

Sign Up For The Free Training

Registrations for the Dropservicing free training are now open

[Home](#) [Advert Rates](#) [About us](#) [Sportinglife](#)

Wednesday, July 15, 2020

[HOME](#) [NEWS](#) [POLITICS](#) [BUSINESS](#) [COLUMNISTS](#) [SPORTS](#) [ENTERTAINMENT](#) [MAGAZINE](#) [EDUCATION](#) [ONLINE SPECIAL](#) [EDITORIAL](#) [FORUM](#)

'Stock market's outlook will be determined by H1 results'

July 15, 2020 in [Business](#), [Investors](#), [News Update](#)

0

[HOME](#) [NEWS](#) [POLITICS](#) [BUSINESS](#) [COLUMNISTS](#) [SPORTS](#) [ENTERTAINMENT](#) [MAGAZINE](#) [EDUCATION](#) [ONLINE SPECIAL](#) [EDITORIAL](#)



President, Chartered Institute of Stockbrokers (CIS), Olatunde Amolegbe

[i](#) ✕

Sign Up For The Free Training

Sign up today before your chance is gone forever!

Dropservicing Blueprint

SIGN UP

By Taofik Salako (Deputy Group Business Editor)

As investors await the first half reports of quoted companies, market pundits have said the outlook for the capital market will be determined by corporate earnings performance in the past six-month period.

Previewing the stock market against the background of performance in the first-half, nearly all analysts agreed that the market sentiment in the remaining six months would be driven by corporate earnings for the first-half period.

FORUM

"Generally, the financial market weathered the storm during this unusual period. But significant headwind remains on the horizon as we await the corporate earnings reports for the second quarter," Amolegbe said.

Chief Executive Officer, Wyoming Capital and Partners, Mr. Tajudeen Olayinka, also described the average return of -8.8 per cent for first half as a reasonable return to celebrate considering what the economy went through in the course of the global pandemic, especially the shocks that were transmitted through the market when crude oil prices eventually collapsed in April, 2020.

According to him, now that market has had a better understanding of the pandemic, and the fact that everyone has got to live with it, going forward, it is unlikely that market will go through a repeat of the experience it had at the start of the pandemic.

close

"However, market needs to analyse first half results that are being awaited, to determine the impact of the pandemic on listed companies, before taking further investment decisions or charting a way forward.

More importantly, how the various measures put in place by government would impact the economy as a whole. On a balance of probability, we may see a better market in second half of 2020," Olayinka said.

Managing Director, Dynamic Portfolio Limited, Mr Remi Lasaki, pointed out that the market outlook would also be shaped by the fact that foreign investors are still contending with scarcity of Dollar in their bid to repatriate their money.

He urged government to look at the slowdown in velocity of spending while also addressing the issue of tax again; noting that people who are in dire need of cash flow should not be further subjected to additional tax constraints.

"People's ability to spend has been constrained. They are waiting for half year results to see the effects of COVID-19," Lasaki said.

Nigerian equities had witnessed a major recovery in the second quarter with positive average return of 14.12 per cent within the three-month period, representing net capital gains of N1.656 trillion.

The second quarter performance was however overshadowed by net loss of N2.68 trillion in the first quarter, leaving investors with net loss of N1.14 trillion for the six-month period.

Benchmark indices at the NSE, which are generally regarded as sovereign equity indices for Nigeria, showed that Nigerian stocks swiveled through steep decline in first quarter and a major recovery in early months of the second quarter.

The ASI- a common value-based index that tracks all share prices at the Exchange, closed first half at 24,479.22 points as against 26,842.07 points recorded as opening index for the year, indicating negative six-month average return of -8.80 per cent.

The index had posted a double-digit negative return of 20.7 per cent in the first quarter, driven by a steep decline of 18.75 per cent in March.

The six-month performance, though still negative, was moderated by the two-month successive rally in April and May, which saw equities recording a two-month average return of 19 per cent.

The market relapsed in June with average decline of 3.12 per cent, a loss of about N410.8 billion.

With net loss of about N2.68 trillion in first quarter 2020, the half-year return, though negative, indicated considerable recovery within the second quarter.

Nigerian equities recorded positive average return of 14.12 per cent in the second quarter, equivalent to net capital gains of N1.656 trillion for the three-month period. The ASI had closed March 2020 at 21,300.47 points.

Data provided by SCM Capital, an investment banking firm, indicated that average loss for foreign portfolio investors, who denominate in Dollars, could more than doubled average decline in Naira terms.

