

Week 25, TD3

Wednesday, 23rd June 2010

Equity Markets – Highlights: The NSE market capitalisation and All-share Index both declined 0.78% as bearish sentiment persisted in the market. The number of deals, volume and value of stocks traded dipped 22.35%, 15.01% and 10.98% respectively. Investors interest remained skewed in favour of financials and accounted for 64.45% of volume (65.3% of value) of stocks traded. Equities of 142 companies were traded, of which the price of 26 stocks gained whilst 40 stocks declined. We expect market sentiment to remain largely weak in the near term. However, with banks – rescued banks inclusive – impressive Q1'10 earnings and the dispatch of the harmonised AMC Bill to the president for assent, we anticipate a positive turn in market direction if the improved earnings performance is sustained through Q2'10. We encourage investors to take the best advantage of the current price levels but such investment decisions should be restricted to stable stocks.

Global equities markets traded with considerable weakness today. Weak US housing data and the fading euphoria over China's flexible exchange rate were major the major drivers of the downtrend. In US, the Dow Jones, S & P 500 and NASDAQ lost 0.05%, 0.37% and 0.28% respectively as report showed home sales may have declined by about 33% in May. The disappointing housing report undermined confidence in the pace of US economic recovery. In Europe, fiscal fragility among countries in the Bloc, policy tightening and slack manufacturing activities heightened the risk of economic slowdown. Consequently, the UK's FTSE100, Germany's Dax 30 and France's CAC 40 fell 1.30%, 1.03% and 1.71% respectively. In Asia, market benchmarks closed down and erased gains made during the week. The Japan's Nikkei 225, Hong Kong's Hang Seng and China's Shanghai lost 1.87%, 0.18% and 0.73% respectively whilst South Korea's KOSPI rose 0.18% to buck the trend. Given subsisting economic issues, global equities may remain volatile until Q2 earnings season commences and reveals a sustainable growth direction and strength.

Money Markets – Highlights. NIBOR closed down today across tenors as credit creation and other liquidity drainer remained weak. Rate on Call, 7-day, 30-day, 60-day and 90-day tenors edged down respectively. We expect rates to stabilise around the current level in the course of the week.

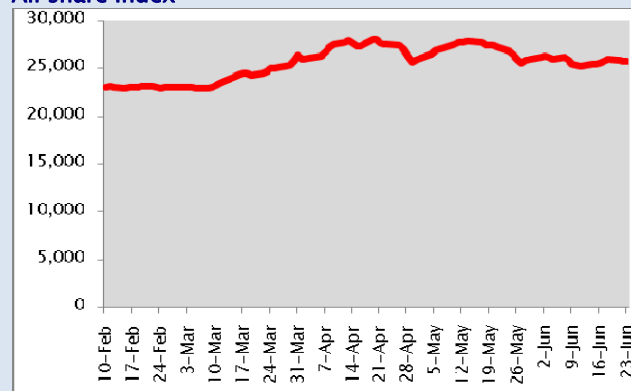
Equities (NSE) – Market Snapshot

| Indicator | Wed 23/06 | Tue 22/06 | Change | % |
|-----------------|-----------|-----------|-------------|---------|
| No. of Deals | 6,025 | 7,759 | (1,734) | (22.35) |
| Vol. Traded | 314.36mn | 369.90mn | (55.54)mn | (15.01) |
| Total Value | ₦2.38bn | ₦2.68bn | ₦(293.75)bn | (10.98) |
| Mkt. Cap | ₦6.21tr | ₦6.26tr | ₦(48.92)bn | (0.78) |
| All-Share Index | 25,554.35 | 25,755.46 | (201.11) | (0.78) |

Company Results Released

| Company | Period | ₦' bn | | ₦' bn | | Div (k) Bonus |
|--------------|--------|--------|------|--------|------|---------------|
| | | T'over | PAT | T'over | PAT | |
| Goldlink Ins | Q4'09 | 3.23 | 0.09 | 2.81 | 0.55 | 2 |

All share Index



The Day's Gainers & Losers

| GAINERS | | | | LOSERS | | | |
|--------------|--------|--------|-----|-----------|--------|--------|-----|
| Company | OP (₦) | CP (₦) | % | Company | OP (₦) | CP (₦) | % |
| Starcomm | 2.21 | 2.32 | 5.0 | Ecobank | 5.00 | 4.75 | 5.0 |
| Union Diag | 0.61 | 0.64 | 4.9 | Longman | 7.23 | 6.87 | 5.0 |
| Eterna Oil | 7.13 | 7.48 | 4.9 | PZ | 31.49 | 30.00 | 4.7 |
| Big treat | 0.63 | 0.66 | 4.8 | Costain | 7.60 | 7.25 | 4.6 |
| Ikeja Hotels | 1.82 | 1.90 | 4.4 | Cont'l Re | 1.31 | 1.25 | 4.6 |

Money Market Trend

| Tenor | Wed 23/06 | Tue 22/06 | Mon 21/06 | Fri 18/06 | Thurs 17/06 |
|-----------|-----------|-----------|-----------|-----------|-------------|
| Overnight | 1.1500 | 1.1750 | 1.1750 | 1.1917 | 3.8333 |
| 7 Day | 2.5000 | 2.6250 | 2.4167 | 2.5000 | 4.4583 |
| 30 Day | 4.8000 | 4.9167 | 5.0000 | 4.7500 | 5.9167 |
| 60 Day | 5.8333 | 5.8750 | 5.9583 | 5.7500 | 6.7083 |
| 90 Day | 7.1667 | 7.5833 | 7.2500 | 6.7917 | 7.8333 |

FBN Heritage Fund @ 22 June '10

| Bid Price | Offer Price |
|-----------|-------------|
| ₦89.76 | ₦92.61 |

OP/CP = Opening Price /Closing Price

NIBOR Trend

