

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening System liquidity increased by 20.65% to c.₦544.82 billion from ₦451.59 billion recorded yesterday. Nevertheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) expanded by 15bps and 60bps to 16.32% and 17.29%, respectively.

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

Treasury Bills

Activity in the treasury bills market was mixed in today's session, though, offers drove the market to close slightly bearish. As a result, the average mid-rate increased by 2bps to 11.89%.

Outlook: We expect the market to trade cautiously tomorrow, as the DMO would be offering ₦310.12 billion worth of treasury bills.

FGN Bonds

The local FGN bonds market endured a mixed to bearish theme, as selling interest dominated across most papers, particularly 2029, 2038 and 2053. However, few buy-side activity was observed across some short-dated papers. Overall, the average mid-yield increased by c.3bps to settle at 16.04%.

Outlook: We expect a somber theme tomorrow, as investors will keep on eye on NTB auction for guidance.

Eurobonds

The Eurobonds market slid to a negative close, albeit the bearish theme was less aggressive across the SSA and MENA papers. Consequently, the average mid-yield across the Nigerian curve increased by 14bps to closed at 10.97%.

Outlook: We expect the market focus to tilt to Fed Chair Powell's speech tomorrow at the Division of Research and Statistics Centennial Conference, in Washington DC.

Date	Sys. Liq. (₦'bn)	Diff.
7-Nov-23	544.82	↑ 93.24
6-Nov-23	451.59	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 6th November 2023)	13.3362%
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)	33.44 (-9.83% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*82.75 (-2.85% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	07-Nov-23	06-Nov-23	Change in Rates
84 days	13.00%	13.00%	(0.00%)
184 days	13.53%	13.53%	(0.00%)
303 days	14.12%	14.12%	(0.00%)

Source: FMDQ DQL for 07 November 2023

Benchmark FGN Bond Yields			
	07-Nov-23	06-Nov-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	15.05%	15.01%	(0.04%)
10 yrs: 12.50% 27-Apr-2032	15.55%	15.55%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	16.51%	16.27%	(0.24%)
30 yrs: 12.98% 27-Mar-2050	16.94%	16.85%	(0.09%)

Source: FMDQ DQL for 07 November 2023

Benchmark FGN Eurobond Yields			
	07-Nov-23	06-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.89%	10.18%	(0.71%)
10 yrs: NGERIA 7.875 02/16/32	11.14%	10.98%	(0.16%)
15 yrs: NGERIA 7.696 23/02/38	11.45%	11.36%	(0.09%)
30 yrs: NGERIA 9.248 01/21/49	11.66%	11.58%	(0.08%)
7.125% ECOTRAN 16/02/26	12.92%	12.92%	(0.00%)

Source: FBN UK Runs for 07 November 2023

Nigerian Equities

The Nigerian equity market closed on a bullish note today, due to strong buying interest on FBNH (+6.35%). The All-Share Index (ASI) appreciated by 0.19%, settling at 70,613.60 points, with a year-to-date return of 37.78%. Market activity was mixed, with 14.90% increase in total volume traded and 29.34% decline in total value traded.

The Industrial, and Consumer Goods Indices appreciated by 0.03% and 0.31%, respectively. The Oil & Gas Index fell by 0.27%. FBNH led both the total volume charts and total value charts with 52.02 million units and ₦1.03 billion.

Outlook: *We expect market the bullish sentiment lingers tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 10.78% (or ₦93.77) to \$/₦869.91 from \$/₦869.91 recorded yesterday.

Outlook: *We expect rates volatility to persist.*

Commodities

Oil prices hit fresh two and half month lows today as mixed economic data from China offset the impact of Saudi Arabia and Russia extending output cuts. Brent crude oil prices declined by 2.51% to \$83.04 per barrel, while West Texas Intermediate (WTI) gained 2.61% to US\$78.71 per barrel as of writing time. Similarly, Spot Gold declined by 0.98% to US\$1,969.20 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
PZ	22.00	2.00	↑ 10.00%
GLAXOSMITH	14.95	1.35	↑ 9.93%
DAARCOMM	0.23	0.02	↑ 9.52%
JAPAULGOLD	1.52	0.13	↑ 9.35%
INTBREW	4.50	0.35	↑ 8.43%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NNFM	18.00	-2.00	↓ -10.00%
TIP	1.03	-0.11	↓ -9.65%
ROYALEX	0.49	-0.05	↓ -9.26%
OMATEK	0.52	-0.05	↓ -8.77%
ETERNA	13.25	-1.25	↓ -8.62%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.19%	↑ 1.99%	↑ 37.78%
NSE Banking Index	→ 0.00%	↑ 1.17%	↑ 73.60%
NSE Insurance Index	↑ 0.15%	↑ 2.93%	↑ 64.37%
NSE Industrial Goods Index	↑ 0.03%	↓ -0.46%	↑ 17.51%
NSE Consumer Goods Index	↑ 0.31%	↑ 0.17%	↑ 95.47%
NSE Oil & Gas Index	↓ -0.27%	↑ 2.04%	↑ 106.46%

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