



HOW WOULD RECENT EVENTS AFFECT
YOUR FINANCIAL INVESTMENTS?

FIND ANSWERS ON THE
ARM WEEKLY ECONOMIC
& FINANCIAL COMMENTARY

Weekly Economic & Financial Commentary

...for the week 29 April– 03 May 2019

Summary

Global Economy

- ◆ In the U.S, employers added 263,000 jobs in the month of April, causing the unemployment rate to drop by 20bps YoY to 3.6%. This is the lowest on record, in half a century, underscoring the economy's resilience despite fears of a slowdown at the start of the year. Also, monetary policy committee in the U.S and U.K left policy rates unchanged at 2.5% and 0.75% respectively, as concerns on slowing global economic growth, muted inflation and Brexit uncertainty. Elsewhere, preliminary estimates by Eurostat showed the eurozone regained its momentum, expanding by 0.4% QoQ in Q1 2019, from 0.2% expansion recorded in Q4 18. On annualized basis, the economy expanded 1.2% YoY - unchanged from the previous quarter. Specifically, growth in the bloc was supported by rebound in Italy which expanded 0.2% QoQ after 2 consecutive quarters of decline, while growth in France remained unchanged at 0.3% QoQ for the third consecutive time. Germany's data was unavailable at the time of writing.

Domestic Economy

- ◆ Total revenue accrued to the states' government (including FCT) printed at ₦3.7 trillion over 2018, implying an addition of ₦1.0 trillion, as reported by the National Bureau of Statistics (NBS). The increase reflected a 43% YoY increase in net FAAC allocations to ₦2.6 trillion and 25% YoY increase in Internally Generated Revenue to ₦1.2 trillion. Notably, increased FAAC allocation mirrors higher oil prices and production reported in the period, while improved tax collections in Lagos, Ogun, Ondo and Rivers state drove the increase in IGR. Also, of the 36 states, the IGR remains the main source of revenue for both Lagos and Ogun when compared to FACC received during the year.

Equities

- ◆ The Nigerian Bourse closed negative this week with the NSE ASI slipping 1.78% WoW to close at 29,212.00 points, while market capitalization lost ₦198 billion. The bearish sentiment was spurred by losses across the Cement (-3.67%), Banking (-2.00%), Personal Care (-1.20%) and Food (-1.18%) sectors. Dissecting the sector performance reveals selloff across various stocks such as DANGCEM: -3.69%, GTBANK: -2.19%, ZENITH: -1.64%, PZ: -5.5%, NESTLE: -1.94%, and DANGSUGAR: -1.4%.

Fixed Income

- ◆ Average fixed income yield closed the holiday-shortened week flat at 13.65%, with yields in both the short and long end of the curve unchanged from the previous week. At the NTB market, average yield was flat at 12.98%, as yield contraction in the 182-day bill offset expansions in the 91-day and 364-day bills. Average yield in the bond market was also flat at 14.32%, with notable movement in the FEB 20 (-16bps WoW) and the JUL 34 (+15bps) bonds. Meanwhile, at the NTB auction held during the week, ₦109.7 billion worth of bills were sold with stop rates of the 91-day, 182-day and 364-day bills printing at 10% (previously 10.15%), 12.5% (previously 12.5%) and 12.77% (previously 12.74%), respectively.

The week in Review

- ◆ In the U.S, employers added 263,000 jobs in the month of April, causing the unemployment rate to drop by 20bps YoY to 3.6%. This is the lowest on record, in half a century, underscoring the economy's resilience despite fears of a slowdown at the start of the year. Also, monetary policy committee in the U.S and U.K left policy rates unchanged at 2.5% and 0.75% respectively, as concerns on slowing global economic growth, muted inflation and Brexit uncertainty.

