

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening System liquidity increased by 27.40% to c.₦451.59 billion from ₦354.46 billion recorded yesterday. Nevertheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) remained unchanged at 16.17% and 16.69%, respectively.

Outlook: We expect the interbank rates to close at similar levels tomorrow.

Treasury Bills

Activity in the treasury bills market was mixed overall, with few buy-side interests observed across long-dated NTB and OMO papers, particularly 24-Oct-2024 and 29-Oct-2024 maturities. As a result, the average mid-rate settled at 11.72%.

Outlook: We expect the market to trade cautiously tomorrow, ahead of the treasury bills auction scheduled for Wednesday.

FGN Bonds

The local FGN bonds market continued to trend bearish, albeit some mild buying interests were witnessed around select maturities. Overall, the average mid-yield settled higher at 16.01%.

Outlook: We expect a similar performance tomorrow.

Eurobonds

The Eurobonds market was less volatile in today's session, with mild selloffs noticed across some papers due to profit taking. Consequently, the average mid-yield across the Nigerian curve closed at 10.83%.

Outlook: We expect the market to stay calm, with occasional reaction to the speeches of some Fed officials.

Date	Sys. Liq. (₦bn)	Diff.
6-Nov-23	451.59	↑ 97.13
3-Nov-23	354.46	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 3rd November 2023)	13.3337%
Added Benefit	Personal accident insurance cover

Macro Indicators	
GDP (Q12023)	+2.51% (Q2 2023: +2.31% y/y)
Inflation	26.72% (Aug'23: 25.80%)
External Reserve (US\$'billion)	33.40 (-9.94% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*86.16 (+1.81% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	06-Nov-23	03-Nov-23	Change in Rates
85 days	13.00%	13.00%	(0.00%)
185 days	13.53%	13.53%	(0.00%)
304 days	14.12%	14.12%	(0.00%)

Source: FMDQ DQL for 06 November 2023

Benchmark FGN Bond Yields			
	06-Nov-23	03-Nov-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	15.01%	15.01%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	15.55%	15.55%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	16.27%	16.27%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	16.85%	16.85%	(0.00%)

Source: FMDQ DQL for 06 November 2023

Benchmark FGN Eurobond Yields			
	06-Nov-23	03-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.18%	10.10%	(0.08%)
10 yrs: NGERIA 7.875 02/16/32	10.98%	10.93%	(0.05%)
15 yrs: NGERIA 7.696 23/02/38	11.36%	11.29%	(0.07%)
30 yrs: NGERIA 9.248 01/21/49	11.58%	11.53%	(0.05%)
7.125% ECOTRAN 16/02/26	12.92%	12.84%	(0.08%)

Source: FBN UK Runs for 06 November 2023

Nigerian Equities

The Nigerian equity market closed on a bullish note today, due to buying interests on OANDO (+9.66%), FIDELITYBK (+6.51%), and SEPLAT (+3.94%). The All-Share Index (ASI) appreciated by 0.40%, settling at 70,479.62 points, with a year-to-date return of 37.52%. Market activity was in the negative, with 4.71% decline in total volume traded and 15.91% fall in total value traded.

The Banking, Industrial, and Oil & Gas Indices appreciated by 0.66%, 1.83%, and 2.31%, respectively. The Consumer Goods Index fell by 0.18%. UBA led both the total volume charts and total value charts with 105.63 million units and ₦2.14 billion.

Outlook: We expect market the bullish sentiment to ease tomorrow.

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) closed flat at \$/₦776.14.

Outlook: We expect rates volatility to persist.

Commodities

Oil prices edged up today after top exporters Saudi Arabia and Russia reaffirmed their commitment to extra voluntary oil supply cuts until the end of the year. Brent crude oil prices increased by 1.28% to \$85.98 per barrel, while West Texas Intermediate (WTI) gained 1.53% to US\$81.74 per barrel as of writing time. Similarly, Spot Gold declined by 0.48% to US\$1,989.50 per ounce at the time of this report.

Outlook: We expect oil prices to increase in the interim.

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
THOMASWY	4.07	0.37	↑ 10.00%
CHAMS	2.22	0.20	↑ 9.90%
GLAXOSMITH	13.60	1.20	↑ 9.68%
OANDO	9.65	0.85	↑ 9.66%
JAPAUFGOLD	1.39	0.12	↑ 9.45%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
ABCTRANS	0.78	-0.08	↓ -9.30%
CORNERST	1.37	-0.14	↓ -9.27%
CHAMPION	3.36	-0.34	↓ -9.19%
INTBREW	4.15	-0.40	↓ -8.79%
DAARCOMM	0.21	-0.02	↓ -8.70%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.40%	↑ 3.48%	↑ 1.80%
NSE Banking Index	↑ 0.66%	↑ 2.12%	↑ 1.17%
NSE Insurance Index	↓ -2.19%	↑ 4.70%	↑ 2.78%
NSE Industrial Goods Index	↑ 1.83%	↓ -0.40%	↓ -0.49%
NSE Consumer Goods Index	↓ -0.18%	↓ -0.16%	↓ -0.14%
NSE Oil & Gas Index	↑ 2.31%	↑ 2.31%	↑ 2.31%
			↑ 37.52%
			↑ 73.60%
			↑ 64.13%
			↑ 17.47%
			↑ 94.86%
			↑ 107.02%

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