

FGN Bond Market

The FGN Bonds market was quiet but traded with bullish sentiments yesterday, consequently, the average benchmark yield declined by 3bps to 12.92%.

Nigerian Treasury Bill (NTB)

The Treasury Bills market traded quietly yesterday and closed at a similar level from the previous trading day. The average benchmark yield remained unchanged at 6.1%.

FGN Eurobond Market

The Eurobond market traded bullish across all maturities, consequently, the average yield decreased by 37bps to settle at 10.57%.

Money Market

The System Liquidity increased by ₦14.90bn to ₦801.76bn yesterday, consequently, the Open Buy Back rate and the Overnight rate (O/N) increased by 7bps and 8bps to 0.93% and 1.33% respectively.

Foreign Exchange Market

At the I&E FX Window, the value of the Naira appreciated by ₦5.93 to NGN782.49/\$1. In the parallel market, the rate depreciated by ₦10.00 to NGN810.00/\$1. Nigeria's foreign reserve increased by \$18.00 million to \$34.080bn on the 10th of July 2023.

Oil Market

Reuters: Oil prices climbed on Thursday after U.S. inflation and economic data sparked hopes that the Federal Reserve may have fewer interest rate hikes in store and Chinese trade figures showed monthly oil imports were the second-highest on record in June.

Brent crude futures gained 21 cents, or 0.3%, to \$80.32 per barrel by 07:30 am, while U.S. West Texas Intermediate crude futures were up 13 cents, or 0.2%, at \$75.88.

U.S. data on Wednesday showed consumer prices rose modestly in June, registering the smallest annual increase in more than two years. Markets expect one more interest rate rise, but oil traders hope that may be it because higher rates can slow economic growth and reduce oil demand. "The lower-than-expected read in U.S. inflation suggests that the tightening cycle from the Fed so far is having its desired effect in moderating pricing pressures," said Yeap Jun Rong, market strategist at IG, adding this had provided a "risk-on" environment for oil prices.

China's crude oil imports for January-June were up 11.7% at 282.1 million metric tons, while refined oil products exports for January-June were up 44.7% at 31.31 million metric tons, customs data showed. However, sluggish global economic growth, slowing world trade and investment and geopolitical risks continue to impact China's trade, Lv Daliang, a General Administration of Customs spokesperson, said on Thursday.

What to expect today?

We expect the Treasury bill market to trade minimally.

We expect the Bond and the Eurobond market to trade with mixed sentiments.

We expect the interbank rates to remain at current levels.

FGN Bond				
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
Λ13.53 23-MAR-2025	23 Mar 2025	1.70	9.40	▼ -0.06
Λ12.50 22-JAN-2026	22 Jan 2026	2.53	10.59	▬ 0.00
Λ16.2884 17-MAR-2027	17 Mar 2027	3.68	11.84	▼ -0.02
Λ13.98 23-FEB-2028	23 Feb 2028	4.62	12.50	▼ -1.19
Λ14.55 26-APR-2029	26 Apr 2029	5.79	12.14	▼ -0.01
Λ12.50 27-APR-2032	27 Apr 2032	8.79	13.62	▬ 0.00
Λ12.1493 18-JUL-2034	18 Jul 2034	11.02	13.14	▬ 0.00
Λ12.50 27-MAR-2035	27 Mar 2035	11.71	13.44	▬ 0.00
Λ12.40 18-MAR-2036	18 Mar 2036	12.68	13.87	▬ 0.00
Λ16.2499 18-APR-2037	18 Apr 2037	13.77	14.35	▬ 0.00
Λ13.00 21-JAN-2042	21 Jan 2042	18.53	14.32	▬ 0.00
Λ14.80 26-APR-2049	26 Apr 2049	25.79	14.41	▼ -0.41
Λ12.98 27-MAR-2050	27 Mar 2050	26.71	14.35	▼ -0.76

FGN Eurobond			
Description	Maturity Date	Yield (%)	Change (%)
7.625 21-NOV-2025	21 Nov 2025	9.17	▼ -5.56
6.50 NOV 28, 2027	28 Nov 2027	9.17	▼ -5.56
6.125 SEP 28, 2028	28 Sep 2028	10.25	▼ -4.30
8.375 MAR 24, 2029	24 Mar 2029	10.66	▼ -3.62
7.143 FEB 23, 2030	23 Feb 2030	10.56	▼ -3.56
8.747 JAN 21, 2031	21 Jan 2031	10.74	▼ -3.07
7.875 16-FEB-2032	16 Feb 2032	10.77	▼ -2.80
7.375 SEP 28, 2033	28 Sep 2033	10.81	▼ -2.96
7.696 FEB 23, 2038	23 Feb 2038	11.15	▼ -2.79
7.625 NOV 28, 2047	28 Nov 2047	11.04	▼ -2.82
9.248 JAN 21, 2049	21 Jan 2049	11.31	▼ -2.33
8.25 SEP 28, 2051	28 Sep 2051	11.25	▼ -2.17

Major Business Headlines

- Nigeria repays last tranche of \$500m Eurobond borrowed by Jonathan:** Nigeria reaffirmed its commitment to meeting its debt service obligations after the government on Wednesday [redeemed a \\$500 million Eurobond borrowed in 2013 under former President Goodluck Jonathan.](#)
- FMDQ exchange-traded derivatives market goes live:** Today marks yet another significant milestone in the Nigerian financial markets as FMDQ Securities Exchange Limited and FMDQ Clear Limited, wholly owned subsidiaries of FMDQ Group PLC, with the support of the Securities and Exchange Commission, the Central Bank of Nigeria, and the Debt Management Office, Nigeria, [go live with the introduction of the dynamic FMDQ Exchange-Traded Derivatives \(ETD\) Market, making it possible for market stakeholders – corporates, foreign & domestic investors and pension fund administrators – to hedge inherent financial market risks in their operational and investment activities,](#) providing an opportunity to convert risk to financial security, which in turn will help attract capital flows, reduce cost of capital, promote market liquidity, and ultimately deepen the Nigerian financial markets.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)
43	24 Aug 2023	6.07	▼ -0.02
57	7 Sep 2023	6.08	▼ -0.02
106	26 Oct 2023	5.17	▼ -0.01
120	9 Nov 2023	5.36	▼ -0.01
148	7 Dec 2023	5.77	▼ -0.02
197	25 Jan 2024	4.09	▼ -0.01
211	8 Feb 2024	6.73	▼ -0.02
239	7 Mar 2024	5.97	▼ -0.02
274	11 Apr 2024	7.74	▼ -0.02
302	9 May 2024	7.76	▼ -0.02

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.74mbpd	-90,0000bpd
System liquidity	₦801.76bn	₦14.90bn
Foreign reserve	\$34.08bn	18.00mn
Nig. Crude output	1.184mbpd	0.185mbpd
Brent Crude	\$80.11	+\$0.71
FAAC Allocation	₦655.932bn	₦58.697bn

Interbank

Rate (%)	change
OPR	0.93 ▲ 0.07
O/N	1.33 ▲ 0.08
Repo	
Call	1.69 ▬ 0.00
1M	3.13 ▬ 0.00
3M	3.19 ▬ 0.00
6M	3.38 ▬ 0.00

Spot	Rate (\$/N)	Chg (NGN)
I&E FX Window	782.49	▼ -5.93
Parallel Market	810.00	▲ 10.00

^^Forwards	Rate (\$/N)	Chg (NGN)
1M	802.53	▲ 9.60
2M	795.92	▼ -9.86
3M	824.25	▲ 7.55
6M	852.78	▲ 1.09
1Y	910.38	▼ -5.74