

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

System liquidity stayed positive, as it opened at c.₦98.84 billion compared to ₦52.77 billion reported last Friday. Consequently, the Open Repo Rate declined by 62bps to 25.60%, while the Overnight Rate eased by 84 bps, to 26.45%.

Outlook: We expect the interbank remain at similar levels tomorrow.

Treasury Bills

In today's trading session, the treasury bills market displayed cautious activity, influenced by the market's anticipation of the MPC rate decision tomorrow and the upcoming NTB auction scheduled for mid-week. Despite this cautious sentiment, there were limited buying interests focused on specific maturities, particularly 06 Mar 2025. Consequently, the market closed on a slightly bullish note, with the average mid-rate declining by c.7 bps to settle at 15.59%.

Outlook: Tomorrow's trading session is expected to maintain similar posture, pending the outcome of the MPC's meeting.

FGN Bonds

Trading in FGN local bonds was subdued today, attributed to uncertainty surrounding the outcome of the MPC meeting. Overall, the average yield marginally increased by c.1bp to close at 18.99%.

Outlook: Tomorrow's trading session is expected to maintain similar posture, pending the outcome of the MPC's meeting later tomorrow.

Eurobonds

The Eurobonds market experienced a bearish close today, driven by profit-taking activities observed across Sub-Saharan African and North African securities. As a result, the Nigerian yield curve concluded the session on a negative trajectory, with the average mid-yield rising by c.3 bps to settle at 9.41%. In other news, Zambia made headlines today by reaching an agreement in principle on restructuring terms for its foreign bonds maturing in 2022, 2024, and 2027.

Outlook: We expect the bullish bias to persist tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
25-Mar-24	98.85	↑ 46.08
22-Mar-24	52.77	

Source: CBN

AICO Money Market Fund (AMMF)	
(As of 22nd March 2024)	15.1835%

Macro Indicators	
GDP (Q4 2023)	+3.46% (Q3: 2023 +2.54% y/y)
Inflation (February'2024)	31.70% (Jan'24: 29.90%)
External Reserve (US\$'billion)	34.26 (+4.11% YTD)
Monetary Policy Rate	22.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*86.92 (+1.74 d/d)

Source: NBS, CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	25-Mar-24	22-Mar-24	Change in Rates
73 days	16.25%	16.25%	(0.00%)
164 days	16.40%	16.40%	(0.00%)
318 days	17.95%	17.95%	(0.00%)

Source: FMDQ DQL for 25 March 2024

Benchmark FGN Bond Yields			
	25-Mar-24	22-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	20.30%	20.30%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	19.90%	19.89%	(0.01%)
20 yrs: 13.00% 21-Jan-2042	18.68%	18.68%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	18.30%	18.30%	(0.00%)

Source: FMDQ DQL for 25 March 2024

Benchmark FGN Eurobond Yields			
	25-Mar-24	22-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.35%	8.30%	(0.05%)
10 yrs: NGERIA 7.875 02/16/32	9.57%	9.54%	(0.03%)
15 yrs: NGERIA 7.696 23/02/38	10.04%	10.02%	(0.02%)
30 yrs: NGERIA 9.248 01/21/49	10.15%	10.13%	(0.02%)
7.125% ECOTRAN 16/02/26	10.17%	9.78%	(0.39%)

Source: ZENITH UK Runs for 25 March 2024

Nigerian Equities

The Nigerian equity market ended the session on a bearish note, driven by heightened selling pressure compared to buying interest. Notably, TRANSCORP (-23.55%) and MTN (-2.59%) experienced notable declines in selling activity. Consequently, the All-Share Index closed lower by 0.49% at 104,647.37 points, with the year-to-date return at 39.27%. Market capitalization moderated to ₦58.88 trillion from the previous day's ₦59.17 trillion.

Trading activity witnessed a decline, with total volume traded decreasing by 39.27% and total value traded down by 20.04%. JAIZBANK led the total volume chart with 63.88 million units, while MTNN topped the values chart with ₦2.61 billion. The Banking and Consumer Goods Indices declined by 0.28% and 0.83%, respectively. Meanwhile, the Industrial and Oil & Gas Indices flattened.

Outlook: We expect a mixed play at tomorrow's session.

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) appreciated by 1.64% (or ₦23.45) to \$/₦1,408.04 from \$/₦1,431.49 recorded last Friday.

Outlook: We expect FX rate to appreciate in the interim.

Commodities

Oil prices climbed following reports of Ukraine's targeting of Russian refineries. Currently, Brent crude has risen by 1.44% to reach \$86.66 per barrel, while WTI has surged by 1.64% to \$81.96 per barrel. Similarly, the price of gold has increased by 0.80% to \$2,777.20.

Outlook: We expect oil prices to remain elevated.

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
ELLAHLAKES	3.63	0.33 ↑	10.00%
MORISON	1.55	0.14 ↑	9.93%
SUNUASSUR	1.27	0.11 ↑	9.48%
CAVERTON	1.75	0.15 ↑	9.37%
NSLTECH	0.60	0.05 ↑	9.09%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
DANGSUGAR	53.10	-5.90 ↓	-10.00%
INTENEGINS	1.35	-0.15 ↓	-10.00%
JAIZBANK	2.18	-0.24 ↓	-9.92%
IKEJAHOTEL	5.85	-0.63 ↓	-9.72%
DEAPCAP	0.57	-0.06 ↓	-9.52%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.49%	↓ -0.50%	↑ 4.16%	↑ 39.27%
NSE Banking Index	↓ -0.28%	↓ -0.13%	↑ 16.87%	↑ 10.66%
NSE Insurance Index	↑ 0.21%	↑ 6.02%	↑ 7.25%	↑ 22.56%
NSE Industrial Goods Index	↓ 0.00%	↑ 0.55%	↓ -1.13%	↑ 78.11%
NSE Consumer Goods Index	↓ -0.83%	↓ -0.84%	↓ -0.64%	↑ 43.85%
NSE Oil & Gas Index	→ 0.00%	↑ 0.29%	↓ -0.66%	↑ 24.09%

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