Aggregate market value of quoted equities, which showed unadjusted decline of 1.46 per cent in Naira terms, declined by 16.20 per cent in Dollar terms.

Nigerian market has continued to struggle with domestic macroeconomic uncertainties, global decline in crude oil price and trade wars and the ravaging COVID-19 pandemic.





Driving traffic for carriers - The Nation Nigeria

1.2K

Do you think airlines need to work on enlightenment messages to drive traffic?

☐ Yes
☐ No
☐ I don't know

Powered by

ADVERTISEMENT

Nigerian equities had posted positive return of 14.12 per cent in the second quarter and net average negative return of -8.80 per cent for the six-month period ended June 30, 2020.

Most analysts described the first-half performance of the market as resilient, considering the adverse impact of the COVID-19 pandemic.

President, Chartered Institute of Stockbrokers (CIS), Mr. Olatunde Amolegbe, noted that the market had started the year with the post-election hangover of 2020, but gradually picked up as companies started posting their yearly results.

According to him, the rally at the market was, unfortunately, curtailed by the Covid-19 pandemic that led to a lockdown of activities across board.

But the two-month lockdown period witnessed unexpected market recovery as the All Share Index (ASI), the benchmark for the market, which was down by about 21 per cent pre-lockdown, gained about 12 per cent within the two-month lockdown period.

Online University - AIU

Bachelor, Master and Doctorate degree programs for working adults.

University - AIU

"This really is a testimony to the foresight of the Nigerian Stock Exchange (NSE) and stockbrokers as they have digitised their businesses in preparation for unforeseen events such as this. So the market continued to serve the nation even during the lockdown," Amolegbe said.

He noted that as yields continued to trend downwards due to excess system liquidity, major companies such as Dangote Cement and MTN



close

Free Grammar Checker

Ad Grammarly

Reveal dollars you gave PDP tax collectors

thenationonlineng.net

Invest in Agriculture - Trado - up to 30% returns in 5months

Ad trado.ng

Impeachment: Nine lawmakers beg Ondo CJ

thenationonlineng.net

Easy-to-assemble kit sheds

Ad Easy Steel Sheds

EFCC chair Magu detained

thenationonlineng.net

BREAKING: APC chairman resigns in Ondo

thenationonlineng.net

Use your 'maj remove Spea lawmakers te Gov

thenationonlineng.net

SHOCKING LIFE STORY!!! AFTER 9 YEARS OF SUFFERING FROM PREMATURE EJACULATION & WEAK ERECTION, 45 YEAR OLD MAN FINALLY DISCOVERS THE SECRET SOLUTION THAT MYSTERIOUSLY JERKED HIS DEAD MANHOOD BACK TO LIFE, INCREASED HIS PENIS TO 8.5 INCHES, AND NOW LAST 32 MINUTES DURING SEX. CLICK HERE NOW...

Small Manhood And Premature Ejaculation Made Me Stay Away from Love Making For 4yrs...But These Simple Solutions WORKED! Click Here To See My Breakthrough!

How Local Abuja woman Got Totally Natural Cure for Type 2 Diabetes, Lower Blood Sugar and Repair Pancreas without Insulin Injections. Click Here!!

An Open Letter to Everyone Serious About Reversing Hypertension, Lowering Blood Pressure and Cholesterol without BP medications!

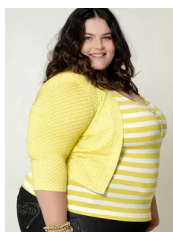
52 Year Old Abuja Man Reveals Herbal Remedy that Improves Eyesight, Reverses Glaucoma & Cataract without eyedrops or surgery

2020 EMPLOYMENT OPPORTUNITY- Jobs! Jobs!! Jobs!!!, make money from home and get paid in dollars working fully from home. You will be paid daily. click here link to be part of it.

PREMATURE EJACULATION AND SMALL SIZE FINALLY OVER. BULLDOZE YOUR WOMAN INTO BEAUTIFUL BREATHTAKING SEXUAL SUBMISSION WITH THIS NAFDAC APPROVED BULLDOZER

SUGGESTED NEWS

by mgid



Only 1 Cup Of This Before Sleep And 4,5 Kg Will Vanish In 1 Week!



