

# WEEKLY ECONOMIC & MARKET REPORT

17 September 2022

## EQUITY MARKET

### market update

Total Deals for the Week	17,444
Total Turnover Volume for the Week	719,398,025
Total Turnover Value for the week	8,004,393,766.31
Total Traded stocks	156
Total Advanced stocks (w/w)	<b>13</b>
Total Declined Stocks (w/w)	<b>39</b>
Total Unchanged stocks (w/w)	104

### Sector Indices

Sector	(2/09/2022) Open	(09/09/2022) Close	Change	% Change
ASI	49695	49475.42	-219.70	<b>-0.44</b>
NGX30	1772	1763.67	-8.81	<b>-0.50</b>
NGXBNK	387	374.09	-12.79	<b>-3.31</b>
CNSMRGDS	608	606.05	-1.65	<b>-0.27</b>
NGXINDUSTR	1794	1791.53	-2.92	<b>-0.16</b>
NGXINS	183	177.96	-4.71	<b>-2.58</b>
NGXOILGAS	533	532.15	-0.86	<b>-0.16</b>

### Top 5 Gainers for the Week

Security	Open	Close Price	Change	% Change
MULTIVERSE	2.36	2.80	0.44	18.64
ABCTRANS	0.28	0.30	0.02	7.14
HONYFLOUR	2.25	2.38	0.13	5.78
CADBURY	13.00	13.75	0.75	5.77
PHARMDEKO	1.95	2.05	0.10	5.13

### Top 5 Losers for the Week

Security	Open	Close Price	Change	% Change
REDSTAREX	2.70	2.36	-0.34	-12.59
BETAGLAS	51.20	46.10	-5.10	-9.96
CHIPLC	0.63	0.57	-0.06	-9.52
LEARNAFRCA	2.25	2.06	-0.19	-8.44
FCMB	3.50	3.23	-0.27	-7.71

### Equity Market Slides Further by 0.44% w/w, as Oil Prices were Down for the Third Week in a Row

The Nigerian equity market dipped for the second successive week as the market indicators was down in four of the five trading days. Market negative performance for the week was a result of profit-taking in all the major market sectors, led by the Banking sector, which declined by 3.31% w/w, as investor's remains jittery about the nation's economic challenges.

Resultantly, the Market All-Share Index was down by 219.70 basis points, representing a decline of 0.44% to close at 49,475.42 from 49,695.12 the previous week, while the Market Capitalization lost ₦118.50 million, representing a decrease of 0.44%, to close at ₦26.69 trillion.

The negative sentiment was also due to sell-off in some medium and large capitalized stocks such as; REDSTAREX, which emerged as the top loser for the week, declined by 12.59%, followed by BETAGLAS with 9.96% decline. While UACN, FIDELITYBK, ACCESS, UBA, VITAFOAM, FBNH and DANGSUGAR dipped by 6.82%w/w, 6.58%w/w, 6.21%w/w, 5.96%w/w, 5.88%w/w, 5.66%w/w and 3.02%w/w respectively, to be among the 39 depreciated stocks for the week.

Meanwhile, MULTIVERSE grew by 18.64%w/w to led the gainers' chart, trailed by ABCTRANS (7.14%w/w), HONYFLOUR (5.78%w/w), CADBURY (5.77%w/w), NAHCO (2.68%w/w), STERLNBANK (2.04%), and UCAP (0.42%w/w), as 13 stocks appreciated during the week.

In addition, all the five major sectors closed bearish, led by the Banking sector (-3.31%w/w), followed by the Insurance (-2.58%w/w), the Consumer goods (0.27%w/w), and the Industrial and Oil & Gas sectors both closed at (-0.16%w/w).

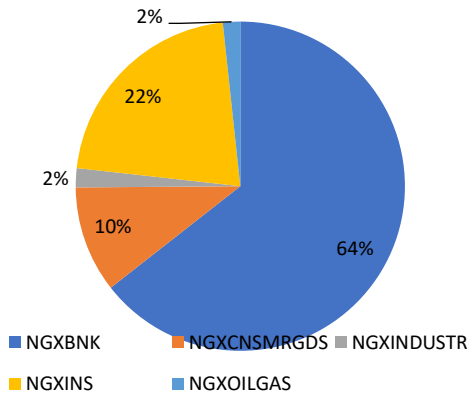
### Outlook

Next week, we expect mixed sentiment to continue, as investors cherry-pick stocks with good fundamentals and as well look out for other asset classes that can beat the current inflation rate.

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



## Companies Highlight for the Week

- MTN Nigeria Communications issue up to ₦100 billion series 1 Bond under its new ₦200 billion bond issuance programme, with SEC's approval.

