

Week 49, TD2

 Tuesday, 07th Dec 2010

Equity Markets – Highlights: Market breadth was negative as more than two stocks edged lower for every stock that gained. Consequently, the NSE Market Capitalisation and All-share Index both declined 0.59%. The number of deals, volume and value of stocks traded also contracted 1.50%, 16.19% and 0.48% respectively as bearish sentiments underlined trading activities. Trading was concentrated on financials; contributing 84% to the volume of traded stocks. The stocks of 125 companies were traded, of which 19 stocks advanced whilst 41 stocks declined. Though the sustained downtrend would dent the fragile investor confidence, the market may retrace to the 25,000 range in the near term and stocks that have suffered the most are expected to fuel the rebound. Investors may ride on the falling prices to position in stocks with good fundamentals.

Global equities markets rebounded from previous day's losses. The plan extension of tax cut in the US to further stimulate the economy offset the ongoing confidence-dampening Euro debt crisis. Reassurances from EU finance ministers' that Spain and Portugal could contain their respective budget deficits and that add-on to bailout funds was unnecessary were positive boosters for the market. In the US, the Dow Jones, S & P and NASDAQ notched up 0.45%, 0.52% and 0.64% respectively in early trade. European markets also finished up with the FTSE 100, Germany's Dax 30 and France's CAC 40 rising 0.66%, 0.68% and 1.63% respectively. The re-scheduling of European bank stress test for February 2011 impacted sentiments. In Asia, market benchmarks inched up as the Hong Kong's Hang Seng, South Korea's KOSPI and China's Shanghai rose 0.82%, 0.45% and 0.65% respectively whilst Japan's Nikkei fell 0.26% as currency gains pulled stocks down. Though, we expect the underlying market sentiments to remain bullish through the week. The overhang of China's policy tightening and Europe debt issues would caution investors and mute sustained rally.

Inter-Bank Market-Highlights: At the inter-bank market rates on short-dated funds rose whilst the cost of longer time funds declined. The rate on Call and 7-day obligations rose 0.67% and 1.28% each whilst NIBOR on 30-day, 60-day and 90-day tenured-funds edged down 0.60%, 1.73% and 1.40% respectively. We expect further increases in the Inter-bank rates through the week.

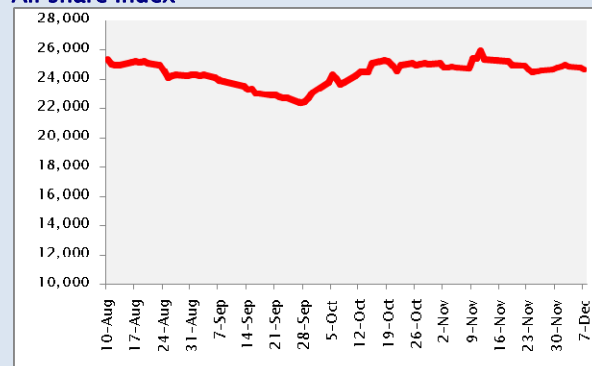
Equities (NSE) – Market Snapshot					Company Results Released						
Indicator	Tue 07/12	Mon 06/12	Change	%	Company	Period	Current N' bn		Previous N' bn		Div (k) Bonus
No of Deals	6,119	6,212	(93)	(1.50)			T'over	PAT	T'over	PAT	
Vol. Traded	259.14mn	309.21mn	(50.06)mn	(16.19)	Unic Insurance	Q4'09	2.70	(0.55)	2.74	0.13	-
Total Value	₦2.39bn	₦2.40bn	₦(11.61)mn	(0.48)							
Mkt. Cap	₦7.87tr	₦7.92tr	₦(47.08)bn	(0.59)							
All-Share Index	24,638.17	24,785.56	(147.39)	(0.59)							

GAINERS				LOSERS			
Company	OP (₦)	CP (₦)	%	Company	OP (₦)	CP (₦)	%
Nig Bottling	30.00	31.50	5.0	Berger Paints	9.00	8.55	5.0
NNFM	39.98	41.97	5.0	Cutix	2.20	2.09	5.0
Union Bank	4.45	4.67	4.9	Vitafoam	6.20	5.89	5.0
Ikeja Hotels	1.50	1.57	4.7	Nascon	6.10	5.80	4.9
Vono Product	1.52	1.59	4.6	Airline Service	1.65	1.57	4.9

Money Market Trend					
Tenor	Tue 07/12	Mon 06/12	Fri 03/12	Thur 02/12	Wed 01/12
Call	12.5417	12.4583	10.7500	9.0000	8.0417
7 Day	13.1667	13.0000	11.5000	9.6667	8.6667
30 Day	13.7500	13.8333	12.7500	11.4167	10.9583
60 Day	14.1667	14.4167	13.5833	12.4167	11.9167
90 Day	14.6250	14.8333	14.1667	13.0000	12.6667

FBN Heritage Fund @ 02 Dec '10	
Bid Price	Offer Price
₦90.00	₦90.69

OP/CP = Opening Price /Closing Price

All share Index

Nibor Trend
