



**SEC NIGERIA**  
SECURITIES AND EXCHANGE COMMISSION, NIGERIA



# 2<sup>nd</sup> Quarter 2013

SEC NIGERIA Quarterly Report



Market  
Development  
Division

# Mission

To develop and regulate a capital market that is dynamic, fair, transparent and efficient to contribute to the nations



## TABLE OF CONTENTS



<b>Page</b>	<b>CONTENTS</b>
<b>03</b>	<b>PRIMARY AND SECONDARY MARKETS</b>
<b>26</b>	<b>MONITORING AND INVESTIGATION</b>
<b>37</b>	<b>SECURITIES AND INVESTMENTS SERVICES</b>
<b>40</b>	<b>FINANCIAL STANDARD AND CORPORATE GOVERNANCE</b>
<b>41</b>	<b>COLLECTIVE INVESTMENT SCHEMES</b>
<b>48</b>	<b>LEGAL</b>
<b>49</b>	<b>ENFORCEMENT AND COMPLIANCE</b>
<b>53</b>	<b>REGISTRATION AND RECOGNISED INVESTMENT EXCHANGES</b>
<b>78</b>	<b>ACTIVITIES OF ZONAL OFFICES</b>
<b>66</b>	<b>LAGOS</b>
<b>69</b>	<b>PORT HARCOURT</b>
<b>71</b>	<b>ONITSHA</b>



72 FOREIGN SCENE

## PRIMARY AND SECONDARY MARKET ACTIVITIES

### PRIMARY MARKET

#### NEW ISSUES

The primary market recorded considerable improvement in equity issuances second quarter 2013. The offers included an Initial Public Offer (IPO), the first since the Central Bank of Nigeria 2008. On the other hand, the debt market remained dominantly active with FGN bond issuances, with no corporate or sub-national issuance. A major disincentive for the absence of the sub-national and corporate issuers in the bond market may be linked to the high Market Price Ratio (MPR) which has been kept at 12.0% by CBN since 2011.

In all, the market recorded sixteen (16) new issues worth N304.26 billion in Q2, 2013 as against thirteen (13) issues valued at N298.61 billion in the Q1, 2013. As indicated in Table 1 below, six (6) equity issues valued at N68.64 billion were floated in the reviewed quarter compared to three (3) issues of N1.61 billion in the preceding quarter. The value of debt issuing declined from N297.0 billion to N235.61 billion raised in ten (10) FGN Bond Issuance.

**TABLE 1: SUMMARY OF NEW ISSUES IN FIRST AND SECOND QUARTERS OF 2013**

Mode of Offer	No. of Issues		Value of Shares(N' m)	
	Q1, 2013	Q2, 2013	Q1, 2013	Q2, 2013
Rights	0	4	0.00	30,772.68
Placements	3	1	1,614.10	36,260.00
IPO	0	1	0.00	1,611.71
<b>Total Equities</b>	<b>3</b>	<b>6</b>	<b>1,614.10</b>	<b>68,644.39</b>
*Corporate Bond	1	0	12,000.00	0.00
Sub-national Bond	0	0	0.00	0.00
FGN Bonds	9	10	285,000.00	235,612.40



<b>Total Debt Securities</b>	<b>10</b>	<b>10</b>	<b>297,000.00</b>	<b>235,612.40</b>
<b>Overall</b>	<b>13</b>	<b>16</b>	<b>298,614.10</b>	<b>304,256.79</b>

Source: SEC, DMO \*The Supra-national bond of the International Finance Corporation (IFC)

Find below, a brief description of the equities floated during the quarter:

### **Wema Bank Plc**

In compliance with the CBN's requirements on capital adequacy, on the new Prudential Guidelines, Wema Bank raised N23.33 billion through private placement to enable it shore-up its capital. The net proceeds would be applied in the following proportions:

- Fixed Assets (Branch Renovation & Development) – 10.0%
- Work tools - 3.0%
- Technology (Disaster Recovery) – 3.0%
- Risk Management and Lending Automation – 1.0%
- Working Capital – 83.0%

### **AG Homes Savings & Loans Plc**

The mortgage institution raised a sum of N2.10 billion by way of private placement to meet the CBN capital requirements to operate as a National Primary Mortgage Bank. The net proceeds would be applied as follows:

- Expansion of Branch Network – 44.0%
- Increase in working Capital & Investment Assets – 40.0%
- Enhancement of ICT Infrastructure – 16.0%

### **Transnational Corporation of Nigeria (Transcorp) Plc**

The conglomerate company floated rights issue worth N12.91 billion, involving 12.91 billion shares of 50k each at N1.00 per share. This was to enable it finance the following:

- Refinancing of the Acquisition of Ughelli Power Plc– 79.0%
- Development of New Hotels/Hospitality Assets in Port Harcourt and Lagos – 8.0%
- Exploration and Development of Oil Prospecting License (281) – 13.0%

### **WAPIC Insurance Plc**



The insurance company planned to capitalize the sum of N3.49 billion with the issuance of about 6.35 billion units of its shares at 55k each. The net proceeds after deduction of the cost of offer would be utilized in the following proportion:

- Expansion and infrastructure upgrade for New Head Office Building – 33.0%
- Equity Investment in subsidiaries (WAPIC Insurance Ghana and WAPIC Life Assurance Ltd) – 51.0%
- Information Technology Upgrade – 16.0%

### **Resort Savings and Loans Plc**

In a bid to meet the CBN minimum requirement to operate as a National Primary Mortgage Bank, the mortgage institution floated a hybrid offer; rights issues of 3.776 billion shares of 0.50k each valued at N1.888 billion and IPO of about 3.160 billion shares issued at 0.51k per share, worth N1.612 billion. The proceeds, which amounted to N3.50 billion was to be applied in as follows:

- Upgrading of ICT infrastructure – 3.69%
- Branch Expansion – 3.54%
- Acquisition of Head Office Building – 11.80%
- Investment in Mortgage Refinancing Company – 5.90%
- Mortgage Creation – 49.18%
- Working Capital – 25.89%

### **Sterling Bank Plc**

The bank gave its existing shareholders a provisional allotment of 3 ordinary shares for every 8 shares held as at May 20, 2013 to enable it capitalize the sum of N12.48 billion. The proceeds was to be utilized to finance the following:

- Branch Expansion – 35.0%
- Infrastructure Upgrade – 15.0%
- Information Technology – 10.0%
- Working capital requirement – 40.0%

**TABLE 2: NEW ISSUES (EQUITIES) IN THE SECOND QUARTER, 2013**

Issuer	Issue Type	Offer Price	Volume	Value(N)	Offer Opening Date
Wema Bank Plc	Placement	1.50	23,333,333,334	35,000,000,001.00	17/04/13
AG homes Savings & Loans Plc	Placement	0.60	2,100,000,000	1,260,000,000.00	15/04/13
Trans National	Rights	1.00	12,906,999,142	12,906,999,142.00	03/05/13



Corporation Plc					
WAPIC Insurance Plc	Rights	0.55	6,350,578,383	3,492,818,110.65	10/06/13
Resort Savings & Loans Plc	Rights	0.50	3,776,577,468	1,888,288,734.00	17/06/13
Resort Savings & Loans Plc	IPO	0.51	3,160,218,169	1,611,711,266.19	17/06/13
Sterling Bank Plc	Rights	2.12	5,888,949,162	12,484,572,223.44	24/06/13
<b>Total</b>			<b>57,516,655,658</b>	<b>68,644,389,477.28</b>	

Source: SEC

### FGN Bonds

The Debt Management Office (DMO) auctioned five (5) categories of FGN bonds in the second quarter, all of which were the tranches of previously issued bonds. Amongst the issues were two (2) bonds each, maturing on **June 29, 2019, April 23, 2015** and **April 27, 2017**, one (1) issue maturing **January 27, 2022** and three (3) issues of bond maturing **July 23, 2030**.

All of the FGN bonds issued were oversubscribed with the exception of one (1) issued in June, with only 92.88% level of subscription. A look at the allotted amounts, as indicated in Table 3 below, showed a reduction in the value of bonds allotted in June. This followed government announcement of a plan to reduce its domestic borrowing. A total of N235.61 billion worth of FGN bonds were allotted in the second quarter, 2013 from an issuance size of N299.80 billion in ten (10) issues as against N285.0 billion allotted in the first quarter, 2013 in nine (9) issues.

**TABLE 3: AUCTION SUMMARY OF FGN BOND FOR THE SECOND QUARTER OF 2013**

Issue	Tenor	Amount Auctioned (N'Bn)	Amount Subscribed (N'Bn)	Level of Subs.%	Amount Allotted (N'Bn)	Marginal Rate (%) Applied	Date Auctioned
June 29, 2019(10 <sup>th</sup> Issue)	7	35.00	40.90	116.86	35.00	16.00	17/04/13
January 27, 2022 (15 <sup>th</sup> Issue)	10	34.80	51.34	147.53	34.80	16.39	17/04/13
July 23, 2030 (7 <sup>th</sup> Issue)	20	35.00	41.10	117.43	35.00	10.00	17/04/13
April 23, 2015(18 <sup>th</sup> Issue)	5	15.00	39.55	263.67	15.00	4.00	15/05/13
April 27, 2017 (12 <sup>th</sup> Issue)	5	35.00	62.80	179.43	35.00	15.10	15/05/13
June 29, 2019(11 <sup>th</sup> Issue)	7	25.00	60.99	243.96	25.00	16.00	15/05/13
July 23, 2030 (8 <sup>th</sup> Issue)	20	35.00	64.17	183.34	35.00	10.00	15/05/13
April 23, 2015(19 <sup>th</sup> Issue)	5	25.00	23.22	92.88	0.0024	4.00	12/06/13
April 27, 2017 (13 <sup>th</sup> Issue)	5	35.00	78.78	225.09	18.80	15.10	12/06/13
July 23, 2030 (9 <sup>th</sup> Issue)	20	25.00	55.04	220.16	2.01	10.00	12/06/13
<b>Total</b>		<b>299.80</b>	<b>517.89</b>		<b>235.61</b>		



Source: Compiled from DMO Reports

### REGISTRATION OF OTHER SECURITIES

**Bonus Issues:** As indicated in Table 4 below, the Commission approved only one (1) bonus issue in the second quarter, involving Cutix Plc. The company gave 2 additional shares for every 3 shares held by its existing shareholders. In the preceding quarter, four (4) bonus issues of 124.8 million shares with nominal value of N62.1 million were registered.

**Table 4: REGISTERED BONUS ISSUES IN THE SECOND QUARTER, 2013**

Company	Volume (Unit)	Nominal Value (Naira)	Bonus Ratio	Date Registered
Cutix Plc	352,264,406	176,132,203	2 for 3	25/06/13
<b>Total</b>	<b>352,264,406</b>	<b>176,132,203</b>		

Source: SEC

### ALLOTMENT CLEARANCE

In the second quarter 2013, the Commission cleared two (2) allotment proposals, both of which were rights issues. As indicated in Table 5 below, the offers were both under subscribed.

**Table 5: ALLOTMENT CLEARED IN THE SECOND QUARTER OF 2013**

Issuer by Offer Type	Volume of Securities	Offer Price (N)	Value (Naira)	Level of Subs.	Amount capitalized (Naira)	Approval Date
<b>Rights:</b>						
African Paints Plc	130,000,000	1.25	162,500,000.00	83.43	135,573,750.00	13/06/13
Infrastructure Bank Plc	1,551,500,000	1.00	1,551,500,000.00	54.85	850,997,750.00	25/06/13





Issuer by Offer Type	Volume of Securities	Offer Price (N)	Value (Naira)	Level of Subs.	Amount capitalized (Naira)	Approval Date
<b>Total</b>			<b>1,714,000,000.00</b>		<b>986,571,500.00</b>	

Source: SEC

## SECONDARY MARKET

Although, the general price level showed appreciation in the second quarter 2013, the performance of the All Share Index was not as significant as the first quarter 2013. From an appreciation of 19.44% in the preceding quarter, the broad price index only rallied to gain 7.84% in the second quarter. The market witnessed major slide in equity prices from the second week of June 2013, which coincided with the period that markets around the world responded to the remark of Ben Bernanke, Chairman of the US Federal Reserve Board (US Fed), on the Fed's quantitative – easing.

## TRADING ACTIVITIES ON THE NIGERIAN STOCK EXCHANGE

The stock market recorded slightly lower securities trades in the second quarter when compared to the previous quarter. The number of deals and units of securities traded were 0.55% and 16.73% lower than the figures in the first quarter. However, turnover value was higher by 32.0%, given favorable appreciation in prices of equities. In all, about 26.51 billion units of securities worth N336.65 billion exchanged hands in 381,228 deals during the second quarter as against 31.83 billion units of securities valued at N255.03 billion traded in 383,332 deals in the preceding quarter.