- ◆ Elsewhere, preliminary estimates by Eurostat showed the eurozone regained its momentum, expanding by 0.4% QoQ in Q1 2019, from 0.2% expansion recorded in Q4 18. On annualized basis, the economy expanded 1.2% YoY - unchanged from the previous quarter. Specifically, growth in the bloc was supported by rebound in Italy which expanded 0.2% QoQ after 2 consecutive quarters of decline, while growth in France remained unchanged at 0.3% QoQ for the third consecutive time. Germany's data was unavailable at the time of writing.

Country Index			Index Returns (%)			Index Characteristics			Global Fixed Income					Global Currencies					
			WoW (%)	YTD (%)	52-Wk	P/E (x)	Mkt. Cap (\$'bn)	Div. Yld (%)	1-Yr Tenor	WoW (pps)	10-yr Tenor	WoW (pps)	Inflation (%)	This Week	Prior Week	WoW (%)	YTD (%)		
US	S&P 500	2,937	-0.1	17.2	11.7	19.2		2.0	US	2.39		2.53	-0.3	1.9	Euro (€)	1.1	1.1	0.3	-2.4
	NASDAQ	8,133	-0.2	22.6	14.7	34.8	12,047.5	1.1	UK	0.76	0.0	1.10	-0.7	1.9	GBP (£)	1.3	1.3	1.7	3.0
UK	FTSE ASI	7,376	-0.7	9.6	-1.7	16.7		4.7	Euro	-0.23	-1.4	0.52	5.4	1.7	JPY (¥)	111.3	111.6	0.3	-1.4
France	CAC 40	5,544	-0.5	17.2	0.8	18.4	1,106.4	3.4	Japan	0.05	0.0	-0.11	0.1	0.8	INR (₹)	69.2	70.0	1.2	0.8
Germany	XETRA DAX	12,391	0.6	17.4	-2.4	16.2		3.3	China	2.84	-1.1	3.49	-1.4	2.3	CNY (¥)	6.7	6.7	-0.1	2.1
Japan	NIKKEI 25	22,259	0.0	11.2	-0.9	16.4	5.4	2.0	India	6.50	0.6	7.39	-0.2	7.67	MXN (\$)	19.0	18.9	-0.3	3.5
China	Shanghai Comp	3,078	-0.3	23.4	-0.1	14.9	4,997.3	2.7	Mexico	8.21	0.6	8.07	-0.2	4	RUB (p.)	65.1	64.8	-0.5	6.5
Brazil	Ibovespa	96,151	-0.1	9.4	15.4	15.9	38.8	3.8	Turkey	28.36	-0.9	18.31	-1.2	19.5	ZAR (R)	65.1	64.8	-0.5	6.5
India	BSE Sens	38,963	-0.3	8.0	11.0	30.3	572.9	1.5	Russia	7.39	-2.2	3.71	-0.4	5.3	EGP (£)	17.2	17.2	0.0	4.4
