APT Securities and Funds Limited

(Member of the Nigerian Stock Excahnge)

MONTHLY REPORT FEBRUARY 2018

Macroeconomic and Markets Review

Global Economy: Activity continues to firm up, brighter prospects amidst challenges, optimistic outlook to the global growth forecast appear broadly balanced in the near term, but remain skewed to the downside over the medium term. On the upside, the cyclical rebound could prove stronger in the near term as activities and financial conditions pick up and reinforce each other. This suggests we are getting closer to positive terrain particularly in the emerging markets, where policy is generally accommodative.

Domestic Economy Key Highlights: Consumer Price Index (CPI) which measures inflation decreased by 15.13 percent (year-on-year) in January 2018. This was 0.24percent points lower than the rate recorded in December (15.37) percent making it the twelfth consecutive decline in the rate of headline year on year inflation since January 2017 as cost increased less mainly for food, non-alcoholic beverages, housing and utilities.

Nigeria Economy recovery is gaining momentum owing to the country's non oil sector, majorly industrial as Manufacturing PMI in the month of February stood at 56.3 index points, indicating expansion in the manufacturing sector for the eleventh consecutive month. Parliament finally passed the Petroleum Industry Governance Bill (PIGB) in January, the first part of an oil industry bill that will have taken nearly two decades to become law. The bill should increase transparency and improve oversight in the energy sector.

Increasing foreign exchange inflow through the Central Bank of Nigeria (CBN) raises its firepower to carry out more interventions in the economy. The CBN has been intervening in the foreign exchange market since April 2017 when it opened a window for Investors and Exporters as well as small and medium enterprises (SMEs).

External Reserves hit $41.47bn in the month of February, a 3 year high. This represents a YTD increase of 6.58%. This positive trend continues to be supported by strong oil and Euro-bond proceeds.

Stock Market: The equities market closed on a negative note in the month of February. The NSE All Share Index begins the year (MoM) with +16.37%. It dropped to 2.61% to peg the year to date performance at 13.30 %(MoM) in the month under review. The market capitalization also trimmed off 417bn in the month under review.

Market activity by volume closed downbeat (-43.27%). Value of trades similarly dropped (-44.04%) in a lower deals relative to last month.

We expect NSEASI outing in March to be quite bullish, at least to counter the loss so far in February and to sustain gains on the back of yearend earnings release as macroeconomic indicators suggest positive outlook. Furthermore, NSE's new pricing rule to drop market price nominal value below 50kobo is a welcome one as it will enhance price movement of illiquid stocks; this should further drive stability in the equities market.

MACROECONOMIC INDICATORS	
INFLATION	15.13%
EXCHANGE RTE(USD)	N305.90
MPR	14
CRUDE OIL ORICE	$65.71

SOURCE: CBN, APT RESEARCH

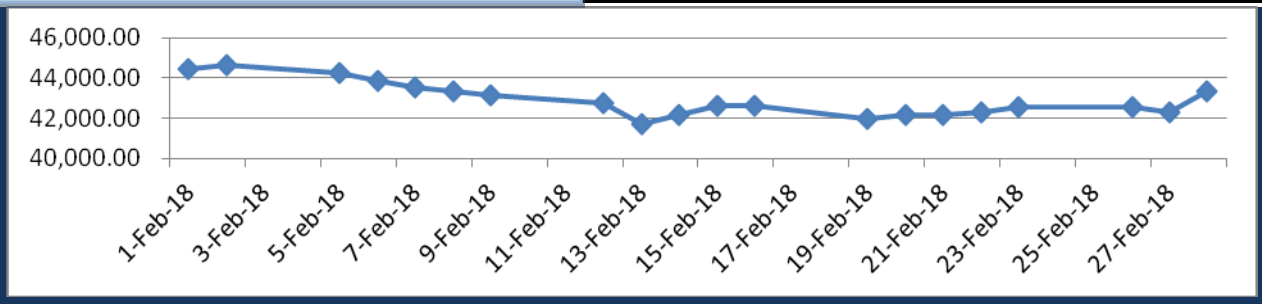
EQUITIES MARKET KEY INDICATORS

Sector Indices	Close(Feb'18)	Close(Jan'18)	MoM % CHG	YTD % CHG
ASI	43,330.54	44,493.79	-2.61%	13.30%
NSE 30	1,961.32	2,030.17	-3.39%	12.29%
NSE BNK	575.56	587.39	-2.01%	21.06%
NSE INS	157.52	157.96	-0.28%	13.02%
NSECNSMRGDS	1,003.67	1,044.29	-3.89%	2.82%
NSEINDUSTR	2,351.35	2,341.08	0.44%	19.02%
NSEOILGAS	343.64	365.95	-6.10%	3.92%
NSELOTUSISLM	2,741.18	2,745.30	-0.15%	7.06%
NSEASEM	1,059.47	1,071.68	-1.14%	-2.56%
MKT CAP (N'tn)	15.550	15.967	-2.61%	13.30%

