dominated the long-term bills, while sell-off occurred more on the short-term bills, especially on the 14 Mar 2024, and 17 Mar 2027 bills. The average yield was down by 8bps to 13.02%.

### OMO BILL

Maturity	Open 25/8/2022	Close 1/09/2022	Change (%)
OMO 4-Oct-22	11.45	11.42	↓ -0.26
OMO 21-Feb-23	10.74	10.72	↓ -0.19
OMO 7-Mar-23	11.57	11.54	↓ -0.26
OMO 2-May-23	11.23	11.20	↓ -0.27

Source: FMDQ, Atlasportfolio

### TREASURY BILL

Maturity	Open 25/8/2022	Close 1/09/2022	Change (%)
NTB 10-Nov-22	3.93	3.93	⇒ 0.00
NTB 26-Jan-23	10.22	10.20	↓ -0.20
NTB 9-Feb-23	10.48	10.46	↓ -0.19
NTB 9-Mar-23	10.62	10.60	↓ -0.19
NTB 27-Apr-23	5.07	5.06	↓ -0.20
NTB 11-May-23	6.46	6.45	↓ -0.15
NTB 8-Jun-23	6.79	6.79	⇒ 0.00

Source: FMDQ, Atlasportfolio

### EUROBOND

Bond Name	Open 24/8/2022	Close 31/08/2022	Change (%)
6.38% US\$ 500Mn JUL 23	7.91	9.36	↑ 18.35
7.63% US\$ 1.118 Bn NOV	11.29	11.67	↑ 3.34
6.50% US \$ 1.5 Bn NOV 27	11.95	12.59	↑ 5.28
6.13% US 1.25 Bn SEPT 28	11.85	12.66	↑ 6.78
8.38% US 1.25 Bn MAR 29	12.28	13.06	↑ 6.42
7.14% US \$ 1.25 Bn FEB 30	11.94	12.56	↑ 5.23
8.75% US\$1.0 Bn JAN 31	12.39	13.00	↑ 4.93
7.88% US \$ 1.5 Bn FEB 32	12.24	12.97	↑ 5.89
7.38% US \$ 1.5 Bn SEPT	12.26	12.99	↑ 5.99
7.69% US \$ 1.25 Bn NOV	12.44	13.05	↑ 4.94
7.63% US \$ 1.5 Bn NOV 47	12.11	12.61	↑ 4.16
9.25% US \$ 750 Mn JAN	12.65	13.18	↑ 4.16
8.25% US \$ 1.25 Bn SEPT	12.45	13.06	↑ 4.88

Source: FMDQ, Atlasportfolio

### FGN BOND

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Eurobonds secondary market for the week closed bullish, as recession fear continues to influence investors decision in the debt market. Rate were bullish across the bills as sell-off was dominant in the market. Especially on the short-term bill.

Description	Open	Close	Change (%)
	25/8/2022	1/09/2022	
14.20 14-MAR-2024	10.92	11.40	↑ 4.40
13.53 23-MAR-2025	13.10	12.92	↓ -1.37
12.50 22-JAN-2026	13.20	12.90	↓ -2.27
16.2884 17-MAR2027	12.70	12.92	↑ 1.73
13.98 23-FEB-2028	12.80	12.85	↑ 0.39
14.55 26-APR-2029	12.65	12.40	↓ -1.98
12.1493 18-JUL-2034	13.26	13.25	↓ -0.08
12.50 27-MAR-2035	13.16	13.28	↑ 0.91
12.40 18-MAR-2036	13.60	13.35	↓ -1.84
16.2499 18-APR-2037	13.46	13.30	↓ -1.19
13.00 21-JAN-2042	14.13	14.00	↓ -0.92
14.80 26-APR-2049	13.60	13.30	↓ -2.21
12.98 27-MAR-2050	13.65	13.37	↓ -2.05

Source: FMDQ, Atlasportfolio

## FOREIGN RESERVE, FOREIGN EXCHANGE, AND OIL PRICE MOVEMENT FOR THE WEEK

### Naira Mixed in the FX market

The Naira this week appreciated in the I & E window by 0.16% to ₦430/USD, while it depreciated in the parallel market by 0.77% and 0.08%, respectively to close on Friday at ₦524/USD, and ₦412.00/USD.

