



November Inflation rate down 20bps to 7.90%- According to data released by the National Bureau of Statistics, Consumer Price Index(CPI) which measures inflation declined for the third consecutive month. The inflation figure came in at 7.90 percent for November, representing a decline of 20bps when compared to 8.10 percent seen in October. The decline in the inflation figure was attributed to slower rise in food prices as well as other divisions that contribute to the headline index.

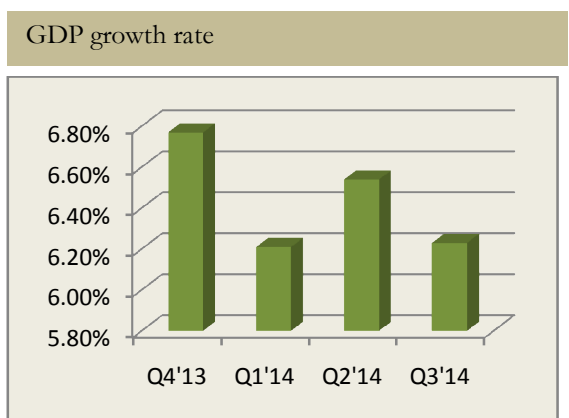
Oil Price Watch – OPEC Basket Oil Price declined 4.01% to close at \$56.30 as at Thursday Dec 18, 2014 compared to its last week close of \$58.65

Reserve Movement – Nigeria’s external reserve declined by \$620million to close at \$35.19billion as at 18th of Dec, 2014 representing a decline of 1.73% when compared to its previous week close of \$35.81billion. The reserve has shed 19.29% when compared to its Dec 31, 2013 close of \$43.60billion.

Exchange rate – Despite the Apex bank effort in defending the local currency, the Naira depreciated by 2.31% to the US Dollar to close at \$185.80 as at Friday Dec 19, 2014 compared to its previous week close of \$181.60.

Interbank rate –_Interbank lending rates eased to an average of 16.13%, representing a decline of 3.19% when compared to 19.33% seen last Friday. The overnight and 30-day lending rates declined 10.21% and 1.19% to 15.17% and 15.91% respectively. While the 90-day and 180-day lending rates declined 0.87% and 0.50% to 16.41% and 17.04% respectively.

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



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 eased to an average of 16.13 percent for the week.

FIXED INCOME REPORT

- **Money Market**

Nigerian interbank Open Buy Back and Over Night lending rates opened the week at 42.50% and 47.08% however, firmed up at the next trading session to a new record high of 72.33% and 75.92% due to NNPC debit, Foreign Exchange Dutch Auction, FGN monthly bond Primary Market Auction and Nigeria Treasury Bills Primary Market Auction. Redeemed Treasury Bills, FAAC allocation to the three tiers of government as well as returned funds from the apex bank improved market liquidity which eased interbank lending rates to close at 15.50% and 16.65%.

- **Bond/Treasury Bill**

The bear parade continued to rule the FGN bond OTC space; dwindling liquidity, results of FGN bond auction and Treasury bills auction saw yields rise by an average of 40 basis points across tenor buckets. At the FGN sovereign debt primary auction, ₦65.00billion 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 while ₦53.5billion were sold at the marginal rates of 15.49%, 15.20% and 15.49% as against 12.0%, 12.80% and 13.0% at the previous auction. However, subscription stood at ₦93.6billion as against ₦104.41billion

At the Treasury bills Primary Market Auction, ₦33.88billion worth of the 91day-bill was offered and sold at the discount stop rate of 11.0%, while ₦51.30billion and ₦110.40billion worth of 182day and 364day bill were offered and sold at the discount rates of 13.849% and 15.99% as against 13.49% and 13.58% at the previous auction. However, total subscription stood at ₦187.62billion as against ₦164.08billion at the previous auction.

- **Outlook for the coming week**

In the week ahead, we expect the redemption of treasury bills (₦53.38bn) and OMO bills (₦221.47bn) worth ₦274.85 billion to improve market liquidity.

