

# Actionable Market Insights, delivered daily.

**AIICO CAPITAL**

**DATE: Monday, 11 November 2024**

## MARKET COMMENTARY

### System Liquidity

System liquidity remained negative but showed signs of improvement due to inflows from Remita and net CRR credits. As a result, funding rates eased; specifically, the Overnight Policy Rate (OPR) fell by 1.52% to 30.43%, while the Overnight Rate (O/N) decreased by 1.43% to 31.05%.

**Outlook:** We anticipate that interbank rates will stay at their current levels unless there are any significant debits.

### Treasury Bills

Activity in the Treasury bills market was mild, with investors selectively picking out specific securities. There was notable interest in the longer-dated instruments, especially the 23 September and 6 November 2025 NTB papers. Few demand was also observed on 4 November 2025 OMO paper. Overall, the average mid-rate for the benchmark NTB papers rose by 2 bps, closing at 21.95%.

**Outlook:** We expect the same sentiment to persist tomorrow.

### FGN Bonds

The local bonds market saw some interest in specific maturities to begin the week, particularly with the April 2029, February 2031, February 2034, and June 2053 bonds. However, the number of transactions was limited. Consequently, the average mid-yield remained relatively stable, settling at 19.05%.

**Outlook:** We expect a mixed theme tomorrow.

### Eurobonds

The Eurobonds market had a quiet session due to the US holiday, which resulted in minimal trading activity. Consequently, there was little movement in the African curves. Overall, the average mid-yield for Nigerian bonds decreased by 2 bps, settling at 9.24%.

**Outlook:** Market attention will now shift to tomorrow's release of US CPI data and the OPEC Monthly report.

BENCHMARK T-BILLS DISCOUNT RATES			
	11-Nov-24	08-Nov-24	Change in Rates
87 DAYS	22.97%	22.97%	→ 0.00%
178 DAYS	22.39%	22.34%	↑ 0.05%
346 DAYS	20.30%	20.30%	→ 0.00%

Source: FMDQ DQL for 11-Nov-2024

BENCHMARK FGN BOND YIELDS			
	11-Nov-24	08-Nov-24	Change in Yield
5 YRS: 14.55% 26-APR-2029	19.75%	19.75%	→ 0.00%
10 YRS: 19.00% 21-FEB-2034	20.05%	20.05%	→ 0.00%
20 YRS: 15.45% 21-JUN-2038	19.00%	19.00%	→ 0.00%
30 YRS: 15.70% 21-JUN-2053	16.98%	16.98%	→ 0.00%

Source: FMDQ DQL for 11-Nov-2024

BENCHMARK FGN EUROBOND YIELDS			
	11-Nov-24	08-Nov-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	8.79%	8.83%	↓ -0.04%
10 YRS: NGERIA 7.375% 09/29/33	9.53%	9.53%	→ 0.00%
15 YRS: NGERIA 7.696% 23/02/38	9.94%	9.96%	↓ -0.02%
30 YRS: NGERIA 8.25% 09/29/51	10.16%	10.16%	→ 0.00%
8.75% ETI 06/17/31*	8.74%	8.74%	→ 0.00%

Source: FBN UK Runs for 11-Nov-2024

NAFEM RATE (\$/N)		Diff.
11-Nov-24	1,681.42	
8-Nov-24	1,678.87	↑ 2.55

Source: FMDQ

SYS. LIQ. (N'BN)		Diff.
11-Nov-24	(60.05)	
8-Nov-24	(525.49)	↑ 465.44

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.92
AIICO BALANCED FUND	11.64
AIICO EUROBOND FUND	7.14

As of November 07, 2024

MACRO INDICATORS	
GDP (Q2 2024)	+3.19% (Q1: 2023 +2.98% y/y)
INFLATION (SEPTEMBER'2024)	32.70% (Aug'24: 32.15%)
EXTERNAL RESERVE (US\$'BILLION)	40.08 (+21.77% YTD as of 07-Nov-24)
MONETARY POLICY RATE	27.25%
CASH RESERVE REQUIREMENT (CR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*71.93 (-1.97 d/d)

Source: NBS, CBN, AIICO Capital

## Nigerian Equities

The Nigerian stock market concluded today's session positively, with the NGX-ASI and market capitalization increasing by 14 bps to reach 97,373.94 points and ₦59.00 trillion, respectively. Gains in ARADEL primarily drove this upward movement despite a selloff in TRANSCORP, ACCESSCORP, and OANDO. As a result, the ASI's year-to-date return now stands at 30.22%. Regarding sector performance, two of the five major indices recorded gains: Insurance (+0.23%) and Oil and Gas (+0.16%). However, the Banking, Industrial Goods, and Consumer Goods indices all experienced declines.

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

## Foreign Exchange

Despite improved dollar liquidity at the NAFEM window, the Naira depreciated by 0.15% against the USD, closing at \$/₦1,681.42.

**Outlook:** We anticipate that the fluctuations will continue.

## Commodities

Oil prices declined after China's stimulus plan failed to meet investors' expectations for increased fuel demand from the world's second-largest oil consumer, while the U.S. dollar slightly strengthened. Consequently, Brent crude prices dropped to \$71.93 per barrel, and WTI fell to \$68.31. Additionally, gold prices decreased by over 2%, pressured by the strengthening dollar and the potential impacts of Donald Trump's election on fiscal policy and interest rate reductions. Gold traded around \$2,619.10 per ounce.

**Outlook:** We expect this sentiment to persist.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
EUNISELL	9.02	0.82	↑ 10.00%
ARADEL	533.80	48.48	↑ 9.99%
JOHNHOLT	5.29	0.48	↑ 9.98%
DEAPCAP	1.17	0.10	↑ 9.35%
CUSTODIAN	12.60	1.00	↑ 8.62%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
UCAP	16.15	-1.75	↓ -9.78%
SOVERNINS	0.64	-0.05	↓ -7.25%
PRESTIGE	0.56	-0.04	↓ -6.67%
CONHALLPLC	1.60	-0.10	↓ -5.88%
TRIPPLEG	1.72	-0.10	↓ -5.49%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.14%	↑ 0.48%	↓ -0.28%	↑ 30.22%
NSE BANKING INDEX	↓ -0.81%	↑ 0.84%	↑ 3.16%	↑ 13.79%
NSE INSURANCE INDEX	↑ 0.23%	↑ 1.10%	↑ 0.49%	↑ 39.70%
NSE INDUSTRIAL GOODS INDEX	↓ -0.03%	↓ -0.05%	↓ -0.07%	↑ 27.20%
NSE CONSUMER GOODS INDEX	↓ -0.10%	↓ -0.29%	↑ 0.15%	↑ 38.65%
NSE OIL & GAS INDEX	↑ 0.16%	↑ 5.77%	↑ 5.52%	↑ 133.43%

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