DATE: **Thursday** 14 March | 2024

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 buyside 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			

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Aim higher. Reach further ▶

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Nigerian Equities

The Nigerian equity market closed bullish today, with buyside 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%	4.08%	39.16%
NSE Banking Index	0.25%	10.15%	11.10%	5.20%
NSE Insurance Index	-1.16%	0.68%	-1.96%	12.04%
NSE Industrial Goods Index	0.03%	0.17%	-1.73%	77.03%
NSE Consumer Goods Index	0.38%	2.27%	0.36%	45.30%
NSE Oil & Gas Index	0.00%	-0.11%	-0.96%	23.72%