Auction Results

NTB PMA

Auction Date	17/12/2014	17/12/2014	17/12/2014
Tenor	91	182	364
Auction	Primary Market	Primary Market	Primary Market
Maturity Date	19/03/2015	18/06/2015	17/12/2015
Total Subscription	34440.95	57547.27	95635.66
Total Successful	33876.45	51300.34	110397.57
Range Bid	9.5000 - 13.5000	9.7500 - 15.5000	10.0000 - 17.4490
Successful Bid Rates	9.5000 - 11.0000	9.7500 - 13.8490	10.0000 - 15.9900
Description	Issue	Issue	Issue
Rate	11	13.849	15.99
True Yield	11.3102	14.8763	19.0235
Amt offered	33876.45	51300.34	110397.57

	13.05% FGN AUG 2016	14.20% FGN MAR 2024	12.1493% FGN JUL 2034
Auction Date:	December 17, 2014	December 17, 2014	December 17, 2014
Settlement Date:	December 19, 2014	December 19, 2014	December 19, 2014
Maturity Dates:	August 16, 2016	March 14, 2024	July 18, 2034
Tenors:	3-Year	10-Year	20-Year
Term-To-Maturity:	1 Year, 8 Months	9 Years, 3 Months	19 Years, 7 Months
Amount Offered:	₦10.00 billion	₦30.00 billion	₦25.00 billion
Total Bids:	60	56	35
Successful Bids:	39	29	28
Subscription:	₦24.79 billion	₦29.12 billion	₦39.69 billion
Amount Allotted:	₦7.50 billion	₦18.00 billion	₦28.00 billion
Range of Bids:	11.5000% - 21.0000%	11.9999% - 22.0000%	12.1493% - 23.0000%
Marginal Rates:	15.49%	15.20%	15.49%



Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
4.00 23-APR-2015	23-Apr-15	13.01	12.55	97.01	97.16
13.05 16-AUG-2016	16-Aug-16	15.52	15.41	96.45	96.60
15.10 27-APR-2017	27-Apr-17	15.41	15.33	99.35	99.50
9.85 27-JUL-2017	27-Jul-17	15.38	15.30	88.46	88.61
9.35 31-AUG-2017	31-Aug-17	15.39	15.31	87.04	87.19
10.70 30-MAY-2018	30-May-18	15.44	15.32	87.66	87.96
16.00 29-JUN-2019	29-Jun-19	15.52	15.43	101.50	101.80
7.00 23-OCT-2019	23-Oct-19	15.48	15.37	71.79	72.09
16.39 27-JAN-2022	27-Jan-22	15.32	15.25	104.50	104.80
14.20 14-MAR-2024	14-Mar-24	15.11	15.04	95.50	95.80
15.00 28-NOV-2028	28-Nov-28	13.32	13.28	110.47	110.77
12.49 22-MAY-2029	22-May-29	13.15	13.11	95.73	96.03
8.50 20-NOV-2029	20-Nov-29	12.98	12.92	70.75	71.05
10.00 23-JUL-2030	23-Jul-30	14.07	14.01	74.50	74.80
12.1493 18-JUL-2034	18-Jul-34	14.64	14.59	84.00	84.30

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
1-Jan-15	14.40	14.15
8-Jan-15	14.90	14.65
15-Jan-15	13.55	13.30
22-Jan-15	13.68	13.43
29-Jan-15	14.58	14.33
5-Feb-15	14.01	13.76
12-Feb-15	14.15	13.90
19-Feb-15	14.08	13.83
26-Feb-15	13.30	13.05
5-Mar-15	14.50	14.25
12-Mar-15	13.80	13.55
26-Mar-15	12.40	12.15
2-Apr-15	13.71	13.46
9-Apr-15	15.50	15.25
16-Apr-15	12.95	12.70
23-Apr-15	13.56	13.31
30-Apr-15	13.84	13.59
7-May-15	16.50	16.25
14-May-15	11.24	10.99
6-Aug-15	15.00	14.75
3-Sep-15	11.92	11.67
3-Dec-15	15.50	15.25

The Equities Market

Bearish run persists..... index down 1.48%

The local bourse continued on the southward voyage, albeit an ease in downward momentum as the benchmark index declined 1.48 percent to settle at 30,306.51 as against loss of -7.42 percent seen last week. Likewise, market capitalization shed N150.83billion to settle at N10.01trillion.

