

# Daily Financial Market Update

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## MARKET COMMENTARY

### Money Market

The financial system maintained its buoyant status today, as system liquidity opened at ₦480.69 billion from ₦459.34 billion yesterday. Thus, the Open Repo Rate (OPR) and the Overnight Rate (O/N) declined by 7bps and 9bps to 0.93% and 1.58%, respectively.

**Outlook:** We expect the interbank rates to remain at similar bands.

### Treasury Bills

The treasury bills market started off with buying interests across the curve, although, market switched to bearish theme, as the market drew to a close. Nonetheless, the average mid-rate declined by 8bps to 5.83%.

**Outlook:** We expect activity to dwindle tomorrow.

### FGN Bonds

The local bonds market was slightly active on selected papers. Average yield increased marginally by 1bp to settle at 14.39% due to the mild selling interests in 2026, 2028 and 2053 papers.

**Outlook:** We expect market to trade on a cautious note tomorrow.

### Eurobonds

In the absence of any surprises from US CPI data, the Eurobonds market sustained its bullish theme, although, at less aggressive pace. For context, the US CPI for September printed at 3.70%, maintaining the same rate in August but marginally above 3.60% estimate. Towards closing hour, selling interests was notice on a few papers. Consequently, the average yield increased by 2bps to 11.80%.

**Outlook:** We expect market to remain relatively mixed.

Date	Sys. Liq. (₦bn)	Diff.
12-Oct-23	480.69	↑ 21.36
11-Oct-23	459.33	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 10th October 2023)	11.7402%
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)	33.22 (-10.41% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*87.42 (+1.86% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	12-Oct-23	11-Oct-23	Change in Rates
56 days	3.92%	3.92%	(0.00%)
147 days	4.95%	6.65%	+1.70%
301 days	8.02%	9.22%	+1.20%

Source: FMDQ DQL for 12 October 2023

Benchmark FGN Bond Yields			
	12-Oct-23	11-Oct-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.25%	13.25%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	15.10%	14.95%	(0.15%)
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 12 October 2023

Benchmark FGN Eurobond Yields			
	12-Oct-23	11-Oct-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	11.39%	11.30%	(0.09%)
10 yrs: NGERIA 7.875 02/16/32	11.97%	11.91%	(0.06%)
15 yrs: NGERIA 7.696 23/02/38	12.16%	12.16%	(0.00%)
30 yrs: NGERIA 9.248 01/21/49	12.30%	12.20%	(0.10%)
7.125% ECOTRAN 16/02/26	12.64%	12.62%	(0.02%)

Source: FBN UK Runs for 12 October 2023

## Nigerian Equities

The Nigerian's equity market settled bullish today, as the ASI gained 0.05% to settle at 67,133.19 points, while year-to-date return settled at c.30.99. The buying interests on UNILEVER (+6.04%) and UBA (+1.45%) impacted the bullish sentiment.

The NGX Banking, Industrial and Consumer Goods Indices appreciated by 0.94%, 0.01%, and 0.07%, respectively. The Oil & Gas Index closed flat. FIDELITYBK led the volume charts with 61.78 million units while ACCESSCORP led the value charts with ₦860.09 million.

**Outlook:** *We expect a mixed bias to persist.*

## Foreign Exchange

FMDQ's Investors and Exporters (I&E) exchange rate appreciated to \$/₦759.20, compared to \$/₦776.80 recorded yesterday.

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

## Commodities

Oil prices rose in today's session, reversing earlier falls, on expectations that U.S. interest rates had peaked, but a lower demand growth forecast for next year from the International Energy Agency and higher U.S. inventories limited further gains. Brent crude oil prices appreciated by 0.90% to \$86.59 per barrel, while West Texas Intermediate (WTI) appreciated by 0.69% to US\$84.07 per barrel as of writing time. In contrast, Spot Gold depreciated 0.19% to US\$1,883.80 per ounce at the time of this report.

**Outlook:** *We expect oil prices to continue to swing sideways.*

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
THOMASWY	2.58	0.23 ↑	9.79%
COURTVILLE	0.62	0.05 ↑	8.77%
DEAPCAP	0.27	0.02 ↑	8.00%
AFRIPRUD	7.00	0.50 ↑	7.69%
UNILEVER	14.05	0.80 ↑	6.04%

Source: NGX, AIICO Capital

### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CORNERST	1.55	-0.10 ↓	-6.06%
MANSARD	4.00	-0.15 ↓	-3.61%
REGALINS	0.34	-0.01 ↓	-2.86%
UCAP	16.55	-0.35 ↓	-2.07%
TRANSCORP	6.30	-0.13 ↓	-2.02%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.05%	↑ 0.84%	↑ 1.13%
NSE Banking Index	↑ 0.94%	↓ -0.19%	↑ 0.53%
NSE Insurance Index	↓ -1.80%	↓ -1.29%	↓ -2.86%
NSE Industrial Goods Index	↑ 0.00%	↑ 0.03%	↑ 3.58%
NSE Consumer Goods Index	↑ 0.07%	↑ 0.76%	↑ 0.92%
NSE Oil & Gas Index	→ 0.00%	↑ 0.36%	↑ 0.36%
			↑ 30.99%
			↑ 60.43%
			↑ 57.66%
			↑ 14.77%
			↑ 94.05%
			↑ 98.34%

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