



KEY MARKET UPDATE

STOCK MARKET

METRICS	18TH MARCH 2024	19TH MARCH 2024	CHANGE (%)
NSE ALL SHARE INDEX	104,663.34	104,663.34	-0.11%
DEALS	9,077	9,548	+5.18%
VOLUME(MN)	287.45	307.05	+6.82%
VALUE	10.80	7.59	-29.72%
MARKET CAP(TRN)	59.18	59.12	-0.10%
YTD RETURN	39.97	39.83	-0.35%

NIGERIAN STOCK TOP 5 GAINERS

SECURITIES	PRICE OPEN (NGN)	PRICE CLOSE (NGN)	CHANGE (%)
INTENEGINS	1.20	1.32	10.00%
INTBREW	4.45	4.89	9.89%
NEM	7.30	8.00	9.59%
REGALINS	0.37	43.95	9.06%
JAPAULGOLD	2.10	0.40	8.11%

NIGERIAN STOCK TOP 5 LOSERS

SECURITIES	PRICE OPEN(NGN)	PRICE CLOSE (NGN)	CHANGE (%)
DAARCOMM	0.71	0.64	-9.89%
CWG	6.05	5.50	-9.09%
SOVRENINS	0.47	0.43	-8.51%
UPCREIT	5.50	5.15	-6.36%
FIDSON	16.00	15.00	-6.25%

DAILY CURRENCY EXCHANGE RATE (19TH MARCH 2024)

CATEGORIES	CURRENT RATE	PREVIOUS RATE	CHANGE (%)	SOURCE
NAFEM	18/03/2024 N1597.24/\$1	15/03/2024 N1602.75/\$1	0.34%	FMDQ EXCHANGE
PARALLEL MARKET USD	19/03/2024 N1600/\$1	18/03/2024 N1608/\$1	-0.50%	BDCs
PARALLEL MARKET EURO	19/03/2024 N1720/€1	18/03/2024 N1725/€1	0.29%	BDCs

CAPITAL MARKET NEWS

NGX All-Share Index slips, down 0.11%

The bears continued to dominate the domestic bourse as the benchmark Index dipped 0.11% settled at 104,663.34 points. Continued selloffs in telco heavyweight, MTNN (-3.03%) alongside TRANSPOWER (-0.03%) and GTCO (-1.71%) outweighed gains in FBNH (+9.06%), UBA (+1.57%) and FLOURMILL (+3.57%). Consequently, year-to-date (YTD) return slipped 39.83%, while the market capitalization shed ₦62.21bn to close at ₦59.12trn.

Analysis of today's market activities showed trade turnover settled lower relative to the previous session, with the value of transactions down by 29.69%. A total of 307.01m shares valued at ₦7.59bn were exchanged in 9,548 deals. FBNH (+9.06%) led both the volume and value chart with 37.81m units traded in deals worth ₦1.57bn.

Market breadth closed positive at a 1.09-to-1 ratio with advancing issues outnumbering the declining ones. INTENEGINS (+10.00%) topped twenty-four (24) others on the leader's table while DAARCOMM (-9.86%) twenty-two (22) others on the laggard's log.

CURRENCY

Naira closes below the N1,600/\$1 at official market - (Nairametrix)

The official market observed a modest increase in the value of the Naira against the dollar, concluding at N1,597.24 to \$1, marking a 0.34% enhancement from the prior closing figure of N1,602.75 to \$1 from the preceding week's end. This recent closing figure of N1,597.24 to the dollar signifies the first instance of a rate ending beneath the N1,600/\$1 mark since March 5th, 2024. Additionally, data from NAFEM disclosed a slight rise of 2.20% in forex dealings, reaching \$140.45 million as opposed to the \$137.43 million noted earlier.

More insights

On Monday, within the Investors and Exporters (I&E) window, the naira saw mixed results against major global currencies.

- The I&E FX window recorded a high of N1640/\$1 and a low of N1,400.00, indicating a fluctuation of N240/\$1.
- In the parallel market, the naira appreciated by 0.78% against the US dollar, trading at N1,608 compared to the previous figure of N1,614 per dollar.
- Against the pound sterling, the naira modestly gained by 0.74%, ending at N2,030/£1 from the earlier rate of N2,045/£1.
- It also made gains against the euro by 0.58%, closing at N1,725/€1 up from last week's Friday rate of N1,735/€1.

LOCAL NEWS IMPORTATION

Naira depreciation pushes Nigeria's imports to N35tn - (Punch)

Nigeria's total imports grew to N35.9tn in 2023, from N25.5tn recorded in 2022, according to data by the National Bureau of Statistics. A breakdown of the data showed that in the first and second quarters of 2023, total imports stood at N6.4tn. It increased to N9tn in the third quarter and again to N14tn in the fourth quarter. By volume, manufactured imports topped the chart with imports worth N18.3tn. Agric imports stood at N2.2tn while imports of raw materials totaled N3tn. On the other hand, Nigeria was able to churn out exports worth N35.9tn. However much of these were under the category of crude oil which constituted N29tn while exports of other oil products stood at N3.5tn.

PENSION FUND

Pension funds fall by \$6bn over naira depreciation - (Punch)

The value of the pension fund in dollar terms declined by 29 per cent to \$14.39bn in January 2024 compared to \$20.41bn in December 2023. According to the January unaudited report on the pension funds industry portfolio, the value of the pension fund was converted at the rate of N1,356.88/\$ in January from N899.39/\$ in December, leading to the decline. The naira has been struggling against the dollar since the country's exchange rate was in June 2023 by the Central Bank of Nigeria. The further depreciation of the naira this year has reduced the value of the pension funds in dollar terms. In naira terms, the total assets under the Contributory Pension Scheme rose to N19.53tn.

GLOBAL NEWS

FINANCE

Banks are in limbo without a crucial lifeline. Here's where cracks may appear next-(CNBC)

KEY POINTS

- The forces that consumed three regional lenders last March have left hundreds of smaller banks wounded, as merger activity — a key potential lifeline — has slowed to a trickle.
- Klaros Group analyzed about 4,000 institutions and found 282 with both high levels of commercial real estate exposure and large unrealized losses from the rate surge — which may force these lenders to raise fresh capital or merge.
- Behind the scenes, regulators have been prodding banks with confidential orders to improve capital levels and staffing, according to Klaros co-founder Brian Graham.

The forces that consumed three regional lenders in March 2023 have left hundreds of smaller banks wounded, as merger activity — a key potential lifeline — has slowed to a trickle.

As the memory of last year's regional banking crisis begins to fade, it's easy to believe the industry is in the clear. But the high interest rates that caused the collapse of Silicon Valley Bank and its peers in 2023 are still at play.

After hiking rates 11 times through July, the Federal Reserve has yet to start cutting its benchmark. As a result, hundreds of billions of dollars of unrealized losses on low-interest bonds and loans remain buried on banks' balance sheets. That, combined with potential losses on commercial real estate, leaves swaths of the industry vulnerable.

Of about 4,000 U.S. banks analyzed by consulting firm Klaros group, 282 institutions have both high levels of commercial real estate exposure and large unrealized losses from the rate surge — a potentially toxic combo that may force these lenders to raise fresh capital or engage in mergers.