

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity worsened today, with opening balance at ₦204.89 billion, compared to yesterday's ₦97.71 billion. Consequently, the Open Repo Rate (OPR) increased by 90bps to 23.83% and the Overnight Rate (O/N) expanded by 134bps to 25.17%.

Outlook: We expect the interbank rates to remain elevated.

Treasury Bills

The treasury bills market exhibited a quiet session today, with market participants directing their focus towards the NTB auction. While mild activity was observed on a few papers, particularly around the long end of the curve, the overall muted theme led to an unchanged average mid-rate at 10.99%.

Outlook: We expect market sentiment to be bullish, as investors look to fill their unmet demands.

FGN Bonds

The FGN bonds market experienced a mixed to bearish theme, characterized by a generally quiet tone and weak traded volumes, notably in papers such as the 2028, 2034, 2050, and 2053 maturities. As a result, the average mid-yield saw a marginal increase of c.5bps, settling at 16.30%.

Outlook: We expect the mixed sentiment to linger tomorrow.

Eurobonds

The Eurobonds market sustained a bullish bias with more buy-side activity recorded across the SSA and North African papers, amid the less hawkish tone in the Fed minutes released yesterday. Consequently, the Nigeria's curve decreased in the average mid-yield by c.9bps to 10.59%.

Outlook: We expect market activity to be calm tomorrow, due to the Thanksgiving holiday in the United States.

Date	Sys. Liq. (₦bn)	Diff.
22-Nov-23	-204.89	↓(107.18)
21-Nov-23	-97.71	

Source: CBN

AIICO Money Market Fund (AMMF)

n (As at 21st November 202) 13.5182%

Added Benefit Personal accident insurance cover

Macro Indicators

GDP (Q12023)	+2.51% (Q2 2023: +2.31% y/y)
Inflation	27.33% (Sep'23: 26.72%)
External Reserve (US\$'billion)	33.30 (-10.19% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*78.96 (-4.23% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates	22-Nov-23	21-Nov-23	Change in Rates
64 days	8.43%	8.43%	(0.00%)
169 days	11.52%	11.52%	(0.00%)
295 days	14.16%	14.16%	(0.00%)

Source: FMDQ DQL for 22 November 2023

Benchmark FGN Bond Yields	22-Nov-23	21-Nov-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	15.45%	15.45%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	15.61%	15.61%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	16.89%	16.89%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	17.71%	17.71%	(0.00%)

Source: FMDQ DQL for 22 November 2023

Benchmark FGN Eurobond Yields	22-Nov-23	21-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.94%	9.97%	+0.03%
10 yrs: NGERIA 7.875 02/16/32	10.73%	10.78%	+0.05%
15 yrs: NGERIA 7.696 23/02/38	11.08%	11.15%	+0.07%
30 yrs: NGERIA 9.248 01/21/49	11.31%	11.38%	+0.07%
7.125% ECOTRAN 16/02/26	12.12%	12.17%	+0.05%

Source: FBN UK Runs for 22 November 2023

Nigerian Equities

The Nigerian equity market concluded the day on a bearish note, driven by selling pressures in FBNH (-4.00%), WAPCO (-1.34%), and MTNN (-0.63%). The All-Share Index (ASI) experienced a 0.09% depreciation, settling at 71,003.98 points, leading to a year-to-date return of 38.54%. Market activity exhibited a mixed trend, with a 12.81% decline in total volume traded and a substantial 128.85% increase in total value traded.

The Industrial and Consumer Goods Indices depreciated by 0.08% and 0.19%, respectively, while the Banking Index appreciated by 0.19%. VERITASKAP led the total volume charts with 62.08 million units while MTNN led in total value with ₦2.81 billion.

Outlook: *We expect market to remain mixed.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 1.14% (or ₦9.56) to \$/₦840.53 from \$/₦830.97 recorded yesterday.

Outlook: *We expect the volatility to persist.*

Commodities

Oil fell today, reversing steep gains made in the past two sessions, as investors turned cautious ahead of a meeting of OPEC+ this Sunday when the producer group may discuss deepening supply cuts due to slowing global growth. Brent crude oil prices depreciated by 0.47% to \$81.93 per barrel, while West Texas Intermediate (WTI) lost 0.48%, to US\$77.45 per barrel at the time of the report. In contrast, Gold prices increased following weaker Dollar, adding 1.17% to US\$2,003.20 per ounce.

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

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
UNITYBNK	1.54	0.14	↑ 10.00%
RTBRISCOE	0.66	0.06	↑ 10.00%
DAARCOMM	0.33	0.03	↑ 10.00%
MECURE	7.62	0.69	↑ 9.96%
MULTIVERSE	4.81	0.43	↑ 9.82%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CILEASING	5.26	-0.43	↓ -7.56%
PRESTIGE	0.49	-0.04	↓ -7.55%
INTBREW	4.25	-0.25	↓ -5.56%
UPDCREIT	4.15	-0.20	↓ -4.60%
FBNH	19.20	-0.80	↓ -4.00%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.09%	↑ 0.23%	↑ 38.54%
NSE Banking Index	↑ 0.19%	↓ -0.82%	↑ 74.91%
NSE Insurance Index	↑ 0.75%	↑ 4.20%	↑ 74.18%
NSE Industrial Goods Index	↓ -0.08%	↑ 0.76%	↑ 17.10%
NSE Consumer Goods Index	↓ -0.19%	↑ 0.05%	↑ 95.09%
NSE Oil & Gas Index	→ 0.00%	↑ 3.53%	↑ 113.67%

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