



Highlights of policy review for BDC Operators.....

- Minimum capital requirement raised to ₦35million.
- Mandatory cautionary deposit of ₦35million will be deposited in a non-interest yielding account in the Apex bank.
- Ownership of multiple BDCs is not allowed.
- Membership of the Association of Bureau De Change Operators Of Nigeria(ABCON) is no longer compulsory for the licensing of BDCs

Fees applicable for the licensing of BDCs:

- The application fee was increased to ₦100,000
- Licensing fee raised to ₦1million.
- Annual renewal fee increased to ₦250,000.

Inflation Rate.....

Consumer Price Index (CPI) which measures inflation came in at 8.00 percent, an increase of 10bps from 7.90 percent seen in April. Nigeria’s inflation rate has maintained the single digit rate for the 17th consecutive month.

Reserve Movement.....

The country’s external reserve firmed up by \$175.96million to close at \$37.27billion on Thursday June 26, 2014. This represents an increase of 0.47% when compared to \$37.09billion seen last Friday. Reserves have declined by 14.54% when compared to its close of \$43.61billion as at Dec. 31, 2013. We expect the policy change for BDC operators to have a positive impact on the forex market in the near term, thereby strengthening the local currency.

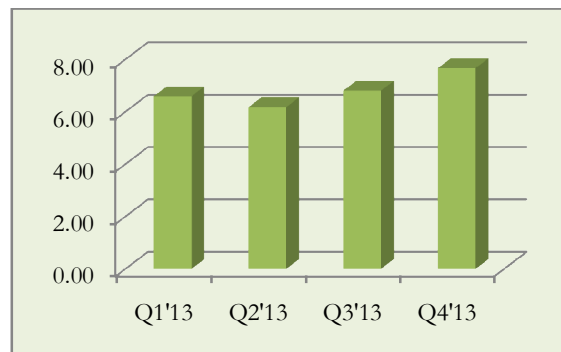
Exchange Rate.....

The Naira weakened by 0.06 percent against the dollar at the interbank market to close at ₦163.00/\$ when compared to its previous close of ₦162.90/\$.

Inflation trend

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

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%.
- May Inflation rate up 10bps to 8.00%.
- Interbank rates declined across board on liquidity injection from maturing bills except the 6 Months rates which increased marginally.

FIXED INCOME REPORT

- **Local currency**

Interbank open buy back (OBB) and over night (O/N) rates remained flat at an average rate of 10.25% and 10.50% owing FAAC allocation to the three tiers of government and redeemed Treasury and OMO bills.

- **Bonds/Treasury bills**

Diminutive volatility was witnessed at the bond OTC space as prices moved in an uneven pattern across maturities. At the treasury bills OTC market, bull market was seen at the early days of the week across all tenor buckets with reversal owing to profit taking as well as results of primary market auction.

At the Treasury bills Primary Market Auction, ~~₦~~21.54billion worth of the 91day-bill was offered and sold at the discount stop rate of 9.95%, however ~~₦~~31.84billion and ~~₦~~81.19billion worth of 182day and 364day bill were offered and sold at the discount rates of 10.25% and 10.349% respectively as against 10.38% and 10.3973% at the previous auction. Subscription stood at ~~₦~~314.34billion as against ~~₦~~404.34billion at the previous auction

At the OMO auction window, ~~₦~~140billion of 129day and 133day bill were offered while ~~₦~~368.90billion was sold at a uniform discount rate of 10.8%.

- **Outlook for the coming week**

In the week ahead, we expect OMO redemption totalling ~~₦~~132.22billion to improve market liquidity.

Auction Date	25/06/2014	25/06/2014	25/06/2014	Auction Date	23/06/2014	6/26/2014
Security Type	NTB	NTB	NTB	Tenor	129 Day	133
Tenor	91	182	364	Auction	OMO	OMO
Auction	Primary Market	Primary Market	Primary Market	Maturity Date	30/10/2014	11/06/2014
Maturity Date	25/09/2014	25/12/2014	25/06/2015	Total Subscription	165840.37	205303.88
Total Subscription	40732.85	75032.73	198570.7	Total Successful	165840.37	203060.68
Total Successful	21538.34	31838.51	81190.88	Range Bid	10.7500 - 10.8000	10.7500 - 10.8500
Range Bid	9.0000 - 12.0000	10.0000 - 11.9519	10.0000 - 12.5189	Successful Bid Rates	10.7500 - 10.8000	10.7500 - 10.8000
Successful Bid Rates	9.0000 - 9.9500	10.0000 - 10.2500	10.0000 - 10.3490	Rate	10.8	10.8
Rate	9.95	10.25	10.349	True Yield	11.2286	11.2424
True Yield	10.2031	10.8021	11.54	Amtoffered	70000	70000
Amtoffered	21538.34	31838.51	81190.88			



