



Interbank lending rates.....

Nigeria’s interbank lending rates firmed up to an average of 13.17 percent for the week despite inflow from maturing bills worth N113.99billion paid into the system due to CBN mop up exercise. In all, the overnight and one month rates rose to 11.42 percent and 12.89 percent from 10.46 percent and 12.21 percent respectively while the three month and the six month rates firmed up to 14.56 percent and 13.17 percent from 14.21 percent and 12.51 percent respectively.

Exchange Rate.....

To close the week, the Naira appreciated by 22bps at the interbank market to N161.45/\$ when compared to its previous close of N161.80/\$.

Update on Oando Energy Resources Acquisition.....

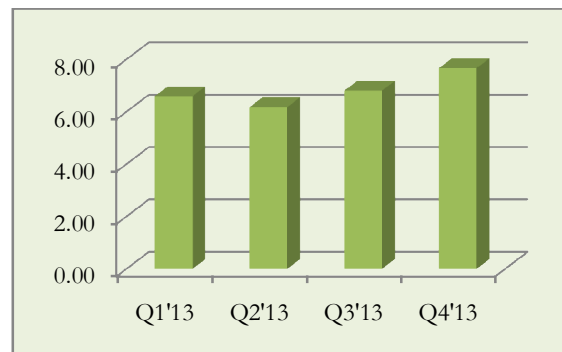
The much anticipated deal for the acquisition of the Nigerian Upstream Oil and Gas business of ConocoPhillips by Oando Energy Resources was concluded today for a cash settlement of US\$1.65billion. With this move, the upstream business of Oando Plc will witness a significant boost in production from about 5,000 barrels per day (bpd) to 50,000 bpd and position the company as one of the leading indigenous E&P players in Nigeria, by way of total reserves and production.

Investors’ reaction to the news was positive with the company’s share price gaining maximum returns to close at ₦27.94 on Wednesday July 30, 2014.

Inflation trend

Month	Rate (%)
December	8.0
January	8.0
February	7.7
March	7.8
April	7.9
May	8.0
June	8.2

GDP growth rate



Key Highlights

- MPR retained at 12%.
- CRR on Public Sector Deposits retained at 75%.
- CRR on Private Sector Deposits sustained at 15%.
- Liquidity ratio held constant at 30%.
- June Inflation rate up 20bps to 8.20%.
- Interbank lending rates rose to an average of 13.17% for the week.

FIXED INCOME REPORT

- **Local currency**

At the money market space, Interbank open buy back (OBB) and over night (O/N) opened at the average rates of 11.58% and 11.88% respectively in-line with OMO issuance. However market liquidity was boosted by the maturity of treasury and OMO bills. Rates dipped to close at 11.0% and 11.29%.

- **Bonds/Treasury bills**

In line with monetary policy stance, the apex bank offered ₦50billion worth of 134day OMO bill and sold ₦151.63billion at the discount stop rate of 10.8%.

- **Outlook for the coming week**

In the week ahead, we expect Treasury bills and OMO redemption totalling ₦350.22billion to improve market liquidity. However the Apex bank is expected to offer 91,182 and 364day treasury bills worth ₦195.18billion

Auction Result

Auction Date	30/07/2014
Tenor	134 Day
Auction	OMO
Maturity Date	11/12/2014
Total Subscription	153631.22
Total Successful	151631.22
Range Bid	10.7500 - 11.2500
Successful Bid Rates	10.7500 - 10.8000
Rate	10.8
Amt offered	50000

