



**The Nigerian Capital Market Report**  
**The Monthly NCM Report for Dec 2011**

Issued on January 03, 2012

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## Executive Summary

This was a year where all expectations fell short and the new year has not go off on any better or optimistic start. The Nigerian Capital Market in the year 2011 experienced a barrage of unprofitable transactions as the market plunged considerably by -17.42% while the dearth of active and sustainable bargain tendency observed in the year showcased the unfeasibility of a full market recovery without healthy market fundamentals, robust market confidence, strong investors' loyalty and key support from government.

The general belief is that investors tend to punish stock/market severely if such is found to be overvalued or lack investors' protection as they had expected - the degree of this punishment does not only gauge but reflects the confidence level of investors towards such market and the economy at large. A vote of confidence from government is much likely to rekindle this.

Nevertheless, our broad analysis of the trend revealed that the Nigerian capital market is still facing the punishment of the bubble occurred in the year 2007 as investors failed to respond positively to all measures taken by the regulators to stage a sustainable market recovery- a true reflection of loss of investors' confidence towards investment in equities and this in our opinion will continue to be the status in the absence of vote of confidence from government.

In addition, the number self-delisting from the market in the year buttressed our position on lack of confidence as one of the major factors driving continued pessimistic posture of investors. The total value of self-delisting in the year amounted to **N54.74 billion**, representing **0.83%** against the current market net worth.

Five Years Market Posture in perspective		
Year	Posture	Remarks
2007	74.73%	Bubble Period
2008	-52.06%	Bubble burst
2009	-33.58%	The burst continues
2010	18.87%	Recovery sets in
2011	-20.84%	Recovery erased

Proshareng

The market outlook in the last four years .i.e. 2008 to 2011 reveals a drawn out market posture as investors continued to sell out from market unabatedly. The gains of **+18.87%** recorded in the 2010 has been depleted by **-17.42%** loss experienced in 2011.

In the early stage, market experienced impressive rally in the month of January to open the year 2011 with **6.88%** gain. The buying of toxic assets in the banking subsector coupled with the premiums placed on the troubled assets by AMCON and improved

regulatory environment observed contributed to the 'January effect' as market rallied considerably in the first month of the year.

Although, the quarter closed with the bears as the rally lost its momentum to speculative tendency with high propensity for short term profit displayed by investors in the month of February and March - an indication of weak market confidence.

More so, the unsettled economic atmosphere caused by high political uncertainty in the country coupled with increase in MPR contributed to the unfavourable speculative tendency observed in the quarter.

In addition, the proposed merger and acquisition discussion witnessed in the banking subsector raised some dust as private equity companies expressed their desire to acquire the rescued banks. This was perceived to have contributed to the market turbulence and volatility witnessed in the quarter one as the sector remained the market leader in terms of activities while the long delay in banking earnings report and the unfavourable monetary policy also had negative impact on market sentiments as noted in Q1 2011 NCM report <http://www.proshareng.com/reports/3270>.

Furthermore, TRANSCORP, ZENITHBANK, FIRSTBANK, FIRSTINLND and UBA drove the market volume turnover in the quarter while TRANSCORP, CHAMPION, SPRINGBANK, BERGER and BAGCO were the top gainers in that order as Transcorp led the pack with **122%** appreciation. The improved institutional buying witnessed in the Q1 contributed to the market turnover observed during the period.

Similarly, the market sentiments stayed bearish in the half-year as NSE ASI YTD remained in red zone by **-0.49%** despite +0.92% gain recorded Q2, riding on the back of cautious bargain driven by violence-free election as political tension waned considerably.

Although, the 90days deadline given to the ailing banks to recapitalise or face liquidation by September 30<sup>th</sup> 2011 contributed to the underwhelming performance observed in the quarter as market experienced increased volatility while YTD closed red.

The underwhelming performance noted above was buttressed with low market turnover witnessed in Q2 as volume and value traded within the period dipped by -5.00% and -25.74% respectively as less institutional activities was observed.

Meanwhile, an extended analysis revealed an unimpressive performance when compared with outlook recorded in the previous year comparable period (Q2'10) which closed with **3.48%** and **27.73%** of volume and value turnover respectively.

Market Turnover in Perspective								
QoQ 2011	Vol. (M)	Value (N'M)	QoQ 2010	Vol.(M)	Value (N'M)	YoY	Vol. (m)	Value (N'M)
Q1	26,035	214,369	Q1	27,007.00	191,844.00	2011	90,714.61	634,982.71
Q2	24,732	159,198	Q2	27,947.00	245,040.00	2010	93,256	802,755
Q2 Vs Q1	-5.00%	-25.74%	Q1 Vs Q2	3.48%	27.73%	2011 Vs 2010	-2.73%	-20.90%
Q3	16,375	120,665	Q3	17,578.00	158,378.00	2009	102,131	677,669
Q3 Vs Q2	-33.79%	-24.20%	Q2 Vs Q3	-37.10%	-35.37%	2010 Vs 2009	-8.69%	18.46%
Q4	23,571	140,749.64	Q4	20,722.00	207,492.00	2008	184,439	2,282,587

Q4 Vs Q3	43.95%	16.64%	Q3 Vs Q4	17.89%	31.01%	2009 Vs 2008	-44.63%	-70.31%
Proshare Research								

In addition, the ASOSAVINGS, ZENITHBANK, TRANSCORP, FIRSTBANK and UBA Plc were the toast of the investors in quarter two 2011 while TRANSCORP, CHAMPION, NEIMETH, AIRSERVICE and FLOURMILL were the top performer by price appreciation in the quarter as Transcorp Plc sustained the leading position on the gainers' chart by **106.00%** appreciation.

Quarter three recorded more depressed posture as the market turnover collapsed further by -33.79% and -24.20% dip in volume and value traded respectively due to the huge sell-off and cash-out witnessed in the quarter as market capitulated considerably, losing N1.39trillion to put YTD performance at **-18.84%** while the quarter alone recorded **-17.51%** loss.

The fear of second global recession could have triggered the huge sell and cash out trend observed while the erratic bombings by BOKO-HARAM, which have heightened the insecurity of the business environment, stoked the continuous sell out as the inactive posture of the foreign investors could not be isolated from these factors as well.

More so, the hasty nationalisation of three rescued banks (BankPHB, Afribank and Spring Bank) in the quarter contributed majorly to the investor apathy and 'wait and watch' attitude that dominated the quarter.

During the period, blue chip stocks particularly the banking stocks experienced more volatility and less patronage as retail investors developed cold-feet towards investment in equity. As a result, the All Share Index hits below the 21months low as the quarter recorded the worst performance in the year with -17.51% loss.

However, ZENITHBANK, GUARANTY, ACCESS, UBA and FIRSTBANK were the most active stocks in the subsector. Meanwhile, CAPHOTEL, IKEJAHOTEL, UNTL, ROADS and OKOMUOIL were the top gainers in the quarter in that order as CAP HOTEL led the chart with **114.29%** gain.

The last quarter experienced the extended negative trend as sell tendency still continued to dominate the period. Although, the quarter experienced a break of +1.72% gains in the opening month of the quarter, after four months of uninterrupted downtrend.

The gain was later erased as downtrend resumed in style with increased volatility, dipping market by -4.00% in the month of November due to lack of positive news and sustained attractive rates in the alternative investment markets which continued to lure funds out of the bourse while extending the unprofitable trend to the month of December with unrelenting sell tendency.

Although, the end of the year syndrome had overwhelming impact while the pressure to meet the festive demand and needs increased the sell mandates in the market considerably.

However, the attractive low prices across the board stoked the impressive value investing witnessed in the last nine sessions of the year as market experienced

consistent Santa Claus rally while investors presumed to have taken strategic positions against the January effect.

This pushed the benchmark indices up by **+3.82%** gain recorded in the month as against -4.00% loss recorded in the previous month while the YTD performance retraced from **-20.31% loss** to close at **-17.42% loss for the year**.

The volume and value turnover for Q4 closed with impressive performance as it moved out of red zone by 43.95% and 16.64% respectively when compared with previous month posture. Although, this could not salvage the negative posture for the year due to dominance of investment apathy witnessed in the year as the year on year volume and value turnover dipped by -2.73% and -20.90% respectively.

Nevertheless, the wary posture of the investors and the low turnover witnessed could not be isolated from the unbalanced monetary policy which has suffered market severely.

The attractive rates in the debt market have lured the funds out of the equity market continuously as investors seek save haven for their hard earned money due to growing volatility in the year. The market outlook in the year revealed a depressed posture as market lack will to drive sustainable profitable transactions.

In the last quarter, GTASSURE, UBA, FIRSTBANK, ZENITHBANK and GUARANTY closed as top active stocks while the following blue chips i.e. FIRSTBANK, GUARANTY, ZENITHBANK, UBA and OANDO closed as most liquid stocks in the last quarter of the year.

Overall, TRANSCORP, ZENITHBANK, GTASSURE, FIRSTBANK, and UBA topped the activity list as most active stocks while among the active stocks FIRSTBANK, GUARANTY, ZENITHBANK, UBA and ACCESS were the most liquid. This however, revealed that the banking subsector remained most active and liquid on the Nigerian bourse as the stocks of the subsector dominated the charts.

2011: Market Synopsis				
Monthly Outlook		Quarterly Performance		
Jan	6.88%		04-Jan-11	25,102.93
Feb	-2.64%		31-Mar-11	24,621.21
Mar	-4.83%	Q1		-1.92%
April	1.17%		01-Apr-11	24,752.04
May	3.11%		30-Jun-11	24,980.20
June	-3.46%	Q2		0.92%
Jul	-3.52%		01-Jul-11	24,696.83
Aug	-10.12%		30-Sep-11	20,373.00
Sept	-4.35%	Q3		-17.51%
Oct	1.72%		04-Oct-11	20,581.30
Nov	-4.00%		30-Dec-11	20,730.63
Dec	3.82%	Q4		0.73%
Proshare				

On the final note, the market experienced number of improvements and developments in the year. The banking subsector closed with lesser number of banks as a result of successful merger and acquisition that took place in the sector within the year.

Market closed with 15 stronger and healthy banks as against 21 banks that started the year while their books have been cleared of nonperforming loans by AMCON . To this regard, we expect improved lending to the economy in the coming periods as the banks are healthy to recommence active lending on clean slate.

The developments and new initiatives in the market during the year were perceived as right steps into right direction. The new market segment has aligned our market with international standard and global practice which will make it more accessible and easy to evaluate not in isolation anymore but along with its counterpart.

In addition, the new market segment is likely to usher in more companies on bourse particularly in the power sector of the economy as utility sector is yet to be active while the introduction and listing of first ETF on the bourse is commendable as one of the initiatives in pipeline to deepen the market

**A number of developments we believed should have impact in the year as predicted in the previous reports. Some of which are:**

Factors expected to impact Market	Outcomes
AMCON	The purchase of nonperforming loans in the banking sector and takeover of three rescued banks that could not meet-up with recapitalisation deadline by AMCON was perceived as catalyst to the current healthy outlook of the Nigerian banking system.
New NSE CEO	The emergence of NEW CEO in the market ushered in series of meaningful initiatives towards repositioning and deepening of Nigerian bourse which has brought about new products and product segments in the market- this is commendable as market is appearing more attractive with ETF listing, though revival of market confidence expected to be top priority in the year.
Liquidity challenges	The liquidity challenge hampered proprietary trading considerable as turnover suggests. The challenge persists while the erratic hike of MPR in the year worsening the situation.
Merger & Acquisition in the banking sector	This caused increased volatility during the year as the sector remained the volume drive. Nevertheless, the successful merger & Acquisition in the sector has strengthened the banking system and it proffers brighter outlook for coming year.
Continued cleanup of market irregularities by NSE	This has increased the compliance level considerably as NSE management maintained strict posture during the year
Increased institutional investing	Improved institutional buying was noticed in the early and mid year which as aided the market turnover as envisaged.
Conclusion of bids on rescued banks	This impacted the persistent speculative trading witnessed in the year particularly towards the rescued banks. The successful conclusion brightens the banking stocks marketability
Banks lending to real sector	Lending to real sector was low as banks remained cautious while unfriendly benchmark rates discouraged lending activities in the year

Margin loans

Margin loan was still missing and this impacted the proprietary trading negatively.

Proshare Research

**Developments in the coming year:**

- Improved lending to real sector as competition in the banking sector will drive this.
- Introduction of securities lending and borrowing in the market
- Demutualization of Exchange will gain more popularity
- Positive response to debt leniency to brokers and dealers
- Listings campaign of telecom and multinationals firms will gain dominance
- Increased activities in the bond market as government appeared broke
- Dematerialization of shares
- Inflation and Monetary Policy rates
- Liquidity challenges as priorities will compete for cash
- Improved regulatory oversight
- Continued cleanup of market irregularities by NSE
- 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](mailto:analyst@proshareng.com).

We value your feedback and comments.

## Introduction

### Nigerian stocks drawn out, ASI dips by-17.42% on low confidence.

Transactions on the Nigerian bourse were dominated by the bears while the lack of market confidence remained the major driver of the prolonged pessimistic trading in the year 2011.

An extended analysis of the trend revealed that Nigerian market is yet to get out of the market crash experienced in 2008 as the gains of **+18.87%** recorded in the assumed recovery experienced in 2010 was severely depleted by **-17.42%** loss recorded in the 2011.

The prolonged wary posture and 'wait and watch' attitude of investors towards investment in equity revealed loss of confidence in both market and regulators as all the efforts by regulatory bodies and stakeholders to revive the market confidence proved abortive.

Though, some socio-economic and political challenges coupled with the persistent bombings in the country with erratic hike in monetary policy at detriment of the stock market contributed this outlook.

However, the unresponsiveness of investor towards recovery measures suggests a need for a sound vote of confidence from government to recalibrate market confidence. This in our opinion will cushion the pessimistic momentum in the market and return confidence to the market as bailout to the market is required just as we have seen in the advanced economy.

