

MARKET COMMENTARY

System Liquidity

Today, system liquidity decreased but maintained a fairly liquid position, bolstered slightly by Swap maturities and OMO maturities of c. ₦6.38 billion, despite the settlement of CBN's FX interventions. Interbank rates generally displayed mixed results, with the Overnight Policy Rate (OPR) dropping by 11 bps to 25.07%, while the Overnight Rate (O/N) rose by 10 bps to 25.79%.

Outlook: We expect interbank rates to nudge higher tomorrow as the market funds the settlement (c. ₦346.15 billion) of the FGN bond auction.

Treasury Bills

The Treasury bills market remained relatively subdued, though there was a bearish undertone as investors adopted a cautious stance in anticipation of tomorrow's NTB auction. Selling pressure was noted, especially on the long-term notes, with a particular focus on the November 2025 NTBs trading around 22.30%. Consequently, the average mid-rate for the benchmark NTB securities rose by 6 bps to close at 22.58%.

Outlook: We anticipate a calm atmosphere tomorrow as participants turn their attention to the NTB auction, where c. ₦610 billion will be offered across the 91, 182, and 364-day papers.

FGN Bonds

The local bond market experienced some activity on April 2029 and February 2031 bonds, with sentiment primarily leaning towards the bearish side as investors continue to respond to the recent FGN bond auction results, which showed an uptick of 25bps and 26bps respectively, for those bonds. Additionally, there was stable interest in the 2050 and 2053 bonds above 17.00%. Consequently, the average mid-yield rose by 12bps, settling at 19.19%.

Outlook: We anticipate a mixed trading session tomorrow.

Eurobonds

The Eurobonds market recovered today, driven by positive sentiments among African sovereigns, particularly the oil-rich nations of Nigeria and Angola, as well as longer-dated Egyptian bonds, following Ukraine's aggression towards Russia, which spurred demand across the spectrum. As a result, the average mid-yield for Nigerian bonds decreased by 14 bps, closing at 9.61%.

Outlook: We anticipate a mixed to bullish outlook tomorrow as participants continue to reassess the impact of the recent attack.

BENCHMARK T-BILLS DISCOUNT RATES			
	19-Nov-24	18-Nov-24	Change in Rates
93 DAYS	23.90%	23.90%	➔ 0.00%
184 DAYS	22.25%	22.25%	➔ 0.00%
338 DAYS	20.30%	20.30%	➔ 0.00%

Source: FMDQ DQL for 19-Nov-2024

BENCHMARK FGN BOND YIELDS			
	19-Nov-24	18-Nov-24	Change in Yield
5 YRS: 14.55% 26-APR-2029	19.77%	19.77%	➔ 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 19-Nov-2024

NAFEM RATE (\$/₦)		Diff.
19-Nov-24	1,678.93	
18-Nov-24	1,690.37	↓ (11.44)

Source: FMDQ

SYS. LIQ. (₦'BN)		Diff.
19-Nov-24	226.51	
18-Nov-24	312.21	↓ (85.71)

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	22.54
AIICO BALANCED FUND	12.58
AIICO EUROBOND FUND	7.22

As of November 18, 2024

BENCHMARK FGN EURO BOND YIELDS			
	19-Nov-24	18-Nov-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.19%	9.37%	↓ -0.18%
10 YRS: NGERIA 7.375% 09/29/33	9.98%	10.11%	↓ -0.13%
15 YRS: NGERIA 7.696% 23/02/38	10.36%	10.44%	↓ -0.08%
30 YRS: NGERIA 8.25% 09/29/51	10.59%	10.66%	↓ -0.07%
8.75% ETI 06/17/31*	8.83%	8.92%	↓ -0.09%

Source: FBN UK Runs for 19-Nov-2024

MACRO INDICATORS	
GDP (Q2 2024)	+3.19% (Q1: 2023 +2.98% y/y)
INFLATION (OCTOBER'2024)	33.88% (Sep'24: 32.70%)
EXTERNAL RESERVE (US\$'BILLION)	40.27 (+22.37% YTD as of 15-Nov-24)
MONETARY POLICY RATE	27.25%
CASH RESERVE REQUIREMENT (CR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*73.83 (+0.73 d/d)

Source: NBS,CBN, AIICO Capital

Nigerian Equities

The Nigerian stock market continued its positive trend, with the NGX All-Share Index (ASI) and market capitalization rising by 23 bps to close at 97,972.33 points and ₦59.36 trillion, respectively. This increase was fueled by persistent buying interest in WAPCO and MTNN, which overshadowed selloffs in TRANSCORP and FBNH. As a result, the ASI's year-to-date return climbed to 31.02%. Performance across sectors showed a clear upward trend today, with all major indices closing positively, led by the Insurance index.

Outlook: We anticipate that the same sentiment will continue to prevail for the time being.

Foreign Exchange

The Naira appreciated against the USD at the NAFEM window, settling at \$/₦1,678.93 due to increased activity levels.

Outlook: We anticipate that Naira will continue to trade within the current range.

Commodities

Oil prices experienced a slight increase after Ukraine launched longer-range, U.S.-supplied missiles at Russia. As a result, Brent crude rose to \$73.83 per barrel, while WTI increased to around \$69.65. Likewise, Gold prices advanced for the second consecutive session, reaching a one-week high as escalating tensions between Russia and Ukraine triggered a demand for safe-haven assets, with investors looking for important indicators regarding the Federal Reserve's interest rate strategies. Gold was valued at c.\$2,628.20 per ounce.

Outlook: We expect this sentiment to persist.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
WAPCO	50.60	4.60	↑ 10.00%
UNILEVER	26.95	2.45	↑ 10.00%
EUNISELL	14.49	1.31	↑ 9.94%
SCOA	1.88	0.17	↑ 9.94%
JOHNHOLT	9.33	0.84	↑ 9.89%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
PZ	22.50	-2.45	↓ -9.82%
TIP	2.10	-0.20	↓ -8.70%
BERGER	17.35	-1.45	↓ -7.71%
HONYFLOUR	4.11	-0.21	↓ -4.85%
CONHALLPLC	1.92	-0.09	↓ -4.50%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.23%	↑ 0.73%	↑ 0.33%	↑ 31.02%
NSE BANKING INDEX	↑ 0.25%	↑ 2.31%	↑ 6.05%	↑ 16.98%
NSE INSURANCE INDEX	↑ 1.90%	↑ 4.91%	↑ 5.51%	↑ 46.67%
NSE INDUSTRIAL GOODS INDEX	↑ 0.55%	↑ 1.04%	↑ 0.98%	↑ 28.53%
NSE CONSUMER GOODS INDEX	↑ 0.25%	↑ 1.55%	↑ 0.83%	↑ 39.60%
NSE OIL & GAS INDEX	↑ 0.35%	↓ -0.20%	↑ 5.33%	↑ 133.00%

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