

FGN Bond Market

The FGN Bond Market was quiet yesterday, however, the activities seen on selected short-term maturity pushed the overall performance of the market to the bullish region. Thus, the average benchmark yield declined by 2bps (basis points) to 14.49%.

Nigerian Treasury Bill (NTB)

The treasury bills market closed bullish yesterday with buying interests seen across several maturities. At the end of the trading session, the average benchmark yield slipped by 1bp to 11.36%.

FGN Eurobond Market

The FGN Eurobond market recorded positive sentiments yesterday with buying interests seen across all maturities. U.S. services industry activity unexpectedly picked up in November with employment rebounding, offering more evidence of underlying momentum in the economy. Despite the momentum in the market, expert still anticipate recession next year. The average benchmark yield dipped by 5bps to close at 11.51%.

Money Market

In the interbank space, the system liquidity remained moderately elevated as banks seek NGN42.12 billion in Standing Lending Facility to enhance their liquidity. The rates on Open Buy back (OBB) rose by 50bps to 11.88%, while Overnight (O/N) transaction declined by 25bps to 12.75%.

Foreign Exchange Market

The value of naira against the U.S. dollar maintained a constant value at the Investors and Exporters (I&E) window, settling at NGN445.33/\$1. As of Thursday, last week, the Nigeria's foreign reserve dropped by \$7.99 million to settle at \$37.105 billion.

Oil Market

- Reuters: Oil prices edged higher this morning, after a G7 price cap on Russian seaborne oil came into force on Monday on top of a European Union embargo on imports of Russian crude by sea.
- The Group of Seven price cap comes as the West tries to limit Moscow's ability to finance its war in Ukraine, but Russia has said it will not abide by the measure even if it has to cut production. The price cap, to be enforced by the G7 nations, the European Union and Australia, comes on top of the EU's embargo on imports of Russian crude by sea and similar pledges by the United States, Canada, Japan and Britain.
- Meanwhile, the Organization of the Petroleum Exporting Countries and allies including Russia, together called OPEC+, agreed on Sunday to stick to their October plan to cut output by 2 million barrels per day (bpd) beginning in November.
- In China, more cities eased COVID curbs over the weekend, prompting optimism for increased demand in the world's top oil importer.
- As of 7.00am this morning, Brent crude futures gained \$0.40 to trade at \$83.01 per barrel.

What to expect today?

The Nigerian debt market is expected to extend its bullish trend while interbank rates are expected to remain elevated barring any major inflow.

FGN Eurobond market is expected to sustain its bullish run as the dollar is standing firm after its biggest rally in two weeks and risk-off sentiment is holding sway.

FGN Bond

Description	Maturity Date	TTM (Yrs)	Yield (%)	Change (%)
▲14.20 14-MAR-2024	14 Mar 2024	1.27	13.65	▼ -0.20
▲13.53 23-MAR-2025	23 Mar 2025	2.30	13.98	▼ -0.10
▲12.50 22-JAN-2026	22 Jan 2026	3.13	14.26	▬ 0.00
▲16.2884 17-MAR-2027	17 Mar 2027	4.28	14.03	▬ 0.00
▲13.98 23-FEB-2028	23 Feb 2028	5.22	14.09	▬ 0.00
▲14.55 26-APR-2029	26 Apr 2029	6.39	14.45	▬ 0.00
▲12.1493 18-JUL-2034	18 Jul 2034	11.62	14.75	▬ 0.00
▲12.50 27-MAR-2035	27 Mar 2035	12.31	14.75	▬ 0.00
▲12.40 18-MAR-2036	18 Mar 2036	13.28	14.48	▬ 0.00
▲16.2499 18-APR-2037	18 Apr 2037	14.37	15.88	▬ 0.00
▲13.00 21-JAN-2042	21 Jan 2042	19.13	14.73	▬ 0.00
▲14.80 26-APR-2049	26 Apr 2049	26.39	14.55	▬ 0.00
▲12.98 27-MAR-2050	27 Mar 2050	27.31	14.72	▬ 0.00

