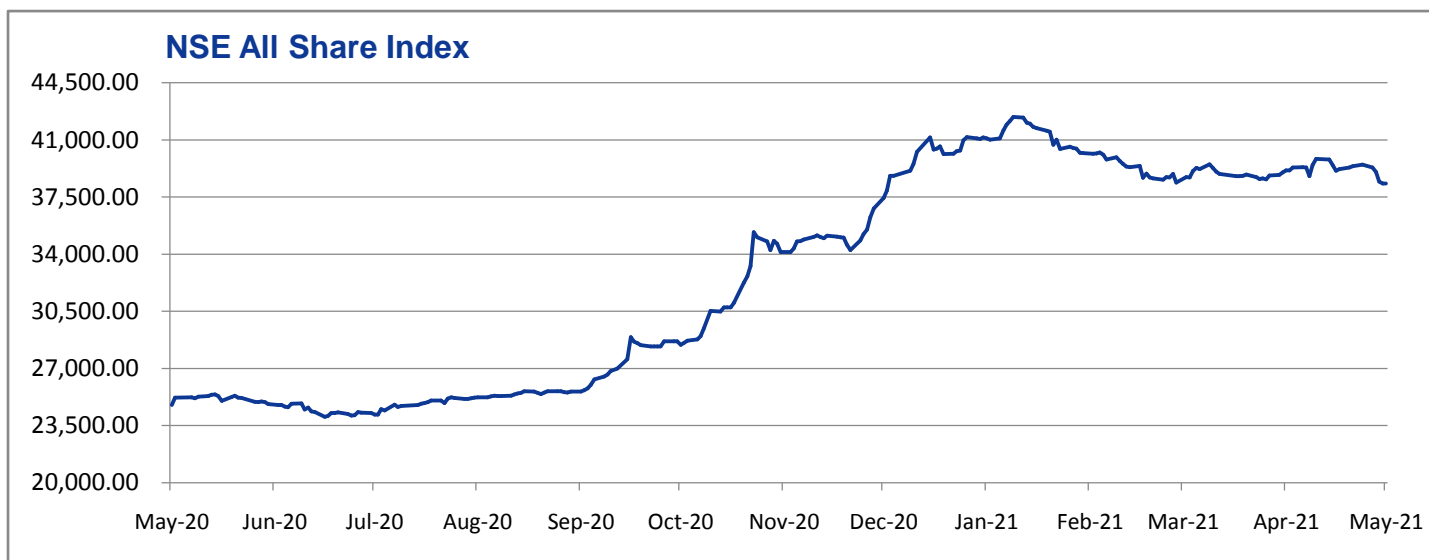


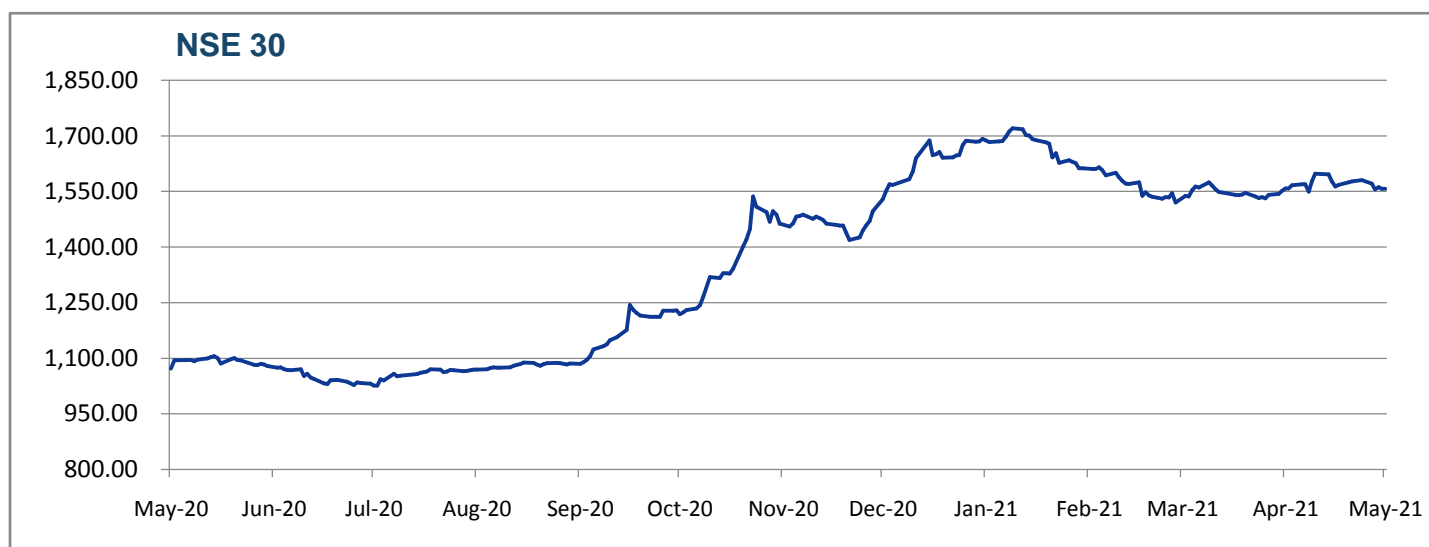
Market Wrap

21 May 2021



Market Brief – NSE All Share Index

The Nigerian equity market closed on negative note as All Share Index marginally decreased by 0.01 percent to close at 38,324.07 points. The market cap of equities listed on the NSE decreased to ₦19.975 trillion from ₦19.978 trillion as on the previous day. The total volume traded closed with an exchange of 174.304 million units valued at ₦1.95 billion traded in 2,581 deals. The market breadth was neutral with 16 gainers as against 16 losers.



Market Brief – NSE 30

The NSE 30 Index marginally increased by 0.03 percent to close at 1,557.65 points as against 1,557.11 points as on the previous day. Market turnover closed with traded volume of 54.08 million units. Sterling and Stanbic IBTC were the key gainers, while Julius Berger and Fidelity were the key losers.

Company Performance (NSE30)

Top Gainers			Top Losers		
Sterling	▲	7.05%	Julius Berger	▼	-9.05%
Stanbic IBTC	▲	1.55%	Fidelity	▼	-1.72%
FBNH	▲	0.69%	Guaranty	▼	-0.85%
Dangote Sugar	▲	0.58%	Access	▼	-0.60%
			BUA Cement	▼	-0.20%

Money Markets

As of May 21, the Overnight (O/N) rate increased by 1.75 percent to close at 17.00 percent as against the last close of 15.25 percent, and the Open Buy Back (OBB) rate increased by 1.50 percent to close at 16.50 percent from 15.00 percent on the previous day.

FX: At the I&E FX market, Naira further depreciated by 0.17 percent as the dollar was quoted at ₦412.00 as against the last close of ₦411.31. Most participants maintained bids between ₦386.00 and ₦421.00 per dollar.

Treasury Bills

NT-Bills secondary market closed on a negative note with average yield across the curve increasing by 26 bps to close at 5.76 percent from 5.50 percent on the previous day. Average yields across short-term, medium-term, and long-term maturities widened by 12 bps, 33 bps, and 28 bps, respectively. Yields on 15 bills advanced with the 28-Oct-21 maturity bill recording the highest yield increase of 60 bps, while yields on 5 bills remained unchanged.

