

# Actionable Market Insights, delivered daily.



## MARKET COMMENTARY

DATE: Thursday 05 September | 2024

### Money Market

The Open Repo Rate (OPR) increased by 271 bps to 31.10%, and the Overnight Rate (O/N) rose by 242 bps to 31.60%.

**Outlook:** We expect interbank rates to stay elevated tomorrow.

### Treasury Bills

The treasury bills market closed slightly bullish today, with most activity concentrated around the belly and long end of the curve. Consequently, average mid-rate declined by 6bps to 17.91%.

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

### FGN Bonds

The local FGN bonds market had a quiet session today. As a result, market closed flat and the average mid-yield remained unchanged at 17.98%.

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

### Eurobonds

The African Eurobonds market was mixed to bearish today, amidst the expectation for a rate cut, given the ADP Employment data, which increased by 99k, lower than both 114k estimate and 111k reported in the previous month. Thus, the average mid-yield across the Nigerian curve rose by 6 bps to 9.78%.

**Outlook:** We expect the Non-Farm Payroll data to impact market sentiment tomorrow.

Benchmark T-Bills Discount Rates			
	05-Sep-24	04-Sep-24	Change in Rates
91 days	17.30%	18.92%	↓ -1.62%
182 days	18.21%	19.65%	↓ -1.44%
322 days	18.04%	19.43%	↓ -1.39%

Source: FMDQ DQL for 05 Sep 2024

Benchmark FGN Bond Yields			
	05-Sep-24	04-Sep-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	19.11%	19.10%	↑ 0.01%
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 05 Sep 2024

Benchmark FGN Eurobond Yields			
	05-Sep-24	04-Sep-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.91%	8.85%	↑ 0.06%
10 yrs: NGERIA 7.875 02/16/32	10.06%	10.03%	↑ 0.03%
15 yrs: NGERIA 7.696 23/02/38	10.50%	10.42%	↑ 0.08%
30 yrs: NGERIA 9.248 01/21/49	10.49%	10.47%	↑ 0.02%
7.125% ECOTRAN 16/02/26*	9.99%	10.17%	↓ -0.18%

Source: FBNH UK Runs for 05 Sep 2024

NAFEM RATE (\$/N)		Diff.
5-Sep-24	1,639.41	
4-Sep-24	1,625.88	↑ 13.53

Source: FMDQ

Sys. Liq. (N'bn)		Diff.
5-Sep-24	-210.47	
4-Sep-24	-74.36	↓ (136.10)

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)	36.30 (+10.31% YTD)
Monetary Policy Rate	26.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*73.25 (-0.76 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The Nigerian stock market closed bearish today, with the All-Share Index falling by 0.34% to reach 96,210.20 points. The year-to-date return and market capitalization were at 28.67% and ₦55.27 trillion, respectively. ZENITHBANK had the highest trading volume 56.56 million while OANDO topped the values chart with ₦3.18 trillion.

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

## Foreign Exchange

Naira depreciated against the USD by 0.83% to \$/₦1,639.41.

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

## Commodities

Crude oil prices increased today, as OPEC+ delays plans to boost production after prices tumbled. Brent prices increased by 0.76% to \$73.25, while WTI prices rose by 0.87% to \$69.80. However, gold prices gained 0.47%, reaching \$2,537.80 per ounce.

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

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
MEYER	5.83	0.53	↑ 10.00%
BERGER	17.05	1.55	↑ 10.00%
MCNICHOLS	1.43	0.13	↑ 10.00%
TANTALIZER	0.69	0.05	↑ 7.81%
DAARCOMM	0.71	0.05	↑ 7.58%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
RTBRISCOE	2.34	-0.26	↓ -10.00%
FTNCOCOA	1.38	-0.15	↓ -9.80%
OANDO	74.00	-7.90	↓ -9.65%
DEAPCAP	1.04	-0.11	↓ -9.57%
GUINEAINS	0.50	-0.05	↓ -9.09%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.34%	↓ -0.21%	↓ -0.38%	↑ 28.67%
NSE Banking Index	↓ -0.81%	↑ 0.36%	↓ -0.68%	↓ -5.11%
NSE Insurance Index	↑ 0.10%	↓ -4.07%	↓ -3.54%	↑ 27.20%
NSE Industrial Goods Index	↓ -0.01%	↑ 0.04%	↓ 0.00%	↑ 42.11%
NSE Consumer Goods Index	↓ -0.39%	↓ -1.53%	↓ -1.28%	↑ 38.66%
NSE Oil & Gas Index	↑ 0.06%	↑ 4.27%	↑ 1.73%	↑ 81.50%

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