



Our thought on MPC meeting next week.....

Top on the agenda of the Monetary Policy Committee meeting which is expected to hold on the 24th & 25th Of November will include:

- Declining foreign reserves as the CBN struggles to defend the Naira at a time when global oil prices are on a free fall.
- Performance of the domestic economy which will assess - inflation expectation and election related spending, GDP growth rate, equities market performance and exchange rate movement.

In light of the aforementioned, we do not expect any shocks by way of an upward review of the benchmark rate, going by the commitment of the apex bank to defend the naira.

GDP growth rate.....

According to data released by the National Bureau of Statistics, real GDP growth rate for the third quarter of 2014 was 6.23 percent, representing an increase of 1.06 percent when compared to the corresponding period of 2013 and lower by 0.31 percent when compared to the previous quarter.

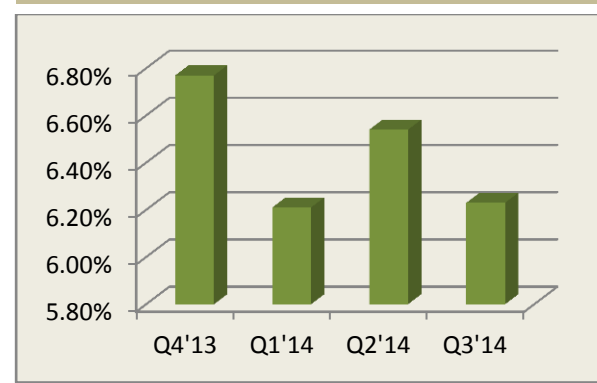
The non-oil sector recorded 7.51 percent growth in the third quarter of 2014, down 0.95 percent when compared to the third quarter of 2013 and higher by 0.80 percent when compared to 6.71 percent seen in the second quarter of 2014.

Oil sector contribution to GDP declined by 3.60 percent in Q3 2014 as a result of a reduction in average daily crude oil production to 2.15mbpd compared to 2.21mbpd in the previous quarter and 2.26 mbpd in the corresponding period of 2013.

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 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%.
- October Inflation rate down 20bps to 8.10%.
- Interbank lending rates firmed up to an average of 12.74% for the week.

FIXED INCOME REPORT

- **Money Market**

Mixed trading was witnessed at the Nigerian interbank market, OBB and O/N rates opened at 12.50% and 12.96% and trended north at 15.58% and 16.0%. However eased to close at 10.21% and 10.46% respectively owing to FAAC allocation to the three tiers of government.

- **Bond/Treasury Bill**

The bear continued to rule the Treasury Bill and Bond OTC space owing to dwindling liquidity levels, closing stop rate on 364-day treasury bills at the Nigeria Treasury Bills (NTB) Primary Market Auction as well as the anticipation of monetary policy decision next week.

At the Treasury bills Primary Market Auction, ₦40.65billion worth of the 91 day bill was offered and ₦32.44billion was sold at a discount stop rate of 9.998%. ₦25.00billion and ₦54.29billion worth of 182 day and 364 day bill were offered while ₦22.82billion and ₦64.68billion were sold at the discount rates of 10.80% and 12.485% as against 10.5% and 11.20% at the previous auction.

- **In the week ahead**

In the week ahead, we expect issuance of OMO bills by the apex bank; however, we expect the redemption of OMO bill worth ₦415.15 to improve market liquidity.

Auction Results

NTB PMA

Auction Date	19/11/2014	19/11/2014	19/11/2014
Security Type	NTB	NTB	NTB
Tenor	91	182	364
Auction	Primary Market	Primary Market	Primary Market
Maturity Date	19/02/2015	21/05/2015	19/11/2015
Total Subscription	34901.35	29511.67	101436.78
Total Successful	32436.51	22824.45	64677.52
Range Bid	9.0000 - 13.0000	9.6500 - 16.0000	10.0000 - 16.0000
Successful Bid Rates	9.0000 - 9.9980	9.6500 - 10.8000	10.0000 - 12.4850
Rate	9.998	10.8	12.485
True Yield	10.2536	11.4147	14.2606
Amtoffered	40647.81	25000	54290.67

Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
4.00 23-APR-2015	23-Apr-15	13.47	13.08	96.22	96.37
13.05 16-AUG-2016	16-Aug-16	13.68	13.58	99.00	99.15
15.10 27-APR-2017	27-Apr-17	13.79	13.72	102.60	102.75
9.85 27-JUL-2017	27-Jul-17	13.83	13.76	91.28	91.43
9.35 31-AUG-2017	31-Aug-17	13.83	13.76	89.93	90.08
10.70 30-MAY-2018	30-May-18	13.79	13.68	91.58	91.88
16.00 29-JUN-2019	29-Jun-19	13.74	13.65	107.50	107.80
7.00 23-OCT-2019	23-Oct-19	13.72	13.62	76.50	76.80
16.39 27-JAN-2022	27-Jan-22	13.55	13.49	112.70	113.00
14.20 14-MAR-2024	14-Mar-24	13.71	13.65	102.50	102.80
15.00 28-NOV-2028	28-Nov-28	13.38	13.34	110.13	110.43
12.49 22-MAY-2029	22-May-29	13.34	13.29	94.63	94.93
8.50 20-NOV-2029	20-Nov-29	13.29	13.23	69.19	69.49
10.00 23-JUL-2030	23-Jul-30	13.48	13.42	77.50	77.80
12.1493 18-JUL-2034	18-Jul-34	13.25	13.20	92.35	92.65

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
4-Dec-14	12.00	11.75
11-Dec-14	12.10	11.85
25-Dec-14	10.73	10.48
1-Jan-15	12.37	12.12
8-Jan-15	12.70	12.45
15-Jan-15	12.50	12.25
22-Jan-15	12.41	12.16
29-Jan-15	12.40	12.15
5-Feb-15	12.10	11.85
12-Feb-15	12.16	11.91
19-Feb-15	12.60	12.35
26-Feb-15	12.10	11.85
5-Mar-15	11.75	11.50
12-Mar-15	12.40	12.15
26-Mar-15	12.40	12.15
2-Apr-15	11.24	10.99
9-Apr-15	12.20	11.95
16-Apr-15	12.01	11.76
23-Apr-15	12.03	11.78
30-Apr-15	12.55	12.30
7-May-15	11.90	11.65
14-May-15	12.80	12.55
6-Aug-15	12.00	11.75

The Equities Market

Sell Pressure drags index down 4.11%.....

Market indicators closed the week on a bearish note as sell pressure from high cap stocks like Dangote Cement, Seplat and Flour Mills Plc pulled the benchmark index down 4.11 percent to close at 33,926.18 in contrast to an appreciation of 6.52 percent seen last week. In like manner, market capitalization of listed equities declined by N477.34billion to settle at N11.24trillion.

Decline in activity level.....

Market turnover by way of volume traded declined by 25.41% as investors exchanged 1.38billion shares valued at N14.56billion in 20,844 deals compared to 1.85billion shares worth N30.86billion traded the previous week. The financial services sector remained the most active for the week, accounting for over 57% of market volume while FBN Holding Plc buoyed activity in the sector.

Banking index leads sector performance.....

Positive posture in the shares of Union Bank, Access bank and GTBank Plc lifted the NSE-BANKING index up 0.34% while other sector indices under our coverage closed lower. The NSE-IND.GOODS index posted the highest loss by 5.94% on sell pressure in the shares of Dangote Cement and Ashaka Cement Plc; the NSE-OIL&GAS index declined by 4.31% while the NSE_CON.GOODS index and the NSE-INSURANCE index lost 4.19% and 1.67% respectively.

Market breadth closed negative.....

Market breadth closed negative with 17 advancers and 48 decliners. Top gainers include: CHAMPION 18.39%, RTBRISCOE 17.39%, CUTIX 14.18%, WAPIC 13.11% and BERGER 9.02%. Conversely, FLOURMILL declined by 20.93%, NEM 19.74%, LIVESTOCK 14.89%, CAVERTON 13.35% and NASCON 13.04%, bring market year-to-date return to -17.91%.

