

**News Update:**

The Nigerian National Petroleum Corporation (NNPC) Thursday unveiled plans to crash the price of Liquefied Petroleum Gas (LPG), also known as cooking gas in Nigeria. According to a statement by the corporation, the crashing of the price would be achieved through the implementation of a new commercial framework, **which would ban the export of propane and butane, two major components used in the production of LPG.**

[Thisday](#)
**ECONOMIC INDICATORS**

Inflation (YoY)	<b>11.28%</b>	↑
Exchange Rate (\$)	<b>₦306.90</b>	↔
MPR	<b>14.00%</b>	↔
Foreign Reserves	<b>\$43.05Bn</b>	↑
Brent Crude	<b>\$60.54pb</b>	↓

**Fixed Income | Money Market | FX**
**Commentary**

The Bond market remained relatively flat in today's session, except for some buys on the 22s and 26s which compressed yields marginally by c.1bp on average. **We expect buying interests to persist in the market in the coming week, in view of the c.N106bn expected coupon payments on the 2021 and 2034 maturities.**

The T-bills market remained slightly bearish, with yields inching slightly higher by c.8bps following slight selloff on some short tenured maturities (Feb/Mar). **With system liquidity still in negative territory, we expect yields to remain elevated in the coming week, with the CBN expected to maintain its aggressive OMO stance in view of the c.N560bn in OMO maturities.**

Rates in the money market moderated further by c.2pct to 20.00% and 22.50%, as the CBN held off on OMO, with system liquidity currently at c.98bn negative. **We expect rates to trend slightly higher opening next week, with the banks expected to fund for a wholesale FX intervention by the CBN.**

At the Interbank, the Naira/USD rate remained unchanged at N306.90/\$ (spot) and N358.13/\$ (SMIS). The NAFEX rate in the I&E window appreciated by c.0.05% to N364.94/\$ from N365.12/\$ previously. At the parallel market, the cash rate appreciated by c.0.06% to N360.80/\$ while the transfer rate remained unchanged N365.00/\$.

**Money Market Rates**

	Current (%)	Previous (%)
Open Buy Back (OBB)	20.00	22.67
Overnight (O/N)	22.50	24.67

**FX Market**

	Current (₦/\$)	Previous (₦/\$)
CBN Spot	306.90	306.90
CBN SMIS	358.31	358.31
I&E FX Window	364.94	365.12
Cash Market	360.80	361.00
Transfer Market	365.00	365.00

**FGN Bonds**

Description	Bid (%)	Offer (%)	Day Change (%)
15.54 13-Feb-20	15.03	14.57	<b>0.05</b>
14.50 15-Jul-21	15.50	15.22	<b>(0.02)</b>
16.39 27-Jan-22	14.99	14.78	<b>(0.10)</b>
14.20 14-Mar-24	15.10	14.87	<b>0.00</b>
12.50 22-Jan-26	15.56	15.47	<b>(0.04)</b>
16.29 17-Mar-27	15.45	15.39	<b>0.01</b>
13.98 23-Feb-28	15.54	15.41	<b>0.01</b>
12.15 18-Jul-34	15.50	15.30	<b>0.01</b>
12.40 18-Mar-36	15.51	15.40	<b>0.01</b>
16.2499 18-Apr-37	15.39	15.30	<b>0.00</b>

**Treasury Bills**

Description	Bid (%)	Offer (%)	Day Change (%)
14-Feb-19	15.00	13.90	<b>0.00</b>
14-Mar-19	15.10	13.90	<b>0.10</b>
4-Apr-19	14.00	<b>13.50</b>	<b>0.00</b>
2-May-19	14.30	13.00	<b>0.00</b>
13-Jun-19	13.60	13.25	<b>0.00</b>
18-Jul-19	14.00	13.20	<b>0.00</b>
1-Aug-19	14.60	13.65	<b>0.60</b>
12-Sep-19	15.00	14.60	<b>0.00</b>
3-Oct-19	15.05	14.70	<b>0.00</b>
14-Nov-19	15.00	14.70	<b>0.05</b>
5-Dec-19	15.10	14.95	<b>0.00</b>