Union Bank buoys activity level.....

The volume of equities traded for the week rose 198.34% as investors exchanged 5.40billion shares worth N46.47billion in 22,986 deals compared to 1.81billion shares valued at N28.92billion. Union Bank Plc shares buoyed activity level for the week accounting for over 64.81% of market volume.

Insurance index leads sector performance.....

The NSE-INSURANCE index was up 1.81% on positive posture in the shares of Wapic, Mansard and Custody Insurance Plc while the NSE-IND.GOODS index rose 0.96%. On the flip side, the NSE-BANKING index slumped 3.49% on sell pressure in the shares of Union Bank, United Bank for Africa and FCMB Holdings Plc while the NSE-OIL&GAS index and the NSE-CON.GOODS index declined by 3.17% and 0.63% respectively.

Market breadth maintains negative stance.....

Market breadth closed negative for the week with 20 stocks appreciating in price and 46 others declining. Top gainers include: ETRANZACT 15.29%, WAPIC 10.53%, BETAGLASS 10.25%, HONYFLOUR 9.03% and MANSARD 8.62%. On the other hand, CHAMPION led the losers chart with a decline of 29.58%, FLOURMIL 18.82%, PZ 18.49%, SEPLAT 18.41% and RTBRISCOE 15.85% bringing market year-to-date return to -29.08%.

Weekly Statistics

	19/12/2014	12/12/2014	Change
ASI	30,306.51	30,763.38	(1.48%)
CAP	₦10.01tn	₦10.16tn	(₦150.83bn)
VOLUME	5.40bn	1.81bn	198.34%
VALUE	₦46.47bn	₦28.92bn	60.68%
DEALS	22,986	20,677	11.17%

Top Gainers

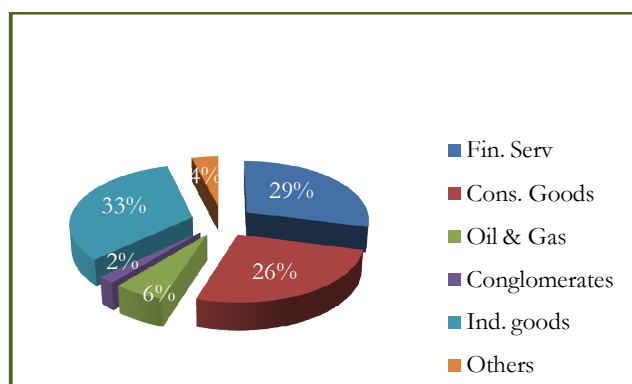
Symbol	Current	Previous	Return
ETRANZACT	₦2.94	₦2.55	15.29%
WAPIC	₦0.63	₦0.57	10.53%
BETAGLASS	₦26.46	₦24.00	10.25%
HONYFLOUR	₦3.38	₦3.10	9.03%
MANSARD	₦3.15	₦2.90	8.62%
FIDSON	₦3.35	₦3.09	8.41%
CUSTODYINS	₦3.62	₦3.44	5.23%
CCNN	₦9.71	₦9.27	4.75%
ACADEMY	₦1.18	₦1.13	4.42%
NESTLE	₦809.14	₦775.00	4.41%