FGN Bonds					
Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
9.25 28-SEP-2014	28-Sep-14	11.19	10.59	99.46	99.61
4.00 23-APR-2015	23-Apr-15	10.91	10.23	94.69	95.19
13.05 16-AUG-2016	16-Aug-16	11.46	11.38	102.90	103.05
15.10 27-APR-2017	27-Apr-17	11.44	11.38	108.60	108.75
9.85 27-JUL-2017	27-Jul-17	11.38	11.26	96.09	96.39
9.35 31-AUG-2017	31-Aug-17	11.38	11.26	94.67	94.97
10.70 30-MAY-2018	30-May-18	11.39	11.29	97.85	98.15
16.00 29-JUN-2019	29-Jun-19	11.47	11.40	116.90	117.20
7.00 23-OCT-2019	23-Oct-19	11.47	11.39	82.52	82.82
16.39 27-JAN-2022	27-Jan-22	12.07	12.01	121.05	121.35
14.20 14-MAR-2024	14-Mar-24	12.28	12.23	110.65	110.95
15.00 28-NOV-2028	28-Nov-28	12.18	12.14	118.93	119.23
12.49 22-MAY-2029	22-May-29	12.17	12.13	102.14	102.44
8.50 20-NOV-2029	20-Nov-29	12.17	12.11	74.74	75.04
10.00 23-JUL-2030	23-Jul-30	12.21	12.16	84.60	84.90

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
10-Jul-14	10.60	10.35
17-Jul-14	10.45	10.20
24-Jul-14	10.05	9.80
31-Jul-14	10.70	10.45
7-Aug-14	10.40	10.15
14-Aug-14	10.30	10.05
21-Aug-14	10.30	10.05
28-Aug-14	10.50	10.25
4-Sep-14	10.45	10.20
11-Sep-14	10.75	10.50
18-Sep-14	10.70	10.45
25-Sep-14	10.75	10.50
2-Oct-14	10.75	10.50
9-Oct-14	10.55	10.30
16-Oct-14	10.80	10.55
23-Oct-14	10.80	10.55
30-Oct-14	10.80	10.55
20-Nov-14	10.60	10.35
4-Dec-14	10.55	10.30
8-Jan-15	10.40	10.15
22-Jan-15	10.45	10.20
5-Feb-15	10.45	10.20
19-Feb-15	10.35	10.10
5-Mar-15	10.40	10.15
9-Apr-15	10.35	10.10
23-Apr-15	10.20	9.95
7-May-15	10.05	9.80

The Equities Market

The bulls regain control.....index up 2.57%

The local bourse bounced back after two consecutive weeks of loses, driven by gains in high cap stocks like Dangcem and Guinness Plc. Specifically, the NSE's ASI rose by 2.57% to close at 42,187.62 compared to a loss of 0.93% last week. In the same vein, market capitalization firmed up by N349.46billion to settle at N13.93trillion.

Significant rise in volume.....

Market momentum for the week in terms of volume rose by a whopping 88.89% as investors traded 2.89billion shares valued at N30.03billion in 30,650 deals as against 1.53billion shares worth N20.08billion traded last week. Turnover for the week was primarily driven by activity in the shares of Transnational Corporation Plc, which accounted for 32.53% of market volume.

Industrial goods lead sector performance.....

Gains in the shares of Dangote Cement and Portland Paints plc lifted the NSE-IND.GOODS index by 3.75%; the NSE-CON.GOODS index was up 3.28% while the NSE-BANKING index rose 1.30%. Contrarily, the NSE-OIL&GAS index shed 10.29% on Profit taking from Forte Oil and Oando Oil Plc while the NSE-INSURANCE index declined 0.39%.

Positive market sentiment.....

Market breadth closed positive for the week with 47 gainers and 37 losers. JAPAUOIL led the advancers table by a 17.86% upside, GUINNESS and WAPIC 11.11% a piece, ABCTRANS 10.59% and JBERGER 10.24%. On the flip side, Forte Oil topped the losers table by a 17.48% decline, NPFMCRFBK 16.67%, OANDO 9.91%, CHAMPION 9.68% and TRANSEXPR 7.59%. Market year-to- return now 2.08 %.