**Primary Market Auction Results**
**NTB - 2 January 2019**

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sale (₦'bn)
91-days	10.90	10.00	20.16	10.00
182-days	13.10	20.00	24.51	20.00
364-days	14.50	44.84	69.72	44.84

**FGN Bonds - 19 December 2018**

Maturity	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sale (₦'bn)
Apr-23	15.25	20.00	3.25	1.05
Mar-25	15.50	15.00	7.81	3.41
Feb-28	15.50	35.00	83.06	1.29

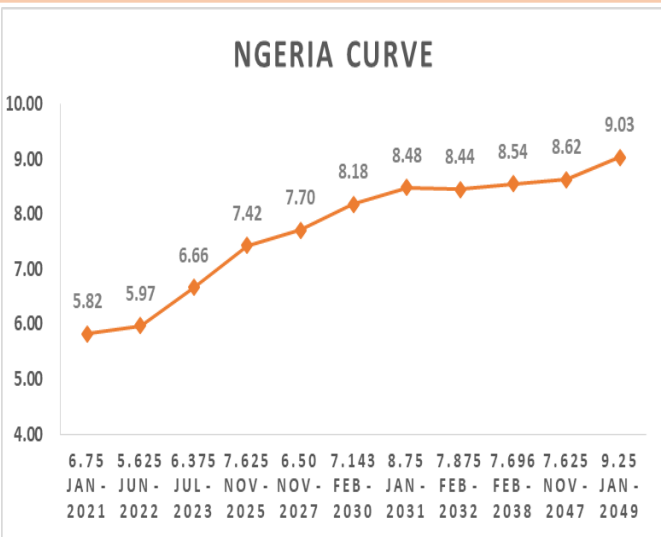
**OMO - 10 January 2018**

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sale (₦'bn)
91-day	11.90	50.00	1.19	1.19
189-day	13.50	100.00	12.68	12.68
364-day	15.00	250.00	283.62	329.32

## Eurobonds

Investors showed renewed interests on the **NGERIA Sovereigns** with yields compressing further by c.10bps as Oil prices maintained an uptrend for the 10th straight day.

The **NGERIA Corps** were relatively quiet except for slight interests on the FIDBAN 22s.



### NIGERIAN SOVEREIGNS

Description	Bid (%)	Offer (%)	Change (%)
6.75 Jan - 2021	5.82	5.56	(0.06)
5.625 Jun - 2022	5.97	5.87	(0.12)
6.375 Jul - 2023	6.66	6.50	(0.07)
7.625 Nov - 2025	7.42	7.28	(0.07)
6.50 Nov - 2027	7.70	7.62	(0.04)
7.143 Feb - 2030	8.18	8.04	(0.05)
7.143 Feb - 2031	8.48	8.38	(0.06)
8.75 Jan - 2032	8.44	8.35	(0.07)
7.696 Feb - 2038	8.54	8.47	(0.05)
7.625 Nov - 2047	8.62	8.55	(0.05)
9.25 Jan - 2049	9.03	8.98	(0.04)

### NIGERIAN CORPORATES

Description	Bid (%)	Offer (%)	Change (%)
6.25 ZENITH 2019	6.16	4.31	0.00
8.75 DIAMBK 2019	14.93	11.93	0.05
9.25 ACCESS 2021	9.97	9.50	0.02
8.00 FBNNL 2021	8.92	8.58	0.01
8.75 ECOTRA 2021	9.56	9.12	0.01
10.50 ACCESS 2021	7.44	7.24	0.00
7.375 Zenith 2022	7.12	6.87	0.00
7.75 UBANL 2022	7.58	7.32	0.00
10.5 FIDBAN 2022	10.36	10.12	(0.09)
9.25 SEPLLN 2023	9.46	9.17	0.00

Sources: FMDQ, CBN, Bloomberg, Rexel BDC, Zedcrest research

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Dealing Desk: 01-6311667 Dayo: +2347032208237 Seyi: +2348023231396 Tosin: +2347039394376 Nnamdi: +2348133385000

Email : research@zedcrestcapital.com

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