

FGN Eurobond Market

The Eurobond market closed on a positive note yesterday, as the market registered buying interests on most maturities. On the other hand, worries over a debt ceiling showdown are creeping into U.S. markets, as investors grow increasingly concerned that lawmakers will be unable to hammer out a deal in coming weeks, potentially sparking volatility in the global as a key deadline nears. The average benchmark yield slipped by 3bps (basis points) to 13.14%.

FGN Bond Market

The FGN bond market recorded mixed reactions yesterday, as buying interests seen on selected short and long-term maturities was offset by selling interests seen on '28 February 2028' instrument. Consequently, the average benchmark yield remained unchanged at 14.32%.

Nigerian Treasury Bill (NTB)

The treasury bill market was largely bullish yesterday, as improved liquidity conditions drove aggressive buying interests on '7th March 2024' maturity. As a result, the average benchmark yield dipped by 22bps to close at 8.44%.

Money Market

At the interbank space, the market registered improved liquidity conditions on the back of inflow from FAAC allocation, causing the interbank rates to plummet. Thus, the rates on Open Buyback (OBB) and Overnight (O/N) declined by 400bps and 375bps to settle at 14.63% and 15.25% respectively.

Foreign Exchange Market

Naira appreciated against the US dollar at the I&E window yesterday as the exchange rate declined by 23 kobo to close at NGN463.44/\$1. Meanwhile, the Nigeria's foreign reserve remained unchanged at \$35.326 billion, as of Thursday, last week.

Oil Market

Reuters: Oil rose this morning after plunging more than 2% in the previous session as reports of falling U.S. crude oil and fuel inventories refocused investors on robust demand in the world's top oil consumer. As of 6.30am this morning, Brent crude was trading at \$81.17 a barrel after gaining 40 cents.

- U.S. crude oil stocks fell by about 6.1 million barrels in the week ended April 21, according to market sources citing American Petroleum Institute (API) figures on Tuesday. Analysts had expected crude inventories to fall by about 1.5 million barrels.
- Gasoline inventories fell 1.9 million barrels last week, while distillate inventories rose by 1.7 million barrels, the sources said the API reported. Official stockpiles data from the U.S. government is due on Wednesday.
- While the API data pushed the market higher, lingering economic concerns and expectations of further interest rate hikes that could curtail fuel demand growth are countering the signs of improving short-term consumption gains.

What to expect today?

We expect the Nigerian debt market to stay quiet as investors focus on T'bills primary auction today.

The interbank rates are expected to remain relatively stable, supported by elevated system liquidity

The Eurobond market is expected to sustain its bullish trend today albeit minimal.

FGN Bond				
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
Λ13.53 23-MAR-2025	23 Mar 2025	1.91	11.11	▼ -0.02
Λ12.50 22-JAN-2026	22 Jan 2026	2.75	12.39	▬ 0.00
Λ16.2884 17-MAR-2027	17 Mar 2027	3.89	13.48	▼ -0.01
Λ13.98 23-FEB-2028	23 Feb 2028	4.83	14.13	▲ 0.13
Λ14.55 26-APR-2029	26 Apr 2029	6.00	14.27	▬ 0.00
Λ12.50 27-APR-2032	27 Apr 2032	9.01	14.70	▬ 0.00
Λ12.1493 18-JUL-2034	18 Jul 2034	11.23	14.76	▬ 0.00
Λ12.50 27-MAR-2035	27 Mar 2035	11.92	14.75	▬ 0.00
Λ12.40 18-MAR-2036	18 Mar 2036	12.90	14.76	▬ 0.00
Λ16.2499 18-APR-2037	18 Apr 2037	13.98	15.33	▬ 0.00
Λ13.00 21-JAN-2042	21 Jan 2042	18.74	15.32	▬ 0.00
Λ14.80 26-APR-2049	26 Apr 2049	26.00	15.61	▬ 0.00
Λ12.98 27-MAR-2050	27 Mar 2050	26.92	15.49	▼ -0.20

