

### FGN Bond Market

The FGN Bond closed on a bullish note yesterday with positive sentiment seen mostly on mid- and long-term maturities. As a result, the average benchmark yield dipped by 5 basis points (bp) to close at 14.77%.

### Nigerian Treasury Bill (NTB)

The treasury bill market was quiet with minimal trading activities seen across board. The average benchmark yield remained unchanged at 11.00%.

### FGN Eurobond Market

FGN Bond market was largely bearish yesterday as the market recorded selling activities on mid- and long-tenured maturities, with few buying interests seen on short-tenured maturities. The mixed reactions were partly due to U.K. inflation jumping to a 41-year high of 11.1% in October, exceeding expectations as food, transport and energy prices continued to squeeze households and businesses. The average benchmark yield rose by 8bps to close at 11.41%.

### Money Market

At the interbank space yesterday, the interbank rates remained highly elevated in the absence of any inflow yesterday, as the system liquidity remained weak. As a result, the rate on Open Buyback (OBB) transactions rose marginally by 8bps to close at 16.25% while Overnight (O/N) rate remained unchanged at 16.50%.

### Foreign Exchange Market

Naira was steadied against the US dollar at the I&E window yesterday as the exchange rate stayed unchanged at NGN446.67/\$1. The Nigeria's foreign reserve, on other hand, dropped by \$25 million on Monday, this week, as the reserve balance settled lower at \$37.181 billion

### Oil Market

**Reuters:** Oil prices settled more than a dollar lower on Wednesday after Russian oil shipments via the Druzhba pipeline to Hungary restarted and as rising COVID-19 cases in China weighed on sentiment. Brent crude futures settled a dollar lower at \$92.86 a barrel, down 1.1%.

The market gave up early gains after Hungarian Foreign Minister Peter Szijarto said that flows through the Druzhba oil pipeline from Russia had resumed following a brief outage. The market later recovered some losses after U.S. crude stocks fell more than expected on the back of heavy refining activity. The Energy Information Administration said U.S. crude inventories fell by 5.4 million barrels last week, compared with expectations for a 440,000-barrel drop.

Oil prices extended declines on Thursday as concerns over geopolitical tensions eased, while rising numbers of COVID-19 cases in China added to demand worries in the world's largest crude importer. Additionally, Crude oil fell after NATO cleared Russia's missile attack on Poland, while demand concerns (are) back to trader's focus amid ongoing China's COVID curbs and gloomy global economic outlooks. Brent crude futures fell by \$1.08 to \$91.86 a barrel as of 7:45 am this morning.

### What to expect today?

Both Bond and Treasury Bill markets are expected to record less trading activities today as investors move to settle Monday's bond auction while cherry picking is expected on some selected mid- and long-term maturities.

Due to the auction settlement anticipated today, the liquidity conditions are expected to be dampened. Thus, the interbank rates are expected to remain highly elevated, barring any significant inflow.

The Eurobond market is expected to extend its bearish sentiment today as markets worry upbeat U.S. retail sales will lead to higher interest rates for longer.

FGN Bond				
Description	TTM (Yrs)	Yield (%)	Change (%)	
^14.20 14-MAR-2024	1.32	15.16	🟡	0.00
^13.53 23-MAR-2025	2.35	14.27	🔴	-0.04
^12.50 22-JAN-2026	3.18	14.50	🟡	0.00
^16.2884 17-MAR-2027	4.33	14.59	🟡	0.00
^13.98 23-FEB-2028	5.27	14.70	🟡	0.00
^14.55 26-APR-2029	6.44	14.65	🔴	-0.10
^12.1493 18-JUL-2034	11.67	14.58	🔴	-0.05
^12.50 27-MAR-2035	12.36	14.75	🟡	0.00
^12.40 18-MAR-2036	13.34	14.65	🔴	-0.02
^16.2499 18-APR-2037	14.42	16.02	🔴	-0.11
^13.00 21-JAN-2042	19.18	14.75	🟡	0.00
^14.80 26-APR-2049	26.44	14.70	🔴	-0.22
^12.98 27-MAR-2050	27.36	14.65	🔴	-0.22

