

## Weekly Money Bulletin 20 JULY 2009

### OUTLINE

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

### KEY DEVELOPMENTS

- ❖ The Central Bank of Nigeria (“CBN”) recently revealed that it lent a total of ₦9.0 trillion to Banks and Discount Houses in the first quarter of 2009. This consists of ₦7.89 trillion which was granted through the Standing Lending Facility (“SLF”) and ₦1.11 trillion through the Expanded Discount Window (“EDW”). The SLF which was granted to the banks and discount houses represents a 15.75% decline from the ₦9.37 trillion which was granted in the fourth quarter of 2008. Also, the funds which were made available through the EDW represent an increase of 26.27% from the ₦879.10 billion in the fourth quarter of 2008.
- ❖ The Federal Government (“FG”) has proposed a comprehensive Industrial Revival Fund (“IRF”) of ₦500 billion to revive the manufacturing sector. Also, the ₦70 billion which was proposed by the last administration as a resuscitation grant to the textile sector has been reviewed to ₦100 billion. FG stated that plans have been concluded to raise funds from the Commercial Agriculture Fund the Debt Management Office (“DMO”) and the United Nations Industrial Development Organization (“UNIDO”).
- ❖ The Central Bank of Nigeria (“CBN”) recently resolved to guarantee all interbank placements and placements by Pension Fund Administrators (“PFAs”) from 08 July 2009 to 31 March 2010. The guarantee will be effective for overnight placements that are not priced higher than 2.0% above the Monetary Policy Rate (“MPR”), while the 30, 60 and 90 days tenured placements will be guaranteed if they maintain a maximum spread of 3.0%, 4.0% and 5.0% respectively above the MPR. In addition, CBN has ordered banks and discount houses to submit their daily returns on interbank placements and takings on or before 10.00am of the following working day of transaction. These include the placements and takings that are guaranteed by the CBN and those that are not guaranteed.
- ❖ ₦20 billion each of the 3-yr, 5-yr and 20-yr FGN Bonds were re-opened in an auction held on 15 July 2009. The stop rates for these bonds auctioned were 8.14%, 9.39% and 11.00% respectively. It would be recalled that the stop rates for the previous auction of the 3-yr, 5-yr and 20-yr bonds on 18 June 2009 were 10.10%, 10.70% and 12.33% respectively.

## STANBIC IBTC WEEKLY MONEY BULLETIN

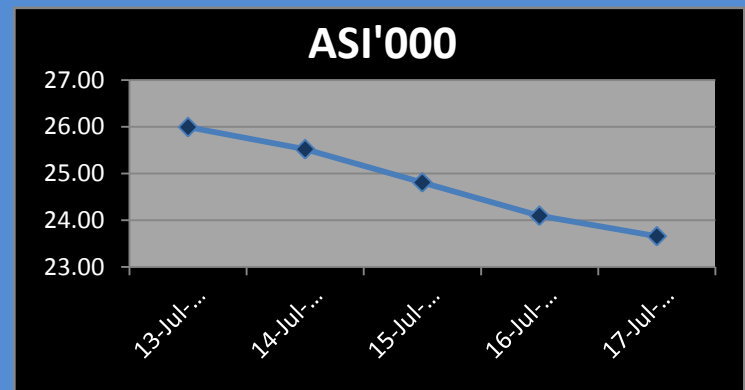
### MONEY MARKET UPDATE

- ✓ There was a net inflow of ₦35.00 billion in the Bonds and Treasury Bills market last week as against the previous week which witnessed a net inflow of ₦15.07 billion in the Open Market Operation and Treasury Bills market.
- ✓ A total outflow of ₦57.99 billion was witnessed through the FX market against ₦31.35 billion which was recorded in the previous week.
- ✓ The OBB rate remained at 8.0% all through last week.
- ✓ The overnight rate rose closed last week at 22.97% from 21.75% of the previous week.
- ✓ The Naira which closed the previous week at ₦146.30/\$1 dropped slightly to close last week at ₦146.70/\$1.

