

FGN Eurobond Market

The Eurobond market registered a bullish session yesterday, with buying interests seen across board. The average benchmark yield plummeted by 53bps (basis points) to 13.65%.

FGN Bond Market

The FGN bond market closed bullish yesterday, with buying interests seen on selected maturities. Thus, the average benchmark yield dropped 6bps to settle at 13.90%.

At this week's bond auction, the DMO sold NGN563.35 billion worth of bonds against the amount of NGN360.00 billion offered. The rates on 2028, 2032, 2037, and 2049 maturities were allotted at 14.00%, 14.75%, 15.20%, and 15.75%, respectively.

Nigerian Treasury Bill (NTB)

The treasury bills market closed flat yesterday, with low trading activities seen across board. The average benchmark yield maintained a constant value at 5.63%.

Money Market

At the interbank space, the interbank rates remained highly elevated in the absence of any inflow yesterday, as the liquidity conditions remained relatively weak amid tightened monetary environment. The rates on Open Buyback (OBB) and Overnight (O/N) transactions soared by 475bps and 486bps to 17.00% and 17.56% respectively.

Foreign Exchange Market

At the I & E window, the value of naira depreciated against the US dollar, by 50 kobo as the exchange rate closed higher to N462.00/\$1. As of Monday, this week, Nigeria's foreign reserve declined by \$110.85 million to settle at \$35.867 billion.

Oil Market

- Reuters: Oil fell in Asian trade this morning, paring two straight days of gains after an industry report showed U.S. crude inventories rose unexpectedly last week in a sign fuel demand may be weakening. As of 6.30am this morning, Brent crude futures lost 28 cents to trade at \$75.04 a barrel.
- Oil prices posted their biggest declines in months last week, after high-profile U.S. bank failures beginning March 10 and a crisis at Europe's Credit Suisse. An emergency rescue of Credit Suisse over the weekend helped revive oil prices.
- OPEC+ officials, hedge fund managers and oil market participants have called the recent decline in oil prices speculative and insisted that increasing demand will push prices to higher levels in the coming months.
- Crude oil inventories in the United States rose this week, with a 3.262 million barrel build, the American Petroleum Institute (API) data showed on Tuesday, compared to estimates of a 1.448 million barrel draw. The total number of barrels of crude oil gained so far this year is now more than 59 million barrels. This week, SPR inventory held steady for the tenth week in a row at 371.6 million barrels—the lowest amount of crude oil in the SPR since December 1983.

What to expect today?

The Nigerian debt market is expected to follow yesterday's trend while interbank rates are expected to remain elevated as FGN Bond auction settlement is expected to mop up liquidity.

The FGN Eurobond market is expected to be influenced by the outcome of the Fed's meeting as investors around the world focus on the U.S. Federal Reserve to announce its latest decision on interest rates.

FGN Bond					
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)	
Λ13.53 23-MAR-2025	23-Mar-2025	2.01	10.20	▬	0.00
Λ12.50 22-JAN-2026	22-Jan-2026	2.84	11.93	▲	0.03
Λ16.2884 17-MAR-2027	17-Mar-2027	3.99	12.44	▬	0.00
Λ13.98 23-FEB-2028	23-Feb-2028	4.93	14.00	▬	0.00
Λ14.55 26-APR-2029	26-Apr-2029	6.10	14.10	▬	0.00
Λ12.1493 18-JUL-2034	18-Jul-2034	11.33	14.40	▼	-0.25
Λ12.50 27-MAR-2035	27-Mar-2035	12.02	14.69	▬	0.00
Λ12.40 18-MAR-2036	18-Mar-2036	12.99	14.68	▬	0.00
Λ16.2499 18-APR-2037	18-Apr-2037	14.08	14.94	▼	-0.39
Λ13.00 21-JAN-2042	21-Jan-2042	18.84	14.71	▬	0.00
Λ14.80 26-APR-2049	26-Apr-2049	26.10	15.70	▼	-0.04
Λ12.98 27-MAR-2050	27-Mar-2050	27.02	15.00	▬	0.00

