

Economic Indicators

| | |
|---------------------|-----------|
| Inflation Rate | 5.20% |
| External Reserve | \$50b |
| GDP | 6.16% |
| Oil Price/b | \$95.05 |
| External Debt Stock | \$3.35 bn |

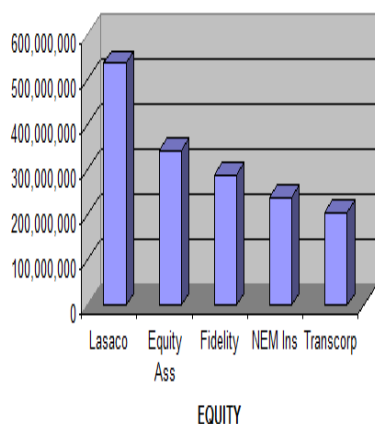
Money Market Indices

| | |
|--------------|--------|
| MPR | 9.5% |
| 7 DAY NIBOR | 11.42% |
| 30 DAY NIBOR | 13.04% |
| 90 DAY NIBOR | 11.41% |
| OMO | 6.49% |
| 91 DAY T/B | 7.58% |
| 182 DAY T/B | 8.25% |
| 364 DAY T/B | 7.99% |

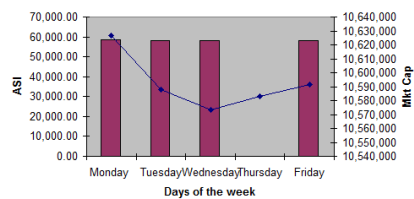
Exchange Rate

| | |
|-----------------|----------|
| CBN | \$116.81 |
| Banks | \$118.06 |
| Parallel Market | \$120.50 |

5 MOST TRADED STOCKS



ASI - MKT CAP



News Bits

Senate Queries Obasanjo, s N60bn Tax Waiver

The Senate Committee on Public Accounts, last week, raised questions over the whereabouts of the N60bn un-remitted tax deduction from contractors and Civil Servants said to have been written off by the last administration. The yet to be stated proportion of the N60 billion tax obligation from Federal Government was cancelled allegedly at the last meeting of the Obasanjo Federal Executive Council (FEC) meeting of May,23 2007. The Senate public hearing probing the issue was stunned yesterday by a revelation that the decision to write off the penalties amounting to billions of naira was conveyed to the Federal Inland Revenue (FIRS) by that administration’s Minister of State (FINANCE) through a letter dated June 1, 2007. Among the organisations that were dragged before the committee for failing to remit taxes collected from civil servants, contractors and Value Added Taxes (VAT) were the CBN, the Federal Housing Authority (FHA), the Federal Roads Maintenance Agency (FERMA), the Federal Radio Corporation of Nigeria (FRCN), the Federal Ministry of Education, Federal Ministry of Culture and Tourism and Fedral Airports Authority of Nigeria (FAAN).

Yar’adua’s Accuses Multinational of Aiding Corruption in Nigeria

Multinational Companies operating in Nigeria, largely made up of western concerns, have again come up for sharp criticism for aiding corrupt practices in the country. The latest condemnation is from Nigeria’s President Umaru Musa Ya’adua while responding to remarks by Oby Ezekwesili, World Bank Vice President for Africa at the Senate House, Abuja that Nigeria was slowing down on its anti-corruption crusade. The president however appealed to the visiting Wold Bank Chief who at different times was minister of solid minerals and Education under the previous administration to help monitor the activities of these companies, “especially multinationals” who he said are the major contributors to corruption un Nigeria.

BAKASSI: House sends Treaty Back to Yar’adua

The house of representative agreed to return the Green Tree Agreement (GTA) signed between Nigeria and Cameroon ceding Bakassi Peninsula to Cameroon to President Umaru Musa Yar’adua for re-presentation in the form of a Bill. The agreement points out the modalities for Nigeria’s withdrawals from Bakassi Peninsula and eventual transfer to Cameroun. President Ya’radua has forwarded the agreement to the National Assembly following complaints by the senate that the immediate past president, Chief Olusegun Obasanjo, did not get its approval before ceding the oil rich Peninsula to Cameroon in August 2006. While returning the letter forwarding the agreement to it by president Umaru Yaradua for ratification, the house said the agreement could not be ratified as it was submitted in the form of a report rather than a bill.

