

Week 43, TD2

 Tuesday, 20th Oct. 2009

Equity Markets – Highlights: The equity markets build on previous day's gain as the NSE market capitalisation and All-share Index rose 2.55% and 1.25% respectively. The number of deals, volume and value of stocks traded increased 16.86%, 107.03% and 181.83% respectively. A significant portion of the traded volume were executed through cross deals as investors took advantage of the low prices to cherry pick stocks with solid fundamentals before they are priced out of budget. Led by FCMB, financials dominated trading activity and accounted for 88.77% of volume (78.11% of value) of traded shares. Equities of 132 companies were traded, of which 28 stocks gained while 42 stocks declined. The uptrend may be short lived as worries on the scale of negative shocks from banks earnings results make the market vulnerable to profit taking activities. We advise investors to remain cautious in their investment decisions.

Equities markets in the US and Europe traded with broad based weakness today as investors evaluate the quality of quarterly earnings being released. Stocks had surged on upbeat earnings data but investors became cautious after market indices achieved new recovery highs. Investors feared that the uptrend might be a false breakout and outpaced real economic reality. In the US, weak housing and low quality earnings reports triggered selling pressure and pushed down the three key market indicators – the Dow Jones, S & P 500 and NASDAQ) by 0.77%, 0.80% and 0.71% respectively. In the Euro zone, market sentiment was negative as the FTSE 100, Germany's Dax and France's CAC fell 0.72%, 0.70% and 0.54% respectively following sell offs in Barclays bank. In Asia, subsisting optimism over corporate earnings and China's positive economic outlook bolstered investors' confidence to assume more risk. The Japan's Nikkei, Hong Kong's Hang Seng, South Korea's Kospi and China's Shanghai gained 0.98%, 0.83%, 0.61% and 1.52% respectively. With earnings releases in full swing, we expect increased volatility in the near term. Investors should remain focused on their investment strategies and avoid being caught in emotional web.

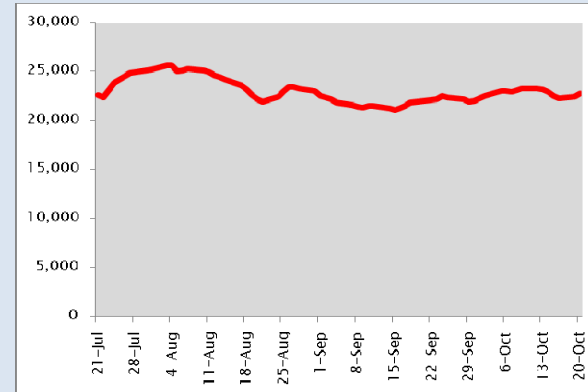
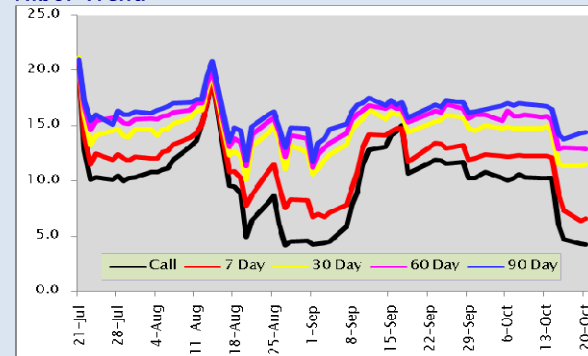
Money Markets – Highlights: The influence of the huge liquidity injection to the system waned today as rates inched up. Indications that the liquidity surge may be short dated emerged with the simultaneous sale of treasury bills and increased supply of foreign exchange in the currency market. NIBOR rates on 7-day, 30-day and 90-day obligations edged up 3.25%, 1.47% and 0.58% respectively. The rates on Call and 60 day obligations closed down 1.90% and 0.65% respectively. We expect further tightening of the market during the week.

Equities (NSE) – Market Snapshot

Indicator	Tues. 20 Oct.	Mon. 19 Oct.	Change	%
No. of Deals	7,036	6,021	1,015	16.86
Vol. Traded	653.82mn	315.81mn	338.01mn	107.03
Total Value	₦5.15bn	₦1.83bn	₦3.32bn	181.83
Mkt. Cap	₦5.37trn	₦5.24trn	₦133.63bn	2.55
All-Share Index	22,758.77	22,478.48	280.29	1.25

Company Results Released

Company	Period	N' bn		N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
UBA	Q4'09	198.15	(7.29)	169.58	40.83	-

All share Index

Nibor Trend

The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (₦)	CP (₦)	%	Company	OP (₦)	CP (₦)	%
Asosavings	0.80	0.84	5.0	Red Star	2.40	2.28	5.0
African Pet.	30.45	31.97	5.0	Standard Ins	1.00	0.95	5.0
Flour Mills	23.90	25.09	5.0	Bagco	1.81	1.72	5.0
UTC	0.81	0.85	4.9	PharmaDeko	5.23	4.97	5.0
Bigtreat	1.22	1.28	4.9	Eterna Oil	11.78	11.20	4.9

Money Market –Trend table

Tenor	Tue. 20/10/09	Mon. 19/10/09	Fri. 16/10/09	Thur. 15/10/09	Wed. 14/10/09
Call	4.2917	4.3750	4.7500	6.1667	10.2500
7 Day	6.6250	6.4167	7.4167	9.0000	12.1667
30 Day	11.5000	11.3333	11.3333	11.5833	14.5000
60 Day	12.8333	12.9167	13.0000	12.8750	15.4167
90 Day	14.4167	14.3333	13.7500	14.2500	16.5000

FBN Heritage Fund @ 19 Oct.'09

Bid Price	Offer Price
₦82.18	₦84.63

OP/CP Opening Price /Closing Price