

Week 35, TD4

Thursday, 2nd Sept 2010

Equity Markets – Highlights: Key market indices close down today as liquidity issues and sustained price slide continued to heighten risk aversion and selling pressure. The NSE Market Capitalisation and All-share Index both dipped 0.18% to extend losses in the market. The number of deals, volume and value of stocks traded declined 8.83%, 15.12% and 4.09% respectively. Investors' interest remained skewed in favour of financial stocks and accounted for 76.83% of volume (64.06% of value) of traded stocks. Stocks of Food/Beverage and ICT sectors also recorded huge buying interest as investors diversify their portfolio. The stocks of 129 companies were traded, of which 22 stocks appreciated whilst 37 stocks declined. We expect market rhythm to remain down due to weak confidence and lack of liquidity to take advantage of subsisting cheap stock valuation.

Bullish sentiment reigned across global equities market as stocks drew support from upbeat economic reports. In the US, the increase in home sales and drop in unemployment claims tempered concern on the economy. The Dow Jones, S & P 500 and NASDAQ rose 0.05%, 0.39% and 0.51% respectively to extend prior day's gains. In Europe, the proposed rein on naked-short sales to prevent disorderly markets and systemic risk tempered demand for risk assets. The FTSE 100 and France's CAC 40 rose slightly by 0.09% and 0.21% respectively whilst Germany's Dax 30 finished flat. In Asia, expansion in Chinese manufacturing bolstered investors' confidence on the global economic recovery. The Japan's Nikkei, Hong Kong's Hang Seng and South Korea's KOSPI and China's Shanghai notched up 1.52%, 1.19% 0.63% and 1.25% respectively. Our outlook for global equities remains volatile because we expect investors to be cautious in the near term as it is too early for the doubt on the pace of economic recovery to be erased.

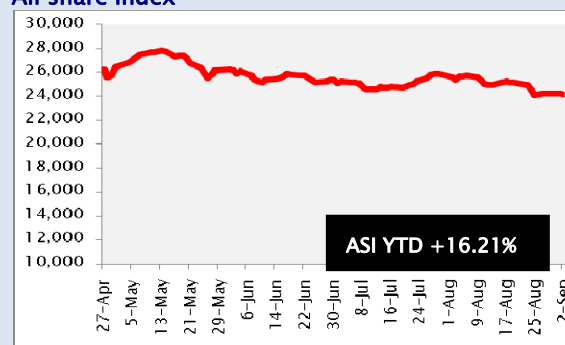
Inter-Bank Market-Highlights: NIBOR on 7-day, 30-day and 60-day obligations dipped 7.35%, 2.23% and 0.82% respectively whilst the cost of 90-day borrowings rose 0.69%. The rate on Call remained unchanged for the fifth consecutive day. We expect rates sustain the trend through the week.

Equities (NSE) – Market Snapshot

Indicator	Thur 02/09	Wed 01/09	Change	%
No of Deals	6,532	7,165	(633)	(8.83)
Vol. Traded	216.13mn	254.64mn	(38.51)mn	(15.12)
Total Value	₦2.02bn	₦2.11bn	₦(86.30)mn	(4.09)
Mkt. Cap	₦5.93tr	₦5.941trn	₦(10.75)bn	(0.18)
All-Share Index	24,203.18	24,247.05	(43.87)	(0.18)

Company Results Released

Company	Period	Current N' bn		Previous N' bn		Div (k) Bonus
		T'over	PAT	T'over	PAT	
C & I Leasing	Q4'10	8.29	0.11	6.77	0.33	-

All share Index

The Day's Gainers & Losers

GAINERS				LOSERS			
Company	OP (N)	CP (N)	%	Company	OP (N)	CP (N)	%
AshakaCem	20.00	21.00	5.0	C & I Leasing	2.80	2.66	5.0
African Pet.	28.37	29.78	5.0	Ikeja Hotels	1.20	1.14	5.0
Costain	6.24	6.55	5.0	Spring Bank	0.80	0.76	5.0
Intercont'l	1.72	1.80	4.7	Okomu Oil	12.63	12.00	5.0
First Alum.	0.89	0.93	4.5	NASCON	7.07	6.72	5.0

Money Market Trend

Tenor	Thur 02/09	Wed 01/09	Tue 31/08	Mon 30/08	Fri 27/08
Overnight	1.1000	1.1000	1.1000	1.1000	1.1083
7 Day	1.5750	1.7000	1.7083	1.7083	1.7083
30 Day	3.6583	3.7417	3.7083	3.9167	4.0333
60 Day	5.0583	5.1000	5.1667	5.2500	5.5417
90 Day	6.0417	6.0000	6.0333	6.0333	6.3750

FBN Heritage Fund @ 1 Sept '10

Bid Price	Offer Price
₦88.07	₦90.84

OP/CP = Openina Price /Closina Price

NIBOR Trend
