

MARKET COMMENTARY

System Liquidity

System liquidity declined significantly today due to the settlement of the FGN bond auction winnings, which amounted to c. ₦346 billion, and the CBN's FX intervention settlement. As a result, interbank rates increased significantly, with the Overnight Policy Rate (OPR) climbing by 6.63% to 31.70% and the Overnight Rate (O/N) rising by 6.46% to 32.25%.

Outlook: We anticipate that interbank rates will stay high in the short term.

Treasury Bills

The Treasury bills market was relatively quiet as investors shifted their focus to the NTB auction, where c. ₦610 billion was offered across the 91, 182, and 364-day papers. The overall market sentiment was mixed to bearish, with most interest concentrated on the November 6, 2025, bill, which traded in the range of 22.40% to 22.60%. Consequently, the average mid-rate for the benchmark NTB securities increased by 27 bps, closing at 22.85%.

Outlook: We expect the outcome of the NTB auction to influence market activity tomorrow.

FGN Bonds

The local bond market showed slight bearish sentiments, with most activity focusing on the April 2029 and February 2031 bonds. Overall, the average mid-yield increased by 12 bps, settling at 19.31%.

Outlook: We anticipate a mixed trading session tomorrow.

Eurobonds

The Eurobonds market showed stability, with little movement in interest for most African bonds. However, the SSA and North African papers ended lower by the end of the trading session. Consequently, the average mid-yield for Nigerian bonds rose by 4 bps to close at 9.64%.

Outlook: We expect the same sentiment to persist.

BENCHMARK T-BILLS DISCOUNT RATES			
	20-Nov-24	19-Nov-24	Change in Rates
92 DAYS	23.90%	23.90%	→ 0.00%
183 DAYS	22.25%	22.25%	→ 0.00%
337 DAYS	20.30%	20.30%	→ 0.00%

Source: FMDQ DQL for 20-Nov-2024

BENCHMARK FGN BOND YIELDS			
	20-Nov-24	19-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 20-Nov-2024

BENCHMARK FGN EUROBOND YIELDS			
	20-Nov-24	19-Nov-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.19%	9.19%	→ 0.00%
10 YRS: NGERIA 7.375% 09/29/33	10.01%	9.98%	↑ 0.03%
15 YRS: NGERIA 7.696% 23/02/38	10.34%	10.36%	↓ -0.02%
30 YRS: NGERIA 8.25% 09/29/51	10.57%	10.59%	↓ -0.02%
8.75% ETI 06/17/31*	8.74%	8.83%	↓ -0.09%

Source: FBN UK Runs for 20-Nov-2024

NAFEM RATE (\$/N)		Diff.
20-Nov-24	1,687.52	
19-Nov-24	1,678.93	↑ 8.59

Source: FMDQ

SYS. LIQ. (N'BN)		Diff.
20-Nov-24	(330.46)	
19-Nov-24	226.51	↓ (556.97)

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	21.61
AIICO BALANCED FUND	13.08
AIICO EUROBOND FUND	7.24

As of November 19, 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)	40.29 (+22.41% YTD as of 19-Nov-24)
MONETARY POLICY RATE	27.25%
CASH RESERVE REQUIREMENT (CRI)	50.00%
BRENT CRUDE PRICE US\$/BBL	*73.71 (-0.12 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian stock market maintained its upward trajectory, with the NGX All-Share Index (ASI) and market capitalization increasing by 26 bps to end at 98,227.50 points and ₦59.53 trillion, respectively. This rise was driven by ongoing buying interest in WAPCO and also in ZENITHBANK and DANGSUGAR, despite a selloff in STANBIC. Consequently, the year-to-date return for the ASI rose to 31.37%. Performance across various sectors displayed a noticeable upward trend today, with four of the five major indices finishing positively, led by the Consumer Goods Index. In contrast, the Oil & Gas index experienced a decline.

Outlook: We expect that this sentiment will persist.

Foreign Exchange

The Naira fell by 51 bps against the USD at the NAFEM window, settling at \$/₦1,687.52.

Outlook: We expect the Naira to continue trading above the \$/₦1,600 level.

Commodities

Oil prices remained largely unchanged as worries about increasing hostilities in the Ukraine conflict potentially affecting oil supplies from Russia countered the reports of rising U.S. crude inventories. Consequently, Brent crude held steady at \$73.71 per barrel, while WTI was maintained at c. \$69.95. Gold prices rose for the third consecutive day, reaching a one-week high as investors turned to the safe-haven asset in response to growing geopolitical anxieties driven by escalating tensions between Russia and Ukraine. Gold was priced around \$2,646.79 per ounce.

Outlook: We expect this sentiment to persist.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
TANTALIZER	0.99	0.09	↑ 10.00%
AUSTINLAZ	2.20	0.20	↑ 10.00%
WAPCO	55.65	5.05	↑ 9.98%
HONYFLOUR	4.53	0.41	↑ 9.95%
EUNISELL	15.93	1.44	↑ 9.94%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
NNFM	33.75	-3.75	↓ -10.00%
RTBRISCOE	2.61	-0.29	↓ -10.00%
MULTIVERSE	7.20	-0.75	↓ -9.43%
DAARCOMM	0.62	-0.05	↓ -7.46%
MCNICHOLS	1.40	-0.08	↓ -5.41%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.26%	↑ 0.83%	↑ 0.59%	↑ 31.37%
NSE BANKING INDEX	↑ 0.06%	↑ 0.97%	↑ 6.11%	↑ 17.05%
NSE INSURANCE INDEX	↑ 0.78%	↑ 6.35%	↑ 6.33%	↑ 47.82%
NSE INDUSTRIAL GOODS INDEX	↑ 0.78%	↑ 1.83%	↑ 1.77%	↑ 29.54%
NSE CONSUMER GOODS INDEX	↑ 1.09%	↑ 2.27%	↑ 1.93%	↑ 41.12%
NSE OIL & GAS INDEX	↓ -0.09%	↑ 0.17%	↑ 5.24%	↑ 132.80%

Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction.

Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance.

AIICO Capital is regulated by the Securities and Exchange Commission and is licensed to provide fund and portfolio management services in Nigeria.