Russia	RTS	664	-0.2	16.1	11.3	5.2	3.2	7.0	Egypt	17.00	0.0	17.50	4.3	14.2	KES (sh)	101.1	101.5	0.4	0.7
Mexico	S&P/BMV IPC	44,432	-1.2	6.7	-5.7	16.0		4.5	South Africa	7.80	0.6	9.12	-0.1	4.5	GHS (¢)	17.2	17.2	0.0	4.4
Turkey	Borsa Istanbul	93,946	-0.9	2.9	-8.7	6.7	0.4	4.6	Kenya	9.32	0.1	12.44	-0.5	6.6	XOF (₣)	587.9	588.4	0.1	-2.6
Indonesia	JCI Index	6,319	-1.3	2.0	7.9	N/A	493.9	2.3	Ghana	15.50	0.0	19.00	0.0	9.3	XAF (₣)	589.1	590.1	0.2	-1.5
Kazakhstan	KASE Index	2,313	-1.2	-0.5	-5.9	6.3	3.2	1.5	Nigeria	12.77	0.2	14.48	0.3	11.3	NGN (₦)	360.5	359.7	-0.2	0.6
Vietnam	VN Index	974	-0.6	9.1	-5.1	16.7	137.5	1.7	Global Commodities					Global Indicators for the Week					
South Africa	FTSE/JSE ASI	59,336	0.8	12.5	3.6	18.1		3.9			This Week	Prior Week	WoW (%)	YTD (%)		Latest	Prior		
Egypt	EGX 30	14,880	0.0	14.2	-16.6	16.3	11.8	3.0	Brent Crude	\$/bbl	71.5	72.2	-1.0	32.8	US Unemployment rate - April	3.6%	3.8%		
Kenya	NSEASI	160	1.3	14.1	-8.4	12.4	22.4	5.4	OPEC Crude	\$/bbl	71.0	74.0	-1.9	37.7	US Fed Interest rate decision	2.5%	2.5%		
Morocco	MSCI MX	304	0.5	-1.9	-13.2	19.5	9.0	3.9	Gasoline	\$/gal	203.6	204.6	-0.5	35.1	Italy GDP (YoY) (Q1)	0.1%	0.0%		
Ghana	GSE Composite	2,283	-4.3	-8.7	-34.4	19.3	3.8	1.5	Natural Gas	\$/MBtu	2.6	2.6	-0.7	-5.7	China Caixin manufacturing PMI - April	50.20	50.80		
Tunisia	TunIndex	6,857	-1.0	-5.7	-3.8	17.8	0.6	2.2	Gold	\$/t oz	1279.9	1286.2	-0.5	-0.2	China Non-manufacturing PMI - April	54.30	54.80		
BRVM	BRVM	176	-0.1	2.2	-25.3	8.8	8.5		Sugar	\$/lb	12.0	12.7	-4.8	-1.6	France Budget (Mar)	€-40.7B	€-36.9B		
Mauritius	SEMDEX	2,138	-0.4	-3.6	-6.4	19.2	8.7		Wheat	\$/bsh	437.0	442.5	-1.2	-15.7	Spain Consumer Price Index (YoY)(Apr)	1.5%	1.3%		
Nigeria	NGSE ASI	29,212	-1.78	-7.06	-28.9	7.3	29.0	6.6	Crude Palm oil IYR/MT	2010.0	2157.0	0.0			UK BoE Interest rate decision	0.75%	0.75%		

