



Executive Summary

The unrelenting selling activities witnessed in the previous month continued to dominate in the month of July with increased momentum on the back of pessimistic posture of investors in the month which later developed into 'wait and watch' atmosphere as market seems to have defied most measures to revive market confidence in most recent times, indicating bad postures of market fundamentals.

Market nosedived considerably in the month as a result of lack positive news in the market to drive the desire sentiments towards equity investments which gave boost to investors' apathy coupled with absence of defined economic direction which remained the fundamental requirement for major investments activities and initiatives.

The outlook recorded in the month is line with our opinion as envisaged in our half year market report *"Nevertheless, the bearish trend is likely to persist for awhile in the coming periods, considering the falling momentum coupled with absence of positive news in the market at the moment to negate the bearish sentiments."* <https://www.proshareng.com/news/14163>.

Market activities in the month revealed huge sell-off tendency as market dipped by -3.52% with daily average of -0.22% loss recorded as against -3.46% loss on the average of -0.16% recorded in the previous month.

However, we observed low patronage in the month when compared market activities with previous month of June 2011 as decline of -32.12% and -23.10% in volume and value traded in the month respectively was noticed which could be traced to investors' apathy, pessimistic approach and other factors noted above.

| July 2011: Performance At a Glance | | | |
|------------------------------------|-------------------|-------------------|----------|
| Indicators | Current Month | Previous Month | Variance |
| Volume | 5,439,905,368.00 | 8,014,348,125.00 | -32.12% |
| Value | 39,616,846,094.81 | 51,516,910,970.33 | -23.10% |
| Average Outlook | | | |
| Indicators | Current Month | Previous Month | Variance |
| Volume | 259,043,112.76 | 364,288,551.14 | -28.89% |
| Value | 1,886,516,480.71 | 2,341,677,771.38 | -19.44% |

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The trend showcased the dominance of bears in the first 13 days of the month as market sustained the consistent bleeding to record -4.63% loss (i.e. between July 1st and July 19th 2011) while All Share Index closed at 23,552.84 below 9 months low of 23,772.40 (recorded on 10th October 2010) by -0.92%.

Battered market breadth and weak bargain position on the back of low risk appetite characterised the period while the Banking stocks followed by Food & Beverages stocks were the most hit as NSE Banking and NSE Food & Beverages dipped by -8.16% and -6.05% respectively along with decline of -4.79%, -5.97% and -2.24% witnessed in NSE 30, NSE Insurance and NSE Oil & Gas respectively. -This reveals concentration of bearish

sentiments in the major sectors, though we observed resilience in Oil & Gas sector as it closed with less hits.

The last three days of the month witnessed intense profit-taking which could be regarded as response to hike in MPR to 8.75% by CBN, following uninterrupted five days rally observed between July 20th and 26th 2011 which was triggered by low valuation and penny nature of the value stocks.

This was buttressed by positive postures of NSE sectoral indices as four out of five major indices posted positive figures (**NSE 30: 0.79%, NSE Food: 1.35%, NSE Banking: 2.40%, NSE Oil: 2.09%**) within the last 8days except the Insurance sector which recorded impressive positive growth but sustained negative outlook by -0.05% as against -5.97% decline experienced in the first 13days of the month.

In addition, the 2.09% gain witnessed in Oil & Gas sector confirmed the resilience observed in the sector as noted above while activities in the sector (Oil & Gas), Banking, Food & Beverages sectors and towards blue chip stocks revealed the value investing approach, buttressing low risk appetite highlighted above.

The ASI recorded 0.50% upbeat within the last 8days of the month with mixed outlook while the key benchmark indices closed weak at 23,826.99 below 9months low, recording aggregate loss of -3.52%, amounting to N274.81billion loss for the month while market year to date performance stood at -5.08%.

Further analysis of the trend revealed poor state of market performance in the month as market dipped by -7.81% (YoY) when compared ASI performance as at July 30, 2010 which closed at 25,844.18 with 23,826.99 points recorded at close of transaction on July 29th 2011 while the -3.52% loss recorded in current month as against 2.82% uptrend recorded in the previous year comparable period buttressed bad outlook of market fundamentals as noted above.

| July 2011: All Share Index Performance In Perspective | | | | |
|---|-----------|------------------|-----------|-----------------|
| ASI in July 2011 | | ASI in July 2010 | | YoY Performance |
| Open | 24,696.83 | Open | 25,134.63 | -1.74% |
| Close | 23,826.99 | Close | 25,844.18 | -7.81% |
| -3.52% | | 2.82% | | |
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The uncertainties in economy and capital market in terms of no direction together with uncertainty built around the banking sector particularly the 'rescued banks' had negative impact on the investors' confidence during the period under review as the sector remained the volume driver.

Meanwhile the raising interest rates in money market and removal of holding limitation on FG bonds also drained and worsened the liquidity position of the capital market as investors particularly the institutional investors opted for low risk investment as alternative.

A number of developments we believed should have impact in the month as predicted in the past monthly reports. Some of which are:

| Factors expected to impact Market | Outcomes |
|---|--|
| New economic direction as managers of economy are about taking mandates | lack of defined economic direction contributed to the investors' apathy |
| Liquidity challenges | still persists while influx of state bonds worsened the situation |
| Increased institutional investing | low institutional buying witnessed despite merger & acquisition going on |
| Fate of rescued banks | significant improvement was witnessed as most of them have signed TIA |
| Merger & Acquisition in the banking sector | significant improvement was witnessed as most of them have signed TIA |
| Continued cleanup of market irregularities by NSE | regulators maintained zero tolerance towards irregularities |
| continued effort towards infrastructure development | significant improvement noticed towards new and advance trading platform |
| Sustained support towards real and agricultural growth | FG & CBN maintained stance towards igniting significance development in the real sector |
| Change in Monetary Policy Rates | MPR was increased to stabilise Naira, this triggered profit taking in the market as response |

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Developments in the coming months:

- Improved economic outlook as government expected to settle down for business
- Liquidity challenges
- Improved regulatory oversight
- Balanced monetary policies
- Increased institutional investing
- Recapitalization of rescued banks
- Merger & Acquisition in the banking sector
- Continued effort towards infrastructure development
- Sustained support towards real and agricultural growth
- Change in Monetary Policy Rates

Thank you for reading and do take time to share with us your thoughts on the market, analyst at analyst@proshareng.com.

We value your feedback and comments.

Introduction

Equity market dips by -3.52% as ASI settles weak below 9months low.

Equity Market in the month of July 2011 sustained the bearish trend witnessed in the previous month as most transactions ended on negative note due to investors' apathy which can be traced to uncertainties built around investments initiatives coupled with unbalanced monetary policies that favoured money markets, FG bonds and treasury bills at the detriment of capital market as investors moved money out of the market considerably.

More so, market witnessed continuous selling in the month and closed with battered negative breadth while the key benchmark indices closed weak at 23,826.99 below 9months low, shedding 869.84 basis points (**-3.52% loss**) for the month while the bears suppressed most bargain intent witnessed.

In addition, market nosedived unabatedly in the first thirteen days of the month, recording -4.63% loss as Banking and Food & Beverages sectors were the worst hit by -8.16% and -6.05% loss respectively among the major sectors while the Oil & Gas sector recorded lowest loss of -2.24% as we observed resilience in the sector to outperform -5.97% loss recorded in Insurance sector as revealed by NSE sectoral indices.

Supplementary analysis revealed renewed bargain drive on the back of attractive equity prices in the last eight days of the month as the key benchmark indices added 119.52 basis points to record 0.50% aggregate gain in 8days.

