

MARKET COMMENTARY

System Liquidity

System liquidity worsened due to some CRR debits, causing interbank rates to trend upward. Specifically, the Overnight Policy Rate (OPR) increased by 1.60% to 32.03%, while the Overnight Rate (O/N) rose by 1.55% to 32.60%.

Outlook: We anticipate that interbank rates will continue to trade at these current levels.

Treasury Bills

The Treasury bills market remained stable, with limited trades occurring in select maturities, especially in the mid and long-dated securities. Overall, the average mid-rate for the benchmark NTB papers was 21.95%.

Outlook: We expect the same sentiment to persist tomorrow.

FGN Bonds

The local bonds market experienced slight interest in the February 2031 paper; however, overall activity remained low as investors awaited the FGN bonds primary market auction circular. As a result, the average mid-yield stayed relatively stable at 19.07%.

Outlook: We expect a mixed theme tomorrow.

Eurobonds

The Eurobonds market experienced a downward trend following the US holiday as investors reevaluated the current investment landscape. Key factors influencing this reassessment include the trajectory of interest rates after Trump's electoral victory, the overall state of the US economy, and the recently released OPEC monthly report. African Eurobonds showed weak sentiment, with selling pressure observed across all issues. As a result, the average mid-yield for Nigerian bonds rose by 17 bps, closing at 9.41%.

Outlook: Market focus will now turn to tomorrow's US Consumer Price Index (CPI) data release.

BENCHMARK T-BILLS DISCOUNT RATES			
	12-Nov-24	11-Nov-24	Change in Rates
86 DAYS	22.97%	22.97%	→ 0.00%
177 DAYS	22.39%	22.39%	→ 0.00%
345 DAYS	20.30%	20.30%	→ 0.00%

Source: FMDQ DQL for 12-Nov-2024

BENCHMARK FGN BOND YIELDS			
	12-Nov-24	11-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 12-Nov-2024

BENCHMARK FGN EUROBOND YIELDS			
	12-Nov-24	11-Nov-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.04%	8.79%	↑ 0.25%
10 YRS: NGERIA 7.375% 09/29/33	9.72%	9.53%	↑ 0.19%
15 YRS: NGERIA 7.696% 23/02/38	10.10%	9.94%	↑ 0.16%
30 YRS: NGERIA 8.25% 09/29/51	10.31%	10.16%	↑ 0.15%
8.75% ETI 06/17/31*	8.91%	8.74%	↑ 0.17%

Source: FBN UK Runs for 12-Nov-2024

NAFEM RATE (\$/N)		Diff.
12-Nov-24	1,689.88	
11-Nov-24	1,681.42	↑ 8.46

Source: FMDQ

SYS. LIQ. (N'BN)		Diff.
12-Nov-24	(160.29)	
11-Nov-24	(60.05)	↓ (100.24)

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)	40.17 (+22.04% YTD as of 11-Nov-24)
MONETARY POLICY RATE	27.25%
CASH RESERVE REQUIREMENT (CR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*72.13 (+0.20 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian stock market declined today, with the NGX-ASI and market capitalization falling by 12 bps to close at 97,260.75 points and ₦58.93 trillion. This drop was driven by selling pressure on stocks like OANDO, DANGSUGAR, UCAP, and NESTLE, despite some buying interest in TRANSCORP. The year-to-date return for the ASI is now at 30.07%. Among sectors, three out of five major indices showed gains, most notably in Banking.

Outlook: We expect a mixed session tomorrow.

Foreign Exchange

The Naira's value declined by 50 bps against the USD at the NAFEM window, closing at \$/₦1,689.88.

Outlook: We expect the volatility to persist.

Commodities

Oil prices stabilized after experiencing a 5% decline over the last two sessions, as investors digested OPEC's recent cut in oil demand forecasts and expressed disappointment with China's latest stimulus measures. As a result, Brent crude steadied at \$72.13 per barrel, while WTI traded around \$68.36. Meanwhile, gold prices fell to a nearly two-month low due to a stronger U.S. dollar and optimism about economic growth following Trump's victory. Gold traded around \$2,607.10 per ounce.

Outlook: We expect this sentiment to persist.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
EUNISELL	9.92	0.90	↑ 9.98%
JOHNHOLT	5.81	0.52	↑ 9.83%
SUNUASSUR	2.26	0.20	↑ 9.71%
UNIVINSURE	0.34	0.02	↑ 6.25%
REGALINS	0.50	0.02	↑ 4.17%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
VFDGROUP	40.50	-4.50	↓ -10.00%
ROYALEX	0.56	-0.06	↓ -9.68%
OANDO	62.05	-6.45	↓ -9.42%
THOMASWY	1.75	-0.17	↓ -8.85%
DANGSUGAR	28.55	-1.45	↓ -4.83%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.12%	↑ 0.14%	↓ -0.40%	↑ 30.07%
NSE BANKING INDEX	↑ 0.49%	↓ -1.77%	↑ 3.67%	↑ 14.35%
NSE INSURANCE INDEX	↑ 0.08%	↑ 2.55%	↑ 0.57%	↑ 39.81%
NSE INDUSTRIAL GOODS INDEX	→ 0.00%	↑ 0.01%	↓ -0.07%	↑ 27.20%
NSE CONSUMER GOODS INDEX	→ 0.00%	↓ -0.24%	↑ 0.15%	↑ 38.65%
NSE OIL & GAS INDEX	↑ 0.02%	↑ 4.17%	↑ 5.54%	↑ 133.47%

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