



On the outcome of the MPC meeting.....

During the week, the Monetary Policy Committee held its meeting and all members were in attendance. The committee decided by majority of the member’s vote to retain:

- Monetary Policy Rate at 12 percent with a corridor of +/- 200 basis points around the midpoint.
- Public sector cash reserve requirement at 75.00 percent; and
- Private sector cash reserve requirement at 15.00 percent.

August inflation rate up 20bps to 8.50 percent.....

The National Bureau of Statistics released August inflation figures on September 15, 2014. Consumer Price Index (CPI) which measures inflation rose 20bps to 8.50 percent from 8.30 percent seen in July. Food prices increased 10 percent (yoy) in August, up from 9.90 in the preceding month. Nonetheless, Inflation rate has remained at the single digit level for the past eighteen months.

Going forward, we anticipate a steady rise in CPI on pressures from election related spending and hike in food prices following continued unrest in the North Eastern parts of the country.

Reserve movement.....

Nigeria’s external reserve appreciated by \$52.23million to \$39.60billion, representing an increase of 0.13percent when compared to \$39.54billion seen previously. In comparison to \$43.61billion as at December 31st 2013, the country’s external reserve has shed 9.21 percent.

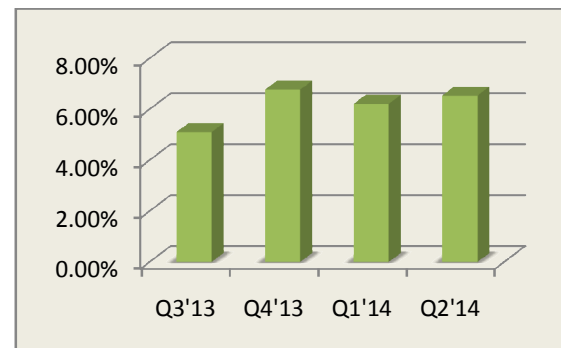
Exchange Rate.....

At the interbank market, the local currency weakened against the U.S dollar by 0.61 percent to close the week at N163.97/\$ from N162.97/\$ as at Friday September 12, 2014

Inflation trend

Month	Rate (%)
February	7.70
March	7.80
April	7.90
May	8.00
June	8.20
July	8.30
August	8.50

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%.
- August Inflation rate up 20bps to 8.50%.
- Interbank lending rates rose to an average of 12.74% for the week.

FIXED INCOME REPORT

- **Local Currency**

Open buy back (OBB) and Overnight (O/N) rates opened north at 11.75% and 12.04% respectively however rates dwindled owing to redeemed treasury and OMO bills which boosted market liquidity. OBB and O/N rate eased to close at 10.5% and 10.71%

- **Bonds/Treasury bills**

At the OMO auction window, ₦120billion of 146day and 147day bill were offered while ₦285.15billion was sold at a uniform discount rate of 10.8%.

At the Treasury bills Primary Market Auction, 91day and 182day bills were offered and sold at the discount stop rates of 9.58% and 10.24% respectively.

At the FGN monthly primary auction, ₦ 100billion worth of 13.05% FGN AUG 2016 (3year Re-opening), 14.20% FGN MAR 2024 (10year Re-opening) and 12.1493% FGN JUL 2034 (20year Re-opening) were offered and were sold at the marginal rates of 11.49%, 12.232% and 12.299% against 11.123%, 12.22% and 12.389% at the previous auction. Total subscription stood at ₦108.99billion.

- **Outlook for the coming week**

In the week ahead, we expect to the distribution of FAAC to the three tiers of government as well as the redemption of Treasury and OMO bill worth ₦258.76billion

