

Weekly Money Bulletin

04 May 2009

OUTLINE

- ❑ Key Developments
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KEY DEVELOPMENTS

- ❖ The Central Bank of Nigeria (CBN) has issued warning to discount houses and primary mortgage institutions that are violating the set maximum deposit and lending rates. The CBN stated that for first time violators, a penalty fee of ₦50 million and warning letter will be issued. Second time violators would face suspension of the MD/CEO and all officials of such institutions that are involved in the breach. The sanction takes immediate effect. We recall that the CBN had declared similar sanctions to banks after it had set a maximum deposit and lending rate at 15% and 22% respectively.
- ❖ The Nigerian Stock Exchange (NSE) is embarking on a plan to adopt T+2 settlement cycle. T+2 cycle implies that settlements will be made within three working days i.e. transaction day plus two working days. This will be an improvement over the current T+3 settlement cycle. It should however be noted that the settlement cycle was reduced from T+5 to T+3 cycle in March 2000. The NSE also stated that it is in discussions with the New York Stock Exchange (NYSE) to enable the NSE to deploy the NYSE trading software in the Nigerian Stock Market.
- ❖ Nigeria's oil production declined by 70,000 barrels per day in April. The quantity of oil produced dropped from 1.78 million barrels per day to 1.71 million barrels per day. This was disclosed by a recent Reuters survey. It was also stated that Nigeria recorded the highest reduction in oil production in April among the members of Organization of Petroleum Exporting Countries (OPEC). The decline in production of oil was due to militant disruptions to oil facilities rather than voluntary cut.
- ❖ The Central Bank of Nigeria (CBN) recently declared that the Small and Medium Scale Enterprises (SMEs) have received about ₦446 billion credits between 2003 and 2009. A breakdown of the credits disbursed over the seven year period shows that in 2003, the CBN disbursed ₦38.51 billion, ₦26.31 billion in 2004, ₦66.28 billion in 2005, ₦134.68 billion in 2006, ₦41.10 billion in 2007, with ₦31.51 billion and ₦13.94 billion disbursed in January and February 2009 respectively. Although the credits to the SMEs rank among the lowest, it is higher than credits advanced to manufacturing sectors which received a total of ₦3.9 billion in the corresponding period.

STANBIC IBTC WEEKLY MONEY BULLETIN

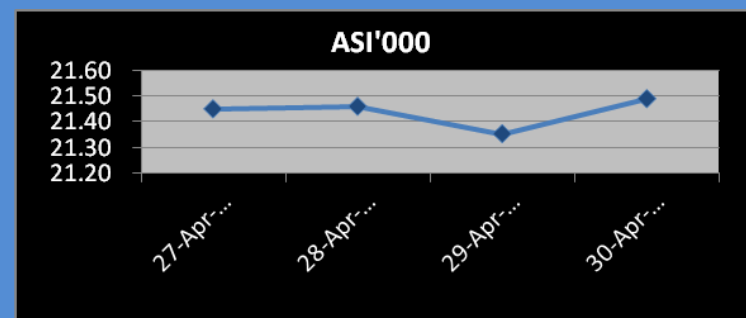
MONEY MARKET UPDATE

- ✓ Outflow through FX last week was ₦62,200.39 million as against ₦166,371.37 million the previous week.
- ✓ OBB rate opened remained stable during the week at 7.00%
- ✓ Overnight rate which opened last week at 13.50% dropped to close the week at 13.42%.
- ✓ Market experienced a net outflow of ₦17,530 million as against an outflow of ₦100,000.00 million the previous week.
- ✓ The Naira which closed the previous week at ₦145.90/\$1 yet closed last week at ₦146.17/\$1.

THE CAPITAL MARKET UPDATE

- ✓ The ASI closed last week at a gain of 0.16% compared to 7.37% the ASI returned the previous week. The month of April recorded a gain of 8.26%. Year – to – date performance now stands at -31.67%.
- ✓ Custodian and Allied Insurance Plc declared its result for the financial year ended 31 December 2008. A final dividend of ₦9.50k per share was declared. Closure date is 6-7 May 2009 and payment date 9 June 2009.

ASI FOR THE WEEK ENDED 30 APRIL 2009



MARKET OUTLOOK FOR THE NEW WEEK

Market is expected to experience liquidity swings as there is no expected inflow.

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Board of Directors

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**SIBTC RSA FUND PRICE FOR THE WEEK ENDED
01 MAY 2009**

Date	Current Price (₦)
30 April 09	1.3804

**DAILY OMO AUCTION
FOR THE WEEK ENDED 01 MAY 2009**

Week 15	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
20 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
NSE	Nigerian Stock Exchange
FX	Foreign Exchange
IFRS	International Financial Reporting Standard
FG	Federal Government of Nigeria
RDAS	Retail Dutch Auction System
SMEs	Small and Medium scale Enterprises
NYSE	New York Stock Exchange
RSA	Retirement Savings Account
DMO	Debt Management Office
OPEC	Organization of Petroleum Exporting Countries
IDP	Interest Drawback Programme

FOREX DEALS FOR THE WEEK ENDED 01 MAY 2009

RDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
27 Apr 09	145.70	N/A	100.00	88.23	81.70
28 Apr 09	145.70		100.00	175.23	155.23
29 Apr 09	145.90		100.00	194.28	148.65
30 Apr 09	147.36		100.00	126.55	101.44
Total	584.66		400.00	584.29	487.12
Average	146.17	N/A	100.00	146.07	121.78

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE
WEEK ENDED 01 MAY 2009**

Week 15	Stop Rate (% p.a.)	Tenor	Bids Received (₦) Billion	Amount Sold (₦) Billion
01 May-09	-	91	-	0000
01 May-09	-	182	-	0000
01 May-09	-	364	-	0000

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

Issue Date	Tenor/ Years	Amt Offered (₦)Bn	Allotment (₦)Bn	Stop Rate (%)
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
22 Apr 2009	3	35.000	35.000	11.00
22 Apr 2009	5	25.000	25.000	11.85
22 Apr 2009	10	10.000	10.000	11.50

TENOR	01 - May	30 - Apr	29 - Apr	28 - Apr	27 - Apr
Call	-	13.4167	14.1667	13.9167	13.5000
7-Day	-	14.7917	15.4167	15.1667	14.7500
30-Day	-	16.5000	17.2500	17.5417	17.0000
60-Day	-	17.0417	17.8750	17.9583	17.3333
90-Day	-	17.3333	18.1250	18.1250	17.7500
180-Day	-	17.9583	18.4583	18.2917	17.8333
360-Day	-	18.3750	19.0417	18.4167	17.9583


MoneyBulletin

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