



Nedbank Group acquires 20% equity stake in ETI.....

Nedbank Group plans to acquire 20 percent equity stake in Ecobank Transnational Incorporated. The acquisition will be by cash payment for 4,512,618,890 new ETI shares for USD493.4 million. ETI will repay Nedbank’s loan of USD285 million granted in 2011 out of the subscription proceeds. Nedbank Group has nominated its Chief Operating Officer, Graham Dempster, to join the ETI board and ETI will exercise its reciprocal right to an appointment on the Nedbank Group board. Both board appointments are subject to regulatory approvals.

Interbank lending rates.....

The payment of N318.79billion worth of maturing bills into the system on Thursday was unable to offset the effect of mop up worth N222.61billion. Consequently, interbank lending rates firmed up by 0.22percent to an average of 12.67 percent compared to 12.45 percent seen last week. Overnight rates declined 0.17 percent to 10.67 percent from 10.84 percent seen previously, while the 30-day, 90-day and 180-day rates firmed up by 0.32 percent, 0.30 percent and 0.43 percent to 12.45 percent, 13.29 percent, and 14.26 percent respectively.

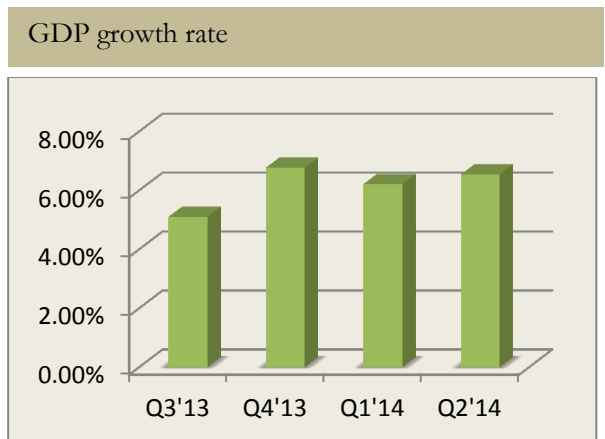
Exchange Rate.....

The Naira depreciated by 0.33 percent to close the week at N164.57/\$ compared to N164.03/\$ seen the previous Friday.

Reserve Movement.....

During the week, Nigeria’s external reserve shed \$92.33million to \$39.47billion as at October 2, 2014 representing a decline of 0.23% when compared to \$39.57billion recorded Last Friday. When compared to its close as at Dec 31, 2013 at \$43.61billion, the reserve has declined 9.49%.

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



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 firmed up to an average of 12.67% for the week.

FIXED INCOME REPORT

- Local currency**

Market remained liquid for the third consecutive week, Open buy back (OBB) and Overnight (O/N) rates opened at 10.33% and 10.54% however, eased to close at 10.25% and 10.50% respectively owing to redeemed OMO bills.

- Bonds/treasury bills**

Bearish trend continued across tenor buckets at the treasury bills and bond OTC space owing to sell-off by both foreign and domestic portfolio investors.

At the open market operation window for the week, a total of ₦110billion worth of OMO bill ranging from 160days to 161days were offered while ₦199.49billion were sold at a uniform discount rate of 10.8%. However, total subscription stood at ₦217.62billion as against ₦222.64billion in the previous week.

- Outlook for the coming week**

In the week ahead, we expect the redemption of Treasury Bills and OMO bill worth ₦264.80billion however, we expect the apex bank to issue 91, 182 and 364day bill worth ₦ 131.83 billion.

Auction Results

Auction Date	02/10/2014	03/10/2014
Tenor	161Day	160 Day
Auction	OMO	OMO
Maturity Date	12/03/2015	12/03/2015
Total Subscription	N166,388,584,000.00	N51,230,695,000.00
Total Successful	N153,256,434,000.00	N46,228,895,000.00
Range Bid	10.8000 - 11.5000	10.8000 - 11.5000
Successful Bid Rates	10.8000 - 10.8000	10.8000 - 10.8000
Description	Issue	Issue
Rate	10.8	10.8
Amt offered	50,000,000,000.00	60,000,000,000.00