## Interim Dividend Update

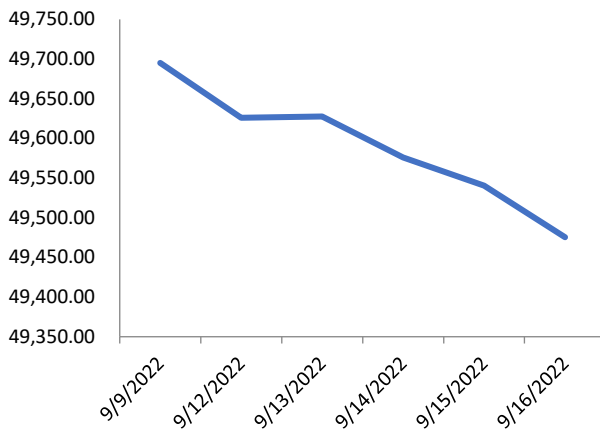
Qualification deadline for the Coming Week

- Company – GTCO Plc (₦0.30) – **20th Sep 2022**
- Company – UBA Plc (₦0.20) – **22th Sep 2022**

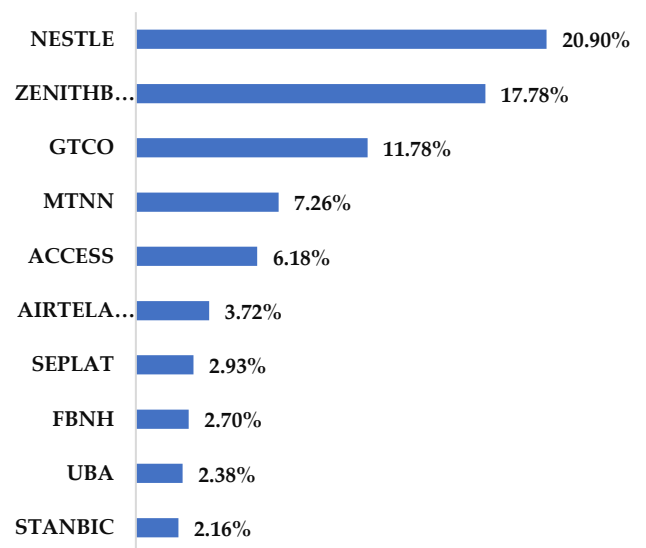
Payment for next week

- Company – Stanbic IBTC Plc – **21st Sept 2022**
- Company – Fidelitybk Plc – **20th Sep 2022**

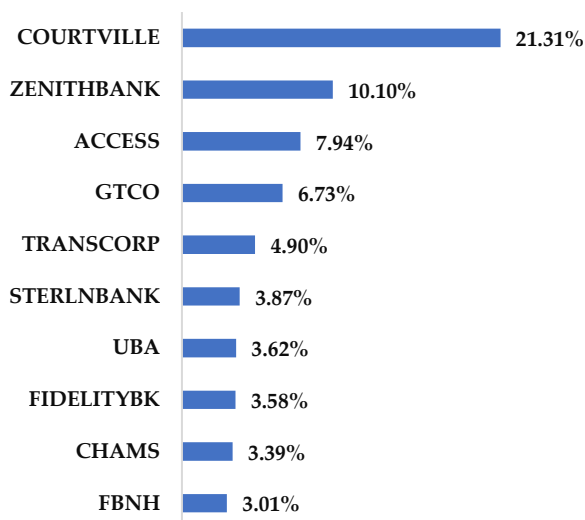
## Index Movement for the Week



## Top 10 Traded By Value for the Week



## Top 10 Traded By Volume for the Week



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## FIXED INCOME MARKET

### NITTY

Tenor	Open 8/9/2022	Close 15/09/2022	Change (%)
1M	6.46	5.75	↓ -10.94
3M	7.23	6.77	↓ -6.32
6M	8.42	7.91	↓ -6.11
9M	7.59	8.75	↑ 15.26
12M	8.23	9.76	↑ 18.60

Source: FMDQ, Atlasportfolio

Mixed sentiment was seen across the Nitty bills this week, as buying-interest was rampant on the short-term bills, especially the 1M bill, which saw its rate grew by 16.38% this week, while sell-off was recorded on the long-term bills. However, the average yield was up by 0.20%

The OMO Bills market rates were down last week, as increased buying was seen across the bills, especially on the OMO 21 FEB 22, as the average yield was down by 25bps to 10.59% from 10.84%.

The secondary Treasury bills market was relatively active during the week as buying activities were witnessed across both ends of the bills. The average yield was down marginally by 0.01% to 7.62%

On the FGN Bonds secondary market for the week, trading activities were minimal, as rates remain mostly unchanged across the mid-term and long-term bonds. However, buying interest was witnessed along the short-term bills, especially on the 14 Mar 2024, and 22 Jan 2026 bills. The average yield was also down marginally by 2bps to 13.14%.

