

## WEEKLY ECONOMIC & MARKET REPORT

10 December 2022

### EQUITY MARKET

market update	
Total Deals for the Week	15,317
Total Turnover Volume for the Week (Million)	1,224.87
Total Turnover Value for the week (Million)	15,242.82
Total Traded stocks	157
Total Advanced stocks (w/w)	<b>31</b>
Total Declined Stocks (w/w)	<b>26</b>
Total Unchanged stocks (w/w)	100

#### Sector Indices

Sector	(02/12/2022) Open	(09/12/2022) Close	Change	% Change
ASI	48155	48881.93	727.28	1.51
NGX30	1736	1768.53	32.23	1.86
NGXBNK	404	403.05	-0.99	-0.25
CNSMRGDS	548	557.38	9.03	1.65
NGXINDUSTR	2137	2319.40	182.27	8.53
NGXINS	165	166.89	2.16	1.31
NGXOILGAS	445	446.00	1.28	0.29

#### Top 5 Gainers for the Week

Security	Open	Close Price	Change	% Change
BUACEMENT	77.00	91.70	14.70	19.09
ROYALEX	0.72	0.81	0.09	12.50
ETI	10.05	11.20	1.15	11.44
GUINNESS	63.00	69.30	6.30	10.00
PRESTIGE	0.42	0.46	0.04	9.52

#### Top 5 Losers for the Week

Security	Open	Close Price	Change	% Change
SCOA	1.06	0.79	-0.27	-25.47
NB	45.00	38.50	-6.50	-14.44
UNITYBNK	0.57	0.49	-0.08	-14.04
CAPHOTEL	3.06	2.76	-0.30	-9.80
GEREGU	122.80	111.00	-11.80	-9.61

### The Nigerian Equity Market Grew by +11.17% in Four Weeks, as Positive Sentiment Continues; Naira depreciated in the FX market.

Local bourse closed trading activities bullish for the fourth consecutive week, as buying interest was dominant in four of the five trading days of the week. This was due to increased buying interest witnessed across major market sectors with the expectation of the Banking sector, which declined by -0.25%w/w. The Industrial sector advanced by +8.53%w/w. The market YTD returns stood at +14.43%.

Consequently, the Market All-Share Index added 727.28 basis points, representing an increase of +1.51% to close at 48,881.93 from 48,154.65 the previous week, while the Market Capitalization also gained ₦396.13 billion, representing a growth of 1.51%, to close at ₦26.62 trillion.

The market positive outcome was also a result of investors buying interest in some medium and large capitalized stocks such as; BUACEMENT, which emerged as the top gainer for the week, advanced by +19.09%, followed by ROYALEX, grew by +12.50%. While GUINNESS, ETERNA, PRESCO, NASCON, PZ, NGXGROUP and NESTLE also increased by +10.00%w/w, +8.78%w/w, +6.64%w/w, +4.50%w/w, +3.67%w/w, +2.30%w/w and +1.67%w/w respectively, to be among the 31 appreciated stocks for the week.

Meanwhile, SCOA declined by -25.47%w/w to led the losers' chart, trailed by NB (-14.44%w/w), GEREGU (-9.61%w/w), WEMABANK (-4.96%w/w), CADBURY (-4.46%w/w), ZENITHBANK (-2.86%), and FLOURMILL (-1.78%w/w), as 26 stocks depreciated during the week.

Furthermore, four out of the five major sectors closed positive for the week, led by the Industrial sector (+8.53%w/w), followed by the Consumer goods Sector (+1.65%w/w), the Insurance sector (+1.31%w/w), and the Oil & Gas sector (+0.29%w/w), while the Banking sector declined by -0.25%w/w.

