

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity opened much higher at ₦584.37 billion compared to ₦315.72 billion recorded yesterday. Consequently, the Open Repo Rate (OPR) and the Overnight Rate (O/N) fell by 118bps and 150bps to 14.90%, and 15.60%, respectively.

Outlook: Interbank rates is expected to stay depressed in the interim.

Treasury Bills

The treasury bills market remained calm, despite yesterday's OMO auction. Market closed on a flat note, as average mid-yield stayed unaltered at 8.17%.

Outlook: We expect activity to gradually stir tomorrow, as liquidity improves.

FGN Bonds

Today's market was mixed, with bids and offers noticed majorly on the on-the-run papers, especially the 2038 and 2053 maturities. Overall, market closed mixed—to-bullish, with average mid-yield rate 14.95%.

Outlook: We expect similar session tomorrow.

Eurobonds

The Eurobonds market was quietly mixed for the most part of the session, as participants adjust to trade cautiously pending the next significant data point for a more reliable forecast. In Africa, Angola terminated its membership with the OPEC after disagreements over its oil production quota. Overall, Nigerian's curve concluded the session on a bearish note, as average mid-yield increased by 6bp to settle at 9.60%.

Outlook: We expect the next hurdle for market to be centered on the US PCE Price Index.

Date	Sys. Liq. (₦bn)	Diff.
21-Dec-23	584.38	↑ 268.65
20-Dec-23	315.73	

Source: CBN

AiCO Money Market Fund (AMMF)

(As of 20th December 2023)	14.1676%
Added Benefit	Personal accident insurance cover

Macro Indicators

GDP (Q3 2023)	+2.54% (Q2: 2023 +2.51% y/y)
Inflation (November'2023)	28.20% (Oct'23: 27.33%)
External Reserve (US\$'billion)	32.78 (-11.59% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*78.99 (-0.89% d/d)

Source: NBS,CBN, AiCO Capital

Benchmark T-Bills Discount Rates			
	21-Dec-23	20-Dec-23	Change in Rates
77 days	5.85%	5.85%	(0.00%)
168 days	7.53%	7.53%	(0.00%)
322 days	11.43%	11.43%	(0.00%)

Source: FMDQ DQL for 21 December 2023

Benchmark FGN Bond Yields			
	21-Dec-23	20-Dec-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.06%	13.06%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	14.68%	14.68%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.45%	15.45%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	16.09%	16.09%	(0.00%)

Source: FMDQ DQL for 21 December 2023

Benchmark FGN Eurobond Yields			
	21-Dec-23	20-Dec-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.00%	8.87%	(0.13%)
10 yrs: NGERIA 7.875 02/16/32	9.67%	9.72%	+0.05%
15 yrs: NGERIA 7.696 23/02/38	10.00%	9.96%	(0.04%)
30 yrs: NGERIA 9.248 01/21/49	10.31%	10.25%	(0.06%)
7.125% ECOTRAN 16/02/26	10.04%	10.02%	(0.02%)

Source: FBN UK Runs for 21 December 2023

Nigerian Equities

The Nigerian All-Share Index appreciated by 1.21%, to settle at 74,289.02 points in today's session, driven by continuous buyside interests for many banking tickers, including TRANSCORP (+10.00%). Thus, YTD performance settled at 45.95%, nudging the total market capitalization at ₦40.65 trillion. Trading activity was positive, as total volume increased by 37.19%, while total value traded rose by 1.54%.

Further, the total volume and value traded were led by ABBEYBDS with 89.45 million units and NESTLE ₦2.65 billion. The Banking and Industrial Indices increased by 1.36% and 0.01%, respectively, while the consumer goods and oil & gas Indices fell by 0.15% and 0.05%.

Outlook: *We the bullish bias to ease tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 0.85% (or ₦7.30) to \$/₦861.91 from \$/₦854.61 recorded yesterday.

Outlook: *The volatility is expected to persist in the interim.*

Commodities

Oil prices fell by more than \$1 a barrel today after Angola announced it is leaving the Organization of the Petroleum Exporting Countries (OPEC). Brent crude was reported at \$73.57 per barrel, and West Texas Intermediate (WTI) at \$73.58 per barrel, as at printing time. Gold range-bound as market focuses on U.S. economic data. Thus, Gold prices increased to \$2,052.50 per ounce from the previous day, as of printing time.

Outlook: *We expect oil prices to remain volatile in the interim.*

Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)		% Change
IMG	9.35	0.85	↑	10.00%
TRANSCORP	8.47	0.77	↑	10.00%
OKOMUOIL	263.90	23.90	↑	9.96%
MULTIVERSE	12.70	1.15	↑	9.96%
INFINITY	4.12	0.37	↑	9.87%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
JOHNHOLT	2.34	-0.26	↓	-10.00%
ELLAHLAKES	2.90	-0.32	↓	-9.94%
TRIPPLEG	2.15	-0.23	↓	-9.66%
REGALINS	0.34	-0.03	↓	-8.11%
UACN	15.00	-0.95	↓	-5.96%

Source: NGX, AIICO Capital

Tickers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.21%	↑ 2.53%	↑ 4.10%	↑ 44.95%
NSE Banking Index	↑ 1.36%	↑ 3.42%	↑ 19.58%	↑ 114.26%
NSE Insurance Index	↑ 0.61%	↑ 1.36%	↓ -2.94%	↑ 68.54%
NSE Industrial Goods Index	↑ 0.01%	↑ 0.37%	↓ -2.49%	↑ 12.89%
NSE Consumer Goods Index	↓ -0.15%	↓ -0.27%	↓ -0.28%	↑ 93.36%
NSE Oil & Gas Index	↓ -0.05%	↑ 1.04%	↓ -0.71%	↑ 124.71%

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