

The Nigerian Stock Market in January 2010 – A Snapshot

Market Turnover

Stock market indicators recorded improvement during the month under review. The market recorded a turnover of 8.63 billion shares valued at N48.65 billion in 302,901 deals in January 2010 in contrast to a total of 7.6 billion shares valued at N47.6 billion exchanged during December 2009 in 119,979 deals. Consequently, trading volume and value increased by 14% and 2%, respectively. These had dropped by 18.9% and 15.2%, respectively in December 2009. There were no transactions through the stock market on the Federal Government Development Stocks, State Government Bonds and Industrial Loans/Preference Stocks sectors. In the comparable period in 2009, the market recorded turnover of 4.8 billion shares worth N29.8 billion exchanged by investors in 138,700 deals.

The Banking subsector was the most active (measured by turnover volume) with traded volume of 4.53 billion shares valued at N32.61 billion exchanged in 70,354 deals while the Insurance subsector was second with traded volume of 1.2 billion shares valued at N1.3 billion exchanged in 8,115 deals. The Second-Tier Securities Market came third with transaction volume of 394.1 million valued at N202.6 million traded in 164 deals while the Food, Beverages & Tobacco subsector was fourth with transaction volume of 381.9 million shares valued at N4.6 billion traded in 13,786 deals while the Conglomerates subsector was fifth with transaction volume of 258.9 million shares valued at N1.73 billion traded in 4,881 deals. See Table 1 for the list of the five most active stocks.

Table 1

FIVE MOST ACTIVE STOCKS (BY VOLUME)

S/N	COMPANY	VOLUME	% of TOTAL
1	FinBank Plc	850,008,765	9.8
2	Zenith Bank Plc	618,956,647	7.2
3	First Bank of Nigeria Plc	501,067,127	5.8
4	Capital Oil Plc	393,677,836	4.6
5	Fidelity Bank Plc	326,949,954	3.8

Market Capitalization

The market value of the 266 listed securities closed at N7.5 trillion, up by 6.45% from N7.03 trillion recorded by end-December 2009. The rise in market capitalization can be attributed to the rise in the prices of equities. Nineteen subsectors recorded increased market capitalization of between 0.7% and 44.7% while thirteen subsectors suffered reduction in market capitalization of between 0.5% and 21.6%. During December 2009, six subsectors recorded increased market capitalization of between 1.2% and 16.1% while twenty-five subsectors suffered reduction in market capitalization of between 0.1% and 23.5%.

The 216 listed equities accounted for N5.44 trillion or 72.7% of total market capitalization, up by 9% from the N5 trillion recorded in December 2009. See Table 2 for the 5 Top advancers and decliners by market capitalization.

Table 2: Top 5 Advancers & Decliners By Market Capitalization (Sectors)

Top 5 Advancers	%	Top 5 Decliners	%
Road Transportation	44.7	Textiles	(21.6)
Airline Services	19.1	Other Financial Institutions	(17.5)
Healthcare	17.0	Commercial/Services	(14.7)
Building Materials	16.3	SSM	(11.7)
Food Beverages & Tobacco	13.2	Footwear	(9.6)

The Top five equities with market capitalization of N1.82 trillion accounted for 33.5% of equity market capitalization (up from N1.67 trillion) were dominated by the banks with four representatives. The Breweries subsector had one representative in the Top 5. Also, the Top 10 equities accounted for N2.71 trillion (up from N2.51 trillion) and accounted for 49.8% of the equity market capitalization.

First Bank of Nigeria Plc recorded an increase in market capitalization of 4.8% from N407.5 billion to N427 billion to retain the status of the most capitalized listed equity. Also, Nigerian Breweries Plc retained the second position with a 2.1% increase in market capitalization from N401 billion to N409.5 billion. Similarly, Zenith Bank Plc retained the third position with 12.6% rise in market capitalization from N341.6 billion to N384.54 billion. Guaranty Trust Bank Plc and UBA Plc retained the fourth and fifth ranks. They both recorded increased market capitalization of 14.8% and 15.3%, respectively. See Table 3 for the ten most capitalized stocks.

