

Weekly Money Bulletin 28 SEPTEMBER 2009

OUTLINE

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KEY DEVELOPMENTS

- ❖ In a bid to encourage private sector participation in crude oil refining and also meet its target of locally refining 50% or more of Nigeria's crude oil, the Federal Government has removed the statutory deposit of \$1 million for every 10,000 barrels refinery capacity provided for in the latest "Guidelines for Establishment of Hydrocarbon Processing Plant in Nigeria". This new policy is targeted at convincing investors to build refineries in the country. Nigeria currently imports almost all its petroleum products because the nation's refineries, with a combined capacity of 445,000 barrels per day have not been functioning well, with about \$4 billion spent on fuel importation last year alone.
- ❖ A major review of the Nigerian financial regulatory system is currently being undertaken to plug loopholes in inter-agency cooperation. Under the new consolidated supervisory regime, the Central Bank of Nigeria (CBN), National Insurance Commission (NAICOM), Nigeria Deposit Insurance Corporation (NDIC), Securities and Exchange Commission (SEC) and other self-regulatory organizations such as the Nigerian Stock Exchange (NSE) would institute and implement a more comprehensive and rigorous exchange programme that allows all regulators to be adequately aware of developments across the broad financial system. The new supervision regime would also give the CBN greater inputs into regulations of the other segments of the financial system, including the capital market and Insurance industry.
- ❖ The Federal Government has unveiled a blueprint to help it attain its quest of joining the league of 20 industrialized nations by the year 2020. The blueprint document termed "Vision 20:2020" is anchored on two specific targets: Gross Domestic Product (GDP) of not less than \$900 billion and National per Capita Income of not less than \$4,000 per year by 2020. The government projects that in 2019, Nigeria's per Capita Income would reach \$1,700, tripling the figure of 2005, while the nation's population would rise to 200 million by 2020. Other critical priority areas identified by the document includes: Decentralization of governance; Sustainability of electoral reforms; Land use/property reforms; National Security; Human capacity development and Critical infrastructure development (with particular emphasis on power and transportation). The actual implementation of the "Vision 20:2020" and the "Fifth National Development Plan" is scheduled to start on 02 January 2010.

STANBIC IBTC WEEKLY MONEY BULLETIN

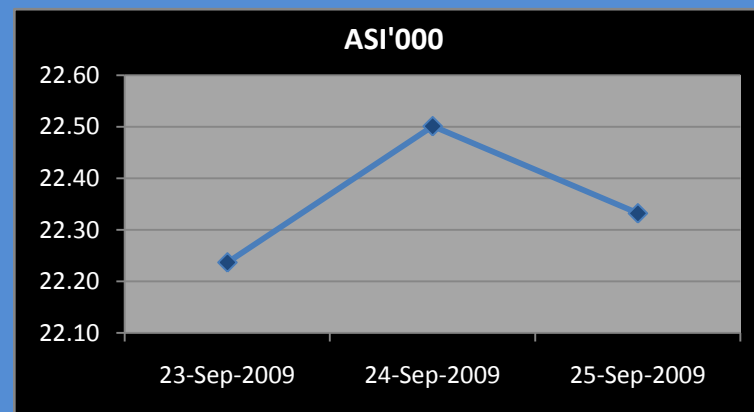
MONEY MARKET UPDATE

- ✓ There was a net outflow of ₦30 billion last week in the Treasury Bills Market against ₦1.6 billion of the previous week. .
- ✓ The FX market witnessed a net outflow of ₦38.02 billion against ₦75.50 billion of the previous week.
- ✓ The OBB rate dropped to close the week at 8.0% from 7.25% of previous week.
- ✓ Overnight rates which closed the previous week at 11.58% dropped to close the week at 12.79%.
- ✓ The Naira/Dollar exchange rate which closed the previous week at ₦151.61 dropped to close last week at ₦151.01.

THE CAPITAL MARKET UPDATE

- ✓ The ASI closed the week with a gain of 2.11%, compared to 1.80% recorded in the previous week. Year-to-date performance of the ASI now stands at -28.99%.
- ✓ Nigerian Bag Manufacturing Company Plc released its audited result for the year ended 31 March 2009. A dividend of 5 kobo was proposed with closure date of 28 September 2009 while the payment date is 13 November 2009.
- ✓ ₦18.5 billion Imo State Government of Nigeria 15.50% Fixed Rate Bond 2009/2016 Series 1 was admitted on the Daily Official List of Nigeria Stock Exchange.

ASI FOR THE WEEK ENDED 25 SEPTEMBER 2009



MARKET OUTLOOK FOR THE NEW WEEK.

Liquidity is expected in the Money market as the remaining ₦89 billion is expected to hit from the balance of the excess crude out of which ₦111 billion was paid earlier in the month.

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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
25 SEPTEMBER 2009**

Date	Current Price (₦)
25 Sept 09	1.4768

**DAILY OMO AUCTION
FOR THE WEEK ENDED 25 SEPT 2009**

Week 36	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
25 Sept 09	-	-	-	-

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
OPEC	Organization of Petroleum Exporting Countries
NDIC	Nigeria Deposit Insurance Corporation
FG	Federal Government of Nigeria
NAICOM	National Insurance Commission
WEF	World Economic Forum
GDP	Gross Domestic Product
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
WDAS	Wholesale Dutch Auction System
NIBOR	Nigerian Interbank Offered Rate
PSF	Petroleum Support Fund

FOREX DEALS FOR THE WEEK ENDED 18 SEPT 2009

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
23 Sept 09	151.01	N/A	300.00	251.76	251.76
Total		N/A	300.00	251.76	251.76
Average	151.01	N/A	300.00	251.76	251.76

STOP RATES ON THE 5TH & 6TH FGN BONDS

Issue Date	Tenor/ Years	Amt Offered (₦)Bn	Allotment (₦)Bn	Stop Rate (%)
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
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
19 Aug 2009	3	20.000	20.000	8.099
19 Aug 2009	5	20.000	20.000	8.99
19 Aug 2009	20	20.000	20.000	10.749
18 Sep 2009	3	20.000	20.000	7.8750
18 Sep 2009	5	14.000	14.000	8.1440
18 Sep 2009	20	26.000	26.000	10.3899

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE
WEEK ENDED 25 SEPT 2009**

Week 36	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
25-Sep-09	-	91 days	-	-
Total			-	-

TENOR	25 - Sept	24 - Sept	23 - Sept	18 - Sept	17 - Sept
Call	11.5833	11.8333	11.9167	10.6667	15.0000
7-Day	12.9583	13.4167	13.4583	11.7083	14.7917
30-Day	15.9167	15.5000	15.3750	14.4167	16.0833
60-Day	16.9583	16.2083	16.3333	15.2917	16.5417
90-Day	17.2917	16.6667	16.8750	15.7083	17.0833
180-Day	17.5417	16.9583	17.2083	16.2917	17.2917
365-Day	17.7500	17.2917	17.5000	16.7500	17.5417



MoneyBulletin

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