



NBS releases Q2'14 GDP report.....

The National Bureau of Statistics released GDP figures for Q2'14 on Monday, September 8, 2014. Real GDP growth rate came in at 6.54 percent for Q2'14 as against 5.40 percent in the corresponding period of 2013. On a QoQ basis, the economy expanded by 33bps from 6.21 percent in Q1'14.

In a reversal of fortune, the Oil sector which had been on a steady decline, grew by 5.40 percent in Q2'14 due to improvements in Oil production which averaged 2.22mbpd in the period under review compared to 2.11mbpd in the corresponding period last year. The non-oil sector also grew by 6.71 percent but slower than the 8.9 percent growth recorded in Q2'13.

Inflation expectation for August 2014.....

The National Bureau of Statistics will release August inflation figures on September 16, 2014. We anticipate a 10bps increase in the Consumer Price Index to 8.40 percent from 8.30 percent in July as a result of an increase in election related spending as we approach 2015 election season and hike in food prices on continued unrest in the North Eastern parts of the country.

Reserve movement.....

At the close of the week, Nigeria's external reserve shed \$63.41million to \$39.57billion, representing a decline of 0.16percent when compared to \$39.64billion seen last week. In comparison to \$43.61billion as at December 31st 2013, the country's external reserve has declined 9.26 percent.

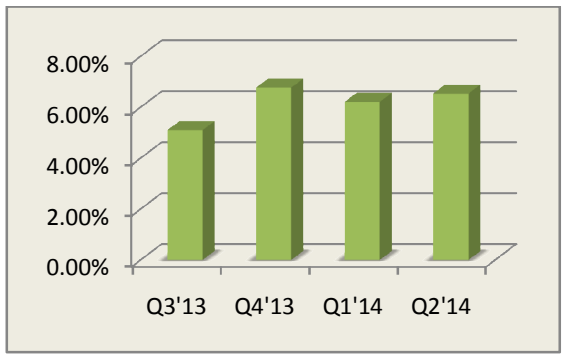
Exchange Rate.....

Dollar sales by NNPC during the week were unable to strengthen the local currency. Consequently, the Naira weakened against the U.S dollar by 0.25percent at the interbank market to N162.97/\$ from N162.35/\$ recorded last Friday.

Inflation trend

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

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%.
- July Inflation rate up 10bps to 8.30%.
- Interbank lending rates ease to an average of 12.44% for the week.

FIXED INCOME REPORT

- **Local currency**

With relatively stable market liquidity, Interbank OBB and overnight rates traded flat at 10.5% and 10.75% for most part of week however, inched to close at 10.75% and 11.0% owing to OMO issuance which replaced maturing treasury bills.

- **Bonds/Treasury bills**

At the OMO auction, the apex bank offered ₦50billion worth of 140day bill and sold ₦234billion at a discount stop rate of 10.8%

- **Outlook for the coming week**

In the week ahead, we expect DMO at its monthly FGN bond auction to reopen 3year (13.05% Aug 2016), 10year (14.20% Mar 2024) and 20 year (12.1493% Jul 2034) instrument totalling ₦100billion. However, we expect the market to remain liquid owing to the distribution of FAAC to the three tiers of government as well as the redemption of Treasury and OMO bill worth ₦481.17billion