FGN Eurobond

Description	Maturity Date	Yield (%)	Change (%)
6.375 JUL 12, 2023	12 Jul 2023	8.99	▼ -0.07
7.625 21-NOV-2025	21 Nov 2025	10.75	▼ -0.06
6.50 NOV 28, 2027	28 Nov 2027	10.75	▼ -0.06
6.125 SEP 28, 2028	28 Sep 2028	11.54	▼ -0.05
8.375 MAR 24, 2029	24 Mar 2029	12.12	▼ -0.07
7.143 FEB 23, 2030	23 Feb 2030	11.81	▼ -0.03
8.747 JAN 21, 2031	21 Jan 2031	11.89	▼ -0.03
7.875 16-FEB-2032	16 Feb 2032	12.02	▼ -0.05
7.375 SEP 28, 2033	28 Sep 2033	11.73	▼ -0.06
7.696 FEB 23, 2038	23 Feb 2038	11.96	▼ -0.04
7.625 NOV 28, 2047	28 Nov 2047	11.73	▼ -0.03
9.248 JAN 21, 2049	21 Jan 2049	12.14	▼ -0.06
8.25 SEP 28, 2051	28 Sep 2051	12.14	▼ -0.04

Major Business Headlines

- NNPCL signs MoU with Ghanaian, Gambian firms:** The Nigerian National Petroleum Company Limited has [signed five memoranda of understanding with the national oil companies and relevant entities of five African countries](#) on the Nigeria-Morocco Gas Pipeline Project. The five national oil companies and relevant entities were from Gambia, Ghana, Guinea, Guinea Bissau and Sierra Leone.
- Nigeria's foreign trade declines by N1.24tn:** Nigeria's total merchandise trade fell by [N1.24tn, from N12.84tn in the second quarter of 2022 to N11.59tn in the third quarter of 2022](#). This is according to the 'Foreign Trade in Goods Statistics (Q3 2022)' report released by the National Bureau of Statistics released on Monday. The fall in foreign trade was influenced by the decline in crude oil exports, which fell from N5.91tn in Q2 2022 to N4.66tn in Q3 2022.

NIGERIAN TREASURY BILLS

DTM	Maturity	Yield (%)	Change (%)
52	26 Jan 2023	11.77	▼ -0.01
66	9 Feb 2023	8.45	▼ -0.01
94	9 Mar 2023	9.17	▼ -0.01
143	27 Apr 2023	8.31	▼ -0.01
157	11 May 2023	8.34	▼ -0.01
185	8 Jun 2023	11.68	▼ -0.01
276	7 Sep 2023	14.42	▼ -0.02
325	26 Oct 2023	15.34	▼ -0.02
339	9 Nov 2023	14.79	▼ -0.02

Other Key Indices

Indicators	Current	Change
OPEC Quota	1.742 m bpd	-84,000bpd
System liquidity	212.82bn	-N23.02bn
Foreign reserve	\$37.104bn	-\$7.99mn
Nig. Crude output	1.014m bpd	+76,234bpd
Brent Crude	\$83.01	+\$0.40
FAAC Allocation	N736.782bn	-N23.46bn

Interbank

	Rate (%)	Change (%)
OPR	11.88	▲ 0.50
O/N	12.75	▼ -0.25
REPO		
Call	9.25	▬ 0.00
1M	10.00	▬ 0.00
3M	10.00	▬ 0.00
6M	10.00	▬ 0.00

Spot

	Rate (\$/N)	Chg (NGN)
CBN SMIS Window	445.00	▬ 0.00
I&E FX Window	445.33	▬ 0.00
NAFEX	445.33	▬ 0.00
Parallel Market	740.00	▲ 5.00
AAForwards	Rate (\$/N)	Chg (NGN)
1M	457.74	▼ -2.29
2M	463.83	▼ -2.35
3M	468.72	▼ -2.86
6M	487.24	▼ -4.06
1Y	520.31	▼ -5.44