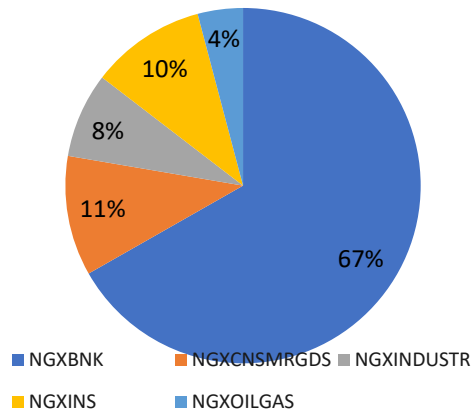
#### Outlook

*In the coming week, we expect cautious trading to continue from investors as they anticipate the release of November 2022 inflation report to the investing public.*

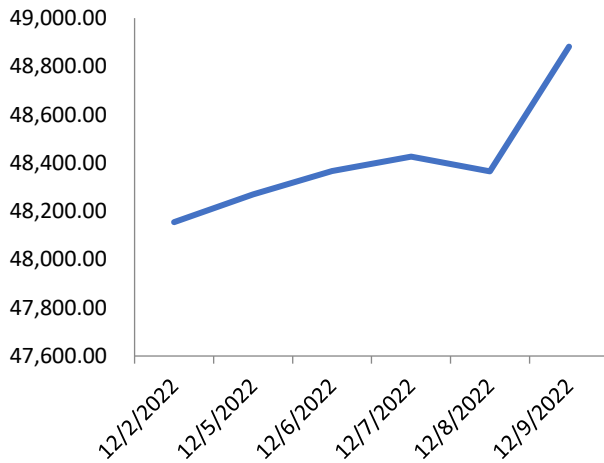
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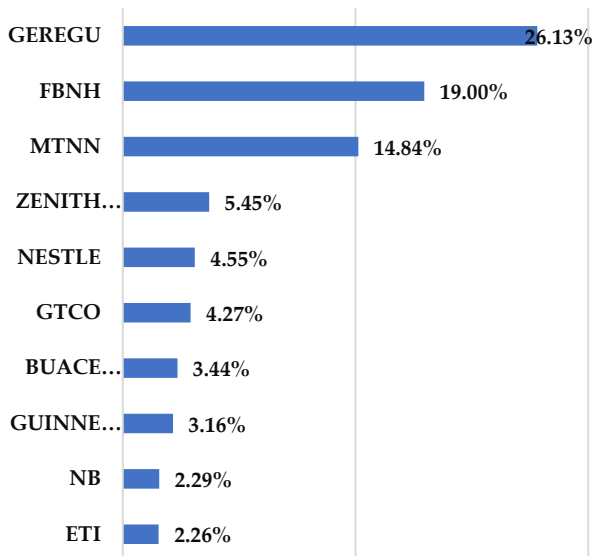
### Distribution of Quantity Traded w/w across Major Sectors



### Index Movement for the Week



### Top 10 Traded By Value



### Companies Update

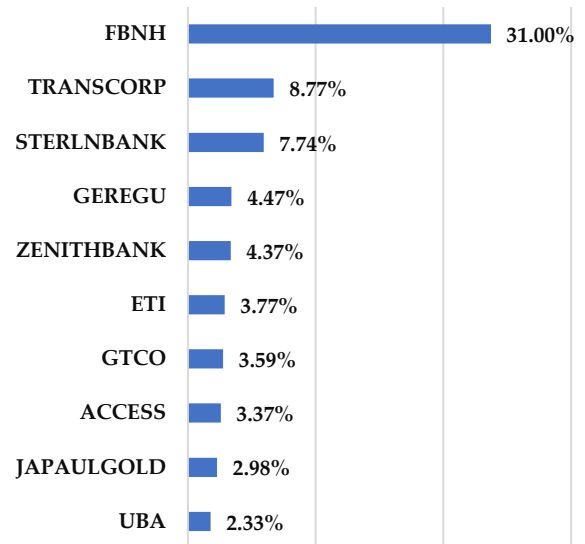
#### Julius Berger

On Dec 6, 2022, Julius Berger notified its shareholders, and the investing public that the company would be opening a branch office in Benin Republic, to enable them to be responsive to emerging business opportunities along its core line of business in Benin and environs.

