

CAPITAL MARKET

NSE index reaches record high above 42,000 basis points

Simon Ejenibi

Equities rose for the fifth time in six sessions on Friday, sending the Nigerian Stock Exchange All Share Index to a record high.

Specifically, the NSE ASI appreciated by 1.10 per cent to close at 42,187.64 basis points, its highest level in years.

The index, which was battered in a turbulent first quarter, has also erased losses suffered with its year-to-date return now at +2.08 per cent.

The performance of the sectoral indices on Friday was also positive as only the NSE Oil and Gas Index declined.

While the NSE Oil and Gas Index declined by 3.47 per cent to close at 4,52.86 basis points, the NSE Consumer Goods Index was the best performing indices for the day as it rose by 2.49 per cent to close at 1,043.78 basis points.

On Friday, 361,229 million shares valued at N4,991bn were traded in 4,789 deals with 33 stocks recording price appreciation, while 23 others recorded price depreciation.

While Guinness Nigeria Plc rose by 5.70 per cent or N10.79 to close at N200 per share and top the gainers, table, Forte Oil Plc declined by 8.57 per cent or N19.34 to close at N206.30 per share and lead the losers. Meanwhile, for the week,

investors traded a total of 2.893 billion shares worth N30.027bn in 30,650 deals on the floor of the Exchange as against the 1.528 billion shares valued at N20.080bn traded last week in 26,820 deals.

Analysts at Meristem Securities Limited, said volume for the week, which was 89.33 per cent higher than that of last week, was driven largely by Dangote Cement, Guinness Nigeria, Nigerian Breweries and Zenith Bank.

The analysts, who said market mood was positive in the week, attributed the recent resurgence in optimistic sentiments on the exchange to investors' position taking ahead of the release of second quarter results.

The NSE ASI and the market capitalisation of the listed equities appreciated by 2.57 per cent for the week, closing at 42,187.62 basis points and N13.930tn, respectively.

The Meristem analysts expect the positive market mood to be sustained. "In our view, the current mood may be sustained given the attractiveness of the market (PE of 13.59x) relative to its African peers (22.84x)," they said, adding, "We, however, note the possibility of a recurrence of the dominant trend in the market in the first half of 2014, where swift profit taking, followed slight price gains."

Stock market as at 27/06/2014

	Opening price	Closing price	Gain	%
Guinness	189.21	200.00	10.79	5.70
Portpaint	4.90	5.14	0.24	4.90
Redstarex	4.93	5.17	0.24	4.87
Eterna	4.55	4.77	0.22	4.84
Unilever	50.00	52.40	2.40	4.80
Nestle	1,050.00	1,098.90	48.90	4.66
Neimeth	1.21	1.26	0.05	4.13
Oasins	0.51	0.53	0.02	3.92
Wapic	0.77	0.80	0.03	3.90
Mbenefit	0.52	0.54	0.02	3.85
Opening price	Closing price	Loss	%	
FO	225.64	206.30	19.34	8.57
Champion	10.70	10.17	0.53	4.95
Caverton	6.90	6.56	0.34	4.93
Lennards	3.31	3.15	0.16	4.83
Abbey BDS	1.36	1.30	0.06	4.41
Japaul Oil	0.69	0.66	0.03	4.35
CCNN	11.60	11.14	0.46	3.97
UTC	0.52	0.50	0.02	3.85
Cleising	0.54	0.52	0.02	3.70
Royalex	0.55	0.53	0.02	3.64

GTBank GDR (London Stock Exchange)	Opening	\$8.40
	Closing	\$8.50
Global Depository Receipt is a vehicle that enables investment in an offshore company.		

FG, labour face-off delaying refinery privatisation – BPE

Okechukwu Nnodim, Abuja

The prolonged disagreement between the Federal Government and key labour unions in Nigeria's petroleum sector is the major issue delaying the privatisation process of the country's four refineries, the Bureau of Public Enterprises has said.

According to the bureau, the government is serious about privatising the oil firms as this will impact positively on Nigeria's economy.

The Director-General, BPE, Mr. Benjamin Dikiki, disclosed that by privatising the refineries, the government wanted to see the kind of reforms in the telecoms and power sectors happen in the oil and gas industry.

Dikiki spoke on the sidelines of an event organised by Just Friends Club of Nigeria in Abuja on Friday.

