

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening System liquidity declined by 50.53% to c. ₦269.51 billion from ₦544.82 billion recorded yesterday amid the recent round of CRR debit across commercial banks. Thus, the Open Repo Rate (OPR) and the Overnight Rate (O/N) increased by 18bps and 13bps to 16.50% and 17.42%, respectively.

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

Treasury Bills

The treasury bills market traded on a quiet note, with mild interests around the belly and long end of the curve, as market tilted activity towards today's NTB primary market auction. Consequently, the average mid-rate increased by 2bps to 11.91%.

Outlook: We expect the treasury bills auction result to impact the market tomorrow.

FGN Bonds

The local FGN bonds market also witnessed a muted theme, albeit with a bearish undertone, as few selling interests were observed across the 2038 and 2053 papers. Overall, the average mid-yield stayed relatively flat to settle at 16.04%.

Outlook: We expect market activity to be partly influenced by the NTB auction result.

Eurobonds

Activity in the Eurobonds market settled on a bullish note across most papers in the SSA and MENA regions, with a fair share of buy-side activity from local and offshore players. However, it was a bearish affair across the Kenyan curve amid the recent downgrade by Fitch Ratings. Broadly, the average mid-yield across the Nigerian curve fell by 1bp to closed at 10.92%.

Outlook: We expect the market to continue to be swerved by global headwinds.

Date	Sys. Liq. (₦bn)	Diff.
8-Nov-23	269.51	
7-Nov-23	544.82	↓(275.31)

Source: CBN

AllCO 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)	33.41 (-9.92% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*79.78 (-2.24% d/d)

Source: NBS, CBN, AllCO Capital

Benchmark T-Bills Discount Rates			
	08-Nov-23	07-Nov-23	Change in Rates
78 days	13.00%	13.00%	(0.00%)
183 days	13.53%	13.53%	(0.00%)
302 days	14.12%	14.12%	(0.00%)

Source: FMDQ DQL for 08 November 2023

Benchmark FGN Bond Yields			
	08-Nov-23	07-Nov-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	15.05%	15.05%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	15.56%	15.55%	(0.01%)
20 yrs: 13.00% 21-Jan-2042	16.51%	16.51%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	16.94%	16.94%	(0.00%)

Source: FMDQ DQL for 08 November 2023

Benchmark FGN Eurobond Yields			
	08-Nov-23	07-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.31%	10.89%	+0.58%
10 yrs: NGERIA 7.875 02/16/32	11.01%	11.14%	+0.13%
15 yrs: NGERIA 7.696 23/02/38	11.43%	11.45%	+0.02%
30 yrs: NGERIA 9.248 01/21/49	11.64%	11.66%	+0.02%
7.125% ECOTRAN 16/02/26	12.93%	12.92%	(0.01%)

Source: FBN UK Runs for 08 November 2023

Nigerian Equities

The Nigerian equity market closed on a bullish note today, due to strong buying interest on several tickers, including JAPAULGOLD (+9.87%), UBA (+1.47%) and FBNH (0.52%). The All-Share Index (ASI) appreciated by 0.23%, settling at 70,773.31 points, with a year-to-date return of 38.09%. Market activity was positive, with 24.27% increase in total volume traded and 79.88% increase in total value traded.

The Banking, Industrial, and Oil & Gas Indices appreciated by 0.26%, 0.84%, and 0.27%, respectively, while the Consumer Goods Index fell by 0.37%. FBNH led both the total volume charts and total value charts with 209.89 million units and ₦4.04 billion.

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

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 0.55% (or ₦4.80) to \$/₦874.71 from \$/₦869.91 recorded yesterday.

Outlook: *We expect rates volatility to persist.*

Commodities

Oil prices slumped further on concern over waning demand in the United States and China. Brent crude oil prices declined by 2.68% to \$79.42 per barrel, while West Texas Intermediate (WTI) gained 2.86% to US\$75.16 per barrel as of writing time. Similarly, Spot Gold declined by 0.70% to US\$1,956.60 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
JAPAULGOLD	1.67	0.15	9.87%
MECURE	3.25	0.29	9.80%
PRESTIGE	0.45	0.04	9.76%
CORNERST	1.58	0.14	9.72%
OMATEK	0.57	0.05	9.62%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CAVERTON	1.37	-0.15	-9.87%
MEYER	2.47	-0.27	-9.85%
SCOA	1.13	-0.12	-9.60%
THOMASWY	3.72	-0.35	-8.60%
UPDC	1.11	-0.10	-8.26%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	0.23%	0.27%	38.09%
NSE Banking Index	0.26%	-0.76%	74.05%
NSE Insurance Index	2.52%	1.72%	68.51%
NSE Industrial Goods Index	0.84%	0.37%	18.49%
NSE Consumer Goods Index	-0.37%	-0.06%	94.74%
NSE Oil & Gas Index	0.27%	2.31%	107.02%

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