#### Airtel Africa

Airtel Africa announced on December 6, 2022, the signing of a new \$194m facility with the International Finance Corporation (IFC), a sister organization of the World Bank and a member of the World Bank Group, which will be used to support Airtel Africa's operation and investments in some Africa regions, and also provide more diversified access to local funding.

### Top 10 Traded By Volume



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### FIXED INCOME MARKET

#### NITTY

Tenor	Open		Close	Change (%)
	01/12/2022	08/12/2022		
1M	8.08	9.01	↑	11.45
3M	8.89	8.63	↓	-2.96
6M	10.51	10.55	↑	0.38
9M	13.18	12.69	↓	-3.65
12M	15.40	14.87	↓	-3.45

Source: FMDQ, Atlasportfolio

Market activities in the secondary market traded on an active note this week, as Increased buying interest was seen across the Treasury bills this, while the bond market was relatively calm, with mixed sentiment seen across the bills as market participants weighed their investing positions against rising inflation, high interest rate environment, amidst other macro/microeconomic headwinds.

The Nitty bills rate for this week was mixed, as buying interest was dominant on the long-term segments, especially the 9M and 12M bills, that saw a rate decline of -3.65% and -3.45% accordingly, while sell-off was more dominant on the 1M bill, with a rate increase of +11.45% in a week. The average benchmark yield was down by 0.06 percent points to 11.15%.

The OMO Bills market rates declined week-on-week, for the eleventh consecutive week, as increased buying was seen across the bills. The OMO 7 May 23, and the OMO 2 May 23 bills rates were both down by -0.18%, while the OMO 21 Feb bill rate reduced by -0.12%. The average yield reduced marginally by 2bps to 10.09%.

The secondary Treasury bill market traded on an active note this week as Increased buying interest was witnessed across the bills. Active buying was seen on both the short and long-term segments, especially the NTB 26 Jan 23, with a rate drop of -53.82% in one week. In addition, the average benchmark yield decreased by 2.42 percent points to 8.46%

On the FGN Bonds secondary market transaction for the week, trades were minimal with mixed sentiment seen across the yield curve. Increase demand and sell-off was witnessed on both ends of the yield curve. However, buying interest was dominant on the short and mid-term bonds, especially on the 14 MAR 2024, 22 JAN 2026, as the average yield decreased by 13bps to 14.39%.

#### OMO BILL

Maturity	Open		Close	Change (%)
	01/12/2022	08/12/2022		
OMO 21-Feb-23	8.20	8.19	↓	-0.12
OMO 7-Mar-23	11.22	11.20	↓	-0.18
OMO 2-May-23	10.90	10.88	↓	-0.18

Source: FMDQ, Atlasportfolio

#### TREASURY BILL

Maturity	Open		Close	Change (%)
	01/12/2022	08/12/2022		
NTB 26-Jan-23	11.78	5.44	↓	-53.82
NTB 9-Feb-23	8.45	5.74	↓	-32.07
NTB 9-Mar-23	9.18	6.34	↓	-30.94
NTB 27-Apr-23	8.32	7.43	↓	-10.70
NTB 11-May-23	8.35	7.75	↓	-7.19
NTB 8-Jun-23	11.69	8.39	↓	-28.23
NTB 7-Sep-23	14.44	10.66	↓	-26.18
NTB 9-Nov-23	14.81	12.40	↓	-16.27

Source: FMDQ, Atlasportfolio

#### FGN BOND

Description	Open		Close	Change (%)
	01/12/2022	08/12/2022		
14.20 14-MAR-2024	13.86	13.35	↓	-3.68
13.53 23-MAR-2025	14.08	13.98	↓	-0.71
12.50 22-JAN-2026	14.25	13.87	↓	-2.67
16.2884 17-MAR2027	14.03	13.95	↓	-0.57
13.98 23-FEB-2028	14.09	14.10	↑	0.07
14.55 26-APR-2029	14.45	14.54	↑	0.62
12.1493 18-JUL-2034	14.75	14.75	⇒	0.00
12.50 27-MAR-2035	14.75	14.43	↓	-2.17
12.40 18-MAR-2036	14.51	14.25	↓	-1.79
16.2499 18-APR-2037	16.02	15.87	↓	-0.94
13.00 21-JAN-2042	14.73	14.73	⇒	0.00
14.80 26-APR-2049	14.55	14.55	⇒	0.00
12.98 27-MAR-2050	14.72	14.72	⇒	0.00