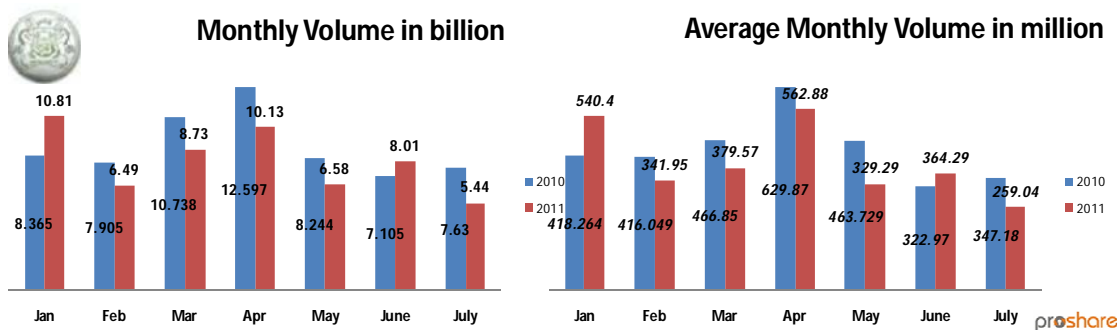
During this period, the blue chip stocks recorded lowest gain of 0.79% while Insurance sector recorded impressive northward growth but closed with marginal loss of -0.05% as value investing (though tinted with speculative tendency) dominated the market activities buttressed by gain of 2.40%, 2.09%, and 1.35% witnessed in Banking, Oil & Gas and Food & Beverages respectively.

Furthermore, the Oil & Gas sector maintained its resilient posture to record the lowest aggregate loss of -0.20% for the month among the major sectors as Insurance, Banking and Food beverages dipped by -5.16%, -4.47%, and -3.82% respectively.

Market pattern basically reveals that market is technically weak and bearish as could be seen from the NSE ASI moving averages trend with index of **23,826.99** as at July 29th, 2011 trading below its 20 days, 50 days and 200 days moving averages of 24,000.37, 24,892.95 and 25,289.90 respectively. This suggests market trend is technically weak and bearish.

The Market – Game On

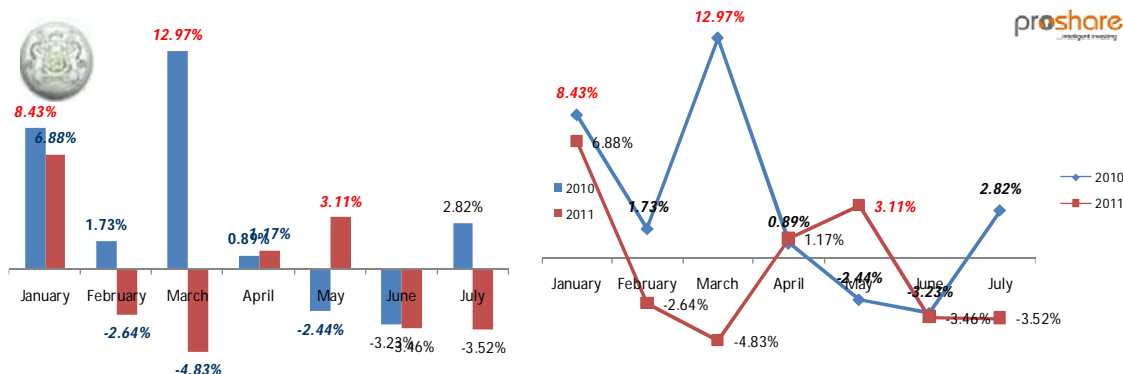
The market in this month recorded a total volume of 5.43 billion units valued at N39.61 billion (US\$253.95 million) exchanged in 105,207 deals compared with 7.63bn units valued at **N58.78bn (US\$367.42million)** exchanged in **134,213 deals** in the July 2010. Comparing, the volume and value traded in the months reveals a **-28.78%** and **-32.61%** below the volume and value recorded in the previous year's comparable period respectively.



During the month, All-Share index recorded a negative trend of -3.52%, a negative growth away from +2.82% positive growth recorded in the quarter two 2010.

However, the trend is relatively better outlook when compared with the -7.09% recorded in the preceding year's month of July closed at 25,286.61.

Market capitalisation in the month depreciated by N274.81 billion (US\$1.71 billion) as against appreciation by **N206.82 billion (US\$1.32billion)** recorded in July 2010. Market capitalisation shed higher figures of N410.66billion (**US\$2.63bn**) in the preceding year's comparable period.



The Market – Game Changers:

The lack of economic direction witnessed in the previous month continued in the new month with series of uncertainties built around market coupled with unbalanced monetary policies impacted the intense bearish trend witnessed in the month as investors' apathy weakened bargain initiatives considerably in the month.

More so, the nose-diving observed in the market during the month are by-products of lack of economic direction and unfavourable monetary policy while other contributory factors remained low enthusiasm, liquidity, continued hike in MPR, lack of positive news, the September deadline for the recapitalisation of rescued banks.

We cautiously envisage that the severe slope witnessed in the month (July) has tendency to persist in the coming periods as the bearish sentiments defied impressive

earnings recorded during the month- indicating bad posture of market fundamentals as we have noted above.

Nevertheless, we remained optimistic that economic outlook would take new turn with balanced monetary policies as these will encourage market activities and investments initiatives while recapitalisation of rescued banks is likely to boost market activities as well.

The contributory factors for the month July 2011 performance can be located in the following indices as outlined below:

Negative Factors in the market

- ❶ Lack of clear economic direction – a vital ingredient for investment initiatives
- ❷ Unbalanced monetary policies
- ❸ Investors' apathy
- ❹ Increase in Pessimistic position as cautious investing dominated market atmosphere
- ❺ Uncertainty that surround rescued banks progress
- ❻ Recapitalization deadline in the banking sector.
- ❼ Relocation of funds due to hike in monetary instruments
- ❽ Absence of positive news to negate bearish sentiment
- ❾ No lending to the private sector
- ❿ Banks are yet to resume active lending
- ⓫ Low risk appetite as volatility increased
- ⓬ Liquidity squeeze and
- ⓭ attractive rates in FG bonds and treasury bills
- ⓮ Investor's confidence is still fragile
- ⓯ Low commitment
- ⓰ Influx of Federal government and state bonds with other fixed income instrument in market.
- ⓱ Absence of Margin loans

Positive Factors in the market

- ❶ improvements towards merger and acquisition
- ❷ Consistent value investing
- ❸ Investment by fund managers
- ❹ Impressive corporate actions from key listed companies
- ❺ Low valuation position of big and mid cap stocks
- ❻ Sustained commitment by government to revive economic infrastructures

Market Concerns: low market confidence still persists as cautious and pessimistic trading was observed while investors' apathy dominated the month. More so, liquidity is still an issue as most local investors lack bargain initiatives as banks remained cautious with lending coupled with erratic increase of MPR.

The NSE All-Share Index Movement

The Nigerian Equity market experienced intense bearish trend in the first thirteen trading sessions of the month, sustaining the unrelenting selling witnessed in the previous month while the unbalanced monetary policies and lack of economic direction triggered relocation funds into money market and other risk free investments.

However, renewed bargain sentiments, riding on speculative tendency witnessed in the last eight trading sessions of the month driven by low valuation and penny outlook of the value stocks as more blue chips recorded patronage during the period.



