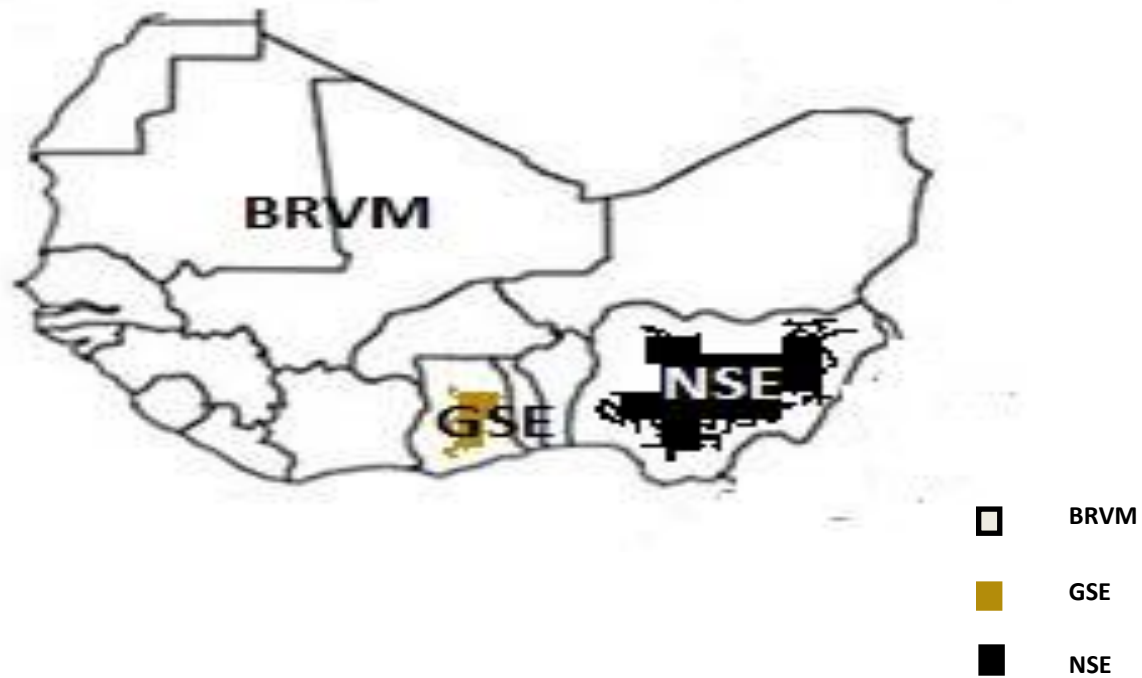


CBL Research

West African Review

14 October 2016 Edition



This Week in West Africa

Market Snapshot

While GSE ALSI and NSE CI increased during the week, by 0.1% each, BRVM CI decreased 2.0%. While NSE CI registered increase in volume traded, GSE ALSI and BRVM CI showed decrease in the same.

- **GHANA:** GSE Composite Index increased by 0.1% in the current week to 1,770.56, compared to previous week's loss of 0.4%. The trading volume decreased over the previous week. The index recorded 11.2% loss on YTD basis.
- **NIGERIA:** NSE ALSI increased by 0.1% during the week compared to previous week's decrease of 1.8%. The index's trading volume increased over last week. The index has lost 2.7% on YTD basis compared to YTD loss of 2.82% at the end of previous week.
- **FRENCH WEST AFRICA:** BRVM Composite Index decreased by 2.0% from previous week to 274.36 points, compared to previous week's decrease of 1.8%. The trading volume decreased over the previous week. The index's YTD loss was 9.7% at the end of current week.

Trading Day	GSE CI				NSE All Share				BRVM CI			
	Opening	Closing	Return (%)	YTD (%)	Opening	Closing	Return (%)	YTD (%)	Opening	Closing	Return (%)	YTD (%)
Monday	1,768.04	1,767.98	0.00%	-11.38%	27,835.22	27,925.00	0.32%	-2.50%	279.99	279.53	-0.16%	-8.03%
Tuesday	1,767.98	1,768.82	0.05%	-11.33%	27,925.00	28,034.32	0.39%	-2.12%	279.53	276.84	-0.96%	-8.91%
Wednesday	1,768.82	1,769.63	0.05%	-11.29%	28,034.32	28,027.23	-0.03%	-2.15%	276.84	274.95	-0.68%	-9.54%
Thursday	1,769.63	1,770.56	0.05%	-11.25%	28,027.23	27,854.78	-0.62%	-2.75%	274.95	273.21	-0.63%	-10.11%
Friday	1,770.56	1,770.56	0.00%	-11.25%	27,854.78	27,861.03	0.02%	-2.73%	273.21	274.36	0.42%	-9.73%

Ghana

Economic Snapshot

GDP (USD bn)	36.8
GDP growth	3.90%
GDP per Capita (USD)	1,359.0
BoG Policy Rate	26.00%
GHS/USD	3.9674
GHS/GBP	4.8339
GHS/EUR	4.3653
Inflation	17.20%
91-Day T-Bill	22.85%
182-Day T-Bill	24.54%
1-Year T-Bill	23.25%
Total Reserves (USD bn)	5.9
Total Debt (USD bn)	15.2

Market Snapshot

Market Name	Ghana Stock Exchange (GSE)
Major Indices	GSE Composite Index
Other Index	GSE Financial Stocks Index (GSE FSI)
Listed Stocks	Thirty Five (35)
Trading days	Monday – Friday
Trading Hours	10.00hrs GMT – 15.00hrs GMT

