

Week 50, TD4

Thursday, 16<sup>th</sup> Dec 2010

**Equity Markets – Highlights:** The domestic bourse was bearish today as the initiatives enumerated by government to improve fiscal condition failed to impress the market. The government had announced a cut of about 18% in aggregate spending relative 2010 budget and a deficit of 3.62% of GDP for the 2011 fiscal year (down from the estimated 6.1% of GDP in 2010). However, the market expects significant alteration of the budget at the legislature in line with past experiences. Political pressure may also compel a deviation from the budget intent. Hence, the Market Capitalisation and NSE All Share Index both shed 0.29% each. Profit taking and end of year activities also contributed to the downtrend. The number of deals, volume and value of traded stocks however increased 78.24%, 24.01% and 67.02% respectively. Financial stocks were the actively stocks with 78% of volume traded whilst Food/Beverages contributed 11%. The stocks of 119 companies were traded, of which 34 stocks advanced whilst 28 stocks declined. We expect stock prices to remain weak in the immediate term. The weak fiscal outlook and heightened political risk are risk factors that will subdue market sentiment.

Global stock prices dipped today on concerns about the fragile state of the world's economy. In the US, stocks' prices gained as official figures showed that unemployment claims fell in the past month. The Dow Jones, S & P and NASDAQ rose 0.44%, 0.62% and 0.76% respectively in early trade. In Europe, uncertainty and disagreement over how to curtail Europe's debt crisis depressed the market. The FTSE 100 closed down 0.02% whilst Germany Dax 30 and France's CAC 40 shed 0.11% and 0.21% respectively. In Asia, credit rating upgrades for China and Hong Kong by Moody further whet investors' appetite for equities. Consequently, the Hong Kong's Hang Seng, South Korea's Kospi and China's Shanghai lost 1.33%, 0.41% and 0.46% respectively while the Japan's Nikkei gained 0.01%. We expect global equities to be volatile due to renewed concerns over Europe's debt crisis and the economic policy direction in Asia especially China.

**Inter-Bank Market-Highlights:** Outflows from the inter-bank market helped to lift short-tenored rates today. The rate on Call, 7-day, 30-day, 60-day and 90-day obligations rose 5.45%, 10.61%, 3.14%, 1.22% and 2.55% respectively. We expect inter-bank rates to be stable through the week.

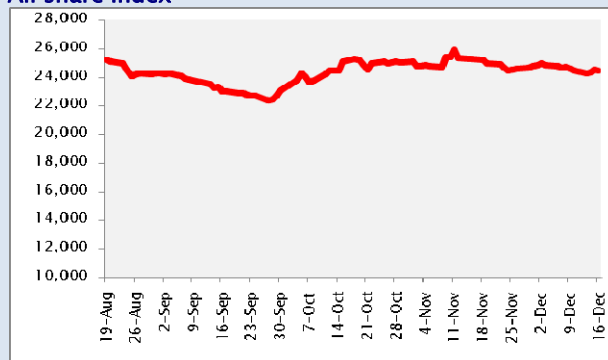
### Equities (NSE) – Market Snapshot

Indicator	Thurs 16/12	Wed 15/12	Change	%
No of Deals	6,495	3,644	2,851	24.01
Vol. Traded	253.53mn	204.44mn	49.09mn	24.01
Total Value	₦3.03bn	₦1.81bn	₦1.21bn	67.02
Mkt. Cap	₦7.81tr	₦7.83tr	₦(23.08)bn	(0.29)
All-Share Index	24,438.78	24,511.04	(72.26)	(0.29)

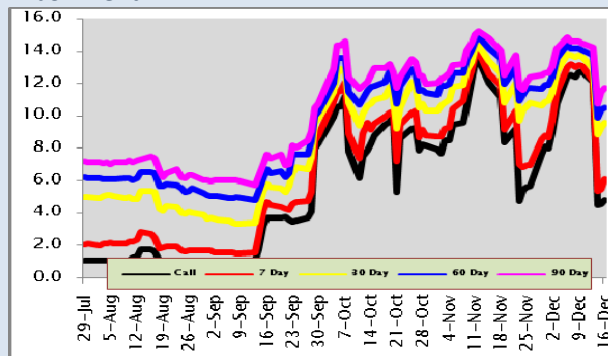
### Company Results Released

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 (₦)	%
Nig. Bottling	33.10	34.75	5.0	Chevron	70.06	66.56	5.0
Ashaka Cem	24.50	25.72	5.0	Okomu Oil	13.90	13.21	5.0
Unilever	23.10	24.25	5.0	BOC Gases	9.68	9.20	5.0
UACN	36.16	37.96	5.0	Int'l Brew.	5.69	5.41	4.9
NAHCO	9.15	9.60	4.9	Cont'l Re	1.05	1.00	4.8

### Money Market Trend

Tenor	Thurs 16/12	Wed 15/12	Tue 14/12	Mon 13/12	Fri 10/12
Call	4.8333	4.5833	4.5417	12.1250	12.7083
7 Day	6.0833	5.5000	5.3333	12.1667	13.0417
30 Day	9.5833	9.2917	8.8750	13.0000	13.6667
60 Day	10.5417	10.4150	9.8750	13.7500	14.0417
90 Day	11.7500	11.4583	10.7500	14.2500	14.4583

### FBN Heritage Fund @ 15 Dec '10

Bid Price	Offer Price
₦89.17	₦89.84

### OP/CP – Opening Price /Closing Price