FGN Eurobond			
Description	Maturity Date	Yield (%)	Change (%)
6.375 JUL 12, 2023	12 Jul 2023	13.88	▲ 0.31
7.625 21-NOV-2025	21 Nov 2025	12.30	▼ -0.07
6.50 NOV 28, 2027	28 Nov 2027	12.30	▼ -0.07
6.125 SEP 28, 2028	28 Sep 2028	12.69	▲ 0.02
8.375 MAR 24, 2029	24 Mar 2029	13.44	▼ -0.05
7.143 FEB 23, 2030	23 Feb 2030	13.29	▼ -0.01
8.747 JAN 21, 2031	21 Jan 2031	13.47	▼ -0.04
7.875 16-FEB-2032	16 Feb 2032	13.30	▬ 0.00
7.375 SEP 28, 2033	28 Sep 2033	13.18	▼ -0.05
7.696 FEB 23, 2038	23 Feb 2038	13.31	▼ -0.09
7.625 NOV 28, 2047	28 Nov 2047	12.98	▼ -0.09
9.248 JAN 21, 2049	21 Jan 2049	13.37	▼ -0.16
8.25 SEP 28, 2051	28 Sep 2051	13.29	▼ -0.10

Major Business Headlines

- FG, US firm sign MoU on \$15bn rail project:** The Federal Government, through the Ministry of Niger Delta has signed a deal with a United States based firm, Atlanta Global Resources Inc, for the [construction of a \\$15bn rail project that will stretch across all nine Niger Delta states](#). The deal was signed on Tuesday at the NDDC Public-Private Partnership summit in Lagos, with the theme, 'Rewind to Rebirth'. Speaking at the event, the Minister of Niger Delta Affairs, Umana Umana, said the PPP was an initiative geared towards attracting foreign and private investors to fund the massive developmental challenges in the Niger Delta.
- Nigeria lost N2.3tn revenue to oil theft in 12 months — IOC:** Nigeria has lost an opportunity to produce and sell about 65,700,000 barrels of oil in the last one year due to issues bothering on pipeline vandalism and the resultant oil theft. This translates to [about N2.3tn loss in oil revenue if the prevailing exchange rate and average oil price are used](#). The Chairman of Shell Companies in Nigeria, Dr Osagie Okubor, said at the just concluded Nigerian International Energy Summit held in Abuja, said the 180, 000 barrels per day Trans Niger Pipeline had remained shut for more than one year- March 2022 to March 2023. The loss from March last year to March this year brings total shut in/loss to about 65, 700, 000 barrels.

NIGERIAN TREASURY BILLS				
DTM	Maturity	Yield (%)	Change (%)	
16	11 May 2023	3.90	▬	0.00
44	8 Jun 2023	5.54	▬	0.00
135	7 Sep 2023	6.92	▼	-0.01
184	26 Oct 2023	8.25	▼	-0.01
198	9 Nov 2023	8.64	▼	-0.01
226	7 Dec 2023	9.44	▼	-0.01
275	25 Jan 2024	10.93	▼	-0.02
289	8 Feb 2024	11.37	▼	-0.02
317	7 Mar 2024	10.95	▼	-1.96

Other Key Indices		
Indicators	Current	Change
OPEC Quota	1.830mbpd	+31,000bpd
System liquidity	N205.62bn	-N114.15bn
Foreign reserve	\$35.326bn	\$0.00mn
Nig. Crude output	1.27m bpd	-120,000bpd
Brent Crude	\$84.48	-\$0.29
FAAC Allocation	N714.629bn	-N8.055bn

Interbank	Rate (%)	Change (%)	
OPR	14.63	▼	-4.00
O/N	15.25	▼	-3.75
REPO			
Call	5.75	▲	0.75
1M	10.00	▼	-1.00
3M	10.50	▼	-1.00
6M	11.00	▼	-1.00

Spot	Rate (\$/N)	Chg (NGN)
CBN SMIS Window	462.00	▬ 0.00
I&E FX Window	463.44	▲ -0.23
NAFEX	462.43	▲ 0.06
Parallel Market	740.00	▼ -2.00
AAForwards		
	Rate (\$/N)	Chg (NGN)
1M	469.40	▲ 0.72
2M	481.52	▲ 2.41
3M	494.12	▲ 4.26
6M	494.35	▼ -21.98
1Y	564.97	▲ 4.18