

# **The Nigerian Stock Market in September 2009**

## **Market Turnover**

The stock market recorded a turnover of 9.05 billion shares valued at N66.01 billion in 123,106 deals was recorded in September in contrast to a total of 9.91 billion shares valued at N68.74 billion exchanged during August in 156,726 deals. Trading volume and value dropped by 8.7% and 4.0%, respectively. Trading volume and value had dropped by 0.1% and 5.03%, respectively in August. Transactions during the month included 100 units of Lagos State Fixed Rate Bond worth N119,530. Consequently, total turnover between January and September 2009 was 75.3 billion shares valued at N508.7 billion. In the comparable period during 2008, 169.63 billion units valued at N2.23 trillion were traded.

The Banking subsector was the most active (measured by turnover volume) with traded volume of 5.72 billion shares valued at N47.05 billion exchanged in 65,914 deals while the Insurance subsector was second with traded volume of 1.25 billion shares valued at N1.14 billion exchanged in 9,562 deals. The Food/Beverage and Tobacco subsector came third with transaction volume of 339.43 million shares valued at N4 billion traded in 9,069 deals while the Information Communication and Technology subsector came fourth with transaction volume of 258 million shares valued at N416.3 million traded in 1,285 deals.

Access Bank Plc was the most active stock with transaction volume of 997.33 million shares followed by Zenith Bank Plc with 937.73 million shares while Guaranty Trust Bank Plc placed third with 507.8 million shares. UBA Plc occupied the fourth position with 505.8 million shares traded. First Bank of Nigeria Plc occupied the fifth slot with 475.4 million. The Top 3 most active stocks accounted for 2.44 billion shares or 27% of total traded stocks while the Top 5 most active stocks accounted for 3.42 billion or 37.82% of total transactions during the month. Also, the 10 most active stocks accounted for 4.9 billion or 53.73% of the total shares traded during the month. The table showed that nine banks and one Insurance Company made up the Top 10 actively traded stocks during the month. The remaining 166 traded stocks accounted for 4.2 billion or 46.3%. Last month, six banks, two Companies each from the Insurance and Hotel & Tourism subsectors were represented on the Top 10 active list.

## **Market Capitalization**

The market value of the 294 listed securities closed at N7.81 trillion, down by 1.43% from the N7.92 trillion recorded in the preceding month. The decline in market capitalization can be attributed to the drop in the price of equities. Twelve subsectors recorded increased market capitalization of between 0.9% and 32.44% while 19 subsectors suffered reduction in market capitalization of between 1.15% and 20.72%. The 211 listed equities accounted for N5.14 trillion or 65.8% of total market capitalization, down by 2.5% from the N5.3 trillion or 66.53% recorded in August.

The Top five equities with market capitalization of N1.74 trillion or 22.3% (up from N1.63 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 N2.6 trillion (up from N2.54 trillion) and accounted for 33.15% of the total market capitalization, down from 32.1% in August.

First Bank of Nigeria Plc with market capitalization of N420.01 billion displaced Nigerian Breweries Plc with N415.94 billion to reclaim the status of the most capitalized Quoted Company for the month. While FBN Plc recorded a rise in market capitalization of 1.6%, NB Plc suffered a decline by 2.6%. Zenith Bank Plc retained the third position with an increase of 24% in market capitalization from N283.62 billion to N351.64 billion. UBA Plc displaced Guaranty Trust Bank Plc to occupy the fourth position. UBA Plc recorded an increase in market capitalization of 23.1% while GTB Plc suffered a decline by 3.5% to occupy the 5<sup>th</sup> position. See Table 7 for the twenty most capitalized stocks.

There was no new entrants in the Top 20 Table when compared with the preceding month, however 11 of the Companies suffered decline in market capitalization, while the remaining 9 recorded increases. The market capitalization of the Top 20 companies totaled N3.57 trillion, representing 69.43% of the equity market, 45.7% of the entire market capitalization and down by 2.3% from the N3.65 trillion of the preceding month.

### **New Listings**

The 16,700,000,000 shares in favour of African Alliance Insurance Company Plc were admitted on the Daily Official List at a price of N3.50 per share on Thursday, September 17, 2009. The Company was listed in the Insurance subsector. By this action, the number of listed companies increased to 211. Also, the N18.5 billion Imo State Government of Nigeria 15.5% Fixed Rate Bond 2009/2016 Series 1 was admitted on the Daily Official List on Thursday, September 24, 2009. By this action, the number of listed state government Bonds and securities increased to 7 and 294, respectively.