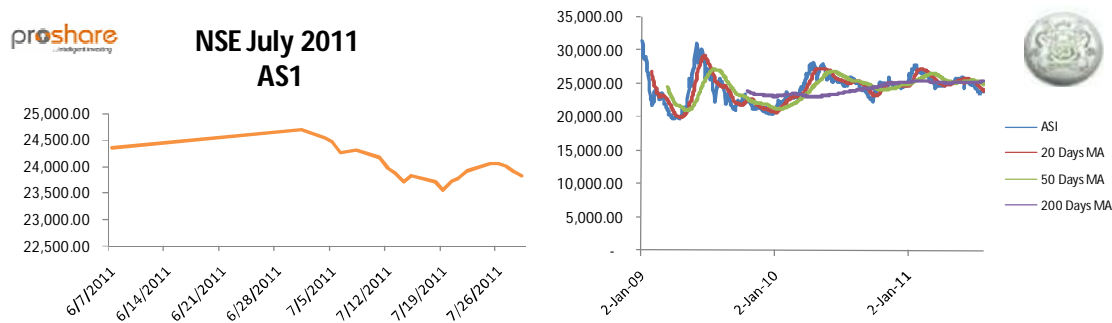
Trends showed that activities were dominated by the bears in the first eighteen day of the month i.e. July 1st and July 19th 2011 with aggregate loss of -4.63% While the key benchmark indices closed at 23,552.84 below 9months low of 23,772.40. More so, mixed outlook recorded towards end of the month due to speculative tendency witnessed which rallied index by 0.50%

Meanwhile, at the end of the last trading day of the month under review, All-Share Index closed below the figure recorded at the close of 30 July 2010 by -7.81%.

At the end of the last trading day of the month, All-Share Index closed below the figure recorded at the close of 4th January 2011 by -5.08%. This shows by how much the market has lost in the year.

Market pattern basically reveals that market is technically weak and bearish as could be seen from the NSE ASI moving averages trend with index of **23,826.99** as at July 30th, 2011 trading below its 20 days, 50 days and 200 days moving averages of 24,000.37, 24,892.95 and 25,289.90 respectively. This suggests market trend is technically bearish.

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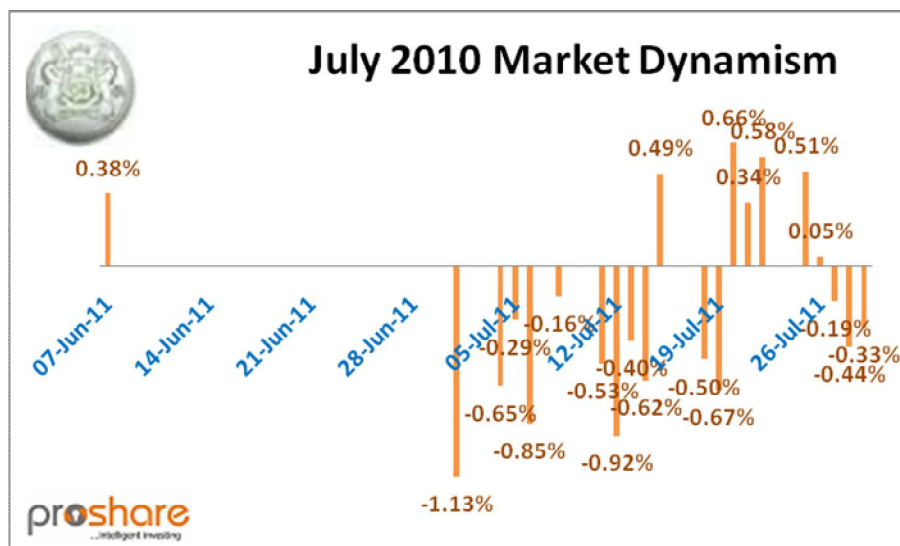


Source: NSE, Proshare Research

JULY 2011 MARKET DYNAMICS

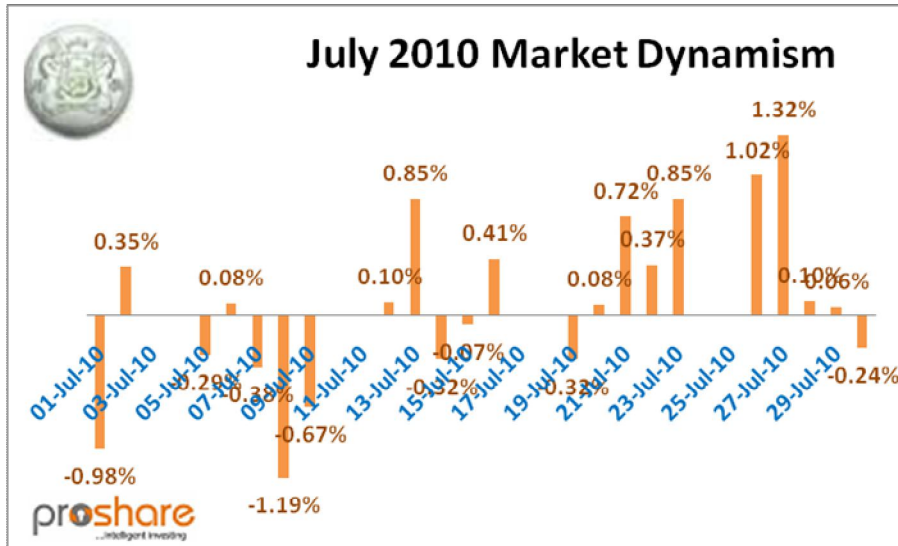
The market dynamics as graphically illustrated below showed the appreciation and depreciations on the daily basis.

Investors' apathy, Lack of economic direction, unbalanced monetary policies, Low confidence, illiquidity, low risk appetite, consistent increase in monetary policies and other rates by CBN coupled with recapitalisation of rescued banks were responsible for the dynamics recorded.



Source: NSE, Proshare Research

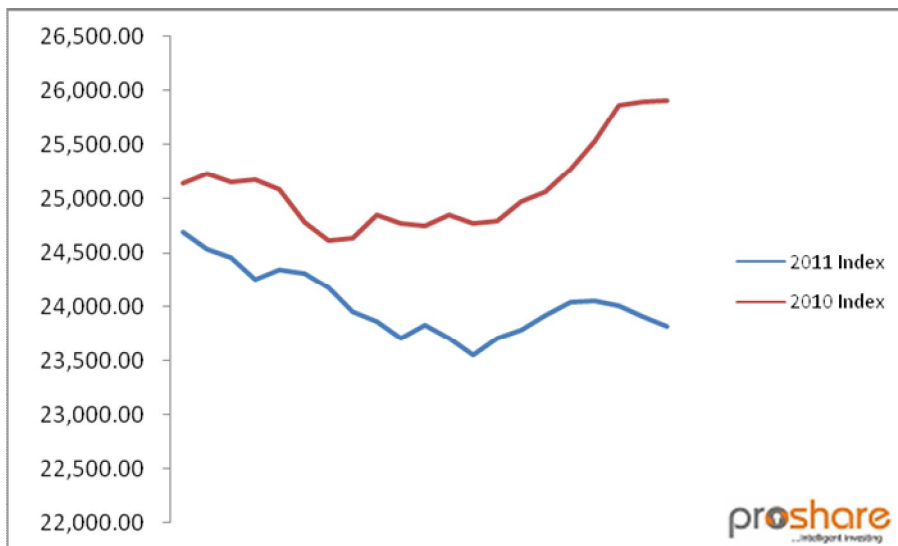
MARKET DYNAMICS IN THE PRECEDING YEAR COMPARABLE PERIOD (JULY, 2010)



Source: NSE, Proshare Research

COMPARISON OF 2010 AND 2011 MARKET PERFORMANCE

The market performance in July 2011, when compared with the 2010 comparable period; showed a decline. In the period under review, ASI recorded **-3.52%** depreciation compared with **+2.82%** appreciation recorded in quarter two 2010. The scenario revealed that the performance in the current year’s comparable period was far below the previous year trend but the market closed at approximately in the range of 23,000.



