

Macroeconomic and Markets Review

Global Economy Key Highlights:

- International Monetary Fund (IMF) reviewed downwards the global economic growth forecast for 2015:** taking into cognizance sluggish economic activity in the U.S. in Q1:2015, and continued slowdown in the emerging market economies. – In the July update to its World Economic Outlook, the IMF forecast 3.3% global growth for this year, which is smaller than the 3.5% predicted in April.
 - The growth forecast for the U.S. economy was sharply dropped to 2.5% from 3.1%. The outlook for euro area was maintained at 1.5%. – Underlying drivers for a gradual acceleration in economic activity in advanced economies include easy financial conditions, more neutral fiscal policy in the euro area, lower fuel prices, and improving confidence and labor market conditions – while the downsides are still tilted to the uncertainty in Greece and re-balancing in China which could pose risks to the global outlook.
- U.S. Federal Reserve may tweak Rate in Q4:2015,** Janet Yellen re-emphasized that she expects the commencement of U.S. interest rate “normalization” before the end of 2015. – She also said there were “favourable” prospects for more improvements in the jobs market and the economy as whole, but warned that continued turbulence in Greece and China posed risks to U.S. growth.
- Eurozone’s debt-to-GDP ratio in the 19-nation members rose to 92.9%** or €9,432.5bn in Q1: 2015 from 92% or €9,297.9bn in the previous quarter.
 - Globally, the ratio increased from 86.9% to 88.2% for 28-member EU,
 - The highest ratios of government debt to GDP were recorded in Greece (168.8%), Italy (135.1%) and Portugal (129.6%).
- Greece parliament approved legislation in favour of negotiating a new stimulus package,** including austerity measures to reform the country’s value-added tax (VAT) as well as its pension system. The passage of the legislation was a precondition demanded by the Creditors before they can consider the details of a potential third bailout package.
 - Greece banks were reopened with depositors only allowed to withdraw a maximum of €420 per week, - implying daily withdrawal limit of €60. The exchange controls remain in place, while the stock market remained closed.
- China records 7.0% GDP growth rate in Q2:2015** (unchanged from Q1 2015) - an improvement above consensus expectation of 6.8%. – The overall rate of GDP growth was driven by the service sector where growth in output grew to 8.4% in Q2 from 7.9% in Q1. There was also some modest increases in the agricultural sector.

Domestic Economy Key Highlights:

- Nigeria’s Inflation remains at 9.2% in July:** The report indicated that Nigeria’s Consumer Price Index (Inflation rate) for July 2015, had remained unchanged at 9.2% - the same rate at which the index grew in June 2015 as a result of muted rises in the food and non-alcoholic beverages, housing, water, electricity, gas and fuel, among others. - NBS
- World Loans to rebuild N/E Nigeria:** World Bank unveiled plans to spend the sum of \$2.1bn loan through its International Development Agency (IDA) on rebuilding the North-eastern part of country devastated by insurgency. – The loan in first 10 years will be interest free, while an additional 30 years will be at lower than capital market rate.
- Federal, States & LGs Shared N518.54billion as Statutory Allocation for June:** The three tiers of government distributed the sum of N518.54bn as Statutory Allocation for the month of June, 2015. – This represents 26.68% increase from the N409.30bn shared in the month of May, 2015.

Stock Market:

- The market witnessed the sustenance of bearish trading following negative outing in June - as most equities closed in red.
- The NSE All Share Index dropped 9.79% compared to a loss of 2.49% in June while the Year to date performance closed at -12.92%.
- The market capitalization also lost about N1.077tn in July.
- Market activity by volume closed flat (+0.08) while value of trades dropped 10% in a lower Deals.
- We expect NSEASI outing in August to remain bumpy, to be driven by activities of bargain hunters and scalpers with strong upside potential for long term value investors.

