

Daily Market Update

...A daily publication of Treasury Unit of Access Bank Plc.

Friday, 26 November 2021

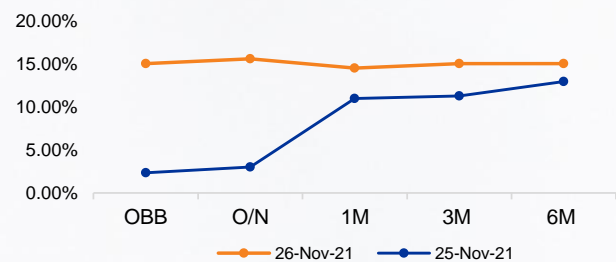
Money Market

System liquidity opened the day with a balance N258bn despite the debit for the PMA and OMO sales conducted the day before.

The Retail SMIS auction took center stage as Banks funded for their obligations forcing a spike in OBB and O/N rates by 12.67% to close the day at 15.00% and 15.67% levels respectively.

We expect rates to decline opening the week barring any significant funding activity.

Money Market Rate Movement



Foreign Exchange

Closing the week, NAFEX rate showed a slight depreciation of the Naira against the Dollar day on day by N0.17 kobo to close the week at \$/N413.54

The paucity of funds continued at the Investors' and Exporters' Window as bids continue to outweigh offers in the market. Nevertheless, the Naira traded flat against the dollars to close at \$/N415.07

As anticipated, the CBN conducted its bi-weekly Retail SMIS auction today. We expect stability in rates in the market next week.

FX Rates

	Current	Previous	%Δ
Indicative I&E Open	413.71	413.58	0.03
I&E Closing	415.07	415.07	0.00
NAFEX	413.54	413.37	(0.05)

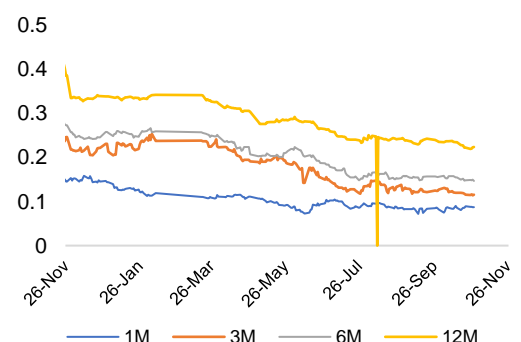
Treasury Bills

The Treasury Bills secondary market traded on a bullish note today as market participants sought for the newly issued one-year instrument (24-Nov-2022) amongst other NTBs and OMO bills across the long end of the curve. Despite this persistent bullish sentiment, closing rates remained largely unchanged from opening levels.

Opening next week, we expect the market to trade on a bullish note as market players continue to expose bids across the curve.

Treasury Bills

NTB Maturity	Rate(%)	OMO Maturity	Rate(%)
13-Jan-22	3.69	07-Dec-21	5.31
10-Mar-22	4.31	01-Mar-22	5.44
9-Jun-22	5.31	15-Mar-22	5.47
11-Aug-22	5.36	16-Aug-22	5.72
13-Oct-22	6.20	04-Oct-22	6.01





DOMESTIC NEWS

NIGERIA AIR: FG TO FLOAT IPO, BEGINS OPERATIONS WITH THREE PLANES

The Federal Government announced that beginning from next week it would start sending out Request for Proposals to investors interested in owning shares in the proposed national carrier. It also expressed hope that the carrier, Nigeria Air, would be quoted on the stock exchange, adding that Nigerians would be allowed to buy shares in the airline that was being planned to commence operations with three leased aircraft.

The Minister of Aviation, Hadi Sirika, disclosed this at a briefing in Abuja, where he explained that 46 per cent stake in the airline was exclusively for Nigerians, five per cent was for government, while 49 per cent was for strategic equity partners, which were assumed to be foreign investors. Sirika said discussions with prospective investors had been ongoing and that Request for Proposals would be sent out next week.

He said, "We will release what is called Request for Proposals very soon, I believe next week. And this Request for Proposals will describe what and what we are asking for. You will now go and send us a document that you are proposing to partner us, and this is what you are giving us. Then we will sit down, evaluate, discuss and choose a strategic partner or partners for this airline".

GLOBAL NEWS

STOCKS, OIL TUMBLE ON VIRUS VARIANT FEARS, SAFE HAVENS GAIN

Global stocks tumbled on Friday and oil fell below \$80 a barrel after news of a possibly vaccine-resistant coronavirus variant sent investors scurrying to the safety of bonds, the yen and the Swiss franc. Little is known of the variant, detected in South Africa, Botswana and Hong Kong, but scientists say it has an unusual combination of mutations, may be able to evade immune responses and could be more transmissible. British authorities think it is the most significant variant to date and have hurried to impose travel restrictions on southern Africa, as did Japan, the Czech Republic and Italy on Friday.

The European Union also said it aimed to halt air travel from the region. "Markets have been quite complacent about the pandemic for a while, partly because economies have been able to withstand the impact of selective lockdown measures. But we can see from the new emergency brakes on air travel that there will be ramifications for the price of oil," said Chris Scicluna, head of economic research at Daiwa.

Sources: FMDQ, Access Bank Treasury Team, Reuters, ThisDay

Disclaimer - This report is based on information obtained from various sources believed to be reliable and no representation is made that it is accurate or complete. Therefore, all rates shown here are mark to market rates being published for guidance purposes only. Reasonable care has been taken in preparing this document. Access Bank Plc shall not accept responsibility or liability for errors of fact, or any opinion expressed herein. This document is for information purposes and private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior written consent of Access Bank Plc.

We are faster, closer and safer

With our scale, expertise and deep desire to satisfy your needs, we will deliver exceptional experiences for the moments that matter the most to you.



accessbankplc.com



Africa | Asia | Europe | Middle East



access

more than banking