

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

The opening system liquidity relatively improved today to ₦389.00 billion from ₦909.89 reported yesterday. Consequently, the Open Repo Rate (OPR) contracted by 227bps to 27.08%, while the Overnight Rate (O/N) decreased by 298bps to 28.35%.

Outlook: We expect interbank rates to ease tomorrow amid FGN bond coupon credits.

Treasury Bills

Given the improved system liquidity, the treasury bills market was stirred bullish in today's session. Aggressive buy-side interests spilled across the curve, especially between the medium and long-dated papers. At the end of the session, market closed bullish, as average mid-rate nosedived by c. 184bps to settle at 18.92%.

Outlook: We expect the bullish sentiment to linger tomorrow.

FGN Bonds

The FGN local bonds market also trended on a positive note, albeit, at a less aggressive pace, with few bids on selected papers. At the closing bell, market closed marginally bullish, given that the average mid-yield declined by 1bp to settle at 18.63%.

Outlook: We expect a similar session tomorrow.

Eurobonds

The African Eurobond market settled bearish today, amidst the surprising US GDP growth rate, which printed significantly lower-than-expected at 1.60% in Q1'2024, crawling below 2.20% market estimate and 3.40% in the preceding quarter. Although, the SSA region started off on a positive note, before tilting to a bearish posture, while the North African region maintained a bearish bias throughout today's session. Consequently, the average mid-yield on Nigerian Eurobonds increased by 12 bps to 9.95%.

Outlook: We expect investors' attention to be shifted towards US Core PCE Index tomorrow, as discussion begins to nudge closer to "Stagflation" in the United States.

AiICO Money Market Fund (AMMF)

(As of 24th April 2024) 15.3364%

Date	Sys. Liq. (₦'bn)	Diff.
25-Apr-24	-389.01	
24-Apr-24	-909.90	↑ 520.89

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 (+2.43% YTD)
Monetary Policy Rate	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*87.96 (-0.07 d/d)

Source: NBS, CBN, AiICO Capital

Benchmark T-Bills Discount Rates

	25-Apr-24	24-Apr-24	Change in Rates
91 days	18.05%	23.35%	↓ -5.30%
182 days	18.73%	22.40%	↓ -3.67%
336 days	21.35%	21.35%	→ 0.00%

Source: FMDQ DQL for 25 April 2024

Benchmark FGN Bond Yields

	25-Apr-24	24-Apr-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.45%	19.77%	↓ -1.32%
10 yrs: 12.50% 27-Apr-2032	19.65%	19.65%	→ 0.00%
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 25 April 2024

Benchmark FGN Eurobond Yields

	25-Apr-24	24-Apr-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.86%	8.73%	↑ 0.13%
10 yrs: NGERIA 7.875 02/16/32	10.18%	10.06%	↑ 0.12%
15 yrs: NGERIA 7.696 23/02/38	10.65%	10.52%	↑ 0.13%
30 yrs: NGERIA 9.248 01/21/49	10.52%	10.42%	↑ 0.10%
7.125% ECOTRAN 16/02/26*	8.96%	8.95%	↑ 0.01%

Source: ZENITH UK Runs for 25 April 2024

Nigerian Equities

The Nigerian Equity market settled bullish, given the traction observed on OANDO (+2.20%) and MTNN (+0.20%), despite selling interests on several tickers in the banking and consumers goods sector. For context, the All-Share Index gained 0.05% to settle at 98,169.30 points. Also, the year-to-date return and market capitalization settled at 31.29% and ₦55.52 trillion, respectively.

Further, overall activities were less active, as total volume and value traded declined by 24.90% and 31.95%, respectively. Across the sectorial indices, the Banking and Consumer Goods shed 1.10% and 0.05%, respectively, while Industrial and Oil & Gas Indices flattened. ZENITHBANK led both the total volume charts with 48.49 million units and total value chart with ₦1.77 billion.

Outlook: We expect overall activities to remain subdued, with a bearish bias.

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by ₦1.36 (or 0.10%) to \$/₦1,309.88 compared to \$/₦1,308.52 recorded yesterday.

Outlook: We expect volatility to linger.

Commodities

Oil prices pulled back today, as U.S. economic growth disappoints. Brent crude fell by 0.08% to \$87.95 per barrel, while WTI declined by 0.29% to \$82.57 per barrel. Gold gained slightly, up by 0.01% to \$2,330.80 per ounce.

Outlook: We expect the volatility to persist.

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
TRANSCOHOT	96.50	8.57	↑ 9.75%
LIVESTOCK	1.51	0.13	↑ 9.42%
TANTALIZER	0.35	0.03	↑ 9.38%
SUNUASSUR	1.30	0.09	↑ 7.44%
WAPIC	0.69	0.04	↑ 6.15%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
STERLINGNG	3.82	-0.41	↓ -9.69%
CWG	5.20	-0.55	↓ -9.57%
INTENEGINS	1.17	-0.12	↓ -9.30%
TIP	1.80	-0.18	↓ -9.09%
OMATEK	0.76	-0.07	↓ -8.43%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.05%	↓ -1.68%	↓ -6.11%	↑ 31.29%
NSE Banking Index	↓ -1.10%	↓ -6.27%	↓ -26.13%	↓ -15.23%
NSE Insurance Index	↑ 0.88%	↑ 0.93%	↓ -5.47%	↑ 19.30%
NSE Industrial Goods Index	→ 0.00%	↑ 0.38%	↓ -2.82%	↑ 73.45%
NSE Consumer Goods Index	↓ -0.05%	↓ -0.83%	↓ -2.15%	↑ 40.57%
NSE Oil & Gas Index	→ 0.00%	↓ -1.41%	↓ -1.69%	↑ 22.00%

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