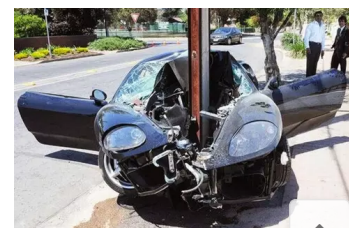
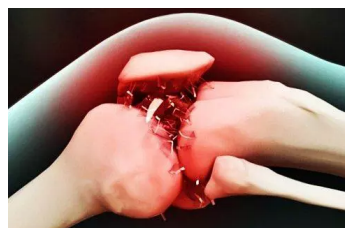
Earn \$9342 Per Month With Amazon Shares, \$200 Minimum Investment



Top 10 Worst Jobs In The World That Someone Has To Do



How To Avoid A Heart Attack (Do This 3 Times A Day)





**Better Than Botox! A Trick
Eliminates Your Wrinkles In A
Minute!**

Previous Post

 **Groups protest N20b 'campaign loan'**

Next Post

 **ICPC re** close **19.381 petitions in 20 years, says Owasanoye**

Discussion about this post

FORUM

A West African Perspective

An Authentic Presentations

Read all about West African and Global events from a West African perspective
anagomanblogs.com

OPEN

close

Subscribe to Daily News Alert

Email address:

SIGN UP

- Coronavirus Update
- ▶ Nigeria records 463 new cases of COVID-19, total now 33,616
 - ▶ Kwara deputy governor's aides test positive
 - ▶ 'Infection curve growing slowly'
 - ▶ PTF, governors forum endorse pandemic tracker
 - ▶ Okotie attacks Bill Gates
 - ▶ Lagos, Oyo discharge 123 patients
 - ▶ Nigeria records 571 new cases of COVID-19, total now 32,558
 - ▶ Osun SSG: job hazard caused my infection

Easy-to-assemble kit sheds

Order Remotely - Free quote Online -
Building for sale 1200 sqm

JUST IN: Edo PDP campaign council meets in Rivers 10:07 AM

Ondo poll: Can Ajayi survive impeachment? 9:40 AM

Between Mr Ibu and COVID-19 9:30 AM



FORUM

- ▶ Re: Beyond cutting Keyamo to size 8:42 AM
- ▶ Nigeria loses first female combat helicopter pilot 8:31 AM
- ▶ JUST IN: Gokada CEO found dead at home 8:30 AM
- ▶ Obi, NANS warn against WASSCE cancellation 8:15 AM



Download the FSI eBook

Learning from the digital transformation of banks during the pandemic and lockdown.

close





Online University - AIU

Bachelor, Master and Doctorate degree programs for working adults.



FORUM			
City Beats	Emeka Omeihe	Jide Oluwajuyitan	Segun Ayobolu
Politics	Femi Macaulay	Jide Osuntokun	Victor Akande
Entertainment		Lawal Ogieagbon	Yomi Odunuga
Education	Tuesday		UnderTow
Sports		Friday	Sentry
Agric	Olatunji Dare		
Campus Life	Olakunle Abimbola	Femi Abbas	Sunday
Columnists	Sanya Oni	Korede Yishau	
Editorial	Gabriel Amalu	Segun Gbadegesin	Tatalo Alamu
Education		Steve Osuji	Idowu Akinlotan
Lifestyle	Wednesday	Olatunji Ololade	Festus Eriye
Opinion			Tunji Adegboyega
Life and Style	Dele Agekameh		Biodun Jeyifo
Relationships	Tony Marinho		Ropo Sekoni
	Niyi Akinnaso		Femi Orebe
	Festus Eriye		Lekan Otufodunrin
			Niyi Osundare
			Oyinkan Medubi
			Barometer

FORUM

TheTopFiveVPN

How To Free Netflix Restrictions With A VPN

TheTopFiveVPN

30 Wedding Photos That Went Horribly Wrong

Gloriousa

close

Richest Pastors in Africa 2018 - Check Out Who Is From Nigeria

Everydaychimp

After Her Weight Loss, Celine Dion Confirm What we Knew All along

Student Sea

Woman Lives 40 Years With Her Husband, Then FBI Tells Her Who He Really Is

Articles Vally

ALSO ON THE NATION

11 hours ago • 1 comment

COVID-19: Yahaya Bello and the battle ...

21 hours ago • 3 comments

BREAKING: Buhari backs Keyamo on ...

9 hours ago

Group: N20b 'loan'

0 Comments

The Nation

1 Login

Recommend

Tweet

Share

Sort by Oldest

Start the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS ?

Name

Be the first to comment.

Subscribe

Add Disqus to your siteAdd DisqusAdd

HOME NEWS POLITICS BUSINESS COLUMNISTS SPORTS ENTERTAINMENT MAGAZINE EDUCATION ONLINE SPECIAL EDITORIAL

https://thenationonlineeng.net/stock-markets-outlook-will-be-determined-by-h1-results/ 7/10