



LAFARGE PLC UPDATE – NOTIFICATION OF MTO

The completion of the 58.61 percent block trade of Ashacakem shares to Lafarge Africa prompted a Mandatory Tender Offer as required by the Securities & Exchange Commission which states that a mandatory takeover bid is made to all other shareholders of a public company by any party that acquires 30 percent or more of the shares of the company.

On the strength of this, Lafarge Africa Plc has received approval from SEC to proceed with the MTO to all other shareholders who control 41.39 percent of the company as stated in a letter to the Stock Exchange.

Oil Price Watch - Oil prices slumped to a monthly average of \$75.57pb in November from its peak in June at \$107.89pb. On a daily basis, Oil prices dipped to \$66.27pb on December 4, 2014 from its year high at \$110.48pb on June 20th, 2014. This represents a 40.02 percent decline in just over five months and a 3.80 percent decline week-on-week.

Reserve Movement - Nigeria’s external reserves fell to \$36.58billion on December 3, 2014 from \$36.80billion as at November 28, 2014 which represents a 0.60 percent or \$22million loss on a WoW basis. When compared to \$43.61billion as at December 31, 2013 reserves have dipped by 16.12 percent year-to-date.

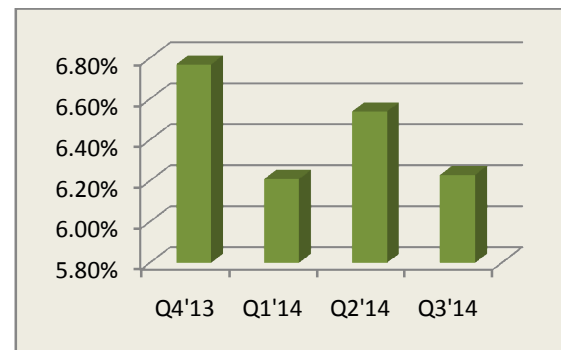
Exchange rate - The naira depreciated against the dollar by N3.43/\$ or 1.93 percent WoW on growing dollar demand by speculative traders.

Interbank rate - Rates edged higher to an average of 18.32 percent at the interbank this week from last week’s average of 14.24 percent as CBN’s tightening policy continues to take effect.

Inflation trend

Month	Rate (%)
April	7.90
May	8.00
June	8.20
July	8.30
August	8.50
September	8.30
October	8.10

GDP growth rate



Key Highlights

- MPR increased by 100bps to 13%.
- CRR on Public Sector Deposits retained at 75%.
- CRR on Private Sector Deposits increased by 500bps to 20%.
- Liquidity ratio held constant at 30%.
- October Inflation rate down 20bps to 8.10%.
- Interbank lending rates firmed up to an average of 18.32 percent for the week.

FIXED INCOME REPORT

- **Money Market**

The Nigerian interbank market rate surged north owing to NTB PMA auction and RDAS auction. Open Buy Back and Over Night rate opened the week at 12.25% and 12.75% and closed at 29.17% and 30.92% respectively.

- **Bond/Treasury Bill**

The bears ruled the fixed income OTC market owing to dwindling liquidity, improved yield level at the Nigerian Treasury Bills Primary Market Auction and sell off of short term instruments.

At the Treasury bills Primary Market Auction, ₦27.85billion worth of the 91day-bill was offered and ₦17.85billion was sold at the discount stop rate of 10.05%, while ₦30.00billion and ₦71.33billion worth of 182day and 364day bill were offered while ₦26.31billion and ₦117.99billion were sold at the discount rates of 13.49% and 13.58% respectively. However, total subscription stood at ₦164.00.08billion as against ₦ 165.85billion at the previous auction.

- **Outlook for the coming week**

In the week ahead, we expect the redemption of treasury bills totalling ₦151.63 billion to improve market liquidity.

Auction Results

NTB PMA

Auction Date	03/12/2014	03/12/2014	03/12/2014
Security Type	NTB	NTB	NTB
Tenor	91	182	364
Auction	Primary Market	Primary Market	Primary Market
Maturity Date	05/03/2015	04/06/2015	03/12/2015
Total Subscription	19,699,473,000.00	26,312,025,000.00	117,988,146,000.00
Total Successful	17850150000	18000000000	93326138000
Range Bid	9.0000 - 12.0000	10.0000 - 15.1336	10.0000 - 15.0000
Successful Bid Rates	9.0000 - 10.0500	10.0000 - 13.4900	10.0000 - 13.5800
Rate	10.05	13.49	13.58
True Yield	10.3083	14.4629	14.5664
Amt offered	27,850,150,000.00	30,000,000,000.00	71,326,138,000.00

