

### Fixed Income and Money Market

#### FGN Bond Market

The FGN Bond market closed on a bearish note yesterday with interests seen on selected short- and mid-term instruments. The average benchmark yield rose by 3bps to 10.44%.

#### Nigerian Treasury Bill (NTB)

Treasury bills market closed on a quiet note yesterday, characterised with low trading activities. The average benchmark yield remained unchanged at 3.52%

#### FGN Eurobond Market

The FGN Eurobond Market registered a bullish run, with buying seen across board. The average benchmark yield declined by 13bps to settle at 8.37% as the market remains highly volatile.

#### Money Market

System liquidity was elevated yesterday on the back of an inflow of N106.2 from OMO repayment, leading to fall in interbank rates. The rates on Open Buyback (OBB) and Overnight (O/N) plunged by 433bps to close at 4.50% and 5.17%, respectively.

#### Foreign Exchange Market

The value of Naira appreciated further against the US dollar at the CBN's Investors and Exporters Window yesterday, as the exchange rate declined by 50 kobo to close at \$416.00/\$1. On the other hand, Central Bank of Nigeria injected \$73.15 million into the forex market on Monday this week, causing Nigeria's foreign exchange to fall to \$39.80 billion.

#### Oil Market

- ❑ As of 8:30am this morning, the Brent Crude rose by \$2.62 to trade at \$130.60 as supply remains tight.
- ❑ The International Energy Agency's (IEA) Executive Director, Fatih Birol, said yesterday that the organisation's member states are ready to release 60 million barrels of crude oil from various countries' strategic petroleum reserves (SPR). The United States has agreed to release 30 million barrels of crude oil from its SPR. The rest of the IEA members in Europe and Asia will release the remaining 30 million barrels.
- ❑ The International Energy Agency also unveiled a plan which, the IEA says, could help the EU reduce its reliance on Russian gas by more than one-third within a year by turning to other suppliers and using other energy sources.
- ❑ The United States announced a ban on imports of Russian energy products on Tuesday, without the participation of the allies in Europe.

#### FGN Bond Yields

Tenor	Open	Close	Change
^12.75 27-APR-2023	6.45%	6.44%	-0.01
^16.29 17-MAR-2027	9.95%	9.95%	0.00
^12.15 18-JUL-2034	11.40%	11.40%	0.00

#### Nigerian Treasury Bills Yields

9-JUN-2022 (93days)	3.27%	3.27%	0.00
8-SEP-2022 (184 days)	3.54%	3.54%	0.00
9-FEB-2023 (338 days)	3.97%	3.99%	-0.02

#### Nigerian Eurobond Yields

6.375 JUL 12, 2023	5.63%	5.48%	-0.15
6.50 NOV 28, 2027	8.37%	8.23%	-0.14
7.875 16-FEB-2032	9.78%	9.65%	-0.13

#### Forex Spot rates

I&E Market	416.50	416.00	-N0.50
SMIS Market	430.00	430.00	N0.00
Parallel Market	577.00	576.00	-N1.00

#### Forex Forward rates

1 month	418.40	418.48	+N0.08
6 months	433.40	433.41	+N0.01
12 months	448.34	448.76	+N0.42

### Other Key Indices

Indicators	Current	Change
OBB	4.50%	433bps
O/N	5.17%	433bps
System liquidity (op. bal)	N145.35bn	+N73.15bn
Foreign reserve	\$39.80bn	-\$70.94mn
Nig. Crude output	1.398m bpd	+81,000bpd
Brent Crude	\$130.60	+\$2.62
FAAC Allocation	N574.66bn	-N125bn

### Major Business Headlines

- ✓ **Foreign Portfolio Investment (FPI):** Nigeria recorded [foreign portfolio investments](#) of \$3.39 billion in 2021, dropping by 34% compared to \$5.16 billion recorded in the previous year. A cursory glance at the data shows that this is the worst amount of FPI attracted by Nigeria in the past 5 years.
- ✓ **CBN's Cashless Policy:** The currency in circulation rose by N418bn from N2.91tn in December 2020, to N3.33tn in December 2021, according to figures obtained from the Central Bank of Nigeria. The CBN data showed that [currency in circulation](#) had increased by 19.06 per cent from N2.44tn recorded as of December 2019. The CBN said in its report on currency operations that, "the growth in CIC reflected the continued dominance of cash in the economy."
- ✓ **Power Supply:** The Transmission Company of Nigeria says the current load shedding being experienced nationwide is as a result of very [low power generation](#) by the electricity generation companies for the TCN to wheel through the transmission grid to distribution companies nationwide.
- ✓ **FIRS and Tax Liabilities:** The Executive Chairman, Federal Inland Revenue Service (FIRS), Mr. Muhammad Nami, yesterday said taxpayers with [outstanding foreign currency](#) tax liabilities have one-month window to settle their indebtedness in Naira.