Among the securities traded in the second quarter were 21,910 units of FGN bonds worth N11.19 billion, 1,200 units of Lagos State Government bond valued at N0.95 million and 24,250 units of NewGold ETF worth N53.04 million. Table 6 below shows the details of the transactions in the first and second quarters, 2013.

**Table 6: COMPARATIVE SUMMARY OF TRADING STATISTICS IN THE FIRST AND SECOND QUARTERS OF 2013**

SECURITIES	FIRST QUARTER 2013			SECOND QUARTER 2013		
	Deals	Volume (Unit)	Value (Naira)	Deals	Volume (Unit)	Value (Naira)
Federal Government Bond	237	36,433	43,305,865.90	165	21,910	11,190,218.00
State						
Government Bond	1	1,000	1,000,000.00	2	1,200	951,700
Corporate Bonds	0	0	0.00	0	0	0.00



Exchange Traded Fund (ETF)	66	7,347	18,198,613.00	115	24,250	53,043,530.30
Equities	383,028	31,833,267,255	254,971,980,849.08	380,946	26,507,789,063	336,587,497,036.20
<b>TOTAL</b>	<b>383,332</b>	<b>31,833,312,035</b>	<b>255,034,485,327.98</b>	<b>381,228</b>	<b>26,507,836,423</b>	<b>336,652,682,484.50</b>

Source: Compiled from reports supplied by The NSE

**Transactions by Sectors:** Transactions on the Exchange in the second quarter were dominantly from the Main board, which accounted for 99% of the total deals, volume and value each. The sector with the most activities was **Financial Services** sector, which accounted for 56.35%, 69.50% and 48.55% of the total deals, volume and value respectively. As shown in Table 7 below, 18.42 billion shares of companies listed under the **Financial Services** sector were traded for N163.45 billion in 214,830 deals.

Two (2) other sectors with significant units of shares traded during the quarter included **Conglomerate** and **Consumer Goods**, both of which accounted for 7.82% and 6.05% of the total volume of securities traded respectively. By turnover value, **Consumer Goods** sector accounted for 22.65% followed by **Industrial Goods** sector with 19.50%.

**TABLE 7: TRADING STATISTICS BY SECTOR FOR THE SECOND QUARTER OF 2013**

Segment/Sector	No. of Deals	Volume of Securities (units)	Value of Securities Traded (Naira)
<b>ASeM</b>			
Construction/Real Estate	1	1,000	1,480.00
Consumer Goods	381	24,032,760	34,971,090.59
Healthcare	0	0	0.00
Industrial Goods	3	10,110	14,861.70
Natural Resources	0	0	0.00



Oil And Gas	51	1,351,792	675,896.00
Services	10	515,620	1,118,344.40
<b>Sub-total</b>	<b>446</b>	<b>25,911,282</b>	<b>36,781,672.69</b>
<b>Main Board</b>			
Agriculture	15,247	422,265,367	9,831,263,150.64
Conglomerates	13,454	2,074,010,472	6,677,545,242.78
Construction/Real Estate	5,792	339,600,672	2,464,657,220.46
Consumer Goods	68,714	1,604,674,925	76,240,069,008.07
Financial Services	214,830	18,423,342,399	163,450,423,127.46
Healthcare	7,632	337,678,777	1,579,051,878.99
ICT	1,514	964,443,036	1,756,337,780.13
Industrial Goods	17,365	865,657,286	65,661,061,399.84
Natural Resources	240	18,732,664	32,789,972.23
Oil And Gas	23,286	878,909,382	7,187,603,087.76
Services	12,426	552,562,801	1,669,913,495.15
<b>Sub-total</b>	<b>380,500</b>	<b>26,481,877,781</b>	<b>336,550,715,363.51</b>
<b>Total Equities</b>	<b>380,946</b>	<b>26,507,789,063</b>	<b>336,587,497,036.20</b>
<b>Exchange Traded Funds</b>	<b>115</b>	<b>24,250</b>	<b>53,043,530.30</b>
FGN Bonds	165	21,910	11,190,218.00



Sub-national	2	1,200	951,700.00
<b>Total Debt Securities</b>	<b>167</b>	<b>23,110</b>	<b>12,141,918.00</b>
<b>Overall</b>	<b>381,228</b>	<b>26,507,836,423</b>	<b>336,652,682,484.50</b>

Source: Compiled from reports supplied by The NSE

**Top Twenty (20) Equity Transactions by Volume:** There were 169 equities on trading list of the NSE in the second quarter 2013. The top 20 by volume controlled 75.91% of the total securities traded. The balance (24.09%) involved the shares of one hundred and forty nine (149) equities on the trading list during the quarter.

The banking sub-sector of the **Financial Services** dominated transactions during the quarter under review. However, Transnational Corporation of Nigeria (Transcorp) Plc was the equity with the most units of shares traded. Activities on the shares of the conglomerate company, which accounted for 7.48% of the total volume of securities traded, became significant after its rights offer in May/June. This may not be unconnected to the fact that its shares were trading above the rights offer price allotted at N1.00 each.

As shown in Table 8 below, the other major transactions from **non Financial Services** sector included IHS Plc, Japaul Oil & Maritime Services Plc, Dangote Sugar Refinery Plc and Dangote Cement Plc.

**TABLE 8: TOP 20 EQUITY TRANSACTIONS BY VOLUME IN THE SECOND QUARTER OF 2013**

S/N	Equity	No. of Deals	Volume (units)	% of Total
1	Transnational Corporation Of Nigeria Plc	7,990	1,982,867,473	7.48
2	U B A Plc	22,647	1,909,772,780	7.20
3	Zenith Bank Plc	25,555	1,769,749,436	6.68
4	Access Bank Plc.	18,790	1,536,241,491	5.80
5	Unity Bank Plc	4,707	1,510,267,466	5.70



6	FBN Holdings Plc	37,097	1,449,559,407	5.47
7	Skye Bank Plc	12,782	1,088,556,350	4.11
8	Guaranty Trust Bank Plc.	27,063	1,058,944,937	3.99
9	Fidelity Bank Plc	9,474	1,042,382,050	3.93
10	Diamond Bank Plc	7,660	914,170,908	3.45
11	FCMB Group Plc.	5,319	872,737,466	3.29
12	Wema Bank Plc.	3,393	846,031,171	3.19
13	IHS Plc	154	814,966,150	3.07
14	Ecobank Transnational Incorporated	5,906	724,815,227	2.73
15	Sterling Bank Plc.	5,567	721,995,249	2.72
16	Japaul Oil & Maritime Services Plc	4,404	480,220,364	1.81
17	Dangote Sugar Refinery Plc	8,235	465,197,373	1.75
18	UBA Capital Plc	5,024	320,794,900	1.21
19	Dangote Cement Plc	4,071	314,459,272	1.19
20	Custodian And Allied Insurance Plc	1,312	297,160,738	1.12
	<b>Top 20 total</b>	<b>217,150</b>	<b>20,120,890,208</b>	<b>75.91</b>
	<b>Other 149 equities</b>	<b>163,796</b>	<b>6,386,898,855</b>	<b>24.09</b>
	<b>Total Equity Traded</b>	<b>380,946</b>	<b>26,507,789,063</b>	<b>100.00</b>

Source: Compiled from reports supplied by The NSE

### LISTINGS/DE-LISTING

Two (2) debt securities, one (1) sub-national and one (1) corporate worth N30.94 billion were listed. However, no equity was listed in the second quarter, 2013. See details of the listings as shown in Table 9 below.



Following the adoption of a group arrangement of its businesses in compliance with CBN requirements, FCMB Group Plc was listed on 24<sup>th</sup> June, 2013 in the **Other Financial Institutions** in place of FCMB Bank Plc earlier classified under the banking sector.

**TABLE 9: DETAILS OF BONDS LISTED IN THE SECOND QUARTER OF 2013**

Issuer	Amount Listed (N'Billion)	Coupon	Maturity	Date Listed
C&I Leasing Plc (Fixed Rate bond under N10bn bond programme)	0.94	18.0%	2017	15/04/13
Osun State Government (Series 1, under a N60bn bond programme)	30.0	14.75%	2019	23/04/13

Source: Compiled from reports supplied by The NSE

Four (4) equities and one (1) FGN bond were de-listed in the quarter under review. While two (2) of the de-listed equities were subject to the failure of regularizing their listing status with the exchange, the other two (2): Nigerian Bags Manufacturing Company Plc and Crusader (Nigeria) Plc were de-listed following their merger with Flour Mills of Nigeria Plc and Custodian & Allied Insurance Plc respectively. Securities de-listed during the quarter are captured in Table 10 below.

**Table 10: DE-LISTED SECURITIES IN THE SECOND QUARTER OF 2013**

S/N	Issuer	Resultant	Date De-Listed
1.	Nigerian Bags Manufacturing Company Plc	Merger with Flour Mills of Nigeria	11/04/13
2.	Crusader (Nigeria) Plc	Merger with Custodian and Allied Insurance Plc	13/05/13
3.	West African Aluminium Plc (Waap)	Failure to meet listing requirements	04/06/13
4.	Nigerian Wire Industries Plc	Failure to meet listing requirements	04/06/13
5.	15.00% FGN MAY 2013	De-listed upon maturity	30/05/13

Source: Compiled from reports supplied by The NSE

As at June 2013, the number of listed equities reduced to 196 from 200 in the first quarter, while listed debt securities stood at 59, ETF inclusive. Hence, the total listed securities was 255.

**Supplementary Listing:** Ten (10) supplementary listings, involving about 7.95 billion units of shares were recorded in the second quarter. The listings, as indicated in Table 11 below resulted from new issues, bonus issues and a merger.

**TABLE 11: SUPPLEMENTARY LISTINGS IN SECOND QUARTER OF 2013**



S/N	Issuer	Additional Shares Listed	Outstanding Shares	Resultant	Date Listed
1.	Flour Mills of Nigeria Plc	50,893,281	2,385,668,170	Merger with Nigerian Bags Manufacturing Company	11/04/13
2.	Rak Unity Petroleum Plc	43,051,159	56,624,893	Placing	17/04/13
3.	Livestock Feeds Plc	800,000,000	1,999,999,418	Placing	25/04/13
4.	Custodian and Allied Insurance Plc	781,017,387	5,881,864,195	Merger with Crusader (Nigeria) Plc	13/05/13
5.	BOC Gases Plc	23,124,706	416,244,706	Bonus issue (1 for 17)	14/05/13
6.	Okomu Oil Plc	476,955,000	953,910,000	Bonus issue (1 for 1)	14/05/13
7.	CAP Plc	140,000,000	700,000,000	Bonus issue (1 for 4)	27/05/13
8.	U A C N Plc	320,144,064	1,920,864,387	Bonus issue (1 for 5)	27/05/13
9.	First City Monument Bank Plc	761,642,721	19,802,710,754	Bonus 1 for 25	05/06/13
10.	OandoPlc	4,548,236,276	6,822,354,414	Right Issue of 2 for 1 issued in 2012	10/06/13
	Total	<b>7,945,064,594</b>			

Source: Compiled from reports supplied by The NSE

## PRICE MOVEMENTS

The general price position in the second quarter was not as significant as in the first quarter. Price gainers, which numbered eighty six (86) in the first quarter, reduced to fifty (50), while the losers increased significantly to sixty two (62) from just eighteen (18) in the preceding quarter (Q1, 2013). Equities with static prices stood at eighty four (84) in the quarter as against ninety six (96) in the first quarter.

**Gainers:** In addition to the significant reduction in the numbers of gainers, the level of price appreciations in the quarter were not as significant as the position in the first quarter. For instance, the price appreciation of the least company on top 20 gainers table, which was over 44% in first quarter, remained just within the top 9 gainers in the second quarter as shown on Table 12 below. Again, amongst the top 20 in the first quarter, only six (6) emerged on the table in the second quarter. The equities included: Evans Medical Plc, Livestock Feeds Plc, Forte Oil Plc, Fidson Healthcare Plc, Julius Berger Nigeria Plc and Presco Plc.

By percentage gain, Livestock Feeds Plc topped the gainers chart with 104.12% appreciation in its share price. This was distantly followed by Presco Plc (66.02%) and ABC Transport Plc (65.57%).

A few equities, mainly blue-chips, recorded significant Naira gains which surpassed that of the top 20 gainers. Notable among them were Dangote Cement Plc (N33.50) and Nestle Nigeria Plc (N10.00) respectively.

