

## Weekly Money Bulletin 19 DECEMBER 2008

### OUTLINE

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

### KEY DEVELOPMENTS

- ❖ Security and Exchange Commission (SEC), has approved two (2) additional market makers namely Vetiva Capital Management Limited and Value Capital Limited. This brings to a total number of five (5) market makers approved by SEC, who are saddled with the responsibility of ensuring all time liquidity in the market by either buying shares when there is glut or selling shares when there is scarcity. Other market makers earlier appointed by the commission are Chapel Hill Advisory Partners Limited, Greenwich Trust Limited and Diamond Capital and Financial Market Limited. Meanwhile, the NSE plans to reconfigure its trading machine to accommodate the operations of the market makers.
- ❖ Nigeria's first major acquisition between two quoted companies on the Nigerian Stock Exchange (NSE) was experienced as Bank PHB Plc, this week announced a successful completion of the unconditional mandatory bid for the acquisition of over 3 billion shares of Spring Bank Plc. This bid is expected to take Bank PHB to over 51 percent (%) controlling stake in Spring Bank shares as against the initial 33 percent (%) issued shares which it already acquired with the approval of regulatory authorities. However the Federal High Court, sitting in Abuja on 19 December 08 granted another injunction against the Bank PHB's purported takeover of Spring Bank Plc.
- ❖ The Central Bank of Nigeria (CBN) has directed that management of banks seeking to open foreign subsidiaries must submit a detailed Enterprise Risk Management framework of the proposed subsidiary, highlighting the impact on the parent bank. The parent bank is required to give details of how the operations of the subsidiary would be monitored from the home country as well as forward all strategic branch expansion plans covering a minimum of five (5) years, stating the phase and timeliness of implementation. their operations as NSE has set out rules that would guide market making on its trading floor.

## STANBIC IBTC PENSION WEEKLY MONEY BULLETIN

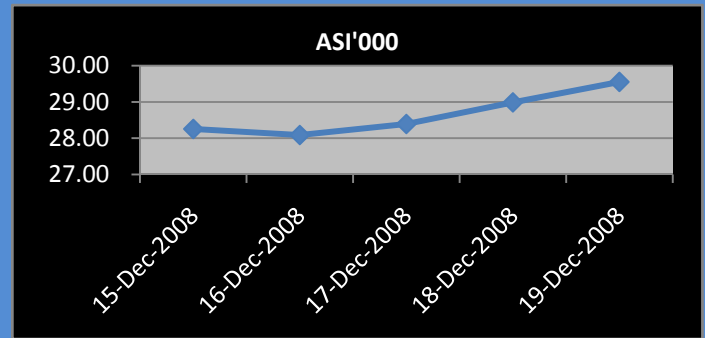
### MONEY MARKET UPDATE

- ✓ The OBB dropped to 8.25% from last week's 9% while the overnight rates dropped to 9% over the week from 10%, which it closed the previous week.
- ✓ A net outflow of ₦176.45 billion was witnessed from the FX Market as against last week's ₦311.00 billion.
- ✓ A net inflow of ₦40,600.00 million was witnessed from Treasury Bills market as against last week's inflow of ₦71,109.01.
- ✓ Stop rate at the 91 and 182 days Primary Auction dropped further to 5.00% and 5.20% from last week's 5.44% and 5.74% respectively.
- ✓ Federal Account Allocation Committee (FAAC) released about \$3.12billion statutory allocation last week to the three tiers of government. This eased the liquidity dearth in the money market with overnight rates closing at 10.9583% from 12.50% at the beginning of the week.

### THE CAPITAL MARKET UPDATE

- ✓ The All share index dropped for few days before taking an upward movement throughout the week with only few stocks appreciating per day and closing the week at 29,551.84. Year-to date performance stands at -49.04%.

### NSE INDEX FOR THE WEEK ENDED 19 DECEMBER 2008



### MARKET OUTLOOK FOR THE NEW WEEK

We presume that the bullish run presently experienced in the stock market is expected to last in the short run as stock prices are likely to experience a dip in the new week largely because of activities of speculators who would like to take profit from this short bullish run.

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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.

**IBTC RSA FUND PRICE FOR THE WEEK ENDED  
19 DECEMBER 2008**

Date	Current Price (₦)
19 Dec 08	1.3423

**DAILY OMO AUCTION  
FOR THE WEEK ENDED 19 December 2008**

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

**KEY TO ABBREVIATIONS**

ASI	All Share Index
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
CBN	Central Bank of Nigeria
SEC	Security and Exchange Commission
NITEL	Nigerian Telecommunications Limited
YTD	Year To Date
FX	Foreign Exchange
NSE	Nigerian Stock Exchange
CSCS	Central Securities Clearing System
FAAC	Federal Account Allocation Committee
FGN	Federal Government of Nigeria
NDIC	Nigeria Deposit Insurance Corporation
BPE	Bureau for Public Enterprises
PFA	Pension Fund Administrator
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
PPMC	Petroleum Pipelines Marketing Company
NIBOR	Nigerian Interbank Offered Rate

**FOREX DEALS FOR THE WEEK ENDED 19 DECEMBER 2008**

WDAS	Marginal Rate (₦/\$)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
17 Dec 08	135.00	19	250	-	0.00
19 Dec 08	135.50	16	850	-	0.00
<b>Total</b>	<b>270.50</b>	<b>N/A</b>	<b>1,100</b>	<b>-</b>	<b>0.00</b>
<b>Average</b>	<b>135.25</b>	<b>N/A</b>	<b>550</b>	<b>-</b>	<b>0.00</b>

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE  
WEEK ENDED 19 DECEMBER 2008**

Week 08	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
19-Dec-08	5.0000	91 days	5.0000	5.0000
19-Dec-08	5.2000	182 days	10.0000	10.0000
<b>Total</b>	<b>10.2000</b>		<b>15.0000</b>	<b>15.0000</b>

Date	Call	7-day	30-day	60-day	90-day	180-day
15-Dec-08	12.5000	13.5417	16.4167	16.6250	16.6667	16.6667
	14.5000	15.7500	17.2500	17.2083	17.4583	17.6250
16-Dec-08						
17-Dec-08	13.2500	14.8750	16.7500	16.6250	17.0000	17.0000
	11.8330	13.3750	15.6250	16.1250	16.2500	16.2500
18-Dec-08						
	10.9583	12.5833	14.9167	15.6667	15.9583	16.3750
19-Dec-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 (%)
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
26 Nov 2008	5	25.890	10.000	10.50
26 Nov 2008	20	23.520	10.000	15.00
26 Nov 2008	3	34.980	20.000	10.00



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