

Week 22, TD3

Thursday, 3rd June 2010

Equity Markets – Highlights: Bearish sentiments persisted at the equity market today. The NSE market capitalisation and All-share Index declined 0.98% each as selling pressure intensified. The volume and value of traded stocks however rose 58.22% and 69.58% respectively. Trading pattern remained the same as top trades were a mix of stocks due to sustained diversification of portfolio. Buoyed by Skye Bank, financials accounted for only 59.30% of volume (59.14% of value) of stocks traded. Trading on Hotels & Tourism and Engineering sectors were also significant at 18.62% and 11.21% of volume traded. In order to insulate prices from unintended volatility, investors were observed to have resorted to cross deals in the exchange of large volume of shares. Equities of 148 companies were traded today, of which the price of 29 stocks appreciated whilst 42 stocks declined. We expect the trend to continue through the week as investors restrict demand in anticipation of further price slide.

Demand for risk assets picked up across major global equities markets today as investors take advantage of beaten down stock prices. In US, new reports showing recovery is broad and generating more jobs boosted sentiments. The Dow Jones, S & P 500 and NASDAQ gained 1.66%, 0.32% and 0.79% respectively at early trading. In Europe, market sentiment was positive. The UK's FTSE100, Germany's Dax and France's CAC gained 1.16%, 1.23% and 1.59% respectively as investors took a breather from the lingering debt crisis in parts of Europe to swoop on bargain stocks. Asia markets were upbeat with the Japan's Nikkei 225, Hong Kong's Hang Seng and South Korea's KOSPI rising 3.24%, 1.62% and 1.93% respectively whilst only China's Shanghai declined 0.73%. We expect global equities to be unstable in the near term as investors intermittently shift focus from the lingering Europe debt crisis in favour of other market drivers.

Money Markets – Highlights. Direction of rates at the inter-bank market was mixed today. Rates on Call, 7-day and 90-day tenors edged down 3.43%, 10.62% and 1.14% whilst the rate on 30-day and 60-day inched up 1.56% and 1.33% respectively. We expect money market rates to sustain the trend as market adjusts to liquidity imbalance in the short end of the market.

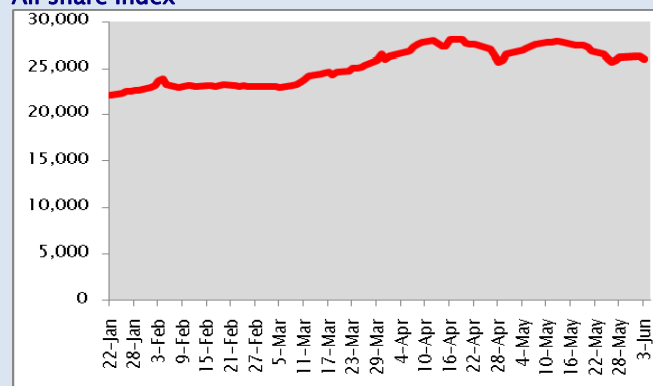
Equities (NSE) – Market Snapshot

Indicator	Thurs. 3 Jun	Wed 2 Jun	Change	%
No. of Deals	7,065	7,294	(229)	(3.14)
Vol. Traded	552.7mn	349.34mn	203.39mn	58.22
Total Value	₦3.72bn	₦2.19bn	₦1.53bn	68.58
Mkt. Cap	₦6.31tr	₦6.37tr	₦(62.40)bn	(0.98)
All-Share Index	25,939.19	26,195.74	(256.55)	(0.98)

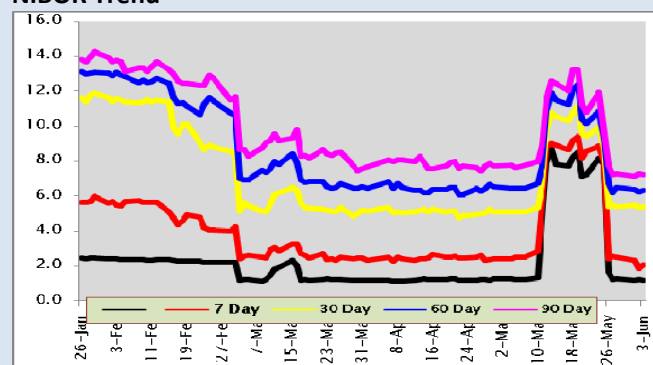
Company Results Released

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

All share Index



NIBOR Trend



The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (N)	CP (N)	%	Company	OP (N)	CP (N)	%
Beco Petrol	1.20	1.26	5.0	Nig Brew.	63.80	60.61	5.0
Continental Re	1.20	1.26	5.0	Redstar Ex	4.00	3.80	5.0
GLAXOSMITH	27.00	28.35	5.0	Univ. Press	7.00	6.65	5.0
CAP	28.39	29.90	5.0	VitaFoam	6.42	6.10	5.0
Eterna Oil	8.09	8.49	5.0	CCNN	21.50	20.43	5.0

Money Market Trend

Tenor	Thurs 3/06	Wed 2/06	Tue 1/06	Fri 28/05	Thur 27/05
Overnight	1.1750	1.2167	1.1917	1.2750	1.2500
7 Day	2.0833	1.8833	2.3417	2.5000	2.5500
30 Day	5.4167	5.3333	5.5000	5.4167	5.5167
60 Day	6.3333	6.2500	6.3750	6.5000	6.2000
90 Day	7.2083	7.2917	7.1250	7.2917	7.2500

FBN Heritage Fund @ 2 June '10

Bid Price	Offer Price
₦93.26	₦90.38

OP/CP = Opening Price /Closing Price