

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity showed a significant improvement, increasing by 130.83% from ₦45.32 billion last Thursday to ₦104.61 billion today. Consequently, the Open Repo Rate dropped by 382 bps to 23.47%, and the Overnight Rate decreased by 329 bps, settling at 24.92%.

Outlook: We expect rates to ease further tomorrow.

Treasury Bills

The treasury bills market observed buy-side activity across the mid and long dated papers, particularly Oct 2024, Feb 2025 and Mar 2025 papers. At the closing bell, average mid-rate declined by 13bps to settle at 15.75%.

Outlook: We expect the bullish bias to linger at similar pace in tomorrow's session.

FGN Bonds

The local bonds market experienced a bullish trend, marked by significant buying activity in various papers such as the New Mar 2027, Feb 2034, and 2053 maturities. Sellers were less active, thus leading to fewer trades executed by the end of the session. Overall, the average mid-yield declined by 7 bps to settle at 18.77%.

Outlook: We anticipate increased selling tomorrow following the announcement of the Q2'2024 FGN bonds calendar, which includes the reissuance of the 2031 and 2034 papers, along with the introduction of a new 2029 bond. (Please refer to the attached calendar for additional details).

Eurobonds

The Eurobonds market experienced a bearish trend today, influenced by the US Job Openings and Labor Turnover Survey (JOLTS), indicating the resilience of the US labor market amidst ongoing policy tightening measures. JOLTS openings marginally increased to 8.76 million in February from 8.75 million in January. Consequently, African papers saw widespread selloffs. By the close of trading, Nigeria's average mid-yield rose by c.37 bps to 9.60%.

Outlook: In tomorrow's trading, we anticipate that the ADP Employment data and the Fed's speech will garner significant attention, amid other market concerns.

Date	Sys. Liq. (₦'bn)	Diff.
2-Apr-24	104.61	↑ 59.29
28-Mar-24	45.32	

Source: CBN

AIICO Money Market Fund (AMMF)		
(As of 28th March 2024)		15.7795%

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)	33.88 (+2.96% YTD)
Monetary Policy Rate	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*88.50 (+1.29 d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	02-Apr-24	28-Mar-24	Change in Rates
86 days	14.90%	14.90%	(0.00%)
177 days	17.00%	16.42%	(0.58%)
324 days	18.55%	18.55%	(0.00%)

Source: FMDQ DQL for 02 April 2024

Benchmark FGN Bond Yields			
	02-Apr-24	28-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	19.84%	19.83%	(0.01%)
10 yrs: 12.50% 27-Apr-2032	19.91%	19.90%	(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 02 April 2024

Benchmark FGN Eurobond Yields			
	02-Apr-24	28-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.44%	8.19%	(0.25%)
10 yrs: NGERIA 7.875 02/16/32	9.94%	9.47%	(0.47%)
15 yrs: NGERIA 7.696 23/02/38	10.46%	9.98%	(0.48%)
30 yrs: NGERIA 9.248 01/21/49	10.45%	10.12%	(0.33%)
7.125% ECOTRAN 16/02/26	9.80%	9.80%	(0.00%)

Source: ZENITH UK Runs for 02 April 2024

Nigerian Equities

Today's session in the Nigerian equity market saw low participation, with a mixed but ultimately bearish trend prevailing. Despite some buying interest in ACCESSCORP (+2.04%), GTCO (+1.05%), and ZENITHBANK (+0.11%), selloffs in FBNH (-1.97%), STANBIC (-1.79%), and TRANSCORP (-1.41%) dominated. Consequently, the All-Share Index (ASI) closed down by 0.04% at 104,518.14 points, while year-to-date returns and market capitalization settled at 39.78% and ₦59.09 trillion, respectively.

Total volume and value traded declined by 12.45% and 13.81%, respectively. GTCO led both the total volume and value traded with 84.65 million units ₦4.48 billion. Nonetheless, the Banking and Industrial Goods Indices declined by 0.07% and 0.12%, respectively, while the Consumer Goods Index declined by 0.01%. Meanwhile, the Oil & Gas Index flattened.

Outlook: We expect similar session tomorrow.

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) appreciated by 2.35% (or ₦30.81) to \$/₦1,278.58 from \$/₦1,309.39 recorded last Thursday.

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

Commodities

Today saw a rise in oil prices, reaching their highest point since October, as investors kept a close watch on new supply concerns amid escalating tensions in the Middle East and a Ukrainian drone strike targeting a major Russian oil refinery. Brent crude increased by 1.56% to \$88.77 per barrel, while WTI rose by 1.62% to \$85.06 per barrel. Similarly, gold prices climbed 1.01% to reach \$2,279.70, driven by increased uncertainty surrounding the conflicts in the Middle East.

Outlook: We expect oil prices to remain elevated.

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
MAYBAKER	6.05	0.55 ↑	10.00%
IKEJAHOTEL	7.07	0.64 ↑	9.95%
CHAMS	2.11	0.19 ↑	9.90%
UNITYBNK	2.27	0.20 ↑	9.66%
AIICO	1.25	0.11 ↑	9.65%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
UACN	12.40	-1.35 ↓	-9.82%
JBERGER	59.95	-6.05 ↓	-9.17%
ABCTTRANS	0.70	-0.07 ↓	-9.09%
UNIVINSURE	0.36	-0.03 ↓	-7.69%
UPDC	1.40	-0.10 ↓	-6.67%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.04%	↑ 0.54%	↓ -0.04%	↑ 39.78%
NSE Banking Index	↓ -0.07%	↑ 3.56%	↓ -0.07%	↑ 14.68%
NSE Insurance Index	↑ 1.37%	↑ 4.14%	↑ 1.37%	↑ 27.93%
NSE Industrial Goods Index	↓ -0.12%	↑ 0.07%	↓ -0.12%	↑ 78.28%
NSE Consumer Goods Index	↓ -0.01%	↓ -0.03%	↓ -0.01%	↑ 43.63%
NSE Oil & Gas Index	→ 0.00%	→ 0.00%	→ 0.00%	↑ 24.09%

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