



KEY MARKET UPDATE

STOCK MARKET

METRICS	19TH MARCH 2024	20TH MARCH 2024	CHANGE (%)
NSE ALL SHARE INDEX	104,663.34	104,256.81	-0.28%
DEALS	9,548	8,248	-13.61%
VOLUME(MN)	307.05	298.65	-2.73%
VALUE	7.59	6.84	-9.88%
MARKET CAP(TRN)	59.12	58.95	-0.28%
YTD RETURN	39.83	39.43	-1.00%

NIGERIAN STOCK TOP 5 GAINERS

SECURITIES	PRICE OPEN (NGN)	PRICE CLOSE (NGN)	CHANGE (%)
NEM	8.00	8.80	10.00%
CWG	5.50	6.05	10.00%
INTENEGINS	1.32	1.45	9.85%
THOMASWY	1.99	2.18	9.55%
RTBRISCOE	0.53	0.58	9.43%

NIGERIAN STOCK TOP 5 LOSERS

SECURITIES	PRICE OPEN(NGN)	PRICE CLOSE (NGN)	CHANGE (%)
NSLTECH	0.60	0.54	-10.00%
FBNH	43.95	39.60	-9.90%
VITAFOAM	21.25	19.15	-9.88%
BERGER	17.35	15.65	-9.80%
ROYALEX	0.82	0.74	-9.75%

DAILY CURRENCY EXCHANGE RATE (20TH MARCH 2024)

CATEGORIES	CURRENT RATE	PREVIOUS RATE	CHANGE (%)	SOURCE
NAFEM	19/03/2024 N1560.57/\$1	18/03/2024 N1597.24/\$1	2.35%	FMDQ EXCHANGE
PARALLEL MARKET USD	20/03/2024 N1590/\$1	19/03/2024 N1600/\$1	0.63%	BDCs
PARALLEL MARKET EURO	20/03/2024 N1715/E1	19/03/2024 N1720/E1	0.29%	BDCs

CAPITAL MARKET NEWS

NGX All-Share Index closes negative, down 0.28%.

The Lagos bourse slips further as the benchmark Index lost 0.28% to settled at 104,256.81 points. Selloffs in Teir-1 banking, name, ZENITHBANK (-0.26%) FBNH (-9.90%) alongside TRANSCORP (-7.19%) outweighed gains in TRANSPOWER (+0.03%), UBA (+1.93%) and FLOURMILL (+2.07%). Consequently, year-to-date (YTD) return slipped 39.43%, while the market capitalization shed ₦167.65bn to close at ₦58.95trn.

Analysis of today's market activities showed trade turnover settled lower relative to the previous session, with the value of transactions down by 9.92%. A total of 298.65m shares valued at ₦6.84bn were exchanged in 8,248 deals. FBNH (-9.90%) led both the volume and value chart with 38.76m units traded in deals worth ₦1.56bn.

Market breadth closed positive at a 1.27-to-1 ratio with advancing issues outnumbering the declining ones. NEM (+10.00%) topped twenty-seven (27) others on the leader's table while NSLTECH (-10.00%) twenty-one (21) others on the laggard's log.

CURRENCY

Naira strengthens to N1400/\$ on the parallel market as speculators sell-(Nairametrics)

Parallel market operators are quoting a buy price of N1400/\$1 for holders of dollars looking to sell marking a significant strengthening on the naira.

Checks as reported indicate the exchange rate has been gaining lately as speculators start to dump their hoard of dollars following waning demand.

Multiple sources who operate in the parallel market revealed that the naira has risen from around N1600/\$ which it closed yesterday to N1500/\$ (some quoted N1550/\$1) if they are to sell to you.

However, they buy at N1400/\$1 allowing them to make a spread of N100/\$1.

A trader by the name of Musa who reported expressed happiness with the development stating that a stronger Naira was also good for their business.

Meanwhile, the exchange rate on the official market fell to N1,560/\$1 on Tuesday the strongest the naira has traded since the 4th of March when it closed at N1534/\$1.

LOCAL NEWS

BANKS LIQUIDITY

Banks show signs of illiquidity, borrow over N24tr from CBN in three months – (The Guardian)

In less than three months, covering January to last week, deposit money banks (DMBs) drew N24.13 trillion from the Central Bank of Nigeria (CBN) through the discount window to meet short-term obligations, a trend that points to some liquidity gap in the financial system. The borrowings contained in financial data obtained from the apex bank suggest the banks could be battling inadequate liquidity behind the scenes, despite the 'doing-well' façade most of them wear. The credit relationship between the banks and the Central Bank as shown by activities at the discount window (though not a sufficient factor in declaring an illiquidity crisis) shows that lending is skewed in favor of the regulator.

CBN lifts restrictions on FX access for importation of dairy products – (The Cable)

The Central Bank of Nigeria (CBN) has lifted the restrictions on the importation of milk and dairy products. On February 11, 2020, the CBN had added milk and dairy products to the list of items not eligible for forex. However, in a notice to customers, Zenith Bank said the regulator had provided an update on eligible items for foreign exchange in a notice to commercial banks on March 12. “Please be informed that the Central Bank of Nigeria (CBN), through its circular Ref No. TED/FEM/PUB/FPC/001/010, dated March 12, 2024, has provided an update on eligible items for foreign exchange (Non-Valid for FX),” the statement reads.

GLOBAL NEWS

ECONOMY

European Central Bank’s Lagarde signals June cut but says future rate path uncertain-(CNBC)

KEY POINTS

- “By June we will have a new set of projections that will confirm whether the inflation path we foresaw in our March forecast remains valid,” the European Central Bank’s chief Christine Lagarde said in a speech in Frankfurt.
- The euro zone’s central bank has held rates since bringing them to a record high in September.
- June has been flagged as a key month by numerous members of the ECB’s Governing Council, which votes on the path of rates.

European Central Bank chief Christine Lagarde on Wednesday reiterated that policymakers would consider bringing interest rates down in June but sketched an uncertain path beyond that.

“By June we will have a new set of projections that will confirm whether the inflation path we foresaw in our March forecast remains valid,” Lagarde said in a speech in Frankfurt.

The June meeting has been flagged as a potential turning point by many members of the ECB’s Governing Council — which votes on rate moves — as it will be the first gathering for which data from spring wage negotiations will be available. The ECB is on alert for potential knock-on inflationary effects from rising salaries.

Data available by June will also provide more insight into the path of underlying inflation and the direction of the labor market, according to Lagarde.

“If these data reveal a sufficient degree of alignment between the path of underlying inflation and our projections, and assuming transmission remains strong, we will be able to move into the dialling back phase of our policy cycle and make policy less restrictive,” she said.