

### FGN Bond Market

FGN Bond market sustained its bearish trend yesterday, with selling interests seen on selected long-term maturities. The average benchmark yield rose by 9 basis points (bps) to close at 12.52%

### Nigerian Treasury Bill (NTB)

The treasury bills market was relatively quiet yesterday with minimal trading activities seen across board albeit few buying interest at the short end of the curve. At the end of the trading session, the average benchmark yield remained unchanged at 7.69%.

### FGN Eurobond Market

FGN Eurobond market extended its bearish momentum yesterday on back of weakened risk appetite as Bank of England head for big interest rate hike, and investors are less optimistic about the US employment data coming on Friday. The market recorded selling interests across maturities pushing the average benchmark yield up by 16bps to 12.52%.

### Money Market

Liquidity conditions across debt markets remained tight as the banks' borrowing from CBN rose by 27% in June to NGN4.5 trillion at the end of July. CBN financial data shows that banks borrowing through Standing Lending Facility (SLF) declined by 24.37% Month-on-month (MoM) to NGN1.46tn in July, compared to NGN1.93tn in June, while borrowing through Repurchase Agreement (Repo) rose sharply in July by 86.1% MoM to NGN3.07tn from NGN1.65tn in June 2022. As a result, the rate on Open Buy back (OBB) transactions rose by 17bps to settle at 14.50% while rate on Overnight (O/N) transactions stayed constant at 15.00%.

### Foreign Exchange Market

At the CBN Investors & Exporters Window yesterday, the value of naira appreciated by NGN1.47, or 0.23%, against the US dollar as the exchange rate closed lower at NGN429.20/\$1. On Tuesday, this week, Nigeria's foreign reserve injected \$21.7 million into the Forex market as the Foreign reserve settle lower at \$39.072 billion.

### Oil Market

- Reuters: Oil prices slid about 4% yesterday to almost six-month lows, after U.S. data showed crude and gasoline stockpiles unexpectedly surged last week and as OPEC+ said it would raise its oil output target by 100,000 barrels per day (bpd). At the end of yesterday trading session, Brent crude futures settled down \$3.76 at \$96.78 a barrel, the lowest settlement since Feb. 21 while West Texas Intermediate (WTI) crude futures fell \$3.76 to \$90.66, the lowest settlement since Feb. 10. As of 7:45 am, this morning, the Brent Crude slipped by 4 cent to trade at \$96.74 per barrel.
- the Energy Information Administration said the U.S. crude oil inventories rose unexpectedly last week as exports fell and refiners lowered runs, while gasoline stocks also posted a surprise build as demand slowed. Crude stocks rose 4.5 million barrels last week, compared with an analyst forecast for a draw of 600,000 barrels. Gasoline stocks gained 200,000 barrels, versus expectations for a 1.6 million-barrel drop.
- In the same vein, OPEC+ agreed to raise its oil output goal by 100,000 barrels per day, an amount analysts said was a setback to U.S. President Joe Biden after his trip to Saudi Arabia to ask the producer group's leader to pump more to help the United States and the global economy.

### FGN Bond Yields

Tenor	Open	Close	Change
^12.75 27-APR-2023	7.65%	7.65%	0.00
^16.29 17-MAR-2027	11.91%	11.91%	0.00
^12.15 18-JUL-2034	13.12%	13.26%	+0.14

### Nigerian Treasury Bills Yields

13-OCT-2022 (99 days)	3.94%	3.94%	0.00
26-JAN-2023 (176 days)	7.78%	7.78%	0.00
08-JUN-2023 (309 days)	6.82%	6.82%	0.00

### Nigerian Eurobond Yields

6.375 JUL 12, 2023	8.09%	8.37%	+0.26
6.50 NOV 28, 2027	11.42%	11.59%	+0.17
7.875 16-FEB-2032	12.97%	13.15%	+0.17

### Forex Spot rates

I&E Market	430.67	429.20	-1.47
SMIS Market	430.00	430.00	0.00
Parallel Market	665.00	645.00	-20.00

### Forex Forward rates

1 month	430.23	430.32	+0.09
6 months	454.41	454.02	-0.39
12 months	479.69	481.03	+1.34

### Other Key Indices

Indicators	Current	Change
OBB	14.50%	+17ps
O/N	15.00%	0.00ps
System liquidity (op. bal)	N129.26bn	-4.783bn
Foreign reserve	\$39.072bn	-21.7mn
OPEC Quota	1.826m bpd	+26,000bpd
Nig. Crude output	1.158m bpd	+134,000bpd
Brent Crude	\$96.74	-0.04
FAAC Allocation	N802.407bn	+N145.805bn

### Major Business Headlines

- FEC approves \$2.5bn for Badagry Deep Seaport project:** The Federal Government, on Wednesday, approved the [sum of \\$2.5bn for the development of the Badagry Deep Seaport](#) project under a public-private partnership. The Minister of Transportation, Mu'azu Sambo, disclosed this to State House correspondent's shortly after the Federal Executive Council meeting chaired by the President Muhammadu Buhari, at the Council Chambers of the Presidential Villa, Abuja. Sambo explained that, under a Build-Own-Operate-Transfer delivery system, the port would be operated by the private sector for 45 years after which it would be reverted to the government.
- NING Suffers \$7bn Year-to-Date Revenue Loss Due to Gas Supply Shortages:** The security challenge facing oil and gas companies in the country is having a heavy toll on the production and revenues of the Nigeria Liquefied Natural Gas (NING) Limited as it has resulted [to the company losing almost \\$7 billion revenue so far in 2022](#) due to gas supply constraints. The company's General Manager, Production, Mr. Adeleye Falade disclosed this yesterday in Lagos, during a panel session at the 45th Nigeria International Conference and Exhibition (NAICE) 2022, with the theme: "Global Transition to Renewable and Sustainable Energy and the Future of Oil and Gas in Africa."
- FG, Siemens target 2,000MW under Presidential Power Initiative:** The Federal Government and [Siemens Energy have taken steps toward the realisation of 2,000 megawatts](#) under the Phase 1 of the Presidential Power Initiative, PPI. The Minister of Power, Abubakar Aliyu had engaged Siemens' Executive Management and Chief Executive Officer, FGN Power Company, Christian Bruche, to expedite actions on the production of the mobile equipment, given the global constraints on component parts and the Ukraine war.