



# Treasury News & Market Update

A Daily Publication of Zenith Bank Plc

...in your best interest

Wednesday, March 15, 2023

## Money Market Watch

### Selected Macroeconomic Indices

#### Inflation:

Yr/Yr Δ% : 21.91% (Nat. Bureau of Stat. February 2023)  
12months Δ% : 19.87% (Nat. Bureau of Stat. February 2023)

MPR : 17.50%

	CURRENT DAY	PREVIOUS DAY	% CHANGE
	15/03/2023	14/03/2023	
NSE ASI	55,490.20	55,722.90	-0.42%
MKT CAP	30,228,920,664,546.70	30,355,684,627,383.80	-0.42%

### Commodity Prices

Light Crude (Apr 2023 deliveries): \$67.63pb (-3.70%)  
Brent Crude (May 2023 deliveries): \$73.68pb (-4.87%)  
Natural gas (Apr 2023 deliveries): \$2.41MMBtu (-0.16%)

### Stop Rates on FGN Securities

**OBBS: 10.50**

T/BILLS: PRIMARY  
91 Days (15/03/23) 2.5500  
182 Days (15/03/23) 5.0000  
364 Days (15/03/23) 9.4900

T/BILLS: OMO (29/12/2022)  
89 Days 7.0000  
187 Days 8.5000  
362 Days 10.1000

FGN Bonds: PRIMARY (13/02/2023)  
(Primary) 4 Yrs 13.9900  
9 Yrs 2 Months 14.9000  
15 Yrs 2 Months 15.9000  
27 Yrs 2 Months 16.0000

### Nibor Rates

**Tenor Rates (%)**

O/N 10.6833  
1M 11.6333  
3M 11.7500  
6M 13.2000

- Today, rates continued trading at suppressed levels as a result of CBN swap and FGB Bond coupon of N51.12B credited into the system yesterday further increasing the liquidity in the interbank market.
- Tomorrow, interbank rates are expected to remain stable in the absence of significant funding pressure.

## Zenith Bank Indicative FGN Bond Prices/Yield as At March 16, 2023

	ISSUE DATE	MATURITY DATE	ISSUE TENOR (YRS)	TERM TO MATURITY (Yrs)	% COUPON	Price	Yield
14.20% FGN MAR 2024 (11THFGN BOND SERIES 1)	14-Mar-14	14-Mar-24	10	1.00	14.2000%	102.94 106.70	11.01% 7.12%
13.53% FGN MAR 2025 (15THFGN BOND SERIES 2)	23-Mar-18	23-Mar-25	7	2.02	13.5300%	103.92 109.15	11.30% 8.51%
12.50% FGN JAN 2026 (13THFGN BOND SERIES 1)	22-Jan-16	22-Jan-26	10	2.85	12.5000%	101.14 102.95	12.00% 11.25%
16.2884% FGN MAR 2027 (14THFGN BOND SERIES 1)	17-Mar-17	17-Mar-27	10	4.00	16.2884%	109.05 112.00	13.30% 12.40%
13.98% FGN FEB 2028 (15THFGN BOND SERIES 1)	23-Feb-18	23-Feb-28	10	4.93	13.9800%	99.91 100.61	14.00% 13.80%
14.55% FGN APR 2029 (15THFGN BOND SERIES 3)	26-Apr-19	26-Apr-29	10	6.10	14.5500%	101.76 103.82	14.10% 13.60%
12.1493% FGN JULY 2034 (11THFGN BOND SERIES 2)	18-Jul-14	18-Jul-34	20	11.32	12.1493%	85.11 87.80	14.90% 14.35%
12.5000% FGN MARCH 2035 (11THFGN BOND SERIES 2)	27-Mar-20	27-Mar-35	15	12.01	12.5000%	86.25 89.26	15.00% 14.40%
12.40 FGN MAR 2036 (13THFGN BOND SERIES 2)	18-Mar-16	18-Mar-36	20	12.98	12.4000%	85.31 88.37	15.00% 14.40%
16.24990 FGN APR 2037 (14THFGN BOND SERIES 2)	18-Apr-17	18-Apr-37	20	14.07	16.2499%	104.20 105.09	15.50% 15.35%
13.00% FGN JAN 2042 (17THFGN BOND SERIES 1)	21-Jan-22	21-Jan-42	20	18.82	13.0000%	87.49 90.35	15.00% 14.50%
14.8000 FGN APR 2049 (16THFGN BOND SERIES 2)	26-Apr-19	26-Apr-49	30	26.06	14.8000%	94.03 96.13	15.75% 15.40%
12.98% FGN MARCH 2050	27-Mar-20	27-Mar-50	30	26.98	12.9800%	85.66 88.84	15.20% 14.65%

