

# Actionable Market Insights, delivered daily.



## MARKET COMMENTARY

DATE: Wednesday 04 September | 2024

### Money Market

The Open Repo Rate (OPR) increased by 542 bps to 28.39%, and the Overnight Rate (O/N) rose by 565 bps to 29.18%.

**Outlook:** We expect interbank rates to remain elevated tomorrow, in the absence of any major flows.

### Treasury Bills

The treasury bills market closed bullish today, with most buying interest recorded on the long-dated papers. Consequently, average mid-rate declined by 13bps to 17.95%.

**Outlook:** We expect the outcome of the treasury bills auction to impact activity tomorrow.

### FGN Bonds

The local FGN bonds market had a bearish posture today, with average mid-yield increasing by 3bps to 17.98%.

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

### Eurobonds

The African Eurobonds market was mixed to bullish today, with few demands recorded across Nigeria, Angola, and Egypt papers, while Ghana curve traded bearish. Thus, the average mid-yield across the Nigerian curve fell by 13 bps to 9.72%.

**Outlook:** The US ADP Employment data and Initial Jobless claims is expected to dictate market sentiment tomorrow.

Benchmark T-Bills Discount Rates			
	04-Sep-24	03-Sep-24	Change in Rates
92 days	18.92%	18.92%	→ 0.00%
183 days	19.65%	19.65%	→ 0.00%
323 days	19.43%	19.43%	→ 0.00%

Source: FMDQ DQL for 04 Sep 2024

Benchmark FGN Bond Yields			
	04-Sep-24	03-Sep-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	19.10%	19.10%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	18.01%	18.01%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	17.49%	17.49%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	17.00%	17.00%	→ 0.00%

Source: FMDQ DQL for 04 Sep 2024

Benchmark FGN Eurobond Yields			
	04-Sep-24	03-Sep-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.85%	8.99%	↓ -0.14%
10 yrs: NGERIA 7.875 02/16/32	10.03%	10.13%	↓ -0.10%
15 yrs: NGERIA 7.696 23/02/38	10.42%	10.59%	↓ -0.17%
30 yrs: NGERIA 9.248 01/21/49	10.47%	10.57%	↓ -0.10%
7.125% ECOTRAN 16/02/26*	10.17%	9.77%	↑ 0.40%

Source: FBNH UK Runs for 04 Sep 2024

NAFEM RATE (\$/N)		Diff.
4-Sep-24	1,625.88	
3-Sep-24	1,611.34	↑ 14.54

Source: FMDQ

Sys. Liq. (N'bn)		Diff.
4-Sep-24	-74.36	
3-Sep-24	-206.29	↑ 131.93

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.23
AIICO BALANCED FUND	8.08
AIICO EUROBOND FUND	6.95

As of 3rd September 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)	36.24 (+10.12% YTD)
Monetary Policy Rate	26.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*74.09 (-4.42 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The Nigerian stock market closed on a negative note today, with the All-Share Index falling by 0.35% to reach 96,537.48 points. The year-to-date return and market capitalization were at 29.11% and ₦55.45 trillion, respectively. OANDO had both the highest trading volume and value with 37.18 million and ₦3.10 trillion, respectively.

**Outlook:** *We expect the bearish bias to persist.*

## Foreign Exchange

Naira depreciated against the USD by 0.90% to \$/₦1,625.88.

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

## Commodities

Crude oil prices extended selloffs today. Brent prices decreased by 0.60% to \$73.31, while WTI prices fell by 0.68% to \$69.82. However, gold prices gained 0.21%, reaching \$2,528.40 per ounce.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
DAARCOMM	0.66	0.06	↑ 10.00%
IMG	35.00	3.10	↑ 9.72%
DEAPCAP	1.15	0.10	↑ 9.52%
TANTALIZER	0.64	0.05	↑ 8.47%
CAVERTON	1.41	0.09	↑ 6.82%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
OANDO	81.90	-9.10	↓ -10.00%
TIP	1.81	-0.20	↓ -9.95%
RTBRISCOE	2.60	-0.28	↓ -9.72%
NSLTECH	0.59	-0.06	↓ -9.23%
OMATEK	0.70	-0.07	↓ -9.09%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.35%	↑ 0.03%	↓ -0.04%	↑ 29.11%
NSE Banking Index	↓ -0.89%	↑ 1.05%	↑ 0.13%	↓ -4.33%
NSE Insurance Index	↓ -1.13%	↓ -0.44%	↓ -3.64%	↑ 27.07%
NSE Industrial Goods Index	↓ -0.02%	↑ 0.04%	↑ 0.01%	↑ 42.13%
NSE Consumer Goods Index	↓ -0.24%	↑ 0.26%	↓ -0.90%	↑ 39.20%
NSE Oil & Gas Index	↓ -0.66%	↑ 5.16%	↑ 1.66%	↑ 81.39%

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