

Daily Financial Market Update

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AICO CAPITAL

MARKET COMMENTARY

Money Market

System liquidity returned to its positive levels, with opening balance at ₦285.27 billion from -₦16.28 billion reported yesterday. Nonetheless, the Open Repo Rate rose by 64 bps to 26.93%, while the Overnight Rate increased by 54 bps, hitting 27.50%.

Outlook: We anticipate the interbank rates to ease in the interim, as FAAC inflows is expected to hit the system.

Treasury Bills

Today's trading in the treasury bills market was marked by subdued activity, primarily due to increased focus on the primary market auction. Consequently, the average mid-rate remained relatively unchanged, stabilizing at 15.78%.

Outlook: We expect the auction result to dictate market performance in the interim.

FGN Bonds

Earlier today, the local bonds market experienced a minor increase in yields across the curve compared to yesterday's closing rates. However, despite the Monetary Policy Committee's (MPC) decision to raise rates by 200 bps yesterday, today's trading activity was predominantly driven by buy-side interests, notably focused on the 2034 maturity. As a result, the average mid-yield decreased by 6 bps to settle at 18.94%.

Outlook: We expect a similar trend in tomorrow's session, with a potentially increased momentum, as market awaits FAAC inflows.

Eurobonds

The Eurobonds market remained stable today, as there were no significant market-moving events. Traders showed varied positions across the curve, with a prevailing bullish sentiment observed in Ghana bonds, while the Nigerian curve reflected a bearish bias. As a result, the average mid-yield of Nigeria's bonds increased by c.9 bps to 9.28%.

Outlook: We expect the US jobless claims data to potentially impact the market tomorrow, pending any market surprise.

Date	Sys. Liq. (₦'bn)	Diff.
27-Mar-24	121.88	↑ 138.16
26-Mar-24	-16.28	

Source: CBN

AICO Money Market Fund (AMMF)		
(As of 26th March 2024)		14.8488%

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	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*85.80 (-0.52 d/d)

Source: NBS, CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	27-Mar-24	26-Mar-24	Change in Rates
71 days	16.25%	16.25%	(0.00%)
162 days	16.40%	16.40%	(0.00%)
316 days	17.95%	17.95%	(0.00%)

Source: FMDQ DQL for 27 March 2024

Benchmark FGN Bond Yields			
	27-Mar-24	26-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	19.83%	19.83%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	19.90%	19.90%	(0.00%)
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 27 March 2024

Benchmark FGN Eurobond Yields			
	27-Mar-24	26-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.06%	8.06%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	9.35%	9.35%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	9.87%	9.87%	(0.00%)
30 yrs: NGERIA 9.248 01/21/49	10.00%	10.00%	(0.00%)
7.125% ECOTRAN 16/02/26	10.09%	10.09%	(0.00%)

Source: ZENITH UK Runs for 27 March 2024

Nigerian Equities

The Nigerian equity market expressed a bullish bias in today's session, particularly in the banking sector, including tickers like ZENITHBANK (+8.78%), UBA 4.32%), and ACCESSCORP (+3.90%). As a result, the All-Share Index (ASI) appreciated by 0.32% to reach 104,283.64 points, while the year-to-date return and market capitalization settled at 39.47% and ₦58.96 trillion, respectively.

Momentum strengthened in today's session, with total volume and value traded gaining +33.46% and 9.92%, respectively. ACCESSCORP led the total volume traded with 83.60 million units while GTCO led the total value traded with ₦2.52 billion. The Banking and Industrial Goods Indices appreciated by 3.01% and 0.07%, respectively, while the Consumer Goods Index declined by 0.11%. Meanwhile, the Oil & Gas Index flattened.

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

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) appreciated by 5.97% (or ₦82.52) to \$/₦1,300.43 from \$/₦1,382.95 recorded yesterday.

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

Commodities

Oil prices dropped due to a significant increase in U.S. crude stockpiles. Brent crude decreased by 0.32% to \$85.97 per barrel, while WTI dropped by 0.22% to \$81.45 per barrel. Meanwhile, gold prices saw a slight increase today, gaining 0.63% to reach \$2,213.00, as investors await U.S. inflation data, which could provide insights into the Federal Reserve's potential monetary policy adjustments.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
CWG	7.15	0.65 ↑	10.00%
JULI	9.49	0.86 ↑	9.97%
FTNCOCOA	1.77	0.16 ↑	9.94%
CONHALLPLC	1.58	0.14 ↑	9.72%
LIVESTOCK	1.81	0.16 ↑	9.70%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
NNFM	48.30	-5.35 ↓	-9.97%
PRESTIGE	0.56	-0.06 ↓	-9.68%
OMATEK	0.72	-0.07 ↓	-8.86%
VERITASKAP	0.64	-0.06 ↓	-8.57%
MAYBAKER	5.50	-0.50 ↓	-8.33%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.32%	↑ 0.03%	↑ 4.30%	↑ 39.47%
NSE Banking Index	↑ 3.01%	↑ 3.71%	↑ 20.48%	↑ 14.07%
NSE Insurance Index	↑ 0.12%	↑ 3.61%	↑ 7.63%	↑ 22.99%
NSE Industrial Goods Index	↑ 0.07%	↑ 0.53%	↓ -1.03%	↑ 78.29%
NSE Consumer Goods Index	↓ -0.11%	↓ -1.36%	↓ -0.87%	↑ 43.52%
NSE Oil & Gas Index	→ 0.00%	↑ 0.01%	↓ -0.66%	↑ 24.09%

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