

FGN Bond Market

The FGN Bond was quiet yesterday, however, the selling interests on "27 April 2023" instrument pushed the overall performance of the market to the bearish region. Thus, the average benchmark yield inched fractionally by 1bp (basis point) to 14.77%.

Nigerian Treasury Bill (NTB)

The treasury bill market sustained its quiet trend yesterday with minimal trading activities seen across board. The average benchmark yield remained unchanged at 11.46%.

FGN Eurobond Market

The FGN Eurobond market closed on a bearish note as the U.S. Federal Reserve raised interest rates by three-quarters of a percentage point again yesterday and said its battle against inflation will require borrowing costs to rise further. The average benchmark yield increased by 5bps to 14.17%.

Money Market

The interbank rates depressed further yesterday on the back of improved system liquidity as the liquidity balance stands at NGN574.6 billion. Thus, the rates on Open Buyback (OBB) and Overnight (O/N) transactions dipped by 66bps and 83bps to close at 8.67% and 9.00%, respectively.

Foreign Exchange Market

At the Investors and Exporters (I&E) window, naira against the US dollar maintained a constant value at NGN446.00/\$1. The Nigeria's foreign reserve stood at \$37.386 billion as of Monday, this week after registering a decline of \$58.632 million.

Oil Market

Reuters: Output from the Organization of the Petroleum Exporting Countries (OPEC) fell in October for the first time since June, in addition to pumping 1.36 million barrels per day below its targets.

As of 7.00am this morning, Brent crude futures lost 28 cents to trade at \$95.88 a barrel.

Europe's plan to roughly double renewable power generation by the end of the decade to cut its emissions and reliance on imported Russian fuel is under threat from market turbulence that has shaken the economics of the shift to low carbon energy. Russia's war on Ukraine and the disruption of the gas supplies on which Europe had relied has injected urgency into the European Union's move toward carbon-free energy.

What to expect today?

The FGN bond market is expected to trend towards the bearish region while the treasury bill market is expected to sustain its quiet trend. Given the liquidity condition, interbank rates are expected to hover between the higher band of single-digit and lower band of double digits.

FGN Eurobond market is expected to be relatively bearish today as investors respond to 75bps hike delivered by US Federal Reserve yesterday.

FGN Bond				
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
Λ14.20 14-MAR-2024	14 Mar 2024	1.36	14.45	▲ 0.05
Λ13.53 23-MAR-2025	23 Mar 2025	2.39	14.51	▬ 0.00
Λ12.50 22-JAN-2026	22 Jan 2026	3.22	14.80	▬ 0.00
Λ16.2884 17-MAR-2027	17 Mar 2027	4.37	14.60	▲ 0.02
Λ13.98 23-FEB-2028	23 Feb 2028	5.31	14.71	▬ 0.00
Λ14.55 26-APR-2029	26 Apr 2029	6.48	14.85	▬ 0.00
Λ12.1493 18-JUL-2034	18 Jul 2034	11.71	14.63	▬ 0.00
Λ12.50 27-MAR-2035	27 Mar 2035	12.40	14.60	▬ 0.00
Λ12.40 18-MAR-2036	18 Mar 2036	13.37	14.30	▬ 0.00
Λ16.2499 18-APR-2037	18 Apr 2037	14.46	15.88	▬ 0.00
Λ13.00 21-JAN-2042	21 Jan 2042	19.22	14.80	▬ 0.00
Λ14.80 26-APR-2049	26 Apr 2049	26.48	14.93	▬ 0.00
Λ12.98 27-MAR-2050	27 Mar 2050	27.40	14.95	▬ 0.00

