

MARKET COMMENTARY

System Liquidity

Liquidity in the system started much higher today, driven by significant Remita inflows from Friday. Consequently, interbank rates saw a slight decline, with the Overnight Policy Rate (OPR) recorded at 26.50%, while the Overnight Rate (O/N) fell by 3 basis points to 27.14%. However, during the day, the CBN conducted an OMO auction, offering ₦500 billion across two maturities while receiving subscriptions amounting to ₦931.32 billion. Additionally, the CBN engaged in CRR activities in the market to reinforce its tightening monetary policy approach.

Outlook: We expect interbank rates to continue to trade around the same levels.

Treasury Bills

The Treasury Bills market saw some activity on the recent 1-year NTB (25 Dec 2025), though there were few offers available to meet demand. Additionally, the CBN conducted an OMO auction yesterday, offering and selling ₦500 billion across two maturities, 358-day and 365-day. Total subscriptions reached ₦931.32 billion. The stop rates were set at 23.93% and 23.95%, respectively, compared to the previous auction rates of 23.95% and 23.98%. Overall, the average mid-rate for the benchmark NTB papers closed at 23.12%.

Outlook: We expect a calm session today, as participants will be focusing on housekeeping activities.

FGN Bonds

The local bonds market had another quiet session, with most interest directed toward the February 2031 and May 2033 papers. Overall, the average mid-yield rose by 4 bps to 19.59%.

Outlook: We expect a calm session today, as participants will be focusing on housekeeping activities.

Eurobonds

The Eurobond market experienced a subdued trading session, albeit with a mixed undertone. A limited amount of sideways interest was noted in both Nigerian and Egyptian bonds, while Angola showed some minor weakness. Overall, the average mid-yield for Nigerian bonds remained relatively stable at 9.54%.

Outlook: We anticipate a calm theme today as the participants close out the year.

BENCHMARK T-BILLS DISCOUNT RATES			
	30-Dec-24	27-Dec-24	Change in Rates
87 DAYS	24.78%	24.78%	→ 0.00%
178 DAYS	22.37%	22.37%	→ 0.00%
325 DAYS	21.50%	21.50%	→ 0.00%

Source: FMDQ DQL for 30-Dec-2024

BENCHMARK FGN BOND YIELDS			
	30-Dec-24	27-Dec-24	Change in Yield
5 YRS: 14.55% 26-APR-2029	21.19%	21.18%	↑ 0.01%
10 YRS: 19.00% 21-FEB-2034	20.85%	20.85%	→ 0.00%
20 YRS: 15.45% 21-JUN-2038	19.02%	19.02%	→ 0.00%
30 YRS: 15.70% 21-JUN-2053	16.98%	16.99%	↓ -0.01%

Source: FMDQ DQL for 30-Dec-2024

BENCHMARK FGN EUROBOND YIELDS			
	30-Dec-24	27-Dec-24	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.02%	8.98%	↑ 0.04%
10 YRS: NGERIA 7.375% 09/29/33	9.74%	9.72%	↑ 0.02%
15 YRS: NGERIA 7.696% 23/02/38	10.21%	10.19%	↑ 0.02%
30 YRS: NGERIA 8.25% 09/29/51	10.42%	10.42%	→ 0.00%
8.75% ETI 06/17/31*	8.74%	8.75%	↓ -0.01%

Source: FBN UK Runs for 30-Dec-2024

NFEM (\$/N)		Diff.
30-Dec-24	1,537.00	
27-Dec-24	1,535.00	↑ 2.00

Source: FMDQ

SYS. LIQ. (N'BN)		Diff.
30-Dec-24	846.78	
27-Dec-24	736.36	↑ 110.42

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	23.89
AIICO BALANCED FUND	15.47
AIICO EUROBOND FUND	7.37

As of December 29, 2024

MACRO INDICATORS	
GDP (Q3 2024)	+3.46% (Q2: 2024 +3.19% y/y)
INFLATION (NOVEMBER'2024)	34.60% (Oct'24: 33.88%)
EXTERNAL RESERVE (US\$'BILLION)	40.87 (+24.17% YTD as of 27-Dec-24)
MONETARY POLICY RATE	27.50%
CASH RESERVE REQUIREMENT (CR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*74.39 (+0.22 d/d)

Source: NBS,CBN, AIICO Capital

Nigerian Equities

The Nigerian stock market continued its upward trajectory in the second-to-last trading session of the year, with the NGX-ASI increasing by 99 bps to close at 103,149.35 points, and the market capitalization settling at ₦62.89 trillion. This rise was fueled by significant buying interest in BUAFOODS and MTNN. The year-to-date growth in the ASI has now reached 37.95%. Among the five major indices, three exhibited positive performance, with the Insurance Index leading with a 2.45% gain, while the Banking and Oil & Gas indices experienced declines.

Outlook: We expect the same sentiment to persist.

Foreign Exchange

The NFEM showed stability today with improved liquidity. Transactions occurred between \$/₦1,533.00 and \$/₦1,540.25. Overall, the Naira declined by 13 bps, closing at \$/₦1,537.00.

Outlook: We expect the Naira to continue trading within a similar range.

Commodities

Oil prices increased slightly, with Brent crude priced at \$74.39 per barrel and WTI at approximately \$71.16. Conversely, gold prices fell in low trading activity as investors awaited new drivers, including upcoming U.S. economic data that might impact the Federal Reserve's interest-rate predictions for 2025, as well as policies from incoming President Donald Trump. It traded around \$2,603.53 per ounce.

Outlook: We expect geopolitical and macroeconomic factors to continue to affect market sentiment.

TOP 5 EQUITY ADVANCERS			
	CLOSING		
NAME (SYMBOL)	PRICE	GAIN(N)	% CHANGE
NEIMETH	2.09	0.19	↑ 10.00%
PRESTIGE	1.10	0.10	↑ 10.00%
MECURE	12.65	1.15	↑ 10.00%
LASACO	3.09	0.28	↑ 9.96%
LIVINGTRUST	3.99	0.36	↑ 9.92%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
	CLOSING		
NAME (SYMBOL)	PRICE	LOSS(N)	% CHANGE
PZ	26.10	-2.90	↓ -10.00%
VITAFAM	21.60	-2.30	↓ -9.62%
NGXGROUP	27.25	-2.75	↓ -9.17%
IKEJAHOTEL	11.25	-0.90	↓ -7.41%
ETERNA	810.00	-44.97	↓ -5.26%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGXASI	↑ 0.99%	↑ 1.77%	↑ 5.79%	↑ 37.95%
NSE BANKING INDEX	↓ -0.42%	↓ -0.60%	↑ 6.35%	↑ 21.29%
NSE INSURANCE INDEX	↑ 2.45%	↑ 6.38%	↑ 40.24%	↑ 112.72%
NSE INDUSTRIAL GOODS INDEX	↑ 0.01%	↑ 0.16%	↑ 1.12%	↑ 31.48%
NSE CONSUMER GOODS INDEX	↑ 1.76%	↑ 2.41%	↑ 9.25%	↑ 54.88%
NSE OIL & GAS INDEX	↓ -0.35%	↓ -0.42%	↑ 13.40%	↑ 158.90%

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