Source: FMDQ, Atlasportfolio

#### EURO BOND

Bond Name	Open		Close	Change (%)
	30/11/2022	07/12/2022		
6.38% US\$ 500Mn JUL 23	7.03	7.40	↑	5.25
7.63% US\$ 1.118 Bn NOV	10.30	10.42	↑	1.08
6.50% US \$ 1.5 Bn NOV 27	11.58	11.51	↓	-0.59
6.13% US 1.25 Bn SEPT 28	11.41	11.38	↓	-0.28
8.38% US 1.25 Bn MAR 29	11.95	12.09	↑	1.14
7.14% US \$ 1.25 Bn FEB 30	11.67	11.79	↑	1.00
8.75% US\$1.0 Bn JAN 31	11.76	11.92	↑	1.33
7.88% US \$ 1.5 Bn FEB 32	11.88	12.05	↑	1.44
7.38% US \$ 1.5 Bn SEPT 33	11.63	11.83	↑	1.72
7.69% US \$ 1.25 Bn FEB 38	11.83	12.10	↑	2.27
7.63% US \$ 1.5 Bn NOV 47	11.63	11.96	↑	2.85
9.25% US \$ 750 Mn JAN 49	12.05	12.28	↑	1.93
8.25% US \$ 1.25 Bn SEPT	12.02	12.34	↑	2.59

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

#### Naira depreciated in the FX market

The Naira this week depreciated in the I & E window by 0.16% to ₦446.0/USD from ₦445.3/USD, as it also depreciated in the parallel market. It depreciated in the parallel market by 2.06% to close on Friday at ₦745/USD.

FOREIGN EXCHANGE				
Date	9/12/2022	2/12/2022	Change	% Change
<b>I&amp;E rate</b>	446	445.3	0.70	↑ 0.157
<b>Parallel rate</b>	745	730	15.00	↑ 2.055

Source: FMDQ, Atlasportfolio

#### Crude Oil Prices down by 11%, Buoyed by Price Cap

The Brent crude oil dipped by 11% in a week on supply worries, spawned by the price cap on Russian oil and on recession fear in the U.S. and Europe.

On the price cap on Russian Oil, Putin stated that Russia might retaliate with production cuts, although it would have to discuss that initially with its allies in the OPEC+ global oil producers led by Saudi Arabia. The Group of Seven major powers, the European Union, and Australia last week agreed a \$60 per barrel price cap on Russian seaborne crude oil after the EU members overcame resistance from Poland.

On the other hand, Iraq plans to adhere to cut its production quota by reducing refinery runs and increasing oil products import, while at same time undertaking field maintenance, instead of drastic cuts from certain reservoirs.

Thus, the Brent dipped by 11.07% w/w to close at \$76.1pb, while the WTI declined by 10.96% to close at \$71.50pb.

CRUDE OIL				
Date	9/12/2022	2/12/2022	Change	% Change
<b>Brent Crude (\$)</b>	76.1	85.57	-9.47	↓ -11.07
<b>WTI Crude (\$)</b>	71.5	80.3	-8.8	↓ -10.96

Source: Oilprice.com, Atlasportfolio

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#### Foreign Reserve

The Nigeria Foreign Reserve continues to decline as it was down last week by 0.39% from the closing position of \$37.11 billion (Thursday, 1st December 2022) to \$36.96 billion on Thursday 8th December 2022.

Date	8/12/2022	1/12/2022	Change	% Change
<b>Foreign Reserve (\$million)</b>	36.96	37.11	-0.14	↓ -0.385

Source: CBN, Atlasportfolio

Currency Movement for the Week

