

FGN Eurobond Market

The Eurobond market continued its bullish streak yesterday, with buying interests seen on most maturities. The average benchmark yield slipped by 5bps (basis points) to 11.90%.

FGN Bond Market

The FGN bond market was tepid yesterday, however, selling interests seen on '26th April Maturity' pushed the market to a bearish close. Thus, the average benchmark yield increased by 2bps to 14.21%.

Nigerian Treasury Bill (NTB)

The treasury bills market was relatively quiet yesterday, with activities concentrated on "7th March 2024" maturity. The average benchmark yield declined fractionally by 1bp to 8.05%.

Money Market

In the Interbank space, rates increased on the back of weakened system liquidity as the SLF window recorded additional NGN179.8 billion from the apex bank. The rates on Open Buyback (OBB) and Overnight (O/N) transactions soared by 125bps and 87bps to close at 18.63% and 18.75% respectively.

Foreign Exchange Market

At the I & E window, the value of naira appreciated against the US dollar, by 20 kobo as the exchange rate closed lower to N463.30/\$1. Nigeria's foreign reserve declined by \$82.496 million to settle at \$35.415 billion as of Monday, this week.

Oil Market

- Reuters: Oil prices rose on Wednesday, boosted by expectations of U.S. crude inventory declines as well as the latest output cut targets set by the OPEC+ producer alliance. As of 7.00am this morning, Brent crude futures gained 43 cents to trade at \$85.37 a barrel.

- The rises came as an industry report showed U.S. crude stocks fell by about 4.3 million barrels in the week ended March 31. The official inventory report by the U.S. Energy Information Administration is due at 1430 GMT today.

- Continuing to add support were the latest targets to reduce supplies set by the Organization of Petroleum Exporting Countries (OPEC) and allies including Russia, a group known as OPEC+. The OPEC+ plan would bring the total volume of cuts by the group to 3.66 million barrels per day (bpd), including a 2 million bpd cut last October, equal to about 3.7% of global demand.

- Crude oil inventories in the United States fell by big numbers again this week, shedding 4.346 million barrels, the American Petroleum Institute (API) data showed on Tuesday, with analysts expecting a smaller 1.8 million barrel draw. The total number of barrels of crude oil gained so far this year is still more than 49 million barrels. This week, SPR inventory dropped for the first time in 12 weeks, losing 400,000 barrels to reach 371.2 million barrels—the lowest amount of crude oil in the SPR since December 1983.

What to expect today?

We expect the Nigerian debt market to follow yesterday's trend while the interbank rate is expected to stay elevated in the absence of any major inflow.

The FGN Eurobond market is expected to close bullish as some investors think U.S. data signaling some cooling in the economy could possibly allow the Federal Reserve to loosen monetary policy.

FGN Bond					
Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)	
^13.53 23-MAR-2025	23-Mar-25	1.97	11.00	▬	0.00
^12.50 22-JAN-2026	22-Jan-26	2.80	12.03	▬	0.00
^16.2884 17-MAR-2027	17-Mar-27	3.95	12.72	▬	0.00
^13.98 23-FEB-2028	23-Feb-28	4.89	14.00	▬	0.00
^14.55 26-APR-2029	26-Apr-29	6.06	14.26	▲	0.26
^12.50 27-APR-2032	27-Apr-32	9.06	14.75	▬	0.00
^12.1493 18-JUL-2034	18-Jul-34	11.29	14.75	▬	0.00
^12.50 27-MAR-2035	27-Mar-35	11.98	14.75	▬	0.00
^12.40 18-MAR-2036	18-Mar-36	12.95	14.76	▬	0.00
^16.2499 18-APR-2037	18-Apr-37	14.04	15.30	▬	0.00
^13.00 21-JAN-2042	21-Jan-42	18.80	15.14	▬	0.00
^14.80 26-APR-2049	26-Apr-49	26.06	15.65	▬	0.00
^12.98 27-MAR-2050	27-Mar-50	26.98	15.65	▬	0.00