MACROECONOMIC INDICATORS AS AT JULY 31, 2015

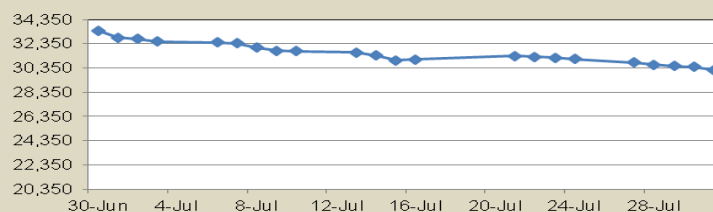
(* estimates)	Current	Previous	Change
Monetary Policy Rate (MPR) (%)	13	13	0
Y-o-Y CPI (JULY'2015 Inflation) Rate %	9.2	9.2	0.00
GDP Growth Rate % (Q1:2015 v Q1:2014)	3.96	6.21	-2.25
FX Rate NGN/USD (MoM)	198.9	198.85	0.03%
Foreign Reserves (US\$bn)	30.67	28.18	8.84%
Broad Money SS (M2) (N'tn) JUNE	18.811	19.194	-2.00%
Credit Private Sector (N'tn) JUNE	18.897	18.651	1.32%
Brent crude Price (US\$/barrel)	54.3	60.31	-9.97%
Nig Crudeoil Prod. (tb/d) JUNE'15	1,723	1,648	4.55%
Monthly Avg Prime Lending Rate JUN'15	17.24	10.03	7.21

**Last Est. Sources: CBN, NBS, APT Research*

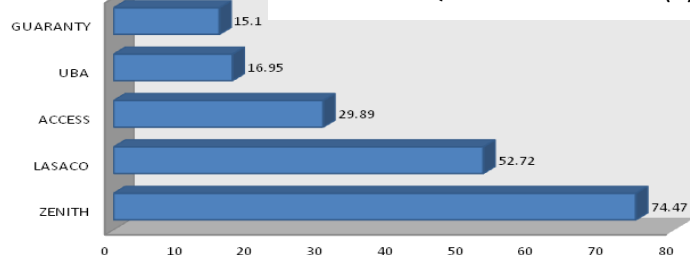
EQUITIES MARKET KEY INDICATORS

Sectoral Indices	Close (Jul'15)	Prev. Close (Jun'15)	MoM % CHG	YTD % CHG
ASI	30,180.27	33,456.83	-9.79%	-12.92%
NSE 30	1,360.85	1,526.04	-10.82%	-12.95%
NSE BNK	315.71	368.29	-14.28%	-10.16%
NSE INS	134.55	143.69	-6.36%	-10.09%
NSECNMRGDS	734.17	842.7	-12.88%	-18.75%
NSEOILGAS	2,223.5	2,271.73	-2.12%	3.92%
NSELOTUSISLM	339.3	368.54	-7.93%	-10.74%
NSEINDUSTR	2,111.09	2,229.11	-5.29%	-5.92%
NSEASEM	1,210.13	1,213.52	-0.28%	-0.27%
NSEPENSION	930.35	1037.74	-10.35%	-10.35%
MKT CAP (N'tn)	10.344	11.421	-9.43%	-9.88%

ASI- ONE MONTH TREND



5 MOST TRADED EQUITIES BY 30-DAYS AVG VOL (M)



TRANSACTION LEVEL FOR THE MONTH

	Current (JUL'15)	Previous (JUN'15)	MoM % CHG
Volume	6,019,616,849	6,014,650,594	0.08%
Value	82,657,842,802	91,311,117,894	-10%
Deals	72,580	81,716	-13%

EQUITIES TOP PERFORMERS BY SYMBOL

TOP 10 GAINERS (%)				TOP 10 LOSERS (%)			
Symbols	Jun'15 (N)	July'15 (N)	MoM % CHG	Symbols	Jun'15 (N)	July'15 (N)	MoM % CHG
BETAGLAS	35.5	43	21.13	EVANSMED	1.21	0.54	-55.37
CAVERTON	3.42	4.03	17.84	CWG	3.98	2.95	-25.88
IKEJAHOTEL	3.65	3.88	6.30	AGLEVENT	1.47	1.1	-25.17
7UP	179.1	190	6.09	TRANSCORP	2.71	2.06	-23.99
STERLNBANK	2	2.05	2.50	NASCON	8	6.13	-23.38
NAHCO	4.99	5.1	2.20	GUINNESS	162.81	125.1	-23.16
MOBIL	155	155.98	0.63	UNILEVER	45.5	36.01	-20.86
CADBURY	35.03	35.05	0.06	UBN	9.79	7.75	-20.84
CONOIL	40.85	40.85	0.00	OANDO	15.7	12.5	-20.38
CUSTODYINS	4	4	0.00	DANGFLOUR	3.99	3.19	-20.05

