

Week 19, TD4

Thursday, 13th May, 2010

Equity Markets – Highlights: In spite of negative market breadth, the NSE market capitalisation and All-share Index gained 0.16% each today. The gain was on the back of appreciation in the price of high cap stocks. The number of deals, volume and value of stocks traded declined 25.22%, 58.22% and 46.45% respectively. Trading was less concentrated on a sector as financials contributed only 63% of volume (41% of value) of stocks traded whilst ICT, Maritime and Food/Beverages sectors accounted for 9%, 5.15% and 4.97% of volume traded today respectively. The stocks of 132 companies were traded; of which the price of 31 stocks appreciated, whilst 47 stocks declined. We expect market to be stable in the near term as investors monitor interest rate movement in the interbank market. Despite leaving interest rate anchor unchanged, NIBOR had increased by over 5,000 basis points in the last three days. Though still in the early stages, investors' may consider the rate hike as indicative of imminent upward adjustment of interest rate soon. Low interest rates had contributed to the rebound of equity this year and an increase in interest rate may deflate bullish sentiment in the equity market.

Global equities markets were upbeat today. The adoption of tight fiscal measures by heavily indebted European countries reassured investors that the spread of Greece debt crisis may be effectively curtailed and allow attention to be shifted to other market drivers. In US, poor earnings guidance and investigation of banks' malpractices in mortgage deals overshadowed the improvements reported in labour market as the Dow Jones, S & P 500 and NASDAQ fell 0.17%, 0.36% and 0.32% respectively. However, European markets finished up with the UK's FTSE100, Germany's Dax and France's CAC gaining 0.88%, 1.23% and 0.06% respectively. Asian markets also closed up as the Japan's Nikkei 225, Hong Kong's Hang Seng, South Korea's KOSPI and China's Shanghai rose 2.18%, 2.01%, 1.90% and 2.06% respectively. We expect global equities to be volatile in the near term as uncertainty over economic growth in Europe and the possible implication for world growth would remain a key driver of market sentiment.

Money Markets – Highlights. Liquidity tightened at the interbank market today following increased demand for funds. Rates on Call, 7-day, 30-day, 60-day and 90-day obligations rose 9.47%, 1.89%, 10.26%, 9.58% and 9.42% respectively. The trend may be extended to coming weeks unless short term liquidity imbalance is restored.

Equities (NSE) – Market Snapshot

Indicator	Thur. 13 May	Wed. 12 May	Change	%
No. of Deals	7,666	10,251	(2,585)	(25.22)
Vol. Traded	301.19mn	720.9mn	(419.70)mn	(58.22)
Total Value	₦2.44bn	₦4.55bn	₦(2.11)bn	(46.45)
Mkt. Cap	₦6.77trn	₦6.76trn	₦10.62bn	0.16
All-Share Index	27,859.99	27,816.29	43.70	0.16

Company Results Released

Company	Period	N' bn		N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
Guinness	Q3'10	80.58	9.05	64.25	11.03	-
Grief	Q4'09	0.82	0.02	0.64	0.002	-

The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (N)	CP (N)	%	Company	OP (N)	CP (N)	%
Total	215.00	225.75	5.0	Berger Paints	9.00	8.55	5.0
Cadbury	31.61	33.19	5.0	Skye Bank	9.00	8.55	5.0
UACN	55.70	58.48	5.0	DN Meyer	5.80	5.51	5.0
Glaxo	25.32	26.58	5.0	Ikeja Hotel	2.20	2.09	5.0
UAC Prop	26.15	27.45	5.0	Enameware	45.32	43.06	5.0

Money Market Trend

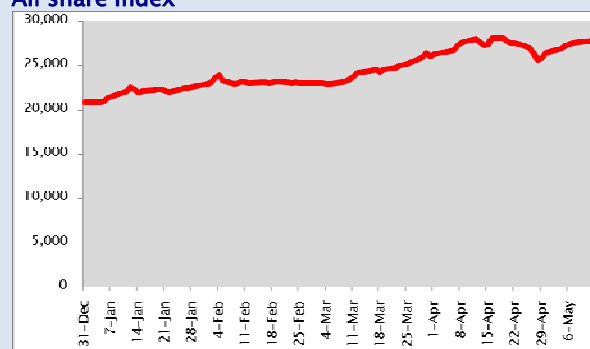
Tenor	Thurs 13/05	Wed. 12/05	Tue 11/05	Mon. 10/05	Fri. 07/05
Overnight	8.6667	7.9167	4.7083	1.3167	1.2167
7 Day	9.0000	8.8333	5.5417	2.8750	2.5417
30 Day	10.7500	9.7500	6.6700	5.3333	5.0833
60 Day	11.9167	10.8750	7.7083	6.7500	6.4583
90 Day	12.5833	11.5000	8.9167	7.9583	7.7917

FBN Heritage Fund @ 12 May '10

Bid Price	Offer Price
₦91.75	₦94.61

OP/CP = Opening Price /Closing Price

All share Index



NIBOR Trend

