



Outcome of MPC meeting.....

The Monetary Policy Committee meeting was held on the 21st and 22nd of July, 2014. In line with our expectation, no major policy shifts were taken. Having considered key external and domestic developments, the committee reached the following decisions:

- To retain MPR at 12 percent with a corridor of +/- 200bps.
- Maintain CRR on Public and Private sector deposits at 75 percent and 15 percent respectively.
- Uphold liquidity ratio for Deposit Money Banks at 30 percent.

Reserve Movement.....

Nigeria’s external reserve firmed up by \$452.79million to \$38.94billion at the close of the week, representing a 1.18% increase when compared to \$38.49billion seen last week. In comparison to \$43.61billion as at December 31st 2013, reserves have declined by 10.70%.

Exchange Rate.....

The local currency strengthened against the US Dollar by 0.12% W-o-W to close at N161.80 from N162.00 as at July 18, 2014 on positive response to monetary interventions.

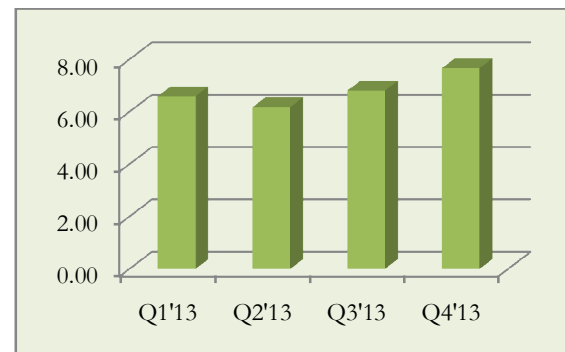
Interbank lending rates.....

Interbank lending rates eased to an average of 12.51% for the week, from an average of 12.72% last week on liquidity improvement following payment of maturing bills and inflow from FAAC. The Overnight rate declined by 0.17% to 10.46% while the 3 months and 6 months rates eased to 13.16% and

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 rates eased to an average of 12.51% for the week.

FIXED INCOME REPORT

- **Local currency**

Interbank open buy back (OBB) and over night (O/N) rates opened at 10.25% and 10.50% respectively owing to FAAC allocation to the three-tier of government dictated . However, due to monetary tightening rates inched to close at 11.0% and 11.21%.

- **Bonds/Treasury bills**

At the OTC space, bull sentiments were witnessed with short and mid term maturities leading the rally fuelled by liquidity level as well as unchanged expectation of monetary rates. However, the trend reversed at the end of the week owing to profit taking as well as OMO issuance.

At the Treasury bills Primary Market Auction, ~~₦~~34.89billion worth of the 91day-bill was offered and sold at the discount stop rate of 9.84% as against 9.95%, however ~~₦~~48.0billion and ~~₦~~52.0billion worth of 182day and 364day bill were offered and sold at the discount rates of 10.1% and 10.24%. Total subscription stood at ~~₦~~305.74billion. While at the OMO auction, 125 day bill was offered and over ~~₦~~400billion was sold at the discount rate of 10.8%.

- **Outlook for the coming week**

In the week ahead, we expect Treasury bills and OMO redemption totalling ~~₦~~179.42billion

Closing Prices

Money Market	
Tenor	Rate (%)
OBB	11.00
O/N	11.21

FGN Bonds						
Description	Maturity Date	T'TM (Yrs)	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
9.25 28-SEP-2014	28-Sep-14	0.18	10.53	9.69	99.72	99.87
4.00 23-APR-2015	23-Apr-15	0.75	10.52	9.78	95.43	95.93
13.05 16-AUG-2016	16-Aug-16	2.06	11.09	11.01	103.50	103.65
15.10 27-APR-2017	27-Apr-17	2.76	11.07	11.01	109.30	109.45
9.85 27-JUL-2017	27-Jul-17	3.01	11.02	10.90	97.08	97.38
9.35 31-AUG-2017	31-Aug-17	3.10	11.02	10.90	95.69	95.99
10.70 30-MAY-2018	30-May-18	3.85	11.05	10.95	98.89	99.19
16.00 29-JUN-2019	29-Jun-19	4.93	11.15	11.08	118.00	118.30
7.00 23-OCT-2019	23-Oct-19	5.25	11.18	11.09	83.73	84.03
16.39 27-JAN-2022	27-Jan-22	7.51	11.97	11.91	121.50	121.80
14.20 14-MAR-2024	14-Mar-24	9.64	12.15	12.10	111.40	111.70
15.00 28-NOV-2028	28-Nov-28	14.35	12.15	12.11	119.10	119.40
12.49 22-MAY-2029	22-May-29	14.83	12.15	12.11	102.25	102.55
8.50 20-NOV-2029	20-Nov-29	15.32	12.16	12.10	74.82	75.12
10.00 23-JUL-2030	23-Jul-30	16.00	12.21	12.16	84.60	84.90
12.1493 18-JUL-2034	18-Jul-34	19.98	12.20	12.16	99.60	99.90