Source: NSE, Proshare Research

| Dates | NSE ASI | Market Capitalisation(trillion) | Market Capitalisation(\$ billions) |
|-----------------------|---------------|---------------------------------|------------------------------------|
| Jan-04-10 | 20,838.90 | 4.99 | 31.19 |
| July-01-10 | 27,217.59 | 6.2 | 38.75 |
| July-31-10 | 25,286.61 | 5.79 | 36.19 |
| Yearly Return | 21.34% | 16.03% | 16.03% |
| Monthly Return | -7.09% | -6.61% | -6.61% |
| | | | |
| Jan-04-11 | 25,102.93 | 8.02 | 53.47 |
| July-01-11 | 24,696.83 | 7.89 | 52.60 |
| July-29-11 | 23,826.99 | 7.62 | 50.80 |
| Yearly Return | -5.08% | -4.99% | -4.99% |
| Monthly Return | -3.52% | -3.42% | -3.42% |

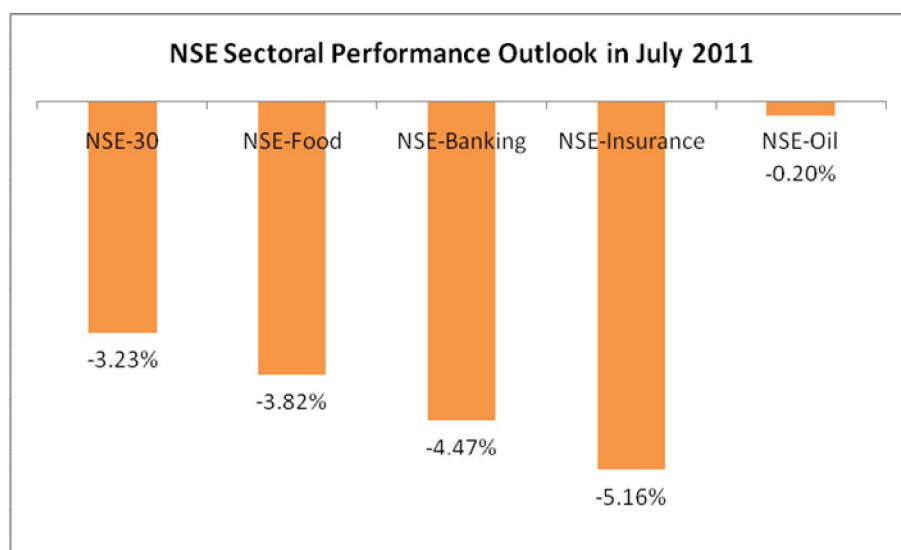
Source: NSE, Proshare Research

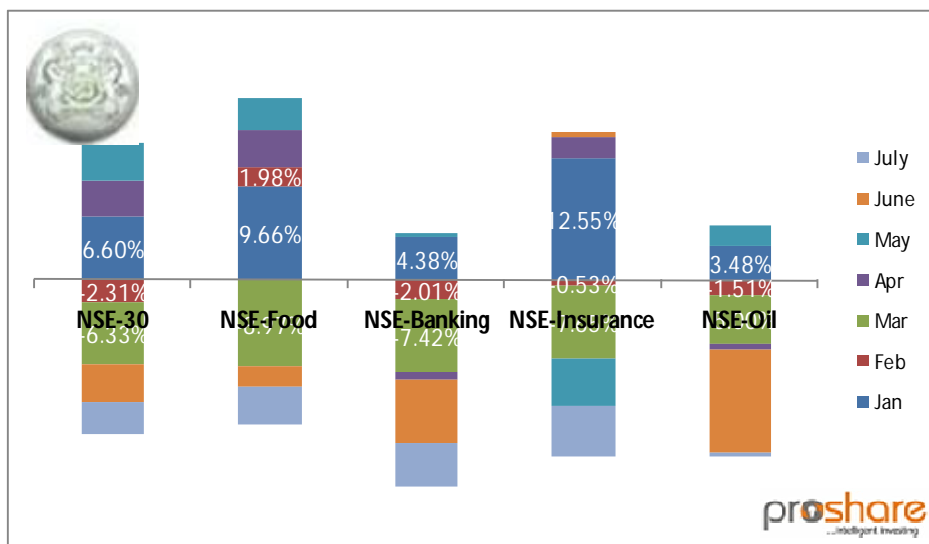
From the table above, the year to date performance as at 30th July, 2011 closing at - **5.08%** during the previous year comparable period as at 30th July, 2010 with **21.34%** appreciation indicating a significant decline over the trend recorded last year.

SECTORAL INDEX MOVEMENTS

| Dates | NSE-30 % Change | NSE-Food % Change | NSE-Banking % Change | NSE-Insurance % Change | NSE-Oil & Gas % Change |
|-----------------------|-----------------|-------------------|----------------------|------------------------|------------------------|
| 1-Jul-11 | -0.94 | -0.118 | -0.42 | -0.07 | -1.850 |
| 4-Jul-11 | -0.61 | -0.689 | -1.07 | -1.75 | 0.007 |
| 5-Jul-11 | -0.26 | -0.443 | -0.54 | 0.77 | 1.160 |
| 6-Jul-11 | -0.77 | -0.217 | -0.41 | -0.95 | -1.379 |
| 7-Jun-11 | 0.32 | -0.986 | 1.19 | -1.87 | 0.000 |
| 8-Jul-11 | -0.22 | -0.852 | -0.29 | -1.28 | -0.099 |
| 11-Jul-11 | -0.71 | -0.866 | -1.20 | -0.58 | -0.263 |
| 12-Jul-11 | -1.05 | 0.169 | -3.11 | 0.13 | 0.001 |
| 13-Jul-11 | -0.38 | -0.289 | -1.19 | 0.15 | 0.180 |
| 14-Jul-11 | -0.69 | -0.918 | -1.41 | 0.51 | -1.715 |
| 15-Jul-11 | 0.74 | -0.302 | 2.13 | -1.35 | 0.000 |
| 18-Jul-11 | -0.55 | -0.746 | -0.85 | 1.45 | -0.129 |
| 19-Jul-11 | -0.73 | -0.072 | -1.64 | -1.29 | 0.000 |
| 20-Jul-11 | 0.85 | 1.009 | 1.58 | 0.91 | 0.000 |
| 21-Jul-11 | 0.48 | 0.655 | 1.02 | -1.76 | 0.484 |
| 22-Jul-11 | 0.79 | 0.803 | 2.49 | 1.36 | 1.594 |
| 25-Jul-11 | 0.61 | 0.967 | 1.59 | 0.59 | 0.440 |
| 26-Jul-11 | 0.09 | 0.303 | -0.10 | -0.74 | 0.010 |
| 27-Jul-11 | -0.23 | -0.104 | -0.43 | 1.42 | 0.000 |
| 28-Jul-11 | -0.53 | -0.863 | -1.38 | 0.22 | 0.000 |
| 29-Jul-11 | -0.42 | -0.408 | -0.76 | -1.09 | -0.448 |
| Monthly Return | -4.18 | -3.97 | -4.79 | -5.23 | -2.01 |

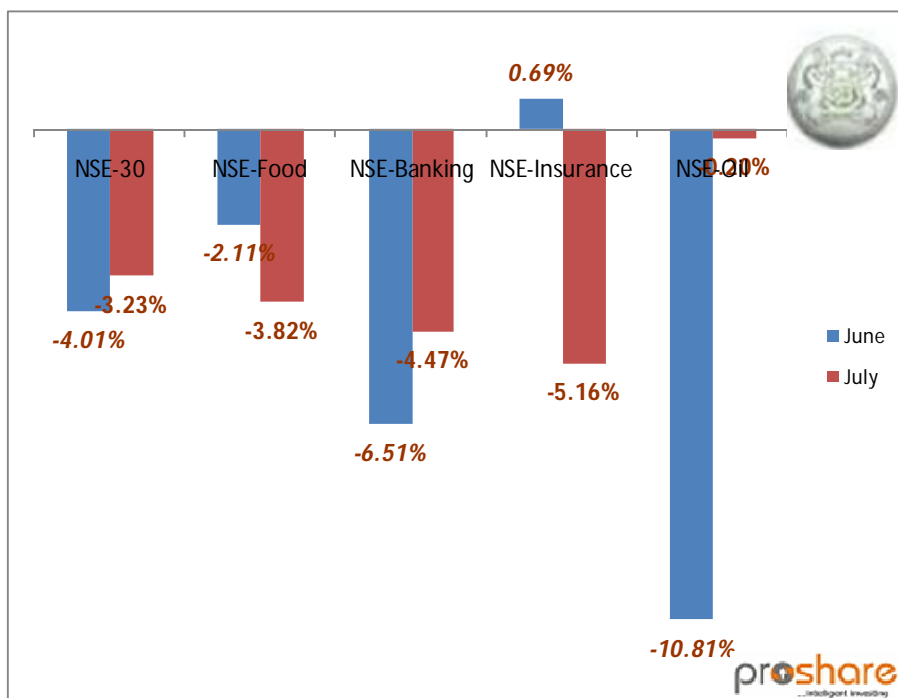
Source: NSE/ Proshare Research





In the Month under review, All sectoral index booked losses as NSE Oil & Gas experienced less hits to close with -0.20% loss while NSE Insurance recorded highest loss by -5.16%, followed by NSE Banking by -4.47%, NSE Food & Beverages by -3.82%, and NSE 30 dropped -3.23%.

