

Weekly Money Bulletin 03 AUGUST 2009

OUTLINE

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

KEY DEVELOPMENTS

- ❖ The Central Bank of Nigeria (CBN) has disclosed that it has completed the audit of 10 out of the 24 banks in the country as part of the ongoing investigation into the state of health of banks in the country. It was disclosed that the banks are generally healthy, although there are individual banks facing pockets of weaknesses. The ongoing audit which is meant to identify weaknesses and address them before they could have any negative impact on the entire industry, covers areas like the liquidity, general financial condition and assets of the banks. The latest date for the completion of the audit is March 2010.
- ❖ PenCom is organizing a verification and enrollment exercise for employees in the service of the Federal Government who are due to retire between January 2010 and December 2011 by virtue of attaining the age of 60/65 years or 35 years in service, whichever is earlier. This exercise is intended to physically verify and enroll each employee in line with the process of issuing the Federal Government Retirement Bond. The Federal Government Retirement Benefits Bond is a bond that is issued to those who are currently in employment of the Public service of the Federation and the FCT when the schemes were unfunded. The Bond which would be redeemed upon retirement of the employee is funded via a Retirement Benefits Bond Redemption Fund Account in the CBN.
- ❖ The Central Bank of Nigeria (CBN) has amended the guidelines for submission of bids by authorized dealers under the WDAS, in a renewed action at restricting demand for foreign exchange. The new guideline directed authorized dealers to submit bids in tranches at every auction, with a restriction of the number of tranches that can be submitted per auction from three to one. The CBN also reserves the right to reject bids considered to be unrealistic. The CBN had reverted to WDAS from RDAS effective 27 July 2009 in order to liberalize the foreign exchange market.
- ❖ The committee set up to review the dematerialization of share certificates in the nation's stock market has recommended that the process commence by October 2009, with a deadline yet to be set. The NSE had last year given 31 December 2008 as deadline for dematerialization of share certificates, but had to suspend that deadline after various complaints by shareholders and intervention by SEC. A committee comprising Company Registrars, officials of NSE and the CSCS, SEC and other stakeholders was then set up early this year to look into the issue.

STANBIC IBTC WEEKLY MONEY BULLETIN

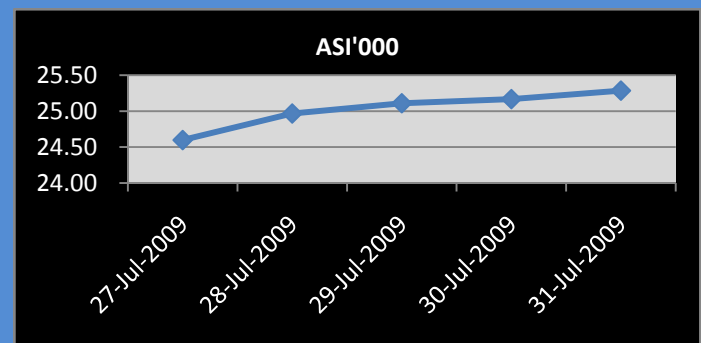
MONEY MARKET UPDATE

- ✓ There was a net outflow of ₦10 billion last week in the Treasury Bills Market against a net inflow of ₦67.35 billion of the previous week. .
- ✓ The FX market witnessed a net outflow of ₦57.07 billion against ₦60.48 billion of the previous week.
- ✓ The OBB rate remained stable at 7.0% throughout the week
- ✓ Overnight rates remained at 10.33%, a rate which it closed the previous week.
- ✓ The Naira/Dollar exchange rate which closed the previous week at ₦147.38, rose to close last week at ₦149.75.

THE CAPITAL MARKET UPDATE

- ✓ The ASI closed the week with a performance of 5.70%, compared to 1.13% of the previous week. Year-to-date performance of the ASI now stands at -19.60% with the month of July returning - 5.86%.
- ✓ Nigerian Aviation Holding Company (NAHCo) released its half-year result, declaring an interim dividend of 25 kobo and bonus of 1 for 4. The closure date is 10 to 14 August 2009, while payment date is 21 August 2009.

ASI FOR THE WEEK ENDED 31 JULY 2009



MARKET OUTLOOK FOR THE NEW WEEK

The interbank market is expected to remain stable as a result of the CBN's guarantee of placements with banks. No inflow expected in..

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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 31 JULY 2009

Date	Current Price (₦)
31 July 09	1.4530

DAILY OMO AUCTION FOR THE WEEK ENDED 31 JULY 2009

Week 07	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
SEC	Securities and Exchange Commission
YTD	Year To Date
FX	Foreign Exchange
NSE	Nigerian Stock Exchange
MDA	Ministries, Departments and Agencies
PenCom	National Pension Commission
FG	Federal Government of Nigeria
FCT	Federal Capital Territory
GDP	Gross Domestic Product
PFA	Pension Fund Administrator
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
WDAS	Wholesale Dutch Auction System
NIBOR	Nigerian Interbank Offered Rate

FOREX DEALS FOR THE WEEK ENDED 31 JULY 2009

RDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
27 July 09	148.41	N/A	200.00	590.29	199.15
29 July 09	149.75	N/A	200.00	604.84	183.74
Total	298.16	N/A	400.00		382.89
Average	149.08	N/A	200.00	-	191.45

STOP RATES ON THE 3RD, 4TH & 5TH 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 June 2009	3	20.000	20.000	10.10
18 June 2009	5	10.000	10.000	10.70
18 June 2009	20	20.000	20.000	12.33
17 July 2009	3	20.000	20.000	8.14
17 July 2009	5	20.000	20.000	9.39
17 July 2009	20	20.000	20.000	11.00

TREASURY BILLS PRIMARY MARKET AUCTION FOR THE WEEK ENDED 31 JULY 2009

Week 28	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
23-July-09	4.1150	91 days	23.9520	15.0000
23-July-09	5.1890	182 days	56.0183	30.0000
Total	9.3040		79.9704	45.0000

TENOR	31 - July	30 - July	29 - July	28 - July	27 - July
Call	10.3333	10.2500	10.0000	10.4583	10.1667
7-Day	12.2083	11.8333	12.0750	12.4167	11.9167
30-Day	14.7083	14.0000	14.0833	14.6667	14.5833
60-Day	15.5833	15.1250	15.2500	15.6250	15.7083
90-Day	16.2917	16.0000	16.0000	16.3333	16.0833
180-Day	16.8333	16.5000	16.8333	16.9167	16.6250
365-Day	17.0417	16.8750	17.2500	17.0833	16.9583



MoneyBulletin

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