6M Performance Chart

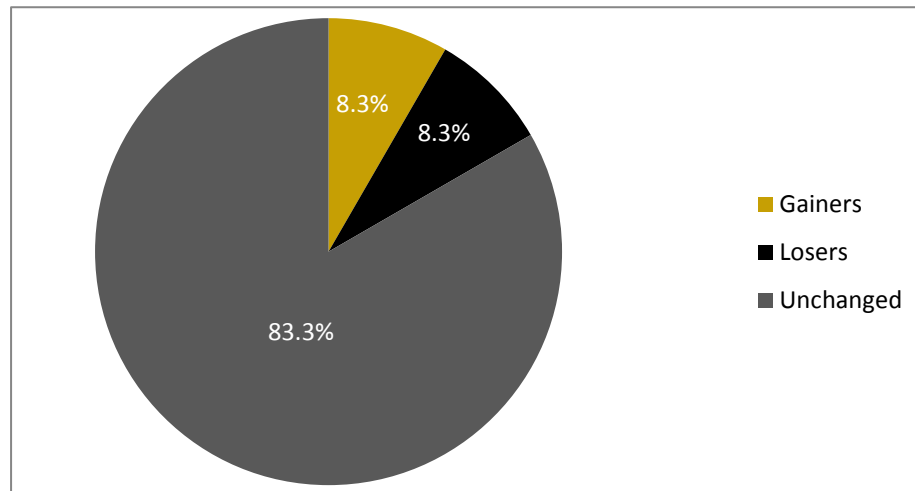


Trading Day	Market Index (GSE CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	GHS m	USD m
Monday	1,768.04	1,767.98	0.00%	-11.38%	52,766.32	13,288.25
Tuesday	1,767.98	1,768.82	0.05%	-11.33%	52,771.12	13,295.49
Wednesday	1,768.82	1,769.63	0.05%	-11.29%	52,775.69	13,298.31
Thursday	1,769.63	1,770.56	0.05%	-11.25%	52,780.97	13,299.64
Friday	1,770.56	1,770.56	0.00%	-11.25%	52,780.97	13,303.67

Market Wrap

- GSE Composite Index increased by 0.1% in the current week, to 1,770.6 points from 1,768.0 in the previous week, representing a 11.2% loss on YTD basis.
- The shares of PBC Ltd. increased 20.0% during the week to 6GHP from 5GHP last Friday.
- The index's market cap increased by 0.1% to GHS 52,781.0 million (USD 13,303.7 million) from GHS 52,748.4 million in the last week.
- The shares traded during the week decreased by 86.5% from previous week to 0.2 million from 1.5 million in the last week.
- The value of transactions in the week decreased by 79.6% to GHS 0.2 million (USD 0.1 million) from the previous week's value of GHS 1.1 million.
- An average of 0.04 million shares per day valued at GHS 0.05 million traded during the week compared to 0.30 million shares valued at GHS 0.20 million that traded during the previous week.
- Wednesday recorded the biggest turnover and the biggest value traded for the week as the deals made up for 39.4% and 74.4% of the total weekly market volume and value traded respectively.
- The market breadth for current week was neutral with 8.3% of the total active shares increased and 8.3% decreased during the week. The remaining 83.3% of the total active stocks were unchanged from the previous week.

Market Strength



Event Schedule

Company/Organization	Event	Date
No upcoming event		

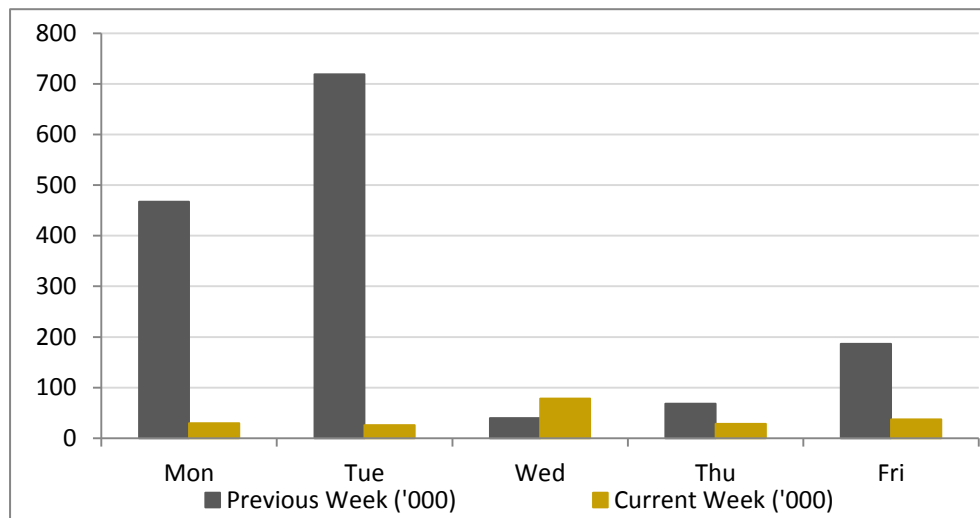
Dividend Announcement

Company	DPS (GHS)	DPS (USD)	Qualifying Date	Payment Date
No Dividend announcement				