Also, Eurobonds secondary market yield rate for the week was bearish, as buying activities were seen across both ends of the bill. The average benchmark was down to 11.77% from 12.37% the previous week.

### OMO BILL

Maturity	Open 8/9/2022	Close 15/09/2022	Change (%)
OMO 4-Oct-22	11.39	11.37	↓ -0.18
OMO 21-Feb-23	9.28	8.34	↓ -10.13
OMO 7-Mar-23	11.52	11.49	↓ -0.26
OMO 2-May-23	11.18	11.15	↓ -0.27

Source: FMDQ, Atlasportfolio

### TREASURY BILL

Maturity	Open 8/9/2022	Close 15/09/2022	Change (%)
NTB 10-Nov-22	3.93	3.92	↓ -0.25
NTB 26-Jan-23	10.18	10.16	↓ -0.20
NTB 9-Feb-23	10.44	10.42	↓ -0.19
NTB 9-Mar-23	10.58	10.56	↓ -0.19
NTB 27-Apr-23	5.06	5.05	↓ -0.20
NTB 11-May-23	6.44	6.43	↓ -0.16
NTB 8-Jun-23	6.78	6.77	↓ -0.15

Source: FMDQ, Atlasportfolio

### EUROBOND

Bond Name	Open 07/09/2022	Close 14/09/2022	Change (%)
6.38% US\$ 500Mn JUL 23	8.76	8.06	↓ -8.01
7.63% US\$ 1.118 Bn NOV	11.41	10.80	↓ -5.29
6.50% US \$ 1.5 Bn NOV 27	12.36	11.46	↓ -7.30
6.13% US 1.25 Bn SEPT 28	12.58	11.72	↓ -6.83
8.38% US 1.25 Bn MAR 29	13.10	12.56	↓ -4.09
7.14% US \$ 1.25 Bn FEB 30	12.61	12.12	↓ -3.85
8.75% US\$1.0 Bn JAN 31	12.96	12.49	↓ -3.62
7.88% US \$ 1.5 Bn FEB 32	12.91	12.41	↓ -3.83
7.38% US \$ 1.5 Bn SEPT 33	12.87	12.15	↓ -5.57
7.69% US \$ 1.25 Bn FEB 38	12.87	12.23	↓ -4.96
7.63% US \$ 1.5 Bn NOV 47	12.54	12.16	↓ -3.01
9.25% US \$ 750 Mn JAN 49	12.95	12.44	↓ -3.96
8.25% US \$ 1.25 Bn SEPT	12.95	12.43	↓ -3.97

Source: FMDQ, Atlasportfolio

### FGN BOND

Description	Open 8/9/2022	Close 15/09/2022	Change (%)
14.20 14-MAR-2024	11.50	11.06	↓ -3.83
13.53 23-MAR-2025	13.01	13.00	↓ -0.08
12.50 22-JAN-2026	12.98	12.77	↓ -1.62
16.2884 17-MAR2027	13.05	12.92	↓ -1.00
13.98 23-FEB-2028	13.00	13.00	⇒ 0.00
14.55 26-APR-2029	12.64	12.64	⇒ 0.00
12.1493 18-JUL-2034	13.35	13.35	⇒ 0.00
12.50 27-MAR-2035	13.16	13.69	↑ 4.03
12.40 18-MAR-2036	13.60	13.57	↓ -0.22
16.2499 18-APR-2037	13.68	13.68	⇒ 0.00
13.00 21-JAN-2042	13.88	13.88	⇒ 0.00
14.80 26-APR-2049	13.59	13.59	⇒ 0.00
12.98 27-MAR-2050	13.65	13.65	⇒ 0.00

Source: FMDQ, Atlasportfolio

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

### Naira Mixed in the FX market

The Naira this week appreciated marginally in the I & E window by 0.02% to ₦436.25/USD from ₦436.32/USD, while it continues to depreciate in the parallel market. It depreciated in the parallel market by 0.28% to close on Friday at ₦712/USD, from ₦710/USD the previous week.

FOREIGN EXCHANGE				
Date	16/9/2022	9/9/2022	Change	% Change
I&E rate	436.25	436.32	-0.07	↓ -0.016
Parallel rate	712	710	2.00	↑ 0.282

Source: FMDQ, Atlasportfolio

### Oil Prices down for Third Week in a Row as Recession Fears Bite

Crude oil prices were down for the third successive week as fears that COVID disruptions in China and a potential economy recession will decimate crude demand in the year. Fears of a global recession was high this week after both the World bank and the International Monetary Fund sounded an alarm of a potential economic slowdown in late 2022 and 2023. Also, Iraq's Basrah oil terminal had resumed pumping following a brief disruption over an oil spill.

Thus, the Brent declined by 1.60% to close at \$91.35pb, while the WTI was also down by 1.94% to close at \$85.11pb.

