

## Weekly Money Bulletin 28 DECEMBER 2009

### OUTLINE

- ❑ Key Developments
- ❑ Fixed Income & Capital Market Update
- ❑ Market Outlook for Next Week

### KEY DEVELOPMENTS

- ❖ The CBN has approved secondary market trade for sub-national bonds (including State Government Bonds). By this, all secondary market settlements would now go through the CBN as a way of assuring investors' confidence and boosting more transactions and investments in bond instruments. This means that if an investor at home or abroad wants to sell his/her holding in any State Bond, the CBN will play the role of banker to that transaction; the buyer will pay through an appointed agent of the CBN, while the seller will be paid through an appointed agent from the CBN.
- ❖ The NSE has announced plans to transform the emerging market formerly known as the second tier market to alternative investment market. The reasons for the resolution are to provide the needed incentives to small and medium scale enterprises and companies that undertook private placement to list their shares on the NSE and to provide much needed liquidity for the companies' stocks. The second tier market was established in 1985 to assist growing indigenous companies to seek funds for enhancement of operational efficiency, diversification, and expansion.
- ❖ The CBN has authorized banks to limit accounts at its coffers to only three, following frequent reconciliation issues resulting from the operation of multiples of accounts. Effective 01 January 2010, each bank must keep only three accounts namely Current Accounts, RTGS (Settlement Account), and Cash Reserve Requirement Account. All dormant and legacy as well as other non-active accounts would be closed and balances therein transferred into the current account.
- ❖ In an effort to enhance industrial growth of the nation's economy, the BoI has approved loans and investments worth ₦58 billion to 675 enterprises, 96 per cent of which are for micro, small and medium enterprises (MSMEs). The number of jobs created so far by the scheme has grown from 150,000 in 2005 to more than 815,000 in 2009. The growth has been linked to the allocation of 85 percent of its resources to financing MSMEs that utilize local raw materials, especially agricultural produce and have high employment generation and export potentials. The promotion linkages between MSMEs, as well as deepening the bank's credits delivery process by lending to cooperative groups under the collection guarantee arrangement and the establishment of micro finance bank has also contributed to the growth.

## STANBIC IBTC WEEKLY MONEY BULLETIN

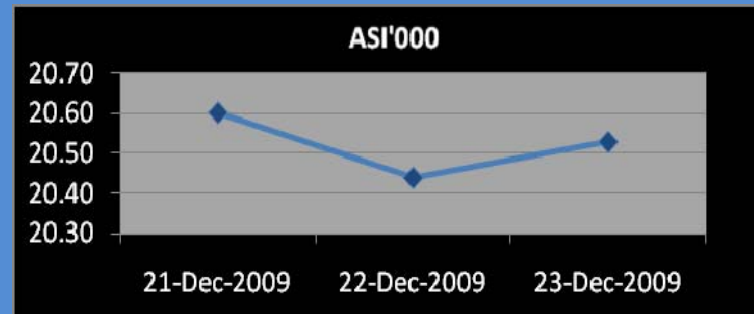
### MONEY MARKET UPDATE

- ✓ The FX primary market closed for the year and it is expected to re-open with effect from 04 January 2010.
- ✓ The Treasury Bills market closed for the year to re-open on 04 January 2010.
- ✓ The OBB rate remained stable at 2.25%.
- ✓ Overnight rate remained stable at 2.5%

### THE CAPITAL MARKET UPDATE

- ✓ The ASI closed the week with a loss of 0.94%, compared to a gain of 0.31% recorded in the previous week. Year-to-date performance of the ASI now stands at -34.73%.
- ✓ The Board of Directors of IHS Plc has proposed a dividend of 50 kobo per share. The date of closure of register is 22 January 2010, while payment date is 12 February 2009.

### ASI FOR THE WEEK ENDED 23 DECEMBER 2009



### MARKET OUTLOOK FOR THE NEW WEEK.

- ❖ Market is expected to be liquid as a result of ₦56 billion inflow from Cashcall payments to oil majors and low outflow following the closure of the bi-weekly WDAS and fixed income markets for the year.

