

## Weekly Money Bulletin 14 NOVEMBER 2008

### OUTLINE

- ❑ Key Developments
- ❑ Fixed Income & Capital Market Update
- ❑ Market Outlook for Next Week

### KEY DEVELOPMENTS

- ❖ SEC has ordered stockbrokers to refund excess fees charged between April 24 and October 31, 2007 to investors in the nation's capital market with a 2 weeks ultimatum to comply. SEC, in April 2007 had announced a reduction in secondary transactions by 40%. However, findings by SEC showed that some stockbroking firms failed to comply and overcharged investors. SEC had duly verified such excess charges between April 24 and October 31, 2007 and refunded the money to stockbroking firms for onward payment to the affected investors.
- ❖ An analysis of the performance of world Exchanges reveals that African stock Exchanges showed some level of resistance to the global financial meltdown as they occupy 4 of the top five positions for the year as at September 2008. The top four African stock Exchanges by year-to-date performances include Ghana, Tunisia, Malawi and Zambia. Nigeria, which made a negative performance of -27.77% in this period was better off than Egypt (-53.49%), Namibia (-44%) and South Africa (-36%).
- ❖ Nigeria has been named the least vulnerable economy in the world by Global Economics of Merrill Lynch. The other 9 least vulnerable economies are Mexico, Philippines, Colombia, Egypt, Oman, Indonesia, Peru, China and Russia. The risk ranking was based on seven indicators comprising – current account financing gap, foreign exchange reserves, short term external debt ratio, private credit-to-GDP ratio, private credit growth, loans to deposits and banks capital-to-assets ratio.
- ❖ The British pound has continued to fall against the dollar, hitting its lowest rate of \$1.467 since 2002 amid fears of a deep recession following comments from the Bank of England on Wednesday that the UK economy had worsened. In July 2008, the British pound was worth more than \$2.

## STANBIC IBTC WEEKLY MONEY BULLETIN

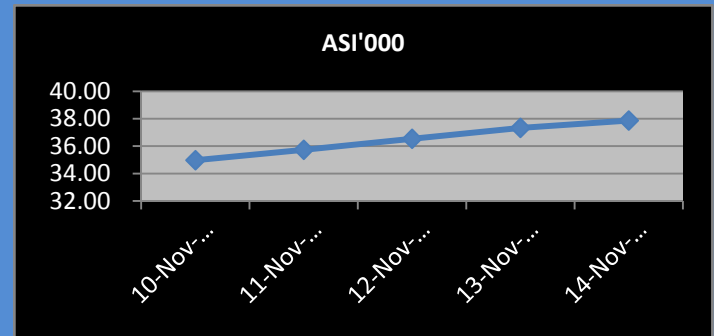
### MONEY MARKET UPDATE

- ✓ Stop rate at the 91-days Primary Auction dropped from 7.4% to 7.0% with the stop rate of the 182-day Primary Auction also dropping from 7.5% to 7.14%.
- ✓ A net outflow of ₦108.791 billion was witnessed in the FX market against ₦19.898 last week
- ✓ The OBB has remained at 9.75% for two weeks now, while the overnight rate closed at 18.25%.

### THE CAPITAL MARKET UPDATE

- ✓ The ASI maintained the bullish run throughout the week, making it a 7-trading day bullish run, gaining 10.26% in the week with the strongest gain of 2.24% witnessed on November 12 even though the gains seem to be slowing down. The ASI closed the week at 37,876.06; the total gains during the 7-day bullish run now stands at 12.21% while year-to-date performance of the ASI now stands at -34.69%.
- ✓ Zenith Bank Plc released its full year result declaring a dividend of ₦1.70. In the previous financial year, the bank had paid a dividend of ₦1 and bonus of 1 for 6. Closure date for this year's dividend is November 24 while payment will be on December 8 2008.

### ASI FOR THE WEEK ENDED NOVEMBER 14 2008



### MARKET OUTLOOK FOR THE NEW WEEK

As banks and discount houses continue to take advantage of the expanded discount window, coupled with the expectation of FAAC to hit the system, rates are expected to remain stable in the new week as we expect some bearish trend to filter into the capital market as investors take advantage of the 7-day bullish run to sell off some stocks in their portfolios.