Closing Prices

Money Market	
Tenor	Rate (%)
OBB	10.75
O/N	11.00

NIBOR	
Tenor	Rate (%)
O/N	11.0833
1M	12.0130
3M	12.8438
6M	13.8080



FGN Bonds						
Description	Issue Date	Maturity Date	Bid Yield (%)	Offer Yield (%)	Bid Price	Offer Price
9.25 28-SEP-2014	28-Sep-07	28-Sep-14	10.52	7.20	99.93	100.08
4.00 23-APR-2015	23-Apr-10	23-Apr-15	10.99	10.72	95.96	96.11
13.05 16-AUG-2016	16-Aug-13	16-Aug-16	11.41	11.32	102.75	102.90
15.10 27-APR-2017	27-Apr-12	27-Apr-17	11.44	11.38	108.05	108.20
9.85 27-JUL-2017	27-Jul-07	27-Jul-17	11.49	11.43	96.05	96.20
9.35 31-AUG-2017	31-Aug-07	31-Aug-17	11.50	11.43	94.72	94.87
10.70 30-MAY-2018	30-May-08	30-May-18	11.56	11.46	97.42	97.72
16.00 29-JUN-2019	29-Jun-12	29-Jun-19	11.61	11.53	115.75	116.05
7.00 23-OCT-2019	23-Oct-09	23-Oct-19	11.74	11.65	82.16	82.46
16.39 27-JAN-2022	27-Jan-12	27-Jan-22	12.11	12.05	120.45	120.75
14.20 14-MAR-2024	14-Mar-14	14-Mar-24	12.20	12.15	111.05	111.35
15.00 28-NOV-2028	28-Nov-08	28-Nov-28	12.46	12.42	116.66	116.96
12.49 22-MAY-2029	22-May-09	22-May-29	12.47	12.42	100.11	100.41
8.50 20-NOV-2029	20-Nov-09	20-Nov-29	12.47	12.42	73.18	73.48
10.00 23-JUL-2030	23-Jul-10	23-Jul-30	12.26	12.22	84.30	84.60
12.1493 18-JUL-2034	18-Jul-14	18-Jul-34	12.25	12.21	99.20	99.50

Treasury Bills

Maturity	Bid Discount (%)	Offer Discount (%)	Bid Yield(%)
25-Sep-14	10.10	9.85	10.14
2-Oct-14	10.55	10.30	10.61
9-Oct-14	10.30	10.05	10.38
16-Oct-14	10.45	10.20	10.55
23-Oct-14	10.40	10.15	10.52
30-Oct-14	10.35	10.10	10.49
6-Nov-14	10.45	10.20	10.62
13-Nov-14	10.65	10.40	10.85
20-Nov-14	10.00	9.75	10.19
27-Nov-14	10.75	10.50	11.00
4-Dec-14	10.10	9.85	10.34
11-Dec-14	10.70	10.45	10.99
25-Dec-14	10.45	10.20	10.77
1-Jan-15	10.80	10.55	11.17
8-Jan-15	10.80	10.55	11.19
15-Jan-15	10.80	10.55	11.21
22-Jan-15	10.40	10.15	10.81
29-Jan-15	10.80	10.55	11.26
5-Feb-15	10.60	10.35	11.07
19-Feb-15	10.30	10.05	10.79
5-Mar-15	10.45	10.20	11.00
9-Apr-15	10.10	9.85	10.72
23-Apr-15	10.10	9.85	10.76
7-May-15	9.95	9.70	10.64

The Equities Market

Index slumps on profit taking.....down 1.18percent

The local bourse continued its southwards voyage for the third consecutive week as negative market sentiments dominated trading activity. The index lost 1.18percent to close at 40,672.94 compared to a decline of 0.89percent seen previously. Consequently, market capitalization shed N161.03billion to settle at N13.43trillion.

Decline activity level.....

The volume of equities traded in the week declined by 7.01 percent as investors exchanged 3.05billion shares valued at N76.70billion in 23,679 deals as against 3.28billion shares worth N52.81billion traded last week. Industrial goods sector was the most active, accounting for 51.68percent of market turnover while Ashaka Cement Plc boosted activity in the sector.

Renewed optimism in Banking stocks.....

For the weekly sector performance, the NSE-BANKING index posted the highest return by 1.92% upside on renewed optimism in the shares of Ecobank Transnational and Union Bank Plc; the NSE-OIL&GAS index and the NSE-INSURANCE index was up 1.79% and 0.07% respectively. Conversely, the NSE-IND.GOODS index shed 1.61% on sell pressure from the shares of Dangote Cement and Ashaka Cement Plc while the NSE-CON.GOODS index declined 0.49%.

Market breadth close flat.....

Market breadth closed flat for the week with 38 gainers and 39 losers. Top advancers for the week includes: IKEJAHOTEL 42.00%, PREMBREW 33.13%, VONO 20.69%, UBN 19.97% and FTNCOCOA 9.62%. On the flip side, CONOIL led the losers chart with a decline of 12.85%, RTBRISCOE 11.00%, MAYBAKER 9.80%, FIDSON 9.49% and REDSTAREX 9.39%. Market year to date return now stands at -1.59%.