FOREIGN EXCHANGE				
Date	2/9/2022	26/8/2022	Change	% Change
I&E rate	430	430.67	-0.67	↓ -0.156
Parallel rate	704	703	1.00	↑ 0.142

### Foreign Reserve

The Nigeria Foreign Reserve grew by 0.22% from the closing position of \$38.94 billion (Wednesday, 24th August 2022) to \$39.03 billion on Wednesday 31st August 2022.

Date	31/8/2022	24/8/2022	Change	% Change
Foreign Reserve (\$million)	39.03	38.94	0.09	↑ 0.218

### Oil Price down w/w as Fresh Coronavirus Outbreak Hits China

The global oil prices were down this week as China's key districts shut down public transport and extended curbs on public activities as it battles fresh Coronavirus outbreak, with expectation of production cut by OPEC next week.

Thus, the Brent dipped by 5.81% to close at \$93.26pb, while the WTI also declined by 6.38% to close at \$87.12pb

Date	2/9/2022	26/8/2022	Change	% Change
Brent Crude (\$)	93.26	99.01	-5.75	↓ -5.81
WTI Crude (\$)	87.12	93.06	-5.94	↓ -6.38

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## ECONOMIC UPDATE

### GDP Q2'2022 REPORT

The National Bureau of Statistics (NBS) released the Second quarter of 2022 Gross Domestic Product (GDP) report on Friday 26th August, 2022. Following the data published by NBS, the country's GDP grew by **3.54%** in Q2'2022, sustaining the economic expansion to seventh consecutive quarter after the -3.62% contraction posted in Q3'2020. However, the Q2'2022 growth rate decreased by 1.47% points from 5.01% recorded in Q2'2021, and increased by 0.44% when compared to 3.11% stated in Q1'2022.

#### Non-Oil Sector Contribution was up by 0.33% as Oil Sector Contribution Continues to Decline

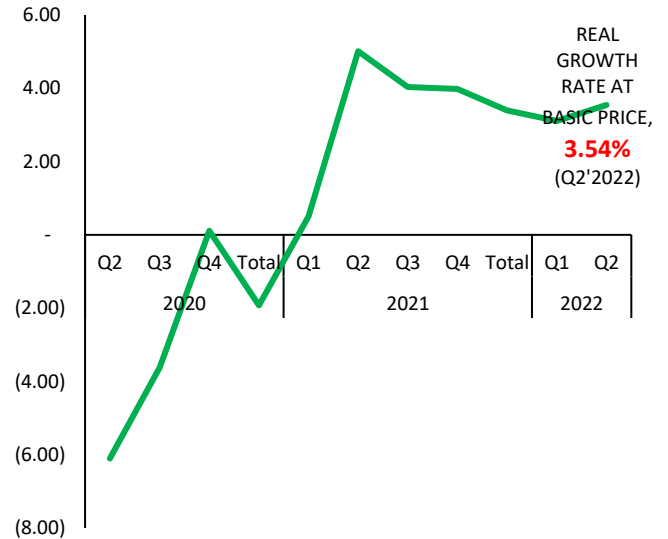
As regards components contributing to the GDP, the Non-Oil contribution to the GDP grew by 0.33% in Q2'2022 to 93.67% compared to 93.37% in Q1'2022, and also increased by 1.19% when compared to 92.58% recorded in Q2'2021. On the other hand, the Oil contribution to the GDP declined by 4.63% to 6.33% in Q2'2022 as against 6.63% in Q1'2022, due to decline in Crude oil production in the quarter under review.

In terms of growth, the non-Oil components contracted by 131 basis point to 4.77% in Q2'2022, as against 6.08% in Q1'2022. On the contrary, the real growth in the Oil component of the GDP stood at -11.77% in Q2'2022, which represent an increase by 14.27% points relative to the rate recorded in Q1'2021. Despite the growth in the oil sector, the average daily oil production (1.43mbpd in Q2'2022) was lower than the daily average crude oil production of 1.61mbpd recorded in the same quarter of 2021, and also 0.06mbpd lower than the Q1'2022 production volume of 1.49mbpd. Nigeria as also not met its OPEC monthly crude oil production quota since the beginning of 2022.