2011: An X-ray of Market Activities and Trends in Nigerian Capital Market								
Period	Monthly Turnover		Turnover Growth		Market Net Worth		Sentiments Analysis	
	Volume (Units 'm)	Value (N'm)	Volume	Value	ASI	Gain/Loss (N'm)	Market Sentiments	General Observations
Jan-11	10,808	103,888	64.40%	85.16%	6.88%	555,754	Active buying	Market experienced more of moderate buying in the first half-year as ASI records average of +0.04% uptick- a modest appreciation with positive average Volume and Value turnover growth of +10.27% and +5.38% respectively. Although, Market Net worth depleted by -N10.69 billion with Average loss of -N1.78 billion  The second half-year was dominated by weak bargain tendency while pessimistic trading and growing sell mandates pervaded the atmosphere, buttressed by significant volume
Feb-11	6,497	60,606	-39.89%	-41.66%	-2.64%	-225,863	Profit Taking	
Mar-11	8,730	49,874	34.37%	-17.71%	-4.83%	-402,480	Low speculative buying sets in but outweighed by continuous profit taking	
Apr-11	10,131	58,869	16.06%	18.03%	1.17%	92,536	Speculative buying established but pessimism still on	
May-11	6,585	48,808	-35.00%	-17.09%	3.11%	255,560	Moderate value investing kicks in, supports speculative buying as pessimism waned	
Jun-11	8,014	51,520	21.70%	5.56%	-3.46%	-286,199	Short termist dominates, scrambling for profit	
Jul-11	5,439	39,616	-32.12%	-23.10%	-3.52%	-274,818	Pessimisms dominates, low bargain suppressed	
Aug-11	6,422	44,604	18.06%	12.59%	-10.12%	-773,867	Pessimisms dictates the pace, sell-off hits market	
Sep-11	4,513	36,444	-29.73%	-18.29%	-4.35%	-316,459	Sell-off continues but on waning momentum	
Oct-11	12,266	56,335	171.80%	54.58%	1.72%	63,648	Low prices attracts moderate buying	

Nov-11	5,121	40,697	-58.25%	-27.76%	-4.00%	-317,274	End of the year syndrome sets in as pessimisms dictates the pace	growth which revealed intense sell-off tendency as NSE ASI dipped considerably by - <b>16.45%</b> while market Net worth depleted by - <b>N1.36trillion</b>
Dec-11	23,571	140,749	360.25%	245.85%	3.82%	248,830	The low prices across the board ignited the value investing as Santa Claus rally absorb the end of the year sell-off.	
Proshare Research								

The market trend in the first quarter revealed dominance of the bears as market succumbed to the sell pressure to close red by **-1.92%** loss despite the improved market turnover growth and the impressive performance of **6.88%** gain experienced in the January driven by the second phase purchase of toxic assets by AMCON.

In addition, the unimpressive performance could not be isolated from the turbulences in the economy while the monetary policy appeared unfriendly to the market coupled with political tension in the country. As a result of this, low and cautious bargain was observed during the period while liquidity squeeze impacted the bargain initiative negatively as banks remained conservative with lending.

Apart from this, the influx of states and federal government bonds in the market coupled with attractive rates in the bond market contributed to the low risk appetite which increased the reallocation of funds witnessed in the first quarter as market confidence appeared feeble.

More so, lack of economic direction and absence of vibrant or delay in economic policy reduced investments activities as decisive plans towards investment in equities was hampered, buttressed by the low turnover observed from foreign portfolios.

On the other hand, trends reversal was observed in the second quarter of the year, though with negative turnover growth, while value investing and moderate institutional buying gave boost to the market performance as quarter two closed with a modest gain of **+0.92%**, riding on the low prices and valuation of equities across the major sectors particularly the blue chips and mid cap stocks recorded more patronage during the period.

Though, the feeble bargain tendency witnessed in the quarter revealed the pessimistic posture and low risk appetite towards investment in equities while sustained lack of economic direction continued to impede investment activities in the quarter.

Meanwhile, the uncertainty that surrounds the rescued banks increased the market volatility witnessed in the year. As a result, banking stocks were the worst hit as revealed by NSE banking index, dipped by -4.85% and -11.54% in both Q1 and Q2 2011 respectively.

In the same vein, the September deadline for recapitalisation of the rescued banks heightened the volatility in the market as sell-off hit Nigerian bourse considerably, particularly throughout the third quarter of the year while the eventual nationalisation of the three rescued banks dampened the investors' appetite accordingly.

By September 30<sup>th</sup> 2011, market year to date performance stood at **-18.84%** loss to erase the **+18.87%** gain recorded in the previous year as NSE ASI remained weak below 20months low.

20 Months Volatility: Jan 2010 to Sept 2011				
High	Low	Volatility	Current	Volatility
19-Apr-10	04-Jan-10	High Vs Low	<b>30-Sep-11</b>	Current Vs Low
28,029.78	20,838.90	-25.65%	20,373.00	-2.24%
Proshare Research				

Consequently, quarter three recorded the huge loss of **-N1.39 trillion** to close as the worst performing quarter in the year, plunged by **-17.51%** as against **-8.29%** loss recorded in the previous year comparable period. The quarter witnessed significant reaction to the fear of second global recession as foreign portfolio experienced huge sell down activities.

During the period, blue chip stocks were worst hit while all the NSE major sectoral indices experienced significant weight loss, led by NSE Food & Beverages with **-22.32%** loss, NSE Oil followed by **-20.62%** loss as NSE Banking slipped by **-19.88%** while NSE Insurance and NSE 30 closed with **-17.03%** and **-17.01%** loss respectively.

The continuous and erratic hike in MPR as inflationary measure which has made debt market more attractive with handsome returns on investment with low risk could be part of contributory factor to the investment apathy and huge cash outflow witnessed in the quarter.

The investment apathy continued in the last quarter of the year, though the quarter opened with trend reversal mode as the month of October experienced improved turnover growth, riding on the low prices across the board as the month retraced by **+1.17%** while market net worth gained weight by **N63.64billion** gain in the month.

However, the end of the year syndrome outweighed the market sentiments as sell activities resumed in the month of November while the moderate buying succumbed to the end of the year sell pressure, losing **-N317.27billion** to erase the previous gains as NSE ASI plunged by **-4.00%**.

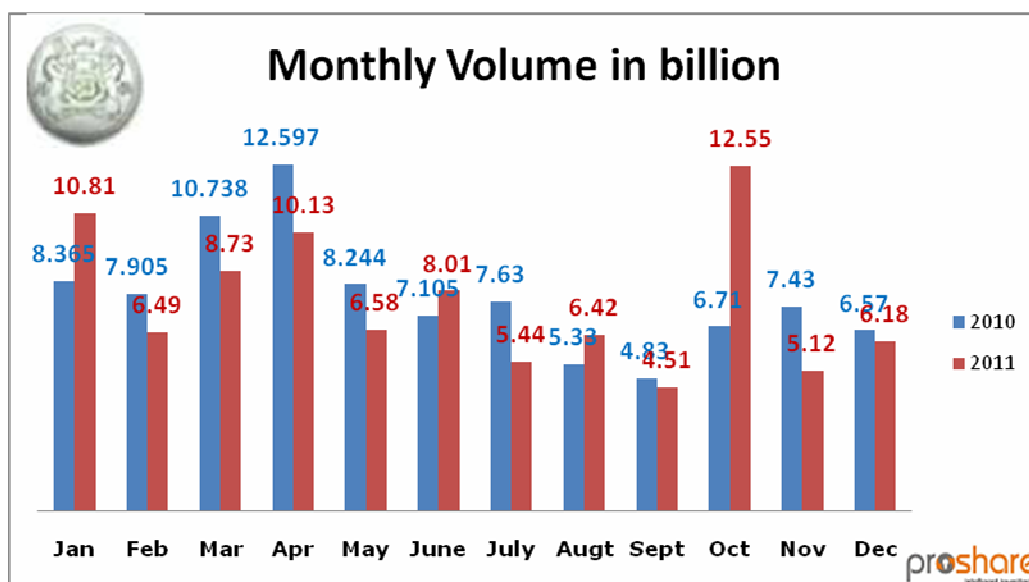
The pressure to meet end of the year and festive demands continued to dictate the pace on bourse as sentiments remained bearish in the December, depressing the market performance further into red zone, losing **-0.59%** while YTD stands at **-20.93%** by mid-December.

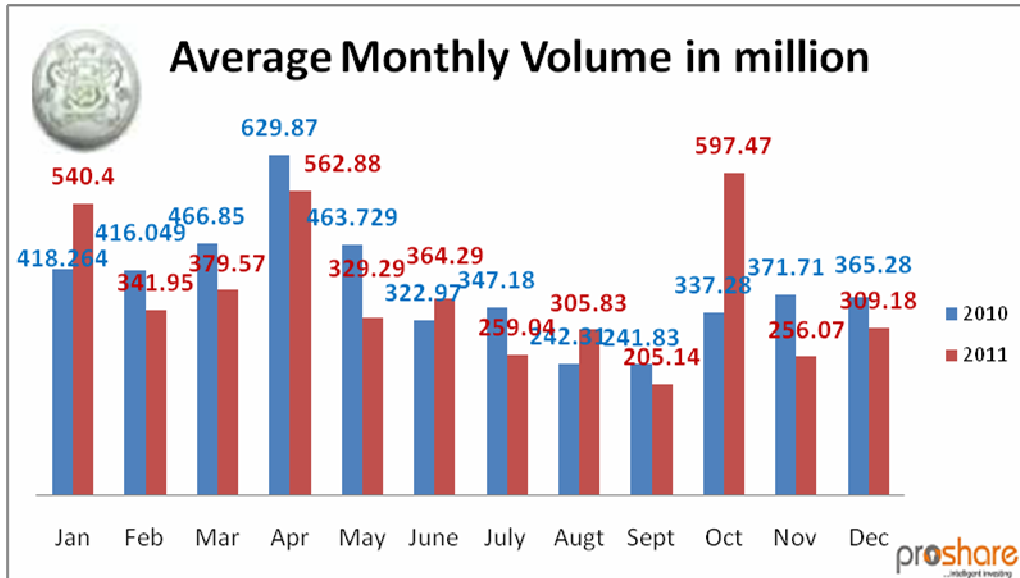
Surprisingly, market outlook got brighter in the last 10 sessions of the year as consistent bargain activities dominated the atmosphere on the bourse, the bulls took advantage of low prices across the board to cushion the sell momentum as transfer of wealth continued while market recorded **+4.55%** gain within the short period to end the month with 3.82% gain with YTD of **-17.42%** loss.

Market pattern basically reveals that market is technically weak and bearish in long term but remained indecisive in the mid-long term as could be seen from the NSE ASI moving averages trend with index of **20,730.63** as at December 30<sup>th</sup>, 2011 trading below its 200 days of 22,858.61 but trading above 20 days and 50 days of 20,134.46 and 20,280.20 respectively. This suggests market trend is technically weak and bearish in long term but appeared indecisive in mid-long term.

### The Market – Game On

The market this year recorded a total volume of 90.71 billion units valued at N634.98 billion (US\$4.23 billion) exchanged in 1,227,991 deals compared with 93.25bn units valued at **N802.75bn (US\$5.35bn)** exchanged in **1,916,312 deals** in the year 2010. Comparing, the volume and value traded in the year reveals a **-2.73%** and **-20.90%** below the volume and value recorded in the previous year respectively.

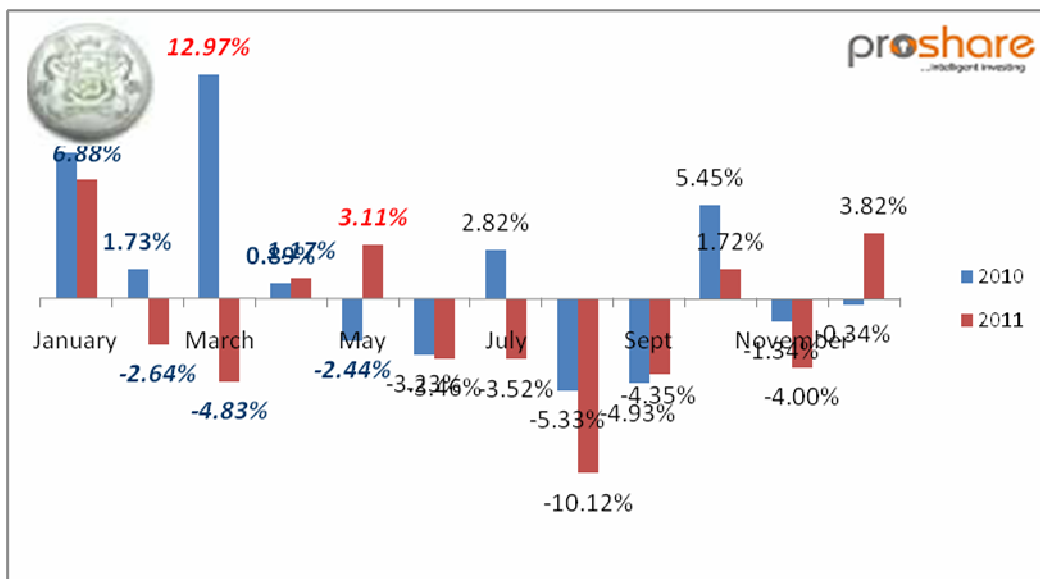


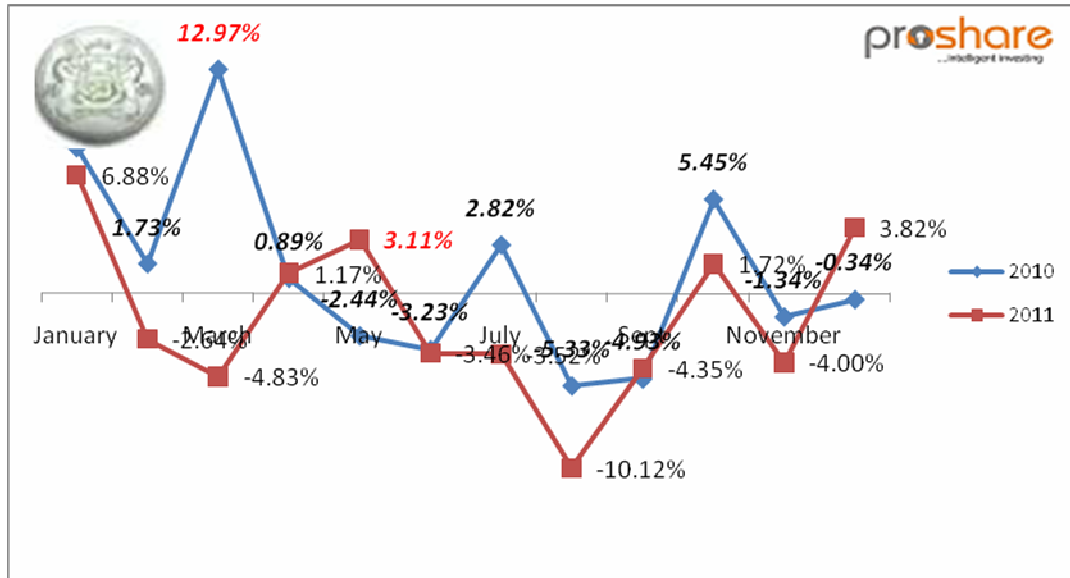


During the year, All-Share index recorded a negative trend of **-17.42%**, a significant negative growth from **18.87%** positive growth recorded in the year 2010.