CRUDE OIL				
Date	16/9/2022	9/9/2022	Change	% Change
Brent Crude (\$)	91.35	92.84	-1.49	↓ -1.60
WTI Crude (\$)	85.11	86.79	-1.68	↓ -1.94

Source: Oilprice.com, Atlasportfolio

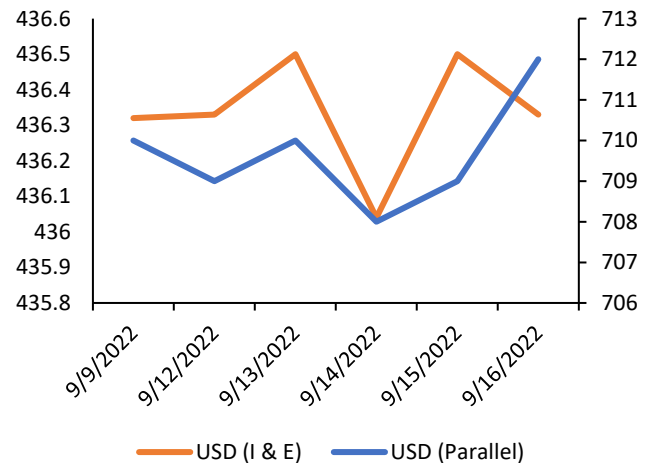
### Foreign Reserve

The Nigeria Foreign Reserve was down again w/w by 0.59% from the closing position of \$38.92 billion (Thursday, 8th September 2022) to \$38.69 billion on Thursday 15th September 2022.

Date	15/9/2022	8/9/2022	Change	% Change
Foreign Reserve (\$million)	38.69	38.92	-0.23	↓ -0.591

Source: CBN, Atlasportfolio

### Currency Movement for the Week



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## ECONOMIC UPDATE (INFLATION REPORT FOR AUGUST'22)

Inflation remained uncomfortably rapid in August, as prices continued to soar across a broad array of other goods and services. In line with the official data released by the National Bureau of Statistics (NBS) on Thursday, September 15th, 2022, the Headline inflation rate (a measure of the average change in the general price level of goods and services in the economy) for August stood at 20.52% year-on-year, from 19.64% in July 2022, representing an increase of 0.88%, and also rose by 3.52% when compared to the 17.01% recorded in August 2021. However, on a month-on-month basis, the headline inflation declined by 1.77%, which is 0.05% lower than the 1.82% recorded in July 2022.

Prices rose by 20.52% percent from a year earlier compared with 19.64% percent in July. For Nigerian policymakers, who have been raising interest rates to slow the economy and try to tame recent rapid inflation, the report was a fresh sign that continued aggressive action may be needed to wrestle them lower. The upshot is that inflation has plenty of underlying momentum. The Monetary Policy Committee (MPR) has responded with back-to-back interest rate hikes, bringing the monetary policy rate (MPR) to 14 per cent. In addition to the global drivers of inflation, country specific factors such as insecurity, high energy cost and high cost of capital have equally translated into rising cost of goods and services in the country. This surge in prices is worrisome, given the importance of Inflation as a major macroeconomic indicator portraying the nation's health and also a major determinant of investment.

Copy the Link below for the full report;

<https://atlassportfolios.com/wp-content/uploads/2022/09/Inflation-August-2022.pdf>

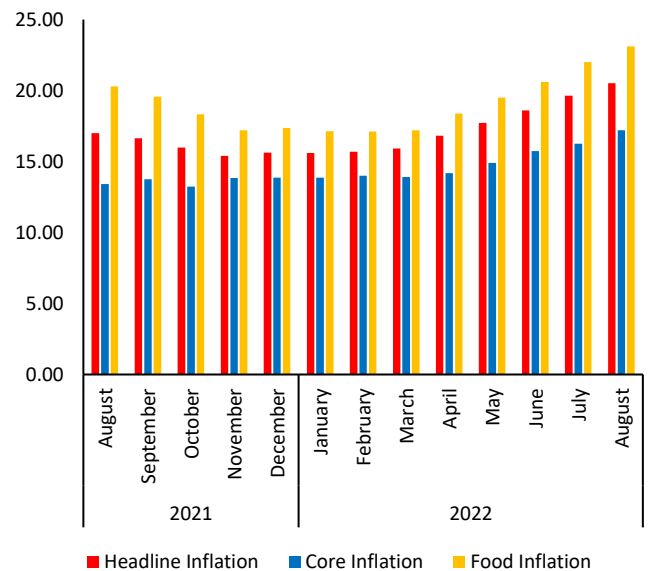
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Headline, Core and Food Inflation Movement (y/y)



Finally, it is recommended that the Nigerian Monetary authority should target the major drivers of inflation with necessary policies, and this would encompass strategies that would encourage investors to participate actively in the economy, while also improving the ease of doing business and other socio-economic factors in the country.