

# Daily Financial Market Update

**AIICO CAPITAL**
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## MARKET COMMENTARY

### Money Market

Opening system liquidity declined by 4.28% to ₦510.09 billion from ₦532.89 billion last Friday. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) remained unchanged at 1.00% and 1.70%, respectively.

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

### Treasury Bills

The treasury bills market was bullish today, as buy-side interests scouted for the March, July & September 2024 papers. The one-year paper declined from 10% to 9% levels, as investors take position ahead of this week's NTB auction. Consequently, the average mid-rate fell by 20bps to 6.10%.

**Outlook:** We expect the bullish bias to persist.

### FGN Bonds

Activity in the FGN bonds market was mixed across several papers like the 2026, 2028 and 2053 papers amongst others. Overall, the average mid-yield increased marginally by 1bp to 14.36%.

**Outlook:** We expect a similar performance tomorrow.

### Eurobonds

The Eurobonds market was bearish across board including the SSA and MENA region, triggered by the geopolitical tensions between Israel and Hamas and affiliated countries. However, Angola posted a relatively bullish performance amid rising oil prices. As a result, the average yield increased by c.13bps to 12.48%.

**Outlook:** We expect the bearish bias to spill into tomorrow's session.

Date	Sys. Liq. (₦bn)	Diff.
9-Oct-23	510.09	↓ (22.80)
6-Oct-23	532.88	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 29th September 2023)	11.6596%
Added Benefit	Personal accident insurance cover

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	25.80% (July'23: 24.08%)
External Reserve (US\$ billion)	33.23 (-10.40% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*87.98 (+4.02% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	09-Oct-23	06-Oct-23	Change in Rates
59 days	3.92%	3.92%	(0.00%)
150 days	6.65%	6.65%	(0.00%)
304 days	9.47%	10.37%	+0.90%

Source: FMDQ DQL for 09 October 2023

Benchmark FGN Bond Yields			
	09-Oct-23	06-Oct-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.25%	13.58%	+0.33%
10 yrs: 12.50% 27-Apr-2032	14.95%	14.98%	+0.03%
20 yrs: 13.00% 21-Jan-2042	15.57%	15.57%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.83%	15.83%	(0.00%)

Source: FMDQ DQL for 09 October 2023

Benchmark FGN Eurobond Yields			
	09-Oct-23	06-Oct-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	12.35%	12.39%	+0.04%
10 yrs: NGERIA 7.875 02/16/32	12.63%	12.59%	(0.04%)
15 yrs: NGERIA 7.696 23/02/38	12.71%	12.79%	+0.08%
30 yrs: NGERIA 9.248 01/21/49	12.68%	12.61%	(0.07%)
7.125% ECOTRAN 16/02/26	12.81%	12.74%	(0.07%)

Source: FBN UK Runs for 09 October 2023

## Nigerian Equities

The Nigerian's equity market settled on a bullish note today, as the ASI gained by 0.97% to settle at 67,099.18 points, while year-to-date return settled at c.30.92. The buying interests seen on NB (+9.09%) and OANDO (+2.22%) impacted the bullish bias today.

The NGX Industrial, Consumer Goods and Oil & Gas Indices appreciated by 4.02%, 0.78% and 0.36%, respectively, while the Banking Index declined by 0.44%. ABCTRANS led the volume charts with 29.27 million units while ACCESSCORP led the value charts with ₦465.97 billion, respectively.

**Outlook:** *We expect a mixed bias in the interim.*

## Foreign Exchange

FMDQ's Investors and Exporters (I&E) exchange rate appreciated to \$/₦773.54, compared to \$/₦775.20 recorded last Friday.

**Outlook:** *We expect rates volatility to persist.*

## Commodities

Oil prices jumped about 4% today, as the Israel-Hamas conflict extended into its third day following a surprise attack on Israel by Palestinian militants Hamas. Brent crude oil prices appreciated by 4.02% to \$87.98 per barrel, while West Texas Intermediate (WTI) declined by 4.18% to US\$86.25 per barrel as of writing time. In contrast, Spot Gold appreciated 1.15% to US\$1,866.40 per ounce at the time of this report.

**Outlook:** *We expect oil prices to stay elevated.*

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
BUACEMENT	103.40	9.40	↑ 10.00%
CHIPLC	1.12	0.10	↑ 9.80%
NB	42.00	3.50	↑ 9.09%
JOHNHOLT	1.60	0.12	↑ 8.11%
SUNUASSUR	1.04	0.07	↑ 7.22%

Source: NGX, AIICO Capital

### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
PRESTIGE	0.45	-0.05	↓ -10.00%
FTNCOCOA	1.65	-0.15	↓ -8.33%
NEIMETH	1.55	-0.13	↓ -7.74%
SOVRENINS	0.38	-0.02	↓ -5.00%
ETRANZACT	9.00	-0.40	↓ -4.26%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.97%	↑ 1.08%	↑ 30.92%
NSE Banking Index	↓ -0.44%	↑ 0.99%	↑ 61.15%
NSE Insurance Index	↑ 1.23%	↓ -1.91%	↑ 59.20%
NSE Industrial Goods Index	↑ 4.03%	↑ 2.60%	↑ 13.68%
NSE Consumer Goods Index	↑ 0.78%	↑ 0.95%	↑ 94.11%
NSE Oil & Gas Index	↑ 0.36%	↑ 0.36%	↑ 98.35%

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