

**Weekly  
 Money Bulletin  
 27 JULY 2009**
**OUTLINE**

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

**KEY DEVELOPMENTS**

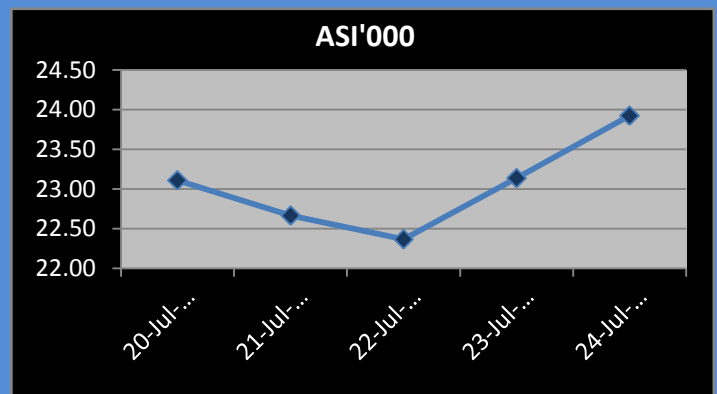
- ❖ The year-on-year Consumer Price Index (“CPI”) for June 2009 released by the Nigerian Bureau of Statistics (“NBS”) showed a 200 basis points drop to 11.20% from 13.20% which was recorded for May 2009. NBS stated that price of all items except the farm produce went up by 1.2% in the month of June. It was also disclosed that the percentage change in the CPI for the 12-month ending June 2009 was at 13.7% compared to 13.8% which was the percentage change in the CPI for the 12-month period ended May 2009.
- ❖ The Central Bank of Nigeria (“CBN”) has revised the guideline for Repo transactions and the CBN inter-bank guarantee which were released on 16 March 2009 and 13 July 2009 respectively. CBN amended the guideline with a view to increase liquidity and deepen the inter-bank market. According to the revised guideline, FGN Bonds are eligible instruments for Repo transactions at the CBN for tenors not exceeding 90 days. Banks and Discount Houses that have eligible instruments qualifying for Repo may now borrow money from CBN and place the same money simultaneously in the inter-bank market. The interest rate cap which was placed on CBN guarantee of inter-bank, Pension Fund Administrators (“PFAs”) and Pension Fund Custodian (“PFC”) placements are now removed while such transactions shall conform with the single obligor limit. The CBN guarantee remains valid between July 2009 and 31 March 2010.
- ❖ The Central Bank of Nigeria (“CBN”) has suspended the sell-down of Bankers Acceptances (“BAs”) and Commercial Papers (“CPs”) as off balance-sheet instruments. All maturing CPs and BAs are to be either fully liquidated or treated as on balance sheet items. CBN stated that any bank which is likely to exceed its single obligor limit as a result of this directive should seek the CBN’s approval. This is subject to loans which are performing and a plan to regularize by 31 March 2010. The CBN aims to stop the abuse of CPs and BAs with this new policy.
- ❖ A review of the implementation of the Group Life Insurance Scheme for federal workers as revealed by the National Pension Commission (“PenCom”) shows that 1,650 death cases which amount to ₦2.5 billion have been processed for payment. PenCom also disclosed that 232 Retirement Savings Account (“RSAs”) have already been credited with life insurance proceeds totaling ₦396.6 million. The commission said that 513 cases of RSAs worth ₦990.8 million were yet to be paid. The Group Life Insurance Scheme under the Pension Reform Act 2004 requires that employers take up life insurance policies for their employees for an amount not less than three times their annual salaries.

**STANBIC IBTC WEEKLY MONEY BULLETIN**
**MONEY MARKET UPDATE**

- ✓ There was a net inflow of ₦67.35 billion in the Repo and Treasury Bills market last week as against the previous week which witnessed a net inflow of ₦35.00 billion in the Bonds and Treasury Bills market.
- ✓ A total outflow of ₦60.48 billion was witnessed through the FX market against ₦57.99 billion of the previous week.
- ✓ The OBB rate which was at 8.0% in the previous week dropped to close last week at 7.0%.
- ✓ The overnight rate dropped to close last week at 10.33% from 22.97% of the previous week. There was a FAAC inflow of ₦325 billion
- ✓ The Naira which closed the previous week at ₦146.70/\$1 dropped slightly to close last week at ₦147.38/\$1.

**THE CAPITAL MARKET UPDATE**

- ✓ The ASI closed the week with a positive net performance of 1.13%. Year-to-date performance rose to -23.93% from -24.78% of the previous week. The performance for the month of July is currently at -10.94%
- ✓ Stanbic IBTC Bank Plc released its audited financial statement for the period ended 31 December 2008. A dividend of 40 kobo was proposed. Closure of register is 05 August 2009 while payment date is to be advised later.

**ASI FOR THE WEEK ENDED 24 JULY 2009**

**MARKET OUTLOOK FOR THE NEW WEEK**

The market is expected to be liquid as 3<sup>rd</sup> Series FGN bond and Pension bond with values of ₦20 billion and ₦75 billion respectively will mature this 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  
24 JULY 2009**

Date	Current Price (₦)
24 Jul 09	1.4451

**DAILY OMO AUCTION  
FOR THE WEEK ENDED 24 JULY 2009**

Week 27	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
CPI	Consumer Price Index
MPR	Monetary Policy Rate
FX	Foreign Exchange
PenCom	National Pension Commission
SEC	Securities and Exchange Commission
NBS	National Bureau of Statistics
FG	Federal Government of Nigeria
BA	Bankers Acceptance
WDAS	Wholesale Dutch Auction System
CP	Commercial Paper
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
PFA	Pension Fund Administrators
NIBOR	Nigerian Interbank Offered Rate
CPI	Consumer Price Index

**FOREX DEALS FOR THE WEEK ENDED 24 JULY 2009**

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
20 Jul 09	146.72	N/A	200.00	538.00	211.34
22 Jul 09	147.38	N/A	200.00	665.00	200.00
<b>Total</b>	<b>294.10</b>	<b>N/A</b>	<b>400.00</b>	<b>1,203.00</b>	<b>411.34</b>
<b>Average</b>	<b>147.05</b>	<b>N/A</b>	<b>200.00</b>	<b>601.50</b>	<b>205.67</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 24 JULY 2009**

Week 27	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
23-Jul-09	4.1150	91 days	23.9520	15.0000
23-Jul-09	5.1890	182 days	56.0183	30.0000
<b>Total</b>	<b>9.3040</b>		<b>79.9704</b>	<b>45.0000</b>

TENOR	24 – July	23 – July	22 – July	21 – July	20 – July
Call	10.3333	10.1667	12.8333	20.7500	22.7500
7-Day	12.5000	11.5417	14.1667	20.8333	22.7833
30-Day	14.1250	13.2083	16.0417	21.2083	23.2417
60-Day	15.4167	14.6250	16.7917	20.7500	22.8250
90-Day	16.0000	15.4167	17.2083	20.9583	22.9083
180-Day	16.5417	15.7917	18.7042	21.2917	22.9083
365-Day	16.7083	16.4167	19.2083	21.4167	22.9500


**MoneyBulletin**

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