**TABLE 12: TOP TWENTY (20) PERCENTAGE PRICE GAINERS IN SECOND QUARTER, 2013**

S/N	Equity	Price on 28/03/13 (Naira)	Price on 28/06/13 (Naira)	Absolute Gain (Naira)	(%) Gain
1	Livestock Feeds Plc.	2.67	5.45	2.78	104.12
2	PrescoPlc	24.63	40.89	16.26	66.02
3	ABC Transport Plc	0.61	1.01	0.40	65.57
4	Cadbury Nigeria Plc.	35.00	57.00	22.00	62.86
5	Courteville Business Solutions Plc	0.50	0.80	0.30	60.00
6	Neimeth International Pharmaceuticals Plc	0.87	1.37	0.50	57.47
7	Evans Medical Plc.	1.75	2.68	0.93	53.14
8	Mc Nichols Plc	1.15	1.74	0.59	51.30
9	CAP Plc	37.10	53.91	16.81	45.31
10	National Salt Co. Nig. Plc	9.20	12.65	3.45	37.50
11	Champion Brew. Plc.	4.78	6.43	1.65	34.52
12	Dangote Sugar Refinery Plc	8.49	11.41	2.92	34.39
13	GlaxoSmithkline Consumer Nig. Plc.	47.51	62.00	14.49	30.50
14	VitafoamNig Plc.	3.61	4.70	1.09	30.19
15	Fidson Healthcare Plc	1.69	2.17	0.48	28.40
16	Red Star Express Plc	3.78	4.80	1.02	26.98
17	Julius Berger Nig. Plc.	53.00	66.49	13.49	25.45
18	May & Baker Nigeria Plc.	2.19	2.740	0.55	25.11
19	Forte Oil Plc.	13.65	17.02	3.37	24.69
20	International Breweries Plc.	21.20	26.00	4.80	22.64

Source: Compiled from The NSE Reports

**Losers:** Only one of the losers in the preceding quarter emerged on the list of the top 20 losers in the second quarter. The equity, Multi-Trex Integrated Foods Plc, declined by 23.16% and further declined by 31.51% in the second quarter. From the 1<sup>st</sup> position of the 8<sup>th</sup> top gainers in the preceding quarter, Wema Bank Plc and Okomu Oil Palm Plc switched to the losers table with declines of 29.07% and 33.79% in their share prices in the second quarter. The share prices of the two equities had appreciated by 230.77% and 70.59% in the first quarter respectively. The top 20 losers by percentage are captured in table 13 below.





A few among the blue-chips with significant decline in Naira value during the quarter included: Total Nigeria Plc (N18.95), Mobil Oil Nigeria Plc (N16.90), Guinness Nigeria Plc (N13.93) and Nigerian Breweries Plc (N7.10).

**TABLE 13: TOP TWENTY (20) PERCENTAGE PRICE LOSERS IN SECOND QUARTER, 2013**

S/N	Equity	Price on 28/03/13 (Naira)	Price on 28/06/13 (Naira)	Absolute Loss (Naira)	Loss (%)
1	Costain (W A) Plc.	2.66	1.55	1.11	41.73
2	Vono Products Plc.	2.88	1.71	1.17	40.63
3	Wapic Insurance Plc	1.39	0.89	0.50	35.97
4	Okomu Oil Palm Plc.	72.5	48	24.50	33.79
5	Deap Capital Management & Trust Plc	2.02	1.34	0.68	33.66
6	Multi-Trex Integrated Foods Plc	0.73	0.5	0.23	31.51
7	R T Briscoe Plc.	2.19	1.52	0.67	30.59
8	Wema Bank Plc.	1.72	1.22	0.50	29.07
9	MRS Oil Nigeria Plc.	24.88	17.8	7.08	28.46
10	Capital Hotel Plc	6.27	4.59	1.68	26.79
11	Juli Plc.	2.63	1.93	0.70	26.62
12	Unity Bank Plc	0.84	0.62	0.22	26.19
13	Royal Exchange Plc.	0.76	0.58	0.18	23.68
14	Skye Bank Plc	6.23	4.78	1.45	23.27
15	Mansard Insurance Plc	2.63	2.02	0.61	23.19
16	OandoPlc	16.8	13	3.80	22.62
17	U T C Nig. Plc.	0.77	0.6	0.17	22.08
18	DN Meyer Plc.	1.85	1.45	0.40	21.62
19	Prestige Assurance Co. Plc.	0.71	0.57	0.14	19.72
20	Custodian And Allied Insurance Plc	1.95	1.57	0.38	19.49

Source: Compiled from The NSE Reports

## THE ALL-SHARE INDEX



The All-Share Index closed at 36,164.31 points in the second quarter with an appreciation of 7.84% from 33,536.25 points in the preceding quarter. This position was far lower than the appreciation of 19.44% recorded in the first quarter, 2013.

A review of the index performance on monthly basis indicated that it only appreciated in May by 13.02%, but recorded declines of 0.29% and 4.31% in April and June respectively. However, the index briefly crossed 40,000 points in June, a position last attained in 2008 when the market was witnessing decline in general prices of equities. Precisely, the index closed at 40,012.66 point on 11th of June 2013, indicating that it declined by 9.62% between the peak point and end of June.

As captured in Table 14 below, showing the index year-to-date (YTD) was at its lowest of 17.13% on April 18, 2013, but reached 42.50% at the peak point in June before it ended the quarter at 28.80%. This position is also reflected in Chart 1 below.

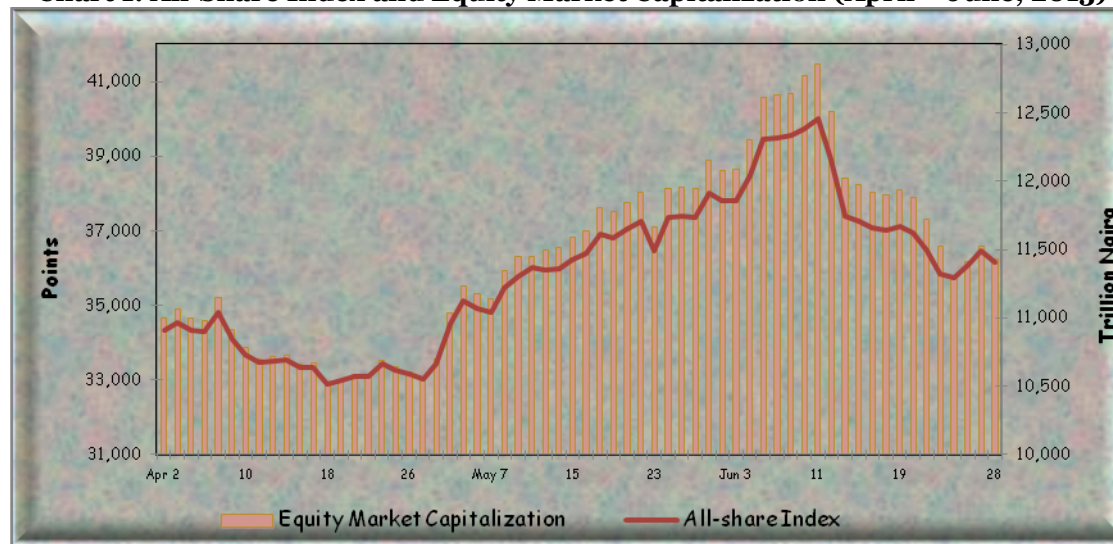
**TABLE 14: NSE ALL-SHARE INDEX LEVEL (APRIL – JUNE, 2013)**

Date	Index (Points)	YTD%	Remark
28/03/13	33,536.25	19.44	End point of Q1, 2013
02/04/13	34,351.87	22.34	<b>Opening point of April and the Quarter</b>
08/04/13	34,810.25	23.97	Peak point of April
18/04/13	32,887.46	17.13	<b>Lowest point of April and the Quarter</b>
30/04/13	33,440.57	19.10	Closing point of April
02/05/13	34,502.38	22.88	Opening and Lowest point of May
30/05/13	38,016.80	35.39	Peak point of May
31/05/13	37,794.75	34.60	Closing point of May
03/06/13	37,822.99	34.70	Opening point of June
11/06/13	40,012.66	42.50	<b>Peak point of June and the Quarter</b>
25/06/13	35,751.40	27.33	Lowest point of June
28/06/13	36,164.31	28.80	<b>Closing point of June and the Quarter</b>

Source: Compiled from The NSE reports



**Chart 1: All-Share Index and Equity Market Capitalization (April – June, 2013)**



Note: Equity Market capitalization for main board only

### MARKET CAPITALIZATION

At the close of the second quarter of 2013, there were 255 listed securities, having a total market capitalization of N15.78 trillion. The market had 258 securities with market value of N16.41 trillion in the first quarter. Total market capitalization therefore, declined by 3.84% in the second quarter.

Of the components of the total capitalization, only the equity market capitalization recorded appreciation in the quarter while the capitalization of debt securities and ETF declined by 23.32% and 23.56% to close the quarter at N4.349 trillion and N0.754 billion respectively.

During the quarter, equity market capitalization reached an all-time peak of N12.858 trillion on June 11, 2013, surpassing the highpoint of N12.64 trillion recorded before the market crash of 2008. However, this achievement was short-lived with a bear market situation as the indicator closed the quarter lower at N11.430 trillion to record an appreciation of 6.45% when compared to the N10.737 trillion reached in the first quarter. Table 15 below gives a sectorial breakdown of market capitalization, including the number of listed securities as at June 2013.

**TABLE 15: MARKET CAPITALIZATION BY SECTOR AS AT JUNE 28, 2013**

<b>Sector</b>	<b>Listed Securities</b>	<b>Market Capitalization (Naira)</b>	<b>% OF Total Capitalization</b>
<b>ASeM</b>			
Construction/Real Estate	1	66,600,000.00	0.0004
Consumer Goods	2	381,280,482.90	0.0024
Healthcare	1	12,449,425.00	0.0001
Industrial Goods	1	203,758,557.50	0.0013
Natural Resources	0	0.00	0.0000
Oil & Gas	4	3,013,527,716.83	0.0191
Services	1	385,816,657.72	0.0024
Sub-total	<b>10</b>	<b>4,063,432,839.95</b>	<b>0.0258</b>
<b>MAIN BOARD</b>			
Agriculture	5	99,188,876,828.10	0.6286
Conglomerates	6	153,786,056,595.20	0.9745
Construction/Real Estate	10	171,076,280,246.88	1.0841
Consumer Goods	27	3,467,971,872,982.55	21.9766
Financial Services	57	3,617,934,398,035.07	22.9269
Healthcare	10	74,050,163,769.90	0.4693
ICT	12	63,521,579,527.98	0.4025
Industrial Goods	24	3,482,484,136,517.57	22.0686
Natural Resources	5	8,449,671,817.75	0.0535
Oil & Gas	10	229,088,109,479.00	1.4517
Services	20	58,701,359,088.00	0.3720
Sub-total	<b>186</b>	<b>11,426,252,504,888.00</b>	<b>72.4084</b>
<b>EQUITY (TOTAL)</b>	<b>196</b>	<b>11,430,315,937,728.00</b>	<b>72.4341</b>
<b>ETFs</b>			
NewGold ETF	1	754,000,000.00	<b>0.0048</b>
<b>ETF (Total)</b>	<b>1</b>	<b>754,000,000.00</b>	<b>0.0048</b>
<b>DEBT SECURITIES</b>			
Federal Government Bonds	22	2,516,262,856,095.55	15.9456
Sub-National Bonds	16	421,425,000,000.00	2.6706
Corporate Bonds/Debentures	19	1,399,534,815,157.00	8.8689
Supra-national Bond	1	12,000,000,000.00	0.0760



<b>DEBT (TOTAL)</b>	<b>58</b>	<b>4,349,222,671,252.55</b>	<b>27.5611</b>
<b>OVERALL</b>	<b>255</b>	<b>15,780,292,608,980.50</b>	<b>100.00</b>

Source: Compiled from The NSE reports

**Top Twenty (20) Companies by Market Capitalization:** From the 22<sup>nd</sup> position in the preceding quarter, UACN Plc made the list of top 20 equities by market capitalization in the second quarter, displacing Diamond Bank Plc at the 19<sup>th</sup> position. In addition to this change, there were also a few changes in positions of top 20 equities by capitalization as indicated in the rank columns of Table 16 below. On the table, Dangote Cement Plc and Nigeria Breweries remained the top 2 followed by Nestle Nigeria Plc, which switched position with Guaranty Trust Bank Plc at the fourth position, while Zenith Bank Plc retained its fifth position.