Closing Prices

NIBOR	
Tenor	Rate (%)
O/N	10.6667
1M	12.4513
3M	13.2925
6M	14.2611

Description	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
4.00 23-APR-2015	23-Apr-15	11.19	10.89	96.23	96.38
13.05 16-AUG-2016	16-Aug-16	12.41	12.32	101.00	101.15
15.10 27-APR-2017	27-Apr-17	12.43	12.36	105.70	105.85
9.85 27-JUL-2017	27-Jul-17	12.50	12.43	93.84	93.99
9.35 31-AUG-2017	31-Aug-17	12.50	12.43	92.49	92.64
10.70 30-MAY-2018	30-May-18	12.53	12.43	94.71	95.01
16.00 29-JUN-2019	29-Jun-19	12.53	12.45	112.05	112.35
7.00 23-OCT-2019	23-Oct-19	12.59	12.50	79.53	79.83
16.39 27-JAN-2022	27-Jan-22	12.58	12.52	117.83	118.13
14.20 14-MAR-2024	14-Mar-24	12.56	12.51	108.90	109.20
15.00 28-NOV-2028	28-Nov-28	12.54	12.50	116.04	116.34
12.49 22-MAY-2029	22-May-29	12.54	12.49	99.65	99.95
8.50 20-NOV-2029	20-Nov-29	12.53	12.47	72.92	73.22
10.00 23-JUL-2030	23-Jul-30	12.54	12.48	82.70	83.00
12.1493 18-JUL-2034	18-Jul-34	12.43	12.39	97.90	98.20

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)
16-Oct-14	10.70	10.45
23-Oct-14	10.70	10.45
30-Oct-14	10.70	10.45
6-Nov-14	10.75	10.50
13-Nov-14	10.70	10.45
20-Nov-14	10.80	10.55
27-Nov-14	10.80	10.55
4-Dec-14	10.60	10.35
11-Dec-14	10.95	10.70
25-Dec-14	10.80	10.55
1-Jan-15	11.00	10.75
8-Jan-15	10.85	10.60
15-Jan-15	11.00	10.75
22-Jan-15	10.75	10.50
29-Jan-15	11.00	10.75
5-Feb-15	10.70	10.45
12-Feb-15	11.00	10.75
19-Feb-15	10.70	10.45
26-Feb-15	11.00	10.75
5-Mar-15	10.75	10.50
9-Apr-15	10.55	10.30
23-Apr-15	10.70	10.45
7-May-15	10.40	10.15
6-Aug-15	10.50	10.25
3-Sep-15	10.40	10.15

The Equities Market

The bulls re-emerge..... index up 69bps

Equity transactions on the local bourse closed the week green on positive postures in the shares of STANBIC IBTC holding and Dangote Cement Plc, reversing losses recorded last week. Specifically, the benchmark indicator rose 0.69% to close at 41,103.94 as against a loss of 0.56% seen last Friday. Similarly, market capitalization firmed up by N93.79billion to close at N13.57trillion.

Improvement in activity level.....

Market turnover by way of volume traded for the week rose 62.89% as investors exchanged 2.59billion shares valued at N24.90billion in 18,750 deals as against 1.59billion shares worth N26.92billion traded last week. The financial services sector remained the most active, accounting for 73.34% of market volume while Skye Bank Plc boosted activity in the sector.

Oil and Gas index leads the trail.....

The NSE-OIL&GAS index was up 2.12% on gains seen in the shares of Oando and Total Oil Plc; the NSE-BANKING index and the NSE-CON.GOODS index rose 1.90% and 0.45% respectively. Contrarily, the NSE-INSURANCE index declined 0.51% on losses in the shares of Custody and Mansard Insurance Plc while the NSE-IND.GOODS index lost 0.32%.

Market breadth closed positive.....

Market breadth closed positive with 38 equities advancing in price and 30 others declining. IKEJAHOTEL led the gainers chart for the week with an upside of 31.58%, CHAMPION 27.32%, INTENEGINS 15.69%, CCNN 11.31% and STANBIC 9.34%. On the flip side, MAYBAKER led the losers table with a decline of 9.95%, VONO 8.97%, ACADEMY 5.71%, LEARNAFRCA 5.71% and COSTAIN 5.26%. Market year to date return now stands at -0.55%.