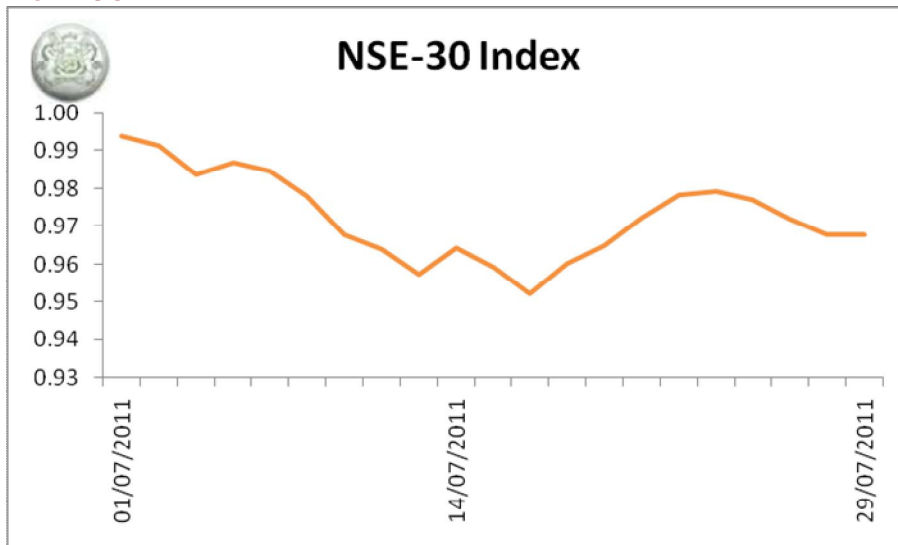
JULY AND JUNE SECTORAL INDEXES COMPARED



Source: NSE, Proshare Research

When compared trends of sectoral indices in July 2011 with July 2010, it was revealed that only NSE Oil & Gas sustained negative outlook with significant improvement while others traded sideways in both two periods as shown in chart above .

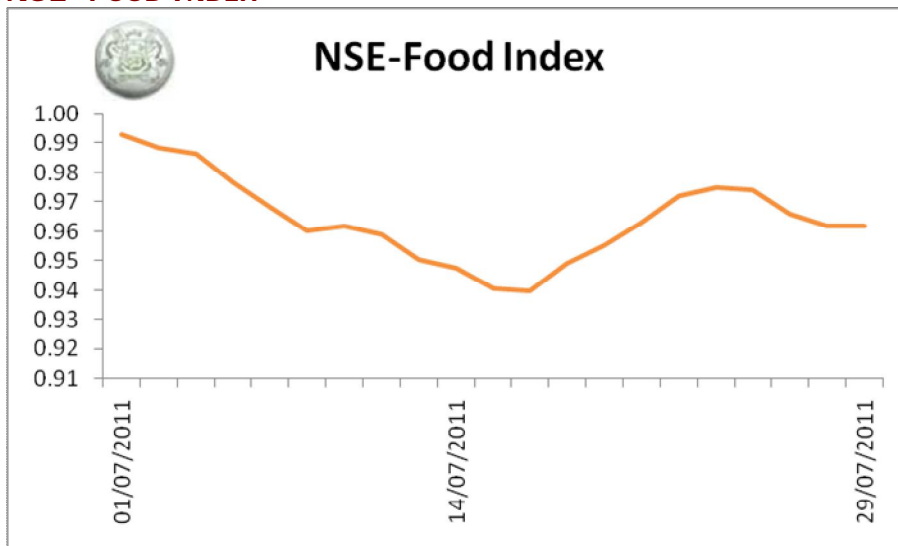
NSE -30 INDEX



The trend recorded in the blue chips stocks is reflected in the NSE 30 index movement. The blue chips experienced unrelenting selling activities in the early stage of the month as the general bearish sentiments in the market had much impact on the outlook recorded in the sector.

The blue chips experienced improved bargain position in the mid-month due to low valuation outlook and value investing approach witnessed during the period, though bearish sentiments still outweighed improved bargain position and consequently closed negative by **-3.23%** - a low performance when compared with +3.13% recorded in the comparable period in the preceding year.

NSE -FOOD INDEX



The NSE Food witnessed sell-off considerably mostly in the early period of the month and experienced waning sell momentum towards the end of the month, suggesting likely turnaround anytime soon while remain optimistic.

The index recorded -3.82% depreciation which suggested a lower performance when compared with +1.10% gain recorded in the previous year comparable period. This could be traced to general bearish sentiments in the market.

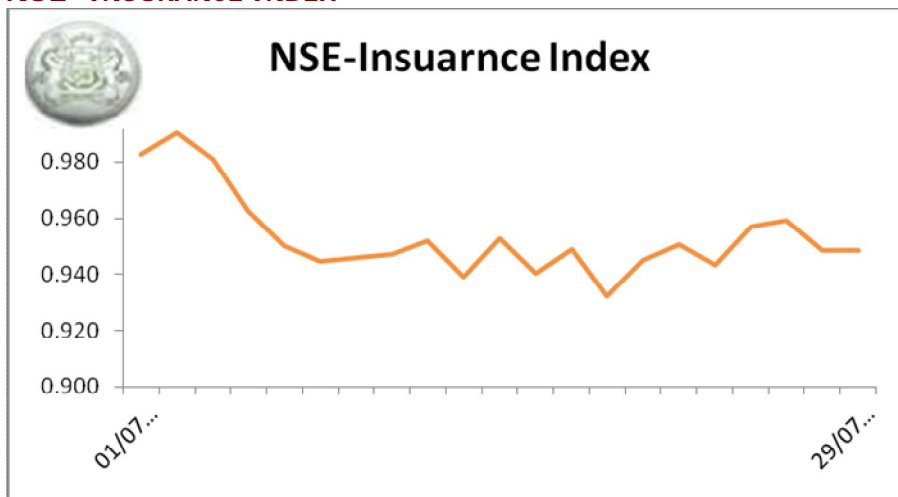
NSE -BANKING INDEX



NSE-Banking index experienced high volatility and closed the month of July with underwhelmed performance, recording **-4.47%** loss in the month- an unimpressive outlook when compared with +1.48% appreciation recorded in July 2010.