Source: Bloomberg, Reuters, ARM Research

The week in Review

- ◆ Total revenue accrued to the states' government (including FCT) printed at ₦3.7 trillion over 2018, implying an addition of ₦1.0 trillion, as reported by the National Bureau of Statistics (NBS). The increase reflected a 43% YoY increase in net FAAC allocations to ₦2.6 trillion and 25% YoY increase in Internally Generated Revenue to ₦1.2 trillion.

- ◆ Notably, increased FAAC allocation mirrors higher oil prices and production reported in the period, while improved tax collections in Lagos, Ogun, Ondo and Rivers state drove the increase in IGR. Also, of the 36 states, the IGR remains the main source of revenue for both Lagos and Ogun when compared to FACC received during the year.

Currency	This Week	Prior Week	WoW (%)	YTD (%)	Report released this week (Click Link below for Full report)
External Reserve (\$'bn)	44.79	44.78	0.03%	3.89%	The Okomu Oil Palm Plc - Bumpy year ahead
USD/NGN (₦/\$)					Initial View - Nestle Nigeria Plc. Q1 2019 - Absence of one-off cost magnifies gross profit
NAFEX	361	361	-0.06%	0.97%	Initial View - Dangote Cement Plc Q1 2019 - Mounting competition margin erosion declining earnings
Parallel	359.0	359.0	0.00%	0.56%	Unilever Q1 19 - Tougher operating environment - Will Unilever thrive
Economic Snapshot	Latest (%)	Prior	CHG (pps)	2019 Avg.	Initial View - Okomu Q1 2019 - Worrisome start to the year
Inflation YoY (March)	CHG (pps)				
Headline	11.25	11.31	-0.06	11.31	
Core	9.72	9.68	0.04	9.7	
Food	13.45	13.47	-0.02	13.48	
GDP (%) - YoY	Q4 18	Q3 18	Q2 18	FY19F	
Real GDP	2.4	1.8	1.5	2.1	
Oil	-1.6	-2.9	-4.0	9.3	News Headline for the week (click news for link)
Agriculture	2.5	1.9	1.2	3.3	*FG approves one-million-barrel oil terminal for Otakikpo field
Manufacturing	2.4	1.9	0.7	2.7	*CBN to Unveil Clean Note Policy, Banknote Fitness Guidelines
Services	3.8	3.4	4.1	1	*Bank of Agriculture eyes N200billion capital base
Labor Data (%) - Q3 18			Latest	Prior	*Nigeria requires local refining capacity of 1.52mbd
Unemployment Rate			23.1	18.8	*Nigeria's oil exports plunge as Shell, Total declare force majeure
Underemployment			20.1	21.2	*Fintech: CBN to establish collateral management regime
Capital Importation (\$'mn)	Q4 18	Q3 18	QoQ (%)	YoY (%)	*Nigeria's Population Now 201m, Says UN
Foreign Portfolio Investment - Equities	218.27	394.47	-44.7%	-88.7%	*AfDB Approves US\$70M Loan for Road Development in Ebonyi
Bonds	193.33	37.48	415.8%	68.1%	*Gas Flaring: FG to Hand over Sites to Investors by 2020
Money Market	983.08	1291.1	-23.9%	36.7%	*NPDC's Oil, Gas Reserve Now 3.6bbls, 15tfc
Foreign Direct Investment	156.8	530.63	-70.5%	-42.9%	*Kachikwu: Nigeria Constrained to Fund \$2.5bn Refineries' Repair
Balance of Payment (\$'mn)	Q4 18	Q3 18	Q2 18	QoQ	*Nigeria, others raise over \$17bn from bonds, says World Bank
Trade Balance	2,080	1,148	2,266	81.2%	*Nigeria-UK Strengthen Plan for Naira-Denominated Financial Instruments
CA Balance	338	(472)	1,332	-171.6%	FAAN shuts Gombe, Kebbi airports over N732m debts

The week in Review

- The Nigerian Bourse closed negative this week with the NSE ASI slipping 1.78% WoW to close at 29,212.00 points, while market capitalization lost ₦198 billion. The bearish sentiment was spurred by losses across the Cement (-3.67%), Banking (-2.00%), Personal Care (-1.20%) and Food (-1.18%) sectors.

- Dissecting the sector performance reveals selloff across various stocks such as DANGCEM: -3.69%, GTBANK: -2.19%, ZENITH: -1.64%, PZ: -5.5%, NESTLE: -1.94%, and DANGSUGAR: -1.4%.

Index Performance

	Level	Index Returns (%)				
		WoW	MTD	QTD	YTD	1 year
NSE ASI	29212.00	-1.78	0.18	-5.89	-7.06	-28.94
NSE ASI (\$)	81.00	-1.78	0.17%	-5.89%	-6.20%	-29.11%
Market Cap (₦bn)	10979.06	-1.77%	0.18%	-5.94%	-6.33%	-26.47%
Market Cap (\$mn)	30442.42	-0.02	0.19%	-5.93%	-5.47%	-26.45%
NSE 30	1313.28	-1.46	0.11	-5.70	-7.33	-29.70
NSE Premium	2100.96	-2.28	-0.31	-4.66	-4.29	-28.89
NSE 50	1554.17	-1.83	-0.01	-5.74	-6.49	-26.33
NSE ASEM	806.91	-0.21	-0.21	-0.04	1.65	-15.82
NSE Banking	380.81	-1.31	-0.24	-5.73	-4.54	-27.76
NSE Insurance	120.73	1.30	-0.45	-4.17	-4.55	-16.84
NSE Consumer	671.05	-0.29	0.13	-5.66	-10.39	-31.44
NSE Oil & Gas	279.70	0.02	-0.34	-3.72	-7.45	-23.49
NSE Industrial	1100.74	-4.16	2.03	-11.21	-11.08	-47.10
NSE Lotus	2087.91	-3.03	0.62	-7.93	-6.54	-22.12
NSE Pensions	1119.27	0.49	0.66	-5.79	-7.30	-30.25

