

## A chance for the bulls

We believe that market activity might be buoyed by the corporate actions of First Bank plc which released its FY 08 results on Friday. This is despite the increase in volume (10.98%) and value (7.66%) of shares last week which led to the market shedding 3.64% of its value. However, renewed investor confidence based on the positive outcome of the MPC meeting last week might influence the NSE ASI benchmark to close in positive territory by the end of the week. This is given that the banking sector accounts for about 60% of the entire market.

## Secondary market

The NSE ASI closed on a negative note last week, declining by 3.64% to 26,100.64 from 27,086.56 the preceding week. The market capitalisation of the 195 first-tier equities closed lower at N5.98 trillion from N6.18 trillion in the previous week. A turnover of 11.72 billion shares worth N91.22 billion in 223,989 deals was recorded last week, in contrast to a total of 2.35 billion shares valued at N19.06 billion and exchanged in 46,350 deals in the preceding week.

As illustrated in Figure 3, the banking sector remained the most active during the week (measured by turnover volume), with a turnover of 5.95 billion shares worth N63 billion and exchanged by investors in 130,384 deals. Volume in the sector was driven largely by activity in the shares of Access Bank plc, First Bank plc, Zenith Bank plc, Guaranty Trust Bank plc and United Bank for Africa plc. Trading in the shares of the five banks accounted for 2.75 billion shares, representing 46.3% of the sector's turnover.

The insurance sector, boosted by activity in the shares of Goldlink Insurance Company plc and AIICO Insurance plc, followed on the week's activity chart with a turnover of 2.56 billion shares valued at N2.54 billion shares in 23,934 deals.

## Share price performance

The number of gainers during the week decreased to 20 stocks in comparison to 70 stocks the preceding week. Guinness Nigeria plc led on the gainers' table with a gain of N10.91 to close at N135.97 per share, while Nigeria Bottling Company plc followed with a gain of N3.53 to close at N26.02 per share.

All Share Index	▼ 3.64%	26,100.64
Market cap	▼ 4.75%	N5.98 trillion
Value traded	▲ 7.66%	N91.22 billion
Volume traded	▲ 10.98%	11.72 billion

### Top gainers

Guinness	8.72%	N10.91
NBC	15.70%	N3.53
UPDC	5.65%	N1.11

### Top losers

Total	5.00%	N8.75
Oando	9.13%	N8.39
Nestle	3.78%	N7.00

Stocks to watch	Proj. P/E	Proj. P/BV	Proj. DY
Access	3.83	0.61	12.73
Diamond Bank	6.52	1.04	8.44
Oando	6.97	1.58	10.61
Dangote Sugar	8.94	5.05	7.27
UACN	8.70	1.07	6.90



## Share price adjustment

The price of African Petroleum plc was adjusted for a dividend of N5.20 per share as recommended by the board of directors. Similarly, the price of Benue Cement Company plc was adjusted for a bonus of 1 for 4.

## Supplementary listing

A total of 783,105,469 shares were added to the shares outstanding in the name of Benue Cement Company plc on 6 July 2009, following the bonus of 1 for 4. Similarly, a total of 52,094,578 shares were added to the shares outstanding in the name of Afribank Nigeria plc on 10 July 2009 as a supplementary allotment from the public offering.

## Company results

**First Bank plc:** Audited results for the year ended 31 March 2009 show gross earnings of N218,287 million as against N155,725 million in 2008. Profit after tax and exceptional items stood at N12,569.0 million compared with profit after tax of N36,679.0 million in 2008. The board of directors is recommending a dividend of N1.35 per share and a bonus of 1 for 6. The date of closure of register is 20 July 2009, while the payment date is 24 August 2009. The annual general meeting is scheduled to be held on Thursday, 20 August 2009.

**Regency Alliance Insurance plc:** Audited results for the year ended 31 December 2008 show gross premium of N1,705.72 million as against N1,210.8 million in 2007. Profit after tax stood at N312.7 million compared with profit after tax of N237.54 million in 2007. The board of directors is recommending a dividend of N0.02 per share and a bonus of 1 for 10. The date of closure of register is 22 July 2009, while the payment date is 28 August 2009. The annual general meeting is scheduled to take place at Muson Centre, Onikan, Lagos on Wednesday, 29 July 2009.

**Chevron Oil Nigeria plc:** Unaudited results for the first quarter ended 31 March 2009 show turnover of N13,893.32 million as against N8,584.73 million in 2008. Profit after tax stood at N162.4 million compared with loss after tax of N190.63 million in 2008.

**LASACO Assurance plc:** Audited results for the year ended 31 December 2008 show gross premium of N2,334.15 million as against N1,773.85 million in 2007. Profit after tax stood at N364.93 million compared with profit after tax of N688.2 million in 2007. The date of closure of register is 3 August 2009.

Source: NSE

Figure 1: NSE ASI, 6 July – 10 July '09

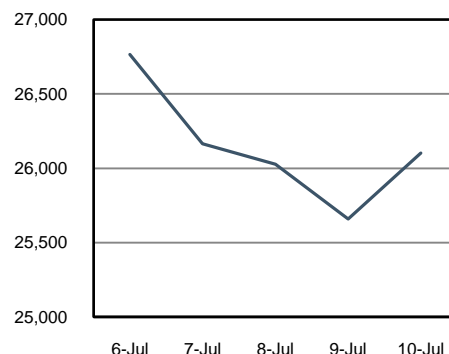


Figure 2: Vol. traded, 6 July – 10 July '09

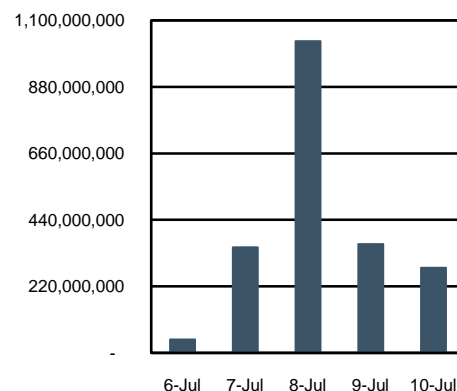
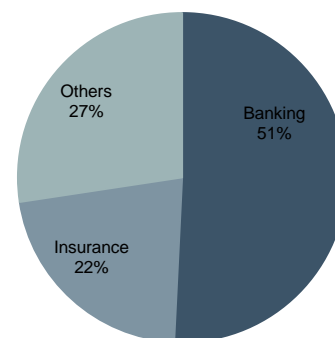


Figure 3: Vol. by sector, 6 July – 10 July '09



Source: NSE; Stanbic IBTC Research

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