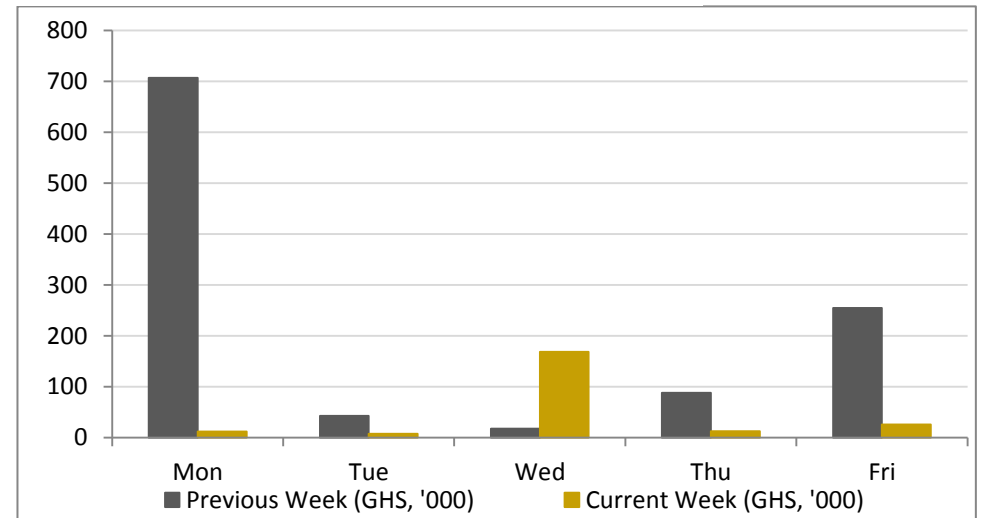
Trading Statistics

Trading Day	Volume	Value (GHS)	Value (USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	29,850	11,763	2,962	39	12	0	1	11
Tuesday	25,853	7,645	1,926	20	9	1	0	8
Wednesday	78,561	168,421	42,438	56	14	1	0	13
Thursday	28,173	12,424	3,131	69	16	1	2	13
Friday	37,052	25,995	6,552		6	0	0	6

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in Ghana

IMF expresses hope for economic prosperity in Ghana

The International Monetary Fund (IMF) is hopeful about Ghana's return to economic prosperity as the government maintains strict fiscal discipline ahead of the presidential and parliamentary elections in December. The Director of the African Department of the IMF, Mr Selassie Abebe, remarked that the government was far within the limits set. Abebe said that although the revenue base is very weak, efforts are being made to contain the spending limits. Abebe added that growth in Ghana has been in order of 4% and that going ahead, a 5.5% growth is expected in the medium term. So far, the IMF has acknowledged the progress made by the government in restoring macroeconomic stability, but highlights some likely risks associated with election-related expenditure which, if not controlled, could derail the country's economic strides. The government has also been successful in slowing the public debt to GDP ratio from 72% in December 2015 to 65% in July 2016. Finance Minister, Mr Seth Terkper, said the decline in public debt was because of the deliberate and pragmatic measures pursued by the government to reduce debt accumulation.

<http://www.graphic.com.gh/>

Ghana's consumer inflation inches up to 17.2% in September 2016

Ghana's consumer prices rose at an 17.2% annual rate in September, from 16.9% in August due to the rise in food prices. While food inflation stood at 9.0% in September, from 8.5% in August, non-food inflation went up to 21.6%, from 21.5% in August. The country saw an increase of 1.4% in imported items resulting in the hike in non-food inflation. Inflation is politically sensitive before what is expected to be a tight presidential election in December. As per the IMF, inflation in Ghana would decline to 13.5% by 2016 end. While the central bank's target over that period is 8 percent plus or minus two percentage points.

<http://af.reuters.com/>

World Bank says Ghana has a sustainable debt level

The President of the World Bank, Dr Jim Yong Kim, said that Ghana and other countries in Africa are not at risk of a debt crisis. At a press conference at the 2016 World Bank, International Monetary Fund (IMF) Annual Meetings in Washington, Dr. Kim said that debt level in Ghana is sustainable and that the debt to Gross Domestic Product (GDP) ratio of the country is reasonable.

<http://starrfmonline.com/>

Banks applaud minimum capital revision

The Bank of Ghana (BoG), in its efforts to limit the number of banks in operation and to help them improve their financial position to finance bigger projects, revised the regulatory minimum capital requirement upwards. Many banks lauded the decision as this will provide them a platform to perform bigger transactions and intervene in the productive sectors of the economy. The minimum requirement is likely to be raised to GHS 200 million from the current GHS 120 million.

<http://citifmonline.com/>

Government raises US\$ 96.4 million from first local dollar denominated bond

Government has raised a total of US\$ 96.4 million from its first local dollar denominated bond at a rate of 6.0%. Total bids amounted to US\$ 99.6 million, while the government accepted US\$ 96.4 million, which was more than its original target of US\$ 50 million. The cost of the bond is lower compared to government's last Eurobond which was issued in September 2016 at a coupon rate of 9.25%. Finance Minister, Seth Terkper, explained that the move is aimed at raising funds to finance the budget at cheaper rate as well as refinance more expensive domestic debt. The bond is part of the government's revised time table to raise GHS 25 billion from August-December 2016, through bonds and treasury bills. The report showed that about GHS 24 billion of the funds raised will be used to clear previous bonds issued that are maturing, and that the remaining will support fresh commitments. As part of the plans, a three-year bond is also to be issued in November 2016 to raise GHS 700 million while government hopes to issue its first 10-year local bond of GHS 200 million.

