

Week 25, TD1

Monday, 21st June 2010

**Equity Markets – Highlights:** The NSE market capitalisation and All–share Index edged down 0.31% to extend losses in the market. The number of deals, volume and value of stocks traded declined 17.14%, 34.99% and 30.50% respectively. Trading was less concentrated as financials contributed only 51.4% of volume of stocks traded whilst 2<sup>nd</sup>-Tier sector stocks accounted for 26.16%. Other sectors with considerable investors’ patronage were Breweries, Healthcare and Industrial/Domestic Products. Equities of 142 companies were traded today, of which the price of 28 stocks appreciated whilst 32 stocks declined. We expect the downtrend to continue as the market sentiment remains negative. However, investors are advised to take the best opportunities provided by the downtrend by limiting investment decisions to stable stocks as opposed to staying away from the market altogether.

China’s decision to un–peg its exchange rate to the US Dollar caused a significant appreciation in global equities today. The relaxation of the 23–months old fixed exchange rate to US Dollar is expected to redistribute growth drivers and strengthen current recovery momentum. In US, investors’ welcomed the development with the Dow Jones, S & P 500 and NASDAQ rising 0.86%, 0.70% and 0.41% respectively. In Europe, stocks finished up with the UK’s FTSE100, Germany’s Dax 30 and France’s CAC 40 gaining 0.92%, 1.22% and 1.33% respectively. In Asia, investors snapped up riskier assets as the policy shift increased investors’ confidence in the prospect of global economic recovery. The Japan’s Nikkei 225, Hong Kong’s Hang Seng, South Korea’s KOSPI and China’s Shanghai inched up 2.43%, 3.08%, 1.62% and 2.90% respectively. We expect the uptrend to continue into the week.

**Money Markets –Highlights.** The movement of NIBOR was mixed at the interbank money market today. Rate of Call and 7–day tenors declined 1.42% and 3.45% each whilst the rate on 30–day, 60–day and 90–day obligations rose 5.00%, 3.50% and 6.32% respectively. In the absence of any major liquidity drainer and as the impact of the fiscal injection waned, we expect rates to stabilize in the course of the week.

**Equities (NSE) – Market Snapshot**

Indicator	Mon 21/06	Fri 18 Jun	Change	%
No. of Deals	5,245	6,330	(1,085)	(17.14)
Vol. Traded	329.04mn	506.16mn	(177.12)mn	(34.99)
Total Value	₦3.77bn	₦5.42bn	₦(1.65)bn	(30.50)
Mkt. Cap	₦6.27tr	₦6.29tr	₦(19.29)bn	(0.31)
All–Share Index	25,782.61	25,861.93	(79.32)	(0.31)

**Company Results Released**

Company	Period	N' bn		N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
Afribank	Q1'10	25.10	1.92	93.59	(0.23)	–
Evans Medical	Q3'09	2.77	(0.39)	2.84	(17.20)	–
Beco Petroleum	Q3'10	2.19	0.09	3.0	0.14	–
Spring Bank	8 Months	17.29	(24.1 6)	25.12	(10.23)	–

**The Day's Gainers & Losers**

GAINERS				LOSERS			
Company	OP (N)	CP (N)	%	Company	OP (N)	CP (N)	%
Cont'l Re	1.20	1.26	5.0	Berger Paint	6.32	6.02	4.7
NAHCO	11.00	11.55	5.0	May & Baker	6.30	6.01	4.6
Bank PHB	1.42	1.49	4.9	Japaul Oil	1.78	1.70	4.5
GT Assure	2.10	2.20	4.8	Intercont	1.56	1.49	4.5
Sterling Bnk	1.90	1.99	4.7	Union Diag	0.67	0.64	4.5

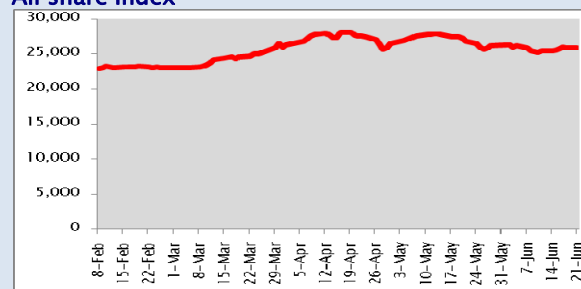
**Money Market Trend**

Tenor	Mon 21/06	Fri 18/06	Thurs 17/06	Wed 16/06	Tue 15/06
Overnight	1.1750	1.1917	3.8333	5.6667	6.5000
7 Day	2.4167	2.5000	4.4583	6.8917	7.7667
30 Day	5.0000	4.7500	5.9167	7.5000	8.4583
60 Day	5.9583	5.7500	6.7083	8.3583	9.0583
90 Day	7.2500	6.7917	7.8333	8.8667	9.5333

**FBN Heritage Fund @ 18 June '10**

Bid Price	Offer Price
₦90.07	₦92.94

OP/CP = Opening Price /Closing Price

**All share Index**

**NIBOR Trend**
