MoneyBulletin

Weekly Money Bulletin

27 March 2009

OUTLINE

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

STANBIC IBTC WEEKLY MONEY BULLETIN

KEY DEVELOPMENTS

- The Bankers Committee consisting of the CBN and chief executives of banks have agreed to replace the market determined rate regime with a controlled rate regime. Consequently, it was agreed that deposit and lending rates would now be at 15% and 22% respectively. The new rate regime will take effect from 01 April 2009 and would be reviewed at the end of this year. The CBN would also lend to banks at a maximum rate of 5% above the MPR which is now at 9.75%, creating a ceiling of 14.75%. CBN also intends to sell US$100m weekly to Bureau De Change in order to sustain the effects of the recent reforms in the foreign exchange market which led to appreciation of the Naira in the parallel market.

- The technical committee set up by SEC for the review of Capital Market Structures and Processes in Nigeria has recommended a new Investment and Securities Act (ISA). The new act seeks to empower SEC in its regulatory oversight by compelling the NSE and other Self Regulatory Organizations (SRO) in the Nigerian capital market to submit their audited accounts to SEC for scrutiny to ensure transparency and efficiency. It was also recommended that such audited accounts be submitted not later than four months after the end of their accounting year.

- The CBN would from next week commence the disbursement of proceeds from the ₦200 billion Agricultural bonds to farmers. The fund which will be disbursed through selected banks would boost the agricultural sector as well as create diversification in the economy thereby contributing to the growth and development of the country.

- Plans have been concluded by some State Governments to raise about ₦1 trillion from the capital market through a multi-tranche bonds issuance programs. The proceeds will finance deficits created by decline in federal allocations and quicken infrastructure development. Some of the states that have shown such interests are Imo, Anambra, Bauchi and Ogun. Budget deficits of the states are estimated at about ₦800 billion in the 2009 budgets and may cross ₦1 trillion because of the unstable oil production and fluctuation in global oil price.

MONEY MARKET UPDATE

- ✓ Outflow through FX this week was ₦133,001.12 million as against ₦131,975.46m the previous week.

- ✓ OBB rate dropped from 9.75% to 8.50% at the close of the week.

- ✓ Overnight rate which opened the week at 15.00% dropped to close the week at 12.00%

- ✓ Market experienced a net outflow of ₦8,278.69 million as against an inflow of ₦25,672.71 million the previous week. This was as a result of change of RDAS from bi-weekly to daily conduct.

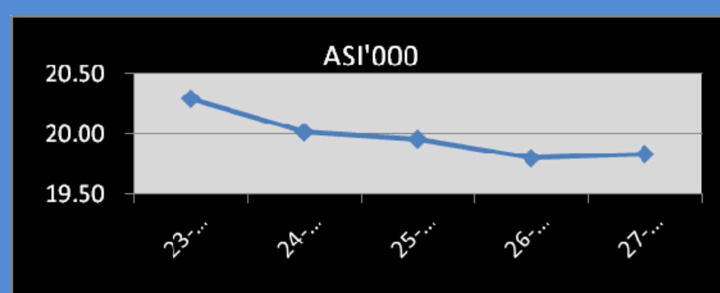
- ✓ The Naira which closed at ₦147.51 last week depreciated by ₦1.76 to close this week at ₦145.75/$1.

THE CAPITAL MARKET UPDATE

- ✓ The ASI closed this week at -2.62% compared to -3.02% in the previous week. Year – to – date performance now stands at -36.93% with March's performance at -15.15%.

- ✓ Unilever Nigeria Plc declared its result for the financial year ended 31 December 2008. A dividend of 68 kobo was declared with a closure date of 27 April 2009 and payment on 25 May 2009.

ASI FOR THE WEEK ENDED 27 MARCH 2009



MARKET OUTLOOK FOR THE NEW WEEK

Controlled rates are expected to take off this week.

IBTC RSA FUND PRICE FOR THE WEEK ENDED 27 MARCH 2009

Date	Current Price (₦)
27 Mar 09	1.3468

DAILY OMO AUCTION FOR THE WEEK ENDED 27 MARCH 2009

Week 13	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
19 Mar 09	2.85	147	35.50	20.00

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
SRO	Self Regulatory Organization
FG	Federal Government of Nigeria
RDAS	Retail Dutch Auction System
SLF	Standing Lending Facility
MPR	Monetary Policy Rate
RSA	Retirement Savings Account
ISA	Investment and Securities Act
OMO	Open Market Operations
PenCom	National Pension Commission
NIBOR	Nigerian Interbank Offered Rate

FOREX DEALS FOR THE WEEK ENDED 27 MARCH 2009

RDAS	Marginal Rate (₦/$1)	No. of Banks	Amount on Offer ($Mn)	Demand ($Mn)	Amount Sold ($Mn)
23 Mar 09	146.00	25	100.00	381.22	353.12
24 Mar 09	146.00		100.00	299.13	**270.78**
25 Mar 09	146.00		100.00	152.64	**140.57**
26 Mar 09	145.50		100.00	153.00	**147.00**
27 Mar 09	145.75		100.00	109.10	**95.90**
Total	**729.25**	**25**	**500.00**	**1095.09**	**1007.37**
Average	**145.85**	**N/A**	**100.00**	**219.02**	**201.47**

TREASURY BILLS PRIMARY MARKET AUCTION FOR THE WEEK ENDED 27 MARCH 2009

Week 09	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
25 Mar-09	2.6000%	91	10.0000	30.0000
25 Mar-09	3.0000%	182	10.0000	30.0000
26 Mar-09	-	364	-	0000

TENOR	27 - Mar	26 - Mar	25 - Mar	24 - Mar	23 - Mar
Call	12.7500	14.0000	13.0417	16.5833	16.3750
7-Day	15.5208	15.1250	15.7500	18.2083	17.8050
30-Day	18.2708	17.8750	17.5000	20.1250	19.9233
60-Day	18.9722	18.3333	17.9583	20.0000	20.4233
90-Day	19.5550	18.5833	17.9367	19.6250	20.7217
180-Day	20.0000	18.7917	18.4861	20.6667	21.1450
360-Day	20.2222	19.3333	18.4167	20.8750	21.3533

STOP RATES ON THE 3RD, 4th & 5TH FGN BONDS

Issue Date	Tenor/ Years	Amt Offered (₦'Bn)	Allotment (₦'Bn)	Stop Rate (%)
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
27 Feb 2009	3	20.000	20.000	10.25
27 Feb 2009	5	20.000	20.000	11.64
27 Feb 2009	20	10.000	10.000	13.21
20 Mar 2009	3	20.000	20.000	10.95
20 Mar 2009	5	20.000	20.000	12.00
20 Mar 2009	20	20.000	10.000	13.50

Stanbic IBTC Pension Managers

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Head Office: 1678 Olakunle Bakere Close, Off Sanusi Fafunwa Street Victoria Island Lagos Nigeria
Telephone: +234-1-2801255 Facsimile: +234-1-2716021/2
E-mail: PensionManagers@IBTC.com