TRANSACTION LEVEL FOR THE MONTH

	Current (FEB'18)	Previous (JAN'18)	MoM % CHG
Volume	11,944,887,314	21,055,263,646	-43.27%
Value	106,025,561,774	189,456,977,182	-44.04%
Deals	112,118	161,559	-30.60%

SOURCE:APT RESEARCH



ASI ONE MONTH TREND

EQUITIES TOP PERFORMERS BY SYMBOL

TOP 10 GAINERS (%)				TOP 10 LOSERS (%)			
Symbols	Feb'18	Jan'18 (N)	MoM %CHG	Symbols	Feb'18	Jan'18 (N)	MoM %CHG
LINKASSUR	0.86	0.69	24.64	SKYEBANK	0.97	1.54	-37.01
UNITYBNK	1.78	1.44	23.61	LASACO	0.33	0.46	-28.26
UNILEVER	51.20	44.20	15.84	DIAMONDBN	2.35	3.19	-26.33
BETAGLAS	72.10	62.35	15.64	WEMABANK	0.99	1.34	-26.12
NEM	2.10	1.82	15.38	ROYALEX	0.33	0.44	-25.00
AIICO	0.75	0.65	15.38	FCMB	2.53	3.22	-21.43
CCNN	19.75	17.60	12.22	FIDELITYBK	2.99	3.80	-21.32
GLAXOSMI	21.00	19.00	10.53	UBN	6.50	8.20	-20.73
BERGER	10.35	9.50	8.95	TRANSCORP	1.97	2.46	-19.92
JAPAULOIL	0.54	0.50	8.00	ABCTRANS	0.36	0.44	-18.18

MONTHLY MONEY MARKET RATES REVIEW

Inter Bank	FEB'18	JAN'18	MoM % CHG
Call	5.00	5.83	-14.24
Open Buy Back	5.57	6.58	-15.35
NIBOR (REPO)			
Call	6.25	6.75	-7.41
1 Month	7.83	9.50	-17.58
3 Month	9.25	11.75	-21.28
6 Month	10.67	13.75	-22.40
N-TBILLS (NITTY)			
1 Month	13.90	13.97	-0.50
2 Month	14.77	14.73	0.27
3 Month	14.08	15.08	-6.63
6 Month	15.42	15.40	0.13
9 Month	15.34	15.45	-0.71
12 Month	15.43	13.97	10.45
FOREIGN EXCHANGE MARKET			
Currency			
China Yuan Y	56.60	56.51	0.16
Euro €	437.40	443.90	-1.46
BP £	494.80	504.70	-1.96
JPY ¥	3.34	3.29	1.74
USD $	358.00	357.00	0.28
SA Rand R	30.48	29.96	1.74
UAE Dirham	97.48	97.20	0.29

Sources: FMDQ-OTC, CBN, FX-RATE.NET, APT Research

REGIONAL MARKET FEBRUARY 2018 PERFORMANCE

Country	Index	Market Performance	
ADVANCED MARKETS		MTD (%)	YTD (%)
Japan	Nikkei 225	-7.50%	12.02%
United Kingdom	FTSE/100	-3.67%	-2.27%
United States	S&P 500	-3.83%	13.27%
AFRICA			
Ghana	GSECI	6.25%	78.68%
Kenya	NSE 20	-0.05%	26.45%
Nigeria	All Share Index	-2.61%	13.30%
BRICS			
Brazil	Ibovespa:Ind	-0.17%	27.41%
Russia	RTS	-1.29%	15.05%
India	BSE Sens	-5.22%	17.42%
China	Shanghai Comp	-5.03%	0.83%
South Africa	JSE/All Share	-1.62%	12.80%
EUROPE & ASIA			
France	CAC 40	-2.97%	6.69%
Germany	DAX: IND	-5.21%	2.14%
Hong Kong	Heng Seng	-4.90%	30.57%

Sources: Bloomberg, APT Research

MARKET NEWS

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Sources: NSE, APT Research

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