Closing Prices

NIBOR	
Tenor	Rate (%)
O/N	11.0000
1M	12.4644
3M	13.2812
6M	14.2049

FGN Bonds					
Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
9.25 28-SEP-2014	28-Sep-14	10.78	4.90	99.95	100.10
4.00 23-APR-2015	23-Apr-15	11.04	10.76	96.06	96.21
13.05 16-AUG-2016	16-Aug-16	11.68	11.60	102.25	102.40
15.10 27-APR-2017	27-Apr-17	11.55	11.49	107.75	107.90
9.85 27-JUL-2017	27-Jul-17	11.58	11.52	95.86	96.01
9.35 31-AUG-2017	31-Aug-17	11.58	11.52	94.55	94.70
10.70 30-MAY-2018	30-May-18	11.60	11.50	97.32	97.62
16.00 29-JUN-2019	29-Jun-19	11.61	11.53	115.70	116.00
7.00 23-OCT-2019	23-Oct-19	11.73	11.64	82.24	82.54
16.39 27-JAN-2022	27-Jan-22	12.20	12.15	119.90	120.20
14.20 14-MAR-2024	14-Mar-24	12.31	12.26	110.40	110.70
15.00 28-NOV-2028	28-Nov-28	12.52	12.48	116.19	116.49
12.49 22-MAY-2029	22-May-29	12.52	12.48	99.75	100.05
8.50 20-NOV-2029	20-Nov-29	12.52	12.46	72.95	73.25
10.00 23-JUL-2030	23-Jul-30	12.33	12.28	83.90	84.20
12.1493 18-JUL-2034	18-Jul-34	12.34	12.30	98.55	98.85

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
2-Oct-14	10.45	10.20
9-Oct-14	10.15	9.90
16-Oct-14	10.45	10.20
23-Oct-14	10.35	10.10
30-Oct-14	10.50	10.25
6-Nov-14	10.55	10.30
13-Nov-14	10.60	10.35
20-Nov-14	10.30	10.05
27-Nov-14	10.80	10.55
4-Dec-14	10.10	9.85
11-Dec-14	10.70	10.45
25-Dec-14	10.30	10.05
1-Jan-15	10.90	10.65
8-Jan-15	10.45	10.20
15-Jan-15	10.90	10.65
22-Jan-15	10.40	10.15
29-Jan-15	10.90	10.65
5-Feb-15	10.40	10.15
19-Feb-15	10.30	10.05
5-Mar-15	10.50	10.25
9-Apr-15	10.20	9.95
23-Apr-15	10.25	10.00
7-May-15	10.10	9.85
6-Jun-15	10.20	9.95

The Equities Market

High cap stocks drive index up 93bps.....

Despite sell pressure witnessed during the week, high cap stocks like Dangote Cement and Zenith Bank Plc lifted the benchmark indicator up by 0.93 percent to settle at 41,049.27 as against a loss of 1.18 percent seen previously. In the same vein, market capitalization firmed up by N124.26billion to close at N13.56trillion.

ETI buoys activity level.....

Market turnover by way of volume traded for the week rose 22.95% as investors exchanged 3.75billion shares valued at N62.12billion in 22,109 deals as against 3.05billion shares worth N76.70billion traded previously. The financial services sector was the most active, accounting for 90.66% of market volume while ETI boosted activity in the sector.

Industrial goods sector leads performance.....

The NSE-IND.GOODS index posted the highest positive return for the week by 4.80% on renewed optimism in the shares of Lafarge Wapco and Dangote cement plc while the NSE-CON.GOODS index and the NSE-INSURANCE index rose 1.23% and 1.05% respectively. On the other hand, the NSE-OIL&GAS index slumped by 4.81% on sell pressure from the shares of Conoil, Oando and Forte Oil Plc while the NSE-BANKING index declined by 1.26%.

Market breadth close negative.....

Market breadth closed negative for the week with 31 equities advancing in price and 44 others declining. IKEJAHOTEL led stock performance with an upside of 51.41%, VONO 37.14%, PREMBREW 21.33%, RTBRISCOE 8.99% and CHAMPION 8.56%. Conversely, AGLEVENT led decliners with 13.16%, ROYALEX 12.07%, FTNCOCOA 10.53%, CONOIL 9.73% and SKYEBANK 7.99%. Market year to date return now stands at -0.68%.

Weekly Statistics

	19/09/2014	12/09/2014	Change
ASI	41,049.27	40,672.94	0.93%
CAP	₦13.56tn	₦13.43tn	₦124.26bn
VOLUME	3.75bn	3.05bn	22.95%
VALUE	₦62.12bn	₦76.70bn	(19.01%)
DEALS	22,109	23,679	(6.63%)

Top Gainers

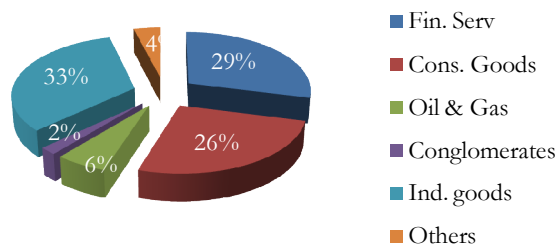
Symbol	Previous	Current	return
IKEJAHOTEL	₦1.42	₦2.15	51.41%
VONO	₦1.05	₦1.44	37.14%
PREMBREW	₦4.22	₦5.12	21.33%
RTBRISCOE	₦0.89	₦0.97	8.99%
CHAMPION	₦8.29	₦9.00	8.56%
WAPCO	₦118.50	₦127.50	7.59%
NEM	₦0.76	₦0.81	6.58%
CUTIX	₦1.82	₦1.92	5.49%
FIDSON	₦3.34	₦3.52	5.39%
REDSTAREX	₦4.34	₦4.53	4.38%