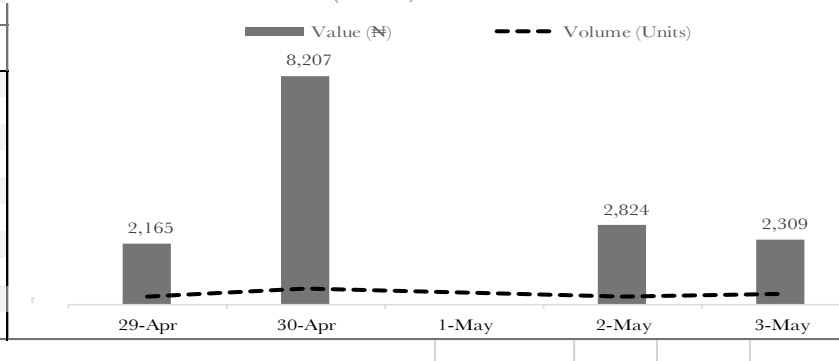
Sector Performance

	Returns (%)		
	WoW	QTD	YTD
Banking	-2.00%	-6.04%	-5.65%
Brewers	2.11%	-6.09%	-24.96%
Cement	-3.67%	-5.97%	-5.32%
Personal Care	-1.20%	-17.95%	-20.35%
Construction	11.38%	-1.25%	18.66%
Food	-1.18%	-1.43%	2.65%
Insurance	0.63%	-1.02%	0.46%
Oil & Gas	0.95%	-7.30%	-11.73%
Real Estate	0.51%	0.06%	-0.64%

ARM Indices

	WoW	QTD	YTD
Large Cap (Top 10%)	-2.01%	-5.44%	-6.58%
Mid Cap (Mid 30%)	-0.16%	-3.20%	-1.81%
Small Cap (Bottom 60%)	0.67%	26.41%	4.53%

Volume and Value Traded (millions)



Top 10 Gainers

Company	This Week	WoW
JAPAU	0.39	39.3%
JBERGER	26.95	19.8%
FO	34.95	19.7%
UACN	1.68	12.0%
TRANSCOR	1.25	11.6%
COURTVIL	0.22	10.0%
UNITYCAP	0.22	10.0%
DANGFLOUR	17.10	10.0%
NEM	2.21	10.0%
CHAMPION	1.43	8.3%

Top 10 Losers

Company	This Week	WoW
GOLDINSUR	0.36	-18.2%
FIRSTALUM	0.42	-12.5%
ROYALEX	0.23	-11.5%
TOTAL	162.00	-11.0%
AFROMEDI	0.45	-10.0%
ACADEMY	0.30	-9.1%
MPF	1.41	-9.0%
CUTIX	1.87	-8.8%
OANDO	4.85	-8.5%
BERGER	7.35	-8.1%

Source: NSE, Bloomberg, ARM Research

The week in Review

- ◆ Average fixed income yield closed the holiday-shortened week flat at 13.65%, with yields in both the short and long end of the curve unchanged from the previous week. At the NTB market, average yield was flat at 12.98%, as yield contraction in the 182-day bill offset expansions in the 91-day and 364-day bills. Average yield in the bond market was also flat at 14.32%, with notable movement in the FEB 20 (-16bps WoW) and the JUL 34 (+15bps) bonds.

- ◆ Meanwhile, at the NTB auction held during the week, ₦109.7 billion worth of bills were sold with stop rates of the 91-day, 182-day and 364-day bills printing at 10% (previously 10.15%), 12.5% (previously 12.5%) and 12.77% (previously 12.74%), respectively.