<http://citifmonline.com/>

Nigeria

Economic Snapshot

GDP (USD bn)	286.5
GDP growth	2.60%
GDP per Capita (USD)	1692.3
Policy Rate	14.00%
NGN/USD	304.50
NGN/GBP	373.10
NGN/EUR	335.16
Inflation	17.61%
91-Day T-Bill	14.40%
182-Day T-Bill	18.68%
1-Year T-Bill	22.67%
Total Reserves (USD bn)	30.0
Total Debt (USD bn)	23.4

Market Snapshot

Market Name	Nigeria Stock Exchange (NSE)
Major Indices	NSE All Share Index
Other Index	NSE 30 Index (NSE 30)
Listed Stocks	One Hundred Ninety-Three (193)
Trading days	Monday – Friday
Trading Hours	08:30hrs GMT – 13:30hrs GMT

6M Performance Chart

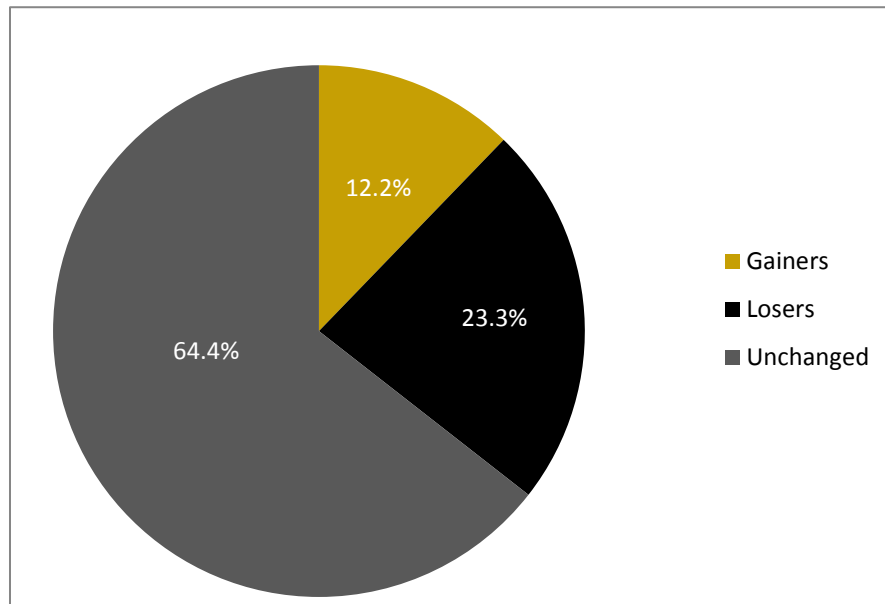


Trading Day	Market Index (NSE AS)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	NGN bn	USD bn
Monday	27,835.22	27,925.00	0.32%	-2.50%	9,591.69	31.47
Tuesday	27,925.00	28,034.32	0.39%	-2.12%	9,629.24	31.60
Wednesday	28,034.32	28,027.23	-0.03%	-2.15%	9,626.80	31.62
Thursday	28,027.23	27,854.78	-0.62%	-2.75%	9,567.57	31.42
Friday	27,854.78	27,861.03	0.02%	-2.73%	9,569.71	31.43

Market Wrap

- NSE All Share Index increased by 0.1% on weekly basis (compared to 1.8% decrease in the last week). The index ended the week at 27,861.03 points, representing year-to-date loss of 2.7%.
- The shares of Caverton Offshore Support Group plc increased 13.43% during the week Seplat Petroleum Development Co. Ltd at 10.25%.
- Market cap increased during the week to NGN 9,569.7 million (USD 31.4 million) from NGN 9,560.85 million at the end of last week.
- The trading volume increased by 24.4% over previous week to 1,162.8 million from 934.9 million shares that traded in the previous week.
- The value of transactions increased by 45.5% in the current week to NGN 9,250.6 million (USD 30.4 million) compared to NGN 6,357.0 million recorded in the previous week.
- An average of 232.6 million shares valued at NGN 1,850.1 million traded on each session of the week compared to 187.0 million traded shares valued at NGN 1,271.4 million in the previous week.
- Thursday recorded the biggest turnover and Tuesday recorded the biggest value traded for the week as the day's deals made up for 32.7% of the weekly volume and 29.4% of value traded respectively.
- The market breadth was negative during the last week as 12.2% of the total shares increased in value compared with 23.3% of the stock registering losses. In the last week, 64.4% of the shares remained unchanged.

Market Strength



Event Schedule

Company/Organization	Event	Date
Cutix Plc	AGM	21-Oct-16

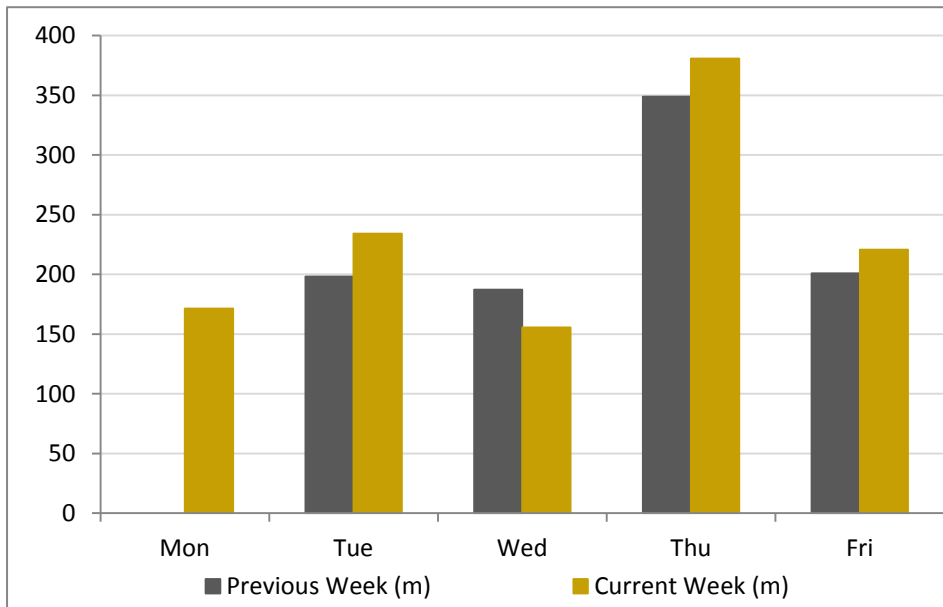
Dividend Announcement

Company	DPS (NGN)	DPS (USD)	Payment Date
Cutix Plc	0.14	0.0005	14-Nov-16
Tripple Gee and Company plc	0.03	0.0001	19-Oct-16

