





A. ANALYSIS OF RECENT ECONOMIC/FINANCIAL DEVELOPMENTS

News/Development	Relevance/Implications
 <p>Debut Sovereign Bond Records N101m Oversubscription.</p> <p>The Debt Management Office (DMO) in a statement issued on Thursday, 4th January disclosed that the Sovereign Green Bond offered to the general public in December 2017 was successful with a total subscription of N10.791billion as against a total offer of N10.69 billion subscribed by both local and foreign investors.</p> <p>Investors who subscribed include asset managers, commercial banks, pension funds and retail investors as its major holders. The DMO offered N10.69 billion Sovereign Green Bond tenor of five years and coupon of 13.48%.</p> <p>It will be recalled that one of the three big credit rating agencies, Moody's, rated the bond 'Excellent'. The bond was issued as part of the Federal Government's new domestic borrowing in the 2017 Appropriation Act to finance three projects and they are: Afforestation Programme, Energizing Education Programme and Renewable Energy Micro Utilities.</p>	<p>As climate change presents one of the greatest challenges of the world today, the move to launch the sovereign green bond is a giant step towards reducing emissions by 20% unconditionally and 45% conditionally by 2030. To the capital market, the green bond represents a new stage of development and opens the door for further corporate issuance and international investment. Also, The projects to be financed through the green bond will support the country's national commitments to the Paris Agreement on Climate Change. On the economy, it will build capital flows across the country that will in turn contribute towards a conducive and healthy environment.</p>
 <p>NSE, Fintech Nigeria Partner on Innovation Growth Policy Formulation.</p> <p>Recent partnership between the Nigerian Stock Exchange and Fintech Nigeria Association is seen as a commitment that will deepen the penetration of technology in the Nigerian capital market.</p> <p>According to Aina, chairman of the association, FintechNGR has been focused on driving emerging technology and engaging other regulators such as the Central Bank of Nigeria, National Insurance Commission, Securities and Exchange Commission amongst others.</p> <p>Acting Divisional Head, Capital Markets, Mr Tony Ibeziako welcomed the engagement with the FINTECHNGR, believing it was a mutual relationship, where the company can take their business objectives to the next level utilizing the Exchange. He encouraged the FINTECHNGR to leverage the Nigerian Stock Exchange initiatives which will assist in driving corporate governance, visibility for the Fintech companies and boost the entire ecosystem.</p>	<p>The relevance of FinTech to the Nigerian capital market cannot be overemphasized. With financial technology in place, it will help key players in the capital market to transit to new business models and access additional growth pockets.</p> <p>The NSE can seize the opportunity to embrace FinTech so as to re-position itself from a capital, regulatory, technological and operational perspective aiming to shape a next generation organisation that ensures a robust capital market infrastructure for the benefit of all investors.</p>

Do you know?

In October 2004, the training school of the Securities and Exchange Commission was converted into the Nigerian Capital Market Institute (NCMI) with a more robust curriculum and wider outreach within the African sub-continent. This was to fulfil a major expectation of the Investment and Securities Act, 1999. Prof. Uka Ezenwe, a renowned economist, was appointed the first Director of the Institute.



B. PERFORMANCE OF SELECTED ECONOMIC INDICATORS

For the week ended 5th January, 2018, the NSE All Share Index stood at 38,923.3 points, growing by 1.72% from the beginning of the week, 48.5% in the last one year and 1.7% from the beginning of the month and the year. Likewise, the equities market capitalization at the end of the week closed at 13.9 trillion naira rising by 2.21% from the beginning of the week and month, 2.2% from the beginning of the year and -99.9% in the last one year.

The Unlisted Securities Index (USI) completed the week at 601 points falling by 0.6% Week-to-Date and Year-to-Date. It also fell by 0.64% Month-to-Date and 2.79% Year-on-Date. Thus, the USI market capitalization concluded the week at N406.7bn declining by 0.6% Week-to-Date, 0.64% Month-to-Date and Year-to-Date and 2.8% Year-on-Year.

Available data on the Net Asset Value of Collective Investment Schemes stood at N401.8bn at the end of the period under review. It fell by 0.2% Week-to-Date, Month-to-Date and Year-to-Date but grew by 86.8% Year-on-Year.

In the money market, Over Night and Open Buy Back rates both finished the week higher at 13.5% and 13.7% accordingly rising by 9.6% and 9.8% in the last one year.

Crude Oil price grew by 18.9% YoY and 1.6% WTD, MTD and YTD to close at 67.7% as the week ended. Year-on-Year, gold, cotton and wheat grew by 11.7%, 6.4% and 4.26% respectively while cocoa and corn fell by 16.2% and 2.8% respectively.

The interbank exchange rate closed at N305.95/US\$ growing by 0.016% WTD and MTD, 0.02% YTD but fell by 0.3% YoY. The parallel market maintained N363/US\$ rising by 35.8% YoY but going flat WTD, MTD and YTD. Most recent data released puts the country's external reserves at \$39.2bn at the end of the week growing by 49.4% YoY and 0.6% WTD, MTD and YTD. The S & P index finished the week high at 1.8% WTD and YTD, 1.76% MTD and 20.9% YoY.

Market	Indicator	Value* @ 5-Jan-18	WTD (%)	MTD (%)	YTD (%)	YoY (%)
Equities (NSE)	All Share Index (ASI)	38,923.3	1.72	1.7	1.7	48.5
	Market Capitalisation (N'tn)	13.9	2.21	2.21	2.2	-99.9
Unlisted (NASD)	Unlisted Securities Index (USI)	601	-0.6	-0.64	-0.6	-2.79
	Market Capitalisation (N'bn)	406.7	-0.6	-0.64	-0.64	-2.8
Collective Investment	Net Asset Value (N'bn)	401.8	-0.2	-0.2	-0.2	86.8
Money	O/N (%)	19	13.5	13.5	13.5	9.6
	OBB (%)	18.3	13.7	13.7	13.7	9.8
Commodities	Crude Oil (\$/b)	67.7	1.6	1.6	1.6	18.9
	Gold(\$/t oz)	1,319.1	0.23	0.2	0.2	11.7
	Cocoa(\$/mt)	1895	-2.1	-2.1	-2.1	-16.2
	Wheat(\$/bu)	4.3	-1.3	-1.3	-1.3	4.26
	Corn(\$/bu)	3.5	-0.6	-0.6	-0.6	-2.8
	Cotton(\$/lb)	78.5	1.3	1.3	1.3	6.4
External	Interbank Ex-rt (N/US\$)	305.95	0.016	0.016	0.02	-0.3
	Parallel Ex-rt (N/US\$)	363	-	-	-	35.8
	External Reserves (\$'bn)	39.2	0.6	0.6	0.6	49.4
	S&P 500	2,743.2	1.8	1.76	1.8	20.9

Important Disclaimer

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