		Prior Week	WoW change	Primary Market Auction (Rates)	90 Days	180 Days	1 Year	Issuance (N'billion)	90 Days	180 Days	1 Year
Money Market				OMO			OMO				
Overnight (O/N)	5.93%	17.29%	-11.36%	26-Apr-19	11.80%	12.90%	13.03%	26-Apr-19	7.42	0.50	158.7
Open Buy Back (OBB)	5.29%	16.43%	-11.14%	05-Apr-19	11.78%	13.00%	13.04%	05-Apr-19	30.94	150.36	228.4
NIBOR - 1M	11.97%	11.93%	0.04%	22-Mar-19	11.80%	13.06%	13.04%	22-Mar-19	7.91	53.1	627.2
NIBOR - 3M	12.16%	11.96%	0.20%	15-Mar-19	11.84%	13.20%	0.00%	15-Mar-19	21.61	86.1	678.8
NIBOR - 6M	14.47%	14.26%	0.21%	08-Mar-19	11.90%	13.47%	0.00%	08-Mar-19	61.7	65.9	446.9
Treasury Bills				Treasury Bills			Treasury Bills				
					91 Day	182 Day	364 Day		91 Day	182 Day	364 Day
1-month	11.09%	11.11%	-0.02%	02-May-19	10.00%	12.49%	12.77%	02-May-19	28.0	10.6	71.1
3-month	11.39%	11.10%	0.29%	17-Apr-19	10.15%	12.50%	12.74%	17-Apr-19	24.4	38.7	52.0
6-month	13.18%	13.46%	-0.28%	03-Apr-19	10.29%	12.60%	12.85%	03-Apr-19	5.9	26.6	119.6
9-month	14.13%	14.05%	0.08%	20-Mar-19	10.30%	12.20%	12.34%	20-Mar-19	10.0	20.0	44.8
12-month	14.38%	14.39%	-0.01%	13-Mar-19	10.75%	12.50%	12.85%	13-Mar-19	24.4	23.2	103.1
FGN Bonds (Local)				FGN Bonds			FGN Bonds				
					5 Year	7 Year	10 Year		5 Year	7 Year	10 Year
16.00% 29-JUN-2019	11.47%	11.32%	0.14%	24-Apr-19	14.50%	14.55%	14.80%	24-Apr-19	6.8	37.4	53.2
15.54% 13-FEB-2020	13.63%	13.79%	-0.16%	27-Mar-19	13.50%	13.50%	13.50%	27-Mar-19	1.1	3.4	1.3
14.50% 15-JUL-2021	14.82%	14.83%	-0.01%	20-Feb-19	14.52%	14.79%	14.93%	20-Feb-19	1.1	4.3	34.2
16.39% 27-JAN-2022	14.76%	14.83%	-0.06%	30-Jan-19	15.20%	15.25%	15.35%	30-Jan-19	12.7	20.1	55.3
14.20% 14-MAR-2024	14.45%	14.37%	0.08%	19-Dec-18	15.25%	15.50%	15.50%	25-Apr-18	17.5	7.4	71.9
12.50% 22-JAN-2026	14.58%	14.60%	-0.02%	Corporate Bonds			Corporate Eurobond				
					This Week	Prior Week	WoW (%)		This Week	Prior Week	WoW (%)
16.2884% 17-MAR-2027	14.58%	14.54%	0.04%	UBA 16.45% 30-DEC-2021	15.78%	15.81%	-0.04%	DIAMOND 8.75% 21-MAY-2019	18.59%	15.23%	3.36%
12.1493% 18-JUL-2034	14.66%	14.51%	0.15%	MIXTA 17.00% 16-JAN-2022	15.66%	15.69%	-0.03%	FBN 6.488% 23-JUL-2021	9.18%	9.08%	0.10%
16.2499% 18-APR-2037	14.57%	14.50%	0.07%	FIDELITY 16.48% 13-MAY-2022	15.99%	16.02%	-0.03%	ECOBANK 8.75% 14-AUG-2021	9.71%	9.72%	-0.01%
FGN Eurobonds				DUFIL 18.25% 1-SEP-2022	16.51%	16.50%	0.01%	ACCESS 10.50% 19-OCT-2021	6.45%	6.53%	-0.08%
5.625% 27-JUN-2022	5.22%	5.22%	0.00%	LAPO MFB 17.75% 19-DEC-2022	18.41%	18.37%	0.04%	ZENITH 7.375% 30-MAY-2022	5.69%	5.86%	-0.17%
6.50% 28-Nov-2027	6.75%	6.76%	-0.01%	STERLING 16.50% 3-AUG-2023	15.63%	15.55%	0.08%				
7.875% 16-FEB-2032	7.45%	7.44%	0.01%	FCMB 17.25% 8-DEC-2023	15.88%	15.80%	0.08%				
7.625% 28-Nov-2047	7.99%	7.97%	0.02%	STANBIC 13.25% 30-SEP-2024	15.30%	15.26%	0.04%				
				VIATHAN 16.00% 14-DEC-2027	15.26%	15.24%	0.02%				