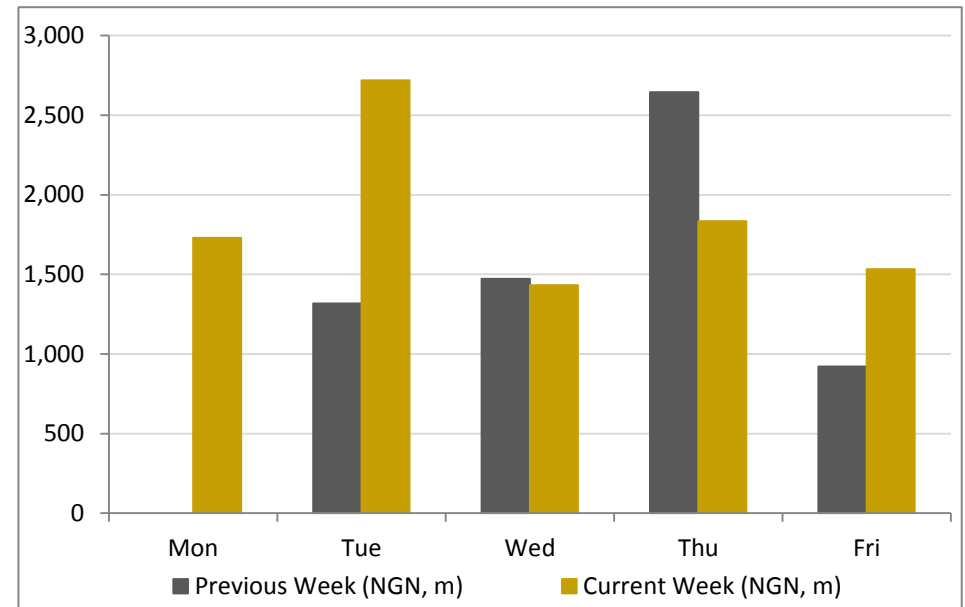
Trading Statistics

Trading Day	Volume (m)	Value (m NGN)	Value (m USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	171	1,730	6	3,045	88	17	23	48
Tuesday	234	2,719	9	3,335	85	13	21	51
Wednesday	156	1,433	5	3,277	91	13	20	58
Thursday	381	1,834	6	2,954	89	11	27	51
Friday	221	1,534	5	2,381	84	20	13	51

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in Nigeria

Rebels claim pipeline attack in Nigeria's oil region

On Friday (October 14, 2016), Niger delta militants claimed an attack on a pipeline in Nigeria's restive south, the latest strikes on key national infrastructure that has cut output and hit public finances. The Akuma Strike team of the Niger Delta Greenland Justice Mandate (NDGJM) had brought down the Iwhremaro Quality Control Centre (QCC) delivery line on the previous day. The NDGJM which has claimed previous attacks in the region, warned oil majors against repairing sabotaged facilities in the Niger delta. This was served as a notice to the Nigerian Government and the multinationals that the Operation Hammurabi Code had been initiated. The NDGJM has stepped up its attacks after rival group the Niger Delta Avengers declared a ceasefire in August and entered talks with the Government.

<http://m.news24.com/>

US extends additional support to Nigeria to help fight poverty

The United States of America (US) has announced an additional developmental assistance of US\$ 92.73million to Nigeria to help the latter fight with poverty. The sum was given through the US Agency for International Development (USAID), to support the 5-year US\$ 2.3 billion agreement signed with the Nigerian Government in 2015. The amount brings the total of development assistance provided to US\$ 474.74 million. USAID Mission Director, Michael Harvey, expressed confidence stating that the funding would have a significant impact on the wellbeing of Nigerians. To align Nigeria's development plans with sector-specific strategies, USAID collaborated with the Nigerian Ministry of Budget and National Planning; the Nigerian Ministries of Health, Agriculture, Power, and Education; and state-level government counterparts to structure the agreement, until 2020.

<http://allafrica.com/>

Nigeria to embark on rigorous exploration of oil

The Nigerian National Petroleum Corporation (NNPC) has resorted to a more rigorous exploration for oil in the Gongola and other inland basin using the latest seismic data gathering technology. The NNPC Group Managing Director, Maikanti Baru, said that the latest technology was similar to the ones used by neighbouring countries to discover oil and was in strict compliance with President Muhammadu Buhari's mandate. Mr. Baru said that NNPC is deploying 'state-of-the-art' technology in the present data acquisition and these efforts will lead to clearer definition of the prospectively of the Gangola basin. Mr. Baru also said that the multiplier effect of the envisaged employment would contribute to the economic empowerment of the nation.