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
7-Aug-14	10.15	9.90
14-Aug-14	10.15	9.90
21-Aug-14	10.20	9.95
28-Aug-14	10.20	9.95
4-Sep-14	10.25	10.00
11-Sep-14	10.50	10.25
18-Sep-14	10.50	10.25
25-Sep-14	10.50	10.25
2-Oct-14	10.45	10.20
9-Oct-14	10.30	10.05
16-Oct-14	10.45	10.20
23-Oct-14	10.15	9.90
30-Oct-14	10.55	10.30
6-Nov-14	10.10	9.85
13-Nov-14	10.55	10.30
20-Nov-14	10.30	10.05
4-Dec-14	10.10	9.85
8-Jan-15	9.95	9.70
22-Jan-15	10.05	9.80
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	10.05	9.80
7-May-15	9.70	9.45

The Equities Market

Index slumps on profit taking.....down 1.41%

The local bourse succumbed to sell pressure, reversing its previous week's gain as speculative investors booked profits. Specifically, the index lost 1.41% for the week to settle at 42,285.82 as against a gain of 0.14% seen previously. In the same vein, market capitalization shed N200.09billion to close at N13.96trillion.

Marginal increase in activity level.....

The volume of stocks traded for the week rose by 0.06% as investors staked N38.10billion on 1.78billion shares in 24,186 deals as against 1.78billion shares valued at N19.90billion traded last Friday. The financial services sector remained the most active for the week, accounting for 55.90% market volume.

Renewed optimism in Banking stocks.....

The NSE-BANKING index posted a return of 0.69% on positive posture in the shares of Stanbic IBTC Holdings, Diamond and Guaranty Trust Bank Plc. On the flip side, the NSE-OIL&GAS index declined by 3.28% on losses recorded in the shares of Eterna and Forte Oil Plc; the NSE-IND. GOODS index shed 1.92% while the NSE-INSURANCE index and the NSE-CON.GOODS index lost 1.12% and 0.51% respectively.

Market breadth closed negative.....

Market breadth closed negative with 25 equities appreciating in price while 49 others declined. CCNN led the gainers for the week with 20.08% upside, PHARMADEKO 14.67%, STANBIC 6.71%, IKEJAHOTEL 6.67% and PORTPAINT 6.09%. Conversely, EVANSMED topped the losers chart with a decline of 12.34%, JAPAUOIL 10.53%, CHAMPION 9.64% ETERNA 9.30% and FO 9.24% bringing market year-to-

Weekly Statistics

	25/07/2014	18/07/2014	Change
ASI	42,285.82	42,891.82	(1.41%)
CAP	₦13.96tn	₦14.16tn	(₦200.09bn)
VOLUME	1.78bn	1.78bn	0.06%
VALUE	₦38.10bn	₦19.90bn	91.44%
DEALS	24,186	25,974	(6.88%)

Top Gainers

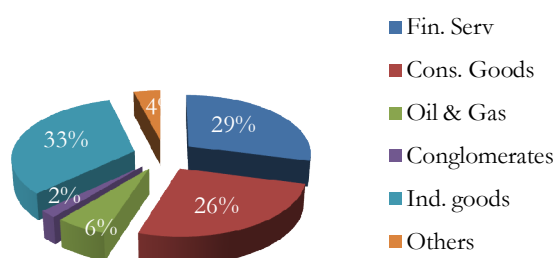
Symbol	Previous	Current	return
CCNN	₦11.80	₦14.17	20.08%
PHARMDEKO	₦1.50	₦1.72	14.67%
STANBIC	₦27.26	₦29.09	6.71%
IKEJAHOTEL	₦0.75	₦0.80	6.67%
PORTPAINT	₦4.92	₦5.22	6.09%
DIAMONDBNK	₦6.32	₦6.70	6.01%
CUTIX	₦1.80	₦1.90	5.56%
CILEASING	₦0.52	₦0.50	4.00%
GUARANTY	₦30.00	₦31.00	3.33%
CUSTODYINS	₦3.79	₦3.90	2.90%