Source: DMO, FMDQ, Bloomberg, ARM Research

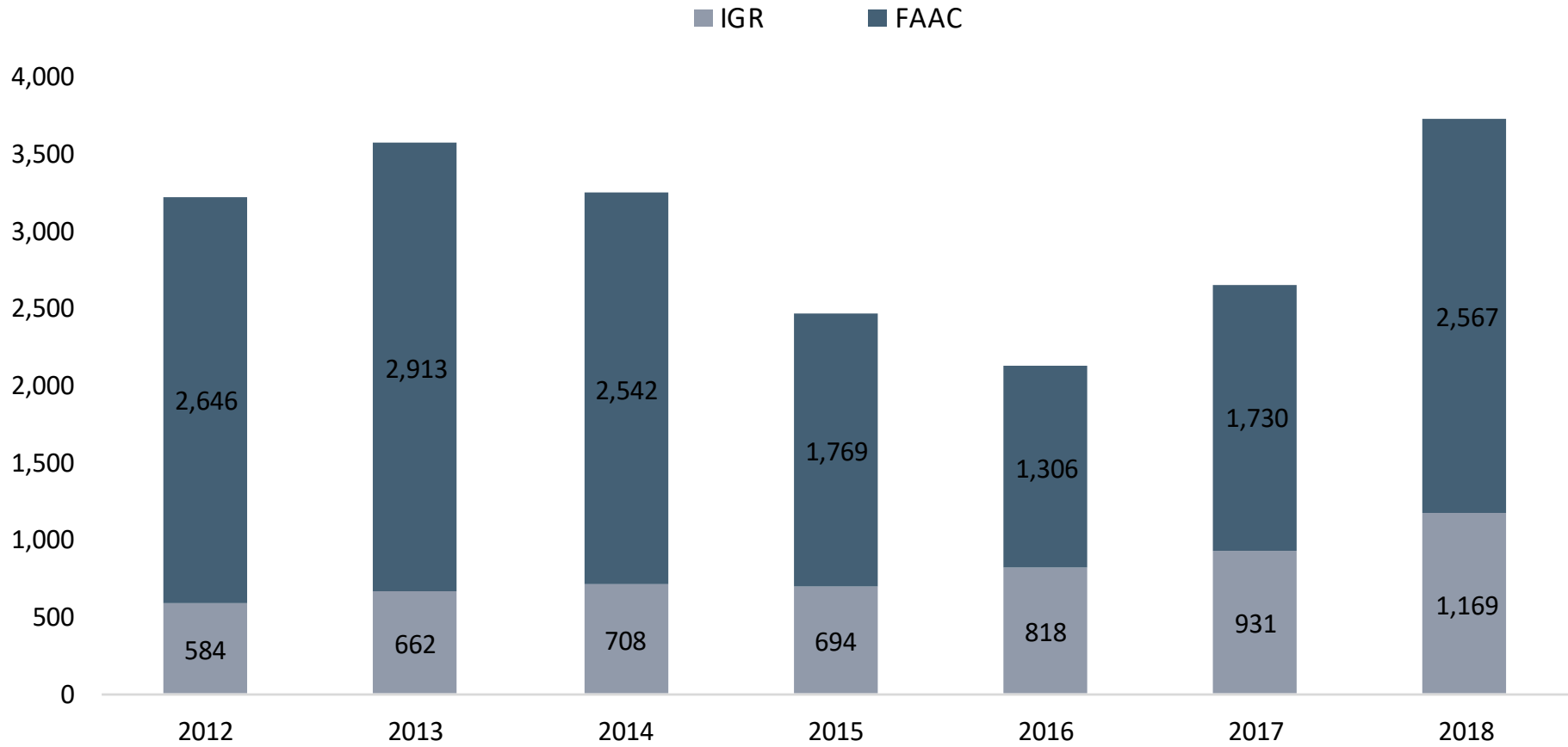
Economic and Financial Calendar for the week 6th May - 10th May 2019