<http://www.premiumtimesng.com/>

Vietnam to support Nigeria's non-oil sector

Head of Trade Office of the Embassy of the Socialist Republic of Vietnam, Mr Dao Duc, expressed readiness to support Nigeria in the development of its non-oil sector. The disclosure was made at the Nigeria-Vietnam Chamber of Commerce and Industry (NVCCI) Stakeholders' Forum in Lagos. Dao advised Nigeria against over-dependence on oil as a main source of revenue. The theme of the forum was, "Harnessing Export Strength of Products of Nigeria for Rapid Economic Advancement; Possible Lessons from Vietnam's Experience". Vietnam is ready to share its know-how and experiences with Nigerians for the development of the non-oil sector. Dao, however, said that it was currently impossible for more Vietnamese companies and investors to invest in Nigeria due to problems of infrastructure and other challenges.

<http://www.vanguardngr.com/>

French West Africa

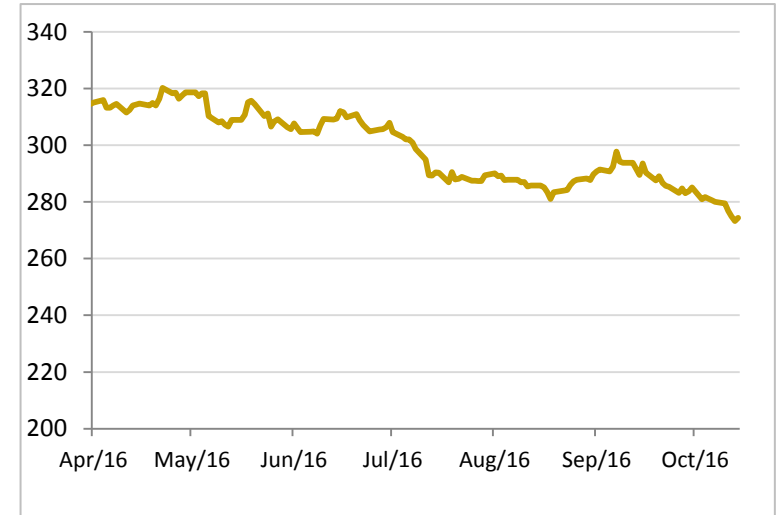
Economic Snapshot

GDP (USD bn)	92.40
GDP growth	11.40%
GDP per Capita (USD)	868.80
XOF/USD	594.27
XOF/GBP	725.38
XOF/EUR	655.96
Inflation	1.00%
91-Day T-Bill	3.92%
182-Day T-Bill	4.41%
1-Year T-Bill	4.86%
Total Debt (USD billion)	31.20

Market Snapshot

Market Name	Bourse Régionale des Valeurs Mobilières
Major Indices	BRVM Composite Index
Other Index	BRVM 10
Listed Stocks	Thirty-Nine (39)
Trading days	Monday – Friday
Trading Hours	09:45hrs GMT – 15:00hrs GMT

6M Performance Chart

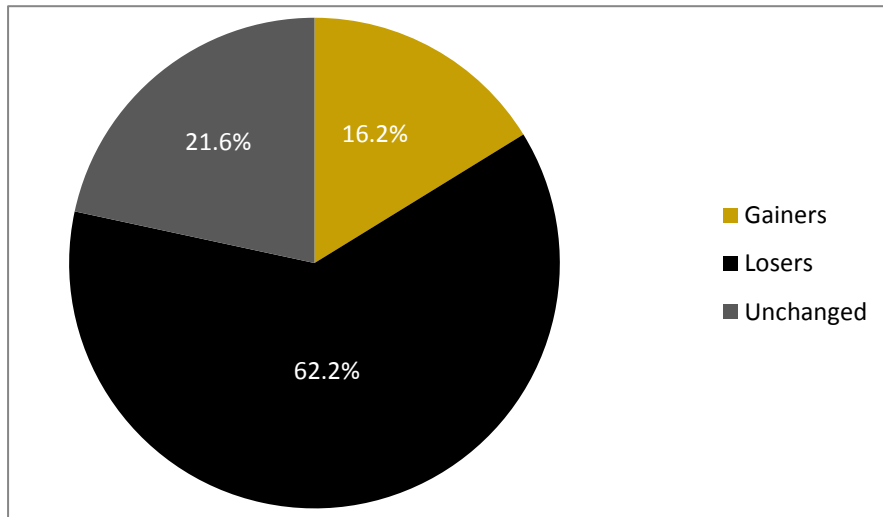


Trading Day	Market Index (BRVM CI)		Change (%)		Market Cap	
	Previous	Current	Daily	Year-to-Date	XOF bn	USD bn
Monday	279.99	279.53	-0.16%	-8.03%	6,976.39	11.87
Tuesday	279.53	276.84	-0.96%	-8.91%	6,909.17	11.75
Wednesday	276.84	274.95	-0.68%	-9.54%	6,861.89	11.53
Thursday	274.95	273.21	-0.63%	-10.11%	6,818.59	11.47
Friday	273.21	274.36	0.42%	-9.73%	6,847.34	11.52

Market Wrap

- For the week under review, BRVM Composite Index decreased by 2.01% over previous week, compared to previous week's decrease of 1.8%, closing the current week at 274.4 points which represents 9.7% loss on YTD basis.
- The shares of Societe Ivoirienne DE Cable decreased 12.5% during the week to XOF 14,000 from XOF 15,995 in the previous week.
- Market cap also decreased from previous week to end the current week at XOF 6,847.34 million (USD 11.5 million) from XOF 6,987.86 million in the previous week.
- During the week, shares traded decreased by 19.5% on weekly basis to 0.5 million from 0.6 million in the previous week.
- The value of transactions for the week increased by 63.8% to XOF 5,162.6 million compared to previous week's XOF 3,150.8 million.
- An average of 0.10 million shares valued at XOF 1,032.5 million traded on each session of the week compared to 0.12 million shares valued at XOF 630.2 million that traded in the last week.
- Wednesday recorded the biggest turnover and Tuesday recorded the biggest value traded for the week as deals made up for 38.1% of the weekly volume and 32.4% of value traded respectively.
- The market breadth was negative during the week with 16.2% of the stocks increasing and 62.2% decreasing. The remaining 21.6% of the stocks registered no change in price.