### THE CAPITAL MARKET UPDATE

- ✓ The ASI closed the week with a negative net performance of 9.36%. Year-to-date performance fell to -24.78% from -17.01% in the previous week. The performance for the month of July is currently at -11.93%
- ✓ Lasaco Assurance Plc released its audited financial statement for the period ended 31 March 2009. A dividend of 3 kobo was proposed. Closure of register is 03 August to 07 August 2009 while payment date is to be advised later.

### ASI FOR THE WEEK ENDED 17 JULY 2009



### MARKET OUTLOOK FOR THE NEW WEEK

The money market is expected to remain tight as there are no inflows expected.

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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  
17 JULY 2009**

Date	Current Price (₦)
17 Jul 09	1.4341

**DAILY OMO AUCTION  
FOR THE WEEK ENDED 17 JULY 2009**

Week 26	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
25 June 09	3.64	84	12.00	10.00
25 June 09	5.74	231	39.60	20.55

**KEY TO ABBREVIATIONS**

ASI	All Share Index
CBN	Central Bank of Nigeria
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
FX	Foreign Exchange
SLF	Standing Lending Facility
SEC	Securities and Exchange Commission
SDF	Standing Deposit Facility
FG	Federal Government of Nigeria
EDW	Expanded Discount Window
WDAS	Wholesale Dutch Auction System
PFA	Pension Fund Administrators
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
UNIDO	United Nations Industrial Development Organization
NIBOR	Nigerian Interbank Offered Rate
CPI	Consumer Price Index

**FOREX DEALS FOR THE WEEK ENDED 17 JULY 2009**

RDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
13 Jul 09	146.10	N/A	200.00	326.67	196.17
15 Jul 09	146.30	N/A	200.00	435.47	200.50
<b>Total</b>	<b>292.40</b>	<b>N/A</b>	<b>400.00</b>	<b>762.14</b>	<b>396.67</b>
<b>Average</b>	<b>146.20</b>	<b>N/A</b>	<b>200.00</b>	<b>381.07</b>	<b>198.34</b>

**STOP RATES ON THE 5<sup>TH</sup> & 6<sup>TH</sup> FGN BONDS**

Issue Date	Tenor/ Years	Amt Offered (₦)Bn	Allotment (₦)Bn	Stop Rate (%)
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	20	10.000	10.000	11.50
20 May 2009	3	20.000	20.000	10.50
20 May 2009	5	20.000	20.000	11.20
20 May 2009	20	10.000	10.000	12.49
18 Jun 2009	3	20.000	20.000	10.10
18 Jun 2009	5	10.000	10.000	10.70
18 Jun 2009	20	20.000	20.000	12.33
17 Jul 2009	3	20.000	20.000	8.14
17 Jul 2009	5	20.000	20.000	9.39
17 Jul 2009	20	20.000	20.000	11.00

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE  
WEEK ENDED 17 JULY 2009**

Week 26	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
02-Jul-09	3.6400	91 days	12.8900	10.0000
02-Jul-09	5.6990	182 days	32.4700	20.3560
02-Jul-09	5.7500	364 days	69.0000	30.0000
<b>Total</b>	<b>15.0890</b>		<b>114.3600</b>	<b>60.3560</b>

TENOR	17 – July	16 – July	15 – July	14 – July	13 – July
<b>Call</b>	22.9722	22.8333	21.6250	21.9583	21.9583
<b>7-Day</b>	22.5750	22.2000	21.9583	21.7000	21.7417
<b>30-Day</b>	23.1612	22.6167	22.2083	21.7567	21.7150
<b>60-Day</b>	22.4117	22.5083	22.0833	21.8417	21.8417
<b>90-Day</b>	22.4705	22.5000	22.0833	21.8750	21.8750
<b>180-Day</b>	22.4875	22.5875	22.0833	22.0000	22.0000
<b>365-Day</b>	22.5303	22.5917	22.0833	22.0000	22.0000


**MoneyBulletin**

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