

# Daily Financial Market Update

**AIICO CAPITAL**
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## MARKET COMMENTARY

### Money Market

The opening system liquidity stayed in the negative territory, amounting to -₦363.57 billion, a decline from yesterday's -₦204.89 billion. This was influenced by the debit from the NTB auction and the continued presence of most banks at the SLF window. Consequently, the Open Repo Rate (OPR) increased by 184bps to 25.67% and the Overnight Rate (O/N) expanded by 150bps to 26.67%.

**Outlook:** We expect the interbank rates to remain elevated.

### Treasury Bills

The treasury bills market experienced heightened activity today, driven by unmet bids from yesterday's auction flowing into the secondary market. The newly issued paper (21-Nov-2024) was notably active, trading in the range of 14.70% to 14.85%. Despite the increased activity, the average mid-rate remained relatively stable, closing at 10.99%.

**Outlook:** We expect the buy-side interest to persist despite the tight system liquidity.

### FGN Bonds

The FGN bonds market displayed a mixed to bullish bias today, with a focus on the 2027, 2038, and 2053 papers. The 2053 paper experienced a late rally, with bids decreasing from 17.85% to below 17.80%. Notwithstanding, the specific movements in certain tenors, the overall market's average mid-yield held steady, remaining unchanged at 16.30%.

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

### Eurobonds

In today's Eurobonds market, subdued activity was observed, influenced by the US Thanksgiving holiday. The overall sentiment was slightly mixed, marked by limited selling interest in Nigeria and Angola, especially with uncertainty surrounding the latter's OPEC membership due to an output quota dispute. As a result, Nigeria's curve experienced an uptick, with the average mid-yield increasing by approximately 2bps to reach 10.61%.

**Outlook:** We expect market sentiment to be partly influenced by the S&P flash PMI tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
23-Nov-23	-363.57	↓(158.68)
22-Nov-23	-204.89	

Source: CBN

#### AIICO Money Market Fund (AMMF)

(As at 22nd November 2023)	13.5168%
Added Benefit	Personal accident insurance cover
<b>Macro Indicators</b>	
GDP (Q12023)	+2.51% (Q2 2023: +2.31% y/y)
Inflation	27.33% (Sep'23: 26.72%)
External Reserve (US\$'billion)	33.25 (-10.34% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*80.51 (-1.77% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	23-Nov-23	22-Nov-23	Change in Rates
63 days	8.43%	8.43%	(0.00%)
167 days	11.52%	11.52%	(0.00%)
294 days	14.16%	14.16%	(0.00%)

Source: FMDQ DQL for 23 November 2023

Benchmark FGN Bond Yields			
	23-Nov-23	22-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	16.26%	15.61%	(0.65%)
20 yrs: 13.00% 21-Jan-2042	16.96%	16.89%	(0.07%)
30 yrs: 12.98% 27-Mar-2050	17.54%	17.71%	+0.17%

Source: FMDQ DQL for 23 November 2023

Benchmark FGN Eurobond Yields			
	23-Nov-23	22-Nov-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.94%	9.94%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	10.73%	10.73%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	11.08%	11.08%	(0.00%)
30 yrs: NGERIA 9.248 01/21/49	11.33%	11.31%	(0.02%)
7.125% ECOTRAN 16/02/26	12.12%	12.12%	(0.00%)

Source: FBN UK Runs for 23 November 2023

## Nigerian Equities

The Nigerian equity market closed on a bullish note, as buying interest dominated across most tickers. The All-Share Index (ASI) appreciated by a 0.07%, settling at 71,052.85 points, leading to a year-to-date return of 38.64%. Market activity exhibited a mixed trend, with a 31.57% increase in total volume traded and a 53.32% decline in total value traded.

The Banking and Industrial Goods Indices appreciated by 0.03% and 0.04%, respectively, while the Consumer Index depreciated by 0.05%. UNIVINSURE led the total volume charts with 164.30 million units while ZENITHBANK led in total value with ₦694.17 million.

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

## Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 12.11% (or ₦115.80) to \$/₦956.33 from \$/₦840.53 recorded yesterday.

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

## Commodities

Oil prices fell more than 1% in early trading on Thursday, extending losses from the previous session, after OPEC+ postponed a ministerial meeting stoking views the producers might cut output less than earlier anticipated. Brent crude oil prices depreciated by 1.72% to \$80.55 per barrel, while West Texas Intermediate (WTI) lost 1.92%, to US\$75.62 per barrel at the time of the report. In contrast, Gold prices appreciated by 0.07% to US\$1,994.10 per ounce.

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

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
BETAGLAS	59.40	5.40	↑ 10.00%
MULTIVERSE	5.29	0.48	↑ 9.98%
MECURE	8.38	0.76	↑ 9.97%
ENAMELWA	19.30	1.75	↑ 9.97%
DEAPCAP	0.67	0.06	↑ 9.84%

Source: NGX, AIICO Capital

### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
ELLAHLAKES	3.37	-0.37	↓ -9.89%
OMATEK	0.99	-0.10	↓ -9.17%
MCNICHOLS	0.85	-0.05	↓ -5.56%
ACADEMY	1.70	-0.10	↓ -5.56%
NPFMCRFBK	2.10	-0.09	↓ -4.11%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.07%	↑ 0.04%	↑ 38.64%
NSE Banking Index	↑ 0.03%	↑ 0.32%	↑ 74.96%
NSE Insurance Index	↑ 1.27%	↑ 6.19%	↑ 76.40%
NSE Industrial Goods Index	↑ 0.04%	↓ 0.00%	↑ 17.15%
NSE Consumer Goods Index	↓ -0.05%	↓ -0.44%	↑ 94.98%
NSE Oil & Gas Index	→ 0.00%	↑ 3.71%	↑ 113.67%

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