Table 3:

S/No	COMPANY	VALUE
1	First Bank of Nigeria Plc	426,972,694,883.16
2	Nig Breweries Plc	409,512,750,711.00
3	Zenith Bank Plc	384,544,255,893.99
4	Guaranty Trust Bank Plc	331,850,187,836.59
5	United Bank for Africa Plc	268,377,957,658.13
6	Benue Cement Co. Plc	195,776,367,187.50
7	Guinness Nig. Plc	189,822,914,263.13
8	Dangote Sugar Refinery Plc	181,200,000,000.00
9	Nestle Nigeria Plc	166,457,812,500.00
10	Stanbic IBTC Bank Plc	155,625,000,000.00

The values of Federal Government Bonds, Preference Shares and State Government Bonds remained constant at N1.93 trillion, N4.6 billion and N100.5 billion, respectively. The combined market capitalization of Federal Government Bonds, State Government Bonds, Preference Shares and Industrial Loans remained constant at N2.04 trillion; however the share of market capitalization dropped from 27.45% to 27.3%.

...Supplementary Listings

There were two supplementary listings in January while we had none during the preceding month. The details are shown in Table 4 below:

Table 4

S/N	COMPANY	ADDITIONAL SHARES	REASONS
1	Cadbury Nigeria Plc	2,028,347,543	Right Issue
2	Custodian & allied Insurance Plc	348,027,267	Debt-Equity Conversion

Dividend Adjustments

Table 5 below shows the list of equities adjusted for dividend during January 2009 as recommended by the Board of Directors:

Table 5: EQUITIES ADJUSTED FOR DIVIDEND DURING JANUARY 2010

S/N	Company	Dividend Amount (N)
1	SCOA Nig. Plc	0.10
2	IHS Nig. Plc	0.05
3	Nig Breweries Plc (Interim)	1.50
4	Fidson Healthcare Plc	0.22

The NSE Indices

The Nigerian Stock Exchange All-Share Index, which opened at 20,827.17 closed the month at 22,594.90 indicating a rise by 1767.73 points or 8.5% during the month compared to decline by 183.12 points or 0.9% in the preceding month. Table 6 shows the 85 price advancers of between N0.01 and N12.50 including 42 price decliners of between N0.01 and N6.24 in January. The prices of 89 equities remained constant compared to 87 in the preceding month. Also, last month, the market recorded 43 gainers and 86 losers. Also, the NSE-30 Index appreciated by 63.26 points or 7.64% to close at 891.25.

By month-end, three of the four sectoral indices appreciated - the NSE Food/Beverage Index rose by 69.49 points or 13.2% to close at 596.22, the NSE Banking Index rose by 34.95 points or 10.3% to close at 374.27 and the NSE Oil/Gas index rose by 10.25 points or 3.6% to close at 298.31. However, the NSE Insurance Index dropped by 25.82 points or 10.4% to close at 223.19. See Table 7 for the summary of movements in the indices.

Company News

... Trading Results

Twenty-Four (24) corporate trading results were announced during the month, made up of eleven full year results, six third quarter results, four half year results and three first quarter results. Last month, thirty-three (33) corporate trading results were released.

Annual/Extra-Ordinary General Meetings

There were three Annual/Extra-Ordinary General Meetings held during January 2010 compared to twenty in December 2009.

Table 6: SUMMARY OF PRICE CHANGES IN JANUARY 2010

S/No	Company	Start Price (N)	End Price (N)	Diff (N)	Change %
ADVANCERS					
1	Bank PHB Plc	1.32	2.22	0.90	68.2
2	Cadbury Nigeria Plc	10.49	16.39	5.90	56.2
3	National Salt Co Nig Plc	4.35	6.73	2.38	54.7
4	Springbank Plc	0.76	1.12	0.36	47.4
5	FinBank Plc	0.53	0.77	0.24	45.3
6	Associated Bus Co. Plc	0.76	1.10	0.34	44.7