FGN Eurobond			
Description	Maturity Date	Yield (%)	Change (%)
6.375 JUL 12, 2023	12 Jul 2023	10.65	▲ 0.10
7.625 21-NOV-2025	21 Nov 2025	13.31	▲ 0.08
6.50 NOV 28, 2027	28 Nov 2027	13.31	▲ 0.08
6.125 SEP 28, 2028	28 Sep 2028	15.02	▼ -0.01
8.375 MAR 24, 2029	24 Mar 2029	15.28	▲ 0.01
7.143 FEB 23, 2030	23 Feb 2030	15.05	▲ 0.08
8.747 JAN 21, 2031	21 Jan 2031	15.05	▼ -0.01
7.875 16-FEB-2032	16 Feb 2032	14.94	▲ 0.02
7.375 SEP 28, 2033	28 Sep 2033	14.75	▲ 0.05
7.696 FEB 23, 2038	23 Feb 2038	14.43	▲ 0.06
7.625 NOV 28, 2047	28 Nov 2047	13.78	▲ 0.11
9.248 JAN 21, 2049	21 Jan 2049	14.39	▲ 0.05
8.25 SEP 28, 2051	28 Sep 2051	14.31	▲ 0.03

Major Business Headlines

- OPEC: Dangote's 650,000bpd Facility to Account for More Than Half of 1.2m bpd Expected Africa's Refining:** The Organisation of Petroleum Exporting Countries (OPEC) has said the much-awaited [Dangote Refinery's refining capacity would account for more than half of Africa's expected total additional distillations in the medium term](#). The international oil cartel which stated this in its latest World Oil Outlook (WOO), disclosed that the addition was estimated at 1.2 million barrels per day in the medium term, stressing that the refinery which has a capacity of 650, 000 barrels per day, would take the lion's share.
- NNPC acquires Addax oil blocs:** TSiнопec's Addax Petroleum Development (Nigeria) Limited yesterday [handed over its four major oil mining blocks in the country, announcing its departure from the country](#) in the process. This follows the signing of a settlement and exit agreement between the Nigerian National Petroleum Company Limited (NNPCL) and Addax. In a statement signed by NNPCL's Chief Corporate Communications Officer, Garba Deen Muhammad, the NNPCL said with this agreement, Addax has ceased to be the Production Sharing Contract (PSC) contractor for the Oil Mining Leases (OML) 123/124 and 126/137.
- Non-oil export proceeds hit \$2.59b:** The Executive Director/CEO Nigerian Export Promotion Council (NEPC) Ezra Yakusak yesterday disclosed that the Federal Government [recorded the highest performance from the non-oil export this year with the total value hitting \\$2.59billion](#). This he said represents 62.37 per cent compared with \$1.60 billion recorded during same period in 2021.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)
8	10 Nov 2022	13.14	▬ 0.00
85	26 Jan 2023	11.13	▬ 0.00
99	9 Feb 2023	8.51	▬ 0.00
127	9 Mar 2023	9.24	▬ 0.00
176	27 Apr 2023	8.38	▬ 0.00
190	11 May 2023	10.98	▬ 0.00
218	8 Jun 2023	11.80	▬ 0.00
309	7 Sep 2023	14.61	▼ -0.01
358	26 Oct 2023	15.32	▼ -0.01

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.742 m bpd	-84,000bpd
System liquidity	N574.6bn	+302.42bn
Foreign reserve	\$37.39bn	-\$58.63mn
Nig. Crude output	1.158m bpd	+134,000bpd
Brent Crude	\$95.88	-\$0.28
FAAC Allocation	N700.24bn	N253.868bn

Interbank

	Rate (%)	Change (%)
OPR	8.67	▼ -0.66
O/N	9.00	▲ 0.83
REPO		
Call	8.00	▼ -1.00
1M	8.00	▬ 0.00
3M	8.00	▬ 0.00
6M	8.00	▬ 0.00

Spot

	Rate (\$/N)	Chg (NGN)
CBN SMIS Window	445.00	▬ 0.00
I&E FX Window	446.00	▬ 0.00
NAFEX	442.55	▼ -0.11
Parallel Market	855.00	▲ 35.00
AAForwards		
	Rate (\$/N)	Chg (NGN)
1M	449.34	▲ 0.06
2M	452.31	▲ 0.32
3M	458.49	▼ -0.24
6M	476.31	▼ -0.15
1Y	501.41	▬ 0.00