

The day in review

- Bears ruled the roost
- System liquidity eased
- Mixed theme in the fixed income space
- Naira depreciated at NAFEX

Looking forward

- Feb-19 CPI and Inflation report - (NBS)
- FY-18 Earnings scorecard - (NSE)

Daily insight

Telecommunications – a key growth-contributing non-oil sector

Over 2018, the Nigerian economy grew by 1.93% and the Telecommunication sector contributed a whopping 44.1% to this growth, representing the highest contribution of any other sector and a striking outperformance, when compared to other key sectors such as; Trade (-5.5%), Financial Services (+3.2%), Oil & Gas (+5.8%), Manufacturing (+10.0%), and Agriculture (+27.6%).

In 2016, Nigeria fell into a recession that lasted for five quarters. By the end of the year, GDP had contracted by 1.6%/y. However, the Telecommunication sector remained resilient – contributing positively to GDP growth all through the period of recession. Clearly, this sector is one of the most relevant and resilient sectors in the country.

Telecoms GDP growth is strongly correlated with telephone subscriber growth, which has been well supported by Nigeria's huge population and rapidly growing teledensity (telephone connections/100 individual). According to the Nigerian Communication Commission (NCC), the number of subscribers grew from 148.9million in February 2018 to 174.0million in January 2019, while teledensity rose from 106% to 125% over the same period. Also, increasing activities in the digital space, which currently employs start-ups, online entrepreneurs, comedians, and several creative industry operators on social media, buttresses this point.

Headline	Level	1 day	YTD
NSE ASI	31,313.4	▼ -1.0%	▼ -0.4%
Mkt. Cap (N'bn)	11,677.2	▼ -1.0%	▼ -0.4%
Mkt. Cap (\$'mn)	38,042.8	▼ -1.0%	▼ -0.4%
Value (N'mn)	2,927.3	▲ 22.7%	
Value (\$'mn)	9.5	▲ 22.7%	
Volume	219.4	▲ 70.9%	
Deals	3,345.0	▲ 23.8%	
Market Breadth	0.3		

T-Bills Yields	Current	Previous	%Δ
3 months	11.99	▼ 12.19	-0.20
6 months	14.27	▼ 14.93	-0.66
12 months	14.83	▲ 14.28	0.55

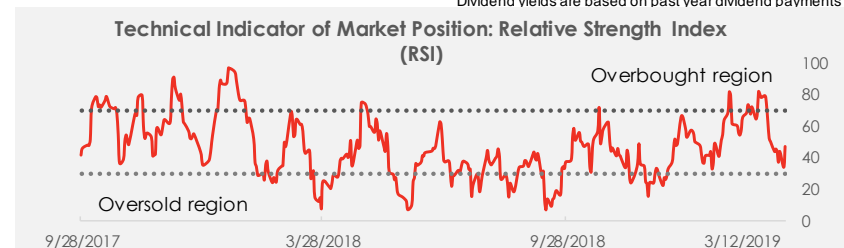
Bonds Yields	Current	Previous	% Δ
3 years	14.55	▲ 14.55	0.00
5 years	14.47	▲ 14.47	0.00
7 years	14.49	▲ 14.42	0.07
10 years	14.29	▼ 14.31	-0.02

Currencies	Current	Previous	% Δ
Official	306.95	▲ 306.95	0.00%
Parallel	358.50	▲ 358.50	0.00%
NAFEX	360.44	▼ 360.23	-0.06%

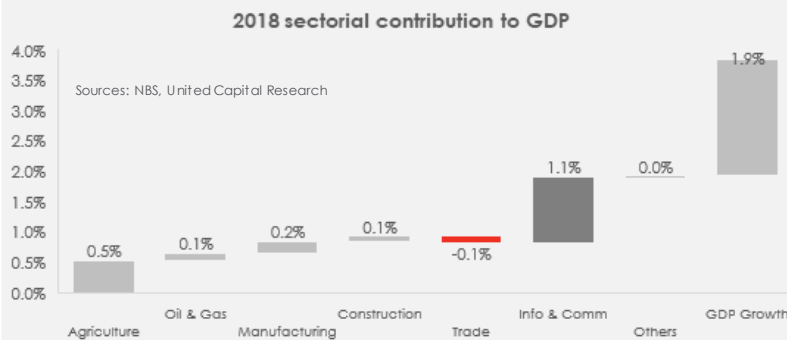
Other Key indices	Current	Previous	% Δ
OBB	9.67	▼ 10.8	-1.16
OVN	10.33	▼ 11.6	-1.25
Brent	66.8	▲ 66.6	0.38

	1 day	MTD	YTD	P/E (x)	Div. Yid.
Agriculture	0.0%	▲ -0.6%	▲ 10.4%	4.5	3.2%
Banks	▼ -2.3%	▲ -1.5%	▲ 1.5%	4.6	7.7%
Consumer	▼ -1.3%	▼ -2.9%	▼ -5.3%	21.9	3.2%
Industrial	▲ 0.2%	▲ -1.7%	▲ 1.1%	49.1	6.5%
Insurance	▼ -0.5%	▲ -2.8%	▲ 2.5%	4.7	6.8%
Oil & Gas	▼ -0.37%	▼ -2.6%	▼ -3.8%	49.1	5.8%
Mkt. Avg. P/E 8.1			Mkt. Avg. Div. Yid 5.2%		

*P/Es are based on the last twelve months trailing earnings
*Dividend yields are based on past year dividend payments



Pan African Market Monitor					
Equities	Level	1 day	YTD	P/E	Div. Yid.
BRVM	174.1	▲ 0.0%	▲ 1.1%	8.3	7.1
Egypt	15,139.9	▲ 0.3%	▲ 16.1%	16.9	2.0
Ghana	2,437.8	▼ 0.0%	▼ -2.5%	23.4	1,516.8
Kenya	155.2	▼ -0.1%	▲ 10.5%	12.9	4.7
Mauritius	2,194.9	▲ 0.0%	▼ -1.1%	17.5	2.0
Morocco	299.7	▼ -0.1%	▼ -3.3%	18.6	3.9
MSCI FM	546.5	▲ 0.3%	▲ 5.9%	11.1	3.6
South Africa	55,543.8	▼ -0.1%	▲ 5.3%	18.6	4.2
Tunisia	6,978.3	▼ -0.9%	▼ -4.0%	17.9	2.1
Zimbabwe	5771.66	▼ -1.9%	▲ -6.7%	20.9	1.9



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