

# Daily Financial Market Update

**AiICO CAPITAL**
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## MARKET COMMENTARY

### Money Market

The opening system liquidity showed a relative improvement, moving from a deficit of ₦1,010.82 billion to a deficit of ₦885.92 billion. In terms of rates, the Open Repo Rate (OPR) saw a 7 bps increase, reaching 29.96%, whereas the Overnight Rate (O/N) experienced a decrease of 21 bps, settling at 30.75%.

**Outlook:** We expect interbank rates to remain elevated tomorrow.

### Treasury Bills

Today, the treasury bills market saw subdued activity, characterized by slight buying interests in specific papers, particularly those with longer maturity dates. However, the market sentiment was predominantly bearish, with participants expecting slightly higher rates at tomorrow's NTB auction. Consequently, the average mid-rate rose by c.126 bps to 20.77%.

**Outlook:** We expect investors to shift their attention to tomorrow's primary market auction where the DMO will be offering c.₦142.57 billion worth of treasury bills.

### FGN Bonds

The FGN local bonds market exhibited a bullish bias, albeit with less intensity. Buying interests were concentrated primarily around the Feb 2034, 2038, and 2053 maturities, among others. Despite the prevailing bullish sentiment, the market concluded with little change, as the average mid-yield remained unchanged at 18.68%.

**Outlook:** We anticipate similar activity tomorrow.

### Eurobonds

The Eurobond market opened the session with a slight weakness and mixed performance across the region. As the trading session progressed, the market leaned towards a bullish stance. However, in the case of Nigeria, the market retraced its gains and turned bearish by the end of the session. Consequently, the average mid-yield on Nigerian Eurobonds rose by 5 basis points, ending the session at 9.69%.

**Outlook:** We expect tomorrow's session to stay mixed.

### AiICO Money Market Fund (AMMF)

(As of 22nd April 2024) 15.4363%

Date	Sys. Liq. (₦'bn)	Diff.
23-Apr-24	-885.92	
22-Apr-24	-1,010.82	↑ 124.90

Source: CBN

### Macro Indicators

GDP (Q4 2023)	+3.46% (Q3: 2023 +2.54% y/y)
Inflation (March'2024)	33.20% (Feb'24: 31.70%)
External Reserve (US\$ billion)	32.11 (+2.44% YTD)
Monetary Policy Rate	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*86.76 (-0.61 d/d)

Source: NBS, CBN, AiICO Capital

### Benchmark T-Bills Discount Rates

	23-Apr-24	22-Apr-24	Change in Rates
93 days	23.35%	23.35%	→ 0.00%
184 days	22.40%	22.40%	→ 0.00%
338 days	21.35%	21.35%	→ 0.00%

Source: FMDQ DQL for 23 April 2024

### Benchmark FGN Bond Yields

	23-Apr-24	22-Apr-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.57%	18.57%	→ 0.00%
10 yrs: NGERIA 7.875 02/16/32	19.65%	19.81%	↓ -0.16%
20 yrs: 13.00% 21-Jan-2042	18.69%	18.69%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	18.33%	18.33%	→ 0.00%

Source: FMDQ DQL for 23 April 2024

### Benchmark FGN Eurobond Yields

	23-Apr-24	22-Apr-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.55%	8.55%	→ 0.00%
10 yrs: NGERIA 7.875 02/16/32	9.90%	9.90%	→ 0.00%
15 yrs: NGERIA 7.696 23/02/38	10.40%	10.36%	↑ 0.04%
30 yrs: NGERIA 9.248 01/21/49	10.33%	10.31%	↑ 0.02%
7.125% ECOTRAN 16/02/26*	9.41%	9.41%	→ 0.00%

Source: ZENITH UK Runs for 23 April 2024

## Nigerian Equities

The Nigerian Equity market slumped back to a bearish theme, bolstered by selling interests on TRANSCORP (+3.47%) and UBA (+0.66%). Moreso, the All-Share Index lost 0.28% to settle at 99,311.54 points. Also, the year-to-date return and market capitalization settled at 32.82% and ₦56.17 trillion, respectively.

The Banking and Consumer Indices shed by 2.94% and 0.80%, respectively, while Industrial Goods index increased by 0.30%, sponsored by WAPCO (+7.46%). TRANSCORP led both the total volume charts with 125.70 million units and total value chart with ₦1.89 billion in value.

**Outlook:** *The expect the mixed sentiment to persist tomorrow.*

## Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by ₦66.66 (or 5.32%) to \$/₦1,300.15 compared to \$/₦1,234.49 recorded yesterday.

**Outlook:** *We expect volatility to linger.*

## Commodities

Crude oil prices edged lower today after Iran said it will not escalate the conflict with Israel. Brent crude lost by 0.61% to \$86.76 per barrel, while WTI declined by 0.17% fell by \$83.00 per barrel. In similar fashion, the price of gold fell by 2.56% to \$2,352.60 per ounce.

**Outlook:** *We expect the volatility to persist.*

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
SUNUASSUR	1.10	0.10	↑ 10.00%
JAPAUFGOLD	2.01	0.18	↑ 9.84%
CAP	26.25	2.25	↑ 9.38%
OMATEK	0.83	0.07	↑ 9.21%
PRESTIGE	0.60	0.05	↑ 9.09%

*Source: NGX, AIICO Capital*

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
HONYFLOUR	3.19	-0.35	↓ -9.89%
FBNH	21.90	-2.40	↓ -9.88%
OANDO	10.10	-1.10	↓ -9.82%
FTNCOCOA	1.35	-0.14	↓ -9.40%
NESTLE	820.00	-80.00	↓ -8.89%

*Source: NGX, AIICO Capital*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.28%	↓ -0.50%	↓ -5.02%	↑ 32.82%
NSE Banking Index	↓ -2.94%	↓ -3.99%	↓ -24.69%	↓ -13.57%
NSE Insurance Index	↓ -0.51%	↑ 0.95%	↓ -6.04%	↑ 18.58%
NSE Industrial Goods Index	↑ 0.30%	↑ 0.36%	↓ -2.84%	↑ 73.41%
NSE Consumer Goods Index	↓ -0.80%	↓ -0.75%	↓ -2.15%	↑ 40.56%
NSE Oil & Gas Index	→ 0.00%	→ 0.00%	↓ -0.28%	↑ 23.75%

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