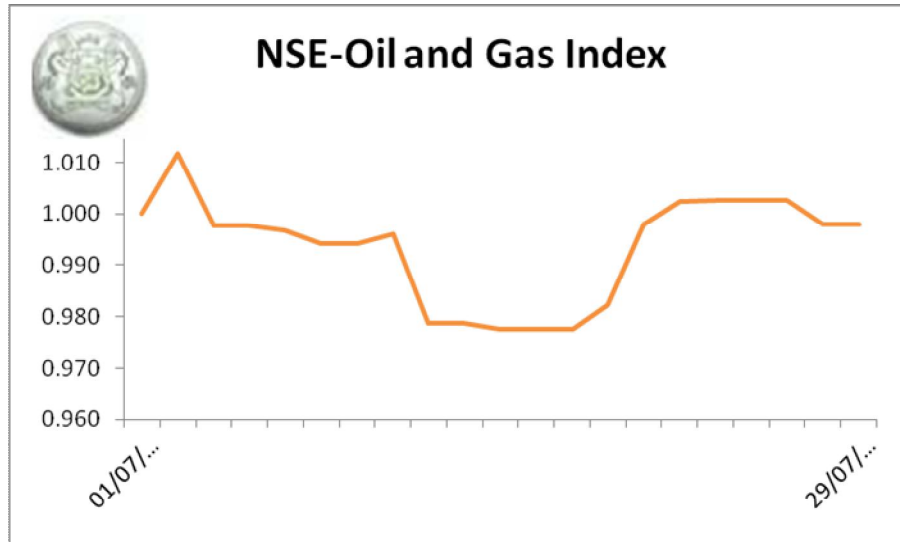
The trend could be traced to circumstances that surround merger & acquisition deal while the September deadline race for recapitalisation contributed immensely to the volatility witnessed in the sector as investors remained cautious.

NSE -INSURANCE INDEX



The Insurance sector remained volatile as the sector sustained unstable trend with series of swings due to high speculative tendency in the sector. The pessimistic position of investors coupled with value investing trend witnessed during the period contributed to the highest loss of -5.16% recorded in the sector- a depressed outlook when compared with +1.68% uptrend recorded in July 2010. We envisage trend is likely to continue as investors are diverting funds to low or risk free investments.

NSE -OIL INDEX



The sector recorded the lowest loss of **-0.20%** as top performing index in the month under review compared with decline of **-8.50%** witnessed in July 2010. We observed resilience in the sector as the sector shed the lowest points in the month. An impressive positive growth witnessed when compared with negative figure recorded in the previous year comparable period.

LAST TRADING DAY - SNAPSHOT

<http://www.proshareng.com/investors/theAnalyst.php>

| Index | Gainers/Losers | Sector Performance | Price list | Global Market | |
|--|----------------|--------------------|--------------|---------------|---------------|
| | | Sector | Trade | Volume | Value |
| | | 2ND TIER | 0 | 0 | 0 |
| | | AGRICULTURE | 22 | 407,302 | 2,307,137 |
| | | AVIATION | 58 | 751,546 | 5,166,464 |
| | | BANKING | 2,999 | 137,385,512 | 1,296,490,205 |
| | | AUTOMOBILE & TYRE | 16 | 212,800 | 300,090 |
| ----- Click to see full market analysis ----- | | | | | |
| Total Trade today: 3,095 | | | | | |
| Total Volume today: 138,757,160 | | | | | |
| Total Value today: 1,304,263,895 | | | | | |

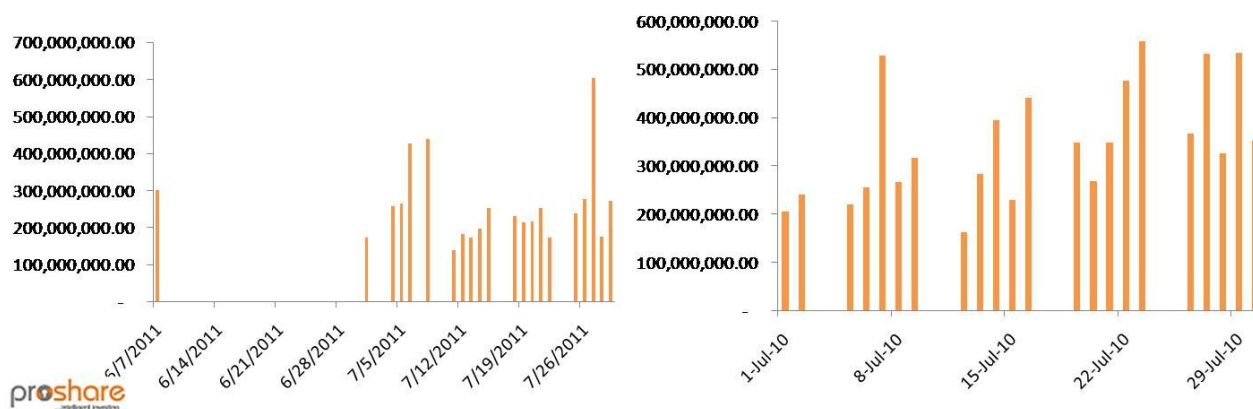
Transactions Volume and Value Trend

| Market | July '10' | July '11' | % Change |
|--|-----------|-----------|----------|
| Average Daily Volume of stocks Traded(in millions) | 347.18 | 259.04 | -25.39% |
| Average Daily Value of stocks Traded(in N'millions) | 2,672.13 | 1,886.52 | -29.40% |
| Average Daily Value of stocks Traded(in US \$ millions) | 16.70 | 12.09 | -27.59% |
| Total Volume of stocks Traded(in millions) | 7638.05 | 5439.9 | -28.78% |
| Total Value of stocks Traded(in N'millions) | 58,786.94 | 39,616.85 | -32.61% |
| Total Value of stocks Traded(in \$ billion) | 367.42 | 253.95 | -30.88% |
| New Listing and Delisting | | | |
| Number of Equities Delisted | 2 | 11 | |
| Number of New Listings | 0 | 3 | |

Source: NSE, Proshare Research

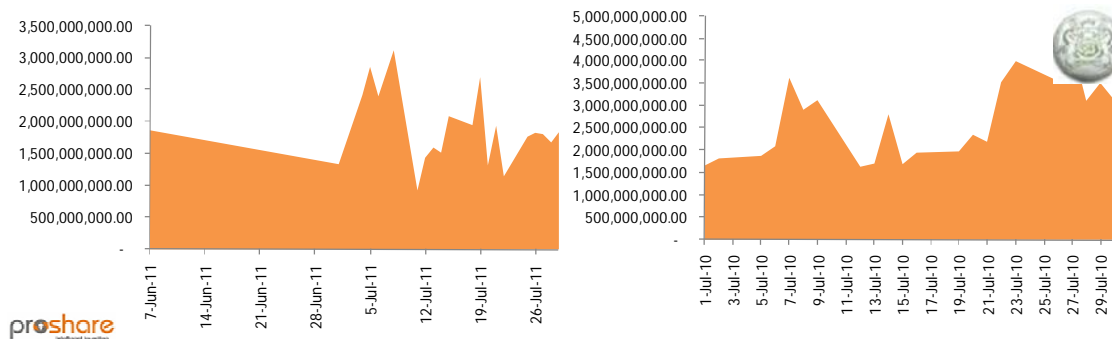
The transaction volume in July 2011 when compared with the preceding year comparable period closed lower by -28.78% to close at 39.61bn units compared with 76.38bn units traded in July 2010. *This could be an indication that the investors' patronage of the market in the month under review was significantly different.* Also, the transaction value in the month under review closed lower by -32.61% at N39,61bn (\$253.95mn) compared with N58.78bn (\$367.42mon) of July 2010.