**IBTC RSA FUND PRICE FOR THE WEEK ENDED  
23 DECEMBER 2009**

Date	Current Price (₦)
23 Dec 09	1.5135

**DAILY OMO AUCTION  
FOR THE WEEK ENDED 23 DEC 2009**

Week 49	Stop Rates (% p.a.)	Tenor (Days)	Bids Received (₦) Billion	Amount Sold (₦) Billion
	-	-	-	-

**KEY TO ABBREVIATIONS**

ASI	All Share Index
CBN	Central Bank of Nigeria
FAAC	Federation Accounts Allocation Committee
YTD	Year To Date
FX	Foreign Exchange
NSE	Nigerian Stock Exchange
BoI	Bank of Industry
MSMEs	Micro, Small and Medium Enterprises
RTGS	Real Time Gross Settlement
FG	Federal Government of Nigeria
RSA	Retirement Savings Account
OBB	Open Buy Back
OMO	Open Market Operations
WDAS	Wholesale Dutch Auction System
NIBOR	Nigerian Interbank Offered Rate

**FOREX DEALS FOR THE WEEK ENDED 23 DEC 2009**

WDAS	Marginal Rate (₦/\$1)	No. of Banks	Amount on Offer (\$Mn)	Demand (\$Mn)	Amount Sold (\$Mn)
21 Dec 09	-	N/A	-	-	-
23 Dec 09	-	N/A	-	-	-
Total	-	N/A	-	-	-
Average	-	N/A	-	-	-

**TREASURY BILLS PRIMARY MARKET AUCTION FOR THE  
WEEK ENDED 23 DEC 2009**

Week 49	Stop Rate (% p.a.)	Tenor	Bids Received (₦)Billion	Amount Sold (₦)Billion
24 Dec 09	-	91 days	-	-
24 Dec 09	-	182 days	-	-
24 Dec 09	-	364 days	-	-

TENOR	25 - Dec	24 - Dec	23 - Dec	22 - Dec	21 - Dec
Call	-	-	2.9583	3.2083	3.2083
7-Day	-	-	6.7917	6.2500	6.8333
30-Day	-	-	13.0833	13.2917	13.0000
60-Day	-	-	14.5417	14.4583	14.4167
90-Day	-	-	15.5833	15.5833	15.2500
180-Day	-	-	16.3750	16.2500	15.7917
365-Day	-	-	16.9167	16.8333	16.3750

**STOP RATES ON THE 5<sup>TH</sup> & 6<sup>TH</sup> FGN BONDS**

Issue Date	Tenor/ Years	Amt Offered (₦)Bn	Allotment (₦)Bn	Stop Rate (%)
29 Oct 2008	3	30.000	30.000	10.00
29 Oct 2008	10	20.000	20.000	11.99
26 Nov 2008	5	25.890	10.000	10.50
26 Nov 2008	20	23.520	10.000	15.00
26 Nov 2008	3	34.980	20.000	10.00
30 Jan 2009	3	36.570	10.000	9.92
30 Jan 2009	5	26.580	20.000	11.40
30 Jan 2009	20	20.000	20.000	13.24
27 Feb 2009	3	20.000	20.000	10.25
27 Feb 2009	5	20.000	20.000	11.64
27 Feb 2009	20	10.000	10.000	13.21
27 Feb 2009	20	10.000	10.000	13.21
20 Mar 2009	3	20.000	20.000	10.95
20 Mar 2009	5	20.000	20.000	12.00
20 Mar 2009	20	20.000	10.000	13.50
22 Apr 2009	3	35.000	35.000	11.00
22 Apr 2009	5	25.000	25.000	11.85
22 Apr 2009	20	10.000	10.000	11.50
20 May 2009	3	20.000	20.000	10.50
20 May 2009	5	20.000	20.000	11.20
20 May 2009	20	10.000	10.000	12.49
18 June 2009	3	20.000	20.000	10.10
18 June 2009	5	10.000	10.000	10.70
18 June 2009	20	20.000	20.000	12.33
17 July 2009	3	20.000	20.000	8.14
17 July 2009	5	20.000	20.000	9.39
17 July 2009	20	20.000	20.000	11.00
19 Aug 2009	3	20.000	20.000	8.099
19 Aug 2009	5	20.000	20.000	8.99
19 Aug 2009	20	20.000	20.000	10.749
18 Sep 2009	3	20.000	20.000	7.8750
18 Sep 2009	5	14.000	14.000	8.1440
18 Sep 2009	20	26.000	26.000	10.3899
23 Oct 2009	3	20.000	31.500	7.0000
23 Oct 2009	10	10.000	10.000	7.0000
23 Oct 2009	20	19.440	19.440	8.7900
20 Nov 2009	3	15.000	15.000	6.7500
20 Nov 2009	10	20.000	20.000	8.3200
20 Nov 2009	20	30.000	30.000	8.5000


**MoneyBulletin**

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