Top Losers

Symbol	Current	Previous	Return
CHAMPION	₦4.88	₦6.93	(29.58%)
FLOURMILL	₦35.50	₦43.73	(18.82%)
PZ	₦25.09	₦30.78	(18.49%)
SEPLAT	₦265.02	₦324.83	(18.41%)
RTBRISCOE	₦0.69	₦0.82	(15.85%)
DANGFLOUR	₦4.16	₦4.84	(14.05%)
PRESCO	₦22.00	₦25.59	(14.03%)
NEIMETH	₦0.75	₦0.86	(12.79%)
AIICO	₦0.68	₦0.77	(11.69%)
LIVESTOCK	₦2.09	₦2.33	(10.30%)

	19/12/2014	12/12/2014	Change
NSE-30	1,378.87	1,397.45	(1.33%)
NSE-Banking	312.66	323.95	(3.49%)
NSE-Insurance	143.78	141.23	1.81%
NSE-Consumer goods	783.47	788.45	(0.63%)
NSE-Oil&Gas	366.79	378.80	(3.17%)
NSE-Industrial goods	1,872.69	1,854.92	0.96%

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	17,778.15	17,280.83	2.88%
FTSE	6,499.83	6,300.63	3.16%
NIKKEI	17,621.40	17,371.58	1.44%
S.AFRICA	49,356.77	48,043.19	2.73%
BRAZIL	48,958.87	48,001.98	1.99%
INDIA	8,225.20	8,224.10	0.01%

BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
TRANSCORP	₦3.08	0.98%	₦8,263	9M'14	130.78%	N/A	13kobo	₦6.50
GTBANK	₦22.05	(1.96%)	₦66,743	9M'14	-4.00%	N/A	₦2.35	₦31.60
UBA	₦3.78	(7.35%)	33,628	9M'14	-10.02%	₦9.33	₦1.02	₦9.41
FBNH	₦8.29	(3.94%)	55.626	9M'14	-5.85%	₦15.86	₦1.70	₦16.77
CCNN	₦9.71	(4.75%)	1,729	9M'14	56.75%	₦13.80	₦1.38	₦15.75
DANGSUGAR	₦5.25	(3.14%)	9,147	9M'14	-5.01%	₦12.58	₦0.76	₦12.27
ETI	₦17.40	(4.45%)	52,491	9M'14	31.33%	₦25.00	₦3.29	₦19.00
AFRIPRUD	₦2.74	(0.00%)	828	9M'14	35.47%	₦4.27	₦0.40	₦4.10
ZENITH	₦16.32	(5.39%)	71,046	9M'14	5.60%	₦30.98	₦2.26	₦27.40
UBCAP	₦1.57	(1.88%)	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	
ELLAHLAKES	Q1'14	12	15	-15.61%	(4)	(2)	60.71%	
FTNCOCOA	9M'14	166	224	-25.59%	(403)	(336)	20.14%	
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%	

Investments discussed in this report may not be suitable for all investors and the reader(s) should independently determine their suitability and evaluate the investment risks associated with such investments. All investors are solely responsible for their investment decisions. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this report. Planet Capital, through business units other than Planet Capital Research, may have issued and may in the future issue trading ideas or recommendations that are inconsistent with, and reach different conclusions from, the information presented in this report. Such ideas or recommendations reflect the different time frames, assumptions, views and analytical methods of the persons who prepared them, and Planet Capital is under no obligation to ensure that such other trading ideas or recommendations are brought to the attention of any recipient of this report. To the extent that this report discusses any legal proceeding or issue, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Information relating to the tax status of companies whose securities are discussed in this report is not intended to provide tax advice or to be used by anyone to provide tax advice. By accepting this research report, you agree to be bound by the foregoing limitations. Planet Capital Limited is registered with the Securities & Exchange Commission as an issuing house, underwriter and financial adviser. This document is for information purposes only and for private circulation. No portion of this document may be reprinted, sold or redistributed without the written consent of Planet Capital Limited. Planet Capital research report is disseminated and available primarily electronically, and, in some cases, in printed form.