

Weekly Money Bulletin 21 DECEMBER 2009

OUTLINE

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

KEY DEVELOPMENTS

- ❖ The FG in conjunction with the World Bank disbursed of ₦152 million grant to artisanal and small scale miners in the country. The money is part of the \$10 million grant by the World Bank for the mining sectors said to be capable of contributing 20 percent to the nation's GDP, with artisanal and small scale mining catering for close to 500,000 households. About 31 percent cooperative societies and mining communities benefitted from the scheme. This scheme aims to boost the production and income-earning capacity of small scale miners engaged in diverse mineral resources such as gemstones, metallic minerals and non-metallic mineral. To ensure transparency and make sure that grants get to the right recipients, all recommended applications are subjected to verification by an independent evaluation committee headed by the permanent secretary of the ministry.
- ❖ The year-on-year Consumer Price Index ("CPI") for November 2009 reflected a rise to 12.40% from 11.60% which was recorded for October 2009. Price of all items in the inflation basket except farm produce rose by 1.1% in the month of November due to slight increase in cooking gas, liquid fuels and some household goods and equipment. This brings the percentage change in the CPI for the 12-month ending November 2009 to 12.60% compared to 12.80% for the period ended October 2009.
- ❖ In a bid to prevent a crisis of confidence in the eight rescued banks, the CBN has re-affirmed its guarantee of all inter-bank placements and a commitment to extend the 31 March 2010 deadline earlier set in place. The apex bank has appealed to treasurers of big banks not to withdraw deposits at the inter-bank as guarantees were intact. The inter-bank market is a window through which banks borrow funds from one another to meet their immediate cash obligations
- ❖ The CBN has authorized banks to limit accounts at its coffers to only three following frequent reconciliation issues resulting from the operation of multiples of accounts. Effective 01 January 2010, each bank must keep only three accounts namely Current Accounts, RTGS (Settlement Account), and Cash Reserve Requirement Account. All dormant and legacy as well as other non-active accounts would be closed and balances therein transferred into the current account.

STANBIC IBTC WEEKLY MONEY BULLETIN

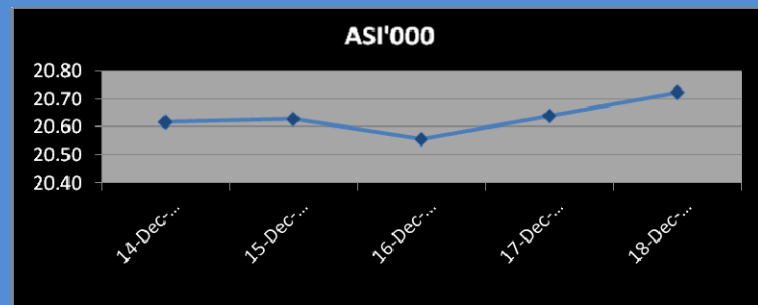
MONEY MARKET UPDATE

- ✓ The FX market witnessed a net outflow of ₦74.03 billion against ₦49.99 billion of the previous week.
- ✓ The OBB rate fell to 2.25% against 8.00% in the previous week.
- ✓ Overnight rates fell to 2.5% against 11.00% in the previous week.
- ✓ The Naira/Dollar exchange rate which closed the previous week at ₦148.00 closed last week at ₦148.10.

THE CAPITAL MARKET UPDATE

- ✓ The ASI closed the week with a loss of 0.85%, compared to a loss of 1.51 % recorded in the previous week. Year-to-date performance of the ASI now stands at -34.11%.
- ✓ 12,350,000,000 units of 50 kobo each in favour of Unity Capital Assurance Plc at N2.50 were listed in the Insurance subsector.
- ✓ The price of Omatek Ventures Plc was adjusted was adjusted for dividend of 50 kobo per share as recommended by the Board of Directors.
- ✓ 201,885,335 shares of 50 kobo each in favour of McNichols Consolidated Plc were admitted at a price of 98 kobo per share in the Emerging Market/Second Tier segment. This brings the total of listed companies and securities to 216 and 301 respectively.

ASI FOR THE WEEK ENDED 18 DECEMBER 2009



MARKET OUTLOOK FOR THE NEW WEEK.

- ❖ Market is expected to be liquid as a result of the FAAC in the system.

**IBTC RSA FUND PRICE FOR THE WEEK ENDED
18 DECEMBER 2009**

Date	Current Price (₦)
17 Dec 09	1.5095

**DAILY OMO AUCTION
FOR THE WEEK ENDED 18 DEC 2009**

Week 48	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
	-	-	-	-

KEY TO ABBREVIATIONS

ASI	All Share Index
CBN	Central Bank of Nigeria
FAAC	Federation Accounts Allocation Committee
YTD	Year To Date
FX	Foreign Exchange
NSE	Nigerian Stock Exchange
SEC	Securities & Exchange Commission
FG	Federal Government of Nigeria
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
WDAS	Wholesale Dutch Auction System
NIBOR	Nigerian Interbank Offered Rate
CPI	Consumer Price Index
RTGS	Real Time Gross Settlement

FOREX DEALS FOR THE WEEK ENDED 18 DEC 2009

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
14 Dec 09	148.00	N/A	200.00	207.48	200.00
16 Dec 09	148.10	N/A	300.00	392.00	300.00
Total		N/A	500.00	599.48	500.00
Average	148.05	N/A	250.00	299.74	250.00

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE
WEEK ENDED 18 DEC 2009**

Week 48	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
17 Dec 09	3.3999	91 days	16.6500	16.6500
17 Dec 09	5.2150	182 days	30.0000	30.0000
17 Dec 09	-	-	-	-
			46.6500	

TENOR	18 - Dec	17 - Dec	16 - Dec	15 - Dec	14 - Dec
Call	3.0750	3.2917	3.0417	3.3333	10.6667
7-Day	6.7500	6.7500	6.7500	6.5833	12.2083
30-Day	12.4167	12.6667	12.5417	12.4167	14.9583
60-Day	13.7917	13.8750	14.1250	14.0000	15.7500
90-Day	14.7500	14.9583	15.1667	14.9583	16.2083
180-Day	15.7083	15.5417	15.9583	15.5833	16.7917
365-Day	16.1250	16.2500	16.2917	16.0833	17.3333

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
23 Oct 2009	3	20.000	31.500	7.0000
23 Oct 2009	10	10.000	10.000	7.0000
23 Oct 2009	20	19.440	19.440	8.7900
20 Nov 2009	3	15.000	15.000	6.7500
20 Nov 2009	10	20.000	20.000	8.3200
20 Nov 2009	20	30.000	30.000	8.5000


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