

Actionable Market Insights, delivered daily.



MARKET COMMENTARY

DATE: Thursday 29 August | 2024

Money Market

The Open Repo Rate (OPR) decreased by 287 bps to 19.86%, and the Overnight Rate (O/N) declined by 271 bps to 20.69%, due to improved liquidity.

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

Treasury Bills

The treasury bill market had a bullish trend today, with average mid-rate falling by 13bps 18.79%.

Outlook: We expect the bullish sentiment to linger tomorrow.

FGN Bonds

Today, the local FGN bonds market was also bullish with significant demand recorded on May 2033, Feb 2034 and 2053 papers. Overall, the average mid-yield declined by 20bps to 18.54%.

Outlook: We expect a similar trajectory tomorrow.

Eurobonds

The African Eurobonds market posted a bullish bias today, but on a subtle note.

The US revised GDP growth rate was reported at 3.00%, up from 2.80% in the first estimate. Meanwhile, market forecast was also 2.80%.

Overall, the average mid-yield decreased by 8bps to 9.58%.

Outlook: We expect the US PCE Price Index to partly impact market sentiment tomorrow.

Benchmark T-Bills Discount Rates			
	29-Aug-24	28-Aug-24	Change in Rates
84 days	17.70%	17.70%	→ 0.00%
189 days	19.65%	19.65%	→ 0.00%
315 days	19.38%	19.43%	↓ -0.05%

Source: FMDQ DQL for 29 Aug 2024

Benchmark FGN Bond Yields			
	29-Aug-24	28-Aug-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	20.06%	20.05%	↑ 0.01%
10 yrs: 12.50% 27-Apr-2032	18.00%	18.52%	↓ -0.52%
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 29 Aug 2024

Benchmark FGN Eurobond Yields			
	29-Aug-24	28-Aug-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.71%	8.79%	↓ -0.08%
10 yrs: NGERIA 7.875 02/16/32	9.85%	9.92%	↓ -0.07%
15 yrs: NGERIA 7.696 23/02/38	10.30%	10.38%	↓ -0.08%
30 yrs: NGERIA 9.248 01/21/49	10.38%	10.43%	↓ -0.05%
7.125% ECOTRAN 16/02/26*	9.38%	9.37%	↑ 0.01%

Source: FBNH UK Runs for 29 Aug 2024

NAFEM RATE (\$/N)		Diff.
29-Aug-24	1,593.93	
28-Aug-24	1,606.56	↑ (12.63)

Source: FMDQ

Sys. Liq. (N'bn)		Diff.
29-Aug-24	619.46	
28-Aug-24	776.27	↓ (156.81)

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 (+10.42% 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 bullish today, with the All-Share Index increasing by 0.21% to reach 96,407.88 points. The year-to-date return and market capitalization settled at 28.93% and ₦55.34 trillion, respectively. CONHALLPLC led the volume charts with 505.79 million, while FBNH led the value charts with ₦1.41 billion.

Outlook: *We expect a similar occurrence tomorrow.*

Foreign Exchange

Naira appreciated against the USD by 0.79% to \$/₦1,593.93.

Outlook: *We expect volatility to persist.*

Commodities

Crude oil prices rebounded today as the market gets a clearer picture of the extent of production disruptions in Libya. Brent prices increased by 1.20% to \$79.59, while WTI prices gained 1.44% to \$75.59. Gold prices increased by 0.69% to \$2,555.40 per ounce.

Outlook: *We expect the volatility to persist.*

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
OANDO	69.95	6.35	↑ 9.98%
JBERGER	172.60	15.65	↑ 9.97%
CORNERST	2.78	0.25	↑ 9.88%
ETERNA	30.65	2.75	↑ 9.86%
DAARCOMM	0.67	0.06	↑ 9.84%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
SCOA	1.75	-0.19	↓ -9.79%
JAPAUFGOLD	2.50	-0.20	↓ -7.41%
TANTALIZER	0.69	-0.05	↓ -6.76%
FIDSON	13.00	-0.75	↓ -5.45%
PRESTIGE	0.54	-0.03	↓ -5.26%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.21%	↑ 0.72%	↓ -1.40%	↑ 28.93%
NSE Banking Index	↓ -0.75%	↑ 1.79%	↑ 5.85%	↓ -5.45%
NSE Insurance Index	↑ 1.99%	↑ 8.53%	↑ 12.07%	↑ 32.59%
NSE Industrial Goods Index	↓ -0.01%	↓ -0.04%	↓ -13.11%	↑ 42.05%
NSE Consumer Goods Index	↑ 1.26%	↑ 3.18%	↑ 4.57%	↑ 40.82%
NSE Oil & Gas Index	↑ 0.39%	↑ 9.61%	↑ 19.40%	↑ 74.07%

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