

# Actionable Market Insights, delivered daily.



## MARKET COMMENTARY

DATE: Monday 24 June | 2024

### Money Market

System liquidity improved further today to ₦951.51 billion, up from ₦712.07 billion reported last week Friday. Consequently, the Open Repo Rate (OPR) declined by 175 bps to 23.50%, while the Overnight Rate (O/N) decreased by 201 bps to 24.03%.

**Outlook:** We expect interbank rates to stay elevated in the interim.

### Treasury Bills

Today, the treasury bills market traded sideways, with buying interest focusing on the long end of the curve and selling interest observed around the middle of the curve. At the end of the session, the market settled slightly bullish as the average mid-rate declined by 2 bps to 20.18%.

**Outlook:** We expect the mixed trend to persist tomorrow.

### FGN Bonds

The local FGN bonds market was quiet as participants focused on the FGN bond auction, where the DMO offered ₦450.00 billion across the 2029, 2031 and 2033 papers. Consequently, the average mid-yield flattened at 18.61%.

**Outlook:** We expect tomorrow's session to trend bearish, given the uptick in stop rates at the auction.

### Eurobonds

In today's session, the SSA and North African regions demonstrated a mixed-to-bearish posture. Most selling interests were observed in Ghana and Egypt papers, while Nigeria and Angola saw mild buying. Overall, the Nigerian curve closed relatively bullish, with the average mid yield falling by 1 bps to 10.16%.

**Outlook:** We expect a similar trend tomorrow.

Benchmark T-Bills Discount Rates			
	24-Jun-24	21-Jun-24	Change in Rates
80 days	19.00%	19.00%	→ 0.00%
168 days	19.10%	19.14%	↓ -0.04%
304 days	20.55%	20.55%	→ 0.00%

Source: FMDQ DQL for 24 June 2024

Benchmark FGN Bond Yields			
	24-Jun-24	21-Jun-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.66%	18.66%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	19.55%	19.55%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	17.50%	17.50%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	17.50%	17.50%	→ 0.00%

Source: FMDQ DQL for 24 June 2024

Benchmark FGN Eurobond Yields			
	24-Jun-24	21-Jun-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.96%	9.00%	↓ -0.04%
10 yrs: NGERIA 7.875 02/16/32	10.51%	10.46%	↑ 0.05%
15 yrs: NGERIA 7.696 23/02/38	10.98%	11.00%	↓ -0.02%
30 yrs: NGERIA 9.248 01/21/49	10.76%	10.73%	↑ 0.03%
7.125% ECOTRAN 16/02/26*	7.86%	7.86%	→ 0.00%

Source: FBNH UK Runs for 24 June 2024

Date	Sys. Liq. (₦'bn)	Diff.
24-Jun-24	951.51	
21-Jun-24	712.07	↑ 239.45

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	19.58
AIICO BALANCED FUND	7.03
AIICO EUROBOND FUND	4.22

### As of 21 June 2024

Macro Indicators	
GDP (Q1 2024)	+2.98% (Q4: 2023 +3.46% y/y)
Inflation (May'2024)	33.95% (Apr'24: 33.69%)
External Reserve (US\$'billion)	33.70 (+2.40% YTD)
Monetary Policy Rate	26.25%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*86.03 (+0.93 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The broader market was affected by the selloffs on banking stocks today, leading to a 0.62% decrease in the All-Share Index, which closed at 99,304.12 points, down from last Friday's 99,737.38 points. The year-to-date return and market capitalization were 32.81% and ₦56.18 trillion, respectively. The market breadth showed a ratio of 0.77x, with 20 advancers and 26 decliners.

Trading activity was positive, with a 57.74% increase in total volume and a 70.24% increase in value traded. The Banking, Industrial, and Consumer Goods Indices depreciated by 1.04%, 0.17%, and 0.44% respectively, while the Oil & Gas Index remained unchanged. FBNH led both the volume and value charts with 627.60 million units and ₦13.45 billion in value traded.

**Outlook:** *We expect the mixed trend to persist.*

## Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange Market (NAFEX) depreciated by ₦4.67 (or 0.31%) to \$/₦1,490.20 compared to \$/₦1,485.53 recorded last week Friday.

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

## Commodities

U.S. crude oil prices surged to over \$82 per barrel today, as inventories of oil and gasoline declined. Brent crude rose by 0.43% to \$85.44 per barrel, while WTI increased by 0.45% to \$81.94 per barrel. Additionally, gold prices saw a 0.94% increase, reaching \$2,368.50 per ounce at the time of writing.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
NSLTECH	0.55	0.05	↑ 10.00%
VFDGROUP	44.60	4.00	↑ 9.85%
JOHNHOLT	2.86	0.25	↑ 9.58%
THOMASWY	2.30	0.20	↑ 9.52%
TRANSCOHOT	98.40	8.40	↑ 9.33%

**Source:** NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
INTBREW	3.96	-0.44	↓ -10.00%
DEAPCAP	0.51	-0.05	↓ -8.93%
DAARCOMM	0.52	-0.05	↓ -8.77%
BETAGLAS	53.00	-5.00	↓ -8.62%
OANDO	13.85	-1.10	↓ -7.36%

**Source:** NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.43%	↓ -0.62%	↑ 0.00%	↑ 32.81%
NSE Banking Index	↓ -1.04%	↓ -1.08%	↑ 1.88%	↓ -9.46%
NSE Insurance Index	↑ 1.05%	↓ -0.28%	↑ 4.00%	↑ 18.73%
NSE Industrial Goods Index	↓ -0.17%	↓ -0.07%	↑ 0.19%	↑ 73.42%
NSE Consumer Goods Index	↓ -0.44%	↓ -0.15%	↑ 1.24%	↑ 41.23%
NSE Oil & Gas Index	→ 0.00%	↑ 0.21%	↑ 5.30%	↑ 30.65%

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