





A. ANALYSIS OF RECENT ECONOMIC/FINANCIAL DEVELOPMENTS

	News/Development	Relevance/Implications
	<p>Nigerian Stock Exchange (NSE) launches Corporate Governance Index.</p> <p>The NSE launched a Corporate Governance Index (CGI) on February 22nd, 2018. The index aims at tracking the performance of Companies Corporate Governance Rating System (CGRS) earlier introduced in 2014 on the NSE. The CGI is a tool used to measure listed companies compliance with the corporate governance principles. This development also complements the efforts of Securities and Exchange Commission following the introduction of the Code of Corporate Governance for the Public Companies in 2011 and the Corporate Governance Scorecard for Public Companies in November 2015.</p>	<p><i>In the recent times, poor/weak corporate governance has been the root cause of systemic failures of a number of large corporations. These efforts are therefore useful towards good management practices in Nigeria's public companies. Transparent management of companies' affairs is paramount in this era where investors are looking forward to investment in reputable companies with good governance and accountability. Regulators on the other hand should also be proactive in building capacity in their regulatory functions and be on guard to quickly respond to any form of risk signal when checking returns from these companies. This will ultimately reduce level of infractions, build investors' confidence and attract more investors to the market.</i></p>
	<p>Nigeria's GDP grows by 1.92% in Q4, ending 2017 at 0.83%</p> <p>The National Bureau of Statistics (NBS) released Nigeria's GDP report on Tuesday 27th February, 2017. The report shows that the country's GDP grew in Q4 2017 by 1.92% (Year-on-Year) following the country's exit from recession in Q2 2017. This growth is also an improvement over the contraction of -1.73% recorded in Q4 2016 and a growth of 1.40% recorded in Q3 2017. The Bureau also reported an annual GDP growth of 0.83% for the whole of 2017 as against -1.58% in 2016. The total nominal GDP for 2017 was N114.9 trillion coming from N102.6 trillion recorded in 2016.</p>	<p><i>The positive growth recorded in Q4 2017 is a further confirmation that the Nigerian economy is out of recession. This is therefore a positive development. However, the current growth is still very marginal considering the high population growth rate and unemployment problems. Thus, efforts need to be stepped-up to increase the nations productivity level, especially in the manufacturing sector.</i></p>

Do you know?

On Thursday November 11th, 2004, Musa Al-Faki was appointed as the fourth Director-General of the Securities and Exchange Commission (SEC) and **on Friday March 4th, 2005**, he was elected Chairman of the International Organisation of Securities Commissions-Africa/Middle East Regional Committee (IOSCO/AMERC) while Mr. Japheth Katto of Uganda was also elected to serve as Vice-Chairman.



B. PERFORMANCE OF SELECTED ECONOMIC INDICATORS

For the week ended 2nd March, 2018, the NSE All Share Index closed at 42,876.2 growing by 0.7% WTD, 12.1% YTD, 72.7% YoY and marginally MTD. Accordingly, the equities market capitalization at the end of the week closed at N15.4 trillion growing by 0.8% WTD, 13.3% YTD, 79.3% YoY and marginally MTD.

In the Unlisted Securities market, the index finished the week at 674.5 points gaining 0.5% WTD, 11.5% YTD and 10.3% YoY. It further grew marginally MTD. The USI market capitalization stood at N456.4bn at the end of the week rising marginally MTD. It further grew by 0.5% WTD, 11.5% YTD and 10.3% YoY. Obtainable data indicated that the Net Asset Value (NAV) of Collective Investment Schemes finished the week at N484.5bn increasing by 20.4% YTD at the end of the period under review.

In the money market, both Over Night (ON) and Open Buy Back (OBB) finished the week higher at 10% and 9.8% respectively gaining 1.2 and 1.8 percentage points accordingly.

In the commodities market, Brent crude fell by 4.6% thereby concluding the week at \$64.4pb. It further declined by 3.3% from the beginning of the year but grew slightly from the beginning of the month and by 16.9% in the last one year. From the beginning of the year, Gold, Cocoa, Wheat, Corn and Cotton ended higher by 0.6%, 19.5%, 15.3%, 9.1% and 6.6% respectively.

In the parallel market, the exchange rate ended the week at N363/US\$ appreciating slightly from the beginning of the week, from the beginning of the month and from the beginning of the year and by 26.2% in the last one year. The interbank rate ended the week at N305.85/US\$ depreciating by 0.2% in the last one year. It however appreciated marginally from the beginning of the week, from the beginning of the month and from the beginning of the year. Recent data released by the Central Bank of Nigeria (CBN) also indicates that the country's external reserves stood at \$42.4bn growing by 8.9% from the beginning of the year and 43.1% in the last one year. The S & P 500 Index stood at 2,691.3 at the end of the week falling by 3.2% from the beginning of the week and 0.2% from the beginning of the year but gained 13% in the last one year.

Market	Indicator	Value* @ 2-Mar-18	WTD (%)	MTD (%)	YTD (%)	YoY (%)
Equities (NSE)	All Share Index (ASI)	42,876.2	0.7	0.1	12.1	72.7
	Market Capitalisation (N'tn)	15.4	0.8	0.1	13.3	79.3
Unlisted (NASD)	Unlisted Securities Index (USI)	674.5	0.5	0.5	11.5	10.3
	Market Capitalisation (N'bn)	456.4	0.5	0.5	11.5	10.3
Collective Investment	Net Asset Value (N'bn)	484.5	0.9	19.5	20.4	106.1
Money	O/N (%)	10.0	1.2	6.6	4.5	-6.1
	OBB (%)	9.8	1.8	6.7	5.1	-5.3
Commodities	Crude Oil (\$/b)	64.4	-4.6	0.8	-3.3	16.9
	Gold(\$/t oz)	1,323.4	-0.7	1.4	0.6	7.3
	Cocoa(\$/mt)	2,313.0	4.4	2.8	19.5	20.0
	Wheat(\$/bu)	5.0	5.8	-3.0	15.3	10.4
	Corn(\$/bu)	3.9	2.1	-0.3	9.1	1.5
	Cotton(\$/lb)	82.6	0.5	1.0	6.6	7.6
External	Interbank Ex-rt (N/US\$)	305.85	0.0	0.0	0.0	-0.2
	Parallel Ex-rt (N/US\$)	363	0.0	0.0	0.0	26.2
	External Reserves (\$'bn)	42.4	1.3	-0.6	8.9	43.1
	S&P 500	2,691.3	-3.2	0.5	-0.2	13.0

* When value of the relevant day is not available, the price of the nearest day is taken.

WTD: week-to-date; MTD: month-to-date; YTD: year-to-date; YoY: year-on-year

Source: Computed by the SEC ERP Research Division; underlying data from NSE, NASD, SEC, FMDQ, Bloomberg, CBN and FRED

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