In the U.S., the unemployment rate stood at 4.1% in March, same as the previous month. The number of unemployment persons dropped by 121,000 to 6.59 million and employment fell by 0.6% in Feb'2018 from Feb'2017 level. Employment to population ratio increased by 0.1% to 58.7% in March and the employment-population ratio stood at 60.4%. Elsewhere in Brazil, the trade surplus declined to $7.14 billion in March. Imports climbed while exports fell due to higher prices of imported goods and fuels and lubricants. According to the Ministry of Development, Industry and Foreign Trade, export growth was driven by sales of basic goods and manufactured products and the rise in food exports. Shipments increased to the European Union (EU), China and the U.S. Considering the first quarter of 2018, exports jumped 15.8% to $36.05 billion and exports rose by 11.1% to $54.71 billion, therefore, the trade surplus by 3.3% to $18.64 billion in the reference quarter. In another development, the Reserve Bank of India left its key policy rate unchanged at 6% during its April meeting. Policymakers stated that the decision is in line with the Bank’s neutral monetary policy stance which aims to achieve the medium term inflation target of 4%. The inflation forecast was lowered to 5.4% from 5.1% for Q1 2018 of the current fiscal year. GDP growth for 2018 was also revised to 7.4% from 6% previously.

GlobalEconomy

The Nigerian Stock Exchange (NSE) published its monthly report for the month of February 2018. The report revealed that the total transactions at the nation’s bourse declined in the month of February 2018 by 46.24% to N21.05 billion from N39.34 billion recorded in January 2018. Total foreign transactions witnessed significant declines when compared to the previous month by 49.98% to N83.22 billion from N160.39 billion the prior month. Total transactions followed closely falling by 43.51% to N128.31 billion from N228.05 billion in January 2018. Increase of 11.79%, 15.02% and 15.02% respectively for the previous week. Market cap Gross (N’tr) 8.81 5.68 1.17

BondMarket

Bond yields trended downwards last week due to increase in demand from improved liquidity. Yields on the five-, seven- and ten-year debt papers settled at 15.56%, 15.72% and 15.62% respectively on the previous week. The Access Bank Bond index rose by 7.69 points or 0.29% to close at 2,615.33 points from 2,525.84 points in the previous week. This week, yields might trend upwards due to anticipated liquidity tightness.

CommoditiesMarket

Oil prices declined last week after the U.S. president, Donald Trump threatened new tariffs on China, reigniting fears of a trade war between the world’s two largest economies. The Organization of Petroleum Exporting Countries (OPEC) reference crude fell by 1.23% to $65.16 per barrel from $66.05 per barrel the previous week. Nigeria’s benchmark crude, Bonny light, also declined by 0.5% to $69.04 per barrel from $69.10 per barrel the previous week. The prices of precious metals saw温和 as investors sought safe assets after the U.S. president proposed 100 billion in new tariffs on China. Gold price gained 0.7% to $1,332.46 an ounce from $1,323.27 an ounce the previous week. Silver also rose by 0.8% to $16.38 from $15.25 an ounce the previous week. Oil prices are likely to remain pressured due to the concerns over the potential trade war. Precious metals are also under pressure due to the concerns over the potential trade war as investors migrate towards safe haven assets.

CommodityMarket

The local bourse closed in the red in the week ended April 6, 2018. The performance was due to profit taking especially on gains of the previous week. The All Share Index (ASI) posted losses of 1.6% or 663.51 points to close at 40,841.14 points from 41,504.51 points the previous week. Similarly, market capitalization also fell by 3.6% or 214.75 trillion to N74.99 trillion the previous week. Market indices were pulled down by stocks in the industrial goods and gas sectors. This week market sentiment may improve as investors await more earnings report.

MoneyMarket

Market rates moderated in the week ended April 6, 2018 due to inflow from Federal Accounts Allocation Committee of 58.51 trillion short-dated placements such as Open Buy Back (OBB) and Over Night (ON) rates which were 121.12 billion. Longer-dated placements also trended downwards. The 30-day and 90-day NIBOR closed lower at 14.90% and 15.68% from 15.03% and 16.02% the prior week. This week, rates may trend higher due to expected retail Market Bank Intervention Sales (SMIS).

ForeignExchangeMarket

The local currency depreciated marginally at the interbank window by 45kobo to close at N356.85/$ from N356.42/$ the previous week. The local currency however appreciated slightly at the official market to N350.65/$ from N355.65/$ the previous week. At the parallel market, the local currency was unchanged from the previous week at N362.5/$. The U.S. dollar exchange rate at the black market may be attributed to the apex bank’s move up of naira liquidity to curb speculation on the currency. This week, we expect the naira will remain around prevailing levels.

Market Analysis and Outlook: April 06 - April 13, 2018

The Nigerian Exchange Limited is a stock exchange located in Lagos, Nigeria. It is the largest in Africa and the 26th largest in the world by market capitalization. The Nigerian Exchange Limited was founded in 1863 as the Native Stock Exchange but was later renamed as the Nigerian Stock Exchange in 1975. The Exchange has a membership of over 1,000 companies representing all sectors of the economy. The Exchange is regulated by the Securities and Exchange Commission (SEC). The Exchange operates a fully electronic trading platform and offers a wide range of financial products and services. The Exchange is committed to providing a transparent and efficient market for the benefit of all market participants. It offers a wide range of financial products and services, including stocks, bonds, derivatives, and over-the-counter instruments. The Exchange also provides educational programs and public awareness efforts to promote a well-informed and well-regulated Capital Market.