Closing Prices

Money Market	
Tenor	Rate (%)
OBB	29.17
O/N	30.92

FGN Bonds						
Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price	
4.00 23-APR-2015	23-Apr-15	14.28	13.85	96.25	96.40	
13.05 16-AUG-2016	16-Aug-16	13.76	13.66	98.90	99.05	
15.10 27-APR-2017	27-Apr-17	13.82	13.74	102.50	102.65	
9.85 27-JUL-2017	27-Jul-17	13.79	13.71	91.49	91.64	
9.35 31-AUG-2017	31-Aug-17	13.79	13.72	90.12	90.27	
10.70 30-MAY-2018	30-May-18	13.81	13.70	91.61	91.91	
16.00 29-JUN-2019	29-Jun-19	13.86	13.77	107.05	107.35	
7.00 23-OCT-2019	23-Oct-19	13.82	13.72	76.32	76.62	
16.39 27-JAN-2022	27-Jan-22	13.74	13.68	111.75	112.05	
14.20 14-MAR-2024	14-Mar-24	13.46	13.40	103.80	104.10	
15.00 28-NOV-2028	28-Nov-28	13.28	13.23	110.81	111.11	
12.49 22-MAY-2029	22-May-29	13.28	13.23	94.96	95.26	
8.50 20-NOV-2029	20-Nov-29	13.28	13.22	69.24	69.54	
10.00 23-JUL-2030	23-Jul-30	13.44	13.39	77.70	78.00	
12.1493 18-JUL-2034	18-Jul-34	13.15	13.10	93.00	93.30	

Treasury Bills

Treasury Bills						
DTM	Maturity	Bid Discount (%)	Offer Discount (%)	Bid Yield (%)		
20	25-Dec-14	15.75	15.50	15.89		
27	1-Jan-15	15.00	14.75	15.17		
34	8-Jan-15	16.10	15.85	16.35		
41	15-Jan-15	15.30	15.05	15.57		
48	22-Jan-15	14.20	13.95	14.47		
55	29-Jan-15	14.80	14.55	15.14		
62	5-Feb-15	14.85	14.60	15.23		
69	12-Feb-15	14.60	14.35	15.01		
76	19-Feb-15	13.80	13.55	14.21		
83	26-Feb-15	14.85	14.60	15.37		
90	5-Mar-15	14.00	13.75	14.50		
97	12-Mar-15	13.95	13.70	14.49		
111	26-Mar-15	14.00	13.75	14.62		
118	2-Apr-15	13.85	13.60	14.50		
125	9-Apr-15	14.80	14.55	15.59		
132	16-Apr-15	13.50	13.25	14.19		
139	23-Apr-15	13.90	13.65	14.68		
146	30-Apr-15	13.15	12.90	13.88		
153	7-May-15	13.00	12.75	13.75		
160	14-May-15	12.90	12.65	13.67		
244	6-Aug-15	13.20	12.95	14.48		
272	2-Sep-15	13.05	12.80	14.46		

The Equities Market

Market indicators close the week depressed.....down 3.81%

The equities market closed the week on a bearish note, triggered by sell pressure in bellwether stocks like NESTLE, FBNH and ZENITH bank Plc. Market capitalization shed N434.06billion to close at N10.97trillion while the index lost 3.81 percent week-on-week to settle at 33,228.29.

Volumes stabilize after the previous week's spike.....

Turnover as measured by the volume of traded stocks decline by 27.04 percent. Investors' exchanged 1.53billion shares worth N24.99billion in 21,344 deals compared to 2.09billion shares valued at N28.23billion traded the previous week. The financial services sector was the most active, driven by trades in banking stocks.

Insurance sector most supportive.....

The NSE-INSURANCE index emerged the most supportive, with a 5.73 percent gain as at Thursday December 4, 2014, boosted by demand for Mansard, Royalex and Continental Insurance Plc. All other sectors under our coverage closed negative within the period, led by a 5.22 percent loss in the NSE-BANKING index (sell pressure in FBNH, ZENITH and GTBANK), the NSE-OIL&GAS index shed 3.10 percent (loses in Seplat Plc), the NSE-CON.GOODS index declined 2.38percent while the NSE-IND.GOODS index came in 3.23 percent lower.

Market breadth closed negative.....

Market breadth closed negative with 24 equities moving northwards while 45 other declined. On the gainers table, MANSARD led the rest by 23.33 percent, IKEJAHOTEL 14.00 percent, ASHAKACEM 13.22 percent, PZ 12.92 percent and CADBURY 8.51 percent.

On the flip side, FBNH was the worst hit posting a decline of 12.69 percent, NESTLE 11.60 percent, OANDO 11.21 percent, DANGFLOUR 9.63 percent and SEPLAT Plc 9.09 percent.

Weekly Statistics

	05/12/2014	28/11/2014	Change
ASI	33,228.29	34,543.05	(3.81%)
CAP	₦10,970.23	₦11.40tn	(₦434.06)
VOLUME	1.53bn	2.09bn	(27.04%)
VALUE	₦24.99bn	₦28.23bn	(11.48%)
DEALS	21,344	22,865	(6.65%)