Market Strength



Event Schedule

Company/Organization	Event	Date
No upcoming event		

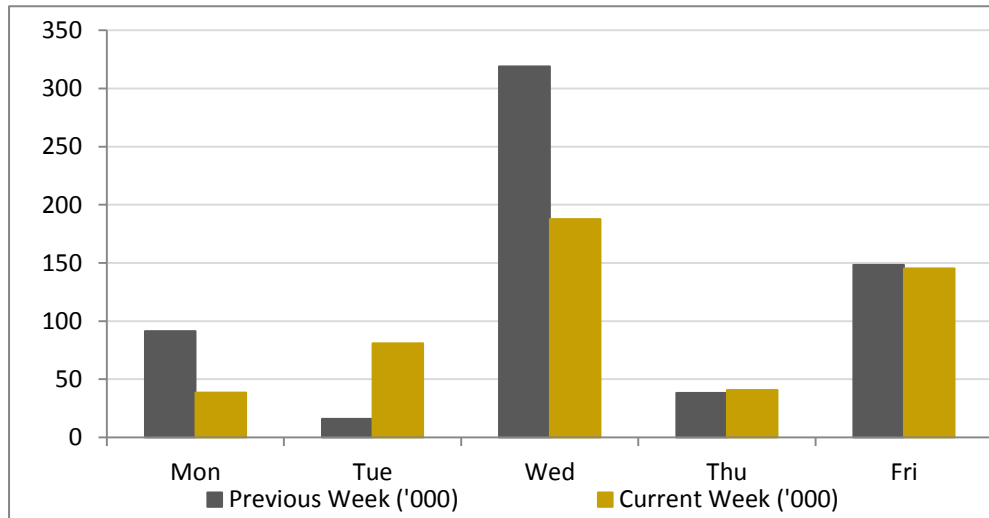
Dividend Announcement

Company	DPS (XOF)	DPS (USD)	Payment Date
No Dividend announcement			

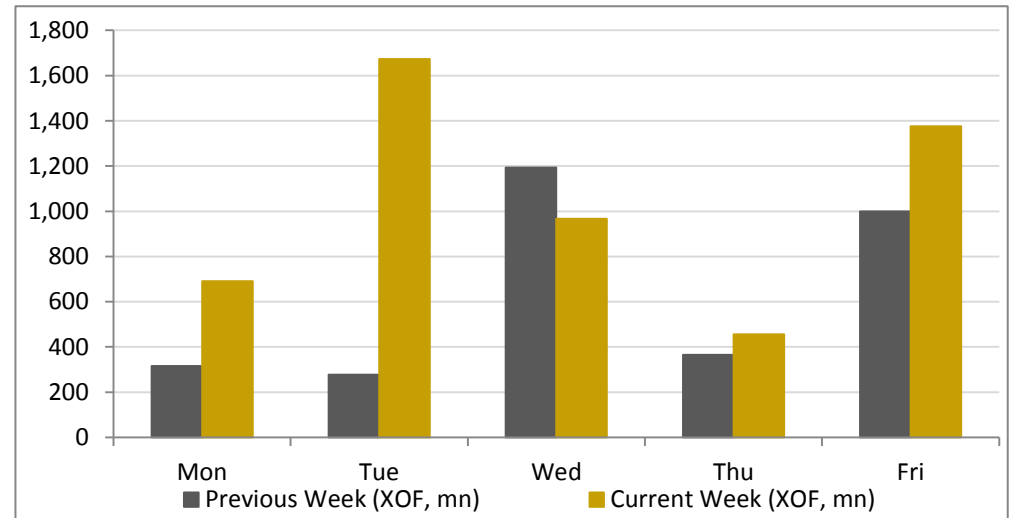
Trading Statistics

Trading Day	Volume ('000)	Value (m, XOF)	Value (m, USD)	Transactions	Active Equities	Gainers	Losers	Unchanged
Monday	38	691	1.2	225	33	12	13	8
Tuesday	81	1,673	2.8	272	32	7	15	10
Wednesday	188	967	1.6	269	28	6	13	9
Thursday	41	456	0.8	279	32	6	18	8
Friday	145	1,376	2.3	229	31	11	11	9

Market Volume (Week-on-week)



Market Value (Week-on-week)



This week in BRVM

IMF to lend US\$ 674 million to Ivory Coast

The International Monetary Fund (IMF) and Ivory Coast reached staff-level agreement for the lender to provide the nation with an equivalent of US\$ 674.3 million in loans. The 3-year deal is expected to be submitted to the fund's executive board for approval in December. Under the agreement, financing would be supported by the IMF's extended credit and fund facilities. The program will support Ivory Coast's National Development Plan by addressing impediments to a sustainable balance of payments position and economic growth. While the country has committed to reforms including containing fiscal risks from public enterprises in difficulty, and restructuring public banks. Dry weather and the dry Harmattan winds are to curb this year's cocoa output of the country. The IMF has predicted Ivory Coast's economy to expand 8.5% in 2016 and 8% in 2017.

