

Week 22, TD2

Wednesday, 2nd June 2010

Equity Markets – Highlights: Key market indices closed down to reverse the three-day uptrend in today's trading. The NSE market capitalisation and All-share Index declined 0.14% each. The volume and value of traded stocks also declined 10.01% and 10.72% respectively. Top trades were less concentrated on financials as investors intensified diversification of their portfolio. Financial stocks accounted for only 63.83% to volume (56.02% of value) of stocks traded. Activities on the stocks of Engineering and Maritime sectors were also considerable at 14.6% and 4.9% of volume traded. Equities of 138 companies were traded today, of which the price of 31 stocks appreciated whilst 43 stocks declined. Whilst lower prices provide new opportunities, investors should be cautious because of unstable fiscal outlook which depresses the market in the short run. Investors are advised to diversify their portfolio to mitigate concentration risk.

Sentiments in global equities markets were mixed today due to speculation that the Euro zone fiscal crisis and the rein on China's property market may slow economic growth in the second quarter. In US, stocks across major markets rebounded from prior day's selloff on expectation of report showing sales rose and unemployment improved in prior month. The Dow Jones, S & P 500 and NASDAQ gained 0.71%, 0.81% and 0.85% respectively at early trading. In Europe, stocks slipped as sentiment remained depressed. The UK's FTSE100, Germany's Dax and France's CAC lost 1.02%, 0.93% and 1.24% respectively. In Asia markets, stocks extended losses on the back of political developments in Japan and report revealing manufacturing activities slowed. The Japan's Nikkei 225, Hong Kong's Hang Seng and South Korea's KOSPI edged down 1.12%, 0.13% and 0.66% respectively whilst only China's Shanghai rose 0.12%. Though we expect investors to shift focus from the Europe debt crisis to other market drivers to lift global markets, the hangover of the debt crisis may subdue the markets in the near term.

Money Markets – Highlights. Direction of rates at the inter-bank market was mixed today. Rates on Call and 90-day tenors inched up 2.10% and 2.34% whilst the rate on 7-day, 30-day and 60-day dipped 19.58%, 3.03% and 1.96% respectively. We expect money market rates to stabilise in the course of the week as the effect of the April statutory allocation wanes.

Equities (NSE) – Market Snapshot

Indicator	Wed 2 Jun	Tues 1 Jun	Change	%
No. of Deals	7,294	6,595	699	10.60
Vol. Traded	349.34mn	388.22mn	(38.88)mn	(10.01)
Total Value	₦2.19bn	₦2.46bn	₦(263.33)mn	(10.72)
Mkt. Cap	₦6.37tr	₦6.38tr	₦(8.96)bn	(0.14)
All-Share Index	26,195.74	26,232.57	(36.83)	(0.14)

Company Results Released

Company	Period	N' bn		N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
TN Express	Q4'09	0.53	0.05	0.48	0.05	5
Alum Extrusion	Q4'09	1.51	0.08	1.31	0.07	-

The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (₦)	CP (₦)	%	Company	OP (₦)	CP (₦)	%
Law Union	0.60	0.63	5.0	NSL Tech	3.40	3.23	5.0
Mobil	158.44	166.36	5.0	Berger Paints	7.00	6.65	5.0
CAP	27.04	28.39	5.0	Longman	8.41	7.99	5.0
MayBaker	6.01	6.31	5.0	Presco	6.50	6.18	4.9
Chevron	76.93	80.77	5.0	Nampak	5.71	5.43	4.9

Money Market Trend

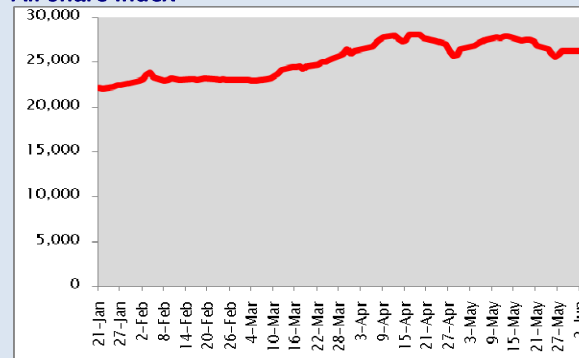
Tenor	Wed 2/06	Tue 1/06	Fri 28/05	Thur 27/05	Wed 26/05
Overnight	1.2167	1.1917	1.2750	1.2500	1.6750
7 Day	1.8833	2.3417	2.5000	2.5500	2.4167
30 Day	5.3333	5.5000	5.4167	5.5167	5.3750
60 Day	6.2500	6.3750	6.5000	6.2000	6.7500
90 Day	7.2917	7.1250	7.2917	7.2500	7.7917

FBN Heritage Fund @ 28 May '10

Bid Price	Offer Price
₦93.15	₦90.29

OP/CP = Opening Price /Closing Price

All share Index



NIBOR Trend

