

Report of activities of the Securities and Exchange Commission and the Capital Market

THIRD QUARTER 2016

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A. PRIMARY MARKET

i) NEW ISSUES

There was no new issue approved by the Commission in third quarter of 2016. In the second quarter of 2016 however, a total of two (2) new issues valued at N27.89 billion were approved, one (1) of which was a rights issue and the other was an equity conversion.

TABLE 1: SUMMARY OF NEW ISSUES IN THE SECOND AND THIRD QUARTERS OF 2016

Mode of Offer	No. of Issues		Value of Shares(N' m)	
	Q3 2016	Q2 2016	Q3 2016	Q2 2016
Rights	-	1	-	983.56
Placements	-	-	-	-
Public Offering	-	-	-	-
Equity conversion	-	1	-	26,910.00
Total Equities	0	2	0	27,893.56
Corporate Bond	-	-	-	-
Sub-national Bond	-	-	-	-
FGN Bonds	9	9	351,000.00	334,680.00
Total Debt Securities	9	9	351,000.00	334,680.00
Overall	9	11	351,000.00	362,573.56

Source: SEC, DMO

ii) FGN BONDS:

The Debt Management Office auctioned a total of nine (9) FGN bonds in the third (3rd) quarter. The bonds allotted were valued at N335bn while additional allotment of N16bn was also done on a non-competitive basis which brings the total value of allotment to N351bn. In the previous quarter, a total amount of N334.68 billion was raised. The bonds auctioned were worth N320bn with the allotted sum being N264.50bn. Additional allotment of N70.18bn was also done on a non-competitive. Comparison of both periods thus indicates an increase of 4.88% in value of bonds allotted while the number of bonds issued for the period remains static.

The total number of FGN bonds allotted by DMO in the third quarter of 2016 was nine (9). In the second quarter, Two (2) new issues by SEC and nine (9) FGN bonds by DMO were recorded; both valued at N362.57 billion. The number and value of new issues approved by SEC and FGN bonds allotted by DMO in the third quarter of 2016 thus depreciated by 18.18% and 3.19% respective

TABLE 2: AUCTION SUMMARY OF FGN BONDS FOR THE THIRD QUARTER OF 2016

Issue	Tenor	Amount Auctioned (N'Bn)	Subscriptions (N'Bn)	Level of Subscription	Amount Allotted (N'Bn)	Additional Allotment on Non-competitive Basis (N'Bn)	Marginal Rate (%) Applied	Date Auctioned
July 15, 2021 (1st issue)	5	40.00	63.15	157.88	30.00	0.00	14.5000	13/07/16
January 22, 2026 (7th issue)	10	40.00	63.3	158.25	35.00	0.00	14.9000	13/07/16
March 18, 2036 (24th issue)	20	40.00	105.31	263.28	55.00	0.00	14.9830	13/07/16
July 15, 2021 (2nd issue)	5	40.00	74.37	185.93	40.00	0.00	15.0800	17/08/16
January 22, 2026 (8th issue)	10	30.00	71.06	236.87	30.00	0.00	15.2848	17/08/16
March 18th, 2036 (25th issue)	20	40.00	64.86	162.15	40.00	0.00	15.5300	17/08/16
July 15, 2021 (3rd issue)	5	40.00	30.86	77.15	15.00	16.00	15.1430	14/09/16
January 22, 2026 (9th issue)	10	40.00	50.30	125.85	30.00	0.00	15.5357	14/09/16
March 18, 2036 (26th issue)	20	40.00	80.85	202.13	60.00	0.00	15.5974	14/09/16
Total		350.00			335.00	16.00		

Source: DMO

B. SECONDARY MARKET

i) TRADING ACTIVITIES ON THE NIGERIAN STOCK EXCHANGE (NSE)

A total of 18.51 billion securities valued at N151.49 billion exchanged ownership in 251,043 deals during the third quarter of 2016. In the second quarter, a total of 27.04 billion securities valued at N163.69 billion were traded in 252,152 deals. A comparison of both periods indicated depreciations of 14.72%, 31.54% and 7.45% in number of deals, volume and value of trade respectively.