7	Capital Hotels Plc	1.38	1.98	0.60	43.5
8	Intercontinental Bank Plc	1.61	2.30	0.69	42.9
9	May & Baker Nig. Plc	3.86	5.50	1.64	42.5
10	Oceanic Bank International Plc	1.69	2.36	0.67	39.6
11	FTN Cocoa Processors Plc	0.52	0.72	0.20	38.5
12	Sterling Bank Plc	1.23	1.69	0.46	37.4
13	Chams Plc	0.57	0.77	0.20	35.1
14	Academy Press Plc	5.40	7.21	1.81	33.5
15	Dangote Flour Mills Plc	9.93	13.10	3.17	31.9
16	Nig. Bag Manufacturing Co. Plc	1.45	1.90	0.45	31.0
17	Big Treat Plc	0.63	0.82	0.19	30.2
18	Tantalizers Plc	0.77	1.00	0.23	29.9
19	Omatek Ventures Plc	0.52	0.67	0.15	28.8
20	Costain (WA) Plc	3.80	4.88	1.08	28.4
21	Ashaka Cement Plc	11.55	14.77	3.22	27.9
22	Nig Bottling Co. Plc	21.42	27.30	5.88	27.5
23	Unilever Nigeria Plc	18.50	23.17	4.67	25.2
24	Skye Bank Plc	5.49	6.79	1.30	23.7
25	First City Monument Bank Plc	7.16	8.85	1.69	23.6
26	Livestock Feeds Plc	0.57	0.70	0.13	22.8
27	Standard Alliance Ins. Plc	0.55	0.67	0.12	21.8
28	Wema Bank Plc	0.93	1.13	0.20	21.5
29	Conoil Plc	27.63	33.57	5.94	21.5
30	Aso Savings & Loans Plc	0.56	0.68	0.12	21.4
31	Red Star Express Plc	2.15	2.61	0.46	21.4
32	International Breweries Plc	2.27	2.75	0.48	21.1
33	Eterna Oil & Gas Plc	4.98	6.01	1.03	20.7
34	Cement Co. of Northern Nig Plc	12.46	15.00	2.54	20.4
35	Nigerian Aviation Handling Co. Plc	7.18	8.61	1.43	19.9
36	Glaxo Smithkline Consumer Plc	22.40	26.74	4.34	19.4
37	Unity Bank Plc	0.84	1.00	0.16	19.0
38	AllCO Insurance Plc	0.79	0.94	0.15	19.0
39	Fidson Healthcare Plc	1.78	2.09	0.31	17.4
40	Benue Cement Co. Plc	43.01	50.00	6.99	16.3
41	Union Homes Savings & Loans Plc	0.85	0.98	0.13	15.3
42	United Bank for Africa Plc	10.80	12.45	1.65	15.3
43	Airlines Services & Logistics Plc	2.65	3.05	0.40	15.1
44	Guaranty Trust Bank Plc	15.50	17.79	2.29	14.8
45	Cutix Plc	2.86	3.28	0.42	14.7
46	Starcomms Plc	1.75	2.00	0.25	14.3

47	Ikeja Hotels Plc	0.87	0.99	0.12	13.8
48	AG Leventis Nig. Plc	2.47	2.81	0.34	13.8
49	Diamond Bank Plc	7.40	8.40	1.00	13.5
50	Lafarge WAPCO Plc	30.00	34.00	4.00	13.3
51	Neimeth International Pharma. Plc	1.50	1.70	0.20	13.3
52	Zenith Bank Plc	13.60	15.31	1.71	12.6
53	Japaul Oil & Maritime Services Plc	1.13	1.26	0.13	11.5
54	Stanbic IBTC Bank Plc	7.47	8.30	0.83	11.1
55	Afribank Nig. Plc	2.55	2.82	0.27	10.6
56	Julius Berger Nig. Plc	25.79	28.50	2.71	10.5
57	Union Diagnostics & Clinical Services Plc	0.61	0.67	0.06	9.8
58	University Press Plc	4.97	5.45	0.48	9.7
59	Cornerstone Insurance Plc	0.52	0.57	0.05	9.6
60	UAC of Nigeria Plc	36.75	40.01	3.26	8.9
61	African Petroleum Plc	33.51	36.40	2.89	8.6
62	Access Bank Plc	7.60	8.23	0.63	8.3
63	Longman Nigeria Plc	9.03	9.76	0.73	8.1
64	Flour Mills of Nig. Plc	36.00	38.85	2.85	7.9
65	Law Union & Rock Ins. Plc	0.51	0.55	0.04	7.8
66	Union Bank of Nig. Plc	6.00	6.45	0.45	7.5
67	Nestle Nigeria Plc	239.50	252.00	12.50	5.2
68	Berger Paints (Nig) Plc	3.20	3.36	0.16	5.0
69	Roads Nig. Plc	3.30	3.46	0.16	4.8
70	First Bank of Nigeria Plc	14.05	14.72	0.67	4.8
71	UTC Nig. Plc	0.86	0.90	0.04	4.7
72	Fidelity Bank Plc	2.40	2.51	0.11	4.6
73	7-Up Bottling Co. Plc	29.40	30.60	1.20	4.1
74	PZ Cussons Nig. Plc	25.00	26.00	1.00	4.0
75	NEM Insurance Co. (Nig) Plc	0.52	0.54	0.02	3.8
76	DAAR Communications Plc	0.56	0.58	0.02	3.6
77	C & I Leasing Plc	2.60	2.69	0.09	3.5
78	Evans Medical Plc	1.07	1.10	0.03	2.8
79	Nig Breweries Plc	53.02	54.15	1.13	2.1
80	RT Briscoe (Nig) Plc	6.15	6.23	0.08	1.3
81	Mobil Oil Nig Plc	98.80	99.95	1.15	1.2
82	Guinness Nig. Plc	127.50	128.70	1.20	0.9
83	UACN Property Dev. Co. Plc	19.86	20.00	0.14	0.7
84	Total Nig. Plc	149.00	150.00	1.00	0.7
85	Guaranty Trust Assurance Plc	2.15	2.16	0.01	0.5