### **...Supplementary Listings**

There were eight supplementary listings during September, compared to eight in August.

S/N	COMPANY	ADDITIONAL SHARES	REASONS
1	University Press Plc	74,897,483	Bonus 1:4
2	Union Diagnostics & Clinical Services Plc	592,189,755	Bonus 1:5
3	Royal Exchange Plc	369,588,872	Bonus 1:10
4	Crusader (Nig) Plc	410,964,499	Bonus 1:10
5	Ikeja Hotel Plc	346,466,066	Bonus 1:5
6	African Petroleum Plc	246,293,940	Conclusion of Hybrid Offerings
7	Crusader (Nig) Plc	120,223,158	Supplementary listing of post consolidation adjustment.
8	National Sports Lottery Plc	431,539,736	Conclusion of public offering

### **The NSE Indices**

The Nigerian Stock Exchange All-Share Index, which opened at 23,009.10 closed at 22,065.00. This shows a decline by 944.10 points or 4.1% during the month compared to a decline by 2,277.51 points or 9.01% in August. Compared with an opening value of 31,450.78 on December 31, 2008, the year-to-date decline in The NSE ASI stood at 29.84%. The market recorded 34 price advancers of between N0.01 and N20.50 including 101 price decliners of between N0.01 and N15.64 during September 2009. The prices of 76 equities remained constant compared to 75 in August. Last month, the market recorded 21 gainers and 114 losers. Also, The NSE-30 Index dropped by 1.6% to close at 835.68.

Similarly, by month-end all the four sectoral indices depreciated - The NSE Food/Beverage Index dropped by 7.7% to close at 451.46. The NSE Banking Index dropped by 3.4% to close at 358.24. The NSE Insurance Index dropped by 0.1% to close at 312.16 and The NSE Oil/Gas Index dropped by 9.5% to close at 287.67.

The Index Committee held its quarterly meeting to review and rebalance The NSE 30 Index. At the end of deliberations, Wema Bank Plc and FinBank Plc were dropped from the index while Pinnacle Point Group Plc and Ecobank Nigeria Plc were included.

### **The Market Return**

The stock market recorded a monthly negative return of 8.6% on a dividend-adjusted basis, lower than the negative return of 6.52% recorded in August 2009. Consequently, the 9-month average return remained negative at 35.2%. Four subsectors (as in July) recorded positive returns of between 0.2% and 1.9%. Also, twenty - eight subsectors recorded negative returns of between 0.71% and 19.7%. Similarly, 25 equities recorded positive returns of between 0.2% and 39.02% compared to 24 in August.

Cumulatively, only the Building Materials subsector recorded positive return of 30.3%. The other subsectors recorded zero or negative return of between 2.45% and 78%. The tables below show additional information on stock market returns during September 2009.

**Table 1.1: Monthly Returns: (Sector)**

Highest Positive: Monthly	%	Highest Negative: Monthly	%
Building Materials	1.9	Banking	19.7
REITS	1.74	Mortgage Companies	19.51

Maritime	1.04	Media	19.15
Real Estate	0.2	Airline Services	14.5
		Petroleum (Marketing)	14.25

**Table 1.2: Monthly Returns: Equities**

Highest Positive	%	Highest Negative	%
Cement Co of Northern Nig. Plc	39.02	Intercontinental Bank Plc	51.00
Continental Reinsurance Plc	23.3	Wema Bank Plc	41.15
Glaxo Smithkline Cons. (Nig) Plc	20	Big Treat Plc	41.1
Diamond Bank Plc	9.42	FinBank Plc	41.0
National Salt Co of Nig. Plc	9.2	Livestock Feeds Plc	40.23

**Table 1.3: Cumulative Returns: Equities**

Highest Positive Returns	%	Highest Negative Returns	%
Benue Cement Co. Plc	172.3	Wema Bank Plc	91.54
Cement Co. of Northern Nig Plc	168.74	Equity Assurance Plc	90.12
PZ Cussons Plc	113.81	African Petroleum Plc	87.12
Nigerian Breweries Plc	73.7	MTI Plc	86.71
Unilever Nigeria Plc	67.03	Crusader (Nig) Plc	83.24

### **Company News**

#### **... Trading Results**

Forty - One (41) corporate trading results were announced during September, made up of twenty full year results, two third quarter results, seventeen half year results and two first quarter results. Last month, fifty - two (52) corporate trading results were released.