Equities transaction stood at 18.51 billion units valued at N151.34 billion while 107,597 units of FGN bonds valued at N108.33 million and 5.95 million units of ETF valued at N45.67 million were traded in the period under review.

TABLE 3: COMPARATIVE SUMMARY OF TRADING STATISTICS IN THE SECOND AND THIRD QUARTERS OF 2016

SECURITIES	THIRDQUARTER 2016			SECONDQUARTER 2016		
	Deals	Volume (Unit)	Value (Naira)	Deals	Volume (Unit)	Value (Naira)
Federal Government Bond	65	107,597	108,325,224.73	73	103,839	114,896,730.92
Exchange Traded Fund (ETF)	427	5,951,133	45,671,673.60	433	2,018,627.00	206,269,889.26
Equities	214,551	18,506,358,801	151,340,950,089.73	251,646	27,039,109,050	163,364,150,406.99
TOTAL	215,043	18,512,417,531	151,494,946,988.06	252,152	27,041,231,516	163,685,317,027.17

Source: Compiled from NSE Reports

ii) LISTINGS ON THE NIGERIAN STOCK EXCHANGE

a. BONDS LISTING:

Only one (1) Federal Government Bond was admitted in the third quarter. In the preceding quarter, there was no bond admittance on the Exchange.

TABLE 4: NEW BOND ADMISSION IN THE THIRD QUARTER OF 2016

S/N	Issuer	Volume added (Units)	Date added
1.	14.50% FGN JUL 2021	30,000,000	27/07/ 2016
	Total	30,000,000	

Source: Compiled from NSE Reports

b. SUPPLEMENTARY BOND LISTING:

In the quarter under review, 430.59 million units of eight (8) FGN bonds were recorded as supplementary bond listing. In the second quarter, 332.68 million units of three (3) FGN bonds were recorded as supplementary bond listing. Table 4 shows details of these supplementary listings:

TABLE 5: SUPPLEMENTARY BOND LISTING IN THE THIRD QUARTER OF 2016

S/N	Issuer	Volume added (Units)	Date added
1.	12.50% FGN JAN 2026	35,000,000	27/07/ 2016
2.	12.40% FGN MAR 2036	55,000,000	27/07/ 2016
3.	12.50% FGN JAN 2026	30,000,000	29/08/ 2016
4.	12.40% FGN MAR 2036	40,000,000	29/08/2016
5.	14.50% FGN JUL 2021	149,585,000	29/08/2016
6.	12.50% FGN JAN 2026	30,000,000	30/09/2016
7.	12.40% FGN MAR 2036	60,000,000	30/09/2016
8.	14.50% FGN JUL 2021	31,000,000	30/09/2016
	Total	430,585,000	

Source: Compiled from NSE Reports

c. SUPPLEMENTARY EQUITY LISTING:

There were 3.20 billion Units shares of only one (1) company recorded as supplementary equity listing in the third quarter of 2016 while the record indicated 2.65 billion units' shares of three (3) companies as supplementary equity listings in the previous quarter. Table 5 shows details of these supplementary listings in the period under review.

TABLE 6: SUPPLEMENTARY EQUITY LISTINGS IN THE THIRD QUARTER OF 2016

S/N	Issuer	Additional Shares Listed	Outstanding Shares	Resulting From	Date Listed
1.	Staco Insurance Plc	3,200,000,000	9,341,087,609	Special Placement	01/09/ 2016
	Total	3,200,000,000			

Source: Compiled from NSE Reports

iii) PRICE INDICES

In the third quarter of 2016, twenty-two (22) equity gainers, seventy (70) losers and ninety (90) static prices emerged compared to statistics of fifty-eight (58) gainers, forty-three (43) losers and seventy-nine (79) static prices recorded in the preceding quarter.

a. Gainers:

Gainers were led by Total Nigeria Plc with a 55.26% gain and N105 in absolute share price. This is followed by Conoil Plc with 41.85% gain and Unilever Nigeria Plc with 41.44% gain.