DECLINERS

1	Goldlink Insurance Plc	0.95	0.51	(0.44)	(46.3)
2	Incar Nig Plc	4.33	2.39	(1.94)	(44.8)
3	Crusader (Nig) Plc	1.57	1.05	(0.52)	(33.1)
4	UNIC Insurance Plc	1.10	0.74	(0.36)	(32.7)
5	Unity Kapital Assurance Plc	2.38	1.70	(0.68)	(28.6)
6	Aluminium Manufacturing Co. Plc	27.71	21.47	(6.24)	(22.5)
7	Ecobank Nigeria Plc	10.63	8.24	(2.39)	(22.5)
8	Presco Plc	5.60	4.37	(1.23)	(22.0)
9	United Nigeria Textiles Mills	1.90	1.49	(0.41)	(21.6)
10	Staco Insurance Plc	1.25	0.99	(0.26)	(20.8)
11	Afromedia Plc	0.80	0.64	(0.16)	(20.0)
12	African Alliance Insurance Plc	0.87	0.70	(0.17)	(19.5)
13	National Sports Lottery Plc	4.35	3.57	(0.78)	(17.9)
14	Beco Petroleum Products Plc	2.53	2.08	(0.45)	(17.8)
15	Continental Reinsurance Plc	1.15	0.95	(0.20)	(17.4)
16	Capital Oil Plc	0.59	0.50	(0.09)	(15.3)
17	e-Tranzact International Plc	6.40	5.50	(0.90)	(14.1)
18	Lennards Nig. Plc	4.26	3.85	(0.41)	(9.6)
19	Poly Products (Nig) Plc	4.68	4.23	(0.45)	(9.6)
20	Royal Exchange (Nig) Plc	0.66	0.60	(0.06)	(9.1)
21	Honeywell Flour Mills Plc	8.50	7.77	(0.73)	(8.6)
22	International Energy Insurance Plc	0.63	0.59	(0.04)	(6.3)
23	Intercontinental WAPIC Insurance Plc	1.10	1.04	(0.06)	(5.5)
24	Niger Insurance Plc	0.97	0.92	(0.05)	(5.2)
25	Lasaco Assurance Plc	0.59	0.56	(0.03)	(5.1)
26	Prestige Assurance Plc	4.00	3.80	(0.20)	(5.0)
27	Nig Enamelware Co. Plc	55.63	52.85	(2.78)	(5.0)
28	Union Dicon Salt Plc	6.01	5.71	(0.30)	(5.0)
29	Tripple Gee & Co. Plc	4.84	4.60	(0.24)	(5.0)
30	IPWA Plc	1.45	1.38	(0.07)	(4.8)
31	DN Meyer Plc	5.39	5.13	(0.26)	(4.8)
32	Juli Plc	3.54	3.37	(0.17)	(4.8)
33	Jos International Breweries Plc	3.76	3.58	(0.18)	(4.8)
34	Oasis Insurance Plc	1.56	1.49	(0.07)	(4.5)
35	NCR Nig Plc	8.51	8.13	(0.38)	(4.5)
36	Vono Products Plc	0.69	0.66	(0.03)	(4.3)
37	Nig Wire & Cable Plc	0.97	0.94	(0.03)	(3.1)
38	Vitafoam Nig. Plc	5.65	5.49	(0.16)	(2.8)
39	Ecobank Transnational Inc. Plc	15.00	14.80	(0.20)	(1.3)