- The Treasury bills market remained very quiet as participants awaited the result of the primary auction which took place today.
- At the auction the DMO offered 161.865 across the 91-, 182- and 364 days' tenor. Subscription was N1.032 trillion however only 161.865 billion was sold in line with the offer. Rates dropped on the 182 and 364 days to 5.00% and 9.49% from 6.00% and 10.00% at previous auction, while the 91-day paper inched up from 1.44% to 2.550%.
- We expect bullish activity to drive rate lower in the bills space.
- A lackluster day with few traded done. Trades were mixed as buyers and sellers fulfilled their orders. The mid to long end saw more activity while the short end was quiet as participants awaited the NTB auction result.
- The most traded papers were the 2037 and 2049 closing flat from opening levels of 15.40% and 15.60% respectively.

Dealing Lines: 234-1-2783271-4      Reuters Code: ZENB  
Bloomberg Code: ZENL      Email: [FxTrading@zenithbank.com](mailto:FxTrading@zenithbank.com)

## FX Market Watch

### Foreign Exchange Market Rates

CLOSING USD/NGN FX RATES			MARKET CLOSING FX RATE (\$/N): 460.00
Market Segment	Bid	Offer	
INTERBANK(CLOSING IND)	N460.00	N462.00	

- The interbank I & E market traded flat between N460.00 and N462.00 to the dollar based on client orders.

#### FX RATES:

- Interbank Official Closing – \$/461.00

## Global Market Watch

Currencies	Money Market Rates (%)	Capital Markets
<b>USD rates against major currencies:</b> Euro - USD: 1.0545 Pounds Sterling – USD: 1.2072 USD - Swiss Francs: 0.9218 USD - South African Rand 18.2248 USD - Yen: 133.05	<b>Tenor Rates (%)</b> 1M Libor 4.72 3M Libor 4.94 6M Libor 4.96 1Y Libor 4.99	<b>All Share Index:</b> DOW: 31,685.13 -1.46% FTSE: 7,395.13 -3.17% JSE: 72,794 -2.95% NASDAQ: 11,324.11 -0.91%

- The dollar was up in early trading as the market adjusted its view of the likely path for U.S. interest rates again in the wake of February's inflation report on Tuesday. The U.S. consumer price index had fallen to 6.0%, but core elements of the report continued to show prices rising at an uncomfortably fast rate, illustrating the Federal Reserve's lack of room for maneuver to respond to last week's banking failures. Rate-sensitive two-year bond yields had retraced around two-thirds of their Monday drop in response, as the market settled once again into a consensus that the Fed will raise interest rates by 25 basis points at its meeting next week, not least because failing to do so would likely be interpreted as panicking and as such, unlikely to restore confidence in the U.S. banking sector.
- European currencies fell sharply on Wednesday after Credit Suisse's tumble to a new low renewed worries about the European banking sector following Silicon Valley Bank (SVB)'s collapse. The euro, sterling and the Swiss franc saw sharp declines against the U.S. dollar as Credit Suisse shares plummeted around 30% after its biggest investor said it could not provide any more backing. Concerns around the Swiss lender led the wider European banking index to its lowest since early January and triggered a sharp sell-off in the currency market.
- Oil prices plunged 5% to their lowest in more than a year as unease over Credit Suisse spooked world markets and offset hopes of a Chinese oil demand recovery. Early signs of a return to calm and stability faded after Credit Suisse's largest investor said it could not provide the Swiss bank with more financial assistance, sending its shares and other European equities sliding. Brent crude futures dipped to \$73.90 per barrel.

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