However, the trend is relatively better when compared with the -33.58% recorded in the preceding year, closed at 20,827.17.

Market capitalisation this year depleted by N1.48 trillion (US\$9.91 billion) as against appreciation by **+N2.92 trillion (US\$18.25billion)** recorded in the year 2010. Market capitalisation shed higher figures of N1.94trillion (**US\$12.17bn**) in the preceding year’s comparable period.





**The Market – Game Changers:**

The delay in economic direction, Absence of vibrant economic policy, political tension and uncertainty in the political atmosphere, growing insecurity in the country, the fear of second round of global recession, risk aversion approach from foreign investors, lack of positive news to abate the bearish trend.

Meanwhile, the major factors remained sustained erratic increase of MPR at the expense of capital market, low risk appetite, illiquidity, lack of funds, and insensitivity of the government to investors’ and operators’ concern in the face of weak market fundamentals were responsible for the dynamics recorded.

The market experienced continuous **slope** in the year, and this is likely to persist till market receives vote of confidence from government, addressing investors’ and stakeholders’ concern. Nevertheless, the market is likely to experience January effect as low prices and expectation of impressive Q4 earnings report would drive possible turnaround in the early stage of next year.

**Glimpse on Economy**

- Nigerian economy declined by -4.15% to close at 7.4% in the third quarter of 2011 from 7.72% recorded in Q2. Though, maintains its strong hold above 6.64% recorded in Q1, 2011.
- An extended analysis revealed weakness in economy trend with 9months average of 7.25% against 9months average of 7.63% recorded in 2010.
- The non-oil sector remains the major driver according to the NBS, recording a growth of 8.81% in Q3, boosted by agriculture, manufacturing, wholesale/retail trade, telecommunications and the finance/insurance sectors
- The oil sector recorded negative growth as a result of a decline in oil production.

- The Trade's balance remained unimpressive when compared with comparable period in 2010 as a result of all in exports trades. This suggests blurred outlook for 2012 if the trend continues as this will increase demand for foreign exchange.
- The foreign reserve maintains conservative outlook at \$33.06billion as at November 2011 when juxtaposed with \$32.36billion recorded in January 2011.
- Naira remains weak against dollar, looking at 11months outlook to stand at N157.26/1\$ in November 2011 as against 149.17/1\$ recorded in the January 2011.
- The monetary policy rate experienced erratic increase in the year to remain high at 12% in November while sustaining the 12% recorded in October, moving from January position of 6.50%.
- The monetary policy benchmark remained tightened due to anticipated surge in inflation and this has increased volatility in bank rates and liquidity in the economy.

### Regulations in perspective

Below are some of the key regulatory measures and developments in the year that caused market ripple as sentiments were significantly impaired while the key benchmark indices reflected the investor's reaction at every regulatory interruption.

However, it was conclusively observed that most the of the regulatory directives by CBN and SEC had more negative impact on the market sentiments as the negative posture of key benchmark indices buttressed this, reflecting investors reaction to the directives.

Date	Some of the key Regulatory Issues by NSE	ASI Posture
05-Jan-11	NSE Asks Brokers to Separate Accounts	3.50%
19-Jan-11	N70m Capital: NSE Suspends 60 Broking Firms	1.08%
11-Mar-11	NSE to extend trading by two hours	0.61%
15-Jul-11	Market makers: NSE to consider top stockbroking firms	0.59%
14-Sep-11	NSE's New Market Structure Emerges	0.86%
Proshare		

Date	Some of the key Regulatory Issues by CBN	ASI Posture
26-Jan-11	CBN hedges against inflation, raises benchmark rates to 6.5%	-0.10%
21-Feb-11	CBN Checks Inflation, Mops up N48bn	0.26%
02-Mar-11	Central Bank releases N198bn power sector intervention fund	-0.71%
23-Mar-11	CBN surprises markets, fights inflation with 1% rate rise	1.18%
06-Apr-11	CBN targets 5% bad loan ratio for banks	-0.51%

28-Apr-11	CBN rolls out modalities for uniform account numbering ...maintains June deadline for banks	0.21%
29-Jun-11	90days deadline for the rescued banks	-0.40%
05-Aug-11	Revokes licence of three banks	-1.46%
Proshare		

Date	Some of the key Regulatory Issues by SEC	ASI Posture
08-Feb-11	SEC set to end 'one-size-fits-all' code of corporate governance	-0.97%
09-Feb-11	SEC prohibits directors, family members from dealing in their companies' securities	1.03%
10-Feb-11	Consolidation among stockbrokers inevitable – SEC	-0.29%
16-Feb-11	SEC pledges commitment to IFRS adoption	-0.49%
11-May-11	SEC to Facilitate Single W'African Stock Exchange	0.18%
01-Jun-11	SEC to Establish Investor Protection Fund	0.03%
08-Aug-11	SEC suspends trading in shares of acquired banks	-1.86%
Proshare		

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

### Negative Factors in the market

- Ⓢ No lending to the private sector
- Ⓢ Liquidity squeeze and Absence of active lending as banks stayed cautious
- Ⓢ Fear of devaluation of Naira
- Ⓢ Reallocation of capital due to hike in monetary instruments
- Ⓢ Low risk appetite as trends turned unstable
- Ⓢ Partial exit of some foreign investors
- Ⓢ Early Political tension and delay in economic direction
- Ⓢ Increased investment in money market due to attractive rates
- Ⓢ Low Investor's confidence and feeble commitment.
- Ⓢ withdraw of hedge funds
- Ⓢ Erratic hike benchmark interest rate at the detriment of the capital market
- Ⓢ Influx of Federal government and state bonds in the market.
- Ⓢ Absence of Margin loans
- Ⓢ Increased Pessimistic buying
- Ⓢ Prolonged uncertainty towards rescued banks
- Ⓢ Low positive news in the market to negate bearish sentiment
- Ⓢ Fear of second round of global economic recession
- Ⓢ Insecurity in the states
- Ⓢ High lending rates.
- Ⓢ Unfavourable inflationary outlook

### Positive Factors in the market

- Ⓢ Positive progress in recapitalisation by shareholders
- Ⓢ Significant merger deals in the banking sectors
- Ⓢ Second round of toxic assets purchase by AMCON
- Ⓢ Proposed new trading platform and Demutualisation of NSE
- Ⓢ Moderate Institutional investing
- Ⓢ Investment by fund managers
- Ⓢ The Federal Government commitment to revive economic infrastructures

- ④ Impressive court orders towards merger and acquisition
- ④ Successful merger and recapitalisation deals
- ④ Concluded agreements to grant debt leniency to brokers and dealers
- ④ Collective bid to list telecoms and other multi-nationals on the bourse

**Market Concerns:** The confidence and commitment level remained very low while investment apathy gained tempo considerably as induced by weak market fundamentals and attractive rates in other low risk investments. More so, the illiquidity and low bargain power in the market remained an issue as banks are still conservative and cautious with lending to the market.

## The NSE All-Share Index Movement

The All Share Index closed with depressed posture and remained weak but eventually moved out of 8 years low range of 19,000 to close in the range of **20,000-** an unimpressive trend, caused by series of bout of volatilities witnessed in the year, despite the impressive bullish start in the month of January.

The All Share Index started the year 2011 on strong footing and brighter prospect as the trading started bullish with a growing positive outlook, taking support from the rollover effect of last three days rally in the preceding year.

The AMCON's premium on toxic assets in the market, low equities prices and valuation, the anticipated merger and acquisitions in the banking sector while the continued effort to reinvigorate investors' confidence in market aided active institutional and value investing in the early stage.

Disappointedly, quarter one closed bearish as weak market fundamentals could not sustain the bullish start while the inspiring uptrend was extinguished by early profit taking that paved way for unrelenting pessimistic trading witnessed in the months of February and March as the quarter ended with **-1.92%** loss.

A cursory look at the trend revealed market posture at the mercy of the bears as the bulls lacked the drive to bargain its way to sustainable point, though managed to stage a reprisal campaign in Q2 as it ends the period with a modest gain of **+0.92%** while half-year market performance stood at **-0.49%**- a bearish outlook as bears maintained dominance.

In addition, the active bargain posture observed in the months of April and May driven by speculative buying and moderate investing due to low prices across the board could not salvage the bearish half year's posture noted above.

This could be traced to the over bearing effect of lack of economic direction, absence of vibrant economic policy, political tension and uncertainty in the political atmosphere coupled with anticipatory measures commenced by the CBN against inflation so as to shore up the value of the Naira and tame inflation which called for erratic increase of MPR and unguarded directives in the financial industry had negative impact on the capital market.

Nevertheless, technical analysis revealed a better performance in the first half-year as market recorded more bargains within the period to close with a marginal loss **-0.49%**, though relatively poor when compared with **+21.81%** gain recorded in half-year 2010.

Moreover, the second half-year in 2011 experienced sell-off considerably as attractive yield in the bond market continued to encourage reallocation of funds in the market while turbulences and uncertainty in the banking sector as regards to the rescued banks continued to hamper market sentiments.

The September deadline for rescued banks increased the volatility in the market as the sector remained the volume driver on the bourse while the sudden and hasty nationalisation of three rescued banks increased the investment apathy considerably.

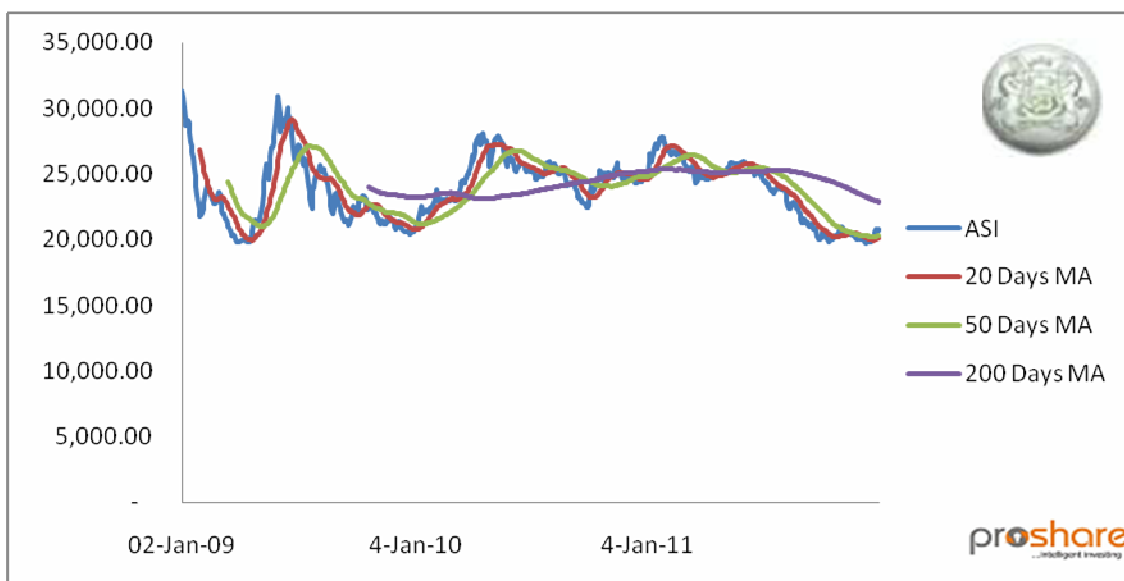
To this regard, the key benchmark indices lost composure completely to the increased volatility as feeble bargain could not absorb the unrelenting sell mandates that were paraded, the NSE ASI plunged unabatedly to experience the worst hit of **-17.51% loss** at the end of Q3 2011.

The bearish sentiments rolled over into the last month of the year while end of the year pressure depressed the All Share Index further into red zone with continued sell tendency.

The increased volatility witnessed in the second half-year could not be isolated from the sustained erratic increase of MPR at the expense of capital market, growing insecurity in the country, the fear of second round of global recession, lack of positive news to abate the bearish trend, low risk appetite and insensitivity of the government to investors' and operators' concern in the face of weak market fundamentals.

At the end of the last trading day of the year, All-Share Index closed below the figure recorded at the close of 4<sup>th</sup> January 2011 by **-17.42%**. This shows by how much the market has lost in the year.

Market pattern basically reveals that market is technically weak and bearish in long term but remained indecisive in the mid-long term as could be seen from the NSE ASI moving averages trend with index of **20,730.63** as at December 30<sup>th</sup>, 2011 trading below its 200 days of 22,858.61 but trading above 20 days and 50 days of 20,134.46 and 20,280.20 respectively. This suggests market trend is technically weak and bearish in long term but appeared indecisive in mid-long term.