40	SCOA Nig Plc	8.81	8.71	(0.10)	(1.1)
41	Custodian & Allied Insurance Plc	2.86	2.85	(0.01)	(0.3)
42	Northern Nig Flour Mills Plc	21.85	21.80	(0.05)	(0.2)

Table 7: SUMMARY OF CHANGES IN THE INDICES IN JANUARY 2010

	Opening	Closing	Points Change	% Change	Jan 09 (%)
All-Share Index	20827.17	22594.90	1767.73	8.5	(30.6)
NSE-30	827.99	891.25	63.26	7.6	(34.0)
NSE Food/Bev	526.71	596.20	69.49	13.2	(36.4)
NSE Banking	339.32	374.27	34.95	10.3	(40.3)
NSE Insurance	249.01	223.19	(25.82)	(10.4)	(19.5)
NSE Oil/Gas	288.06	298.31	10.25	3.6	(13.4)

Fig. 1: The NSE All-Share Index VS NSE 30 Index (NOVEMBER – 2009 – JANUARY 2010)

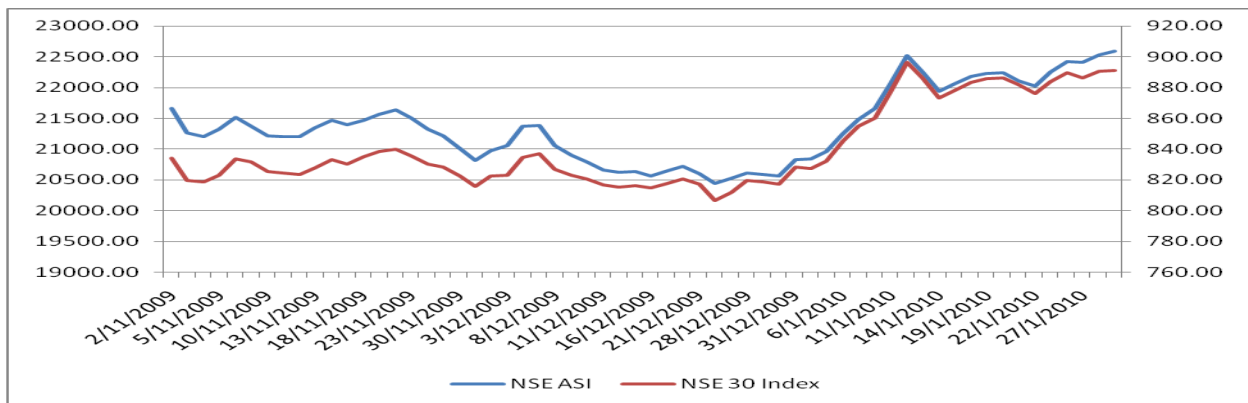
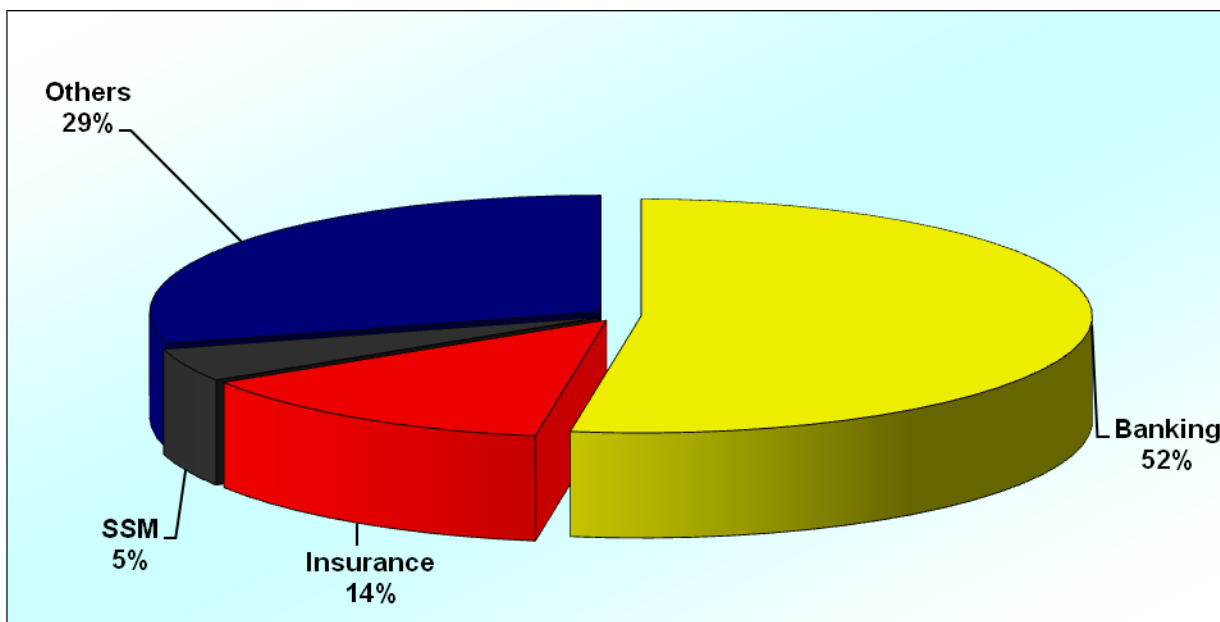