### **Annual/Extra-Ordinary General Meetings**

There were twenty-six Annual/Extra-Ordinary General Meetings held during September compared to twenty in August.

### **TWENTY MOST CAPITALIZED STOCKS**

S/No	COMPANY	VALUE	% Change	% Change (YTD)
1	First Bank of Nigeria Plc	420,011,183,553.54	1.6	(20.0)
2	Nig Breweries Plc	415,940,928,700.00	(3.5)	34.6
3	Zenith Bank Plc	351,640,730,406.00	23.9	(4.5)
4	United Bank for Africa Plc	302,437,168,348.88	23.1	33.4
5	Guaranty Trust Bank Plc	249,587,156,450.46	(3.5)	28.1
6	Guinness Nig. Plc	212,389,274,700.00	16.6	44.7
7	Dangote Sugar Refinery Plc	177,360,000,000.00	(11.8)	(4.6)
8	Benue Cement Co. Plc	164,452,148,437.50	7.4	191.7
9	Ecobank Nigeria Plc	156,343,518,405.72	(22.5)	(22.5)
10	Nestle Nigeria Plc		3.5	8.7

		137,393,750,000.00		
11	Stanbic IBTC Bank Plc	136,500,000,000.00	(2.3)	(33.2)
12	Diamond Bank Plc	118,986,498,326.39	31.1	10.2
13	Access Bank Plc	101,089,144,528.95	(6.5)	(13.0)
14	Ecobank Transnational Inc.	100,399,053,065.85	(14.8)	(63.3)
15	First City Monument Bank Plc	98,281,867,404.00	10.1	0.0
16	Lafarge WAPCO Plc	97,552,000,130.00	3.2	27.5
17	Union Bank of Nig. Plc	96,594,542,854.81	(43.3)	(45.1)
18	Oceanic Bank International Plc	79,196,959,875.13	(34.4)	(70.4)
19	Oando Plc	79,194,904,915.00	(6.9)	9.7
20	Intercontinental Bank Plc	71,479,456,766.62	(45.3)	(70.6)

#### **TEN MOST ACTIVE STOCKS (BY VOLUME)**

S/N	COMPANY	VOLUME	% of TOTAL
1	Access Bank Plc	997,331,791	11.02
2	Zenith Bank Plc	937,729,604	10.36
3	Guaranty Trust Bank Plc	507,799,512	5.61
4	UBA Plc	505,778,802	5.6
5	First Bank of Nigeria Plc	475,377,659	5.25
6	Diamond Bank Plc	430,636,800	4.76
7	Bank PHB Plc	315,848,472	3.5
8	First City Monument Bank Plc	264,916,482	2.93
9	Continental Reinsurance Plc	236,204,324	2.61
10	Oceanic Bank International Plc	192,415,687	2.13
	<b>Sub-Total</b>	<b>4,864,039,133</b>	<b>53.73</b>
	<b>Others</b>	<b>4,189,191,677</b>	<b>46.27</b>
	<b>GRAND-TOTAL</b>	<b>9,053,230,810</b>	<b>100</b>

#### **Equities Adjusted for Dividend During September 2009**

Thirteen (13) equity prices were adjusted for dividend payment in September same as in the preceding month.

S/N	Company	Dividend Amount (N)
1	Cement Co. of Northern Nig. Plc (Interim)	0.80
2	Union Diagnostics & Clinical Services Plc	0.08
3	University Press Plc	0.40
4	NEM Insurance Plc	0.04
5	Avon Crowncaps & Containers Plc	0.12
6	Diamond Bank Plc	0.09

7	Academy Press Plc	0.06
8	National Salt Co. of Nig. Plc	0.40
9	Standard Alliance Insurance Plc	0.05
10	7-Up Bottling Co. Plc	1.50
11	Northern Nig Flour Mills Plc	0.40
12	Flour Mills of Nig. Plc	0.50
13	Nig. Bag Manufacturing Co. Plc	0.05