Copy the Link Below for the full report

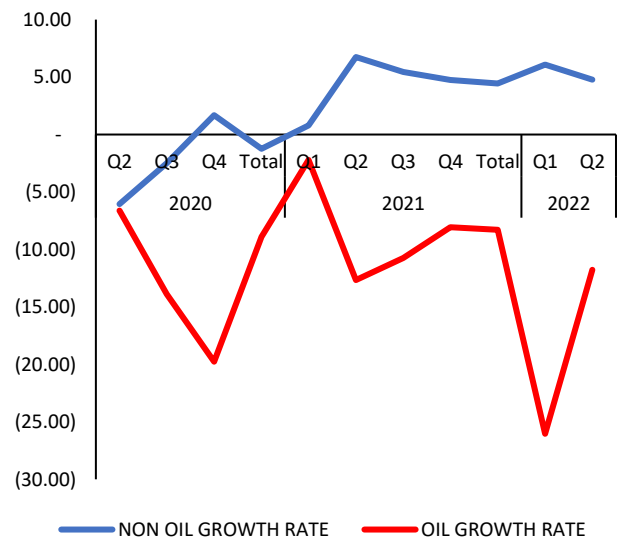
<https://atlassportfolios.com/wp-content/uploads/2022/08/GDP-Q2-2022-REPORT.pdf>

REAL GDP Y/Y GROWTH RATE



Source: NBS, Atlasportfolio

Real GDP Oil and Non-Oil Growth Rate



Source: NBS, Atlasportfolio



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## CAPITAL IMPORTATION Q2'2022 REPORT

### Foreign Inflow remains low, totaled \$3.11 billion in H1'2022

Following the recently published capital importation report by the National Bureau of Statistics (NBS), Nigeria attracted \$1,535.4 million as capital inflows in the second quarter of the year. The country's total value of capital importation in the second quarter of the year stood at \$1.54 billion, from \$875.62 million in the corresponding quarter of 2021, showing an increase of 75.34%. However, this is 2.40% lower than the \$1.57 billion received in the preceding quarter. Cumulatively, a total of \$3.11 billion has been recorded as imported capital in the first half of the year.

Breakdown of the report revealed that the largest amount of capital importation into the country was received through the Foreign Portfolio Investment (FPI) which stood at \$757.32 million, and accounted for 49.33% of the total inflows, trailed by Other Investments with 41.09% (\$630.87 million), and the Foreign Direct Investment (FDI) accounted for 9.58% (\$147.16 million) of total capital imported in the second quarter of the year. FDI increased by 82.3% y/y from \$77.97m recorded in Q2'2021 to \$147.16m. Likewise, FPI recorded 37.4% y/y increase to \$757.32 million in Q2'2022, but declined by 20.9% q/q from \$957.58 million in the preceding quarter.

Copy the Link Below for the full report

<https://atlassportfolios.com/wp-content/uploads/2022/09/Capital-Importation-Q2-2022-REPORT.pdf>

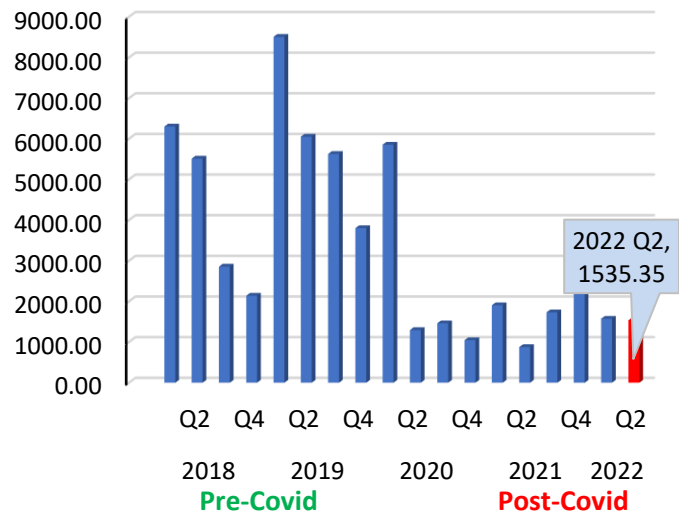
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Total Capital Importation for Q2'2022 (\$'million)



Source: NBS, Atlasportfolio