Source: NSE, Proshare Research

At the close of the last trading day of the year, All-Share Index traded below its 200 days of 22,858.61 but trading above 20 days and 50 days of 20,134.46 and 20,280.20 respectively. This suggests market trend is technically weak and bearish in long term but appeared indecisive in mid-long term.

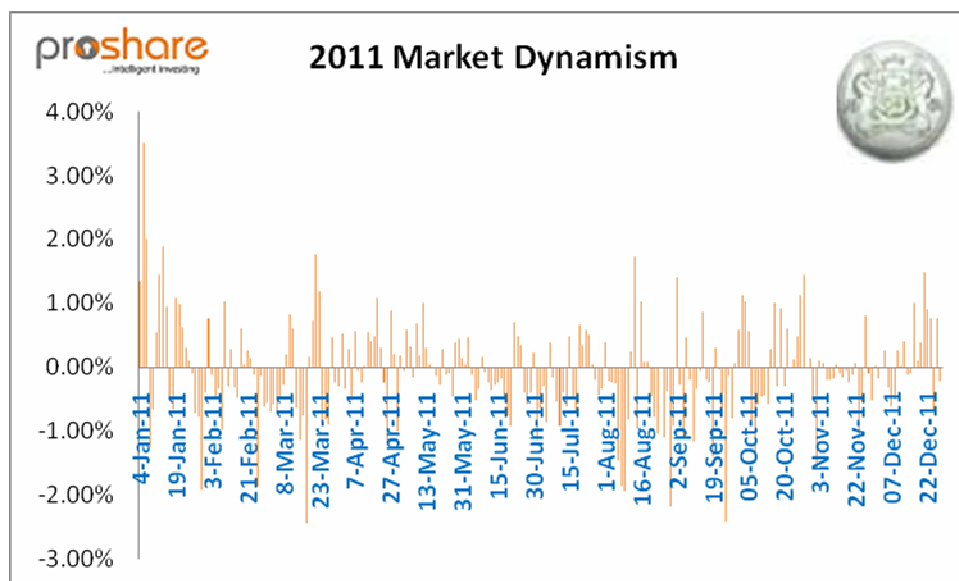


Source: NSE, Proshare Research

## 2011 MARKET DYNAMICS

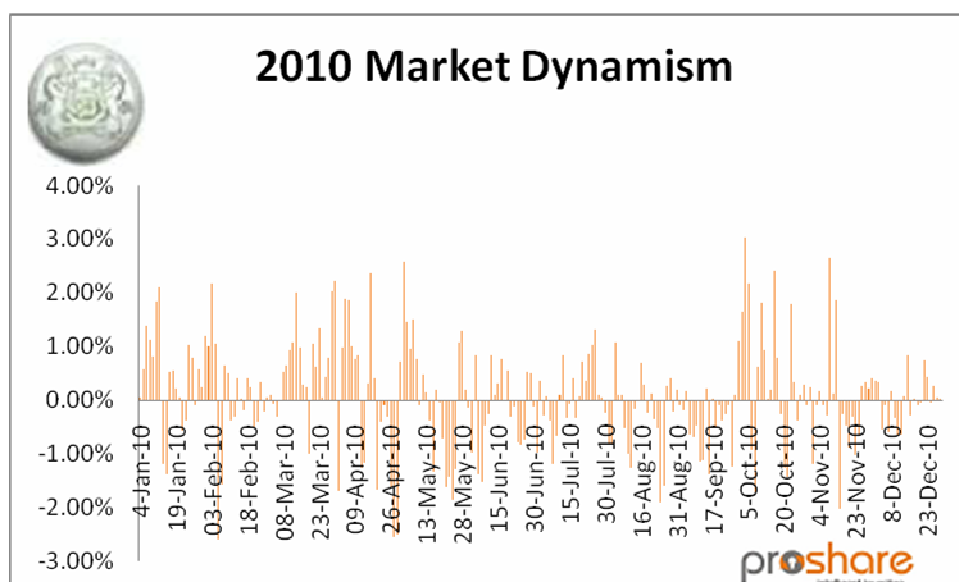
The market dynamics as graphically illustrated below showed the appreciation and depreciations on the daily basis.

Delay in economic direction, Absence of vibrant economic policy, political tension and uncertainty in the political atmosphere, sustained erratic increase of MPR at the expense of capital market, growing insecurity in the country, the fear of second round of global recession, risk aversion approach from foreign investors, lack of positive news to abate the bearish trend, low risk appetite, illiquidity, lack of funds, and insensitivity of the government to investors' and operators' concern in the face of weak market fundamentals were responsible for the dynamics recorded.



Source: NSE, Proshare Research

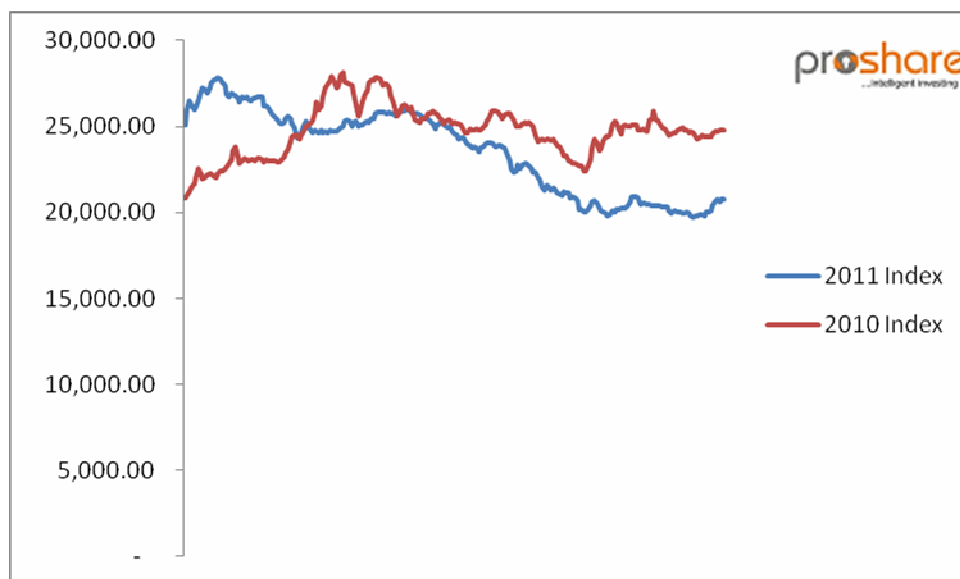
### MARKET DYNAMICS IN THE PRECEDING YEAR COMPARABLE PERIOD (2011)



Source: NSE, Proshare Research

### COMPARISON OF 2010 AND 2011 MARKET PERFORMANCE

The market performance in year 2011, when compared with the year 2010; showed a decline. In the period under review, ASI recorded **-17.42%** depreciation compared with **+18.87%** appreciation recorded in year 2010. The scenario revealed that the performance in the current year was far below the previous year trend but the market closed at approximately in the range of 20,000.



Source: NSE, Proshare Research

Source: NSE, Proshare Research

Dates	NSE ASI	Market Capitalisation (trillion)	Market Capitalisation (\$ billions)
Jan-04-10	20,838.90	4.99	33.27
31-Mar-10	25,966.25	6.28	41.87
30-Jun-10	25,384.14	6.17	41.13
30-Sep-10	23,050.59	5.65	37.67
31-Dec-10	24,770.52	7.91	52.73
<b>Q1 10 Return</b>	<b>18.87%</b>	<b>58.52%</b>	<b>58.52%</b>
<b>Q2 10 Return</b>	<b>21.81%</b>	<b>23.65%</b>	<b>23.65%</b>
<b>Q3 10 Return</b>	<b>10.61%</b>	<b>13.23%</b>	<b>13.23%</b>
<b>Yearly Return</b>	<b>18.87%</b>	<b>58.52%</b>	<b>58.52%</b>
Jan-04-11	25,102.93	8.01	51.68
31-Mar-11	24,621.21	7.87	50.77
30-Jun-11	24,980.20	7.99	51.55
30-Sep-11	20,373.00	6.49	41.87
31-Dec-11	20,730.63	6.53	42.13
<b>Q1 11 Return</b>	<b>-1.92%</b>	<b>-1.75%</b>	<b>-1.75%</b>
<b>Q2 11 Return</b>	<b>-0.49%</b>	<b>-0.25%</b>	<b>-0.25%</b>
<b>Q3 11 Return</b>	<b>-18.84%</b>	<b>-18.98%</b>	<b>-18.98%</b>
<b>Yearly Return</b>	<b>-17.42%</b>	<b>-18.48%</b>	<b>-18.48%</b>

From the table above, the year to date performance as at 30<sup>th</sup> December, 2011 closing at **-17.42%** against the previous year 2010 with **+18.87%** 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
4-Jan-11	1.71	0.698	3.30	-0.86	0.626
5-Jan-11	3.09	1.697	4.79	2.84	1.103
6-Jan-11	2.50	0.902	3.07	1.65	3.983
7-Jan-11	-1.34	-0.157	-3.34	0.06	-0.471
10-Jan-11	-0.90	-0.108	-0.96	-1.02	-1.295
11-Jan-11	0.44	0.299	1.33	0.17	-0.312
12-Jan-11	2.02	0.244	2.32	0.34	1.655
13-Jan-11	1.77	0.298	1.30	1.43	1.676
14-Jan-11	1.44	1.451	0.31	2.99	1.940
17-Jan-11	-0.77	-0.291	-0.42	0.29	-1.830
18-Jan-11	-0.89	-0.488	-0.88	-0.84	-1.104
19-Jan-11	1.55	1.302	2.08	0.52	-0.025
20-Jan-11	1.26	1.104	1.09	1.62	1.493
21-Jan-11	0.33	0.245	1.15	0.16	-0.181
24-Jan-11	0.19	0.770	-0.41	1.29	0.415
25-Jan-11	-0.11	0.717	-0.99	0.66	0.887
26-Jan-11	-0.11	0.285	-0.06	-1.21	0.451
27-Jan-11	-0.83	0.139	-1.77	-1.09	-0.184
28-Jan-11	-0.54	1.137	-0.98	1.28	-1.981
31-Jan-11	-2.49	-0.265	-2.97	0.83	-2.563
1-Feb-11	-0.63	-0.548	0.60	-1.06	-0.181
2-Feb-11	0.88	0.111	1.84	0.16	1.133
3-Feb-11	-0.16	-0.227	-0.35	-0.71	0.444
4-Feb-11	-0.09	-0.566	-0.04	0.32	0.266
7-Feb-11	-0.43	0.187	-0.70	1.10	0.176
8-Feb-11	-0.15	-0.768	0.79	-2.14	0.000
9-Feb-11	-0.16	-0.186	0.40	-1.40	-0.590
10-Feb-11	-0.41	-0.376	-0.75	-0.08	0.000
11-Feb-11	0.41	0.376	0.35	0.56	-0.591
14-Feb-11	-0.35	-0.328	-0.33	0.68	-0.445
16-Feb-11	-0.57	-0.301	-0.70	-2.37	-0.464
17-Feb-11	0.87	0.945	1.81	-0.88	-0.594
18-Feb-11	0.26	2.175	-0.40	0.26	-1.209
21-Feb-11	0.26	1.750	0.27	2.26	-0.310
22-Feb-11	0.43	-0.292	-0.15	2.34	-0.302
23-Feb-11	-0.06	-0.153	-0.24	-0.66	0.000

24-Feb-11	-1.52	1.688	-2.42	0.47	0.719
25-Feb-11	-0.71	-0.922	-0.33	-0.16	0.275
28-Feb-11	-0.81	-1.078	-1.00	-0.15	0.000
1-Mar-11	-0.41	-1.105	-0.13	-0.90	-0.035
2-Mar-11	-1.05	-0.509	-1.23	-1.26	-0.029
3-Mar-11	-0.87	-1.935	-0.79	-1.14	0.000
4-Mar-11	-0.52	0.015	-0.49	-0.70	0.000
7-Mar-11	-0.74	-1.098	-0.42	-0.37	0.000
8-Mar-11	-0.50	-0.314	-1.04	-0.14	-0.453
9-Mar-11	0.34	0.162	1.34	-0.11	-2.014
10-Mar-11	1.12	1.208	1.81	0.44	1.464
11-Mar-11	0.77	0.251	0.76	1.43	-0.635
14-Mar-11	-1.02	-0.389	-2.34	-0.24	-1.220
15-Mar-11	-1.63	-1.196	-2.63	-1.50	-1.274
16-Mar-11	-0.82	-0.712	-1.59	-1.66	0.012
17-Mar-11	-1.89	-1.596	-2.95	-1.36	0.000
18-Mar-11	-1.02	-0.416	-1.90	-0.18	-2.349
21-Mar-11	0.77	-0.710	3.07	0.54	-2.230
22-Mar-11	2.30	0.815	4.58	1.57	1.884
23-Mar-11	1.74	1.677	2.04	0.98	-0.281
24-Mar-11	-1.26	-1.246	-1.83	-1.00	0.130
25-Mar-11	-0.94	-0.143	-2.85	-2.00	1.833
28-Mar-11	-1.10	-1.539	-1.35	-0.15	-0.006
29-Mar-11	0.62	-0.568	1.98	-1.26	-0.173
30-Mar-11	-0.32	0.119	-0.43	-0.05	-0.521
31-Mar-11	-0.38	-1.170	-0.97	0.31	0.879
1-Apr-11	0.62	0.831	0.96	1.39	2.022
4-Apr-11	-0.62	-0.536	-0.57	-2.09	1.163
5-Apr-11	0.65	-0.099	0.15	-1.17	-0.006
6-Apr-11	-0.72	0.206	-2.03	1.91	0.000
7-Apr-11	0.71	0.925	0.94	0.69	-0.615
8-Apr-11	-0.02	1.743	-0.90	-0.50	1.089
11-Apr-11	-0.39	-0.774	-0.31	-0.77	0.310
12-Apr-11	-0.04	-0.247	-0.02	-0.82	-0.569
13-Apr-11	1.73	1.631	2.71	-0.32	-0.123
14-Apr-11	0.70	0.195	0.25	-0.07	0.741
15-Apr-11	0.74	0.348	-0.13	1.06	0.204
18-Apr-11	0.80	0.290	0.53	2.11	-0.370
19-Apr-11	-0.01	-0.908	0.23	0.33	0.000
20-Apr-11	-0.32	-0.168	-0.52	1.56	-0.310
21-Apr-11	-0.28	-0.138	0.06	0.09	-0.252
27-Apr-11	0.12	-0.326	-0.15	-1.18	-0.837
28-Apr-11	0.44	-0.038	-0.23	2.23	-0.631

