

Week 21, TD2

Tuesday, 25<sup>th</sup> May, 2010

**Equity Markets – Highlights:** Key market indices closed down today as bearish sentiments dominated trading activities. The NSE market capitalisation and All-share Index both declined 1.87% each. The volume and value of stocks traded notched up 28.05% and 70.98% respectively. Price slide was broad based as for every stock that gained, the price of three stocks declined. Financials dominated the top trades and accounted for 70.96% to volume (45.06% of value) of stocks traded. The equities of Breweries, Healthcare, ICT and Food/Beverages sectors received considerable patronage as discerning investors continued to diversify their portfolio. Equities of 144 companies were traded today, of which the price of 18 stocks appreciated whilst 56 stocks declined. The outlook for the equities market is uncertain as macroeconomic instability is imminent due to revenue constraints and rapid depletion of external reserves amid slim prospects of further accumulation. However, as the All-share index tends to 25,000 support level, the market should stabilise. Investors should therefore be cautious in asset selection for their portfolio.

Equities in major markets closed down today due to political tension in the Korea peninsula. The renewed concern over health of Spain's banks combined with the lingering sovereign debt problems also unnerved investors. In US, despite rising consumer confidence in May as pessimism about recovery waned, the Dow Jones, S & P 500 and NASDAQ declined 1.97%, 2.00% and 2.17% respectively. European stocks dipped on the proposed extension of partial ban on naked short selling to all German stocks and a select euro-currency derivative. The UK's FTSE100, Germany's Dax and France's CAC fell 2.54%, 2.34% and 2.90% respectively. Asian markets finished lower as the Japan's Nikkei 225, Hong Kong's Hang Seng, South Korea's KOSPI and China's Shanghai dipped 3.06%, 3.47%, 2.75% and 1.90% respectively. Whilst outlook on global equities remain volatile, we expect sliding stock prices to rekindle bargain hunters' interest in risk assets and reverse the downtrend in the course of the week.

**Money Markets – Highlights.** NIBOR inched lower across tenors following fiscal injection of N749 billion into the system. The amount represents April allocation and the accumulated revenue shortfalls in the first quarter. Rates on Call, 7-day, 30-day, 60-day and 90-day obligations edged down 4.08%, 9.60%, 12.08%, 14.49% and 19.26% respectively. We expect rates to maintain a downward trend through the week on influence of monthly statutory allocation to the three tiers of government.

### Equities (NSE) – Market Snapshot

Indicator	Tues. 25 May	Mon. 24 May	Change	%
No. of Deals	17,002	18,533	(1,531)	(8.26)
Vol. Traded	412.99mn	322.5mn	90.46mn	28.05
Total Value	₦4.54bn	₦2.66bn	₦1.89bn	70.98
Mkt. Cap	₦6.30trn	₦6.42trn	₦(119.79)bn	(1.87)
All-Share Index	25,908.12	26,400.62	(492.50)	(1.87)

### The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (₦)	CP (₦)	%	Company	OP (₦)	CP (₦)	%
BOC Gases	10.20	10.71	5.0	Okomu Oil	15.00	14.25	5.0
CAP	24.54	25.76	5.0	Sterling Bank	2.00	1.90	5.0
Airservices	3.03	3.18	4.9	Access Bank	8.80	8.36	5.0
Intercont'l	1.83	1.92	4.9	Benue Cem.	66.01	62.71	5.0
Starcomm	2.25	2.36	4.9	Ashaka Cem	20.41	19.39	5.0

### Money Market Trend

Tenor	Tues. 25/05	Mon. 24/05	Fri. 21/05	Thurs. 20/05	Wed. 19/05
Overnight	7.8333	8.1667	7.2083	7.1250	8.5417
7 Day	8.0000	8.8500	8.5833	8.1667	9.4167
30 Day	8.7500	9.9522	9.4167	9.6250	11.2083
60 Day	9.2917	10.8667	10.1667	10.4167	12.3750
90 Day	9.6250	11.9217	10.7917	11.2500	13.2083

### FBN Heritage Fund @ 21 May '10

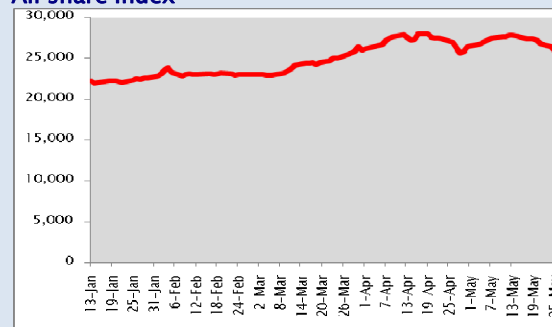
Bid Price	Offer Price
₦92.91	₦90.06

OP/CP = Opening Price /Closing Price

### Company Results Released

Company	Period	N' bn		N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
Wema Bank	Q4'09	18.99	(7.53)	16.55	(20.45)	-
UACN	Q1'10	10.91	0.73	14.03	1.17	-

### All share Index



### NIBOR Trend

