

Daily Financial Market Update

AIICO CAPITAL

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MARKET COMMENTARY

Money Market

System liquidity remained in the negative territory, but slightly better than yesterday, given the coupon inflows and 2024 FGN Bond maturity. Specifically, it opened at -c.₦675.98 billion today compared with -c.₦2,088.11 billion recorded yesterday. Consequently, both the Open Repo Rate and Overnight Rate declined by c.243 bps and c.192 bps, to close at 30.00% and 31.08%, respectively.

Outlook: We expect the interbank rates to stay elevated.

Treasury Bills

Activity in the treasury bills market was mixed to bullish following yesterday's NTB auction, as most investors skewed their interests to the long-dated papers, particularly Feb and Mar 2025 papers. Bids and offers adjusted lower to c.19.00% levels. Overall, the average mid-rate declined by c.10bps to close at c.16.01%.

Outlook: We expect similar trend tomorrow.

FGN Bonds

The local bonds market was quiet today, although with a bearish backdrop, as players carefully position ahead of next week's auction. However, the market settled bullish with renewed buy-side interest on the Feb 2034 papers at c.19.05%, thus the average mid-yield dipped marginally by c.2bps to close at 17.69%.

Outlook: We expect a mixed to bearish theme tomorrow.

Eurobonds

The Eurobonds market traded on a positive note at the early hours of trading, although, with less momentum. Further into the day, the SSA and MENA papers tilted to a mixed to bearish bias amid higher US PPI report. Meanwhile, the US retail sales data was reported lower than forecast at 0.60%. Overall, market settled bearish as average mid-yield increased by 8bps to settle at 9.84%.

Outlook: We expect a similar sentiment tomorrow, pending any significant catalyst.

Date	Sys. Liq. (₦'bn)	Diff.
14-Mar-24	-675.98	↑ 1,412.13
13-Mar-24	-2,088.11	

Source: CBN

AIICO Money Market Fund (AMMF)	
(As of 12th March 2024)	14.4869%
Added Benefit	Personal accident insurance cover

Macro Indicators	
GDP (Q4 2023)	+3.46% (Q3: 2023 +2.54% y/y)
Inflation (January'2024)	29.90% (Dec'23: 28.92%)
External Reserve (US\$'billion)	34.34 (+4.33% YTD)
Monetary Policy Rate	22.75%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*83.99 (+2.51 d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	14-Mar-24	13-Mar-24	Change in Rates
84 days	16.00%	16.57%	+0.57%
175 days	17.41%	17.41%	(0.00%)
329 days	20.30%	20.30%	(0.00%)

Source: FMDQ DQL for 14 March 2024

Benchmark FGN Bond Yields			
	14-Mar-24	13-Mar-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	18.10%	18.10%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	18.72%	18.72%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	18.69%	18.69%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	18.34%	18.34%	(0.00%)

Source: FMDQ DQL for 14 March 2024

Benchmark FGN Eurobond Yields			
	14-Mar-24	13-Mar-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.13%	9.09%	(0.04%)
10 yrs: NGERIA 7.875 02/16/32	10.01%	9.93%	(0.08%)
15 yrs: NGERIA 7.696 23/02/38	10.33%	10.23%	(0.10%)
30 yrs: NGERIA 9.248 01/21/49	10.39%	10.30%	(0.09%)
7.125% ECOTRAN 16/02/26	10.21%	10.19%	(0.02%)

Source: ZENITH UK Runs for 14 March 2024

Nigerian Equities

The Nigerian equity market closed bullish today, with buy-side interests across several tickers. The All-Share Index gained 0.05%, to close at 104,056.21 points, while the year-to-date return and market capitalization settled at 39.16% and ₦58.84 trillion.

TRANSCORP topped the volume chart with 38.95 million units while NESTLE topped the value charts with ₦1.50 billion. The Banking, Consumer and Industrial Indices appreciated by 0.25%, 0.38% and 0.03%, respectively, while the Oil & Gas Index flattened.

Outlook: We expect the bullish sentiment ease tomorrow.

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) appreciated by 0.43% (or ₦6.96) to \$/₦1,608.98 from \$/₦1,615.94 recorded yesterday.

Outlook: We expect volatility to persist.

Commodities

Brent crude increased to \$85.57 per barrel, while West Texas Intermediate (WTI) printed at \$81.52 per barrel at the time of reporting. Similarly, the price of gold surged to \$2,181.50 per ounce as of the time of writing.

Outlook: We expect oil prices to remain elevated.

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
ROYALEX	0.79	0.07 	9.72%
UNILEVER	16.00	1.40 	9.59%
TANTALIZER	0.38	0.03 	8.57%
UPDC	1.50	0.10 	7.14%
REGALINS	0.39	0.02 	5.41%
Source: NGX, AIICO Capital			

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
INTENEGINS	1.35	-0.15 	-10.00%
SUNUASSUR	1.27	-0.14 	-9.93%
INTBREW	4.00	-0.44 	-9.91%
CONHALLPLC	1.35	-0.14 	-9.40%
UNITYBNK	1.83	-0.10 	-5.18%
Source: NGX, AIICO Capital			

ers	D-o-D		W-o-W		MTD	YTD
NGX ASI		0.05%		3.71%		39.16%
NSE Banking Index		0.25%		10.15%		5.20%
NSE Insurance Index		-1.16%		0.68%		12.04%
NSE Industrial Goods Index		0.03%		0.17%		77.03%
NSE Consumer Goods Index		0.38%		2.27%		45.30%
NSE Oil & Gas Index		0.00%		-0.11%		23.72%

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