TABLE 7: TOP PERCENTAGE PRICE GAINERS IN THE THIRD QUARTER OF 2016

S/N	Equity	Price on 01/07/16	Price on 30/09/16	Absolute Gain	(%)
		(Naira)	(Naira)	(Naira)	Gain
1	TOTAL NIGERIA PLC.	190	295	105	55.26
2	CONOIL PLC	25.45	36.1	10.65	41.85
3	UNILEVER NIGERIA PLC.	33.23	47	13.77	41.44
4	CUTIX PLC.	1.65	2.13	0.48	29.09
5	ETERNA PLC.	2.54	3.09	0.55	21.65
6	OKOMU OIL PALM PLC.	32	38	6	18.75
7	LAW UNION AND ROCK INS. PLC.	0.62	0.73	0.11	17.74

8	MRS OIL NIGERIA PLC.	34.71	39.9	5.19	14.95
9	NIGERIAN BREW. PLC.	131.1	150	18.9	14.42
10	MOBIL OIL NIG PLC.	169	191.72	22.72	13.44
11	PHARMA-DEKO PLC.	1.7	1.87	0.17	10.00
12	AIRLINE SERVICES AND LOGISTICS PLC	1.82	2	0.18	9.89
13	PRESKO PLC	37	40	3	8.11
14	STANBIC IBTC HOLDINGS PLC	15.75	17	1.25	7.94
15	SEPLAT PETROLEUM DEVELOPMENT COMPANY LTD	330	346.5	16.5	5.00
16	GREIF NIGERIA PLC	9.23	9.69	0.46	4.98
17	PREMIER BREWERIES PLC	2.81	2.95	0.14	4.98
18	U A C N PLC.	20	20.8	0.8	4.00
19	GUARANTY TRUST BANK PLC.	23.2	24	0.8	3.45
20	LEARN AFRICA PLC	0.65	0.66	0.01	1.54

Source: Compiled from NSE Reports

b. Losers:

Losers were led by Caverton Offshore Support PLC with a 47.95% loss and N0.70 in absolute share price. This is followed by Diamond Bank Plc with 47.83% loss and Transnational Corporation of Nigeria Plc with 41.81% loss.

TABLE 8: TOP TWENTY (20) PERCENTAGE PRICE LOSERS IN THE THIRD QUARTER OF 2016

S/N	Equity	Price on	Price on	Absolute	(%)
		01/07/16	30/09/16	Loss	Loss
		(Naira)	(Naira)	(Naira)	
1	CAVERTON OFFSHORE SUPPORT GRP PLC	1.46	0.76	-0.70	-47.95
2	DIAMOND BANK PLC	2.30	1.20	-1.10	-47.83
3	TRANSNATIONAL CORPORATION OF NIGERIA PLC	1.77	1.03	-0.74	-41.81
4	CHAMPION BREW. PLC.	4.24	2.51	-1.73	-40.80
5	SKYE BANK PLC	1.05	0.65	-0.40	-38.10
6	FIDELITY BANK PLC	1.30	0.88	-0.42	-32.31
7	FCMB GROUP PLC.	1.57	1.07	-0.50	-31.85
8	VITAFOAM NIG PLC.	4.10	2.87	-1.23	-30.00
9	BETA GLASS CO PLC.	42.83	30.05	-12.78	-29.84
10	FIDSON HEALTHCARE PLC	2.33	1.66	-0.67	-28.76
11	STERLING BANK PLC.	1.44	1.03	-0.41	-28.47
12	NEIMETH INTERNATIONAL PHARMACEUTICALS PLC	1.24	0.90	-0.34	-27.42
13	UNITY BANK PLC	0.99	0.73	-0.26	-26.26
14	ACADEMY PRESS PLC.	0.69	0.51	-0.18	-26.09
15	ECOBANK TRANSNATIONAL INCORPORATED	15.52	11.50	-4.02	-25.90
16	TRANS-NATIONWIDE EXPRESS PLC.	1.34	1.00	-0.34	-25.37
17	LIVESTOCK FEEDS PLC.	1.12	0.86	-0.26	-23.21
18	LAFARGE AFRICA PLC.	70.00	54.80	-15.20	-21.71
19	JULIUS BERGER NIG. PLC.	50.93	40.00	-10.93	-21.46
20	AXAMANSARD INSURANCE PLC	2.50	2.00	-0.50	-20.00