Fig. 2: Market Capitalization (FEBRUARY 09 – JANUARY 2010)



Fig.3: Distribution of Trading Volume (JANUARY 2010)



The Market Return

The stock market recorded a monthly return of 1.93% on dividend-adjusted basis, a reversal of the negative monthly return of 3.73% in December 2009. In January, twenty subsectors recorded positive returns of between 0.14% and 15.5% compared to 8 subsectors that recorded positive returns of between 0.0014% and 9% in the preceding month. Also, 12 subsectors recorded negative returns of between 0.10% and 23.5% compared to 23 subsectors that recorded negative returns of between 0.97% and 25.7% in December.

Eighty-four equities recorded positive returns of between 0.4% and 49.5% compared to 39 equities that recorded positive returns of between 0.07% and 48.04% in December 2009. On the other side, 59 equities recorded negative

returns of between 0.35% and 52.9% compared to 107 equities that recorded negative returns of between 0.08% and 33.15% in December.

Table 8.1: Monthly Returns: (Sector)

Highest Positive: Monthly	%	Highest Negative: Monthly	%
Road Transport	15.5	Automobile & Tyre	23.5
Food Beverages & Tobacco	11.3	Textiles	16.6
Maritime	10.9	Media	10.1
Banking	9.8	Industrial/Domestic Products	5.6
Printing & Publishing	8.8	Mortgage Companies	3.8

Table 8.2: Monthly Returns: Equities

Highest Positive	%	Highest Negative	%
NASCON Plc	49.5	Incar Nig. Plc	52.9
Dangote Flour Mills Plc	49.3	Resort Savings & Loans Plc	27.9
Oceanic Ban International Plc	35.5	Staco Insurance Plc	20.8
Fidson Healthcare Plc	33.2	Ecobank Nig. Plc	19.8
Academy Press Plc	32.4	Unity Kapital Assurance Plc	19.5

Bond Trading on OTC

A turnover of 1.15 billion units worth N1.31 trillion in 13,818 deals was recorded in January 2010, in contrast to a total of 732.13 billion shares valued at N830.8 billion exchanged during the preceding month in 8,274 deals. The most active bond (measured by turnover volume) was the 6th FGN Bond 2029 Series 3 with traded volume 128.2 million units valued at N168.72 billion in 1,141 deals and was followed by 5th FGN Bond 2013 Series 1 with a traded volume of 118.5 million units valued at N128.61 billion in 961 deals. Twenty – four (24) of the available forty-one (41) FGN Bonds were traded during the month, compared to twenty-five (25) in the preceding month.