July 2011 vs. 2010 Daily Volume Chart



Source: NSE, Proshare Research

July 2011 vs. 2010 Daily Value Chart



Source: NSE, Proshare Research

Top Ten Trades for July 2011

| Company | Total Trades | Total Volume | Total Value |
|------------|--------------|----------------|-------------------|
| ZENITHBANK | 6,938.00 | 702,751,989.00 | 10,285,202,771.24 |
| TRANSCORP | 693.00 | 464,395,901.00 | 478,610,488.50 |
| GUARANTY | 12,454.00 | 392,108,869.00 | 5,694,693,855.23 |
| GTASSURE | 354.00 | 301,341,016.00 | 451,943,866.07 |
| ACCESS | 3,384.00 | 281,376,309.00 | 1,848,586,342.18 |
| FIRSTBANK | 12,088.00 | 267,230,880.00 | 3,223,937,811.25 |
| UBA | 4,729.00 | 237,924,293.00 | 1,267,722,141.33 |
| AFROMEDIA | 18.00 | 226,391,684.00 | 115,461,879.00 |
| DIAMONDBNK | 1,526.00 | 197,093,923.00 | 991,819,317.67 |
| FIDELITYBK | 6,637.00 | 193,159,681.00 | 459,024,689.14 |

Recall Top Ten Trades for July 2010

| Company | Total Trades | Total Volume | Total Value |
|-------------|--------------|------------------|-------------------|
| ZENITHBANK | 8437 | 456,503,373.00 | 5,970,956,270.81 |
| TRANSCORP | 790 | 454,735,532.00 | 227,374,538.00 |
| SKYEBANK | 3019 | 434,291,159.00 | 3,072,342,488.24 |
| FIRSTBANK | 16476 | 424,521,645.00 | 5,624,195,394.88 |
| GUARANTY | 11012 | 370,934,545.00 | 6,273,365,008.92 |
| DIAMONDBNK | 1772 | 355,824,863.00 | 2,626,332,625.91 |
| UBA | 6015 | 299,892,893.00 | 3,109,690,590.35 |
| NIGERINS | 233 | 292,486,329.00 | 316,262,591.82 |
| FIRSTINLND | 1562 | 255,676,965.00 | 136,211,718.29 |
| UBN | 3648 | 251,286,123.00 | 1,288,008,423.10 |
| Grand Total | 134213 | 7,637,990,081.00 | 58,784,142,060.02 |

Source: NSE, Proshare Research

Top Ten Traded Sectors for July 2011

| Sector | Total Trades | Total Volume | Total Value | % Contribution |
|--------------------------|--------------|------------------|-------------------|----------------|
| BANKING | 64,117.00 | 3,500,615,514.00 | 26,726,021,547.66 | 58.51% |
| INSURANCE | 4,446.00 | 917,081,512.00 | 904,766,732.67 | 15.33% |
| CONGLOMERATES | 3,701.00 | 509,659,549.00 | 2,109,829,669.87 | 8.52% |
| MEDIA | 324.00 | 229,756,364.00 | 117,144,219.00 | 3.84% |
| FOOD/BEVERAGES & TOBACCO | 7,679.00 | 121,580,953.00 | 3,878,204,680.11 | 2.03% |
| MORTGAGE COMPANIES | 588.00 | 118,485,386.00 | 77,536,690.54 | 1.98% |
| HOTEL & TOURISM | 305.00 | 87,206,654.00 | 156,349,992.66 | 1.46% |
| PACKAGING | 10,545.00 | 85,280,042.00 | 203,583,150.30 | 1.43% |
| MARITIME | 1,748.00 | 64,364,566.00 | 67,010,040.80 | 1.08% |
| PETROLEUM(MARKETING) | 5,190.00 | 58,643,244.00 | 2,304,393,506.25 | 0.98% |
| Top 10 Traded Sectors | 98,643.00 | 5,692,673,784.00 | 36,544,840,229.86 | |
| Total Traded Sectors | 113,727.00 | 5,982,847,110.00 | 43,868,701,479.65 | |

Recall Top Ten Traded Sectors for July 2010

| Sector | Total Trades | Total Volume | Total Value | % Contribution |
|--|--------------|------------------|-------------------|----------------|
| BANKING | 72,858.00 | 4,220,352,269.00 | 32,882,327,122.20 | 55.25% |
| INSURANCE | 6,165.00 | 1,004,118,449.00 | 1,050,804,494.65 | 13.15% |
| CONGLOMERATES | 5,732.00 | 570,929,355.00 | 3,787,327,018.91 | 7.47% |
| FOOD/BEVERAGES & TOBACCO | 13,859.00 | 267,717,514.00 | 6,773,125,613.31 | 3.51% |
| HOTEL & TOURISM | 346.00 | 242,390,283.00 | 1,088,549,363.03 | 3.17% |
| SECOND-TIER SECURITIES | 57.00 | 212,702,951.00 | 106,660,185.50 | 2.78% |
| INFORMATION & COMMUNICATION TECHNOLOGY | 1,243.00 | 211,142,141.00 | 228,103,889.82 | 2.76% |
| CONSTRUCTION | 1,260.00 | 132,457,777.00 | 349,267,317.28 | 1.73% |
| MORTGAGE COMPANIES | 797.00 | 110,821,195.00 | 61,351,178.83 | 1.45% |
| PETROLEUM(MARKETING) | 6,400.00 | 77,026,997.00 | 4,166,178,266.24 | 1.01% |
| Grand Total | 134,213.00 | 7,637,990,081.00 | 58,784,142,060.02 | |

Source: NSE, Proshare Research

Top Ten Gainers as at July 2011

| COMPANY | 1-Jul-11 | 29-Jul-11 | Change | % Change |
|-----------|----------|-----------|--------|----------|
| CAPHOTEL | 3.5 | 6.51 | 3.01 | 86.00% |
| REDSTAREX | 2.79 | 3.49 | 0.7 | 25.09% |
| STARCOMMS | 0.51 | 0.61 | 0.1 | 19.61% |
| CADBURY | 17.95 | 19.95 | 2 | 11.14% |
| PZ | 38.1 | 42 | 3.9 | 10.24% |
| COSTAIN | 2.46 | 2.66 | 0.2 | 8.13% |
| CUTIX | 2.18 | 2.3 | 0.12 | 5.50% |
| NBC | 41 | 43.25 | 2.25 | 5.49% |
| CHAMPION | 4.25 | 4.46 | 0.21 | 4.94% |
| MAYBAKER | 3.7 | 3.88 | 0.18 | 4.86% |

Source: NSE, Proshare Research

Top Ten Decliners as at July 2011

| COMPANY | 1-Jul-11 | 29-Jul-11 | Change | % Change |
|------------|----------|-----------|--------|----------|
| NCR | 6.25 | 3.25 | -3 | -48.00% |
| AFRIBANK | 1.3 | 0.73 | -0.57 | -43.85% |
| TRANSEXPR | 5.78 | 3.82 | -1.96 | -33.91% |
| PLATINUM | 0.86 | 0.58 | -0.28 | -32.56% |
| OCEANIC | 1.4 | 0.96 | -0.44 | -31.43% |
| CILEASING | 1.25 | 0.95 | -0.3 | -24.00% |
| INTERCONT | 1.08 | 0.86 | -0.22 | -20.37% |
| UBN | 2.83 | 2.28 | -0.55 | -19.43% |
| FIDELITYBK | 2.61 | 2.12 | -0.49 | -18.77% |
| JBERGER | 62.26 | 50.82 | -11.44 | -18.37% |

Source: NSE, Proshare Research

Top Decliners as at July 2010

| COMPANY | 1-Jul-10 | 30-Jul-10 | Change | % Change |
|-----------|----------|-----------|--------|----------|
| AP | 36.58 | 27.08 | -9.5 | -25.97% |
| WAPIC | 0.82 | 0.61 | -0.21 | -25.61% |
| DAARCOMM | 0.79 | 0.6 | -0.19 | -24.05% |
| OKOMUOIL | 14.28 | 11.2 | -3.08 | -21.57% |
| UTC | 1.32 | 1.04 | -0.28 | -21.21% |
| ABCTRANS | 0.85 | 0.67 | -0.18 | -21.18% |
| CORNERST | 0.63 | 0.5 | -0.13 | -20.63% |
| REDSTAREX | 3.93 | 3.17 | -0.76 | -19.34% |
| LIVESTOCK | 0.73 | 0.6 | -0.13 | -17.81% |
| UNTL | 1.29 | 1.07 | -0.22 | -17.05% |

Source: NSE, Proshare Research

Forecasts, Dividends, Listings & De-Listings

SUPPLEMENTARY LISTING IN JULY 2011

There were three supplementary listings in July 2011. A total of 70,000,000 shares were added to the shares outstanding in the name of **Union Ventures & Petroleum Plc** in the month following the conclusion of the placing.

