

FGN Bond Market

The FGN Bond recorded positive sentiment yesterday with buying interest seen on selected maturities. The average benchmark yield declined by 12 basis points (bps) to 14.58%.

Nigerian Treasury Bill (NTB)

The treasury bill market closed on a bullish note with buying interests seen across board. The average benchmark yield slipped by 1bp to 10.98%.

FGN Eurobond Market

The FGN Eurobond market closed bearish yesterday with selling interests seen across board, just as China had started to make adjustments to its zero-COVID policy, a move that gave investors some relief. The average benchmark yield soared by 57bps to 12.49%.

Money Market

In the interbank space, system liquidity remained tight, causing interbank rates to remain elevated as banks seek NGN303.15 billion in standing lending facility from the Apex bank to support their liquidity. Thus, Open Buyback (OBB) and Overnight (O/N) transactions remained unchanged at 16.25% and 16.50% respectively.

Foreign Exchange Market

The value of naira appreciated against the U.S. dollar by 29 kobo to settle at NGN445.38/\$1 at the Investors and Exporters (I&E) window. As of Friday, last week, the Nigeria's foreign reserve rose by \$1.16million to \$37.19 billion.

Oil Market

- Reuters: Oil prices rose slightly in early Asian trade this morning, a day after Saudi Arabia denied a media report that it was discussing an increase in oil supply with OPEC and its allies.
- Prices rebounded quickly in full after Saudi Arabian energy minister Prince Abdulaziz bin Salman said the kingdom is sticking with output cuts and not discussing a potential oil output increase with other OPEC oil producers, state news agency SPA reported, denying the WSJ report. The Organization of the Petroleum Exporting Countries and its allies (OPEC+) recently cut production targets and the energy minister of de facto leader Saudi Arabia was quoted this month as saying the group will remain cautious on oil production because of uncertainty about the global economy.
- Rising COVID-19 cases in China capped market gains as the country battles outbreaks nationwide that are nearing April peaks. As of 6.30am this morning, Brent crude futures gained 42 cents to trade at \$87.87 per barrel.

What to expect today?

The Nigerian debt market is expected to follow yesterday's trend as the market awaits the decisions of the MPC at the end of its two-day meeting today.

Interbank rates are expected to remain elevated in the absence of any significant inflow.

FGN Eurobond market is expected to sustain its bearish sentiment barring any bullish catalyst.

FGN Bond				
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
^14.20 14-MAR-2024	14-Mar-24	1.31	15.16	0.00
^13.53 23-MAR-2025	23-Mar-25	2.34	13.80	-0.40
^12.50 22-JAN-2026	22-Jan-26	3.17	14.28	0.00
^16.2884 17-MAR-2027	17-Mar-27	4.32	14.58	0.00
^13.98 23-FEB-2028	23-Feb-28	5.26	14.38	0.00
^14.55 26-APR-2029	26-Apr-29	6.43	14.45	-0.15
^12.1493 18-JUL-2034	18-Jul-34	11.66	14.51	-0.01
^12.50 27-MAR-2035	27-Mar-35	12.35	14.35	-0.40
^12.40 18-MAR-2036	18-Mar-36	13.32	14.35	-0.32
^16.2499 18-APR-2037	18-Apr-37	14.41	15.97	0.00
^13.00 21-JAN-2042	21-Jan-42	19.17	14.60	0.00
^14.80 26-APR-2049	26-Apr-49	26.43	14.53	0.00
^12.98 27-MAR-2050	27-Mar-50	27.35	14.65	0.00

FGN Eurobond			
Description	Maturity Date	Yield (%)	Change (%)
6.375 JUL 12, 2023	12-Jul-23	9.86	0.96
7.625 21-NOV-2025	21-Nov-25	11.78	0.61
6.50 NOV 28, 2027	28-Nov-27	11.78	0.61
6.125 SEP 28, 2028	28-Sep-28	12.70	0.64
8.375 MAR 24, 2029	24-Mar-29	13.15	0.62
7.143 FEB 23, 2030	23-Feb-30	12.75	0.44
8.747 JAN 21, 2031	21-Jan-31	12.78	0.42
7.875 16-FEB-2032	16-Feb-32	12.79	0.48
7.375 SEP 28, 2033	28-Sep-33	12.58	0.45
7.696 FEB 23, 2038	23-Feb-38	12.97	0.55
7.625 NOV 28, 2047	28-Nov-47	12.92	0.60
9.248 JAN 21, 2049	21-Jan-49	13.15	0.47
8.25 SEP 28, 2051	28-Sep-51	13.20	0.62

Major Business Headlines

- Fuel scarcity lingers in Lagos:** After what seemed like a relieve heading towards last weekend, [fuel scarcity deepened further in Lagos, yesterday](#), with several filling stations shutting their gates to motorists while the few that opened had long queues of vehicles. Although no immediate reason could be given for yesterday's development, the Independent Petroleum Marketers Association of Nigeria (IPMAN), however blamed it on the increasing difficulty in sourcing the commodity.
- NEPC Incentivises Non-oil Exporters to Deepen Participation:** The Executive Director/Chief Executive, Nigerian Export Promotion Council (NEPC), Dr. Ezra Yakusak, has said the council will specially recognise and [celebrate non-oil exporters who have been consistent in recording appreciable successes](#) as well as contributed to the growth and development of the Nigerian economy in recent years. Speaking on the forthcoming NEPC Export Week, which is scheduled to hold from November 21 – 26, 2022, Yakusak said ultimate goal was to ensure that the events that have been lined become an avenue for massive recruitment of people into the non-oil export net.
- Nigeria drops to seventh on OPEC production list:** Nigeria now [ranks seventh on Organisation of the Petroleum Exporting Countries' crude oil production list](#), according to the organisation's Monthly Oil Market Report for November, which examined oil production performance in October. Nigeria's output was a mere 1.014 million barrels per day in October, ranking seventh after Saudi Arabia, United Arab Emirates, Kuwait, Iraq, Angola and Algeria. Nigeria used to rank fifth, with countries such as Angola and Algeria behind it in terms of crude oil production.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)
66	26-Jan-23	11.82	-0.01
80	9-Feb-23	8.47	-0.01
108	9-Mar-23	9.20	-0.01
157	27-Apr-23	8.34	-0.01
171	11-May-23	8.37	-0.01
199	8-Jun-23	11.73	-0.01
290	7-Sep-23	14.50	-0.02
339	26-Oct-23	15.44	-0.02

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.742 m bpd	-84,000bpd
System liquidity	74.54bn	+N33.134bn
Foreign reserve	\$37.19bn	+\$1.16mn
Nig. Crude output	1.014m bpd	+76,234bpd
Brent Crude	\$87.87	+\$0.42
FAAC Allocation	N760.24bn	_N151.68bn

Interbank	Rate (%)	Change (%)
OPR	16.25	0.00
O/N	16.50	0.00
REPO		
Call	9.25	0.00
1M	10.00	0.00
3M	10.00	0.00
6M	10.00	0.00

Spot	Rate (\$/N)	Chg (NGN)
CBN SMIS Window	445.00	0.00
I&E FX Window	445.38	-0.29
NAFEX	444.30	-0.02
Parallel Market	785.00	0.00
AAForwards		
	Rate (\$/N)	Chg (NGN)
1M	449.28	0.00
2M	452.67	0.00
3M	457.27	0.00
6M	477.02	0.00
1Y	504.37	0.00