

Weekly Money Bulletin

30 JANUARY 2009

OUTLINE

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

KEY DEVELOPMENTS

- ❖ The Federal government of Nigeria is considering the removal of the 5% excise duty on non-alcoholic beverages juices, and instant noodles, to ameliorate the burden on local manufacturers in the country. The federal government policy direction was designed to boost investment and reduce the impact of the global crisis on the local industrialists.
- ❖ In a bid to make good its promise to reform the civil service in 2009 the federal government has rolled out a number of policies. It has directed that from 01 January, 2009 all its transactions requiring huge payments would now have to be done electronically to the beneficiary's account and not with cash or cheque instruments as is usually the case. All commercial banks in the country have been directed to dishonor any cheque emanating from the Ministries, Departments and Agencies in this regard.
- ❖ The Federal government has reached a decision that award of contracts by ministries and agencies must end by September of every year. This directive is aimed at halting the spate of return of unspent funds to the coffers of government every year. The policy of returning unspent funds though still in place, effort is being made to ensure the money is utilized to provide facilities and programmes for the country such that return of excesses would be based on challenges in execution.
- ❖ The CBN recently stated that it will not hesitate to sanction any bank that fails to supply it with information on interest, lending rates and other charges for onward publication from January 2009. The circular stated that banks must annualize all their charges, commissions and fees as well as their base lending rates. The CBN publishes the average deposit and lending rates paid or charged by banks in Nigeria for the interest of the general public in order to promote transparency.

STANBIC IBTC WEEKLY MONEY

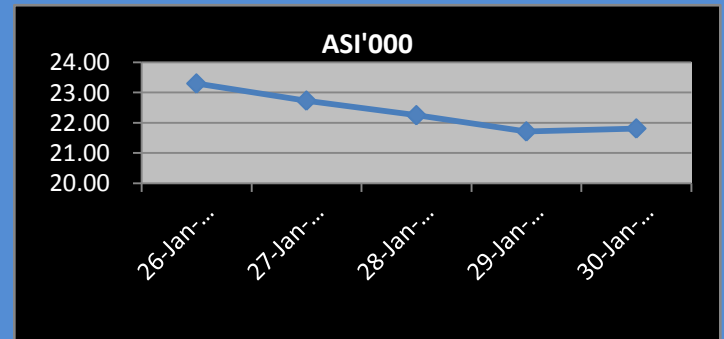
MONEY MARKET UPDATE

- ✓ A total of ₦33.87 billion left the system through Treasury bills and Bonds.
- ✓ OBB and Overnight rates opened the week at 2.75% but hiked to close at 5.5% and 9.5% respectively.
- ✓ No net inflow or outflow was witnessed in the FX market
- ✓ About ₦10 billion NNPC debit hit the system during the week.
- ✓ The Naira depreciated by 51k to close at ₦144.51/\$1.

THE CAPITAL MARKET UPDATE

- ✓ The ASI witnessed its first gain of 0.45% in almost 3 weeks as most highly capitalized stocks posted strong gains. This week's performance of the ASI closed at -9.11% compared to -11.47% of last week while the 21 trading days year-to-date performance stands at -30.64%. The ASI closed the week at 21,813.76 from 24,000.09 where it opened at.

ASI FOR THE WEEK ENDED 30 JANUARY 2009



MARKET OUTLOOK FOR THE NEW WEEK

The market will remain liquid and there might be slight bullish runs during the week.

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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
30 JANUARY 2009**

Date	Current Price (₦)
30 Jan 2009	1.3141

**DAILY OMO AUCTION
FOR THE WEEK ENDED 30 JANUARY 2009**

Week 04	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
30 Jan 09	2.00	90	68.54	20.24

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
NNPC	Nigeria National Petroleum Commission
FG	Federal Government of Nigeria
WDAS	Wholesale Dutch Auction System
GDP	Gross Domestic Product
PFA	Pension Fund Administrator
RSA	Retirement Savings Account
OB	Open Buy Back
OMO	Open Market Operations
PenCom	National Pension Commission
NIBOR	Nigerian Interbank Offered Rate

FOREX DEALS FOR THE WEEK ENDED 30 JANUARY 2009

WDAS	Marginal Rate (₦/\$)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
26 Jan 09	144.10	20	00.00	-	359.00
28 Jan 09	144.51	25	00.00	-	205.00
Total	288.61	45	00.00	-	564.00
Average	144.30	N/A	00.00	-	282.00

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE
WEEK ENDED 30 JANUARY 2009**

Week 04	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
29-Jan-09	2.3400	91 days	40.450	10.110
29-Jan-09	2.8500	182 days	63.159	10.000
30-Jan-09	9.9200	3 year	36.570	10.000
30-Jan-09	11.4000	5 year	26.580	20.000
30-Jan-09	13.2400	20 year	20.000	20.000
Total				

STOP RATES ON THE 3RD, 4TH & 5TH 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
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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