Closing Prices

NIBOR	
Tenor	Rate (%)
O/N	11.4167
1M	12.8859
3M	13.7870
6M	14.5554



FGN Bonds						
Description	Maturity Date	T'TM (Yrs)	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
9.25 28-SEP-2014	28-Sep-14	0.16	10.60	9.66	99.74	99.89
4.00 23-APR-2015	23-Apr-15	0.73	10.68	9.93	95.43	95.93
13.05 16-AUG-2016	16-Aug-16	2.04	11.16	11.08	103.35	103.50
15.10 27-APR-2017	27-Apr-17	2.74	11.11	11.05	109.15	109.30
9.85 27-JUL-2017	27-Jul-17	2.99	11.08	11.02	96.95	97.10
9.35 31-AUG-2017	31-Aug-17	3.08	11.09	10.97	95.55	95.85
10.70 30-MAY-2018	30-May-18	3.83	11.17	11.07	98.53	98.83
16.00 29-JUN-2019	29-Jun-19	4.91	11.35	11.28	117.10	117.40
7.00 23-OCT-2019	23-Oct-19	5.23	11.37	11.29	83.09	83.39
16.39 27-JAN-2022	27-Jan-22	7.49	12.10	12.04	120.75	121.05
14.20 14-MAR-2024	14-Mar-24	9.62	12.20	12.15	111.10	111.40
15.00 28-NOV-2028	28-Nov-28	14.33	12.16	12.12	118.99	119.29
12.49 22-MAY-2029	22-May-29	14.81	12.16	12.12	102.19	102.49
8.50 20-NOV-2029	20-Nov-29	15.30	12.16	12.11	74.80	75.10
10.00 23-JUL-2030	23-Jul-30	15.98	12.21	12.16	84.60	84.90
12.1493 18-JUL-2034	18-Jul-34	19.96	12.17	12.13	99.82	100.12

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
14-Aug-14	10.10	9.85
21-Aug-14	10.35	10.10
28-Aug-14	10.10	9.85
4-Sep-14	10.35	10.10
11-Sep-14	10.55	10.30
18-Sep-14	10.65	10.40
25-Sep-14	10.45	10.20
2-Oct-14	10.55	10.30
9-Oct-14	10.30	10.05
16-Oct-14	10.50	10.25
23-Oct-14	10.60	10.35
30-Oct-14	10.40	10.15
6-Nov-14	10.30	10.05
13-Nov-14	10.75	10.50
20-Nov-14	10.30	10.05
27-Nov-14	10.75	10.50
4-Dec-14	10.20	9.95
11-Dec-14	10.75	10.50
8-Jan-15	10.10	9.85
22-Jan-15	10.10	9.85
5-Feb-15	10.15	9.90
19-Feb-15	10.15	9.90
5-Mar-15	10.15	9.90
9-Apr-15	9.90	9.65
23-Apr-15	10.15	9.90

The Equities Market

Market extends losing streakindex down 0.83%

Sell pressure occasioned by profit taking activities forced indicators to close negative for the second consecutive week albeit with an ease in downward pressure. Consequently, the benchmark indicator lost 0.83% to settle at 41,934.40 compared to a loss of 1.41% witnessed last week. Market capitalization shed N116.04billion to close at N13.85trillion.

Decline in activity level.....

Market momentum by way volume traded for the week declined by 24.16% as investors exchanged 1.35billion shares valued at N19.58billion in 17,075 deals as against 1.78billion shares worth N38.10billion traded last week. The financial services sector remained the most active for the week, accounting for 75.77% market turnover.

Oil&GAS leads sector performance.....

The NSE-OIL&GAS index led the sector performance for the week by a 3.93% on renewed optimism in the shares of Oando and Forte Oil Plc; the NSE-IND.GOODS index improved by 0.41% while the NSE-CON.GOODS index rose by 0.14%. Conversely, the NSE-BANKING index posted a negative return by 3.22% primarily on sell pressure from the shares of Skye and GTBank Plc while the NSE-INSURANCE index declined by 0.65%.

Market breadth closed negative.....

Market sentiment closed negative for the week with 27 equities advancing in price and 43 others declining. EVANSMED posted the highest return by a 9.71% upside, AGLEVENT 9.70%, ASHAKACEM 9.02%, 7UP 6.97% and UPL 6.76%. On the other hand, REDSTAREX led the losers chart by a decline of 12.00%, NEM 7.32%, GUARANTY 7.09%, SKYEBANK 5.94% and GLAXOSMITH 5.77% bringing

Weekly Statistics

	01/08/2014	25/07/2014	Change
ASI	41,934.40	42,285.82	(0.83%)
CAP	₦13.85tn	₦13.96tn	(₦116.04bn)
VOLUME	1.35bn	1.78bn	(24.16%)
VALUE	₦19.58bn	₦38.10bn	(48.61%)
DEALS	17,075	24,186	(29.40%)

