

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening System liquidity declined by 8.64% to c.₦209.36 billion from ₦229.17 billion recorded yesterday. Consequently, the Open Repo Rate (OPR) fell by 9bps to 16.83%, while the Overnight Rate (O/N) increased by 2bps to 17.92%.

Outlook: *We expect the interbank rates to increase tomorrow, as the bond auction settlement should drain substantial liquidity from the system.*

Treasury Bills

The treasury bills market observed a muted theme, albeit with a bullish undertone. Limited buying activity was noted, particularly favouring the long end of the curve, while there was some selling interest in the short end. Overall, the average mid-rate remained unchanged at 11.67%.

Outlook: *We expect a mixed theme tomorrow.*

FGN Bonds

The FGN bonds market experienced a bearish trend as bid/ask yields increased following the results of yesterday's FGN bond auction. Consequently, the average mid-yield rose by c.32bps, and settled at 16.23%.

Outlook: *We expect the bearish theme to persist.*

Eurobonds

The Eurobonds market exhibited a mixed sentiment initially, but later shifted to a bullish theme following the release of lower-than-expected US Consumer Price Index (CPI) data at 3.20%, compared to the estimated 3.30% and the previous 3.70% in September. This led to a positive close in the Sub-Saharan Africa (SSA) and Middle East North Africa (MENA) region, with the average mid-yield across the Nigerian curve decreasing by 35bps and settling at 11.05%

Outlook: *We expect the bullish bias to spill into tomorrow's session, even as market anticipates the US Producer Price Index.*

Date	Sys. Liq. (₦bn)	Diff.
14-Nov-23	209.36	↓ (19.81)
13-Nov-23	229.17	

Source: CBN

AllCO Money Market Fund (AMMF)	
Net Yield (As at 10th November 2023)	13.4914%
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)	33.77 (-8.91% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*83.89 (+1.66% d/d)

Source: NBS, CBN, AllCO Capital

Benchmark T-Bills Discount Rates			
	14-Nov-23	13-Nov-23	Change in Rates
72 days	9.14%	9.14%	(0.00%)
177 days	13.53%	13.53%	(0.00%)
303 days	14.16%	14.16%	(0.00%)

Source: FMDQ DQL for 14 November 2023

Benchmark FGN Bond Yields			
	14-Nov-23	13-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	11.17%	11.50%	(0.01%)
20 yrs: 13.00% 21-Jan-2042	16.66%	16.51%	(0.15%)
30 yrs: 12.98% 27-Mar-2050	16.94%	16.94%	(0.00%)

Source: FMDQ DQL for 14 November 2023

Benchmark FGN Eurobond Yields			
	14-Nov-23	13-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.54%	10.92%	+0.38%
10 yrs: NGERIA 7.875 02/16/32	11.17%	11.50%	+0.33%
15 yrs: NGERIA 7.696 23/02/38	11.50%	11.84%	+0.34%
30 yrs: NGERIA 9.248 01/21/49	11.71%	12.06%	+0.35%
7.125% ECOTRAN 16/02/26	12.90%	13.18%	+0.28%

Source: FBN UK Runs for 14 November 2023

Nigerian Equities

The Nigerian equity market closed on a bullish note today, as buyside interest on BUACEMENT (+3.34%) and OANDO (+1.45%), influenced the market to close on a positive note. The All-Share Index (ASI) appreciated by 0.32%, to settle at 70,840.72 points, with a year-to-date return of 38.22%. Market activity was negative, with 30.98% decline in total volume traded and 56.55% decline in total value traded.

The Banking and Industrial Indices appreciated by 0.23% and 1.39%, respectively, while Consumer Goods Index declined by 0.11%. The Oil & Gas Index closed flat. JAPAUFGOLD led the total volume charts with 44.70 million units, while UBA led the total value charts with ₦555.02 million.

Outlook: *We expect the bearish sentiment to persist.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 6.45% (or ₦54.81) to \$/₦850.22 from \$/₦795.41 recorded yesterday.

Outlook: *We expect the volatility to persist.*

Commodities

Oil prices increased today after the International Energy Agency raised its demand growth forecasts, adding to bullish sentiment from the previous day's OPEC guidance, while U.S. data showed inflation in the world's biggest economy was slowing. Brent crude oil prices rose by 1.70% to \$83.93 per barrel, and West Texas Intermediate (WTI) gained 1.84% to reach US\$79.70 per barrel at the time of the report. In contrast, Spot Gold appreciated by 1.06% to US\$1,970.80 per ounce.

Outlook: *We expect oil prices to remain volatile.*

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
NNFM	19.80	1.80	↑ 10.00%
MECURE	4.74	0.43	↑ 9.98%
CILEASING	3.75	0.34	↑ 9.97%
MEYER	2.98	0.27	↑ 9.96%
LIVINGTRUST	2.98	0.27	↑ 9.96%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
REDSTAREX	2.96	-0.32	↓ -9.76%
FTNCOCOA	1.66	-0.17	↓ -9.29%
MBENEFIT	0.49	-0.03	↓ -5.77%
CAVERTON	1.38	-0.07	↓ -4.83%
PRESTIGE	0.43	-0.02	↓ -4.44%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.32%	↑ 0.32%	↑ 38.22%
NSE Banking Index	↑ 0.69%	↑ 1.59%	↑ 76.36%
NSE Insurance Index	↑ 0.23%	↑ 1.69%	↑ 67.16%
NSE Industrial Goods Index	↑ 1.39%	↓ -1.10%	↑ 16.21%
NSE Consumer Goods Index	↓ -0.11%	↓ -0.24%	↑ 94.99%
NSE Oil & Gas Index	→ 0.00%	↓ -0.04%	↑ 106.37%

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