

# Daily Market Update

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

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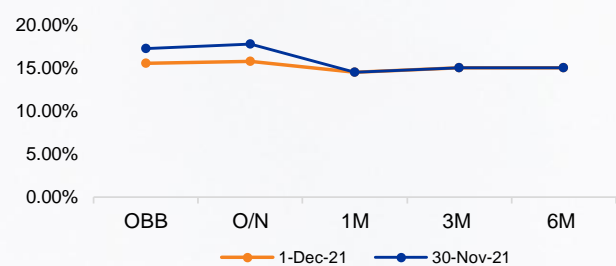
## Money Market

System liquidity opened the day with a balance of N166bn boosted by Repo deals consummated by most Banks at the CBN window.

The Open Repo and Overnight rates remained relatively stable to close the day at 15.50% and 15.75% respectively as Banks continue to fund intraday obligations.

We expect rates to hover around this levels tomorrow despite an anticipated OMO Auction by the Apex Bank.

Money Market Rate Movement



## Foreign Exchange

The relative illiquidity in the market persisted today with most market participants bidding for funds to clear their outstanding obligations. The CBN, however, intervened in the market to provide some liquidity. Consequently, at the close of market, rates remained stable to close at \$/N415.07 in the Investors' & Exporters' window,

The NAFEX rate strengthened by 51kobo day on day to close at \$/N413.41 during today's trading session and we anticipate that rates will trade at similar levels tomorrow.

FX Rates	Current	Previous	%Δ
Indicative I&E Open	413.79	413.59	0.05
I&E Closing	415.07	415.07	0.00
NAFEX	413.41	413.92	(0.12)

## Treasury Bills

The Treasury Bills secondary market traded on a bullish note today as participants showed bids across the mid to long end of the NTB and OMO curves. Interest was largely skewed towards the long end of the NTB curve and the 30-May-2022 Special Bill.

Tomorrow, we expect the market to trade on a slightly bullish note as the attention of market players shifts to the OMO Auction the CBN is expected to conduct.

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	5.18	04-Oct-22	6.01

## BONDS

The FGN Bond market commenced the month on a weak note, with cares from local players at elevated levels. We witnessed market being mostly one-sided as offers flooded the market across the curve with minimal demand to match. Offers on the on-the-run bonds continued to inch up as the market progressed and as such, yields across the benchmark bonds rose by 2bps.

We expect the same trend to persist tomorrow, as market participants continue to scout for high yielding long-tenured instruments.

### FGN Bond Yields

	Current (%)	Previous (%)	Δ
12.75 27-APR-2023	8.21	8.22	(0.01)
13.53 23-MAR-2025	9.58	9.59	(0.01)
16.2884 17-MAR-2027	11.82	11.82	0.00
13.98 23-FEB-2028	11.96	11.96	0.00
12.40 18-MAR-2036	13.00	13.00	0.00
16.2499 18-APR-2037	13.06	13.06	0.00
12.98 27-MAR-2050	13.37	13.37	0.00

### Monetary Policy

Key Indicator	Current	Previous
Monetary Policy Rate (%)	11.50	11.50
Inflation y/y (%)	15.99	16.63
Foreign Reserves (Gross \$'Bn )	41.22	41.28

### Global Currency, Fixings and Commodities

Global Currencies		LIBOR		Commodities	
CCY	Rate	Tenor	Rate (%)	Comm.	Price (\$)
GBP/USD	1.3319	1M	0.09400	WTI	↑ 68.41
EUR/USD	1.1326	3M	0.17325	BRENT	↑ 71.58
USD/JPY	113.25	6M	0.24325	GOLD	↓ 1,785.60
USD/CHF	0.9208	12M	0.38238	SILVER	↓ 22.88