Also, a total of 66,273,255 of shares were added to the shares outstanding in the name of **Trans-Nationwide Express Plc** in the same month following the conclusion of a 1 for 2 bonus issue.

Furthermore, the following companies increased their share outstanding in the quarter, viz: **Prestige Assurance Plc** added 358,330,776 units on the back of bonus of 1 for 6.

| Supplementary Listing in July 2011 | | | |
|------------------------------------|--------------------------------|-------------------|--------------------------------|
| | Company | Additional Shares | Reason |
| 1 | Union Ventures & Petroleum Plc | 70,000,000 | Conclusion of Placing |
| 2 | Trans-Nationwide Express Plc | 66,273,255 | Following the bonus of 1 for 2 |
| 3 | Prestige Assurance Plc | 358,330,776 | Following the bonus of 1 for 6 |

Source: Proshare/NSE

FORECASTS (UNTESTED FOR BELIEVABILITY): JULY 2011

| Month | No of Companies that Submitted Forecasts |
|-------|--|
| July | 19 |

Source: Proshare Research/ NSE

| DECLARED FORECASTS FOR JULY 2011 | | | | | |
|----------------------------------|--------------------------------|----------|---------|------------------------|-------------------|
| | Company | Year End | Period | Earnings in N' billion | PAT in N' billion |
| 1 | Cutix Plc | April | Q2 2011 | 0.588 | Nil |
| 2 | Niger Insurance Plc | December | Q3 2011 | 2.038 | 0.72 |
| 3 | Honeywell Flour Mills Plc | March | Q2 2011 | 21.214 | 0.835 |
| 4 | Nigerian Ropes Plc | December | Q1 2011 | 0.118 | 0.7 |
| 5 | Resort Savings & loans Plc | December | Q3 2011 | 0.800 | 0.790 |
| 6 | Union Ventures & Petroleum Plc | December | Q3 2011 | 0.334 | 0.000442 |
| 7 | Multi-Trex Integrated Food Plc | April | Q1 2011 | 2.216 | 0.204 |
| 8 | RT Briscoe Plc | Sept | Q3 2011 | 4.847 | 0.19 |
| 9 | NPF Microfinance Bank Plc | December | Q3 2011 | 0.827 | 0.198 |
| 10 | Courteville Investment Plc | December | Q3 2011 | 352.737 | 97.59 |
| 11 | Unity Bank Plc | December | Q3 2011 | 11.122 | 1.241 |
| 12 | Fidson Healthcare Plc | June | Q1 2011 | 1.218 | 0.87 |
| 13 | Presco Plc | December | Q3 2011 | 6.225 | 2.032 |
| 14 | FCMB Plc | December | Q3 2011 | 20.135 | 3.215 |
| 15 | DN Meyer Plc | December | Q3 2011 | 0.582 | 0.14 |
| 16 | Oando Plc | December | Q3 2011 | 127.815 | 3.055 |
| 17 | Staco Insurance Plc | December | Q3 2011 | 6.400 | 0.665 |
| 18 | Skye Bank Plc | December | Q3 2011 | 10.482 | 0.156 |
| 19 | Skye Bank Plc | December | Q4 2011 | 43.357 | 0.270 |

DIVIDENDS DECLARED IN JULY 2011

| Month | No of Companies that Declared Dividend |
|-------|--|
| July | 21 |

Source: Proshare Research/ NSE

| DIVIDENDS DECLARED JULY 2011 | | | | | |
|------------------------------|---|-------------------|----------------|-----------|--|
| | Company | Dividend Declared | Bonus Declared | AGM Date | Price Adjustment Date |
| 1 | Nigerian Bags Manufacturing Company Plc | 13kobo | | 6-Sep-11 | 8th - 12th Aug, 2011 |
| 2 | Chellarams Plc | 10kobo | | 8-Sep-11 | 25th August- 8th September 2011 |
| 3 | Honeywell Flour Mills Plc | 13kobo | | 20-Sep-11 | 29th Aug - 2nd Sept, 2011 |
| 4 | Airline Services & Logistics Plc | 15k | | 18-Aug-11 | 2 nd -8 th August 2011 |
| 5 | Studio Press Plc | | | 3-Nov-11 | 21st -28th October 2011 |
| 6 | ETI Plc | 0.4cents | | 29-Jun-11 | 13-Jul-11 |
| 7 | Flour Mills Plc | 2.00 | | 7-Sep-11 | 8th - 12th August 2011 |
| 8 | First Aluminium Plc | | | 18-Aug-11 | 8th - 12th August 2011 |
| 9 | UTC Nigeria Plc | | | 16-Aug-11 | 25-Jul-11 |
| 10 | Tourist Company Plc | | | 18-Aug-11 | 8th - 12th August 2011 |
| 11 | Longman | 0.25 | | 11-Aug-11 | 29-Jul-11 |
| 12 | Aluminum Extrusion Ind. Plc | 0.05 | | 22-Sep-11 | 8-Sep-11 |
| 13 | Niger Insurance Plc | | 1 for 10 | 11-Aug-11 | 1st - 5th Aug, 2011 |
| 14 | DN Tyres & Rubbers Plc | | | 10-Oct-11 | 1st - 5th Aug, 2011 |
| 15 | Red Star Express Plc | 0.30 | | 8-Sep-11 | 19th - 24th Aug, 2011 |
| 16 | Nem Insurance Plc | 0.05 | | | 22nd -26th August 2011 |
| 17 | Royal Exchange Plc | | 1 for 8 | 22-Sep-11 | 7-Sep-11 |
| 18 | Sovereign Trust Insurance Plc | 0.03 | | 25-Aug-11 | 10th – 11th August 2011 |
| 19 | PZ Cussons Plc | 0.86 | 1 for 4 | 15-Sep-11 | 22nd -26th August 2011 |
| 20 | C & I Leasing Plc | | | 14-Sep-11 | 14-Sep-11 |
| 21 | Academy Press Plc | 7.5 | | 29-Sep-11 | 12th -19th September 2011 |

LISTINGS IN JULY 2011

| New Listing in July 2011 | |
|---------------------------------------|--------------------------------------|
| Company | Amounts/Units Listed |
| 1 Edo State Govt | Infrastructure Development Bond 2017 |
| 2 SIM Capital Alliance Value Fund Plc | 32, 096,786 |

Source: Proshare/NSE

Analyst Opinion

The bearish trend witnessed in the month of July revealed the weakness of the market fundamentals as market/investors failed to react with measurable performance to the impressive earnings reported during the month.

The investors apathy witnessed during this period buttressed above fact, though lack of economic direction, uncertainties in the market coupled with unbalanced monetary policies contributed immensely to the extended bearish sentiment that depressed ASI below 9months low.

The year to date market status **(-5.08%)** which performed below our expectations however suggests serious attention to the market fundamentals in which liquidity and improved regulatory oversight would be the key ingredients coupled with balanced monetary policy to revive market activities.

However, the outlook suggests further decline in the coming periods as money market and other low risk investments instruments remained attractive with high rates-an element of unbalanced monetary policies at the detriment of the capital market mentioned above.

We however remain cautiously optimistic as the low valuation and penny posture of blue chip stocks could trigger speculative buying in the short term while possible bargain rumble in the banking sector towards recapitalisation/merger and acquisition would drive activities.

To this regard, regulatory bodies and government need to play the major role in restoring confidence in the market and in the economy at large by proffering necessary measures to jump-start flow of liquidity into the market-this in our opinion will return life to market activities.