Top Losers

Symbol	Previous	Current	return
AGLEVENT	₦1.52	₦1.32	(13.16%)
ROYALEX	₦0.58	₦0.51	(12.07%)
FTNCOCOA	₦0.57	₦0.51	(10.53%)
CONOIL	₦53.16	₦47.99	(9.73%)
SKYEBANK	₦2.88	₦2.65	(7.99%)
DANGSUGAR	₦8.80	₦8.10	(7.95%)
NPFMCRFBK	₦1.03	₦0.97	(7.77%)
AFRIPRUD	₦3.30	₦3.10	(6.06%)
COSTAIN	₦1.03	₦0.97	(5.83%)
STERLNBANK	₦2.30	₦2.17	(5.65%)

	19/09/2014	12/09/2014	Change
NSE-30	1,874.36	1,856.96	0.94%
NSE-Banking	428.87	434.35	(1.26%)
NSE-Insurance	143.91	142.41	1.05%
NSE-Consumer goods	1,010.18	997.92	1.23%
NSE-Oil&Gas	444.60	467.06	(4.81%)
NSE-Industrial goods	2,755.63	2,629.45	4.80%

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	17,265.99	16,987.51	1.64%
FTSE	6,864.17	6,806.96	0.84%
NIKKEI	16,321.17	15,948.29	2.34%
S.AFRICA	51,462.42	51,247.71	0.42%
BRAZIL	58,097.82	56,927.81	2.06%
INDIA	8,121.45	8,105.50	0.20%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
CCNN	₦14.45	(0.34%)	1,588	H1'14	91.00%	N/A	₦1.26	₦15.33
NPFMCRFBK	₦0.95	(7.77%)	338	H1'14	33.93%	₦2.60	₦0.15	₦1.12
DANGSUGAR	₦8.10	(7.95%)	6,835	H1'14	-2.54%	₦12.58	₦0.57	₦12.27
FIDSON	₦3.52	5.39%	310	H1'14	4.09	₦4.62	₦0.21	₦3.69
ETI	₦19.00	(1.66%)	31,629	H1'14	14.90%	₦25.00	₦1.98	₦18.33
ASHAKACEM	₦32.10	(0.65%)	3,518	H1'14	204.19%	₦38.00	₦1.57	₦34.17
AFRIPRUD	₦3.10	(6.06%)	551	H1'14	14.19%	₦4.27	₦0.28	₦4.10
ZENITH	₦24.65	0.20%	47,445	H1'14	8.26%	₦30.98	₦1.51	₦27.40
UBCAP	₦2.05	1.49%	1,245	H1'14	23.55%	₦3.90	₦0.21	₦2.91

Earnings Update

Symbol	Period	Turnover (₦'m)			Profit (₦'m)			Corp. Action
		Present	Previous	%change	Present	Previous	%Change	
GUINNESS	FY'14	109,202	122,463	-10.83%	9,573	11,863	-19.30	N3.20
DAARCOMM	FY'12	4,233	5,144	-17.71%	273	2,692	-89.83%	
FLOURMILLS	Q1'14	83,947	88,963	-5.64	2,822	3,361	-22.27	
ETERNA	H1'14	13,979	47,856	-70.79	974	658	47.87	
JOHNHOLT	9M'14	1,851	2,133	-13.22	(395)	(607)	34.93	
ACCESS	H1'14	117,932	102,356	15.22	22,587	21,097	7.06	25kobo
AUSTINLAZ	H1'14	158	197	-19.52	(4)	21	-119.80	
GUARANTY	H1'14	132,985	124,202	7.07	44,008	49,014	-10.21	25kobo
GUINEAINS	H1'14	546	802	-31.96	(158)	194	-181.63	
GUINEAINS	Q1'14	159	109	46.14	(62)	181	-134	
ACADEMY	FY'14	2,347	2,285	2.69	102	66	53.98	
JOHNHOLT	FY'13	3,038	2,764	9.91	126	(67)	-288.06	
PRESTIGE	FY'13	4,222	4,790	-11.85	(90)	613	-114	

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