Weekly Statistics

	27/06/2014	20/06/2014	Change
ASI	42,187.62	41,129.27	2.57%
CAP	₦13.93tn	₦13.58tn	₦349.46bn
VOLUME	2.89bn	1.53bn	88.89%
VALUE	₦30.03bn	₦20.08bn	49.55%
DEALS	30.650	26,820	14.28%

Top Gainers

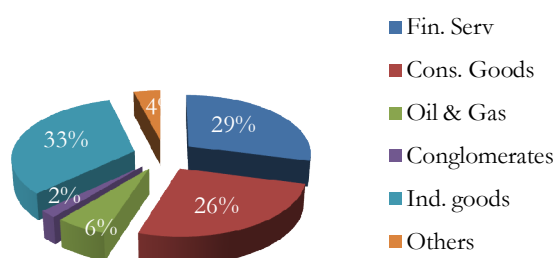
Symbol	Previous	Current	return
JAPAUOIL	₦0.56	₦0.66	17.86%
GUINNESS	₦180	₦200	11.11%
WAPIC	₦0.72	₦0.80	11.11%
ABCTRANS	₦0.85	₦0.94	10.59%
JBERGER	₦69.35	₦76.45	10.24%
MRS	₦64.00	₦70.00	9.38%
MAYBAKER	₦1.65	₦1.78	7.88%
PORTPAINT	₦4.81	₦5.14	6.86%
DANGCEM	₦225.01	₦240.00	6.66%
PRESTIGE	₦0.50	₦0.53	6.00%

Top Losers

Symbol	Previous	Current	return
FO	₦250.01	₦206.30	(17.48%)
NPFMCRFBK	₦1.02	₦0.85	(16.67%)
OANDO	₦30.37	₦27.36	(9.91%)
CHAMPION	₦11.26	₦10.17	(9.68%)
TRANSEXPR	₦2.24	₦2.07	(7.59%)
UTC	₦0.54	₦0.50	(7.41%)
VITAFOAM	₦4.72	₦4.44	(5.93%)
MANSARD	₦2.65	₦2.50	(5.66%)
PZ	₦38.00	₦36.00	(5.26%)
STERLNBANK	₦2.42	₦2.30	(4.96%)

	27/06/2014	20/06/2014	Change
NSE-30	1,918.60	1,869.95	2.60%
NSE-Banking	432.01	426.47	1.30%
NSE-Insurance	146.18	146.76	(0.39%)
NSE-Consumer goods	1,043.78	1,010.62	3.28%
NSE-Oil&Gas	452.86	504.83	(-10.29%)
NSE-Industrial goods	2,672.61	2,576.09	3.75%

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	16,828.72	16,947.08	-0.70%
FTSE	6,752.36	6,825.20	-1.07%
NIKKEI	15,095.00	15,349.42	-1.66%
S.AFRICA	50,583.56	51,322.67	-1.44%
BRAZIL	53,326.43	54,638.19	-2.40%
INDIA	7,508.80	7511.45	-0.04%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
ASHAKA	₦29.00	0.35%	1,919	Q1'14	69.45%	₦38.00	0.86	₦29.93
ACCESS	₦9.70	(1.02%)	11,626	Q1'14	25.02%	₦11.65	0.51	₦11.79
AFRIPRUD	₦3.25	1.56%	213	Q1'14	22.04%	N/A	0.11	₦4.10
BERGER	₦9.00	0.00%	48	Q1'14	59.44%	₦9.86	0.17	₦11.38
DANGSUGAR	₦9.40	(2.08%)	3,758	Q1'14	8.83%	₦12.58	0.31	₦12.85
ZENITH	₦25.00	5.04%	23,677	Q'14	1.15%	₦30.98	0.75	₦27.40
UACN	₦62.06	4.27%	1,970	Q1'14	48.68%	N/A	1.03	₦71.20
UBCAP	₦2.34	(0.43%)	503	Q1'14	0.22%	N/A	0.08	₦2.91

Earnings Update

Symbol	Period	Turnover (₦'m)			Profit (₦'m)			Corp. Action
		Present	Previous	%change	Present	Previous	%Change	
AiicoIns	Q1'14	8,811	5,837	50.95	914	746	22.52	
AiicoIns	FY'13	23,602	21,273	10.95	(739)	1,320	-155.98	
WapicIns	FY'13	3,760	4,178	-9.99	(208)	383	-154.34	
OasisIns	Q1'14	608	506	20.32	94	35	163.09	
OasisIns	FY'13	1,243	1,604	-22.52	(71)	230	-131.09	
UnionHomes	FY'13	7,702	6,325	21.77	(2,614)	(5,355)	-51.19	
RegencyAlliance	Q1'14	1,066	697	53.03	275	141	95.01	
EllahLakes	Q3'14	66	4	1389.93	(9)	(6)	-52.02	
NCR	Q1'14	1,474	1,640	-10.15	89.3	17.9	398.66	
NCR	FY'13	6,107	6,463	-5.51	(19.37)	(1,068)	98.18	
UnionDicon	FY'13	N/A	N/A	N/A	12	(20)	157.86	
UnionDicon	FY'12	N/A	N/A	N/A	(20)	(42)	51.64	

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