<http://www.bloomberg.com/>

Ivory Coast to auction 1-month XOF 50 billion T-bill

The regional debt planning agency said on Friday (October 14, 2016), that Ivory Coast will auction one-month treasury bill worth XOF 50 billion (around US\$ 85.38 million) on October 21, 2016. The bond with multiple interest rates will be sold in units of XOF 1 million to investors across the eight-nation CFA franc currency zone via the region's central bank.

<http://af.reuters.com/>

Seven off-grid solar projects being developed in Senegal

Solar Village Project is a non-profit organization (NGO), installing solar arrays in Senegal to provide electricity to areas that previously had no access to it. The organization has recently started working toward the installation of off-grid solar systems in seven Senegalese villages in the Sahel and Littoral regions. The villages have a combined population of almost 3,000, having no access to electricity. Once the off-grid arrays are installed, they will provide the village with access to vital electrical appliances, such as lighting, mobile phone chargers, and radios. The organization is currently undertaking a crowdfunding campaign to generate some extra finance for the projects, which, once in place, will see Solar Village Project install the systems over a 2-week period in early 2017.

<http://m.pv-magazine.com/>

Mali demands Randgold to pay half the US\$ 80 million tax claim

On Monday (October 10, 2016), Mali's government ordered Randgold Resources to pay half the XOF 46.89 billion (around US\$ 80 million) before opening talks about the remaining sum. The government, in the last week, closed the offices of companies controlled by Randgold, leaving three of its mines there operational. Randgold said it was advised that a large portion of the government's tax claim is unfounded and that it looked forward to discussing the dispute with authorities. Randgold said its mines account for between 7 and 11% of gross domestic product (GDP) in Mali. Gold and cotton are the two largest exports and it produces around 50 tonnes of gold annually.

<http://af.reuters.com/>

Featured Stock – FBN Holdings

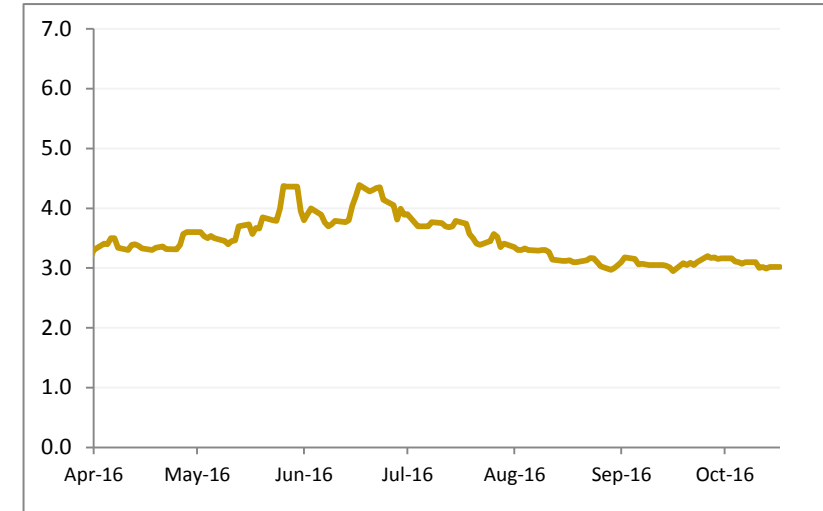
Snapshot– FBN Holdings

Symbol	FBNH NL
ISIN	NGFBNH000009
Current Price (NGN/Sh.)	3.02
Year High (19-Oct-16)	NGN 6.00/ US\$ 0.02
Year Low (16-Sep-16)	NGN 2.95/ US\$ 0.01
Mkt Cap (NGN, mn)	108,404
Mkt Cap (USD, mn)	551.67
Issued Shares (mn)	35,895
Major Shareholder	OTUDEKO OBA
Major Shareholding	1.50%
Revenue-FY 2015 (NGN, 'mn)	501,884.0
Net Profit (NGN, 'mn)	15,406.0
Total Assets (NGN, 'mn)	4,166,189.0
Total Liabilities (NGN, 'mn)	3,587,389.0
Total Equity (NGN, 'mn)	578,800.0

Key Data

Operating margin	4.3%
Operating Profit Growth	-81.7%
Net profit margin	3.1%
EPS	0.429
ROA	0.4%
ROC	1.5%
P/B	0.2x
P/E	7.0x

6M Price Performance



Company Profile

FBN Holdings Plc is a Nigeria-based financial holding company. The Company and its subsidiaries are engaged in the provision of commercial banking services, investment banking services, insurance business, other financial services, merchant banking and other equity investments. Its business units include Commercial Banking business group, Merchant Banking and Asset Management business group (MBAM), Insurance business group and Other Financial Services business group. The Commercial Banking business group provides both individual and corporate clients/customers with financial intermediation services. The MBAM provides asset management, markets and private equity services

to corporations and governments' clientele, as well as merchant banking services. The Insurance business group segment includes insurance brokerage business and underwriting business. The Other Financial Services business group segment includes non-operating holding company and other non-banking financial services businesses. FBN Holdings Plc has four subsidiaries - First Bank of Nigeria Limited (FirstBank), FBN Capital Limited, FBN Life Assurance and FBN Microfinance Bank Limited.

The Team

David Ganesha Tetteh, CEO david@calbrokersghana.com

Nana Agyei Opoku-Agyemang, Analyst nana.agyei@calbrokersghana.com

Geoffrey Fathers Maison, Analyst geoffrey@calbrokersghana.com

Adelaide Opoku Addo, Analyst adelaide@calbrokersghana.com

Contact

Accra Office

6th Floor, World Trade Centre, Ridge Accra

+233 302 680 051

+233 289 553 171

New York Office

19 West 44th Street, Suite 1700 New York, NY 10036

+1 646 454 8688