The aggregate capitalization of the top 20 equities closed the quarter at N9.766 trillion, an appreciation of 6.76% compared to N9.148 trillion in the first quarter. The size of the large cap stocks remained significant at 85.44% of the equity market capitalization, while the remaining 176 equities accounted for just 14.56%.

**Table 16: TOP TWENTY (20) COMPANIES BY MARKET CAPITALIZATION AS AT JUNE 28, 2013**

Rank		Equity	Market Capitalization (Naira)	% of Equity Market Capitalization
Q1 2013	Q2 2013			
1	1	Dangote Cement Plc	3,101,372,347,710.00	27.13
2	2	Nigerian Brew. Plc.	1,180,538,161,835.20	10.33
4	3	Nestle Nigeria Plc.	760,950,001,920.00	6.66
3	4	Guaranty Trust Bank Plc.	715,177,655,143.20	6.26
5	5	Zenith Bank Plc	621,650,576,962.80	5.44
6	6	FBN Holdings Plc	584,114,309,972.40	5.11
7	7	Guinness Nig Plc	378,083,347,361.16	3.31
8	8	U B A Plc	267,149,239,284.60	2.34
10	9	Lafarge Wapco Plc.	252,134,400,336.00	2.21
9	10	Access Bank Plc.	249,423,816,097.20	2.18
11	11	Unilever Nigeria Plc.	219,431,182,500.00	1.92
14	12	Union Bank Nig.Plc.	210,681,432,499.24	1.84
13	13	Flour Mills Nig. Plc.	202,781,794,450.00	1.77
12	14	Ecobank Transnational Incorporated	191,132,793,533.60	1.67
17	15	Cadbury Nigeria Plc.	178,363,725,120.00	1.56



<b>15</b>	<b>16</b>	P Z Cussons Nigeria Plc.	158,024,986,391.00	1.38
<b>16</b>	<b>17</b>	Stanbic IBTC Holdings Plc	155,000,000,000.00	1.36
<b>18</b>	<b>18</b>	Dangote Sugar Refinery Plc	136,920,000,000.00	1.20
<b>22</b>	<b>19</b>	U A C N Plc.	109,489,270,059.00	0.96
<b>20</b>	<b>20</b>	FCMB Group Plc.	93,666,821,866.42	0.82
		<b>Top 20 Market Capitalization</b>	<b>9,766,085,863,041.82</b>	<b>85.44</b>
		<b>Other 176 Equities</b>	<b>1,664,230,074,686.12</b>	<b>14.56</b>
		<b>Equity Market Capitalization</b>	<b>11,430,315,937,727.90</b>	<b>100.00</b>

Source: Compiled from reports supplied by The NSE



## MONITORING AND INVESTIGATION ACTIVITIES

During the reviewed period, the Commission earned out its regulatory oversight of the Market it conducted **On-site** and **Off-site** inspections on Capital Market Operators.

### **Prudential Supervision & Post-offer Supervision**

#### **Submission and Analyses of First Quarter 2013 Returns.**

A total of Five Hundred and Thirty Three (523) returns were received in Q2, 2013. The reports comprised of eighteen (18) reports on the utilization of issues processes and 503 reports on the actions of capital market operators in the previous quarter.

Table 17: Returns received from capital market operators Q1, 2013.

<b>Capital Market functions</b>	<b>No. of Returns received</b>
Broker/Dealers	226
Funds/Portfolio Managers	86
Issuing Houses	76
Registrars	24
Receiving Banks	1
Trustees	23
Underwriters	14
Rating Agencies	4
Investment Advisers	51
Utilization of Issue Proceeds	18
<b>Total Submissions</b>	<b>523</b>

During the reviewed quarter, the Commission conducted only one Utilization On-site inspection.



## INSPECTION

Although only one (1) on-site inspection was conducted the Commission received a total of 226 returns from Brokers/Dealers. The reports were compared with 231 returns analyzed in fourth quarter, 2012. The table below shows, the comparison of the key indicators for Q1, 2013 and Q4, 2012:

**Table 18: Analysis of capital market operators report**

S/NO	INDICATORS	Q1'13 Nbn	Q4'12 Nbn	INCREASE/ DECREASE	% CHANGE
1	Aggregate Shareholders Funds	84.66	48.85	35.81	73.32
2	Aggregate Indebtedness to Banks	27.37	44.95	(20.58)	(39.11)
3	Aggregate Cash and Short Term Funds	29.65	19.70	9.95	50.50
4.	Aggregate Fixed Assets	28.10	29.15	(1.05)	(3.60)
5	Aggregate Total Liability	129.47	135.50	(6.03)	4.45
6	Aggregate Other Assets	29.60	35.87	(6.27)	17.47
7	Aggregate Investment in Quoted Securities	52.08	55.45	(3.37)	6.07
8	Aggregate Unquoted Investment	32.01	36.39	(4.38)	12.04
9	Aggregate Loans to Clients	27.20	14.12	13.08	92.63
10	Level of Profitability (Net)	1.67	0.30	1.37	456.67
11	Aggregate Total Assets	216.62	190.68	25.94	13.60

The Performance of Broker/Dealer firms in Q1 ended 31<sup>st</sup> March, 2013 showed that aggregate shareholders funds increased approximately by N35.81 billion when compared with the last quarter, 2012 representing 73.32%. This implied that fresh cash were injected by the Operators which translated into increase of aggregate total assets. It may also not be unconnected with an increase of profitability level from N303 million in the preceding quarter, 2012 to N1.67billion. The increase may also be attributed to an improved level of gearing as evidenced by a decrease of 39.11% in the aggregate indebtedness to banks, which in turn had reduced the cost of servicing these loans.

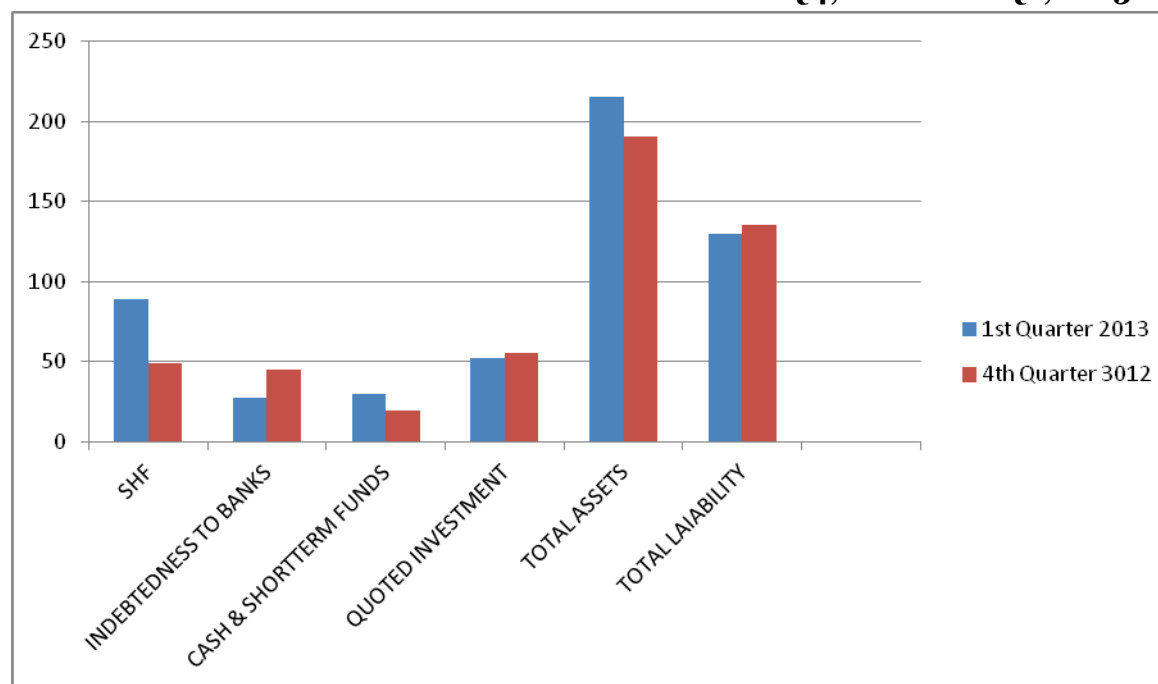
Cash and Short Term Funds increased by 50.50% from the Q4, 2012. The Aggregate Fixed Assets decreased by 3.60%. A decline in Other Assets, Quoted Investment (17.47%) and (6.07%) respectively, as well as decline in total liability and indebtedness to banks indicated that Brokers/Dealers liquidated some investments to reduce outstanding liabilities from N135.50 billion to N129.47 (N6.03) billion. There was also an increase in Loan to Clients by 92.63%.





The overall sector performance showed an increase in Total Assets from the previous quarter of N190.68 billion to N216.62 representing an increase of 13.60%.

**Chart 2: ANALYSIS OF REPORTS RECEIVED IN Q4, 2012 AND Q1, 2013**



A similar review of reports received Q1, 2013 as against the corresponding period of 2012 showed significant improvements as indicated in Table.



Table 19.

S/NO	INDICATORS	Q1'13 ₦bn	Q1'12 ₦bn	INCREASE/ DECREASE	% CHANGE
1	Aggregate Shareholders Funds	84.66	91.80	(7.14)	(7.78)
2	Aggregate Indebtedness to Banks	27.37	56.38	(29.01)	(51.45)
3	Aggregate Cash and Short Term Funds	29.65	18.98	10.67	18.93
4.	Aggregate Fixed Assets	28.10	27.74	0.36	1.30
5	Aggregate Total Liability	129.47	269.55	(140.08)	51.97
6	Aggregate Other Assets	29.60	35.32	(5.72)	(16.19)
7	Aggregate Investment in Quoted Securities	52.08	164.56	(112.48)	(68.35)
8	Aggregate Unquoted Investment	32.01	40.21	(8.2)	(20.39)
9	Aggregate Loans to Clients	27.20	15.79	11.41	72.26
10	Level of Profitability (Net)	1.67	.447	1.223	273.60
11	Aggregate Total Assets	216.62	365.43	(148.81)	(40.72)

### ANTI-MONEY LAUNDERING/COMBATING FINANCING OF TERRORISM (AML/CFT) UNIT

#### SEC meets with Financial Intelligence Council of Ghana

The Commission hosted delegations from the Financial Intelligence Council of Ghana (FIC) headed by the CEO of the FIC Ghana, Mr. S. Thompson. The delegation solicited for SEC's assistance regarding SEC AML/CFT structure regulations and implementation to enable them establish their own AMLCFT regime in Ghana.

#### INVESTIGATIONS ACTIVITIES

The Commission received 80 new complaints from stockbrokers during the quarter. Table 20 below gives details.

Table 20: Breakdown of the new complaints received against stockbrokers:

Month	Unauthorized/ fraudulent sale of shares	Non remittance of share sale proceeds	Refusal/ Illegal transfer of shares	Falsification of clients' accounts	Non purchase of shares/ undue delay in the purchase of stocks	Grand Total
April	5	6	2	8	4	25



May	5	6	2	5	3	21
June	13	7	9	2	3	34
<b>Total</b>	<b>23</b>	<b>19</b>	<b>13</b>	<b>15</b>	<b>10</b>	<b>80</b>

### REGISTRARS

The number of complaints received by the Commission on other stockbrokers stood at 66 and detailed in table 21 below.

Table 21: Breakdown of the new complaints against registrars received Q2.

Month	Non-receipt of dividends warrants/bonuses	Returned monies for un-allotted shares	Non verification of share certificates	Non issuance of share certificates	Wrong crediting bonus shares/non crediting CSCS accrued	Grand Total
April	7	4	1	3	1	16
May	8	2	-	8	-	18
June	12	5	3	8	4	32
<b>Total</b>	<b>27</b>	<b>11</b>	<b>4</b>	<b>19</b>	<b>5</b>	<b>66</b>

### OTHER MARKET OPERATORS

13 complaints against other Capital Market Operators (other than Stockbrokers and Registrars) were received. Find the breakdown below:

Table 22: Breakdown of the new complaints against registrars received Q2.