FGN Eurobond					
Description	Maturity Date	Yield (%)	Change (%)		
6.375 JUL 12, 2023	12-Jul-2023	13.39	▼	-1.39	
7.625 21-NOV-2025	21-Nov-2025	14.04	▼	-0.68	
6.50 NOV 28, 2027	28-Nov-2027	14.04	▼	-0.68	
6.125 SEP 28, 2028	28-Sep-2028	12.94	▼	-0.47	
8.375 MAR 24, 2029	24-Mar-2029	14.07	▼	-0.43	
7.143 FEB 23, 2030	23-Feb-2030	13.89	▼	-0.37	
8.747 JAN 21, 2031	21-Jan-2031	14.07	▼	-0.41	
7.875 16-FEB-2032	16-Feb-2032	13.70	▼	-0.35	
7.375 SEP 28, 2033	28-Sep-2033	13.40	▼	-0.42	
7.696 FEB 23, 2038	23-Feb-2038	13.66	▼	-0.51	
7.625 NOV 28, 2047	28-Nov-2047	13.14	▼	-0.41	
9.248 JAN 21, 2049	21-Jan-2049	13.61	▼	-0.34	
8.25 SEP 28, 2051	28-Sep-2051	13.44	▼	-0.45	

Major Business Headlines

- NEXIM Bank, NIWA boost regional trade:** The Nigeria Export-Import Bank says its efforts to [improve regional trade and promote bulk movement of commodities through the Nigerian water ways has received a boost](#) with the unveiling of navigational charts of the lower River Niger in Abuja. The survey and charting, which was jointly undertaken by hydrographers of the Nigerian navy and Nigerian Inland Waterways Agency with financial support from NEXIM and Afreximbank, was meant to guarantee navigational safety of the lower River Niger channel to boost hinterland and coastal trade.
- FG removes 5% tax on calls, data:** The Federal Government has announced the [removal of its proposed five per cent excise duty on telecommunication services](#). The government announced that this was in line with the recommendations of a committee, the Presidential Review Committee on Excise Duty in the Digital Economy Sector, which was constituted to review the implementation of excise duty in the telecom sector. The Minister of Communications and Digital Economy, Isa Pantami, disclosed this on Tuesday at a press briefing.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)	
37	27-Apr-2023	2.87	▬	0.00
51	11-May-2023	2.51	▬	0.00
79	8-Jun-2023	3.11	▬	0.00
170	7-Sep-2023	4.83	▬	0.00
219	26-Oct-2023	5.80	▬	0.00
233	9-Nov-2023	6.09	▬	0.00
261	7-Dec-2023	6.67	▬	0.00
310	25-Jan-2024	7.72	▬	0.00
324	8-Feb-2024	8.03	▬	0.00
352	7-Mar-2024	8.67	▬	0.00

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.830mbpd	+31,000bpd
System liquidity	N224.71bn	+N68.77bn
Foreign reserve	\$35.867bn	-\$110.85mn
Nig. Crude output	1.67m bpd	+0.412m bpd
Brent Crude	\$75.04	-\$0.28
FAAC Allocation	N750.174bn	-N240.02bn

Interbank	Rate (%)	Change (%)	
OPR	17.00	▲	4.75
O/N	17.56	▲	4.86
REPO			
Call	12.00	▬	0.00
1M	12.50	▬	0.00
3M	12.50	▬	0.00
6M	12.50	▬	0.00

Spot	Rate (\$/N)	Chg (NGN)
CBN SMIS Window	462.00	▬ 0.00
I&E FX Window	462.00	▲ 0.50
NAFEX	461.22	▲ 0.05
Parallel Market	750.00	▲ 1.00
AAForwards		
	Rate (\$/N)	Chg (NGN)
1M	466.21	▲ 0.28
2M	474.34	▼ -1.87
3M	481.81	▼ -0.01
6M	508.31	▲ 1.94
1Y	553.88	▲ 13.56