## FIVE TOP GAINERS & LOSERS IN AUGUST 2009

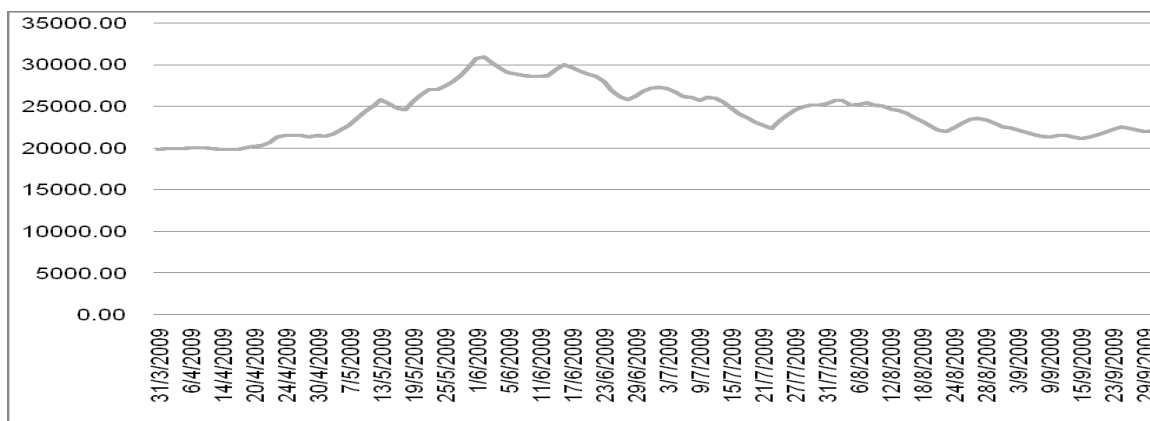
### SUMMARY OF PRICE CHANGES IN SEPTEMBER 2009

S/No	Company	Start Price (N)	End Price (N)	Diff (N)	Change %
<b>ADVANCERS</b>					
1	Cornerstone Insurance Plc	0.81	1.10	0.29	35.8
2	Continental Reinsurance Plc	1.29	1.75	0.46	35.7
3	Presco Plc	4.03	5.44	1.41	35.0
4	Vitafoam Nig. Plc	3.60	4.75	1.15	31.9
5	Diamond Bank Plc	6.27	8.22	1.95	31.1
<b>DECLINERS</b>					
1	Intercontinental Bank Plc	6.93	3.79	(3.1)	(45.3)
2	Big Treat Plc	1.48	0.81	(0.7)	(45.3)
3	Springbank Plc	5.59	3.07	(2.5)	(45.1)
4	Union Bank of Nig. Plc	12.60	7.15	(5.5)	(43.3)
5	University Press Plc	6.91	4.00	(2.9)	(42.1)

### Leading & Lagging Subsectors by Market Capitalization

Top 5 Leaders	%	Top 5 Laggards	%
Insurance	32.44	SSM	(20.72)
Real Estate	24.92	Commercial/Services	(15.3)
Leasing	11.11	Mortgage Companies	(14.7)
Construction	9.5	Packaging	(13.85)
Automobile/Tyre	9	Media	(13.1)

### The NSE All-Share Index (APRIL – SEPTEMBER 2009)



### **Bond Trading on OTC**

A turnover of 1.71 billion units worth N1.9 trillion in 14,863 deals was recorded in September, in contrast to a total of 1.01 billion shares valued at N1.2 trillion exchanged during the preceding month in 8,602 deals. As in the preceding month, the most active bond (measured by turnover volume) was the 4th FGN Bond 2014 Series 3 with traded volume 181.4 million units valued at N221.9 billion in 1,744 deals and was followed by 6th FGN Bond 2012 Series 1 with a traded volume of 175.1 million units valued at N191.6 billion in 1,737 deals. Twenty – nine (29) of the available thirty – seven (37) FGN Bonds were traded during the month, compared to twenty-three (23) in the preceding month. Between January and September, total transactions on FGN Bonds through the OTC were 13.31 billion units valued at N14.02 trillion in 91,884 deals. Comparatively, in the same period last year, transactions on the OTC market for FGN Bonds were 6.81 billion units worth N6.82 trillion in 54,985 deals.