Weekly Statistics

	21/11/2014	14/11/2014	Change
ASI	33,926.18	35,381.02	(4.11%)
CAP	₦11.24tn	₦11.72tn	(₦477.34bn)
VOLUME	1.38bn	1.85bn	(25.41%)
VALUE	₦14.56bn	₦30.86bn	(52.82%)
DEALS	20,844	27,397	(23.92%)

Top Gainers

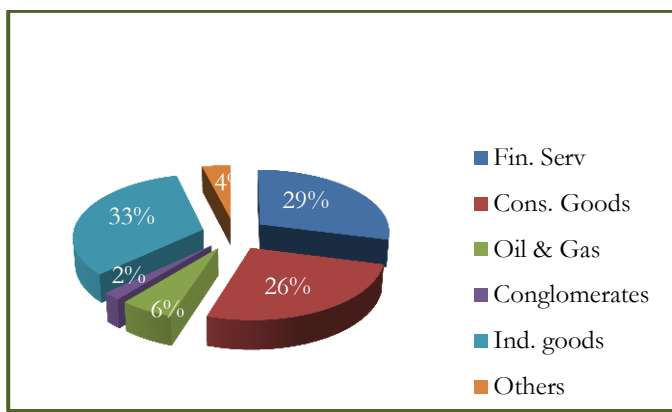
Symbol	Previous	Current	Return
CHAMPION	₦8.32	₦9.85	18.39%
RTBRISCOE	₦0.69	₦0.81	17.39%
CUTIX	₦1.34	₦1.53	14.18%
WAPIC	₦0.61	₦0.69	13.11%
BERGER	₦7.98	₦8.70	9.02%
COSTAIN	₦0.81	₦0.84	3.70%
AIICO	₦0.82	₦0.85	3.66%
UBN	₦8.07	₦8.35	3.47%
GLAXOSMITH	₦51.00	₦52.00	1.96%
ACCESS	₦7.68	₦7.83	1.95%

Top Losers

Symbol	Previous	Current	Return
FLOURMILL	₦52.50	₦41.51	(20.93%)
NEM	₦0.76	₦0.61	(19.74%)
LIVESTOCK	₦2.35	₦2.00	(14.89%)
CAVERTON	₦3.97	₦3.44	(13.35%)
NASCON	₦8.28	₦7.20	(13.04%)
UBCAP	₦1.80	₦1.61	(10.56%)
DIAMOND	₦6.10	₦5.50	(9.84%)
OKOMUOIL	₦29.72	₦26.80	(9.83%)
ASHAKACEM	₦25.38	₦22.89	(9.81%)
MOBIL	₦165.00	₦148.92	(9.75%)

	21/11/2014	14/11/2014	Change
NSE-30	1,527.82	1,584.58	(3.58%)
NSE-Banking	355.17	353.97	0.34%
NSE-Insurance	144.18	146.63	(1.67%)
NSE-Consumer goods	846.10	883.14	(4.19%)
NSE-Oil&Gas	390.28	407.86	(4.31%)
NSE-Industrial goods	2,054.21	2,183.83	(5.94%)

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	17,806.02	17,652.79	0.87%
FTSE	6,750.76	6,648.05	1.54%
NIKKEI	17,357.80	17,490.83	-0.76%
S.AFRICA	50,855.09	50,536.34	0.63%
BRAZIL	54,402.46	51,288.45	6.07%
INDIA	8,477.35	8,389.90	1.04%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
UBA	₦4.37	0.92%	33,628	9M'14	-10.02%	₦9.33	₦1.02	₦9.41
FBNH	₦9.32	(0.47%)	55.626	9M'14	-5.85%	₦15.86	₦1.70	₦16.77
CCNN	₦10.80	(2.09%)	1,729	9M'14	56.75%	N/A	₦1.38	₦15.75
DANGSUGAR	₦5.82	(5.98%)	9,147	9M'14	-5.01%	₦12.58	₦0.76	₦12.27
ETI	₦17.05	(0.87%)	52,491	9M'14	31.33%	₦25.00	₦3.29	₦19.00
ASHAKACEM	₦22.89	(9.81%)	4,365	9M'14	103.40%	₦38.00	₦1.95	₦34.17
AFRIPRUD	₦3.00	0.00%	828	9M'14	35.47%	₦4.27	₦0.40	₦4.10
ZENITH	₦20.95	0.72%	71,046	9M'14	5.60%	₦30.98	₦2.26	₦27.40
UBCAP	₦1.61	(10.56%)	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	
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%	
NIGGERMAN	FY'13	3,007	2,929	2.65%	113,	(372)	130.40%	
NNFM	9M'14	5,750	6,995	-17.79%	180	124	45.75%	
eTRANZACT	9M'14	5,196	3,225	61.12%	219	78	180.77%	
MBENEFIT	FY'13	8,125	7,944	2.28%	555	(3,389)	116.38%	
INTBREW	H1'14	10,069	8,627	16.71%	1,361	1,090	24.88%	

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.