	Monday	Tuesday	Wednesday	Thursday	Friday
	6-May	7-May	8-May	9-May	10-May
Global	China Caixin services PMI (Apr)	Australia Trade balance (Mar)	Japan Markit services PMI (Apr)	China Producer price index (YoY)(Apr)	China New loans (Apr)
	France Markit services PMI (Apr)	France Trade balance EUR (Mar)	China Trade balance USD (Apr)	China Consumer price index (YoY)(Apr)	UK GDP (YoY)(Q1)
	Spain Markit services PMI (Apr)	US Consumer credit change (Mar)		Japan Consumer confidence index (Apr)	UK Manufacturing production (YoY) (Mar)
				US Trade balance (Mar)	UK Industrial production (YoY) (Mar)
Domestic					US Consumer Price Index (YoY) (Apr)
					Job Creation and Labour Force Statistics: Unemployment and Underemployment (Q4 18 - Q1 19)

** means Preliminary Estimate

Trend in total revenue accrued to states—N’billion

This week, we feature the total FAAC and IGR generated by all states from 2012 to 2018.



Source: NBS, ARM Research



Thank You



ARM Securities

Research	234 (1) 2701653	research@armsecurities.com.ng
Institutional Sales & Trading	234 (1) 448 8833	trading@armsecurities.com.ng
Customer Service	234 (1) 4488282	customerservice@armsecurities.com.ng

Copyright © 2019 ARM Securities Limited (“ARM”).

All rights reserved. Unauthorised use, reproduction, distribution, or disclosure of this document is strictly prohibited.

This material has been issued by ARM Securities Limited, a member of the Asset & Resource Management (“ARM”) Group, and a Company regulated by the Nigerian Securities & Exchange Commission. The analyst(s) primarily responsible for preparing this research report, in whole or in part, certifies that with respect to each security or issuer covered; all the views expressed accurately reflect his/her personal views about the subject securities and issuers and no part of his/her compensation was, is, or will be, directly or indirectly, related to the inclusion of specific recommendations or views in the report.

This research report is based on information from sources that ARM and its analysts believe to be reliable. Neither ARM nor any of its research analysts, nor any member of the ARM Group, gives any representation or warranty, express or implied, or undertaking of any kind or assumes responsibility or liability of any kind with respect to the accuracy or completeness of the information set out in this report or any third party’s use (or the results of such use) of such information. This report is provided solely for informational purposes and is not to be construed as providing advice, recommendations, or endorsements of any kind whatsoever. The investments and strategies discussed here may not be suitable for all investors; counsel of investment advisor should be obtained with regards to such investments and or strategies. This research report is not a replacement for advice from an accountant, lawyer, personal finance advisor or other category of investment advisor. The investments discussed in this report may oscillate in price or value. Opinions and information provided are made as of the date of the report issue and are subject to change without notice. This research report is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Reference herein to any specific security or financial instrument does not necessarily constitute or imply its endorsement or recommendation by ARM, its directors, officers, employees, or designated agents. Members of ARM may act as broker, advisor, or lender, or make a market in any investments or issuers referenced in this report. Further information on any of the securities discussed herein may be obtained upon request to ARM. By accepting this document, you agree to be bound by the foregoing limitations.