

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity improved to ₦46.39 billion from ₦173.45 billion reported yesterday. Nonetheless, the Open Repo Rate (OPR) increased by 43bps to 28.96%, while the Overnight Rate (O/N) increased by 24 bps to 29.71%.

Outlook: We expect interbank rates to cling at similar levels tomorrow.

Treasury Bills

The treasury bills market endured a tepid session today, as players narrowed interests towards the primary market auction. Although, slight buy-side interests came in for a few papers around the long end of the curve. At the end of the session, market settled bullish, as average mid-yield fell by 3bps to 19.62%.

Outlook: We expect momentum to remain less aggressive, given the stability in stop rates at today's session.

FGN Bonds

The FGN bonds market extended its bullish bias today, albeit, with a calm momentum. At the end of the trading session, the average mid yield remained unchanged at 18.43%.

Outlook: We expect a similar trend tomorrow.

Eurobonds

The Eurobond market swayed bearish today, with selling interests observed across the SSA and North African papers. Meanwhile, several speaking engagements by members of Federal Reserve continued to weigh on sentiments. Overall, average mid-yield increased by 10bps to 9.56%.

Outlook: We expect the volatility to linger.

AiICO Money Market Fund (AMMF)

(As of 7th May 2024) 15.3287%

Date	Sys. Liq. (N'bn)	Diff.
8-May-24	-46.39	
7-May-24	-173.45	↑ 127.06

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)	32.30 (-1.86% YTD)
Monetary Policy Rate	24.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*82.46 (+0.35 d/d)

Source: NBS, CBN, AiICO Capital

Benchmark T-Bills Discount Rates

	08-May-24	07-May-24	Change in Rates
78 days	18.05%	18.05%	→ 0.00%
169 days	18.73%	18.73%	→ 0.00%
323 days	21.35%	21.35%	→ 0.00%

Source: FMDQ DQL for 08 May 2024

Benchmark FGN Bond Yields

	08-May-24	07-May-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.45%	18.45%	→ 0.00%
10 yrs: NGERIA 7.875 02/16/32	19.31%	19.31%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	17.59%	17.59%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	17.56%	17.56%	→ 0.00%

Source: FMDQ DQL for 08 May 2024

Benchmark FGN Eurobond Yields

	08-May-24	07-May-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.45%	8.32%	↑ 0.13%
10 yrs: NGERIA 7.875 02/16/32	9.79%	9.69%	↑ 0.10%
15 yrs: NGERIA 7.696 23/02/38	10.24%	10.15%	↑ 0.09%
30 yrs: NGERIA 9.248 01/21/49	10.16%	10.07%	↑ 0.09%
7.125% ECOTRAN 16/02/26*	7.50%	7.58%	↓ -0.08%

Source: ZENITH UK Runs for 08 May 2024

Nigerian Equities

The Nigerian Equity market witnessed a calm session today, with total volume traded falling by 25.04% and total value traded rising by 9.94%. Due to the weak momentum, the All-Share Index closed flat at 98, 223.97 points, from 98, 228.50 points yesterday. Activity was mostly seen on NESTLE (+3.02%), MTNN (+2.33%), and several tickers in the banking sector. The year-to-date return and market capitalization settled at 31.36% and ₦55.55 trillion, respectively.

The Banking, Industrial and Consumer Goods Indices declined by 1.03%, 0.22%, and 0.27%, respectively, while the Oil & Gas index closed flat. UBA led the total volume charts with 79.98 million units, while MTNN led the value chart with N2.56 billion.

Outlook: *We expect market to trade cautiously tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by ₦4.49 (or 0.32%) to \$/₦1,421.06 compared to \$/₦1,421.06 recorded yesterday.

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

Commodities

U.S. crude oil recovered losses after surprise stockpile decline. Brent crude increased by 0.65% to \$83.70 per barrel, while WTI increased by 0.83% to \$79.03 per barrel. Gold price gained 0.14% to \$2,327.40 per ounce.

Outlook: *We expect the volatility to persist.*

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
OKOMUOIL	255.70	23.20	↑ 9.98%
TANTALIZER	0.39	0.03	↑ 8.33%
CUTIX	3.00	0.15	↑ 5.26%
TIP	2.20	0.10	↑ 4.76%
WAPIC	0.71	0.03	↑ 4.41%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
PZ	34.20	-3.80	↓ -10.00%
INTBREW	3.92	-0.43	↓ -9.89%
MCNICHOLS	1.02	-0.11	↓ -9.73%
STERLINGNG	4.43	-0.47	↓ -9.59%
LINKASSURE	0.77	-0.08	↓ -9.41%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ 0.00%	↓ 0.00%	↓ 0.00%	↑ 31.36%
NSE Banking Index	↓ -1.03%	↑ 6.25%	↑ 6.25%	↓ -8.30%
NSE Insurance Index	↓ -0.15%	↑ 1.91%	↑ 1.91%	↑ 20.26%
NSE Industrial Goods Index	↓ -0.22%	↑ 0.04%	↑ 0.04%	↑ 72.87%
NSE Consumer Goods Index	↓ -0.27%	↑ 0.99%	↑ 0.99%	↑ 39.22%
NSE Oil & Gas Index	→ 0.00%	↓ -0.32%	↓ -0.32%	↑ 21.17%

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