In the OMO bills market, the average yield across the curve remained unchanged at 9.23 percent. Average yields across short-term, medium-term, and long-term maturities closed at 7.69 percent, 8.49 percent, and 10.16 percent, respectively.

Moreover, the CBN held an OMO auction on May 20, selling bills worth ₦14.50 billion across the 89-day (₦2.00 billion), 180-day (₦2.50 billion), and 355-day (₦10.00 billion) tenors with the stop rates remaining unchanged at 7.00 percent, 8.50 percent, and 10.10 percent, respectively. The auction was oversubscribed, indicating a subscription level of 101 percent (₦20.10 billion). Demand was skewed towards long tenor maturity bills with bid-to-cover ratios settling at 0.40x (89-day), 0.50x (180-day), and 1.56x (355-day).

Bond Markets

FGN bonds secondary market closed on a negative note today, as the average bond yield across the curve cleared higher by 14 bps to close at 9.52 percent from 9.38 percent on the previous day. Average yields across short tenor, medium tenor, and long tenor of the curve expanded by 15 bps, 11 bps, and 6 bps, respectively. The FGNSB 14-NOV-2021 bond was the worst performer with an increase in yield of 50 bps.

The DMO has a domestic funding target of ₦2.34 trillion towards the projected deficit of ₦5.60 trillion in the FGN's 2021 budget. To date, the DMO has raised ₦1.09 trillion at its bond auctions, including non-competitive sales to public agencies. It should be noted that the DMO collected a total of ₦1.66 trillion (gross) from FGN bond sales in 2020. Considering year-to-date FGN bond sales and the smaller amounts generated from the sale of other debt instruments such as Sukuk and green bonds, the DMO is on track to achieve its yearly target.

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