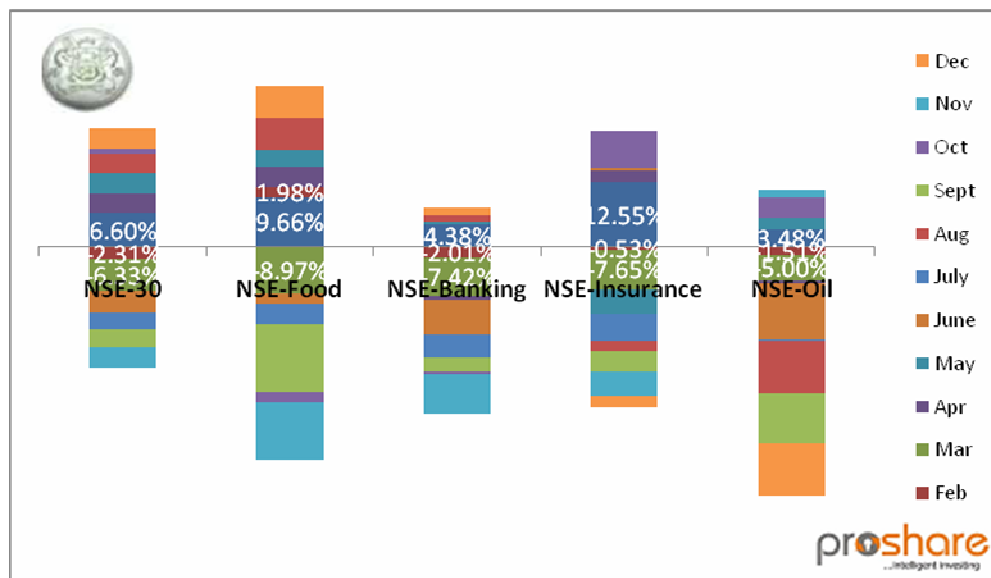
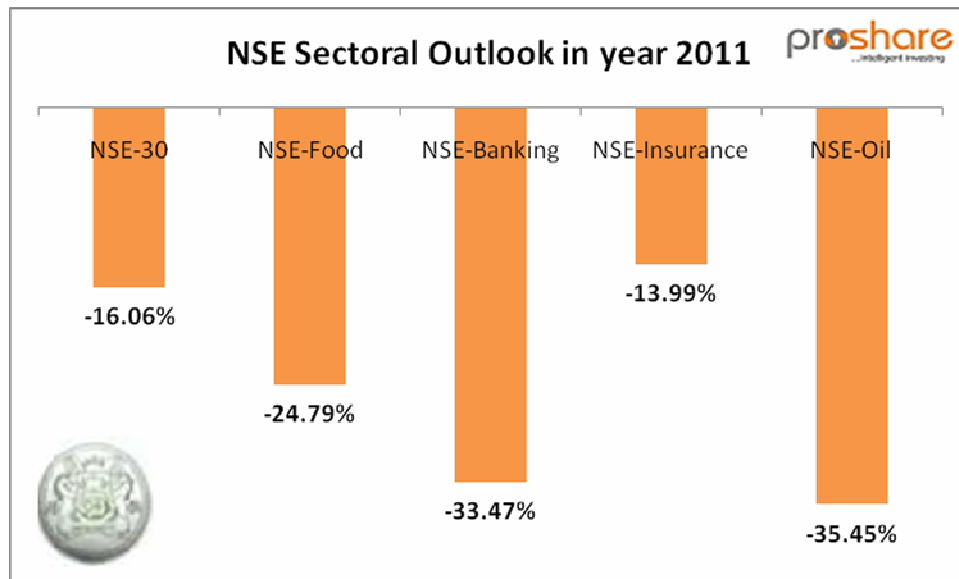
29-Apr-11	0.15	1.766	-0.83	-0.84	-0.373
3-May-11	0.23	0.199	0.82	0.59	-1.898
4-May-11	0.31	-0.775	1.63	-1.75	0.000
5-May-11	0.94	1.445	0.90	-0.31	-0.372
6-May-11	0.57	0.956	0.08	-0.69	0.000
9-May-11	-0.09	0.400	-0.97	-0.20	-0.407
10-May-11	0.89	-0.063	1.89	-0.48	0.246
11-May-11	0.32	0.255	0.61	-0.24	0.568
12-May-11	-0.10	1.131	-1.06	0.27	0.381
13-May-11	0.54	0.841	0.26	0.80	0.021
16-May-11	0.20	-0.642	-0.39	0.32	0.559
17-May-11	-0.14	-0.558	0.46	-0.33	0.867
18-May-11	-0.09	0.290	-1.23	0.80	-0.533
19-May-11	-0.38	-0.432	-0.35	-0.25	0.000
20-May-11	-0.21	-0.113	-0.87	0.01	0.268
23-May-11	-0.41	0.215	-0.36	-1.44	0.132
24-May-11	-0.03	-0.462	-0.29	-0.68	-1.362
25-May-11	-0.52	-0.268	-1.41	0.67	0.508
26-May-11	0.62	0.202	1.12	1.09	0.448
27-May-11	1.07	0.683	0.34	-1.35	0.000
31-May-11	0.33	0.099	0.12	-1.13	0.780
1-Jun-11	0.24	-0.376	-0.28	-0.15	0.320
2-Jun-11	0.58	0.321	0.32	0.66	0.015
3-Jun-11	-0.05	-0.062	-0.38	0.67	0.000
6-Jun-11	-0.63	-0.238	-0.60	-0.46	-0.483
7-Jun-11	-0.78	-0.127	0.19	0.60	-0.473
8-Jun-11	0.40	0.024	-0.38	1.54	-0.508
9-Jun-11	-0.09	0.026	-0.16	-0.34	-1.007
10-Jun-11	-0.22	0.221	-0.52	-0.02	0.027
13-Jun-11	-0.65	-0.173	-0.21	0.72	0.000
14-Jun-11	-0.05	-0.089	-0.75	-1.28	-0.488
15-Jun-11	-0.36	-0.485	0.13	0.85	1.546
16-Jun-11	-0.32	0.128	-0.67	-1.33	-1.118
17-Jun-11	-0.15	-1.158	0.09	-0.57	0.000
20-Jun-11	-1.12	-0.946	-1.77	-1.49	-0.807
21-Jun-11	-0.91	-0.881	-2.93	0.11	0.000
22-Jun-11	0.92	0.368	2.39	0.54	0.000
23-Jun-11	0.39	0.427	1.31	0.98	-0.853
24-Jun-11	0.49	0.347	0.49	-0.41	-0.547
27-Jun-11	-0.59	-0.451	-1.35	-1.32	-1.196
28-Jun-11	-0.81	0.263	-1.07	0.91	-2.194
29-Jun-11	-0.49	-0.023	-1.78	0.73	-1.303
30-Jun-11	0.37	0.396	1.06	-0.31	-1.962

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
1-Aug-11	0.47	-0.215	0.04	-0.14	1.054
2-Aug-11	-0.13	0.142	-0.34	-0.38	-0.445
3-Aug-11	-0.22	0.150	-2.02	-0.63	1.254
4-Aug-11	-0.36	-0.066	-0.50	-0.60	-2.353
5-Aug-11	-1.60	-0.886	-3.81	-0.80	-1.776
8-Aug-11	-2.16	-1.531	-3.66	-1.62	-2.223
9-Aug-11	-2.18	-0.760	-4.22	-2.23	-1.667
10-Aug-11	-0.96	1.476	-1.70	-1.82	-2.087
11-Aug-11	0.42	1.130	3.03	-0.44	-1.565
12-Aug-11	2.09	-0.090	4.54	0.75	-1.514
15-Aug-11	-0.95	-0.641	0.48	1.13	-2.406
16-Aug-11	0.87	0.053	0.73	1.95	0.529
17-Aug-11	-0.03	-0.643	0.62	0.76	0.515
18-Aug-11	0.14	0.259	0.67	-0.53	1.024
19-Aug-11	-0.63	0.188	-2.78	-0.82	0.203
22-Aug-11	-0.78	-0.743	-2.06	-1.53	-0.383
23-Aug-11	-1.23	-1.221	-1.93	-0.32	-0.419
24-Aug-11	0.10	-0.719	1.67	-0.44	-0.510
25-Aug-11	-0.85	0.136	0.20	0.64	0.458
26-Aug-11	-0.49	0.139	-1.30	0.28	-0.201
29-Aug-11	-2.15	-1.222	-2.51	-0.73	0.000
01-Sep-11	-0.96	-2.199	0.77	-1.63	0.000

02-Sep-11	1.94	-1.134	3.90	1.11	0.000
05-Sep-11	-0.23	-1.007	-0.46	0.05	-0.170
06-Sep-11	-1.11	-0.750	-1.68	-0.52	-0.403
07-Sep-11	0.61	-0.132	0.21	-1.02	-0.639
08-Sep-11	-0.18	0.148	-0.69	-0.74	-0.364
09-Sep-11	-0.98	-0.127	-0.54	0.44	0.260
12-Sep-11	-0.24	-0.359	-1.95	0.63	-0.612
13-Sep-11	0.03	-1.156	1.10	-0.98	-0.592
14-Sep-11	0.57	-0.551	-1.23	-0.47	-0.540
15-Sep-11	-0.24	0.418	-0.91	0.46	-0.463
16-Sep-11	0.23	-0.164	1.73	-0.33	-0.441
19-Sep-11	-1.43	-1.676	-0.83	0.15	-1.048
20-Sep-11	0.18	-0.193	-0.70	0.48	-0.358
21-Sep-11	-0.09	0.205	-0.30	0.70	-0.748
22-Sep-11	-0.89	0.045	-1.99	-0.15	-1.058
23-Sep-11	-2.28	-1.227	-3.26	-1.16	-1.286
26-Sep-11	-0.52	-1.794	-2.47	-0.54	-1.366
27-Sep-11	-0.93	-1.783	-0.73	-0.87	-1.021
28-Sep-11	0.07	-0.931	1.93	-0.90	-0.717
29-Sep-11	0.66	-1.207	4.23	-0.14	0.213
30-Sep-11	1.32	-0.547	2.06	-0.26	1.224
04-Oct-11	1.13	0.429	2.04	1.22	1.260
05-Oct-11	-0.55	0.856	-0.99	0.45	0.250
06-Oct-11	-1.10	0.230	-1.79	1.06	1.111
07-Oct-11	-1.54	-1.707	-2.16	0.42	-1.186
10-Oct-11	-0.29	0.104	0.60	0.58	0.782
11-Oct-11	-0.50	-0.128	-1.24	-0.13	-1.590
12-Oct-11	-0.45	-0.880	-1.41	-0.39	0.000
13-Oct-11	-0.62	-0.740	-1.14	-0.27	0.000
14-Oct-11	0.39	0.048	1.19	-0.04	0.000
17-Oct-11	0.91	-0.613	0.68	0.92	0.793
18-Oct-11	0.04	-0.592	1.20	1.17	0.338
19-Oct-11	1.14	0.530	2.77	-0.31	1.454
20-Oct-11	-0.30	0.335	-1.56	1.52	1.500
21-Oct-11	0.42	0.486	-0.62	0.59	0.458
24-Oct-11	-0.02	-0.726	-0.12	-1.80	0.053
25-Oct-11	0.07	-0.326	0.90	-0.39	0.057
26-Oct-11	0.76	1.257	1.24	-0.14	0.000
27-Oct-11	1.28	0.491	1.69	1.95	0.000
28-Oct-11	1.31	-0.554	0.77	0.85	-0.163
31-Oct-11	0.06	-0.008	-0.30	0.79	0.000
01-Nov-11	-0.42	-0.906	-1.33	1.12	-1.561
02-Nov-11	-1.45	-0.709	-0.84	-0.25	0.236