Month	Breach of CSCS	Public offer/Private	Margin	Fraudulent	Withholding	Total
-------	----------------	----------------------	--------	------------	-------------	-------



	agreement/ Non payment	Statement/illegal verification and sale of share	Placement/share cert.	Facility	Conversion	of information	
April	-	1	-	-	-	-	1
May		3	-	-	-	-	3
June	1	1	1	1	4	1	9
<b>Total</b>	<b>1</b>	<b>5</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>1</b>	<b>13</b>

### RESOLVED AND CLOSED CASES

A total of 77 cases were resolved and closed during the first quarter, 2013. Find the breakdown below:-

**Table 23: STOCKBROKERS – Breakdown by nature of complaints**

Month	Unauthorized/ fraudulent sale of shares	Non remittance of share sale proceeds	Refusal/ Illegal transfer of shares	Falsification of clients' accounts	Non purchase / undue delay in the purchase of stocks	Non verification of shares	Grand Total
April	2	3	2	5	2	4	18
May	1	3	-	4	-	2	10
June	3	2	1	3	2	4	15
<b>Total</b>	<b>6</b>	<b>8</b>	<b>3</b>	<b>12</b>	<b>4</b>	<b>10</b>	<b>43</b>



**Table 24: REGISTRARS – Breakdown by nature of complaints**

Month	Non-receipt/revalidation of dividend warrants/bonuses	Returned monies for unallotted shares	Non verification of share certificates	Non issuance of share certificates	Wrong crediting bonus shares/non crediting & CSCS accrued/falsification of account/unethical	Grand Total
April	6	2	3	1	-	12
May	3	-	-	3	-	6
June	2	2	1	1	-	6
<b>Total</b>	<b>11</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>-</b>	<b>24</b>

**Table 25: Other market Operators – Breakdown by nature of complaints.**

Month	Breach of agreement/ Non payment	CSCS Statement/illegal verification	Public offer/Private Placement/share cert.	Margin Facility	Fraudulent Conversion	Withholding of information	Total
April	-	-	-	-	-	-	0
May	2	-	1	1	1	3	8
June	-	1	-	-	-	-	2
<b>Total</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10</b>

**Table 26: CASES FORWARDED FOR ENFORCEMENT & COMPLIANCE**



S/N	NAME OF PARTIES	NATURE OF COMPLAINT	DATE
1.	Maureen Onuh Vs BGL Plc	Petition to commission for intervention	June 19 , 2013
2.	Okey Afam Vs Mega Asset Managers Ltd	Fraudulent conversion of N20,000,000.00 by Mega Asset Managers Ltd	June 19 , 2013

### ALL PARTIES MEETING

Table 27: Nine (9) all parties meetings were held during the quarter, as shown below.

S/N	NAME OF PARTIES	NATURE OF COMPLAINT	DATE	REMARKS
1.	Omni-B Holdings Ltd Vs Transglobe Investment & Finance Ltd	Non transfer of shares to the complainant in respect of private placement.	June 7 , 2013	The parties reached an agreement on how to settle the matter.
2.	Standard Alliance Insurance Vs Vetiva & 12 others	Cancellation of shares of standard Alliance Insurance plc in 2008 public offer .	June 20 , 2013	The findings of the meeting will be analyze for management attention
3.	Transglobe Investment & fin.Ltd vs Geofluids plc	500 Million Financial Engineering Investment in Gec Fluids Plc By Transglobe Investment & fin.Ltd	June 12 , 2013	The Parties agreed to settle and forward a memorandum of settlement to the Commission
4.	Florence Abiola Danes Vs Lead Capital Plc	Application for refund of fund	June 5 , 2013	Outcome of the meeting to be forwarded for Management decision.
5.	Investigation in respect of unity bank shares –Ernest Ekwe/ River state Govt.	Investigation in respect of unity bank shares	June 19 , 2013	Investigation is still on
6.	Ekefre Umoh Emem Vs. EDC Securities Ltd	Illegal Caution placed on Ekefre Umoh Emem's Account (No. 7588266) by EDC Securities Ltd since	May 23, 2013	EDC is expected to revert resolution reached to the Commission on or before May 30, 2013 for closure of the case file.



		2008		
7.	Law Union Rock Vs. Radix Capital Partners	Wrongful conversion of investment	May 30, 2013	Undergoing final review
8.	Josiah Yisa Vs. Mact Securities Ltd	Non purchase of shares	April 4, 2013	The operator promise to trace the complainant payment, after which he would revert to the Commission by May 3, 3013
9.	Vester Castrol Ltd Vs. Aims Asset Management Ltd	The Complainant reported that he invested N1m with the operator but when he wanted back his money, the value of the assets did not cover it.	April 25, 2013	The meeting ended unresolved.

## SECURITIES AND INVESTMENT SERVICES

### BUSINESS COMBINATION AND RESTRUCTURING

#### Share Transfer

The Commission approved Share transfer of 199,999,996 Ordinary Shares of 50 kobo in Sunseed Nigeria Limited to Sunola Foods Limited (Private Companies with alien interest). Both the Transferor and Transferee were members of the Kewalram Chanrai Group.

### MERGERS AND TAKEOVER

#### MERGERS



- Applications received 2
- Pending applications 2
- Application approved Nil

#### **ACQUISITION**

- Applications received 10
- Pending applications 4
- Application approved 7

#### **TAKEOVER**

- Applications received Nil
- Pending applications 1
- Applications approved Nil

#### **RESTRUCTURING**

- Applications received 2
- Pending applications 1
- Applications approved 2

#### **TAKEOVER**

**1 TAKEOVER OF UP TO 332,500,000 ORDINARY SHARES OF 50K EACH REPRESENTING 6.6% STAKE IN DANGOTE FLOUR MILL BY TIGER BRAND LTD.**

Upon conclusion of the acquisition, Vetura Capital Management Ltd filed for the takeover of up to 332,500,000 ordinary shares of Dangote Flour Mill.

#### **RESTRUCTURING**





### ***New Restructuring Transaction***

#### **1 PROPOSED INTERNAL CORPORATE RESTRUCTURING OF FOOD CONCEPT PLC AND FREE RANGE FARMS LTD.**

The transaction involved a backward integration which would lead to a separation of both entities by the divestment of Free Range Farms via the issuance of the entire shares of the company to Food Concept shareholders pro rata, based on their existing shareholdings.

The divestment was to be effected via a scheme of arrangement.

#### **STATE OF PROCESSING**

The transaction was also approved during the quarter.

#### **2 SCHEME OF ARRANGEMENT FOR REORGANISATION OF CAPITAL BETWEEN GLAXOSMITHLINE CONSUMER NIGERIA PLC AND THE HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50K EACH.**

The transaction was filed by Chapel Hill Advisory Partners Limited. The transaction involved the reorganization of Capital of GlaxoSmithKiline Consumer Nigeria (GSK Nigeria) and Holders of its fully paid Ordinary Shares and a reduction in GSK Nigeria's Share Capital. It was proposed that 2 out of every 3 shares held by existing shareholders of GSK Nigeria should be cancelled, pursuant to section 106 of CAMA. Also, the holders of the shares so cancelled should retain 1 ordinary share of 50k each in the reorganized GSK Nigeria credited as fully paid for every 3 ordinary shares of 50k each held by the shareholders after the initial restructuring.

#### **STATE OF PROCESSING**

The transaction was also approved during the quarter.

### **OUTSTANDING RESTRUCTURING**

#### **1 RESTRUCTURING OF RINGADAS NIGERIA LIMITED, ASCA BITUMEN COMPANY LIMITED, MORAGA MORTAIN NIGERIA LIMITED AND GNB LOGISTICS NIGERIA LIMITED.**

The restructuring filed by Joint Heir Chambers involved the consolidation of Ringadas Nigeria Limited, ASCA Bitumen Company Limited, Morgan Nigeria Limited and GNB Logistics Nigeria Limited.

#### **STATE OF PROCESSING**

A deficiency letter was communicated to the Financial Adviser on 22/01/13.



## **APPROVED RESTRUCTURING**

### **1 INTERNAL CORPORATE RESTRUCTURING OF FOOD CONCEPT PLC AND FREE RANGE FARMS LTD.**

The transaction involved a backward integration which would lead to a separation of both entities by the divestment of Free Range Farms via the issuance of the entire shares of the company to food concept shareholders pro rata, based on their existing shareholdings. The divestment would be effected via a scheme of arrangement. The transaction was approved on 20<sup>th</sup> May, 2013.

### **2 SCHEME OF ARRANGEMENT FOR REORGANISATION OF CAPITAL BETWEEN GLAXOSMITHLINE CONSUMER NIGERIA PLC AND THE HOLDERS OF ITS FULLY PAID ORDINARY SHARES OF 50K EACH**

The transaction which was filed by Chapel Hill Advisory Partners Limited involved the reorganization of Capital of GlaxoSmithKiline Consumer Nigeria (GSK Nigeria) and Holders of its fully paid Ordinary Shares and a reduction in GSK Nigeria's Share Capital. It was proposed that 2 out of every 3 shares held by existing shareholders of GSK Nigeria should be cancelled, pursuant to section 106 CAMA. Also, the holders of the shares so cancelled should retain 1 ordinary share of 50k each in the reorganized GSK Nigeria credited as fully paid for every 3 ordinary shares of 50k each held by the shareholders after the initial restructuring. The transaction was approved on 31<sup>st</sup> May 2013.

## **OTHER TRANSACTION**

### **CHANGE OF SHARE HOLDING STRUCTURE OF SKYE TRUSTEES LTD**

Skye Trustees Limited wrote to the Commission notifying them of change of structure of the company. The transaction involved acquisition of Skye Bank's equity interest in Skye Trustees by Blue Ridge Capital.

## **STATE OF THE PROCESSING**

A letter was sent to the company requesting for the ratification of the transaction.

## **FINANCIAL STANDARDS AND CORPORATE GOVERNANCE**

### **HALF YEARLY RETURNS**

In other to ensure good financial conduct in the capital market, the Commission continued to review returns submitted by public quoted company during the quarter. A total of 23 half yearly returns were received while 42, including those



obtained in the previous months were received. Observations were made individually as listed below and affected companies were communicated to.

1. Late submission of returns which contravened section 65 of the ISA 2007.
2. High number of director related credit.
3. Large number of staff disciplined during the period.
4. Non disclosure of net working capital on return forms.
5. Inadequate disclosure on highest paid directors
6. Inadequate Audit committee/Board Committees

## **COLLECTIVE INVESTMENT SCHEMES**

### **UNIT TRUST**



The Commission received the Registration & Authorisation of two (2) Unit Trust Schemes during the period under review. The companies include:

1. **ARM Money Market Fund:** allotment proposal approved/cleared.
2. **UPDC Real Estate Investment Trust:** allotment proposal approved/cleared.

**One new Application was received for Registration of Unit Trust Scheme.**

- (i) **IPRO African Market Leaders Fund:** This was an application for registration and distribution of the IPRO African Market Leaders Fund, a sub-class of shares of IPRO Funds Limited. The IPRO African Market Leaders Fund Shares were intended to be distributed to prospective Nigerian investors on a private basis.

The objective of the African Market Leaders Fund was to achieve long-term capital growth by investing in Sub-Sahara African equities. The Fund is an equity based Fund, investing in Nigeria 25%, Kenya 16%, West Africa 12%, Rwanda 8%, Zambia 7%, Ghana 6%, Mauritius 5% and Botswana 3%.

(ii) **Annual Audited Accounts were approved in the period under review.** These include:

1. **Anchor Fund:** Financial Statement/Audited Accounts for the year ended 31<sup>st</sup> March, 2012.
2. **Indo-Nigeria Unit trust Fund:** Approved Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2011.
3. **Women Investment Fund:** Financial Statement/Audited Accounts for the year ended 30<sup>th</sup> June, 2012.
4. **Indo-Nigeria Unit trust Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
5. **Coral income Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
6. **Coral Growth Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
7. **Afrinvest Equity Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
8. **Chapel Hill Denham Millennium Fund:** Draft of Audited Accounts/ Financial Statements for the years ended 31<sup>st</sup> December 2012.
9. **ARM Aggressive Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
10. **ARM Discovery Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
11. **Stanbic IBTC Guaranteed Income Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.
12. **Stanbic IBTC Equity Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.



**13. Stanbic IBTC Ethical Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2012.

**14. Nigeria International Debt Fund:** Draft of Annual Audited Accounts/ Financial Statements for the year ended 31<sup>st</sup> December, 2011.