FGN Eurobond					
Description	Maturity Date	Yield (%)	Change (%)		
6.375 JUL 12, 2023	12 Jul 2023	10.03	▲	0.32	
7.625 21-NOV-2025	21 Nov 2025	11.19	▼	-0.27	
6.50 NOV 28, 2027	28 Nov 2027	11.19	▼	-0.27	
6.125 SEP 28, 2028	28 Sep 2028	11.34	▼	-0.06	
8.375 MAR 24, 2029	24 Mar 2029	12.37	▼	-0.08	
7.143 FEB 23, 2030	23 Feb 2030	12.07	▼	-0.02	
8.747 JAN 21, 2031	21 Jan 2031	12.49	▼	-0.07	
7.875 16-FEB-2032	16 Feb 2032	12.21	▼	-0.05	
7.375 SEP 28, 2033	28 Sep 2033	12.11	▼	-0.07	
7.696 FEB 23, 2038	23 Feb 2038	12.43	▼	-0.01	
7.625 NOV 28, 2047	28 Nov 2047	12.11	▼	-0.04	
9.248 JAN 21, 2049	21 Jan 2049	12.73	▼	-0.03	
8.25 SEP 28, 2051	28 Sep 2051	12.45	▼	-0.01	

Major Business Headlines

- NEPC disburses N365b to exporters:** The Nigerian-Export Promotion Council (NEPC) has disbursed N365billion to exporters across the federation. [The fund is an export expansion grant \(EEG\) for exporters who have been able to export their products and have repatriated their funds.](#) The Regional Coordinator, Southwest Regional Office of the Council, Akintunde Foluronso, who made this known during the Nigerian-American Chamber of Commerce (NACC) Breakfast Meeting in Lagos, said it's a post-shipment incentive that is meant to lessen the cost of doing business in Nigeria in the provision of power, sinking of borehole, cost of packaging, cost of equipment and the cost of logistics, adding that the fund is meant to take care of expenses incurred.
- Senate okays new Chinese bank for \$23bn railway project:** Senate on Tuesday rescinded its decision on the financier of the Kaduna-Kano railway project in the [country from the China Exim Bank to the China Development Bank and harmonised the terms on the Federal Government's 2016-2018 external borrowing plan.](#) The National Assembly had in 2020 approved a \$22,798,446,773 loan for the railway modernisation project of the Kaduna-Kano segment. The red chamber also approved relevant conditions provided in the harmonised term sheet. The conditions include the Kaduna-Zaria-Kano segment, China Development Bank as the financier, 15 years as maturity with 2.7 per cent and six months Euribor as interest rate as well as 0.4 per cent as commitment fee and 0.5 per cent as an upfront fee, respectively.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)	
23	27 Apr 2023	3.57	▬	0.00
37	11 May 2023	3.91	▬	0.00
65	8 Jun 2023	4.60	▬	0.00
156	7 Sep 2023	6.94	▬	0.00
205	26 Oct 2023	8.28	▬	0.00
219	9 Nov 2023	8.68	▬	0.00
247	7 Dec 2023	9.50	▬	0.00
296	25 Jan 2024	10.99	▬	0.00
310	8 Feb 2024	11.44	▬	0.00
338	7 Mar 2024	12.56	▼	-0.07

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.830mbpd	+31,000bpd
System liquidity	N114.03bn	-N9.90bn
Foreign reserve	\$35.415bn	-\$82.496mn
Nig. Crude output	1.67m bpd	+0.412m bpd
Brent Crude	\$85.37	+\$0.43
FAAC Allocation	N722.684bn	-N27.49bn

Interbank	Rate (%)	Change (%)	
OPR	18.63	▲	1.25
O/N	18.75	▲	0.87
REPO			
Call	8.00	▬	0.00
1M	8.00	▬	0.00
3M	8.00	▬	0.00
6M	8.00	▬	0.00

Spot	Rate (\$/N)	Chg (NGN)	
CBN SMIS Window	462.00	▬	0.00
I&E FX Window	463.30	▼	-0.20
NAFEX	461.71	▲	0.12
Parallel Market	745.00	▬	0.00
^^Forwards			
		Rate (\$/N)	Chg (NGN)
1M	466.86	▼	-0.06
2M	474.31	▲	0.08
3M	483.03	▲	0.11
6M	511.68	▬	0.00
1Y	565.46	▲	0.02