FGN Eurobond				
Description	TTM (Yrs)	Yield (%)	Change (%)	
6.375 JUL 12, 2023	0.66	8.31	🟢	0.15
7.625 21-NOV-2025	3.01	10.63	🔴	-0.06
6.50 NOV 28, 2027	5.03	10.63	🔴	-0.06
6.125 SEP 28, 2028	5.87	11.66	🔴	-0.16
8.375 MAR 24, 2029	6.36	12.08	🔴	-0.05
7.143 FEB 23, 2030	7.27	11.87	🟢	0.08
8.747 JAN 21, 2031	8.18	11.93	🟢	0.02
7.875 16-FEB-2032	9.25	11.84	🟢	0.03
7.375 SEP 28, 2033	10.87	11.67	🟢	0.07
7.696 FEB 23, 2038	15.27	11.94	🟢	0.19
7.625 NOV 28, 2047	25.03	11.62	🟢	0.30
9.248 JAN 21, 2049	26.18	12.12	🟢	0.19
8.25 SEP 28, 2051	28.87	12.07	🟢	0.33

### Major Business Headlines

- FG lists 213 gas blocks for investment:** The Federal Government has identified about 213 gas blocks that are open for investments. A document titled, "[Nigeria's Cretaceous Basins: The Potentials for Gas](#)," put together by the Nigerian Upstream Petroleum Regulatory Commission, stated that the gas blocks were located in the Niger Delta, Anambra, Benue Trough, Bida, Chad, Dahomey and Sokoto. It said 69 of the blocks were discovered in the Niger Delta basin, 12 in Anambra, 41 in Benue Trough, 17 in Bida, 40 in Chad, six in Dahomey, and 28 in Sokoto.
- FG conducts feasibility studies on 3,658km railway routes:** The Federal Government has carried out feasibility studies on 3,658km railway routes across the country considered viable for development. The government also stated that efforts were ongoing to improve and sustain intra- and inter-city mass transit railway services in state capitals along the rail corridor. In [his speech, delivered at the 2nd International Railway Conference in Abuja](#), organised by the Abuja Chamber of Commerce and Industry, and the Federal Ministry of Transportation, the Minister of Transportation, Muazu Sambo, outlined the identified routes

### Nigerian Treasury Bill

DTM	Maturity	Yield (%)	Change (%)	
71	26-Jan-23	11.84	🟡	0.00
85	9-Feb-23	8.48	🟡	0.00
113	9-Mar-23	9.21	🟡	0.00
162	27-Apr-23	8.35	🟡	0.00
176	11-May-23	8.38	🟡	0.00
204	8-Jun-23	11.75	🟡	0.00
295	7-Sep-23	14.53	🟡	0.00
344	26-Oct-23	15.47	🟡	0.00

### Other Key Indices

Indicators	Current	Change
OPEC Quota	1.742 m bpd	-84,000bpd
System liquidity	N193.61bn	-40.03bn
Foreign reserve	\$37.181bn	-\$25.04mn
Nig. Crude output	1.158m bpd	+134,000bpd
Brent Crude	\$91.86	-\$1.08
FAAC Allocation	N760.24bn	-N151.68bn

### Interbank

	Rate (%)	change	
OPR	16.25	🟢	0.08
O/N	16.50	🟡	0.00
Repo			
Call	9.50	🟢	1.50
1M	10.00	🟡	0.00
3M	10.00	🟡	0.00
6M	10.00	🟡	0.00

### Spot

	Rate (\$/N)	Chg (NGN)
CBN SMS Window	445.00	🟡 0.00
I&E FX Window	446.67	🟡 0.00
NAFEX	444.50	🟢 0.20
Parallel Market	804.00	🟢 4.00
**Forwards		
	Rate (\$/N)	Chg (NGN)
1M	448.99	🔴 -0.17
2M	453.08	🟢 0.04
3M	458.75	🟢 0.94
6M	477.04	🔴 -0.02
1Y	503.02	🟢 0.23