**Table 28: Quarterly Investment Table of Unit Trust Schemes (April – June 2013)**

QUARTERLY RETURNS INVESTMENT TABLE AS AT 30TH JUNE 2013												
S/N	NAME OF FUND	FUND MANAGER	EQUITIES	MONEY MARKET	BONDS	REAL ESTATE	OTHERS	TOTAL EXPENSES	EXPENSES /NAV %	NO. OF UNIT HOLDERS		
										NET VALUE	ASSET VALUE	
			₦	₦	₦	₦	₦	₦	-	₦		
	EQUITY BASED FUNDS		-	-	-	-	-	-	-	-		
1	Stanbic IBTC Nigerian Equity Fund	Stanbic IBTC Asset Mgt. Limited	14,568,208,242.77	200,117,808.22			22,904,680.50	14,791,230,731.49	392,007,774.71	2.63%	14,922,006,021.28	18120
2	Denham Mgt. Millennium Fund	Chapel Hill Denham Mgt. Ltd	19,179,783.36	6,503,828.02				25,683,611.38	196,463.77	0.68%	28,854,387.58	5592
3	Paramount Equity	Chapel Hill Denham Mgt.	208,928,404.03	9,771,859.42	10,484,38			229,184,6	1,657,507.98	0.70%	237,602,155.34	8922



	Fund	Ltd			3.56			47.01				
4	<b>Frontier Fund</b>	Sterling Capital Market Limited	130,362,954.74	55,019,950.62			-	185,382,905.36	1,413,399.28	0.79%	178,214,568.73	791
5	<b>Zenith Equity Fund</b>	Zenith Bank Plc	4,179,229,557.05	294,597,260.28	-	-	-	4,473,826,817.33	43,649,309.65	1.01%	4,341,739,682.14	8522
6	<b>ARM Discovery Fund</b>	Asset & Resources Mgt. Co. Ltd	3,579,196,749.21	750,731,538.08	435,940,442.25	275,000,000.00	-	5,040,868,729.54	38,118,113.37	0.68%	5,618,358,227.00	24862
7	<b>ARM Aggressive Growth Fund</b>	Asset & Resources Mgt. Co. Ltd	3,626,381,685.68	294,947,279.90	82,694,935.34		-	4,004,023,900.92	30,732,469.27	0.75%	4,109,654,178.00	7837
8	<b>Coral Growth Fund</b>	FSDH Asset Management Ltd	2,051,953,738.88	1,194,750,291.16	724,831,174.39		-	3,971,535,204.43	36,400,027.44	0.92%	3,950,078,096.80	988
9	<b>Afrinvest Equity Fund</b>	Afrinvest West Africa Limited	379,933,559.26	145,571,095.89	0		0.00	525,504,655.15	2,402,643.66	0.46%	526,345,858.70	1788
10	<b>Anchor Fund</b>	Cashcraft Asset Mgt. Limited	37,802,201.12	5,243,896.71	-		-	43,046,097.83	467,448.93	0.99%	47,002,590.56	993
11	<b>Bedrock Fund</b>	Cashcraft Asset Mgt. Limited	82,683,042.46	15,243,823.21	-		-	97,926,865.67	587,443.17	0.54%	109,153,427.49	1374



12	<b>Nigeria International Growth Fund</b>	Investment One FS Ltd.	927,540,789.00	-	143,043,10.00	735,840,00.00	-	1,806,423,899.00	12,918,263.00	0.61%	2,113,816,083.00	2082
13	<b>FBN Heritage Fund</b>	FBN Capital Limited	1,214,093,656.98	2,696,462,884.78	1,170,114,125.93			5,080,670,667.69	23,573,918.72	0.46%	5,121,465,312.62	5949
14	<b>ACAP Canary Growth Fund</b>	Alternative Capital Partners Limited	623,245,866.91	489,023,388.50	40,975,583.42	225,035,205.01	52,117.50	1,378,332,161.34	9,006,708.09	0.62%	1,460,604,576.05	10753
15	<b>IMB Energy Master Fund</b>	Finbank Plc	214,136,127.94	-	-			214,136,127.94	-	0.00%	521,978,237.86	711
16	<b>Legacy Fund</b>	CSL Stockbrokers Limited	689,686,992.45	179,568,107.53				869,255,099.98	7,411,704.88	0.81%	910,281,972.57	3929
17	<b>UBA Equity Fund</b>	UBA Asset Management Limited	1,197,407,875.53	761,356,992.00	-			1,958,764,867.53	13,696,136.00	0.70%	1,956,655,648.39	2916
18	<b>BGL Nubian Funds</b>	BGL Asset Management	80,187,035.03	-				80,187,035.03	3,795,520.83	1.32%	288,537,566.01	781
19	<b>SIM Capital Alliance Value Fund</b>	SIM Capital Alliance Limited	1,166,709,330.00	1,693,297,742.88	341,797,485.98		666,723,180.49	3,868,527,739.35	13,955,543.60	0.33%	4,259,494,917.65	13



MONEY  
MARKE  
T  
FUNDS

20	UBA Money Market Fund	UBA Asset Management Limited	-	191,681,244.00			-	191,681,244.00	4,083,301.00	1.99%	205,552,434.20	908
21	FBN Money Market Fund	FBN Capital Limited		2,905,300,854.67				2,905,300,854.67	14,745,649.21	0.52%	2,860,127,563.81	1960
22	Stanbic IBTC Money market Fund	Stanbic IBTC Asset Mgt. Limited		15,620,884,215.98			-	15,620,884,215.98	55,972,930.96	0.36%	15,644,715,286.91	2319

## VENTURE CAPITAL

(i) **Applications for registration of Venture Capital/ Private Equity/ Infrastructure Funds under processing were three (3).** These include:

1. **ARM Infrastructure Fund:** The application was filed by Asset & Resource Management Company Ltd. The Objective of the Fund is to invest equity in diverse infrastructure projects across West Africa with focus on Nigeria. **Target Fund Size:** 250 Million USD; **Base currency:** USD & Naira; **Target Investors:** Institutional Investors, e.g. PFAs. **Status** – Currently under review.
2. **Nigerian Infrastructure Investment Fund:** The application was filed by Joint Venture of African Infrastructure Investment Managers (AIIM) and AfriCapital Management Limited; the Objective of the Fund is to achieve medium – to- long





term returns through private sector participation in a diverse range of infrastructure projects within Africa. **Target**

**Investors:** Institutional Investors.

**Status** – Currently under review.

- 3. ARM Hospitality and Retail Fund:** The application was filed by Asset & Resource Management Company Limited (Fund Manager). The Fund is structured as an open-ended trust with primary focus on the investment opportunities within high growth hospitality and retail sectors in Nigeria.

**Status** – Currently reviewed.

(ii) **Inspection of Venture Capital Funds**

**Off-Site Inspection:** The following companies submitted their quarterly returns.

**Table 29: Analysis of Equity Investment by Venture Capital Fund Managers in SMES as at 31<sup>st</sup> December 2012**

S/N	Name of Company	Amount Under Management (₦)	Amount Disbursed in Previous Quarter (₦)	Amount Disbursed in Present Quarter (₦)	Variance	% Diff.
1.	First Fund Limited	4,008,620,312.93	Nil	Nil	Nil	Nil
2.	CAN Fund	3,942,640,909.00	Nil	Nil	Nil	Nil
3.	Stanbic IBTC Ventures Ltd.	Not submitted	-	-	-	-
4.	DVCF Oil & Gas	Not submitted	-	-	-	-
5.	Diamond Capital	Not submitted	-	-	-	-
6.	Cowry Asset Mgt. Limited	Nil	Nil	Nil	Nil	Nil
7.	Unique Venture Capital	2,382,837,888.00	Nil	Nil	Nil	Nil



	<b>TOTAL</b>	<b>10,334,099,109.93</b>	Nil	Nil	Nil	Nil
--	--------------	--------------------------	-----	-----	-----	-----

## **ENFORCEMENT AND COMPLIANCE**

### **OPERATORS WHOSE SUSPENSIONS WERE LIFTED**

#### **1. Ecobank Nigeria Plc in Avil Services Ltd. Vs Arian Capital Management.**

The Commission on April 16, 2013 lifted the suspension placed on Ecobank Nigeria Plc following its restoration of FBN Plc shares of Avil Services Ltd., payment of accrued dividends and penalty imposed on it by the Commission.

Ecobank Nigeria Plc was suspended from all capital market activities on February 5, 2013 for its failure to comply with the Commission's request for information regarding to whether Avil Services Ltd was a party to the margin facility it granted Arian Capital Management Ltd.

Arian Capital Management Ltd & Avil Services Ltd. entered into a margin facility agreement for a period of one year by reason of which a lien was placed on 555,555 units of its First bank Plc shares. After the termination of the tenure however, Arian Capital Management Ltd. refused to lift the lien claiming it formed part of a global facility it obtained from Ecobank Plc.

#### **2. Adamawa Securities Ltd**

The suspension of Adamawa Securities Limited was lifted on April 15, 2013 following its substantial resolution of the issues against it.

The Commission received various complaints against the Capital Market Operator ranging from illegal sale of shares, non execution of sales mandate and non remittance of sales proceeds consequent upon which it was suspended.

#### **3. Estate of late Sanni Danbatta & 13 Ors Vs Monument Securities Finance Ltd**

The Commission had the suspension placed on Monument Securities & Finance Ltd. lifted following its full compliance with the Commission's directive.



The operator was suspended from all capital market activities for unauthorized sale of 45,556 units of FBN Plc shares, non remittance of sales proceeds and non verification of share certificates belonging to Estate of late Sanni Danbatta & 13 others.

## **SUSPENSIONS WITHIN THE QUARTER**

### **1. Falcon Securities Limited**

Falcon Securities Ltd: Its Managing Director, and other sponsored individuals were suspended from all capital market activities for failure to respond to issues raised by the Commission regarding the filing of its quarterly report with:

- failure of the company to show its schedule of investments marked to market;
- failure to report its investments in quoted securities at market value;
- reporting a false and misleading financial status of the company in its 2012 annual report; and
- complete erosion of the company's shareholders' funds as shown in its returns for the period ended December 31, 2012.

### **2. Wizetrade Capital and Asset Management Ltd.**

The Capital Market Operator was suspended as a result of the unauthorized sale of 64,960 units of Nigeria Breweries Plc shares belonging to an investor and the failure/refusal to buy back same.

### **3. Crossworld Securities Ltd.**

The Capital Market Operator was suspended as a result of its refusal/failure to comply with the Commission's directive to pay back its outstanding liabilities to investors in a particular fund within an extended specified period.

## **RESOLVED/CONCLUDED CASES**

### **1. E.C. Porbeni vs Laksworth Inv. and Sec. Ltd**

The Commission in the reviewed quarter resolved a case of failure/refusal by Laksworth to pay principal and returns on investment belonging to E.C. Porbeni by Laksworth Inv. and Sec. Ltd.

### **2. Mrs. Ibhade Angelina Enomere Vs Sterling Registrars Ltd.**



The complainant alleged that the operator refused to send her “return money” in respect of the Japaul Plc public offer of 2008.

Following a letter to the operator, it forwarded evidence which showed that a cheque for the sum involved had been sent to the complainant. The Commission confirmed receipt of same and that the complainant had collected same. The matter was thereby concluded.

## **ADMINISTRATIVE PROCEEDINGS**

### **Inauguration of the Securities & Exchange Commission’s Administrative Proceedings Committee (SEC-APC)**

The membership of the SEC-APC was inaugurated on Wednesday, 15<sup>th</sup> May, 2013. The composition of the Committee includes:

- |                                     |             |
|-------------------------------------|-------------|
| i. Ms. Arunma .O. Oteh              | Chairperson |
| ii. Mrs. Sa’adatu Muhammad Bello    | (Member)    |
| iii. Mr. Mounir H. Gwarzo           | (Member)    |
| iv. Mr Ugochukwu Ikemba             | (Member)    |
| v. Barrister Funke Abiodun          | (Member)    |
| vi. Hon. Justice Ibrahim Umar       | (Member)    |
| vii. Prof. Esosa Bob-Osaze          | (Member)    |
| viii. Dr. Odenigwe Ike Michaels Jnr | (Member)    |
| ix. Ms. Placida Teradzungwe Awunah  | (Secretary) |

### **Observer Members**

- i. Association of Corporate Trustees
- ii. Association of Issuing Houses
- iii. Association of Stock-Broking Houses of Nigeria
- iv. Capital Market Solicitors Association
- v. Central Securities Clearing Systems Plc
- vi. Chartered Institute of Stockbrokers



- vii. Institute of Capital Market Registrars
- viii. Nigerian Stock Exchange.

### **Replacement of the black, yellow and blue books of the Administrative Proceedings Committee.**

The Commission had replaced the Black, Yellow and Blue Books of the Administrative proceedings Committee (APC) which contains the names of individuals and Capital Market Operators who had appeared before the APC, those sanctioned and the sanctions imposed on them. The books were replaced with customized books.