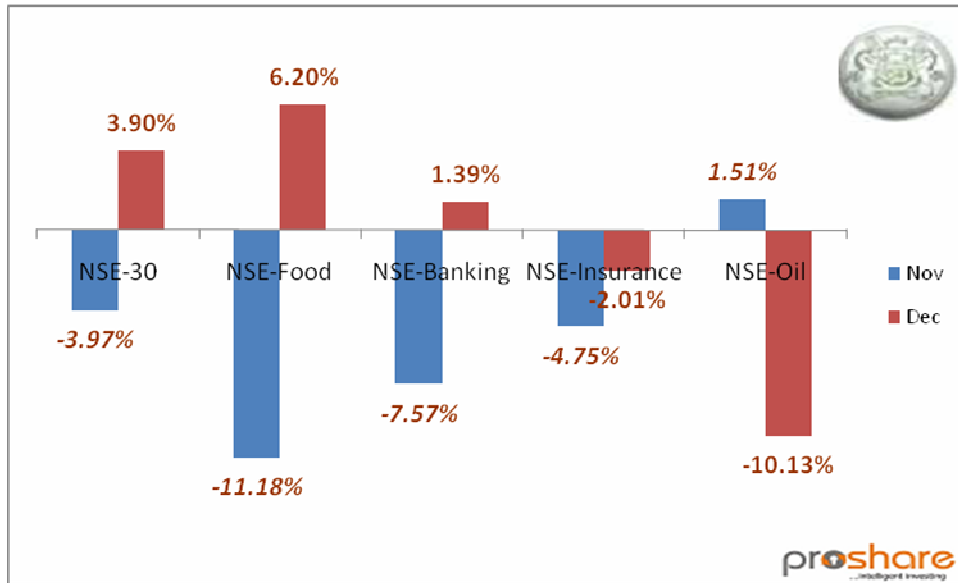
03-Nov-11	0.06	-0.438	0.38	-0.41	-1.256
04-Nov-11	-0.02	-0.277	0.45	-0.11	-0.544
09-Nov-11	-0.14	-0.362	-0.70	0.99	1.430
10-Nov-11	-0.10	-0.238	-0.72	-0.27	-0.709
11-Nov-11	-0.19	-0.506	-0.31	0.02	0.276
14-Nov-11	0.09	-7.520	-0.13	-1.23	1.724
15-Nov-11	-0.03	0.815	-0.23	0.97	0.000
16-Nov-11	-0.25	-0.585	-0.68	-1.37	1.060
17-Nov-11	-0.09	-0.379	0.22	0.86	-1.199
18-Nov-11	-0.22	0.717	-0.28	-0.94	-0.652
21-Nov-11	-0.13	0.109	-0.63	-0.90	0.326
22-Nov-11	-0.02	-0.077	-0.40	-1.32	0.350
23-Nov-11	-1.08	-0.444	-0.70	-2.12	0.361
24-Nov-11	-0.49	-0.240	-1.59	0.06	-0.270
25-Nov-11	0.70	-0.085	-1.02	0.76	0.000
28-Nov-11	-0.12	-0.565	0.33	1.38	0.377
29-Nov-11	-0.69	-1.000	-1.37	-1.05	0.216
30-Nov-11	0.14	0.255	0.38	0.14	-0.175
01-Dec-11	-0.23	-0.418	-1.17	0.45	-0.094
02-Dec-11	-0.06	0.095	-0.49	0.33	-1.535
05-Dec-11	0.38	-0.495	-1.84	-0.07	0.000
06-Dec-11	-0.36	0.302	-0.20	0.44	-0.539
07-Dec-11	-0.66	-0.137	-1.85	0.24	-1.734
08-Dec-11	-0.57	-0.426	-1.09	-0.70	-0.386
09-Dec-11	0.43	0.279	-0.19	-0.13	0.673
12-Dec-11	0.04	-0.161	0.80	0.63	-0.190
13-Dec-11	0.40	0.681	0.11	-1.72	-0.805
14-Dec-11	0.02	-1.356	-0.29	0.85	-1.376
15-Dec-11	-0.06	-0.166	0.06	-0.49	-1.018
16-Dec-11	1.14	1.969	2.27	-1.04	-1.449
19-Dec-11	0.12	0.070	0.36	-0.62	-0.413
20-Dec-11	0.46	0.600	1.10	-0.64	-0.018
21-Dec-11	1.61	3.559	3.51	-0.94	0.013
22-Dec-11	1.29	0.125	0.46	1.91	-0.156
23-Dec-11	0.54	0.288	-1.32	-0.07	-1.242
28-Dec-11	-0.90	-1.198	-0.51	-0.47	-0.679
29-Dec-11	0.33	1.115	-0.25	0.30	-0.952
30-Dec-11	-0.28	0.985	0.90	0.22	1.209
	<b>-16.06%</b>	<b>-24.79%</b>	<b>-33.47%</b>	<b>-13.99%</b>	<b>-35.45%</b>

Source: NSE, Proshare Research



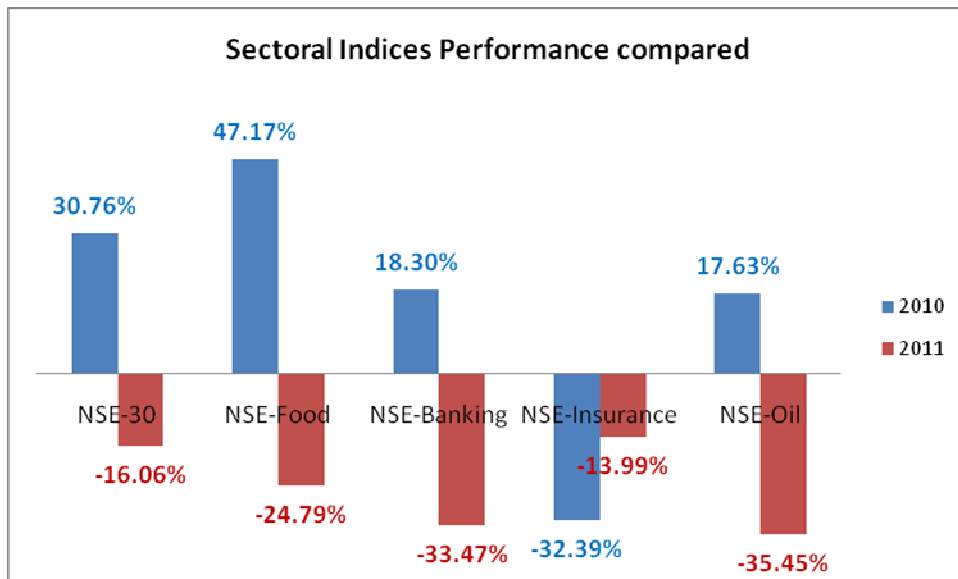
In the year under review, all sectoral indices sustained the bearish posture with NSE Oil & Gas leading the pack by -35.45% loss, followed by NSE Banking with -33.47%, NSE Food & Beverages -24.79%, NSE 30 -16.06 % and NSE Insurance recorded the lowest loss by -13.99%.

**NOVEMBER AND DECEMBER SECTORAL INDEXES COMPARED**



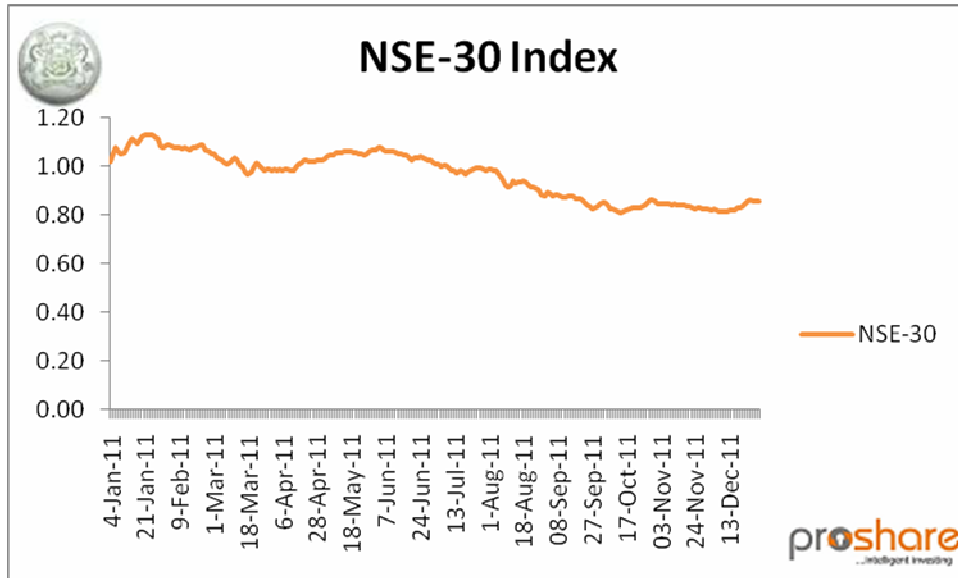
Source: NSE, Proshare Research

**2010 AND 2011 SECTORAL INDEXES COMPARED**



When compared trends of sectoral indices in 2011 with 2010, it was revealed that NSE sectoral indices recorded better postures in previous year comparable period with four positive postures against all negative figures recorded in the current period.

**NSE -30 INDEX**

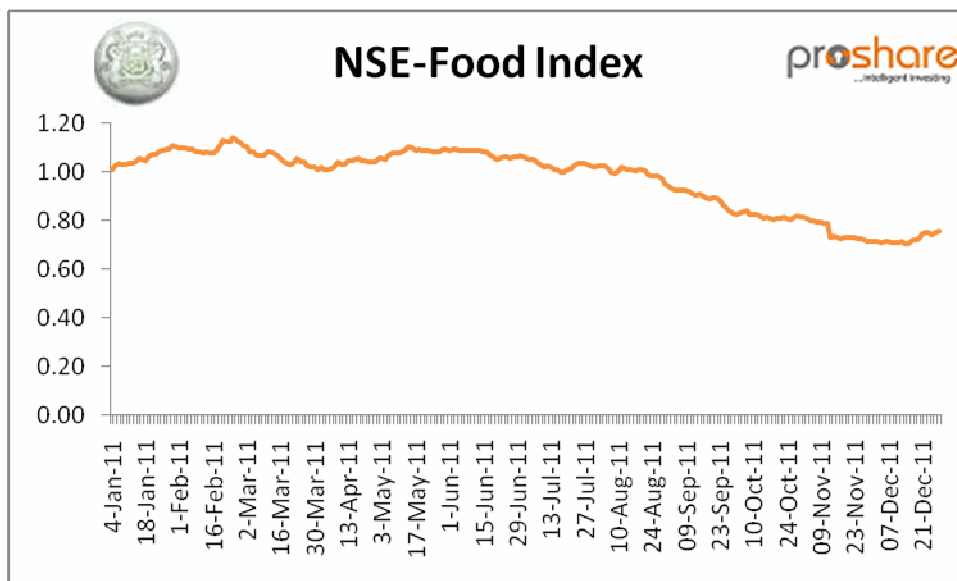


Source: NSE, Proshare Research

The trend recorded in the blue chip stocks is reflected in the NSE 30 index movement. The blue chips experienced low volatility with moderate buying in the early and towards end of the period under review while the pessimism in the market had much impact on the outlook recorded in the sector.

However, there were slight bargains observed towards end of month due to low valuation outlook and value investing approach witnessed during the period. Subsequently, the index closed depressed by **-16.06%** as second lowest loss in the league as against impressive gains of 30.76% experienced in the previous year comparable period. The outlook however revealed that the blue chips were among most active stocks in the period under review.

**NSE -FOOD INDEX**

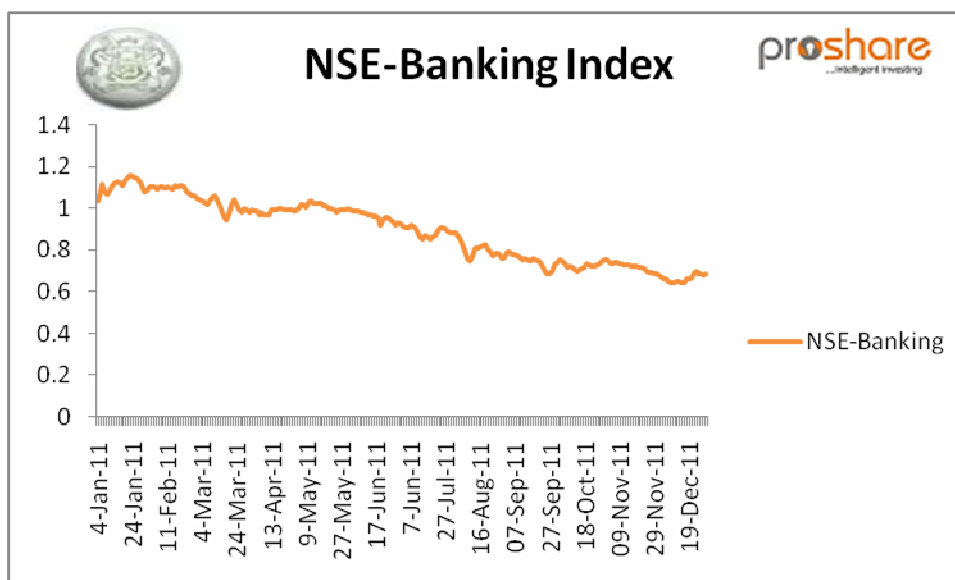


Source: NSE, Proshare Research

The NSE Food experienced weak bargain most of the period under due to volatility witnessed in the sector. The sell activities dominated the sector as the low buying noticed was suppressed to close the sector negative.

The index recorded -24.79% depreciation- a worst performance when compared with +47.17% appreciation recorded in the previous year comparable period. This could be traced to the general loss of confidence in the market witnessed during the period.

### NSE -BANKING INDEX



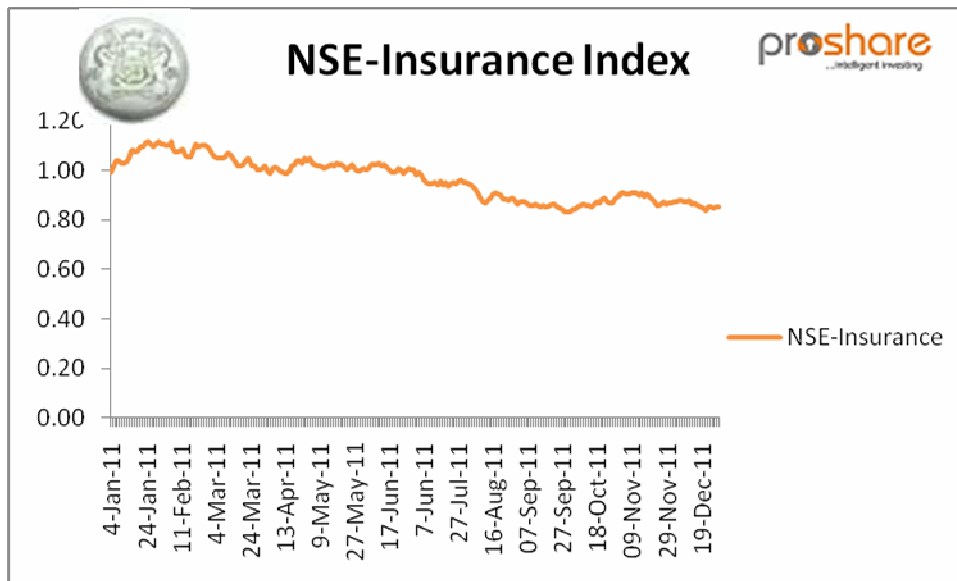
Source: NSE, Proshare Research

NSE-Banking index experienced volatility in the early stage of the year till end. Most of the bargain initiatives were outweighed by sell pressure witnessed in the sector while the sector trend is on the slope.

