

Actionable Market Insights, delivered daily.



MARKET COMMENTARY

DATE: Wednesday 28 August | 2024

Money Market

The Open Repo Rate (OPR) decreased by 477 bps to 22.73%, and the Overnight Rate (O/N) declined by 295 bps to 23.45% due to tight system liquidity.

Outlook: We expect interbank rates to increase tomorrow.

Treasury Bills

The treasury bill market was bullish today, with average mid-rate falling by 26bps 18.92%.

Outlook: We expect the bullish sentiment to ease.

FGN Bonds

Today, the local FGN bonds market was slightly bullish today. Overall, the average mid-yield declined by 2bps to 18.74%.

Outlook: We expect tomorrow's session to be mixed.

Eurobonds

The African Eurobonds market posted a bullish bias today. Overall, the average mid-yield decreased by 17bps to 9.66%.

Outlook: We expect the US Initial Jobless claims data and US GDP Growth rate to partly impact the market.

Benchmark T-Bills Discount Rates			
	28-Aug-24	27-Aug-24	Change in Rates
85 days	17.70%	17.70%	→ 0.00%
190 days	19.65%	19.70%	↓ -0.05%
316 days	19.43%	19.43%	→ 0.00%

Source: FMDQ DQL for 28 Aug 2024

Benchmark FGN Bond Yields			
	28-Aug-24	27-Aug-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	20.05%	20.05%	→ 0.00%
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	17.78%	17.78%	→ 0.00%

Source: FMDQ DQL for 28 Aug 2024

Benchmark FGN Eurobond Yields			
	28-Aug-24	27-Aug-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.79%	9.03%	↓ -0.24%
10 yrs: NGERIA 7.875 02/16/32	9.92%	10.13%	↓ -0.21%
15 yrs: NGERIA 7.696 23/02/38	10.38%	10.46%	↓ -0.08%
30 yrs: NGERIA 9.248 01/21/49	10.43%	10.52%	↓ -0.09%
7.125% ECOTRAN 16/02/26*	9.37%	8.98%	↑ 0.39%

Source: FBNH UK Runs for 28 Aug 2024

NAFEM RATE (\$/N)		Diff.
28-Aug-24	1,606.56	
27-Aug-24	1,594.27	↑ 12.29

Source: FMDQ

Sys. Liq. (N'bn)		Diff.
28-Aug-24	776.27	
27-Aug-24	399.26	↑ 377.01

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.49
AIICO BALANCED FUND	7.05
AIICO EUROBOND FUND*	6.80

As of 26 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)	36.36 (+10.48% YTD)
Monetary Policy Rate	26.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*78.84 (-0.93 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian stock market closed bearish today, with the All-Share Index decreasing by 0.32% to reach 96,203.65 points. The year-to-date return and market capitalization settled at 28.66% and ₦55.26 trillion, respectively. UNIVINSURE led the volume charts with 52.60 million, while OANDO led the value charts with ₦620.60 million.

Outlook: *We expect a similar occurrence tomorrow.*

Foreign Exchange

Naira depreciated against the USD by 0.77% to \$/₦1,606.56.

Outlook: *We expect volatility to persist.*

Commodities

The oil market continued to lose gains made earlier in the week due to the threat of supply disruptions in Libya. Brent prices dropped by 0.93% to \$78.84, while WTI prices fell by 1.01% to \$74.77. Gold prices also decreased by 0.51% to \$2,540.00 per ounce.

Outlook: *We expect the volatility to persist.*

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
IMG	26.40	2.40	↑ 10.00%
CHAMS	2.32	0.21	↑ 9.95%
OANDO	63.60	5.75	↑ 9.94%
LIVESTOCK	2.44	0.22	↑ 9.91%
ETERNA	27.90	2.50	↑ 9.84%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
NEIMETH	2.00	-0.20	↓ -9.09%
TANTALIZER	0.74	-0.07	↓ -8.64%
MTNN	184.00	-15.80	↓ -7.91%
THOMASWY	1.58	-0.12	↓ -7.06%
JAIZBANK	2.25	-0.15	↓ -6.25%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.32%	↑ 0.39%	↓ -1.61%	↑ 28.66%
NSE Banking Index	↑ 0.62%	↑ 1.72%	↑ 6.65%	↓ -4.73%
NSE Insurance Index	↑ 1.87%	↑ 6.88%	↑ 9.89%	↑ 30.01%
NSE Industrial Goods Index	↓ -0.01%	↓ -0.02%	↓ -13.10%	↑ 42.06%
NSE Consumer Goods Index	↑ 0.16%	↑ 1.78%	↑ 3.27%	↑ 39.07%
NSE Oil & Gas Index	↑ 0.53%	↑ 8.68%	↑ 18.94%	↑ 73.40%

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