

## Fixed Income and Money Market

### FGN Bond Market

The FGN Bond market was relatively bullish yesterday, with buying interests concentrated on “22 January 2026” maturity. The average benchmark yield slipped by 1bp (basis point) to 14.34%.

### Nigerian Treasury Bill (NTB)

The treasury bill market recorded a bullish session with buying interests seen on selected maturities. Thus, the average benchmark yield declined by 1bp to 10.45%.

### FGN Eurobond Market

The FGN Eurobond market closed on a bullish note yesterday as investors remained concerned the Federal Reserve would maintain its ultra hawkish stance on fighting inflation despite economic data pointing to a slowdown in U.S. business activity in October. The average benchmark yield dipped by 18bps to close at 15.45%.

### Money Market

In the interbank space, system liquidity condition weakened as banks seek additional 235.7 billion naira in standing lending facility to bolster their liquidity. The rates on Open Buyback (OBB) and Overnight (O/N) transactions maintained constant values at 16.33% and 16.50%, respectively.

### Foreign Exchange Market

The value of Naira appreciated against the US dollar by 29 kobo to settle at NGN441.38/\$1. The Nigeria's foreign reserve stood at \$37.68 billion as of Thursday, last week.

### Oil Market

- Reuters: Oil prices rose on Tuesday as the U.S. dollar eased against major peers but gains were limited by worries of slowing global fuel demand growth amid bearish economic data from key oil importing economies such as China. As of 6.40am this morning, Brent crude futures gained 2 cents to trade at \$93.28 a barrel.
- European Union energy ministers will discuss a bloc-wide gas price cap on Tuesday, attempting to navigate their next steps although it is likely to be weeks before any final decisions. With no legal proposal for a price cap on the table yet, ministers meeting in Luxembourg are expected to debate the principles of how an EU gas price limit could work, as well as possible drawbacks. Europe has been scrambling to tame high energy prices after Russia slashed gas supplies following its invasion of Ukraine - sending gas prices skywards and pushing European power prices to record levels in August.
- Meanwhile, the European Commission has issued a warning about the potential negative impacts of a price cap on natural gas used for power generation, saying this could encourage higher consumption and exports of subsidized electricity. A document from the latest meeting of EU energy ministers to discuss ways of reining in the energy crisis stated that if the EU approves a price cap on the natural gas it uses for power generation, this could lead to an increase in gas consumption of some 9 billion cubic meters. Yet a rise in gas consumption is the last thing the EU needs right now, as it tries to get people to actually reduce their consumption of energy.

### What to expect today?

The FGN Eurobond is expected to be bullish on hopes of abating Fed.

FGN bond market is expected to follow yesterday's trend while the NTB market is expected to be quiet as investors anticipate primary market auction. In the absence of any significant inflow today, the interbank rates are expected to stay elevated.

FGN Bond				
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
14.20 14-MAR-2024	14 Mar 2024	1.39	14.09	0.00
13.53 23-MAR-2025	23 Mar 2025	2.41	14.11	0.00
12.50 22-JAN-2026	22 Jan 2026	3.25	13.95	-0.15
16.2884 17-MAR-2027	17 Mar 2027	4.40	14.35	0.00
13.98 23-FEB-2028	23 Feb 2028	5.33	14.26	0.00
14.55 26-APR-2029	26 Apr 2029	6.51	14.26	0.00
12.1493 18-JUL-2034	18 Jul 2034	11.73	14.34	0.00
12.50 27-MAR-2035	27 Mar 2035	12.42	14.10	0.00
12.40 18-MAR-2036	18 Mar 2036	13.40	14.30	0.00
16.2499 18-APR-2037	18 Apr 2037	14.48	15.71	0.00
13.00 21-JAN-2042	21 Jan 2042	19.24	14.60	0.00
14.80 26-APR-2049	26 Apr 2049	26.51	13.73	0.00
12.98 27-MAR-2050	27 Mar 2050	27.42	14.60	0.00