The sector closed with second worst performance, recording -33.47% loss- a depressed posture observed when compared with +18.30% appreciation recorded in the previous month.

We foresee a better bargain position in the coming period, all things being equal as banks are wearing healthy outlook while the sector is not under any pressure. And the Q4 earnings report would call for strategic positioning in the sector as we observed in the last ten days of the year.

### NSE -INSURANCE INDEX

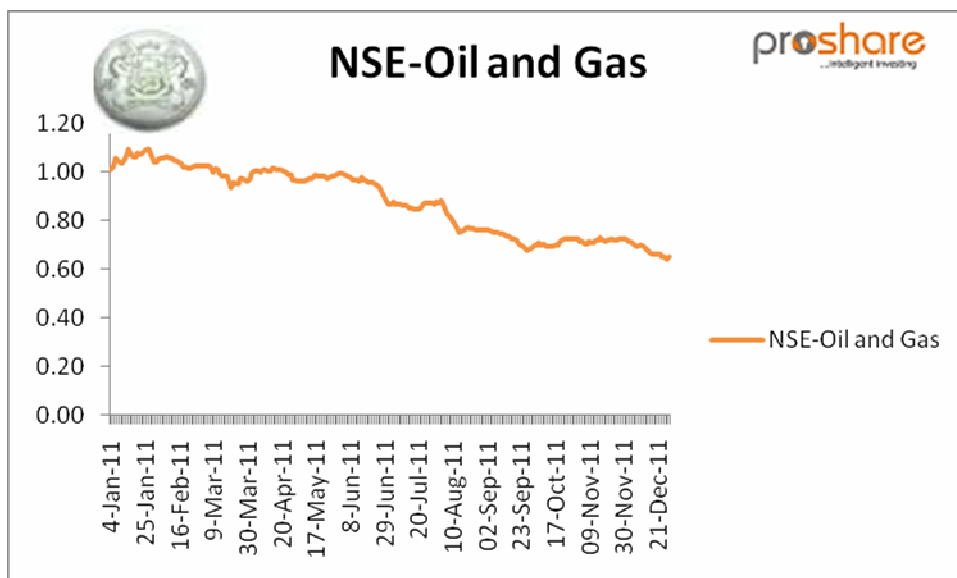


Source: NSE, Proshare Research

The Insurance sector experienced low volatility during the year and consequently closed as best performing to close with lowest loss in the year. The sector recorded -13.99% loss- this could be traced to the general bearishness in the market, though the investing approach employed does not favour the sector as investors appeared more cautious in the year.

However, the outlook revealed improved posture when compared with -32.39% loss experienced in the previous year comparable period.

**NSE -OIL INDEX**



Source: NSE, Proshare Research

The sector recorded the worst performance after banking sector. The sector experienced considerable sell activities which could be seen as impact of bearish sentiments towards most blue chips in the sector as most of the blue chips across the board experienced bearish sentiments in the year.

The index dipped by -35.45% to close as worst performing sectoral index while the outlook revealed unimpressive position against +17.63% gain recorded in the previous year comparable period.

## Transactions Volume and Value Trend

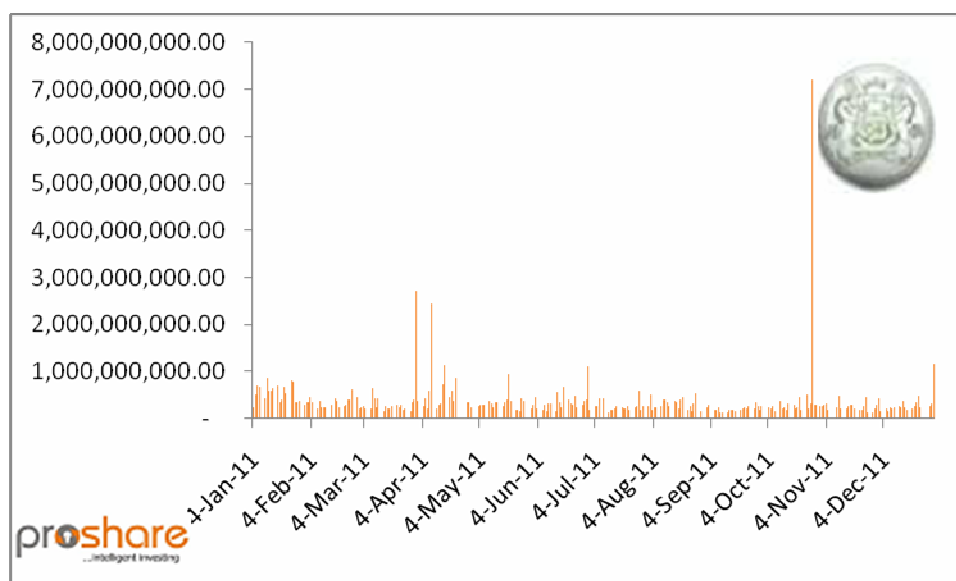
Market	Year '10'	Year '11'	% Change
Average Daily Volume of stocks Traded( in millions)	378.28	368.39	<b>-2.61%</b>
Average Daily Value of stocks Traded( in N'millions)	3,219.09	2,578.50	<b>-19.90%</b>
Average Daily Value of stocks Traded( in US \$ millions)	20.12	17.19	<b>-14.56%</b>
Total Volume of stocks Traded (in millions)	93436.37	90994.79	<b>-2.61%</b>
Total Value of stocks Traded (in N'millions)	795116.35	636,890.83	<b>-19.90%</b>
Total Value of stocks Traded (in \$ billion)	4969.48	4,245.94	<b>-14.56%</b>
<b>New Listing and Delisting</b>			
Number of Equities Delisted			
Number of New Listings			

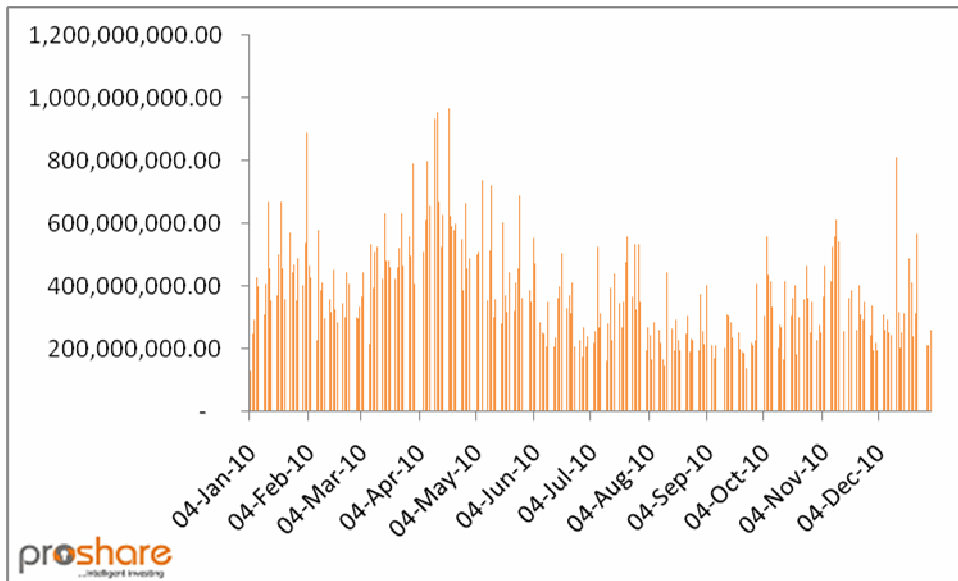
Source: NSE, Proshare Research

The transaction volume in year 2011 when compared with the preceding year closed lower by **-2.61%** to close at **90.99 billion units** compared with **93.43 billion units** traded in 2010. This could be an indication that the investors' patronage in the year under review was significantly different.

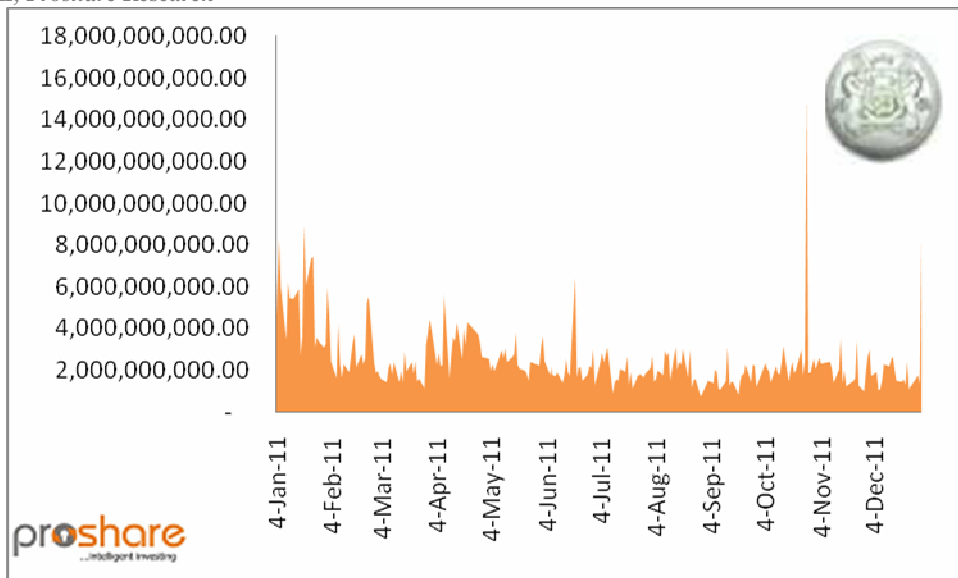
Also, the transaction value in the year under review closed lower by **-19.90%** at **N636,89 billion (\$4.24 billion)** compared with **N795.11billion (\$4.96 billion)** of year 2010.

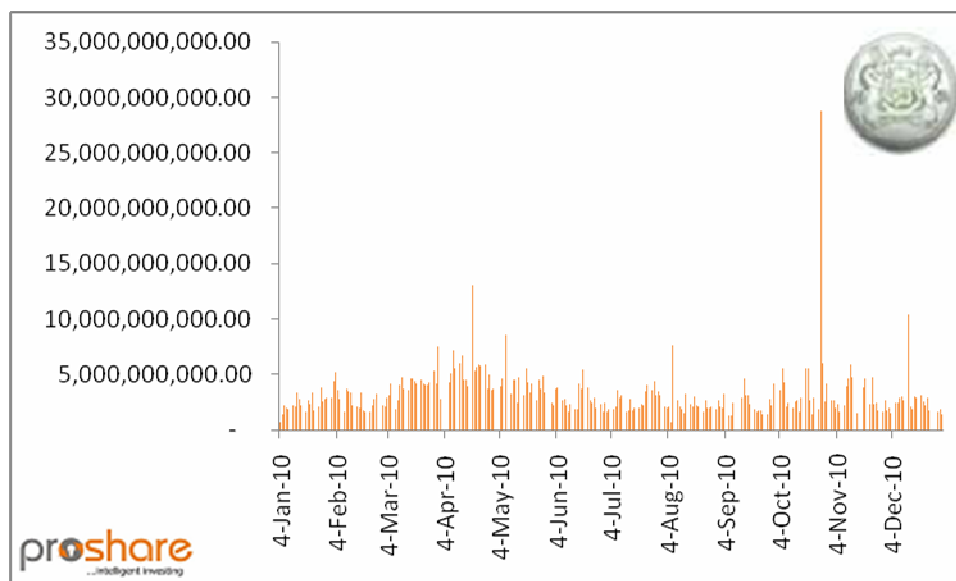
### 2011 vs. 2010 Daily Volume Chart





Source: NSE, Proshare Research





## Top Ten Trades for the Year 2011

First Bank Plc topped the transaction volume for the month while banking stocks dominated the charts with eight of the stocks in the subsector emerging in the top ten trades chart for the year.

More so, stocks like **Transcorp**, **Longman** and **Ashakacem** experienced significant volume movement in the year due to institutional transactions observed towards the stocks.

The significant volume movement in shares of **Transcorp Plc** led to the takeover by **Heirs Holding** as major shareholder in the company. <http://www.proshareng.com/news/13573>

Similarly, change of shareholding structure was noticed in **Longman Plc** due to the significant volume movement in shares of the company.

