

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity declined by 52.89% to ₦159.49 billion compared to ₦338.53 billion recorded yesterday. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) shed 33bps and 65bps to 15.42%, and 15.70%, respectively.

Outlook: *We expect Interbank rates to ease in the interim.*

Treasury Bills

Activity in the treasury bills market was mostly skewed to the long-dated papers, with buy-side interests. However, market closed relatively flat. Accordingly, average mid-rate settled at 8.33%.

Outlook: *We expect activity to subside as players brace up for year-end housekeeping and the holiday.*

FGN Bonds

The FGN local bonds market was relatively quiet in today's session, with mixed sentiment around the on-the-run papers. At market close, the average mid-yield stayed relatively flat at 14.81%.

Outlook: *We expect activity to subside as players brace up for year-end housekeeping and the holiday.*

Eurobonds

The Eurobonds market extended its bullish momentum in today's trading session, with buy-side interest across the curve. Overall, the Nigerian's curve closed lower, as average mid-yield declined by 5bps to settle at 9.42%.

Outlook: We expect the bullish bias to persist tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
28-Dec-23	159.49	↓(179.04)
27-Dec-23	338.53	

Source: CBN

AICO Money Market Fund (AMMF)

(As of 27th December 2023)	14.1478%
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)	32.80 (-11.55% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*78.75 (-1.13% d/d)

Source: NBS,CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	28-Dec-23	27-Dec-23	Change in Rates
70 days	2.91%	5.11%	+2.20%
161 days	5.43%	7.53%	+2.10%
315 days	10.21%	11.43%	+1.22%

Source: FMDQ DQL for 28 December 2023

Benchmark FGN Bond Yields			
	28-Dec-23	27-Dec-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.04%	13.05%	+0.01%
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 28 December 2023

Benchmark FGN Eurobond Yields			
	28-Dec-23	27-Dec-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.85%	8.88%	+0.03%
10 yrs: NGERIA 7.875 02/16/32	9.46%	9.51%	+0.05%
15 yrs: NGERIA 7.696 23/02/38	9.90%	9.96%	+0.06%
30 yrs: NGERIA 9.248 01/21/49	10.21%	10.24%	+0.03%
7.125% ECOTRAN 16/02/26	9.78%	10.05%	+0.27%

Source: FBN UK Runs for 28 December 2023

Nigerian Equities

The Nigerian Equity market closed bullish today, due to the dominant buying interests across several tickers, including MTNN (+4.58%). Thus, the Nigerian All-Share Index gained 0.99%, to settle at 74,502.58 points in today's session and YTD performance settled at 45.37%, nudging the total market capitalization at ₦40.77 trillion. Trading activity was negative, as total volume fell by 11.17%, while total value traded shed 56.20%.

Further, the total volume and value traded were led by JAIZBANK with 49.40 million units and ZENITHBANK ₦1.06 billion. The Industrial, Consumer Goods and Oil & Gas Indices increased by 1.10%, 0.11% and 0.02%, respectively, while the Banking Index fell by 0.22%.

Outlook: *We expect a similar session tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 19.54% (or ₦170.5) to \$/₦1,043.09 from \$/₦872.59 recorded yesterday.

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

Commodities

Oil prices fell around 1% today as concerns eased about shipping disruptions along the Red Sea route, even as tensions in the Middle East continue to fester. Brent crude was reported at \$78.88 per barrel, and West Texas Intermediate (WTI) at \$73.72 per barrel, as at printing time. Gold prices increased to \$2,089.40 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
IKEJAHOTEL	5.50	0.50	↑	10.00%
MULTIVERSE	16.89	1.53	↑	9.96%
JBERGER	39.80	3.60	↑	9.94%
IMG	12.25	1.10	↑	9.87%
MCNICHOLS	0.78	0.07	↑	9.86%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
UACN	12.15	-1.35	↓	-10.00%
JOHNHOLT	2.32	-0.25	↓	-9.73%
DEAPCAP	0.58	-0.06	↓	-9.38%
RTBRISCOE	0.61	-0.06	↓	-8.96%
UCAP	22.10	-1.80	↓	-7.53%

Source: NGX, AIICO Capital

Tickers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.99%	↑ 0.29%	↑ 4.40%	↑ 45.37%
NSE Banking Index	↓ -0.22%	↓ -0.82%	↑ 18.60%	↑ 112.51%
NSE Insurance Index	↑ 2.07%	↑ 6.42%	↑ 3.29%	↑ 79.37%
NSE Industrial Goods Index	↑ 1.10%	↓ -0.04%	↓ -2.53%	↑ 12.84%
NSE Consumer Goods Index	↑ 0.11%	↓ -0.11%	↓ -0.39%	↑ 93.14%
NSE Oil & Gas Index	↑ 0.02%	↑ 0.26%	↓ -0.45%	↑ 125.29%

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