



AXA MANSARD

# Weekly Market Review

## 8th December 2017

Investments Team

December 2017 – AXA Mansard



AXA MANSARD

# Global Market Review 1

## Key points

- Preliminary brexit deal reached
- US economy added 228,000 jobs as unemployment rate continue to reach a new low
- US FED expected to hike rate next week for the third time in 2017
- ECB to maintain status quo, monthly asset purchase to reduce from EUR60bn to EUR30bn
- Global economic growth for 2018 expected to be 3.8%
- More asset expected to allocate fund toward riskier assets going into 2018
- IMF warn on massive undercapitalization of Chinese banks

# Investment Report

## Global & NSE Sector Indices

		WTD	MTD	QTD	YTD
<b>GLOBAL</b>	Global (MSCI World)	(0.28)	(0.66)	3.15	17.84
<b>BROAD INDICES (MSCI)</b>	Emerging Markets	(1.38)	(1.81)	1.74	27.63
	Frontier Markets	0.24	0.68	3.02	24.84
	ASIA EX. Japan	(1.50)	(1.80)	3.40	32.87
<b>U.S.A</b>	U.S.A. (S&P500)	0.28	0.08	5.17	18.35
<b>EUROZONE</b>	Eurozone (MSCI)	0.74	0.03	(0.38)	6.54
	France (CAC 40)	1.55	0.49	1.30	11.04
	U.K. (FTSE 100)	1.28	0.92	0.29	3.52
	Germany (DAX)	2.27	1.00	2.53	14.57
<b>ASIA</b>	Japan (NKY 225)	(0.03)	0.38	12.06	19.34
	China (SHG)	(0.83)	(0.82)	(1.76)	6.00
<b>AFRICA</b>	Nigeria (NSEASI)	3.46	3.46	10.77	46.08
	Kenya (NSE KN)	2.38	3.61	14.36	46.76
	Egypt (HERMES)	(2.08)	(2.08)	6.87	25.54
	South Africa (JALSH)	(2.42)	(2.95)	4.38	14.53
<b>NSE SECTORS</b>	NSE 30	4.09	4.09	10.04	49.37
	Banking 10	5.34	5.34	12.65	80.76
	Oil & Gas 5	(0.47)	(0.47)	3.05	(7.45)
	Food & Bev.	6.14	6.14	5.75	36.78
	Insurance 10	0.20	0.20	0.50	11.20
	Industrials	(1.37)	(1.37)	5.53	31.26



AXA MANSARD

# Domestic Market Review

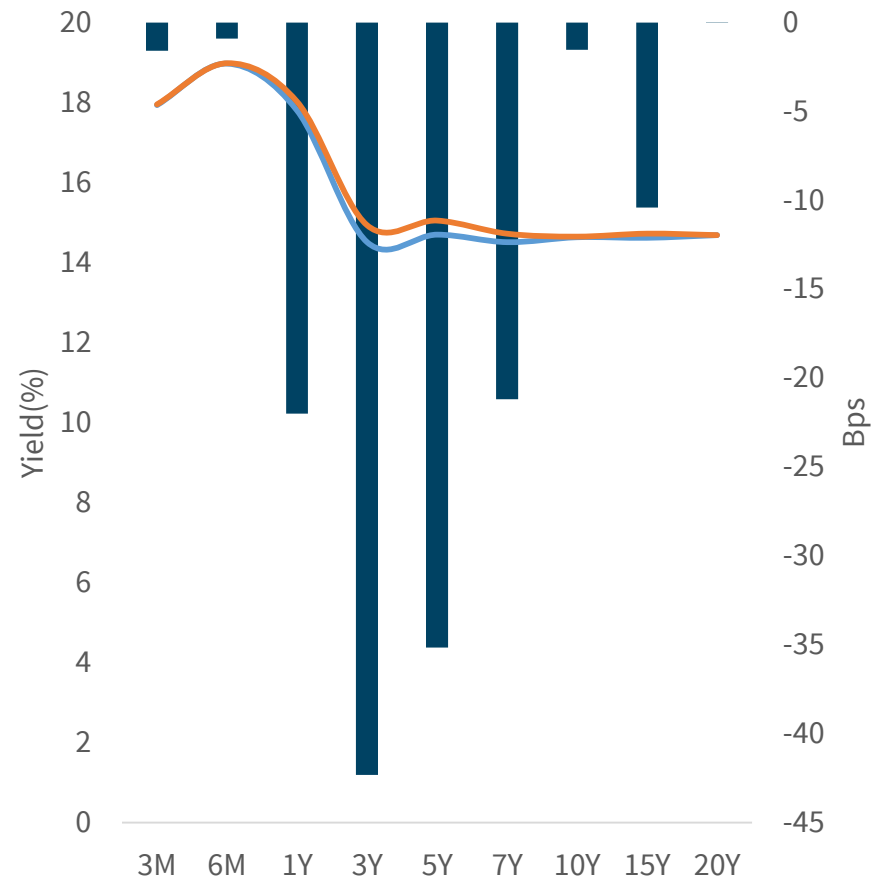
# Investment Report

## Fixed Income - Market Review

### Key points

- Lack of OMO issuance spurs rally in both Tbills and Bonds market
- Funding rates compress sharply, following improvement in system liquidity
- Bond yields crash to 14% levels on news of relaxation of frequency in OMO issuances
- Expectations of a reduction treasury bill issuances as DMO reveals Q1 calendar next week

Yield Curve Evolution Dec 4th – 8th 2017



# Investment Report

## Domestic Equity Market Review

- ➔ The broad market index sustains uptrend
  - ➔ WTD 3.46%; YTD 46.08%
  - ➔ ASI rallied to a 3-year high to cross the 39,000 psychological level
  - ➔ Speculative activities fueled the effects of foreign mandates
  - ➔ Renewed buying interests in NB by foreign funds
  - ➔ Consumer Good names touch fresh highs
  - ➔ Investors rotate from GUINNESS into NB
  
- ➔ Nigeria's debt service ratio falls to 45%
  - ➔ Tax to GDP ratio still at 6%
  - ➔ Domestic to International debt ratio now 23:77 from 18:82
  
- ➔ Moody's projects 3.2% Budget Deficit for Nigeria in 2018
  - ➔ To comprise 2% of GDP, FG budget deficit and a 1% of GDP, deficit for states and LG's
  - ➔ Credit profile remains inhibited by continued balance sheet exposure to shocks

Key Movers					
Security	% Chg.	Price (N)	Security	% Chg.	Price
NESTLE NL	7.23	1410.08	GUARANTY NL	-1.29	42.00
FBNH NL	28.86	9.02	GUINNESS NL	-5.96	92.70
DANGCEM NL	1.66	245.00	WAPCO NL	-2.04	48.00
ZENITH NL	8.55	26.91	INTBREW NL	-1.83	56.78
NB NL	5.30	145.00	JBERGER NL	-3.57	27.00