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#### Board of Directors

A N A Peterside (Chairman). Yinka Sanni (Chief Executive Officer). Sola David-Borha. Chris Newson. Mallam Ahmed Dasuki. Okey Nwuke. Obinnia Abajue. Fajemisin Eric

**IBTC RSA FUND PRICE FOR THE WEEK ENDED  
14 NOVEMBER 2008**

Date	Current Price (₦)
14 Nov 08	1.3731

**DAILY OMO AUCTION  
FOR THE WEEK ENDED 14 NOVEMBER 2008**

Week 07	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
14 Nov 08	0.00	91	0.00	0.00
14 Nov 08	0.00	182	0.00	0.00

**KEY TO ABBREVIATIONS**

ASI	All Share Index
CBN	Central Bank of Nigeria
SEC	Securities and Exchange Commission
YTD	Year To Date
FX	Foreign Exchange
NSE	Nigerian Stock Exchange
CSCS	Central Securities Clearing System
IPP	Independent Power Plant
FG	Federal Government of Nigeria
NDIC	Nigeria Deposit Insurance Corporation
GDP	Gross Domestic Product
PFA	Pension Fund Administrator
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
PenCom	National Pension Commission
NIBOR	Nigerian Interbank Offered Rate

**FOREX DEALS FOR THE WEEK ENDED 14 NOVEMBER 2008**

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
10 Nov 08	117.74	N/A	502.00	-	502.00
12 Nov 08	117.74	N/A	422.00	-	422.00
<b>Total</b>	<b>235.48</b>	<b>N/A</b>	<b>924.00</b>	<b>-</b>	<b>924.00</b>
<b>Average</b>	<b>117.74</b>	<b>N/A</b>	<b>462.00</b>	<b>-</b>	<b>462.00</b>

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE  
WEEK ENDED 14 NOVEMBER 2008**

Week 08	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
13-Nov-08	9.1000	91 days	5.6550	5.6550
06-Nov-08	9.2500	182 days	35.0000	35.0000
<b>Total</b>			<b>40.6550</b>	<b>40.6550</b>

Date	Call	7-day	30-day	60-day	90-day	180-day
10-Nov-08	17.1250	17.1250	17.2500	17.1667	17.3750	17.4883
	17.5417	17.6667	17.6250	17.7500	17.6417	17.3750
11-Nov-08						
12-Nov-08	17.9583	17.8417	17.9167	18.1667	17.9417	17.4583
	18.1667	18.1667	18.3167	18.2500	17.8750	17.9187
13-Nov-08						
	18.2500	18.1417	18.3083	18.0833	17.9583	18.2917
14-Nov-08						

**STOP RATES ON THE 3<sup>RD</sup>, 4<sup>TH</sup> & 5<sup>TH</sup> FGN BONDS**

Issue Date	Tenor/ Years	Amt Offered (₦)Bn	Allotment (₦)Bn	Stop Rate (%)
29 Jun 2007	7	45.000	45.000	9.20
27 Jul 2007	3	36.000	36.000	7.95
27 Jul 2007	10	20.000	20.000	9.85
31 Aug 2007	5	46.000	46.000	9.50
31 Aug 2007	10	20.000	20.000	9.35
28 Sep 2007	7	30.000	37.190	9.25
28 Sep 2007	10	20.000	20.000	9.51
26 Oct 2007	3	20.000	22.810	7.00
26 Oct 2007	10	22.810	20.000	9.95
30 Nov 2007	3	30.000	30.000	9.20
30 Nov 2007	10	20.000	20.000	11.00
14 Dec 2007	3	30.000	30.000	8.99
14 Dec 2007	10	20.000	20.000	11.03
25 Jan 2008	3	30.000	30.000	9.000
25 Jan 2008	5	20.000	20.000	9.450
29 Feb 2008	3	30.000	30.000	9.50
29 Feb 2008	5	20.000	20.000	10.30
26 Mar 2008	3	30.000	30.000	9.60
26 Mar 2008	5	20.000	20.000	10.00
25 Apr 2008	5	30.000	30.000	9.65
30 May 2008	5	30.000	30.000	10.50
30 May 2008	10	20.000	20.000	10.70
27 June 2008	5	30.000	30.000	10.70
27 June 2008	10	20.000	18.540	12.75
25 July 2008	3	25.000	15.820	10.50
25 July 2008	10	20.000	9.8200	12.75
29 Aug 2008	3	30.000	30.000	11.40
29 Aug 2008	10	20.000	20.000	12.75
26 Sept 2008	3	30.000	30.000	11.00
26 Sept 2008	10	20.000	20.000	12.45
29 Oct 2008	3	30.000	30.000	10.00
29 Oct 2008	10	20.000	20.000	11.99


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