

# Actionable Market Insights, delivered daily.



## MARKET COMMENTARY

DATE: Monday 19 August | 2024

### Money Market

Opening system liquidity increased significantly today. Thus, the Open Repo Rate (OPR) decreased by 360 bps to 28.70%, and the Overnight Rate (O/N) dropped by 360 bps to 29.38%.

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

### Treasury Bills

The treasury bills market continued to rally today, resulting in a decrease of the average mid-rate across the benchmark NTB papers by 18 bps to 20.54%.

**Outlook:** We expect the bullish sentiment to linger.

### FGN Bonds

The local FGN bonds market showed a bullish trend, with buying interest in selected papers, although most of the focus was on the FGN bond auction. Overall, the average mid-yield dropped by 5 bps to 19.34%.

**Outlook:** We anticipate a mixed session tomorrow, following the overallotment at today's bond auction.

### Eurobonds

Today, the Eurobonds market experienced a bullish trend. Overall, the average mid-yield for Nigerian papers decreased by 7 bps to 10.16%.

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

Benchmark T-Bills Discount Rates			
	19-Aug-24	16-Aug-24	Change in Rates
94 days	19.61%	22.60%	↓ -2.99%
199 days	23.30%	22.68%	↑ 0.62%
328 days	20.63%	20.91%	↓ -0.28%

Source: FMDQ DQL for 19 Aug 2024

Benchmark FGN Bond Yields			
	19-Aug-24	16-Aug-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	20.02%	20.01%	↑ 0.01%
10 yrs: 12.50% 27-Apr-2032	18.51%	18.51%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	17.50%	17.50%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	18.62%	18.62%	→ 0.00%

Source: FMDQ DQL for 19 Aug 2024

Benchmark FGN Eurobond Yields			
	19-Aug-24	16-Aug-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.39%	9.44%	↓ -0.05%
10 yrs: NGERIA 7.875 02/16/32	10.42%	10.44%	↓ -0.02%
15 yrs: NGERIA 7.696 23/02/38	10.81%	10.88%	↓ -0.07%
30 yrs: NGERIA 9.248 01/21/49	10.75%	10.80%	↓ -0.05%
7.125% ECOTRAN 16/02/26*	9.14%	9.14%	→ 0.00%

Source: ZENITHBANK UK Runs for 19 Aug 2024

	NAFEM RATE (\$/N)	Diff.
19-Aug-24	1,579.22	
16-Aug-24	1,579.89	↑ (0.67)

Source: FMDQ

	Sys. Liq. (N'bn)	Diff.
19-Aug-24	943.66	
16-Aug-24	32.99	↑ 910.67

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.06
AIICO BALANCED FUND	8.09
AIICO EUROBOND FUND	6.82

As of 18 August 2024

Macro Indicators	
GDP (Q1 2024)	+2.98% (Q4: 2023 +3.46% y/y)
Inflation (July'2024)	33.40% (Jun'24: 34.19%)
External Reserve (US\$'billion)	36.53 (+10.99% YTD)
Monetary Policy Rate	26.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*77.52 (-2.71 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The Nigerian stock market closed on a negative note, as the All-Share Index fell by 1.36% to reach 95,781.68 points. The year-to-date return and market capitalization settled at 28.10% and ₦54.38 trillion, respectively. GTCO led both the highest volume and values charts with 59.25 million units and ₦2.73 billion.

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

## Foreign Exchange

Naira appreciated against the USD by 0.04% to \$/₦1,579.22.

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

## Commodities

Crude oil prices fell today as the U.S. continued to push to secure a cease-fire deal to end the fighting in Gaza, and worries about softening demand weighed on the market. Brent prices declined by 2.71% to \$77.52, while WTI prices lost 3.07% to \$74.30. Elsewhere, gold prices increased by 0.16% to \$2,541.90 per ounce.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
SKYAVN	26.40	2.40	↑ 10.00%
RTBRISCOE	1.87	0.17	↑ 10.00%
CUTIX	2.64	0.24	↑ 10.00%
OANDO	39.40	3.55	↑ 9.90%
FTNCOCOA	2.06	0.18	↑ 9.57%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
DANGCEM	532.00	-59.10	↓ -10.00%
NSLTECH	0.37	-0.04	↓ -9.76%
AFRIPRUD	8.40	-0.90	↓ -9.68%
BETAGLAS	48.00	-5.00	↓ -9.43%
CAVERTON	1.32	-0.09	↓ -6.38%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -1.36%	↓ -2.14%	↓ -2.04%	↑ 28.10%
NSE Banking Index	↑ 0.17%	↓ -1.81%	↑ 4.70%	↓ -6.48%
NSE Insurance Index	↓ -0.71%	↓ -1.93%	↑ 2.68%	↑ 21.48%
NSE Industrial Goods Index	↓ -4.96%	↓ -6.15%	↓ -13.15%	↑ 41.97%
NSE Consumer Goods Index	↓ -0.67%	↓ -1.29%	↑ 1.57%	↑ 36.77%
NSE Oil & Gas Index	↑ 0.11%	↑ 2.00%	↑ 9.06%	↑ 58.99%

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