He said, "When we announced that we were going to privatise the refineries, you saw the reaction from the two powerful unions in the sector, PENGASSAN and NUPENG. They created panic that they were going to shut down the Nigerian economy by blocking the supply of fuel.

Nigeria ranks 141 in UN e-Government indices

Ozoma Ubahukoh

Nigeria has moved up by 21 points in the latest United Nations e-Government ranking, Saturday PUNCH learnt on Thursday.

Previously ranked 162, the country now ranks 141 out of 193 countries rated in the recent UN Global e-Government Development Index for 2014.

It also now ranks 97 in the e-Participation index, an improvement of 22 points up from 75 in 2012.

Mrs. Efem Nkanga, the special Assistant on Media to the Minister of Communication Technology, disclosed this to our correspondent.

Nkanga described the recent upward movement of Nigeria in the 2014 ranking as a welcome development, saying it shows that progress was being made in the efforts of the government to enable and promote e-Governance in Nigeria.

She said the Minister, Mrs. Omobola Johnson, had embarked on initiatives to deploy Information Communication Technology to drive transparency and efficiency in governance and public service delivery. To enable internal

"And no responsible government will want to subject its citizens to hardship. That is why the government halted the process and is engaging labour so that we can reach an understanding. We understand from our discussions with labour that they want to be stakeholders in the process and we have told them that is not an issue.

"So it is now left for us to sit down with labour to know how the transaction is going to be structured. Once we structure it in an acceptable manner where labour is happy and the government is happy then we will commence the privatisation."

He noted that the privatisation process would commence with the meeting of the steering committee chaired by the minister of petroleum, stressing that the government had given approval for labour unions to be part of the committee in order to make their inputs.

"But we have not reached an understanding with labour yet. Once we do,

then the petroleum minister will convene a meeting of the steering committee to determine the shares that will be retained by government and by labour.

Dikiki said the privatisation strategy would not be done without the appointment of a transaction adviser.

The adviser, he said would conduct due diligence on the refinery and the petroleum sector as a whole, adding that the findings of the adviser would determine the mode of transaction to be adopted by the steering committee.



• L-R: Partner, PWC, Mr. Pedro Ononutunhen; President, Institute of Chartered Accountants of Nigeria, Mr. Chidi Ajeogbu; and 2nd Deputy Vice-President, ICAN, Mr. Ismaila Zak during the institute's 40th induction ceremony of the Association of Accounting Technicians of West Africa, in Lagos... on Wednesday. Photo: ICAN

efficiency in government, Nkanga stated that the ministry was promoting ICT in government by facilitating e-Government, "which enhances transparency, efficiency, productivity, and citizen engagement."

She said, "The 'Getting Government Online' initiative the ministry is facilitating is geared at ensuring that government

deploys technology as a mechanism to transform the way government operates and enhance the effectiveness of government service delivery for the benefit of its citizens."

According to her, this has led to the implementation of two flagship projects, namely the Government Service Portal and Government Contact Centre.

'Increasing trade ties'll enhance economic cooperation'

Simon Ejenibi

The Head, Financial Institutions and Trade, Standard Bank, Mr. Stephen Meinjes, has said the increasing trade ties between Africa and the rest of the world, particularly Asia, will lead to significant increase in trade, foreign direct investment, aid and other forms of economic cooperation.

According to him, such partnerships will broaden the options for growth in Africa and present sufficient basis to x-ray the future of trade.

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The event, which had the theme 'New sources for the financing domestic and cross-border trade in Nigeria', saw experts and policy makers advancing proposals to aid the rapid transformation of Africa's largest economy.

In the course of his presentation, Meinjes said 80-90 per cent of trading activities require some form of trade finance, with financial institutions providing the bulk of such trade finance.

Meinjes, who stressed that there were inherent risks across the entire trade chain, explained that as a result, innovations in technology, new ways of thinking and managing risks, bureaucratic bottlenecks, to help clients achieve greater understanding of clients' business and the value chain were key issues in

addressing trade finance in future.

The Executive Director Corporate and Inves Banking, at Stanbic Bank, Mr. Victor Williams, although Nigeria's economy was dominated by oil, recent rebasing of the economy clearly illustrated the growing importance of other sectors.

According to him, it is an important part of the situation that highlighted the imperative of trade finance as the lifeblood of cross-trade.

He explained that the Standard Bank Group strongly capitalised and deploy balance sheet to help clients achieve goals, offering a divers of products and services

would secure themselves rather than ensure effectiveness