

Week 50, TD3

Wednesday, 15th Dec 2010

Equity Markets – Highlights: Despite negative market breadth, the NSE Market Capitalisation and All-share Index both rose 0.84% to extend gains in the equity markets. The uptrend was fuelled by gains in highly capitalised stocks as declining stocks still outnumber advancing stocks. The confirmation that AMCON plan to conclude the purchase of banks' toxic assets in December is on track also bolstered sentiments. The number of deals, volume and value of traded stocks contracted 37.90%, 35.83% and 15.61% respectively. Trade was concentrated in financials and accounted for 87.3% of the traded market volume. The stocks of 127 companies were traded, of which 25 stocks advanced whilst 28 stocks declined. The uptrend may not be prolonged due to underlying weak demand. We expect a cautious market reaction to the 2011 budget proposal due to the established history of significant alteration to budget proposals at the Nigerian legislature.

Global equities markets were mixed in today trading. In the US, stocks rose as upbeat economic data revealed growth is gaining momentum without generating inflation. Federal Reserve resolves to maintain emergency economic support measures also impacted the market. The Dow Jones, S & P and NASDAQ rose 0.31%, 0.01% and 0.27% respectively in early trade. European markets closed down as the cut in Belgium debt outlook by S & P and the scheduled downgrade of Spain's credit rating by Moody rekindled worries about euro zone fiscal challenges. Germany's opposition to broadening bailout funds also weigh on the market. The FTSE 100, Germany Dax 30 and France's CAC 40 dropped 0.15%, 0.16% and 0.58% respectively. In Asia, the fall in Japan's business confidence and the renewed euro zone risk depressed market. The Japan's Nikkei, Hong Kong's Hang Seng and China's Shanghai lost 0.07%, 1.95% and 0.54% respectively. South Korea's KOSPI rose 0.42%. We expect global equities to be volatile due to the uneven pace of improvements in economic fundamentals.

Inter-Bank Market-Highlights: The sale of government bond and funding of the currency market trades exerted upward pressure on rates today. The rate on Call, 7-day, 30-day, 60-day and 90-day obligations rose 0.92%, 3.13%, 4.70%, 5.47% and 6.59% respectively. We expect NIBOR to stabilise in the course of the week.

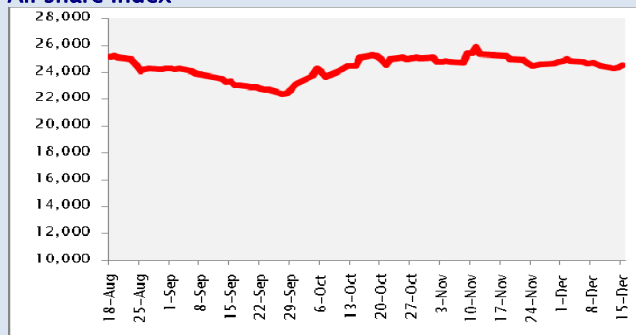
Equities (NSE) – Market Snapshot

Indicator	Wed 15/12	Tue 14/12	Change	%
No of Deals	3,644	5,868	(2,224)	(37.90)
Vol. Traded	204.44mn	318.57mn	(114.13)mn	(35.83)
Total Value	₦1.81bn	₦2.15bn	₦(335.27)mn	(15.61)
Mkt. Cap	₦7.83tr	₦7.77tr	₦65.24bn	0.84
All-Share Index	24,511.04	24,306.83	204.21	0.84

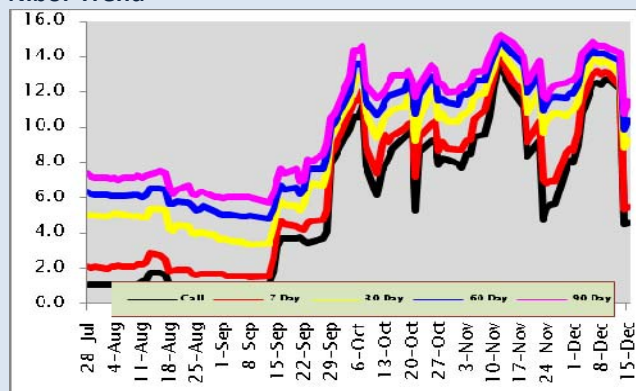
Company Results Released

Company	Period	Current N' bn		Previous N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	

All share Index



Nibor Trend



The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (₦)	CP (₦)	%	Company	OP (₦)	CP (₦)	%
Vono Product	2.00	2.10	5.0	Bank PHB	1.80	1.71	5.0
Nig Bottling	31.53	33.10	5.0	Chevron	73.74	70.06	5.0
Wapco	39.00	40.94	5.0	NNFM	41.97	39.88	5.0
Dang Sugar	15.85	16.59	4.7	DN Meyer	3.88	3.69	4.9
Ikeja Hotel	1.51	1.58	4.6	NSL Tech	2.07	1.97	4.8

Money Market Trend

Tenor	Wed 15/12	Tue 14/12	Mon 13/12	Fri 10/12	Thurs 09/12
Call	4.5833	4.5417	12.1250	12.7083	12.7083
7 Day	5.5000	5.3333	12.1667	13.0417	13.1250
30 Day	9.2917	8.8750	13.0000	13.6667	13.7500
60 Day	10.4150	9.8750	13.7500	14.0417	14.2083
90 Day	11.4583	10.7500	14.2500	14.4583	14.5833

FBN Heritage Fund @ 14 Dec '10

Bid Price	Offer Price
₦88.91	₦89.57