Top Gainers

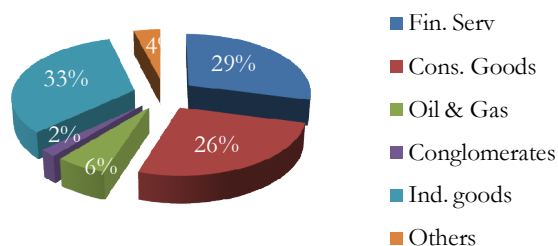
Symbol	Previous	Current	return
EVANSMED	₦2.06	₦2.26	9.71%
AGLEVENT	₦1.34	₦1.47	9.70%
ASHAKACEM	₦30.27	₦33.00	9.02%
7UP	₦100.03	₦107	6.97%
UPL	₦4.14	₦4.42	6.76%
STANBIC	₦29.09	₦31.00	6.57%
OANDO	₦25.47	₦27.00	6.01%
FO	₦216.00	₦228.90	5.97%
FLOURMILL	₦73.98	₦77.67	4.99%
CUTIX	₦1.90	₦1.99	4.74%

Top Losers

Symbol	Previous	Current	return
REDSTAREX	₦5.00	₦4.40	(12.00%)
NEM	₦0.82	₦0.76	(7.32%)
GUARANTY	₦31.00	₦28.80	(7.09%)
SKYEBANK	₦3.20	₦3.01	(5.94%)
GLAXOSMITH	₦68.99	₦65.01	(5.77%)
FIDSON	₦3.18	₦3.00	(5.66%)
COURTVILLE	₦0.54	₦0.51	(5.56%)
FBNH	₦15.22	₦14.40	(5.39%)
DIAMONDBNK	₦6.70	₦6.35	(5.22%)
UBA	₦7.90	₦7.49	(5.19%)

	01/08/2014	25/07/2014	Change
NSE-30	1,913.38	1,933.21	(1.03%)
NSE-Banking	427.51	441.72	(3.22%)
NSE-Insurance	147.77	148.73	(0.65%)
NSE-Consumer goods	1,055.79	1,054.31	0.14%
NSE-Oil&Gas	471.53	453.72	3.93%
NSE-Industrial goods	2,725.26	2,714.02	0.41%

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	16,563.30	16,960.57	-2.34%
FTSE	6,669.38	6,791.55	-1.80%
NIKKEI	15,523.11	15,457.87	0.42%
S.AFRICA	50,951.91	51,550.17	-1.16%
BRAZIL	55,652.94	57,821.08	-3.75%
INDIA	7,602.60	7,790.45	-2.41%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
ETI	₦16.87	(0.18%)	31,629	H1'14	14.90%	₦25.00	1.98	₦17.99
ASHAKACEM	₦33.00	9.02%	3,518	H1'14	204.19%	₦38.00	1.57	₦34.17
ACCESS	₦9.98	2.67%	11,626	Q1'14	25.02%	₦11.65	0.51	₦11.34
AFRIPRUD	₦3.16	(3.07%)	551	H1'14	14.19%	₦4.27	0.28	₦4.10
ZENITH	₦25.06	(0.67%)	47,445	H1'14	8.26%	₦30.98	1.51	₦27.40
UBCAP	₦2.08	(4.15%)	1,245	H1'14	23.55%	N/A	0.21	₦2.91
CUSTODYINS	₦3.96	1.53%	2,276	H1'14	100.08%	N/A	0.39	₦4.03
NAHCO	₦4.95	1.02%	381	H1'14	19.24%	N/A	0.26	₦6.80
HONYFLOUR	₦4.18	(1.65%)	3,351	FY'14	17.87%	N/A	0.42	₦4.50

Earnings Update

Symbol	Period	Turnover (₦'m)			Profit (₦'m)			Corp. Action
		Present	Previous	%change	Present	Previous	%Change	
PRESCO	H1'14	4,061	3,924	3.50	1,086	591	83.59	
WAPCO	H1'14	55,356	49,481	11.88	15,557	14,585	6.66	
UAC-PROP	H1'14	5,983	6,318	-5.30	618	1,463	-57.72	
VITAFOAM	9M'14	13,343	12,996	2.67	457	480	-4.71	
LEARNAFR	H1'14	447	358	24.68	(185)	(198)	6.69	
FLOURMILLS	FY'14	332,142	301,941	10.00	5,367	7,539	-28.81	
CWG	H1'14	8,399	9,992	-16.05	246	465	-47.10	
R.T BRISCOE	H1'14	10,065	10,591	-4.97	(77)	27	-382.83	
CUSTODYINS	H1'14	11,242	13,107	-14.23	2,276	1,137	100.08	6kobo
DANGFLOUR	9M'14	28,730	29,843	-3.73	(4,322)	(2,708)	-3.73	
STANBIC	H1'14	61,478	54,509	12.79	14,600	9,258	57.70%	N1.10
ASHAKACEM	H1'14	12,329	11,806	4.43	3,518	1,156	204.19	

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