Weekly Statistics

	12/09/2014	05/09/2014	Change
ASI	40,672.94	41,160.62	(1.18%)
CAP	₦13.43tn	₦13.59tn	(₦161.03bn)
VOLUME	3.05bn	3.28bn	(7.01%)
VALUE	₦76.70bn	₦52.81bn	45.24%
DEALS	23,679	25,592	(7.47%)

Top Gainers

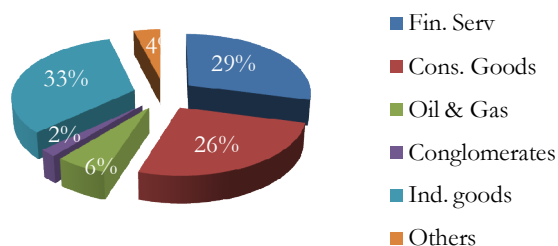
Symbol	Previous	Current	return
IKEJAHOTEL	₦1.00	₦1.42	42.00%
PREMBREW	₦3.17	₦4.22	33.13%
VONO	₦0.87	₦0.05	20.69%
UBN	₦8.56	₦10.27	19.97%
FTNCOCOA	₦0.52	₦0.57	9.62%
AGLEVENT	₦1.40	₦1.52	8.57%
ETI	₦17.86	₦19.32	8.17%
DANGSUGAR	₦8.15	₦8.80	7.96%
EVANSMED	₦1.95	₦2.10	7.69%
FO	₦219.00	₦235.60	7.58%

Top Losers

Symbol	Previous	Current	return
CONOIL	₦61.00	₦53.16	(12.85%)
RTBRISCOE	₦1.00	₦0.89	(11.00%)
MAYBAKER	₦1.53	₦1.38	(9.80%)
FIDSON	₦3.69	₦3.34	(9.49%)
REDSTAREX	₦4.79	₦4.34	(9.39%)
COSTAIN	₦1.11	₦1.03	(7.21%)
UBCAP	₦2.17	₦2.02	(6.91%)
PZ	₦35.95	₦33.92	(5.65%)
TRANSCORP	₦6.40	₦6.05	(5.47%)
NEM	₦0.80	₦0.76	(5.00%)

	12/09/2014	05/09/2014	Change
NSE-30	1,856.96	1,870.68	(0.73%)
NSE-Banking	434.35	426.18	1.92%
NSE-Insurance	142.41	142.31	0.07%
NSE-Consumer goods	997.92	1,002.81	(0.49%)
NSE-Oil&Gas	467.06	458.82	1.79%
NSE-Industrial goods	2,629.45	2,672.58	(1.61%)

Market cap by sectors



Global Markets

Market	Current	Previous	week rtn
DJIA	17,049.00	17,137.36	-0.52%
FTSE	6,817.65	6,855.10	-0.55%
NIKKEI	15,948.29	15,668.68	1.78%
S.AFRICA	51,247.71	51,789.40	-1.05%
BRAZIL	58,337.29	60,681.98	-3.86%
INDIA	8,105.50	8,088.85	0.21%

TOP TEN BUY RECOMMENDATION

SYMBOL	CLOSE	WK RTN	PAT (N'm)	PERIOD	CHANGE	TARGET PRICE	EPS	52wk high
CCNN	₦14.50	0.69%	1,588	H1'14	91.00%	N/A	₦1.26	₦15.33
NPFMCRFBK	₦1.03	4.04%	338	H1'14	33.93%	₦2.60	₦0.15	₦1.12
DANGSUGAR	₦8.80	7.97%	6,835	H1'14	-2.54%	₦12.58	₦0.57	₦12.27
FIDSON	₦3.34	(9.48%)	310	H1'14	4.09	₦4.62	₦0.21	₦3.33
ETI	₦19.32	8.17%	31,629	H1'14	14.90%	₦25.00	₦1.98	₦18.33
ASHAKACEM	₦32.31	(0.58%)	3,518	H1'14	204.19%	₦38.00	₦1.57	₦34.17
ACCESS	₦9.59	2.78%	22,587	H1'14	27.06%	₦11.65	₦0.99	₦11.34
AFRIPRUD	₦3.30	1.23%	551	H1'14	14.19%	₦4.27	₦0.28	₦4.10
ZENITH	₦24.60	1.44%	47,445	H1'14	8.26%	₦30.98	₦1.51	₦27.40
UBCAP	₦2.02	(6.91%)	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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