Source: Compiled from NSE Reports

iv) THE ALL-SHARE INDEX

The All-Share index opened the third quarter of 2016 with an appreciation of 3.30% year to date. The index rose from 28,370.32 points in 1st of January 2016 to 29,305.40 points in the beginning of the third quarter. Likewise a marginal appreciation of 0.17% was also recorded when the index attained 28,419.92 basis points on the first trading day in September, 2016. It however, ended the quarter with a decline of 0.12% year to date.

In the previous quarter, the broad index depreciated by 10.11% year to date when it declined from 28,370.32 to 25,507.09 point in the beginning of the second quarter. The index ended the second quarter in a positive note, as it rose to 29,597.79 basis points with an appreciation of 4.33% year to date. Table 9 shows the opening, lowest, peak, and closing points of the index between July and September 2016.

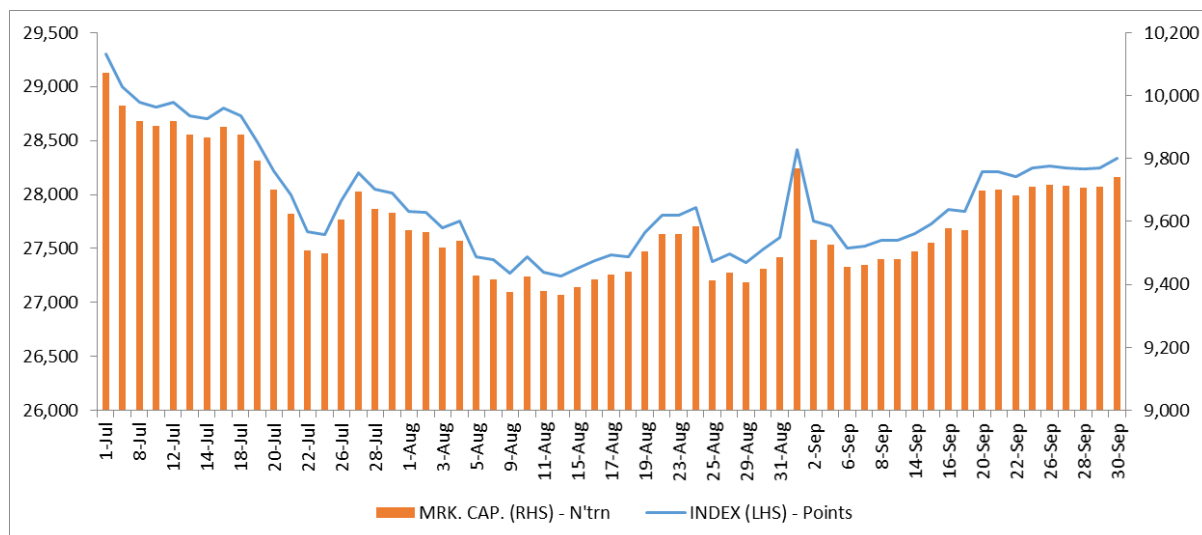
TABLE 9: NSE ALL-SHARE INDEX LEVEL (JULY - SEPTEMBER 2016)

Date	Index (Points)	YTD%	Remarks
01/01/2016	28,370.32	-	Opening point of Q1 2016
01/07/2016	29,305.40	3.30	Opening and Peak point of JULY
25/07/2016	27,629.90	-2.61	Lowest point of July
29/07/2016	28,009.93	-1.27	Closing point of July
01/08/2016	27,843.00	-1.86	Opening point of August
12/08/2016	27,246.88	-3.96	Lowest point of August
24/08/2016	27,880.46	-1.73	Peak point of AUGUST
31/08/2016	27,599.03	-2.72	Closing point of August
01/09/2016	28,419.92	0.17	Opening and Peak point of SEPTEMBER
06/09/2016	27,503.81	-3.05	Lowest point of September
30/09/2016	28,335.40	-0.12	Closing point of September