MONTHLY MONEY MARKET RATES REVIEW

Inter Bank	Jul'15	Jun'2015	MoM % CHG
Call	6.08	7.33	-1.25
Open Buy Back	6.92	7.75	-0.83
NIBOR (REPO)			
Call	7.00	8.00	-1.00
1 Month	8.00	9.00	-1.00
3 Month	9.00	10.00	-1.00
6 Month	10.00	11.00	-1.00
N-TBILLS (NITTY)			
1 Month	10.23	11.91	-1.68
2 Month	13.07	13.26	-0.19
3 Month	13.79	13.35	0.44
6 Month	13.80	13.73	0.07
9 Month	14.04	13.88	0.16
12 Month	14.78	14.06	0.72
FOREIGN EXCHANGE MARKET			
Currency			
China Yuan Y	32.1	32.1	0.0%
Euro €	217.9	226.3	-3.7%
BPS £	310.9	316	-1.6%
JPY ¥	1.607	1.621	-0.9%
USD \$	199.3	198.9	0.2%
SA Rand R	15.7	16.37	-4.1%

Sources: FMDQ-OTC, CBN, FX-RATE.NET, APT Research

REGIONAL MARKET JULY 2015 PERFORMANCE

Country	Index	Market Performance	
ADVANCED MARKETS		MTD (%)	YTD (%)
Japan	Nikkei 225	1.73%	14.70%
United Kingdom	FTSE/100	2.69%	7.47%
United States	S&P 500	1.97%	2.62%
AFRICA			
Ghana	GSECI	-6.54%	-2.49%
Kenya	NSE 20	-10.22%	-6.34%
Nigeria	All Share Index	-9.79%	-6.30%
BRICS			
Brazil	Ibovespa:Ind	-4.17%	3.35%
Russia	RTS	-8.63%	12.00%
India	BSE Sens	1.20%	2.90%
China	Shanghai Comp	-14.34%	26.37%
South Africa	JSE/All Share	0.48%	4.61%
EUROPE & ASIA			
France	CAC 40	6.10%	14.20%
Germany	DAX: IND	3.33%	15.62%
Hong Kong	Heng Seng	-6.15%	5.75%

Sources: Bloomberg, APT Research

CUMMULATIVE OTC TRANSACTION JAN – JULY 2015

SECURITY	DEALS	VOLUME	VALUE (N)
Acorn Petroleum	31	49,990	56,294.90
ARM PROP PLC	9	39,410	122,292.00
AFRILAND Properties	31	1,310,042	3,449,953.30
BGL	5	6,300	18,900.00
Cappa & D'Alberto	10	42,003	3,565,325.00
CSCS Plc	141	38,408,501	203,274,522.69
Friesland Camp WAMCO	412	136,748,493	42,995,510,444.63
Food Concepts	67	6,318,740	3,372,385.00
Geo-Fluids	21	11,032,237	16,240,295.31
Golden Capital	4	800	800.00
IGI	46	112,211,350	110,537,418.00
Jaiz Int'l Plc	17	13,450	11,432.50
Niger Delta Exp & Prod	82	7,899,767	1,884,570,847.25
Partnership Invest. Co.	19	6,827,700	5,805,442.00
Resourcery	28	448,223,800	224,165,872.00
Swap Tech	20	17,960	40,791.30
TRUSTBOND MORTGAGE	11	5,560	5,249.70
TOTAL	954	769,156,103	45,450,748,266