## **REGISTRATION AND RECOGNISED INVESTMENTS EXCHANGES**

The tables below show the corporate actions as reported by listed companies during the period under review:

**Table 30**

<b>Company</b>	<b>Prop Bonus</b>	<b>Proposed Div</b>	<b>Interim Div</b>	<b>Qualification</b>	<b>Closure Date</b>	<b>AGM Date</b>	<b>Payment Date</b>	<b>AGM Venue</b>
First Bank Plc	Nil	N1.00	Nil	10 <sup>th</sup> May,2013	13 <sup>th</sup> - 17 <sup>th</sup> May,2013	Nil	3 <sup>rd</sup> June, 2013	Nil
Beta Glass Co Plc	Nil	No.34	Nil	Nil	24 <sup>th</sup> May,2013	3 <sup>rd</sup> July, 2013	24 <sup>th</sup> May,2013	Mainland Hotel, Oyingbo
Chemical and Allied Products Plc	1 for 4	70k per 50k ordinary share	Nil	24 <sup>th</sup> May, 2013	27 <sup>th</sup> - 31 <sup>st</sup> May, 2013	24 <sup>th</sup> June, 2013	Nil	Nil
A.G.Leventis Nigeria Plc	Nil	No.14	Nil	23 <sup>rd</sup> May, 2013	24 <sup>th</sup> May, 2013	2 <sup>nd</sup> July, 2013	3 <sup>rd</sup> July, 2013	Mainland Hotel, Oyingbo
UACN Property Dev. Company Plc	Nil	No.70	Nil	20 <sup>th</sup> May, 2013	21 <sup>st</sup> - 24 <sup>th</sup> May, 2013	20 <sup>th</sup> June, 2013	Nil	Nil
SCOA Nigeria Plc	Nil	No.10	Nil	24 <sup>th</sup> June, 2013	25 <sup>th</sup> - 28 <sup>th</sup> June, 2013	9 <sup>th</sup> July, 2013	29 <sup>th</sup> July, 2013	Nicon Luxury, Abuja



AshakacemPlc	Nil	No.42	Nil	3 <sup>rd</sup> June, 2013	4 <sup>th</sup> June, 2013	27 <sup>th</sup> June, 2013	28 <sup>th</sup> June, 2013	Zaranda Hotel, Bauchi@ 11:00am
Mansard Insurance Plc	Nil	No.07	Nil	13 <sup>th</sup> May, 2013	14 <sup>th</sup> May, 2013	23 <sup>rd</sup> May, 2013	23 <sup>rd</sup> May, 2013	Oriental Hotel, Lekki
UAC of Nigeria Plc	1 for 5	N1.60	Nil	24 <sup>th</sup> May, 2013	27 <sup>th</sup> May, 2013	26 <sup>th</sup> June, 2013	27 <sup>th</sup> June, 2013	Golden Tulip Hotel, Festac
National Salt Company of Nigeria	Nil	No.90	Nil	28 <sup>th</sup> May, 2013	29 <sup>th</sup> May, 2013	6 <sup>th</sup> June, 2013	12 <sup>th</sup> June, 2013	Civic Centre, Lagos @12:00
FBN Holding Plc	N1.00	Nil	Nil	10 <sup>th</sup> May,2013	13 <sup>th</sup> -17 <sup>th</sup> May, 2013	31 <sup>st</sup> May, 2013	2 <sup>nd</sup> June, 2013	Nil
Aluminium Extrusion IndustriesPlc	No.50	Nil	Nil	18 <sup>th</sup> July, 2013	19 <sup>th</sup> July-1 <sup>st</sup> Aug, 2013	2 <sup>nd</sup> Aug, 2013	5 <sup>th</sup> Oct, 2013	Nil
MRS Oil Nigeria Plc	N23.34	Nil	Nil	19 <sup>th</sup> July, 2013	22 <sup>nd</sup> - 26 <sup>th</sup> July, 2013	14 <sup>th</sup> Aug, 2013	15 <sup>th</sup> Aug, 2013	Nil
International Breweries Plc	1 for 85	No.25	Nil	18 <sup>th</sup> July, 2013	19 <sup>th</sup> July, 2013	Nil	13 <sup>th</sup> Aug 2013	Zenababs Resort, IlesaOsun State
Courteville Business Solutions Plc	1 for 5	No.05k	Nil	9 <sup>th</sup> July, 2013	10 <sup>th</sup> July, 2013	25 <sup>th</sup> July, 2013	8 <sup>th</sup> Aug 2013	The Knot Centre, 1 Tobi Lawal, off Herbert Macaulay, Yaba
First City Monument Bank Plc	1 for 25	Nil	Nil	4 <sup>th</sup> June, 2013	5 <sup>th</sup> - 7 <sup>th</sup> June,	19 <sup>th</sup> June, 2013	Nil	MusonCentre, Lagos



					2013				
Trans- Nationwide Express Plc	Nil	N0.50	Nil	12 <sup>th</sup> July, 2013	15 <sup>th</sup> -17 <sup>th</sup> July, 2013	25 <sup>th</sup> July, 2013	8 <sup>th</sup> Aug, 2013	Lagos Airport Hotel, Ikeja	
NPF Microfinance Bank Plc	Nil	N0.10	Nil	7 <sup>th</sup> June, 2013	10 <sup>th</sup> - 14 <sup>th</sup> June, 2013	Nil	28 <sup>th</sup> June, 2013	Chelsea Hotel, Abuja	
Okomu Oil Palm Company Plc	1 for 1	N7.00	Nil	13 <sup>th</sup> May, 2013	14 <sup>th</sup> - 17 <sup>th</sup> May, 2013	5 <sup>th</sup> June, 2013	17 <sup>th</sup> June 2013	Transcorp Hilton, Abuja	
Mobil Oil Nigeria Plc	Nil	500 kobo per share	Nil	29 <sup>th</sup> April, 2013	30 <sup>th</sup> April- 1 <sup>st</sup> May, 2013	28 <sup>th</sup> May, 2013	4 <sup>th</sup> June, 2013	Shell hall, Muson, Lagos at 11.00 a.m.	
Painting and Coatings Man Nig	N1.58	12 kobo per share	Nil	10 <sup>th</sup> April, 2013	10 <sup>th</sup> April, 2013	23 <sup>rd</sup> May, 2013	27 <sup>th</sup> June, 2013	To be notified	
PrescoPlc	Nil	N1.00 kobo per share	Nil	5 <sup>th</sup> July, 2013	8 <sup>th</sup> - 12 <sup>th</sup> July, 2013	18 <sup>th</sup> July, 2013	29 <sup>th</sup> July, 2013	Obaretin Estate, Benin at 11.00 a.m.	
Unilever Nigeria Plc	N52.10	N1.40 kobo per share	Nil	5 <sup>th</sup> April, 2013	8 <sup>th</sup> - 12 <sup>th</sup> April, 2013	16 <sup>th</sup> May, 2013	17 <sup>th</sup> May, 2013	Muson Centre, Onikan, Lagos at 10:00 a.m	
Sterling Bank Plc	N2.75	20 kobo per share	Nil	12 <sup>th</sup> April, 2013	15 <sup>th</sup> - 19 <sup>th</sup> June, 2013	2 <sup>nd</sup> May, 2013	3 <sup>rd</sup> May, 2013	Eko Hotel and Suites, VI, Lagos	



Access Bank Plc	N8.61	60 kobo per share	25 kobo	nil	17 <sup>th</sup> April, 2013	25 <sup>th</sup> April, 2013	25 <sup>th</sup> April, 2013	Oriental Hotel, Lekki, Lagos
Nigerian Aviation Handling Company Plc	Nil	25 kobo per share	Nil	14 <sup>th</sup> June, 2013	17 <sup>th</sup> – 21 <sup>st</sup> June, 2013	12 <sup>th</sup> July, 2013	12 <sup>th</sup> July, 2013	To be notified
BOC Gases Plc	Nil	20 kobo per share	Nil	20 <sup>th</sup> May, 2013	21 <sup>st</sup> May, 2013	13 <sup>th</sup> June, 2013	8 <sup>th</sup> July, 2013	Airport Hotel, Ikeja at 11:00 am
Zenith Bank Plc	N20.06	N1.60 kobo per share	Nil	12 <sup>th</sup> April, 2013	15 <sup>th</sup> April, 2013	24 <sup>th</sup> April, 2013	24 <sup>th</sup> April, 2013	Civic Center, VI, Lagos
Okomu Oil Palm Company Plc	Nil	N7.00 kobo per share	Nil	13 <sup>th</sup> May, 2013	14 <sup>th</sup> – 17 <sup>th</sup> May, 2013	5 <sup>th</sup> June, 2013	Nil	Abuja
Total Nigeria Plc	172.00	800 kobo per share	300 kobo	19 <sup>th</sup> April, 2013	22 <sup>nd</sup> – 26 <sup>th</sup> April 2013	Nil	17 <sup>th</sup> June, 2013	Nil
Trans- Nationwide Express Nig	Nil	5 kobo per share	Nil	12 <sup>th</sup> July, 2013	15 <sup>th</sup> – 19 <sup>th</sup> July, 2013	25 <sup>th</sup> July, 2013	8 <sup>th</sup> August, 2013	Airport Hotel, Ikeja at 11:00am
McNicholsConsolidatedPlc	Nil	Nil	Nil	Nil	17 <sup>th</sup> – 19 <sup>th</sup> July, 2013	1 <sup>st</sup> August, 2013	Nil	Excellence Hotel & Conference Centre, Ogba
Guaranty Trust Bank Plc	N23.79	N1.30	Nil	Nil	11 <sup>th</sup> April, 2013	25 <sup>th</sup> May, 2013	25 <sup>th</sup> April, 2013	Nil
Cadbury Nigeria	N34.50	No.50	Nil	Nil	15 <sup>th</sup> April, 2013	8 <sup>th</sup> May, 2013	9 <sup>th</sup> May, 2013	Nil





Plc					2013				
Skye Bank Plc	Nil	No.50	Nil	6 <sup>th</sup> May, 2013	6 <sup>th</sup> – 10 <sup>th</sup> May, 2013	22 <sup>nd</sup> May, 2013	Nil	Nil	
Airline Services and Logistics Plc	Nil	No.25	Nil	4 <sup>th</sup> June, 2013	5 <sup>th</sup> – 11 <sup>th</sup> June, 2013	27 <sup>th</sup> June, 2013	28 <sup>th</sup> June, 2013	Golden Tulip, AmuwoOdofin, Lagos at 12:00noon	
Berger Paints Nigeria Plc	N8.30	No.70	Nil	Nil	22 <sup>nd</sup> April, 2013	14 <sup>th</sup> May, 2013	21 <sup>st</sup> May, 2013	Nil	
GlaxoSmithkline Nigeria Plc	N47.70	N1.30	Nil	Nil	23 <sup>rd</sup> April, 2013	23 <sup>rd</sup> May, 2013	24 <sup>th</sup> May, 2013	Nil	
Dangote Sugar Refinery Plc	N7.29	No.50	Nil	Nil	25 <sup>th</sup> April, 2013	Nil	14 <sup>th</sup> May, 2013	Nil	
Learn Africa Plc	No.20	No.50	Nil	3 <sup>rd</sup> May, 2013	6 <sup>th</sup> – 10 <sup>th</sup> May, 2013	30 <sup>th</sup> May, 2013	31 <sup>st</sup> May, 2013	Lagos Airport Hotel @ 11:00am	

**Table 31**

Company	Closure Date	Dividend	Bonus	Payment Date	AGM Date	Ex-Div Price
Julius Berger Nigeria Plc	3/6/2013	N2.50	Nil	21/6/2013	20/6/2013	N53.75
Ashaka Cement Plc	4/6/2013	No.42	Nil	28/6/2013	27/6/2013	N26.58
First City Monument Bank Plc	5/6/2013	Nil	1 For 25	Nil	19/6/2013	N4.80
Airline Services And Logistics Plc	5/6/2013	No.25	Nil	28/6/2013	27/6/2013	N4.51
Npf Microfinance Bank Plc	10th June, 2013	No.10	Nil	28th June, 2013	27th June, 2013	N1.09
Julius Berger Nigeria Plc	3/6/2013	N2.50	Nil	21/6/2013	20/6/2013	N53.75



Ashaka Cement Plc	4/6/2013	No.42	Nil	28/6/2013	27/6/2013	N26.58
First City Monument Bank Plc	5/6/2013	Nil	1 For 25	Nil	19/6/2013	N4.80
Airline Services And Logistics Plc	5/6/2013	No.25	Nil	28/6/2013	27/6/2013	N4.51
ScoaPlc	25th Nil June ,2013	Nil 10 July, 2013	Nil 2	29th July, 2013	9th July, 2013	N5.32

- **Oando Plc: Notice of Board Meeting-** Oando Plc had notified the Commission that the Board of Directors of Oando Plc was scheduled to meet on Friday, 26 April, 2013 to discuss amongst other issues dividend payable for the 2012 financial year.
- **Transnational Corporation of Nigeria (Transcorp): Opening of Rights Issue-** Transnational Corporation of Nigeria (Transcorp) obtained Approval-In-Principle of the Quotations Committee of Management of The Exchange for its proposed Rights Issue of 12,906,999,142 Ordinary Shares of 50k each at N1.00 per Share. Acceptance of the offer opened on May 03, 2013 and closed on May 31, 2013. Trading on Rights of the Issue also commenced.
- **Standard Alliance Insurance Plc: Change of Registered Office-** The Company notified the commission that the registered address of the company was changed from Plot 281, Ajose Adeogun Street to Plot 1, Block 94, Providence Street, Lekki, Phase 1, Off Lekki-Epe Express Road, Lekki, Lagos.
- **Mansard Insurance Plc: Notice of Proposed Acquisition-** Mansard Insurance Plc (“Mansard”) informed The Commission that it had recently acquired the entire issued share capital of a Health Management Organization known as Procure Health Plan Nigeria Limited and intends to run and operate same as its subsidiary in the Health Maintenance Industry.