Source: Compiled from NSE reports

Chart 1 depicts the trend recorded by the index during the period under review. The Index opened the quarter at a peak of 29,305.40 points in July but later experienced a steady decline till end of that month. In August, the bearish trend persisted in the market with the record of 27,246.88 points which was the lowest point in the third quarter. A sharp appreciation to 28419.92 points was noticed in first day of September followed by declines through to the middle of the month. Marginal up rise of the index later ran through to the end of the quarter and it finally closed at 28,335.40 basis point. This represented a decline of 3.31% when compared to the record at the beginning of the third quarter. Comparison on a month-on-month basis showed that the Index depreciated by 4.42%, 0.88% and 0.30% in July, August and September respectively.

Chart 1: All-Share Index and Equity Market Capitalization (JULY – SEPT. 2016)



Note: Equity Market Capitalization for Main board ASeM and Premium board

v) MARKET CAPITALIZATION

a. Total Market Capitalization of Listed Securities

Total market capitalization of listed securities (equities, fixed income securities, and exchange traded funds) at the end of the third quarter Of 2016 stood at N16.52 trillion. This figure depreciated by 4.40% when compared to record of N17.28 trillion at the end of the second quarter.

Table 10 below shows that in the period under review, the capitalization of Equities, Corporate Bonds, FGN Bonds and Exchange Traded Funds fell by 4.25%, 0.96%, 4.86% and 1.03% respectively while capitalization of supra-national bonds remained static.

TABLE 10: MARKET CAPITALIZATION BY TYPE OF SECURITY

Type	Third Quarter 2016	Second Quarter 2016	% Change
Equities	9,741,812,612,567.26	10,173,785,475,042.20	-4.25
Corporate Bonds	222,758,116,960.00	224,908,116,960.00	-0.96
FGN Bonds	6,013,699,613,349.76	6,320,874,194,918.44	-4.86
Sub-national Bonds	516,579,469,400.00	535,079,469,400.00	-3.46
Supra-national Bonds	24,950,000,000.00	24,950,000,000.00	0.00
Exchange Traded Funds (ETF)	4,301,833,959.79	4,346,518,620.73	-1.03
Total	16,524,101,646,236.80	17,283,943,774,941.40	-4.40

Source: Compiled from NSE Reports

TABLE 11: MARKET CAPITALIZATION BY SECTOR AS AT SEPTEMBER 30, 2016

Sector	Listed Securities	Market Capitalization (Naira)	% Of Total Capitalization
ASeM			
Construction/Real Estate	1	34,200,000.00	0.00%
Consumer Goods	1	421,443,000.00	0.00%
Financial Services	1	4,600,000,000.00	0.03%
Healthcare	1	12,449,425.00	0.00%
Oil & Gas	4	3,025,254,266.50	0.02%
Services	1	349,833,757.00	0.00%
Sub-total	9	8,443,180,448.50	0.05%
MAIN BOARD			
Agriculture	5	79,579,779,499.48	0.48%
Conglomerates	6	89,614,514,667.53	0.54%
Construction/Real Estate	8	100,996,158,467.07	0.61%
Consumer Goods	24	2,663,137,557,259.17	16.12%
Financial Services	53	1,856,164,677,496.13	11.23%
Healthcare	10	33,423,220,063.02	0.20%
ICT	10	46,097,379,202.41	0.28%
Industrial Goods	17	371,157,467,941.11	2.25%