TOP 10 GAINERS IN % TERMS

| | |
|-------------------------|-------|
| CHEVRON | 21.54 |
| BIG TREAT PLC | 21.36 |
| DEAP CAPITAL MNGT | 21.32 |
| CAPITAL OIL | 21.22 |
| National Sports Lottery | 21.13 |
| TRAS-NATIONWIDE | 21.10 |
| LIVESTOCK | 21.03 |
| POLY PRODUCT | 20.92 |
| EQUITY ASSURANCE | 20.89 |
| OASIS | 20.85 |

TOP 10 LOSERS IN % TERMS

| | |
|----------------|--------|
| CCNN | -15.07 |
| ASHAKA | -14.86 |
| AFRIBANK | -14.20 |
| N N FLOURMILLS | -11.17 |
| UNION DICON | -9.69 |
| MOBIL | -9.51 |
| UNILEVER | -8.06 |
| BCC | -7.71 |
| OANDO | -7.57 |
| VITAFOAM | -6.68 |

Market News

- **Chams Nigeria Plc is currently offering 2 billion ordinary shares of 50k each at N2.50 per share through private placement.**

The leading IT solution and Card technology company is seeking to raise N5 billion to enable the company deploy Access terminals, implement Chams.net infrastructure development, invest in subsidiaries and create greater capacity for the production of public sector cards. Offer opens 7/1/08 and closes 13/2/08. Unit of sale is a minimum of 40,000 units and multiples of 4,000 units thereafter.

Money Market

Tightness in the money market continued during the week as NNPC debit of N24 billion hit the system. Consequently, interbank rates rose, with 7-Day NIBOR closing at 11.42% and 30-day interbank borrowing reigning at 13.04%. The Treasury Bill segment of the market was active, with yield rising higher. Consequently, stop rate for 91-day bills was 7.58% while the rate for 182-day bill was 8.25%. Investors appear to be shifting interest to long tenured bills, as the N25 billion worth 354-day Treasury Bills was oversubscribed by 231 per cent giving a demand of N58 billion. The money market segment of the financial sector witnessed a net outflow of N36.5 billion through the primary and secondary windows. Outflow through the forex market was about N19 billion as against N17.3 billion previous week.

Capital Market

The secondary market recorded a turnover of 4.61 billion shares worth N61.9 billion in 78,882 deals during the week in contrast to a total of 4.22 billion shares valued at N70.8 billion transacted in 77,374 deals the previous week. Market capitalization of the 211 quoted equities moved up by 0.01% to close the week at N10.59 trillion.

The tempo with which the market began the year seems to be receding, though the sentiments are still bullish. We observed that most large stocks depreciated in prices. This could be attributed to profit taking by investors as some of those stocks have garnered significant capital appreciation. In this category, include: AP, Mobil and Ashaka Cement. On the other hand, penny stocks appreciated in prices. Thus, the effect of the dip in the prices of large cap stocks was mitigated by appreciation in the prices of penny stocks; hence the All Share Index appreciated marginally 14 basis points to close the week at 58,211.69 points.

Investors continued to take opportunities presented by the undervaluation of most stocks in the Insurance sector. This reflected in the heavy activity that was witnessed in that sector consistent with trend in the past four weeks. Measured by turnover, the sector was the most actively traded during the week with 2.3 billion shares valued at N10.42 billion traded in 19,337 transactions. Activity in the sector was principally driven by transactions in the shares of Lasaco Assurance Plc, Custodian & Allied Insurance Plc, Equity Assurance, and NEM Insurance.

We expect the market to remain active in the coming week as the year end of some companies draw nearer in February with good expectation. We advise investors to look out for stocks with good fundamentals for the purpose of taking positions. **IBTC Chartered Bank** is still on our recommendation list given its growth prospect especially; as the bank set to rip the benefits of synergy that is expected to emerge from its marriage with Standard Bank of South Africa. We also expect that the anticipated results of **GTBank** as its financial year draws nearer will impact positively on the prices of the stock.