Top Gainers

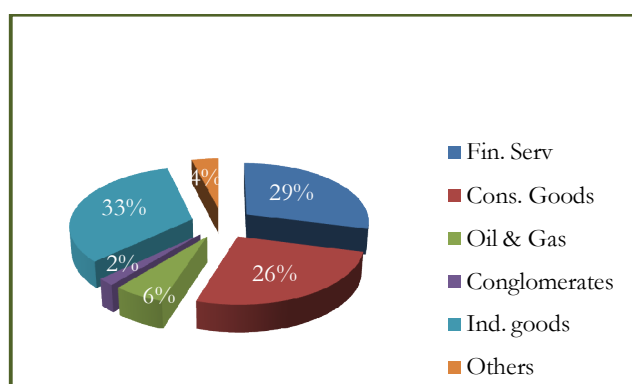
Symbol	Current	Previous	Return
MANSARD	₦3.70	₦3.00	23.33%
IKEJAHOTEL	₦3.99	₦3.50	14.00%
ASHAKACEM	₦24.58	₦21.71	13.22%
PZ	₦31.89	₦28.24	12.92%
CADBURY	₦45.67	₦42.09	8.51%
ROYALEX	₦0.54	₦0.50	8.00%
CONTINSURE	₦0.96	₦0.89	7.87%
AIICO	₦0.85	₦0.80	6.25%
LEARNAFRIC	₦1.47	₦1.40	5.00%
BETAGLASS	₦23.15	₦22.05	4.99%

Top Losers

Symbol	Current	Previous	Return
FBNH	₦9.08	₦10.40	(12.69%)
NESTLE	₦800	₦905	(11.60%)
OANDO	₦19.40	₦21.85	(11.21%)
DANGFLOUR	₦5.63	₦6.23	(9.63%)
SEPLAT	₦380	₦418.01	(9.09%)
ZENITHBNK	₦19.11	₦20.90	(8.56%)
GUARANTY	₦23.12	₦25.20	(8.25%)
UBCAP	₦1.68	₦1.82	(7.69%)
CAVERTON	₦3.50	₦3.79	(7.65%)
SKYEBANK	₦2.41	₦2.60	(7.31%)

	04/12/2014	28/11/2014	Change
NSE-30	1,514.87	1,575.87	(3.87%)
NSE-Banking	347.05	366.13	(5.22%)
NSE-Insurance	156.18	147.71	5.73%
NSE-Consumer goods	878.15	899.60	(2.38%)
NSE-Oil&Gas	403.95	416.86	(3.10%)
NSE-Industrial goods	1,955.65	2,020.88	(3.23%)

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	17,900.10	17,827.75	0.41%
FTSE	6,716.18	6,718.81	-0.04%
NIKKEI	17,887.21	17,459.85	2.45%
S.AFRICA	49,392.59	49,911.37	-1.04%
BRAZIL	51,426.87	55,214.73	-6.86%
INDIA	8,564.40	8,588.25	-0.28%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
UBA	₦4.91	(4.47%)	33,628	9M'14	-10.02%	₦9.33	₦1.02	₦9.41
FBNH	₦9.08	(12.69%)	55.626	9M'14	-5.85%	₦15.86	₦1.70	₦16.77
CCNN	₦10.90	(3.45%)	1,729	9M'14	56.75%	₦11.33	₦1.38	₦15.75
DANGSUGAR	₦6.31	(4.39%)	9,147	9M'14	-5.01%	₦12.58	₦0.76	₦12.27
ETI	₦17.80	(1.11%)	52,491	9M'14	31.33%	₦25.00	₦3.29	₦19.00
ASHAKACEM	₦24.58	(13.22%)	4,365	9M'14	103.40%	₦38.00	₦1.95	₦34.17
AFRIPRUD	₦2.97	(1.00%)	828	9M'14	35.47%	₦4.27	₦0.40	₦4.10
ZENITH	₦19.11	(8.56%)	71,046	9M'14	5.60%	₦30.98	₦2.26	₦27.40
UBCAP	₦1.68	(7.69%)	1,687	9M'14	(2.00%)	₦3.90	₦0.28	₦2.91

Earnings Update

Symbol	Period	Turnover (₦m)			Profit (₦m)			Corp. Action
		Present	Previous	%change	Present	Previous	%Change	
NIGERINSURE	9M'14	8,285	10,443	-20.66%	365	794	-53.97%	
CUTIX	H1'14	1,143	1,118	2.25%	48	84	-42.55%	
MULTI-TREX	FY'13	1,434	3,264	-56.05%	-3,019	-1,247	142.02%	
NIGERIANENAM	FY'14	2,569	2,516	2.13%	86	73	16.47%	
HONYFLOUR	H1'14	26,871	27,858	-3.54%	1,095	1,005	8.96%	
DANGFLOUR	9M'14	41,268	29,960	37.74	(6,112)	(7,217)	15.31%	
MRS	9M'14	69,243	69,713	-0.67%	346	55	528.84%	
OANDO	9M'14	338,105	386,251	-12.46%	10,698	6,092	75.61%	
OKOMUOIL	9M'14	6,899	6,787	1.65%	2,077	1,612	28.85%	
ACADEMY	H1'14	1,158	1,084	6.84%	(32)	80	-140.77%	
C&I LEASING	H1'14	6,343	6,112	3.78	369	174	110.96%	
STDALLIANCE	9M'14	3,738	3,779	1.08%	657	(239)	374.00%	
STDALLIANCE	H1'14	2,525	3,779	33.19%	330	(239)	237.64%	
STDALLIANCE	Q1'14	1,423	3,779	62.34%	(474)	(382)	-24.01%	

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