Sector	Listed Securities	Market Capitalization (Naira)	% Of Total Capitalization
Natural Resources	4	5,938,845,755.20	0.04%
Oil & Gas	49	689,799,828,491.17	4.17%
Services	22	88,077,352,453.69	0.53%
Sub-total	168	6,023,986,781,295.98	36.46%
PREMIUM BOARD			
Financial Services	2	590,969,795,707.78	3.58%
Industrial Goods	1	3,118,412,855,115.00	18.87%
Sub-total	3	3,709,382,650,822.78	22.45%
EQUITY (TOTAL)	180	9,741,812,612,567.26	58.96%
ETFs	7	4,301,833,959.79	0.03%
ETF (Total)	7	4,301,833,959.79	0.03%
DEBT SECURITIES			
Federal Government Bonds	17	6,013,699,613,349.76	36.39%
Sub-National Bonds	22	516,579,469,400.00	3.13%
Corporate Bonds/Debentures	21	222,758,116,960.00	1.35%
Supra-national Bond	2	24,950,000,000.00	0.15%
DEBT (TOTAL)	62	6,777,987,199,709.76	41.02%
OVERALL	249	16,524,101,646,236.80	100.00%

Source: Compiled from NSE Reports

b. Top Twenty (20) Companies By Market Capitalization:

At the end of the quarter under review, the top twenty companies recorded capitalization of N8.39 trillion which was 86.13% of the total Equities Market Capitalization while the remaining 160 companies rationed the balance of N1.35 trillion among themselves. Comparison of equities market capitalization of the top twenty companies in this quarter with data of N8.67 trillion in the second quarter indicated a depreciation of 3.23% in the value of equities market controlled by the top twenty equities.

Also, the top four companies on the table controlled 63.03% of the Equity Market Capitalization with the lion share of 32.01% of the Capitalization accorded to Dangote Cement Plc followed by Nigerian Breweries Plc with 12.21%.

TABLE 12: TOP TWENTY (20) COMPANIES BY MARKET CAPITALIZATION AS AT SEPTEMBER 30, 2016

Rank		Equity	Market Capitalization (Naira)	% of Equity Market Capitalization
Q2 2016	Q3 2016			
1	1	DANGOTE CEMENT PLC	3,118,412,855,115.00	32.01
2	2	NIGERIAN BREW. PLC.	1,189,365,133,200.00	12.21
3	3	GUARANTY TRUST BANK PLC.	706,348,301,376.00	7.25
4	4	NESTLE NIGERIA PLC.	653,941,407,900.00	6.71
5	5	ZENITH INTERNATIONAL BANK PLC	477,540,670,485.06	4.90
6	6	LAFARGE AFRICA PLC.	274,569,481,106.80	2.82
8	7	FORTE OIL PLC.	216,081,614,987.70	2.22
7	8	ECOBANK TRANSNATIONAL INCORPORATED	211,019,838,972.50	2.17
9	9	SEPLAT PETROLEUM DEVELOPMENT COMPANY LTD	195,233,540,386.50	2.00
15	10	UNILEVER NIGERIA PLC.	177,814,923,750.00	1.83
13	11	STANBIC IBTC HOLDINGS PLC	170,000,000,000.00	1.75
11	12	ACCESS BANK PLC.	160,550,242,552.05	1.65
10	13	UNITED BANK FOR AFRICA PLC	152,374,010,552.40	1.56
12	14	GUINNESS NIG PLC	147,561,983,542.12	1.51

Rank		Equity	Market Capitalization (Naira)	% of Equity Market Capitalization
Q2 2016	Q3 2016			
14	15	FBN HOLDINGS PLC	113,429,125,222.72	1.16
-	16	TOTAL NIGERIA PLC.	100,158,941,915.00	1.03
17	17	7-UP BOTTLING COMP. PLC.	89,042,060,457.00	0.91
16	18	P Z CUSSONS NIGERIA PLC.	82,188,874,831.50	0.84
19	19	DANGOTE SUGAR REFINERY PLC	78,000,000,000.00	0.80
18	20	UNION BANK NIG.PLC.	76,888,561,378.34	0.79
		Market Capitalization of Top 20	8,390,521,567,730.69	86.13
		Other 160 Equities	1,351,291,044,836.57	13.87
		Equity Market Capitalization	9,741,812,612,567.26	100.00

Source: Compiled from NSE Report