

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity remained in the negative territory, opening at -c.₦2,269.58 billion today compared with -c.₦2,292.06 billion recorded yesterday. Consequently, both the Open Repo Rate and Overnight Rate increased by c.69 bps and c.8 bps, to close at 31.38% and 31.86%, respectively.

Outlook: We expect the interbank rates to stay elevated.

Treasury Bills

The treasury bills market endured a mixed to bearish session, though executed volumes were thin due to the liquidity crunch. Most of the interests was skewed to 06 June 2024, 13 June 2024, 28 Jan 2025, 20 Feb 2025 and 06 Mar 2025. Overall, the average mid-rate stayed relatively flat at 16.11%.

Outlook: We expect market's focus to tilt to the NTB auction, as the DMO would be offering ₦161.49 billion.

FGN Bonds

Activity in the FGN local bonds market was sluggish today, though some buy-side interests were observed on 2027, Feb 2034 and 2038 papers. Overall, the average mid-yield closed c.29bps lower to settle at 17.70%.

Outlook: We expect the mixed performance to persist in the interim.

Eurobonds

The Eurobonds market started the session bullish. At mid-day through closing hour, market receded to a bearish bias, given the higher-than-expected US CPI print at 3.20% y/y (Est. 3.10%) from 3.10%. Overall, market settled bearish, as average mid-yield increased by 12bps to 9.85%.

Outlook: We expect the bearish theme to ease tomorrow.

Date	Sys. Liq. (₦'bn)	Diff.
12-Mar-24	-2,269.58	↑ 22.49
11-Mar-24	-2,292.07	

Source: CBN

AIICO Money Market Fund (AMMF)	
(As of 7th March 2024)	14.0248%
Added Benefit	Personal accident insurance cover
Macro Indicators	
GDP (Q4 2023)	+3.46% (Q3: 2023 +2.54% y/y)
Inflation (January 2024)	29.90% (Dec'23: 28.92%)
External Reserve (US\$'billion)	34.21 (+3.93% YTD)
Monetary Policy Rate	22.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*82.66 (+0.55 d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	12-Mar-24	11-Mar-24	Change in Rates
86 days	16.57%	16.57%	(0.00%)
177 days	17.41%	17.41%	(0.00%)
331 days	20.30%	20.30%	(0.00%)

Source: FMDQ DQL for 12 March 2024

Benchmark FGN Bond Yields			
	12-Mar-24	11-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	17.81%	17.81%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	18.72%	18.72%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	18.69%	18.69%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	18.34%	18.34%	(0.00%)

Source: FMDQ DQL for 12 March 2024

Benchmark FGN Eurobond Yields			
	12-Mar-24	11-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.13%	9.13%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	9.96%	9.86%	(0.10%)
15 yrs: NGERIA 7.696 23/02/38	10.27%	10.15%	(0.12%)
30 yrs: NGERIA 9.248 01/21/49	10.31%	10.19%	(0.12%)
7.125% ECOTRAN 16/02/26	10.19%	10.18%	(0.01%)

Source: ZENITH UK Runs for 12 March 2024

Nigerian Equities

The banking stocks stirred up the broad market to close bullish in today's session. Thus, the All-Share Index (ASI) increased by 1.45% to settle at 103,524.44 points, while the year-to-date return and market capitalization settled at 38.45% and ₦58.53 trillion, respectively.

Market activity concluded with a mixed performance, showing a 22.00% increase in trading volume but a decline of -13.98% in total value traded. UCAP dominated the volume charts with 92/87 million units traded, while UNILEVER led in terms of value traded with ₦11.65 billion. The Banking and Oil & Gas grew by 5.56% and 0.12%, respectively. The Industrial Index closed flat.

Outlook: *We expect the bullish sentiment to linger tomorrow, albeit less aggressively.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) appreciated by 0.90% (or ₦14.58) to \$/₦1,603.38 from \$/₦1,617.96 recorded yesterday.

Outlook: *We expect volatility to persist.*

Commodities

Oil prices fell as traders assessed the U.S. inflation data. Brent crude dropped to \$82.55 per barrel, while West Texas Intermediate (WTI) fell to \$78.33 per barrel at the time of reporting. In contrast, the price of gold surged to \$2,170.10 per ounce as of the time of writing.

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

Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)		% Change
UBA	25.30	2.30	↑	10.00%
MTNN	243.50	22.10	↑	9.98%
JBERGER	61.00	5.40	↑	9.71%
ACCESSCORP	22.45	1.95	↑	9.51%
VERITASKAP	0.70	0.06	↑	9.38%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
TANTALIZER	0.35	-0.03	↓	-7.89%
NASCON	53.70	-3.90	↓	-6.77%
MORISON	1.41	-0.10	↓	-6.62%
CILEASING	3.48	-0.24	↓	-6.45%
CUTIX	2.53	-0.17	↓	-6.30%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.45%	↑ 4.37%	↑ 3.54%	↑ 38.45%
NSE Banking Index	→ 0.00%	↓ -0.10%	↑ 3.18%	↓ -2.31%
NSE Insurance Index	→ 0.00%	↓ -0.42%	↓ -2.73%	↑ 11.15%
NSE Industrial Goods Index	→ 0.00%	↑ 0.12%	↓ -1.79%	↑ 76.93%
NSE Consumer Goods Index	→ 0.00%	↑ 1.92%	↑ 0.24%	↑ 45.13%
NSE Oil & Gas Index	→ 0.00%	↓ -0.23%	↓ -1.08%	↑ 23.57%

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