FGN Eurobond			
Description	Maturity Date	Yield (%)	Change (%)
6.375 JUL 12, 2023	12 Jul 2023	13.25	-0.33
7.625 21-NOV-2025	21 Nov 2025	14.37	-0.09
6.50 NOV 28, 2027	28 Nov 2027	14.37	-0.09
6.125 SEP 28, 2028	28 Sep 2028	16.01	-0.08
8.375 MAR 24, 2029	24 Mar 2029	16.35	-0.24
7.143 FEB 23, 2030	23 Feb 2030	16.36	-0.15
8.747 JAN 21, 2031	21 Jan 2031	16.27	-0.10
7.875 16-FEB-2032	16 Feb 2032	16.31	-0.31
7.375 SEP 28, 2033	28 Sep 2033	15.85	-0.23
7.696 FEB 23, 2038	23 Feb 2038	15.50	-0.15
7.625 NOV 28, 2047	28 Nov 2047	14.98	-0.20
9.248 JAN 21, 2049	21 Jan 2049	15.65	-0.17
8.25 SEP 28, 2051	28 Sep 2051	15.63	-0.20

### Major Business Headlines

- NUPRC Grants 247 Permits for Export of 480m Barrels of Crude Oil, Others:** Between the last quarter of 2021 and the third quarter of 2022, [274 export permits were granted to various firms for a total of 480,863,863 barrels of crude oil and condensates](#), the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) said yesterday. Speaking during a briefing to mark the commission's one-year anniversary, the Chief Executive of the NUPRC, Mr Gbenga Komolafe, stated that during the period, 47 Petroleum Prospecting Licences (PPLs) were granted winners of the last marginal field awards. At the time, 57 oil fields were put up for bidding.
- CBN okays dollar sales by Payment Service Banks:** The Central of Nigeria (CBN) has released supervisory framework for Payment Service Banks. [The framework among other things empowered the PSB operators to sell foreign currencies](#), especially dollars, to authorised foreign exchange dealers.
- Nigeria loses three million oil barrels monthly – FG:** The Federal Government on Monday revealed that its latest findings showed that about [1.2 million barrels of crude oil was consistently shut in by producers across various oil wells in the Niger Delta due to the incessant oil theft in the industry](#). It also stated that current statistics showed that the volume of oil lost to theft in Nigeria was about 100,000 barrels per day, translating to an estimated three million barrels every month.

### NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)
17	10 Nov 2022	5.92	0.00
94	26 Jan 2023	11.16	-0.01
108	9 Feb 2023	8.53	-0.01
136	9 Mar 2023	9.26	-0.01
185	27 Apr 2023	10.61	-0.01
199	11 May 2023	11.01	-0.01
227	8 Jun 2023	11.84	-0.01
318	7 Sep 2023	15.24	-0.02

### Other Key Indices

Indicators	Current	Change
OPEC Quota	1.742 m bpd	-84,000bpd
System liquidity	N99.06bn	+41.23bn
Foreign reserve	\$37.68bn	0.00mn
Nig. Crude output	1.158m bpd	+134,000bpd
Brent Crude	\$93.28	+\$0.02
FAAC Allocation	N954.09bn	+N151.68bn

Interbank	Rate (%)	change	Spot	Rate (\$/N)	Chg (NGN)
OPR	16.33	0.00	CBN SMIS Window	430.00	0.00
O/N	16.50	0.00	I&E FX Window	441.38	-0.29
			NAFEX	440.50	-0.26
			Parallel Market	755.00	0.00
<b>Repo</b>			<b>AAForwards</b>	<b>Rate (\$/N)</b>	<b>Chg (NGN)</b>
Call	12.50	2.00	1M	447.61	0.25
1M	15.00	0.00	2M	450.67	-0.09
3M	16.00	0.00	3M	454.15	-0.14
6M	16.00	0.00	6M	471.52	0.09
			1Y	497.93	0.90