SUMMARY OF CORPORATE RESULTS AND ANNOUNCEMENTS IN JUNE 2015

Company	Period	Revenue			PAT			Benefit Declared		
		Present N'M	Previous N'M	% CHG	Present N'M	Previous N'M	% CHG	Bonus	Div (N:K)	Closure Date
FORTE OIL	Q2:30 JUN.2015	61,168	79,607	-23.16%	2,531	3,134	-19%	0	0	0
DANGOTE CEMENT	Q2:30 JUN.2015	242,215	208,909	15.94%	121,808	95,440	28%	0	0	0
DANGOTE FLOUR	Q3:30 JUN.2015	33,102	28,730	15.22%	-9,113	-4,322	111%	0	0	0
DANGOTE SUGAR	Q2:30JUN.2015	51,120	49601	3.06%	6,312	6,835	-8%	0	0	0
NEIMETH	Q3:30 JUN.2015	996.84	1,312	-24.02%	-56	11	-609%	0	0	0
FCMB	Q2:30JUN.2015	77,353	69,620	11.11%	8,300	9,576	-13%	0	0	0
LAFARGE	Q2:30JUN.2015	116,709	104,157	12.05%	26,209	21,507	22%	0	0	0
AFRIPRUD	Q2: 30JUN.2015	1,181	1,005	17.51%	749	596	26%	0	0.17	19 Aug '15
FIDELITY BANK	Q2: 30JUN.2015	71,890	63,258	13.65%	8,214	8,017	2.46%	0	0	0
UNILEVER	Q2:30 JUN.2015	28,721	29,280	-1.91%	86	1,465	-94.16%	0	0	0
CCNN	Q2:30 JUN.2015	8,739	9,395	-6.98%	1,303	1,589	-18.00%	0	0	0
TRANSCOPHOTEL	Q2:30JUN. 2015	7,241	8,066	-10.23%	1,758	2,106	-16.52%	0	0	0

EQUITIES FOCUS FOR THE MONTH ENDING JUNE 2015

SYMBOL	LAST WK CLOSE	CURRENT WK CLOSE	52WK HIGH	52WK LOW	MoM % CHANGE	EPS (TTM)	TARGET PRICE	SHARES IN ISSUE (BN)	MKT CAP (N'BN)	OPINION
ACCESS	5.65	4.77	10	4.5	-15.58%	N1.88	8.35	22.883	109.152	BUY
ASHAKACEM	22.6	22	34.7	17.22	-2.65%	N2.04	UR	2.239	49.258	HOLD
DANGCEM	180	171	250.02	139.1	-5.00%	N9.42	182.11	17.041	2914.011	HOLD
DANGSUGAR	6.9	6	9.6	4.7	-13.04%	N0.97	7.89	12	72.000	BUY
DIAMONDBNK	4.39	3.8	6.76	3.45	-13.44%	N1.66	6.5	23.160	88.008	BUY
FBNH	7.94	6.9	15.02	5.77	-13.10%	N2.55	10.5	35.895	247.676	BUY
FCMB	3	2.74	4.64	1.93	-8.67%	N1.12	3.4	19.802	54.257	BUY
FIDELITY	1.72	1.5	2.27	1.13	-12.79%	N0.48	3.8	28.975	43.463	BUY
FIDSON	3.57	3.3	3.94	2.79	-7.56%	N0.42	4.3	1.500	4.950	BUY
GUARANTY	27.01	22.99	31.88	16.69	-14.88%	N3.47	25.56	29.431	676.619	BUY
NAHCO	4.99	5.1	6.6	3.24	2.20%	N0.39	UR	1.624	8.282	HOLD
PZ	30.45	27.55	39	16.6	-9.52%	N1.16	29.6	3.970	109.374	NEUTRAL
REDSTAR	5.02	4.93	5.35	3.44	-1.79%	N0.68	UR	0.589	2.906	NEUTRAL
SKYEBANK	2.39	2.02	3.33	1.62	-15.48%	N0.75	3.2	13.880	28.038	BUY
STANBIC	27	21.62	35	23.82	-19.93%	N2.93	27.4	10.000	216.200	HOLD
STERLNBANK	2	2.05	2.54	1.96	2.50%	N0.42	UR	28.790	59.020	BUY
TOTAL	165	163	195.5	134.05	-1.21%	N13.0	159.5	0.340	55.342	HOLD
UACN	42.5	38	67.85	26	-10.59%	N3.40	49.6	1.920	72.960	HOLD
UBA	4.99	4.21	8.1	2.9	-15.63%	N1.56	5.8	32.981	138.850	BUY
ZENITH	19.25	16.06	25.8	14.54	-16.57%	N3.16	22.4	31.396	504.220	BUY

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