

# Actionable Market Insights, delivered daily.



## MARKET COMMENTARY

DATE: Monday 26 August | 2024

### Money Market

The Open Repo Rate (OPR) decreased by 81 bps to 24.97%, and the Overnight Rate (O/N) decreased by 67 bps to 25.50% due to ample system liquidity.

**Outlook:** We anticipate that interbank rates will rise tomorrow, depending on the outcome of today's OMO auction.

### Treasury Bills

The treasury bill market closed bullish across the curve today. The average mid-rate for the benchmark NTB papers declined by 139bps to 18.42%.

**Outlook:** We expect the bullish sentiment to ease tomorrow.

### FGN Bonds

Today, the local FGN bonds market also settled on a bullish note. Overall, the average mid-yield fell by 14 bps to 18.82%.

**Outlook:** We expect the bullish sentiment to ease tomorrow.

### Eurobonds

The African Eurobonds market closed slightly bearish today but was less aggressive. As a result, average mid-yield increased by 4bps to 9.83% from 9.79%.

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

Benchmark T-Bills Discount Rates			
	26-Aug-24	23-Aug-24	Change in Rates
87 days	17.70%	18.77%	↓ -1.07%
196 days	19.25%	21.50%	↓ -2.25%
332 days	19.43%	19.73%	↓ -0.30%

Source: FMDQ DQL for 26 Aug 2024

Benchmark FGN Bond Yields			
	26-Aug-24	23-Aug-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	20.05%	20.03%	↑ 0.02%
10 yrs: 12.50% 27-Apr-2032	18.52%	18.52%	→ 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 26 Aug 2024

Benchmark FGN Eurobond Yields			
	26-Aug-24	23-Aug-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.97%	8.88%	↑ 0.09%
10 yrs: NGERIA 7.875 02/16/32	10.08%	10.08%	→ 0.00%
15 yrs: NGERIA 7.696 23/02/38	10.48%	10.46%	↑ 0.02%
30 yrs: NGERIA 9.248 01/21/49	10.57%	10.57%	→ 0.00%
7.125% ECOTRAN 16/02/26*	8.88%	8.88%	→ 0.00%

Source: FBNIH UK Runs for 26 Aug 2024

	NAFEM RATE (\$/N)	Diff.
26-Aug-24	1,596.60	
23-Aug-24	1,570.14	↑ 26.46

Source: FMDQ

	Sys. Liq. (N'bn)	Diff.
26-Aug-24	733.49	
23-Aug-24	1,224.40	↓ (490.92)

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.30
AIICO BALANCED FUND	7.00
AIICO EUROBOND FUND	6.74

### As of 22 August 2024

Macro Indicators	
GDP (Q2 2024)	+3.19% (Q1: 2023 +2.98% y/y)
Inflation (July'2024)	33.40% (Jun'24: 34.19% )
External Reserve (US\$'billion)	36.46 (+10.79% YTD)
Monetary Policy Rate	26.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*81.19 (+2.75 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The Nigerian stock market closed bullish today, with the All-Share Index increasing by 0.7% to reach 96,073.28 points. The year-to-date return and market capitalization settled at 28.44% and ₦55.17 trillion, respectively. VERITASKAP led the volume charts with 67.27 million, while ZENITHBANK led the value charts with ₦503.54 million.

**Outlook:** *We expect the current sentiment to resurface tomorrow.*

## Foreign Exchange

Naira depreciated against the USD by 1.69% to \$/₦1,596.60.

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

## Commodities

Oil prices gained today amid reports of a production halt in Libya and after Israel and Hezbollah traded a barrage of strikes across the Lebanon border. Brent prices rose by 2.75% to \$81.19 and WTI prices increased by 3.01% to \$77.08. Gold prices increased by 0.11% to \$2,549.10 per ounce.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
ETERNA	23.10	2.10	↑ 10.00%
OKOMUOIL	379.80	34.50	↑ 9.99%
RTBRISCOE	2.98	0.27	↑ 9.96%
OANDO	52.60	4.75	↑ 9.93%
JAPAUFGOLD	2.48	0.22	↑ 9.73%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
TRANSPOWER	335.20	-37.20	↓ -9.99%
ABBEYBDS	2.33	-0.25	↓ -9.69%
UCAP	18.10	-1.65	↓ -8.35%
UPL	2.40	-0.14	↓ -5.51%
UNILEVER	18.00	-1.00	↓ -5.26%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.07%	↑ 0.27%	↓ -1.78%	↑ 28.44%
NSE Banking Index	↓ -0.41%	↓ -0.22%	↑ 4.48%	↓ -6.68%
NSE Insurance Index	↑ 1.05%	↑ 3.70%	↑ 6.49%	↑ 25.99%
NSE Industrial Goods Index	↑ 0.01%	↑ 0.03%	↓ -13.13%	↑ 42.02%
NSE Consumer Goods Index	↑ 1.83%	↑ 1.06%	↑ 2.64%	↑ 38.22%
NSE Oil & Gas Index	↑ 0.73%	↑ 4.17%	↑ 13.61%	↑ 65.63%

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