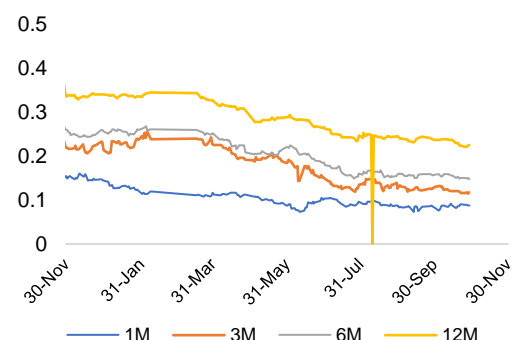
### Auction Results

Tenor/Maturity	NTB AUCTION – November 24, 2021			OMO AUCTION – November 25, 2021		
	91-day	182-day	364-day	117-day	187-day	341-day
Offer / Subscription (₦'Bn)	3.54/9.04	4.12/4.28	111.07/402.95	5.00/16.00	5.00/20.50	20.00/106.28
Total Allotment (₦'Bn)	2.04	3.78	209.90	5.00	5.00	20.00
Stop Rate(%)	2.50	3.50	5.89	7.00	8.50	10.10

### Eurobonds

Security	Yield Bid (%)	Yield Offer (%)	Price Bid	Price Offer
ACCESS 6.125% 2026	6.22	6.03	99.550	100.250
ACCESS 9.125% PERP	9.45	9.37	99.050	99.875
ZENITH 7.375% 2022	4.03	2.55	101.675	102.390
ECOBANK 9.5% 2024	5.75	5.38	108.250	109.250
NIGERIA 7.875% 2032	8.50	8.23	98.879	96.628
GHANA 7.625% MAY 2029	12.17	11.90	80.395	81.450

### USD LIBOR Movement





## DOMESTIC NEWS

### NEC ENDORSES FINANCE BILL 2022

The National Economic Council (NEC) yesterday endorsed the Finance Bill 2022. It is expected to be passed along with the 2022 Appropriation Bill. The NEC meeting, which was presided over by the Vice-President, Professor Yemi Osinbajo (SAN), is composed of the Governors, the Federal Capital Territory (FCT) Minister, the Central Bank of Nigeria (CBN) Governor and other officials.

A statement by Senior Special Assistant to the President on Media and Publicity, Office of the Vice-President, Mr Laolu Akande, said highlights of the bill were presented to the Council by the Minister of Finance, Budget, and National Planning, Mrs. Zainab Shamsuna Ahmed.

The Minister said some of the proposed legislative changes cover domestic revenue mobilisation, closing tax loopholes, public financial management, tax administration reforms as well as international taxation issues. She added that some of the principles of the proposed Finance Bill 2022 are to ensure fiscal equity, avoid double taxation, and support businesses especially MSMEs. Also yesterday, Osinbajo said Nigeria was in a better position to advance its capital markets locally and globally. He gave the keynote speech at the first Capital Market Conference of the Nigerian Exchange (NGX) Group in Abuja.

## GLOBAL NEWS

### EU PUSHES FOR DAILY TRAVEL REVIEWS, MASS BOOSTER SHOTS OVER OMICRON

The European Union needs daily reviews of its travel restrictions and rapid deployment of vaccine booster doses to limit entry and protect its citizens from the Omicron variant of the coronavirus, the European Commission said on Wednesday.

Europe is experiencing a surge of COVID-19 cases and a growing number of infections by the Omicron variant that the World Health Organization has labelled a variant of concern and that has concerned scientists due to its multiple mutations.

"We are facing at the moment a severe double challenge," European Commission President Ursula von der Leyen told a news conference. "On one hand, we are amid the fourth wave... On the other hand, we are facing a new threat that is the new variant Omicron."

The EU executive said that its 27 EU members needed to step up vaccination campaigns, with some 66% of the total EU population now inoculated. Vaccines for children between five and 11 will be eligible to receive vaccines from Dec. 13.

**Sources:** FMDQ, Access Bank Treasury Team, Reuters, The Nation

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