

MARKET COMMENTARY

System Liquidity

Opening system liquidity improved significantly, supported by OMO maturities. As a result, the Open Repo Rate (OPR) and the Overnight Rate (O/N) declined by 49bps and 56bps to 31.90% and 32.25%, respectively.

Outlook: *We expect the interbank rates to maintain current levels.*

Treasury Bills

The treasury bills market saw increased buying interest for specific maturities, especially for the April 2025 and September 2025 papers. However, overall activity was low as investors focused on today's NTB auction. Overall, the average mid-rate for the benchmark NTB papers dropped by 8 bps to 21.21%.

Outlook: *We anticipate the result of today's auction to impact tomorrow's activity.*

FGN Bonds

The local FGN bonds market traded bearish, with higher offer yields observed across the yield curve. Overall, the average mid-yield rose by 13bps to settle at 18.98%.

Outlook: *We expect a mixed to bearish session tomorrow.*

Eurobonds

The Eurobonds market showed mixed to bullish activity, with demand seen for Nigeria and long-dated Egypt bonds. There was also continued demand for the ETINL 2029 bonds as investors took advantage of the attractive rates. Overall, the average benchmark yield for Nigerian bonds settled at 9.45%.

Outlook: *Activity is expected to remain mixed to bullish.*

BENCHMARK T-BILLS DISCOUNT RATES			
	09-Oct-24	08-Oct-24	Change in Rates
92 DAYS	20.50%	20.50%	→ 0.00%
183 DAYS	21.80%	21.60%	↑ 0.20%
351 DAYS	19.20%	19.65%	↓ -0.45%

Source: FMDQ DQL for 09-Oct-2024

BENCHMARK FGN BOND YIELDS			
	09-Oct-24	08-Oct-24	Change in Yield
5 YRS: 14.55% 26-APR-2029	19.48%	19.47%	↑ 0.01%
10 YRS: 19.00% 21-FEB-2034	20.20%	20.20%	→ 0.00%
20 YRS: 15.45% 21-JUN-2038	18.00%	18.00%	→ 0.00%
30 YRS: 15.70% 21-JUN-2053	16.73%	16.73%	→ 0.00%

Source: FMDQ DQL for 09-Oct-2024

BENCHMARK FGN EUROBOND YIELDS			
	09-Oct-24	08-Oct-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.00%	9.00%	→ 0.00%
10 YRS: NGERIA 7.375% 09/29/33	9.73%	9.75%	↓ -0.02%
15 YRS: NGERIA 7.696% 23/02/38	10.09%	10.13%	↓ -0.04%
30 YRS: NGERIA 8.25% 09/29/51	10.39%	10.41%	↓ -0.02%
8.75% ETI 06/17/31*	8.57%	8.41%	↑ 0.16%

Source: FBN UK Runs for 09-Oct-2024

NAFEM RATE (\$/N)		Diff.
9-Oct-24	1,625.13	
8-Oct-24	1,561.76	↑ 63.37

Source: FMDQ

SYS. LIQ. (N'BN)		Diff.
9-Oct-24	11.44	
8-Oct-24	(1,116.88)	↑ 1,128.32

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.97
AIICO BALANCED FUND	10.75
AIICO EUROBOND FUND	6.89

As of October 08, 2024

MACRO INDICATORS	
GDP (Q2 2024)	+3.19% (Q1: 2023 +2.98% y/y)
INFLATION (AUGUST'2024)	32.15% (Jul'24: 33.40%)
EXTERNAL RESERVE (US\$'BILLION)	38.67 (+17.50% YTD as of 08-Oct-24)
MONETARY POLICY RATE	27.25%
CASH RESERVE REQUIREMENT (CRI)	50.00%
BRENT CRUDE PRICE US\$/BBL	*76.57 (-1.10 d/d)

Source: NBS,CBN, AIICO Capital

Nigerian Equities

The Nigerian bourse ended negatively as the NGX-ASI and market capitalization decreased by 0.10% to 97,487.14 points and ₦56.01 trillion, respectively. This was driven by declines in the share prices of OANDO, ETERNA, UBA, ACCESSCORP, FBNH, and UACN. The year-to-date ASI growth fell to 30.38%. Four of the five major sectors closed negatively, with only the Consumer Goods sector showing a gain of 0.31%.

Outlook: *We anticipate mixed sentiments tomorrow.*

Foreign Exchange

At the NAFEM window, the naira lost 4.06% of its value against the USD, settling at an exchange rate of \$1 to ₦1,625.13.

Outlook: *We expect the volatility to persist.*

Commodities

Oil prices decreased today after a significant drop in the previous session. Brent prices dropped by 0.79% to \$76.57, while WTI prices fell by 0.41% to \$73.27. Additionally, Gold prices retreated due to the strengthening dollar and reduced expectations for a more significant rate cut in November. The market awaits the Federal Reserve's September policy meeting minutes for further insights. Gold was down by 0.35% at \$2,626.20 per ounce.

Outlook: *We expect the sentiment to persist.*

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
LASACO	2.53	0.23	↑ 10.00%
MECURE	9.25	0.80	↑ 9.47%
JBERGER	164.00	14.00	↑ 9.33%
REGALINS	0.60	0.05	↑ 9.09%
GOLDBREW	3.40	0.25	↑ 7.94%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ELLAHLAKES	4.40	-0.48	↓ -9.84%
ABCTRANS	1.22	-0.13	↓ -9.63%
ETERNA	24.70	-2.30	↓ -8.52%
CILEASING	3.71	-0.34	↓ -8.40%
LIVESTOCK	3.44	-0.30	↓ -8.02%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.10%	↓ -0.76%	↓ -1.09%	↑ 30.38%
NSE BANKING INDEX	↓ -0.67%	↓ -0.22%	↓ -2.23%	↑ 2.93%
NSE INSURANCE INDEX	↓ -0.22%	↑ 0.87%	↑ 1.84%	↑ 36.12%
NSE INDUSTRIAL GOODS INDEX	↓ -0.01%	↓ -5.98%	↓ -5.97%	↑ 31.97%
NSE CONSUMER GOODS INDEX	↑ 0.31%	↓ -1.69%	↓ -0.64%	↑ 38.60%
NSE OIL & GAS INDEX	↓ -0.48%	↑ 9.26%	↑ 9.12%	↑ 108.27%

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