Weekly Statistics

	03/10/2014	26/09/2014	Change
ASI	41,103.94	40,819.72	0.69%
CAP	₦13.57tn	₦13.48tn	₦93.79bn
VOLUME	2.59bn	1.59bn	62.89%
VALUE	₦24.90bn	₦26.92bn	(7.50%)
DEALS	18,750	22,238	(15.68%)

Top Gainers

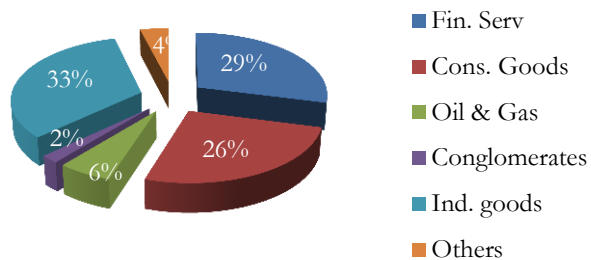
Symbol	Previous	Current	return
IKEJAHOTEL	₦1.52	₦2.00	31.58%
CHAMPION	₦9.70	₦12.35	27.32%
INTENEGINS	₦0.51	₦0.59	15.69%
CCNN	₦14.15	₦15.75	11.31%
STANBIC	₦32.00	₦35.00	9.34%
UAC-PROP	₦14.50	₦15.85	9.31%
SKYEBANK	₦2.64	₦2.87	8.71%
ROYALEX	₦0.55	₦0.59	7.27%
STERLNBANK	₦2.15	₦2.30	6.98%
UBCAP	₦2.05	₦2.18	6.34%

Top Losers

Symbol	Previous	Current	return
MAYBAKER	₦1.91	₦1.72	(9.95%)
VONO	₦1.56	₦1.42	(8.97%)
ACADEMY	₦1.40	₦1.32	(5.71%)
LEARNAFRCA	₦1.40	₦1.32	(5.71%)
COSTAIN	₦0.95	₦0.90	(5.26%)
PREMBREW	₦4.63	₦4.40	(4.98%)
CUSTODYINS	₦4.30	₦4.09	(4.88%)
REDSTAREX	₦4.59	₦4.40	(4.14%)
SEPLAT	₦667.00	₦640.00	(4.05%)
MANSARD	₦3.00	₦2.90	(3.33%)

	03/10/2014	26/09/2014	Change
NSE-30	1,875.63	1,861.61	0.75%
NSE-Banking	428.29	420.30	1.90%
NSE-Insurance	148.40	149.16	(0.51%)
NSE-Consumer goods	1,015.47	1,010.92	0.45%
NSE-Oil&Gas	461.33	451.76	2.12%
NSE-Industrial goods	2,739.15	2,748.03	(0.32%)

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	16,885.24	17,113.15	-1.33%
FTSE	6,512.98	6,649.39	-2.05%
NIKKEI	15,708.65	16,229.86	-3.21%
S.AFRICA	48,691.18	49,663.64	-1.96%
BRAZIL	53,682.59	57,212.38	-6.17%
INDIA	7,968.85	7,945.55	0.29%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
CCNN	₦15.75	11.31%	1,588	H1'14	91.00%	N/A	₦1.26	₦15.75
NPFMCRFBK	₦1.00	2.04%	338	H1'14	33.93%	₦2.60	₦0.15	₦1.12
DANGSUGAR	₦8.17	(0.61%)	6,835	H1'14	-2.54%	₦12.58	₦0.57	₦12.27
FIDSON	₦3.33	(2.06%)	310	H1'14	4.09	₦4.62	₦0.21	₦3.69
ETI	₦18.70	2.97%	31,629	H1'14	14.90%	₦25.00	₦1.98	₦19.00
ASHAKACEM	₦32.00	(3.03%)	3,518	H1'14	204.19%	₦38.00	₦1.57	₦34.17
AFRIPRUD	₦3.30	3.77%	551	H1'14	14.19%	₦4.27	₦0.28	₦4.10
ZENITH	₦24.30	1.25%	47,445	H1'14	8.26%	₦30.98	₦1.51	₦27.40
UBCAP	₦2.18	6.34%	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	
UNITYBANK	9M'14	48,140	45,395	6.00	11,057	1,153	859	
TOURIST	FY'14	3,386	3,458	-2.09	(602)	125	-581.84	
THOMASWAYTT	FY'13	94	122	-23.15	(6)	(45)	84.76	
FTNCOCOA	H1'14	159	76	111.39	(252)	(259)	-197.07	
FTNCOCOA	Q1'14	151	75	101.03	(90)	(131)	-31.01	
LASACO	FY'13	4,965	4,437	11.89	275	(255)	-207.97	
OANDO	H1'14	194,557	280,327	-30.60	8,980	4,271	110.23	70kobo
OANDO	Q1'14	85,268	121,061	-29.57	(2,716)	2,448	-210.95	
OANDO	FY'13	449,873	650,565	-30.85	1,396	10,786	-87.05	30kobo
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	

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