

Weekly Money Bulletin

13 FEBRUARY 2009

OUTLINE

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

KEY DEVELOPMENTS

- ❖ The Central Bank of Nigeria has dispatched a set of its officials known as Income Auditors to all banks in the country to check the accuracy of the profits being declared by the banks. These Income Auditors are mandated to examine banks' schedules on 50 top loan customers, 50 top depositors, and also Commission on Turnover (CoT). The essence is to match CBN findings with the profits being declared by banks to ensure that no bank declares bogus profit.
- ❖ In a bid to curtail government spending amidst the global economic meltdown, the President recently announced a proposal to slash his salary, that of the Vice-President and the members of the cabinet. Also the Federal Government has decided to turn to taxation as an alternative source of income to combat the stifling global economic meltdown. The tax thrust is to be monitored by a Special tribunal, whose primary function will be to try tax evaders and address complaints from tax payers.
- ❖ The Central Bank of Nigeria recently disclosed during the Monetary Policy Committee meeting that as part of measures to further tighten foreign exchange controls in the country, the foreign exchange open position limit of banks is to be reduced to 1% of shareholders funds from its previous level of 5% of shareholders fund. Also all purchases of foreign exchange by authorized dealers shall be for the use of customers and shall not be used for interbank transactions.
- ❖ The Court of Appeal recently ordered the re-opening of Savannah Bank whose license was withdrawn by the CBN on 15 February 2002 over allegation of unethical conduct. The court also ordered the CBN and Nigeria Deposit Insurance Corporation (NDIC) to pay ₦100 million to the bank as damages.

STANBIC IBTC WEEKLY MONEY

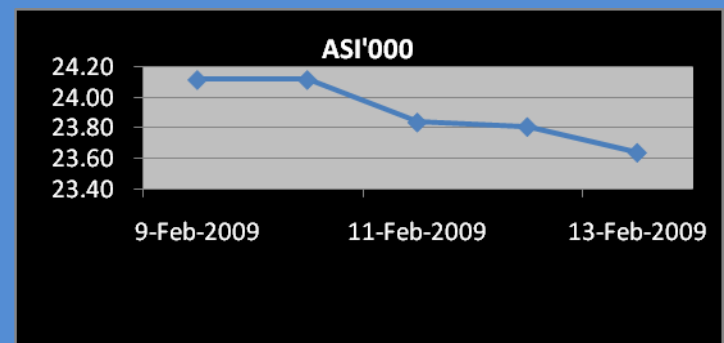
MONEY MARKET UPDATE

- ✓ Market experienced extreme tightness during the week.
- ✓ OBB and Overnight rates which opened the week at 9.0% and 16.5% rose to close the week at 9.75% and 20.5% respectively.
- ✓ Monetary Policy Committee met during the week and the following decisions were made: MPR remained at 9.75%, Open market operations will be actively used for achieving effective liquidity management, MPC will manage the exchange rate within a band of +/- 3% until further notice and the FX open position limit was reduced to 1% of shareholders funds from its previous level of 5%
- ✓ Outflow through FX this week was ₦84,686.14m as against ₦146,608.28m the previous week.
- ✓ The Naira which closed at ₦145.3 last week depreciated by ₦1.66 to close this week at ₦146.96/\$1.

THE CAPITAL MARKET UPDATE

- ✓ The market started its bearish turn this week. The week returned a performance of -0.76% compared to 9.19% of last week. Year-to-date performance now stands at -24.85% with a February performance of 8.35% compared to -30.64% of January 2009. The ASI closed at 23,635.92 today from 23,814.46.

ASI FOR THE WEEK ENDED 13 FEBRUARY 2009



MARKET OUTLOOK FOR THE NEW WEEK

The liquidity in the market is expected to experience some swings. The stock market is most likely to remain bearish for most of 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
13 FEBRUARY 2009**

Date	Current Price (₦)
13 Feb 2009	1.3314

**DAILY OMO AUCTION
FOR THE WEEK ENDED 13 FEBRUARY 2009**

Week 06	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
13 Feb 09	0.00	00	00.00	00.00

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
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
OBB	Open Buy Back
OMO	Open Market Operations
PenCom	National Pension Commission
NIBOR	Nigerian Interbank Offered Rate

FOREX DEALS FOR THE WEEK ENDED 13 FEBRUARY 2009

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
09 Feb 09	147.31	23	200.00	-	249.17
11 Feb 09	146.96	21	2,000.00	-	93.21
Total	294.27	44	2,200.00	-	342.38
Average	147.14	N/A	1,100.00	-	171.19

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE
WEEK ENDED 13 FEBRUARY 2009**

Week 06	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
12 Feb-09	1.8980	91	54.230	15.000
12 Feb-09	0.0000	182	33.940	15.000
12 Feb-09	0.0000	364	60.750	20.000

TENOR	9- Feb	10-Feb	11-Feb	12-Feb	13-Feb
Call	14.6250	15.4167	17.2917	19.1250	20.7500
7-Day	15.7083	16.5833	18.0000	19.2910	20.4167
30-Day	16.9583	17.6250	19.5000	19.1250	21.0000
60-Day	17.2917	17.5417	19.2083	18.9583	19.4167
90-Day	17.5833	17.9167	19.5833	18.9583	19.5000
180-Day	17.9167	18.2083	19.7500	19.2500	19.6250
360-Day	18.0833	18.3757	19.8333	19.4167	19.8333

STOP RATES ON THE 3RD, 4TH & 5TH 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
30 Jan 2009	3	36.570	10.000	9.92
30 Jan 2009	5	26.580	20.000	11.40
30 Jan 2009	20	20.000	20.000	13.24


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