#### **REGISTRATION OF CAPITAL MARKET OPERATORS**

A total of Twenty nine (29) new applications were received from potential capital market operators to register with the Commission during the second quarter ended June 2013. These include:

**TABLE 32**

S/N	APPLIED FUNCTION	NO OF APPLICANTS	% OF TOTAL
1	Solicitors	5	17.2
2	Investment Advisers	7	24.1
3	Issuing Houses	3	10.34
4	Fund/Portfolio Managers	5	17.2
5.	Venture Capital	1	3.44
6.	Reporting Accountant/Auditors	2	6.80
7.	Estate Surveyor & Valuers	1	3.44
8.	Consultants	1	3.44
9.	Broker Dealer	3	10.34
10.	Receiving Banker	1	3.44
	TOTAL	29	100

**Registered Capital Market Operators**

The Commission registered a total of three (3) capital market operators during the second quarter ended June 30, 2013. The operators are:

**TABLE 33:**

S/N	NAMES OF OPERATORS	REGISTERED FUNCTIONS
-----	--------------------	----------------------



1	Profinad Nigeria Ltd	Corporate Investment Adviser
2	Excellex Solicitors	Solicitors
3.	Olabisi Fayombo & Co	Reporting Accountant

### **Registration Renewal**

#### **Applications**

One hundred and twenty-two (122) applications were concluded during the quarter under review. These include: applications for additional functions, updating of registration documentation, additional sponsored Individuals, registration with professional associations and trade groups, transfer of registered individuals and applications for change of registration information.

#### **Fidelity Bonds**

A total number of One Hundred and Forty-Seven companies “Fidelity Bond” were updated.

#### **Change of Name**

A total of eight companies changed their names during the month under review. These Companies are:

- Zenith Registrar Ltd to Veritas Registrars Limited
- PHB Capital & Trust Limited to Apel Capital & Trust Limited
- Balogun Badejo & Co to BBC Professionals
- Nairacheque Securities limited to N-Cheque Securities Limited
- First Securities Discount House Limited to FSDH Merchant Bank Limited
- ESS Investment & Trust Limited to Dunn Loren Merrifield Securities Limited
- Penguin Asset Management Limited to CBO Investment Management Limited
- Capital Bancorp Limited to Capital Bancorp Plc

A new policy on fidelity bond duration was approved by the Management. All (CMOs) fidelity bond were to have validity period of January-December of every year.



Also, approval was received for the deregistration of Capital Market Operators (CMOs) whose registration were invalid since 2004 and had failed to regularize their registration to date.

## **ACTIVITIES OF THE COMMISSION'S ZONAL OFFICES**

### **LAGOS**

#### **OPERATIONAL ACTIVITIES**

Various meetings were attended by the zonal office; including 49 AGMs, 5 completion board meetings and 3 EGMs.

#### **Table 34: Completion Board Meeting (CBMS) attended**



S/NO	NAME OF COMPANY	DATE OF MEETING	REMARKS
1	Wema Bank Plc	8/04/2013	The special placing of 23,333,333,334 ordinary shares of 50k each at N1.50k per share.
2	Resort Savings & Loan Plc	11/04/2013	Rights Issue of 3,776,577,468 Ordinary shares of 50k each at No.50k per share & Initial public offer for subscription of 3, 160,218,169 ordinary shares of 50k each at NO.51 kobo Per share.
3	Sterling Capital.	17/04/2013	Right Issue of 5,888,949,162 Ordinary shares of 50k each at N2.00 per share.
4	Wapic Insurance Proposed Right Issue	28/04/2013	Right Issue of 6,350,518,383 Ordinary Shares of 50k each at NO. 55 KOBO Per share.
5	Transcorp Proposed Right Issue	30/4/2013	Right Issue of 12,906,999,142 Ordinary share of 50k each at N1 per Share of Transnational corporation of Nigeria Plc.

### Pre- Registration Inspection

A total of seven (7) pre-registration inspections were carried out during the period under review:

- |  |   |  |
|--|---|--|
| 1. Lanre Oliyide & Co.                 | - | Solicitors                                   |
| 2. Kayode Adeosun & Co.                | - | Reporting Accountant                         |
| 3. Ocean Securities & Stockbrokers Ltd | - | Broker/Dealer                                |
| 4. Lotus Financial Services Limited    | - | Issuing House & Corporate Investment Adviser |
| 5. Edgefield Capital Mgt. Limited      | - | Broker/Dealer & Investment Adviser           |
| 6. MC Finerco Investment Limited       | - | Broker/Dealer                                |
| 7. ECO Bank Development Co. Ltd        | - | Issuing House                                |

### Routine Inspection

- |                                 |   |         |
|---------------------------------|---|---------|
| Standard Alliance Insurance Plc | - | 13/5/13 |
|---------------------------------|---|---------|

### Complaints:



The Lagos Zonal office also received fifty nine (59) new complaints during the quarter, out of which, ten (10) all parties meetings were convened and held to resolve the complaints.

A total of two hundred and fifty one (251) complaints were treated. Sixteen (16) of these cases were successfully resolved and four (4) matters were referred for enforcement action in the Head Office.

## **PORT HARCOURT**

### **INVESTIGATION AND ENFORCEMENT**

Fifty-seven (57) new complaints were received during the reviewed quarter. However, there were ninety-two (92) existing complaints from shareholders/investors during the previous quarters. In all, one hundred and forty-nine (149) complaints were due



for consideration during the period, out of which fourteen (14) were resolved, while one hundred and thirty-five (135) were undergoing further investigation. Find the resolved cases categorized below:

Table 35:

<b>S/NO.</b>	<b>Description</b>	<b>No. of resolved cases</b>
1.	Non-Receipt of Share Certificates	2
2.	Non-Receipt of Dividend and Return Money Warrants	4
3.	Non-Receipt of Bonus Certificates	1
4.	Non-Verification of Share Certificates	2
5.	Miscellaneous Issues (Change of Postal Address, Unauthorised sale of shares, Failure to remit sale proceeds, etc).	5
<b>TOTAL</b>		<b>14</b>

#### **SURVEILLANCE INSPECTION ON ILLEGAL CAPITAL MARKET OPERATOR:**

A surveillance inspection was carried out on Rosabon Financial Services Limited, upon an alleged illegal capital market operation (fund managers) with registered Branch Office at Plot 129/131 Oluobasanjo Road (Imperial Plaza), Port Harcourt, Rivers State.

#### **QUARTERLY REPORTS**

During the period, PHZO received quarterly reports for the quarter ended March 31, 2013 from six (6) companies.

#### **SECOND QUARTER EARNINGS FORECAST**





The PHZO received second quarter earnings forecast for April to June, 2013 from West African Glass Industry Plc.

#### **WEEKLY MONEY LAUNDERING AND TRADING REPORTS**

During the period under review, PHZO received weekly money laundering and trading reports from the following operators:

- (1) Kofana Securities & Investments Limited.
- (2) Cradle Trust Finance and Securities Limited.
- (3) Allbond Investments Limited

#### **ANNUAL GENERAL MEETINGS**

The PHZO attended the following companies' annual general meetings:

- (i) Acorn Petroleum Plc, held on Tuesday, April 16, 2013 at Le Meridien Ibom Hotel and Golf Resort, Uyo, Akwa Ibom State.
- (ii) International Energy Insurance Plc, held on Wednesday, June 5, 2013 at Le Meridien Ibom Hotel and Golf Resort, Uyo, Akwa Ibom State.
- (iii) Union Bank of Nigeria Plc, held on Tuesday, June 18, 2013 at Tinapa Lakeside Hotel, Tinapa Business and Leisure Resort, Adiabo-Calabar, Cross River State.

## **ONITSHA**

### **COMPLAINTS:**



During the period under review, the Onitsha zonal office received a total of one hundred and twenty (120) complaints from investors. Out of which, fifty-one (**51**) were Registrar related , twenty (**20**) were Stockbroker related, while forty five (45) were Portfolio Manager & Corporate Sub-Brokers related and four (4) Illegal Capital Market Operators related.

## **FOREIGN SCENE**



## **IOSCO CONFRONTS FUTURE CHALLENGES AT LUXEMBURG MEETING**

The 38<sup>th</sup> Annual Conference of the International Organization of Securities Commissions (IOSCO) holding in Luxemburg (15<sup>th</sup> – 19<sup>th</sup> September, 2013) would present a fresh opportunity for the global body to confront and debate on the various challenges facing its members.

Pushing forward in the middle of its ongoing strategic direction (2010-2015) and transition program, the global body had outlined various high profile meetings and scheduled focused panel session to debate issues around:

- Challenges for supervisory Authorities: the goal of determining the right level of regulation and investor protection
- The future growth markets: the road towards achieving full potential
- Responsible Investments: the right approach to channel private capital in view of solving social problems and long term savings and pensions - the role and contribution of financial markets and financial products

The IOSCO interim board would also meet thrice during the five days program.

In the complex web of challenges facing its members, the phenomenon of risk had assured priority attention at all IOSCO's regional, technical and board meetings. These risks include those emanating from: central counterparties and cybercrime: innovation, low interest rate environment and social media. The ongoing globalization of markets structural changes concerns include the urgency to balance growth with implementation of regulation broadened inclusiveness, strengthening, channels of communication and developing greater regulatory capacity for emerging markets.

These concerns among others, had been the driving force for various activities of IOSCO since the last meeting in Beijing in 2012. Board meetings had been held in Madrid Spain, Sydney and Montreal, Canada.

With concerns to include all IOSCO members on the list of full registration, non signatories' members were requested to intensify efforts throughout 2012 to become fully signatories by 1 January 2013. By the implementation of its strategic direction (2012 – 2015) IOSCO would be positioned to respond to faster and more efficiently to the new challenges arising from a globally integrated securities market.



The (SCRR) Standing Committee on Risk and Research was setup last year as part of effort to accomplish one of IOSCO's most important issues in monitoring and mitigating systemic risk.

These concerns among others have been debated at several IOSCO meetings after the last annual meeting in Beijing, China in 2012 and three Board meetings held in Madrid, Spain, Sydney, Australia, and Montreal, Canada.

IOSCO's ongoing effort at encouraging members to become full signatories to the Multilateral Memorandum of understanding (MMoU) will be intensified as signatories were requested to conclude by 1 January, 2013. MMoU remains critical as a global benchmark in enforcement related cooperation.

#### **THE IOSCO FOUNDATION REMAINS WORK –IN – PROGRESS.**

At the conference, the interim Board would further engage itself with the ongoing debate about the objective measures that should guide the criteria for membership of IOSCO board. At the Sydney board meeting in March 2013, three key principles were considered.

These were the standard setting role; Capacity building the EMC representations.

However, the most knotty issue in the Board composition is how to reduce the present 32 members to 30 as required by the presidents committee in 2012. Meanwhile, there are 18 members identified as large markets with huge equity market capitalization, debt market issuance size, assets under management and derivatives. This group represents 80% of the global markets.

The IOSCO board will however have to strike a balance between nominations and election, and between emerging and developed markets.

A recommendation has however, been made that the Presidents 'Committee should jettison its earlier decision to limit the Board membership to 30.

An endorsement of that suggestion will be a pragmatic and diplomatic decision as IOSCO looks ahead 20 to 30 years, a time when there will be many more developed and larger securities markets around the world.