Also in Ashakacem Plc, change of the shareholding structure is much feasible, considering the institutional volume movement observed in the year <http://www.proshareng.com/news/14079>

Company	Total Trades	Total Volume	Total Value
FIRSTBANK	150,051.00	5,971,245,394.00	73,412,352,274.73
GUARANTY	125,244.00	4,439,606,065.00	68,503,872,985.48
ZENITHBANK	80,656.00	7,719,624,422.00	110,489,117,220.86
UBA	58,911.00	5,189,080,995.00	28,304,928,730.81
ACCESS	41,250.00	3,304,679,747.00	23,653,438,261.90
FIDELITYBK	28,152.00	2,678,470,193.00	6,058,137,484.67
DIAMONDBNK	17,501.00	2,674,433,357.00	14,182,439,304.01
FIRSTINLND	14,468.00	2,497,510,072.00	1,952,496,319.85
TRANSCORP	12,880.00	9,115,100,119.00	11,803,272,268.38
GTASSURE	3,548.00	7,584,643,012.00	13,067,091,882.29

**Recall Top Ten Trades for the Year 2010**

Company	Total Trades	Total Volume	Total Value
ZENITHBANK	49,424.00	2,899,892,184.00	40,032,063,694.62
FIRSTBANK	87,938.00	2,092,712,400.00	26,755,180,622.72
GUARANTY	59,634.00	2,001,637,070.00	32,565,355,128.42
UBA	31,519.00	1,855,045,929.00	17,691,568,739.58
ACCESS	23,793.00	1,501,221,510.00	13,092,356,280.94
DIAMONDBNK	9,176.00	1,155,301,258.00	8,401,185,751.12
FIRSTINLND	8,701.00	1,140,700,712.00	777,548,744.07
OCEANIC	14,417.00	1,137,905,478.00	2,715,387,925.51
SKYEBANK	15,409.00	1,050,629,644.00	7,706,960,433.65
FIDELITYBK	13,466.00	1,012,404,377.00	2,487,947,239.65
PLATINUM	9,235.00	957,139,384.00	1,480,800,975.18

**Top Ten Traded Sectors for the Year**

Sector	Total Trades	Total Volume	Total Value
Financial Services	741,738.00	65,164,993,559.00	387,772,844,961.94
Services	51,035.00	11,885,779,373.00	17,627,355,279.55
Consumer Goods	185,814.00	4,101,295,411.00	123,375,053,039.42
Oil & Gas	86,066.00	2,255,949,809.00	36,080,751,915.26
Industrial Goods	98,167.00	1,711,547,114.00	37,465,683,262.91
ICT	5,351.00	1,403,780,598.00	1,564,106,956.07
Healthcare	14,639.00	703,130,819.00	2,297,544,295.61
Agriculture	7,102.00	484,953,820.00	2,459,854,492.98
Natural Resources	990.00	470,742,164.00	272,222,762.42
Conglomerates	14,680.00	211,126,205.00	6,974,723,540.81
Construction/Real Estate	9,521.00	172,597,133.00	3,520,744,567.44
Financial Services	983.00	76,836,638.00	39,793,614.26
#N/A	29.00	1,626,819.00	14,852,859.91
<b>Grand Total</b>	<b>1,216,115.00</b>	<b>88,644,359,462.00</b>	<b>619,465,531,548.58</b>

**Recall Top Ten Traded Sectors for the Year 2010**

Sector	Total Trades	Total Volume	Total Value	% Contribution
BANKING	393,611.00	21,748,619,784.00	173,225,651,226.38	49.24%
Grand Total	109,756.00	6,571,381,426.00	56,102,815,644.58	14.88%
INSURANCE	31,571.00	4,811,978,461.00	3,995,717,824.10	10.89%

CONGLOMERATES	27,589.00	1,353,826,602.00	15,039,884,414.41	3.06%
FOOD/BEVERAGES & TOBACCO	66,360.00	1,347,718,608.00	38,282,910,326.79	3.05%
INFORMATION & COMMUNICATION TECHNOLOGY	4,590.00	1,110,193,642.00	1,344,265,079.12	2.51%
MORTGAGE COMPANIES	5,012.00	851,710,352.00	550,005,557.49	1.93%
BUILDING MATERIALS	22,940.00	798,529,924.00	51,584,340,640.90	1.81%
MARITIME	12,970.00	666,178,324.00	835,955,397.26	1.51%
PETROLEUM(MARKETING)	35,605.00	591,022,931.00	28,396,552,294.87	1.34%
CONSTRUCTION	6,702.00	460,832,899.00	2,586,447,977.15	
<b>Top 10 Traded Sectors</b>	<b>716,706.00</b>	<b>40,311,992,953.00</b>	<b>371,944,546,383.05</b>	
<b>Total Traded Sectors</b>	<b>828,279.00</b>	<b>44,172,013,998.00</b>	<b>412,667,853,129.01</b>	

Source: NSE, Proshare Research

## Top Twenty Gainers in the Year 2011

COMPANY	04-Jan-11	01-Apr-11	30-Jun-11	30-Sep-11	30-Dec-11	%Change
ROADS	3.01	3.01	3.47	4.65	8.69	188.70%
UBN	4.41	3.29	2.7	2.09	10.6	140.36%
CAPHOTEL	3.3	3	3.36	7.5	6.78	105.45%
CHAMPION	2.23	4.34	4.25	4.46	4.03	80.72%
OKOMUOIL	15.2	14.6	16	20.39	23.1	51.97%
NCR	6.94	6.27	5.96	4.98	9.31	34.15%
GUINNESS	190.56	186	245	217.95	250	31.19%
UNTL	0.75	0.7	0.59	0.85	0.97	29.33%
GOLDINSURE	0.52	0.57	0.5	0.5	0.67	28.85%
PRESCO	6.85	6.42	8	7	8.67	26.57%
AIRSERVICE	1.72	1.57	2.63	1.95	2.17	26.16%
NB	77.32	77.78	87.5	79.98	94.42	22.12%
NESTLE	368.55	425.5	400	401	445.66	20.92%
7UP	39	45.5	46	47	46.47	19.15%
TRANSCORP	0.5	1.16	1.03	0.75	0.57	14.00%
NBC	36.5	37.27	41	41	41	12.33%
UNILEVER	26.1	24.3	27	27.5	29	11.11%
LIVESTOCK	0.66	0.5	0.5	0.5	0.72	9.09%
ABBEYBDS	1.33	1.44	1.37	1.44	1.44	8.27%
NAMPAK	4.02	3.6	4.3	4.3	4.3	6.97%

Source: NSE, Proshare Research

**Top Ten Gainers in year 2010**

COMPANY	4-Jan-10	31-Dec-10	Change	% Change
VONO	0.69	2.86	2.17	314.49%
INTBREW	2.27	6.42	4.15	182.82%
BERGER	3.2	8.36	5.16	161.25%
CADBURY	10.49	25.62	15.13	144.23%
CAPHOTEL	1.38	3.3	1.92	139.13%
ASHAKACEM	11.39	26.51	15.12	132.75%
IKEJAHOTEL	0.87	1.8	0.93	106.90%
JBERGER	25.79	50	24.21	93.87%
FLOURMILL	36.2	69	32.8	90.61%
STERLNBANK	1.26	2.31	1.05	83.33%

Source: NSE, Proshare Research

**Top Twenty Year to Date Appreciation**

COMPANY	04-Jan-11	01-Apr-11	30-Jun-11	30-Sep-11	30-Dec-11	%Change
ROADS	3.01	3.01	3.47	4.65	8.69	188.70%
UBN	4.41	3.29	2.7	2.09	10.6	140.36%
CAPHOTEL	3.3	3	3.36	7.5	6.78	105.45%
CHAMPION	2.23	4.34	4.25	4.46	4.03	80.72%
OKOMUOIL	15.2	14.6	16	20.39	23.1	51.97%
NCR	6.94	6.27	5.96	4.98	9.31	34.15%
GUINNESS	190.56	186	245	217.95	250	31.19%
UNTL	0.75	0.7	0.59	0.85	0.97	29.33%
GOLDINSURE	0.52	0.57	0.5	0.5	0.67	28.85%
PRESCO	6.85	6.42	8	7	8.67	26.57%
AIRSERVICE	1.72	1.57	2.63	1.95	2.17	26.16%
NB	77.32	77.78	87.5	79.98	94.42	22.12%
NESTLE	368.55	425.5	400	401	445.66	20.92%
7UP	39	45.5	46	47	46.47	19.15%
TRANSCORP	0.5	1.16	1.03	0.75	0.57	14.00%
NBC	36.5	37.27	41	41	41	12.33%
UNILEVER	26.1	24.3	27	27.5	29	11.11%
LIVESTOCK	0.66	0.5	0.5	0.5	0.72	9.09%
ABBEYBDS	1.33	1.44	1.37	1.44	1.44	8.27%
NAMPAK	4.02	3.6	4.3	4.3	4.3	6.97%

Source: NSE, Proshare Research

**Top Twenty Decliners in the Year**

COMPANY	04-Jan-11	01-Apr-11	30-Jun-11	30-Sep-11	30-Dec-11	%Change
PAINTCOM	3.36	2.44	1.42	0.93	0.52	-84.52%

DIAMONDBNK	7.87	5.76	5.15	3.50	1.92	-75.60%
FIDSON	3.06	1.97	1.75	1.16	0.79	-74.18%
UBA	9.50	7.98	5.64	3.87	2.59	-72.74%
CCNN	15.39	11.35	9.75	7.30	4.35	-71.73%
DANGFLOUR	17.10	16.00	16.00	6.81	5.00	-70.76%
DANGSUGAR	16.00	13.12	12.87	7.00	4.70	-70.63%
DNMEYER	3.51	2.74	1.38	1.14	1.07	-69.52%
OANDO	67.00	66.15	42.80	22.99	22.00	-67.16%
STARCOMMS	1.37	0.78	0.50	0.50	0.50	-63.50%
COSTAIN	6.69	5.67	2.46	2.66	2.66	-60.24%
LONGMAN	7.30	6.84	5.60	4.79	2.95	-59.59%
NSLTECH	1.88	1.28	1.01	0.84	0.76	-59.57%
ASHAKACEM	27.83	24.00	23.25	16.80	11.30	-59.40%
CILEASING	1.52	1.34	1.25	0.90	0.63	-58.55%
STERLNBANK	2.42	2.15	1.82	1.26	1.01	-58.26%
RTBRISCOE	2.90	2.80	2.08	1.48	1.22	-57.93%
WEMABANK	1.35	1.27	1.00	0.71	0.57	-57.78%
SKYEBANK	9.08	8.85	7.38	5.10	3.84	-57.71%
CADBURY	26.80	22.00	17.95	13.91	11.40	-57.46%

Source: NSE, Proshare Research

## Top Ten Decliners in Year 2010

COMPANY	4-Jan-10	31-Dec-10	Change	% Change
UNITYKAP	2.38	0.5	-1.88	-78.99%
BECOPETRO	2.53	0.6	-1.93	-76.28%
ALUMACO	27.71	7.75	-19.96	-72.03%
OASISINS	1.49	0.5	-0.99	-66.44%
CRUSADER	1.5	0.53	-0.97	-64.67%
ECOBANK	10.1	3.6	-6.5	-64.36%
UNTL	1.9	0.75	-1.15	-60.53%
POLYPROD	4.45	1.86	-2.59	-58.20%
STACO	1.19	0.5	-0.69	-57.98%
NSLTECH	4.35	1.88	-2.47	-56.78%

**Top Twenty Year to Date Depreciation**

COMPANY	04-Jan-11	01-Apr-11	30-Jun-11	30-Sep-11	30-Dec-11	%Change
PAINTCOM	3.36	2.44	1.42	0.93	0.52	-84.52%
DIAMONDBNK	7.87	5.76	5.15	3.50	1.92	-75.60%
FIDSON	3.06	1.97	1.75	1.16	0.79	-74.18%
UBA	9.50	7.98	5.64	3.87	2.59	-72.74%
CCNN	15.39	11.35	9.75	7.30	4.35	-71.73%
DANGFLOUR	17.10	16.00	16.00	6.81	5.00	-70.76%
DANGSUGAR	16.00	13.12	12.87	7.00	4.70	-70.63%
DNMEYER	3.51	2.74	1.38	1.14	1.07	-69.52%
OANDO	67.00	66.15	42.80	22.99	22.00	-67.16%
STARCOMMS	1.37	0.78	0.50	0.50	0.50	-63.50%
COSTAIN	6.69	5.67	2.46	2.66	2.66	-60.24%
LONGMAN	7.30	6.84	5.60	4.79	2.95	-59.59%
NSLTECH	1.88	1.28	1.01	0.84	0.76	-59.57%
ASHAKACEM	27.83	24.00	23.25	16.80	11.30	-59.40%
CILEASING	1.52	1.34	1.25	0.90	0.63	-58.55%
STERLNBANK	2.42	2.15	1.82	1.26	1.01	-58.26%
RTBRISCOE	2.90	2.80	2.08	1.48	1.22	-57.93%
WEMABANK	1.35	1.27	1.00	0.71	0.57	-57.78%
SKYEBANK	9.08	8.85	7.38	5.10	3.84	-57.71%
CADBURY	26.80	22.00	17.95	13.91	11.40	-57.46%

Source: NSE, Proshare Research

## Analyst Opinion

The unrelenting efforts of the management of the NSE to revive the weak market confidence and deepen market with more products and classes of investment vehicle with a vision to make Nigerian Stock Exchange a gateway to African markets is commendable and this has revealed a good intention towards healthy market we desire as the newly introduced market segments and ETF have repositioned NSE globally.

However, we need to avoid the mistake of putting the cart before the horse. The market outlook suggests that the growing investors' apathy in the market requires a quick and lasting solution to the weak market fundamentals as these are major investors' concern.

The problems of illiquidity of stocks, low float, weak bargaining power as a result of lack of funds, insensitivity of the government to the market and investors' concern, unlisted private placements- an indication of weak regulatory. All these combined with other contributory and economic factors have depressed most stocks far below their public offer price- a true reflection of attrition of shareholders' loyalty.

More so, you will agree with us that market needs investors' confidence to gyrate. And make no mistakes, confidence provides liquidity and funds to market. The simple logic is that if you have confidence/trust in any business, you will source funds with great optimism which will provide good impetus and sentiments to the market.

The market performance in the year has shown the degree of fall in investors' confidence towards the market as equities across the board sustained continuous plummeting despite improved earnings and cheap valuation profile of the market.

Nevertheless, we remained optimistic while we are of the opinion that a vote of confidence from government and a sounding collaboration with all concerned regulators and stakeholders towards providing solutions to investors' concerns.

A promise of debt forbearance for the stock brokers by finance minister is seen as a good starting point of vote of confidence to the market as this will reinvigorate the proprietary trading aspect of the market significantly.

We foresee a continuous weakness in investors' confidence. The pension and fund managers and other institutional investors are likely to reduce their exposure to the equity market as they are trimming their loss incurred in the year. The sustained attractive rates in the bond market will stoke this trend.

Meanwhile, the retail aspect of the market is likely to maintain the 'wait and watch' attitude in the coming periods if meaningful and concrete not cosmetic plans towards reviving the investors' confidence and other market fundamentals are not on table at the right time.

However, January effect is likely to have more impact in the early stage of the year as low prices and anticipation of impressive Q4 2011 earnings report and reward would spur speculative buying in the month.



# TheAnalyst™



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