

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity remained in the negative territory, opening at -c.₦2,088.11 billion today compared with -c.₦2,269.58 billion recorded yesterday. Consequently, both the Open Repo Rate and Overnight Rate increased by c.105 bps and c.114 bps, to close at 32.43% and 33.00%, respectively.

Outlook: We expect the interbank rates to stay elevated.

Treasury Bills

The treasury bills market witnessed a quiet day, as participants tilted attention towards the primary market. Overall, the average mid-rate remained unchanged. at 16.11%.

Outlook: We expect market to extend its mixed posture in tomorrow's trading session.

FGN Bonds

Activity in the FGN local bonds market was calm. Although, market digested the FGN bond auction circular released by the DMO today. In the circular, the DMO intends to raise ₦150.00 billion each from 2027 (new issue), 2031 and 2034 papers. Given the bearish undertone impacted by the tight system liquidity, market settled bearish, as the average mid-yield increased marginally by 1bp to 17.71%.

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

Eurobonds

The Eurobonds market closed today's session on a bullish note, as buy-side interests scouted for several papers. In addition, the surge in oil prices partly drove the bullish posture. As a result, average mid-yield declined by 4bps to settle at 9.81%.

Outlook: We expect tomorrow's session to be hinged on any change in US retail sales data. As of print time, market forecast the US retail sales to grow at 0.80% from -0.8% in January.

Date	Sys. Liq. (₦'bn)	Diff.
13-Mar-24	-2,088.11	↑ 181.47
12-Mar-24	-2,269.58	

Source: CBN

AIICO Money Market Fund (AMMF)	
(As of 12th March 2024)	14.4869%
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)	34.34 (+4.33% YTD)
Monetary Policy Rate	22.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*83.99 (+2.51 d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	13-Mar-24	12-Mar-24	Change in Rates
85 days	16.57%	16.57%	(0.00%)
176 days	17.41%	17.41%	(0.00%)
330 days	20.30%	20.30%	(0.00%)

Source: FMDQ DQL for 13 March 2024

Benchmark FGN Bond Yields			
	13-Mar-24	12-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.10%	17.81%	(0.29%)
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 13 March 2024

Benchmark FGN Eurobond Yields			
	13-Mar-24	12-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.09%	9.13%	+0.04%
10 yrs: NGERIA 7.875 02/16/32	9.93%	9.96%	+0.03%
15 yrs: NGERIA 7.696 23/02/38	10.23%	10.27%	+0.04%
30 yrs: NGERIA 9.248 01/21/49	10.30%	10.31%	+0.01%
7.125% ECOTRAN 16/02/26	10.19%	10.19%	(0.00%)

Source: ZENITH UK Runs for 13 March 2024

Nigerian Equities

The Nigerian equity market extended its bullish momentum in today's trading, with persistent buy-side interests on the banking tickers. Thus, the All-Share Index (ASI) gained 0.47% to settle at 104,007.31 points, while the year-to-date return and market capitalization settled at 39.10% and ₦58.81 trillion, respectively.

Market activity dwindled in today's session, with -42.21% and -35.93% in trading volume and value, respectively. TRANSCORP topped the volume chart with 38.95 million units while NESTLE topped the value charts with ₦1.50 billion. The Banking, Consumer and Industrial Indices appreciated by 1.95%, 0.22% and 0.03%, respectively, while the Oil & Gas Index flattened.

Outlook: *We expect the bullish sentiment ease tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 0.78% (or ₦12.56) to \$/₦1,615.94 from \$/₦1,603.38 recorded yesterday.

Outlook: *We expect volatility to persist.*

Commodities

Oil prices increased amid Ukraine's attack on Russian oil refineries. Brent crude increased to \$84.13 per barrel, while West Texas Intermediate (WTI) printed at \$79.82 per barrel at the time of reporting. Similarly, the price of gold surged to \$2,181.50 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
JBERGER	67.10	6.10	↑	10.00%
ETI	22.00	2.00	↑	10.00%
NEM	6.65	0.60	↑	9.92%
RTBRISCOE	0.49	0.04	↑	8.89%
OMATEK	0.75	0.06	↑	8.70%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
SKYAVN	22.95	-2.55	↓	-10.00%
SUNUASSUR	1.41	-0.15	↓	-9.62%
MAYBAKER	5.10	-0.32	↓	-5.90%
LASACO	2.00	-0.12	↓	-5.66%
JAPAULGOLD	2.20	-0.10	↓	-4.35%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.47%	↑ 4.43%	↑ 4.03%	↑ 39.10%
NSE Banking Index	↑ 1.95%	↑ 7.05%	↑ 10.82%	↑ 4.93%
NSE Insurance Index	↑ 0.79%	↑ 1.71%	↓ -0.80%	↑ 13.36%
NSE Industrial Goods Index	↑ 0.03%	↑ 0.15%	↓ -1.76%	↑ 76.97%
NSE Consumer Goods Index	↑ 0.22%	↑ 2.51%	↓ -0.02%	↑ 44.75%
NSE Oil & Gas Index	→ 0.00%	↓ -0.11%	↓ -0.96%	↑ 23.72%

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