Top Losers

Symbol	Previous	Current	return
EVANSMED	₦2.35	₦2.06	(12.34%)
JAPAUOIL	₦0.57	₦0.51	(10.53%)
CHAMPION	₦10.17	₦9.19	(9.64%)
ETERNA	₦4.30	₦3.90	(9.30%)
FO	₦238	₦216	(9.24%)
NPFMCRFBK	₦1.10	₦1.00	(9.09%)
ASHAKACEM	₦33.03	₦30.27	(8.36%)
COSTAIN	₦1.26	₦1.16	(7.94%)
UNILEVER	₦52.77	₦49.00	(7.14%)
TRANSCORP	₦5.91	₦5.51	(%)

	25/07/2014	18/07/2014	Change
NSE-30	1,933.21	1,948.74	(0.79%)
NSE-Banking	441.72	438.71	0.69%
NSE-Insurance	148.73	150.41	(1.12%)
NSE-Consumer goods	1,054.31	1,059.78	(0.51%)
NSE-Oil&Gas	453.72	469.09	(3.28%)
NSE-Industrial goods	2,714.02	2,767.11	(1.92%)

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	16,955.36	17,100.18	-0.85%
FTSE	6,811.95	6,749.45	0.93%
NIKKEI	15,457.87	15,215.71	1.59%
S.AFRICA	51,592.63	51,695.05	-0.20%
BRAZIL	57,818.50	57,012.90	1.41%
INDIA	7,790.45	7,663.90	1.65%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
ETI	₦16.90	0.29%	14,922	Q1'14	15.74%	₦25.00	0.78	₦17.99
ASHAKACEM	₦30.27	(8.36%)	1,919	Q1'14	69.45%	₦38.00	0.86	₦34.17
ACCESS	₦9.72	(0.82%)	11,626	Q1'14	25.02%	₦11.65	0.51	₦11.79
AFRIPRUD	₦3.26	(5.50%)	551	H1'	14.19%	₦4.27	0.28	₦4.10
DANGSUGAR	₦9.20	(1.08%)	3,758	Q1'14	8.83%	₦12.58	0.31	₦12.85
ZENITH	₦25.23	0.04%	47,445	H1'14	8.26%	₦30.98	1.51	₦27.40
UACN	₦62.40	0.45%	1,970	Q1'14	48.68%	N/A	1.03	₦71.20
UBCAP	₦2.17	(4.41%)	1,245	H1'14	23.55%	N/A	0.21	₦2.91

Earnings Update

Symbol	Period	Turnover (₦'m)			Profit (₦'m)			Corp. Action
		Present	Previous	%change	Present	Previous	%Change	
STANBIC	H1'14	61,478	54,509	12.79	14,600	9,258	57.70%	N1.10
FCMB	H1'14	69,620	63,294	9.99	9,576	9,279	3.19	
STERLNBANK	H1'14	48,697	41,855	16.35	5,527	5,922	-6.66	
UNIONBANK	H1'14	49,591	56,163	-11.70	6,345	9,393	-32.45	
ABBEY	H1'14	308	800	-61.40	15	37	-59.89	
CCNN	H1'14	9,395	8,811	6.63	1,588	832	90.93	
PORTPAINT	H1'14	1,439	1,354	6.34	125	58	113.69	
FIRSTALUM	H1'14	2,352	2,139	9.93%	15	24	-37.63	
TRIPPLEGEE	Q1'14	153	187	-17.89	1	6	-77.40	
CADBURY	H1;14	15,321	17,431	-12.10	1,263	2,518	-49.83	
DNMEYER	H1'14	633	720	-12.10	(61)	57	206.40	

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