

What Moved the Markets this Week?

On the global scene, the Office of National Statistics (ONS) reported an uptick in the UK's inflation rate for October 2022 to a 41-year high of 11.10% YOY (vs 10.10% YOY in September 2022). Rising energy prices drove the acceleration in the inflation rate, with gas and electricity prices rising by 36.90% YOY and 16.90% YOY, respectively. In our opinion, the increase in the country's inflation rate will urge the Bank of England to sustain its hawkish stance at its next meeting. Also, according to the Bank of Japan, headline inflation for October 2022 reached a 40-year high of 3.70% YOY (vs 3.00% YOY in September 2022). The increase was propelled by the negative impact of the country's currency depreciation on imported goods. In contrast to the contractionary monetary position adopted by monetary policy authorities globally to rein in inflation, we do not expect Japan's monetary policy to raise rates due to its yield curve control policy.

On the domestic scene, the National Bureau of Statistics (NBS) released the inflation report for October 2022. According to the report, inflation rose to a 17-year high of 21.09% YOY (vs 20.77% YOY in September 2022), driven by a spike in both the food and core indices. An increase in the prices of food items such as bread, cereals, potatoes, yam and oils drove the food inflation rate to 23.72% YOY (vs 23.34% YOY in September 2022). Similarly, core inflation increased by 17.76% YOY in October (vs 17.60% YOY in September 2022) due to the increase in the prices of solid and liquid fuels, gas, and transportation. We expect the Monetary Policy Committee (MPC) to consider this at its meeting next week. Thus, we expect the Committee to maintain its contractionary monetary stance.

The local bourse ended the week positive, as the All-Share Index increased by 1.19% WoW to close at 44,492.73pts. Consequently, the Year-to-Date return rose to 4.16% (vs 2.93% last week). Across sectors, performance was mixed, as the **NGXBNK** (+4.22%), **NGXNSMRGDS** (+0.91%) and **NGXINS** (+0.93%) recorded week-on-week gains, while the **NGXOLGAS** (-1.34%) and **NGXINDUSTR** (-0.37%) closed negative.

At the bond auction held during the week, the Debt Management Office (DMO) raised a total of NGN269.16bn (vs NGN225.00bn offered). Also, rates increased across the three instruments - 14.55% FGN MAR 2029 to 14.50% (vs 14.75% at the last auction), 12.50% FGN APR 2032 to 15.20% (vs 15.00% at the last auction), and 16.25% FGN APR 2037 to 16.20% (vs 16.00% at the last auction). In the secondary fixed income market, performance was mixed as average bond yield declined to 14.37% (vs 14.45% last week), while treasury bills yield

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Market Performance

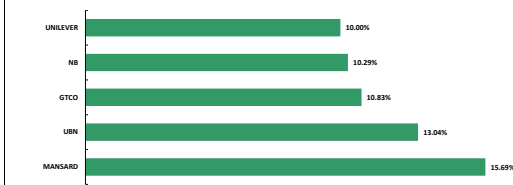
Equities	This Week	Previous Week	% Δ
NGXASI	44,492.73	43,968.75	1.19%
Volume (bn)	0.67	1.09	-38.10%
Value (bn)	8.66	11.71	-26.06%
Mkt. Cap. (bn)	24.23	23.95	1.19%
Market Breadth	1.00x	0.84x	

Sectoral Indices	WTD	MTD	YTD
NGXBNK	4.22%	3.23%	-4.52%
NGXNSMRGDS	0.91%	-2.98%	-6.51%
NGXOLGAS	-1.34%	-7.00%	30.01%
NGXINS	0.93%	-2.96%	-21.73%
NGXINDUSTR	-0.37%	4.65%	-1.59%
NGX-ASI	1.19%	1.49%	4.16%

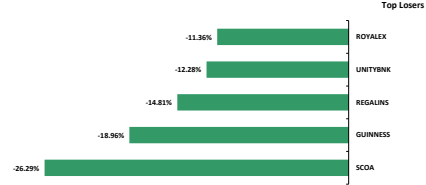
Other Indices	WTD	MTD	YTD
NGX-30	1.32%	1.80%	-6.62%
NGX-PENSION	2.89%	1.98%	1.47%

Market Outliers

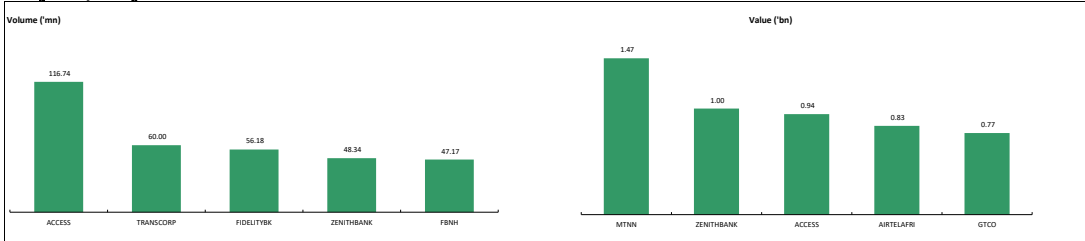
Top Gainers



Top Losers



Weekly Trading Activity



	This Week	Previous Week	% Δ
I & E (per USD)	445.67	445.75	0.02%

Bond Yields	This Week	Previous Week	% Δ
1YR	13.49%	13.71%	-0.23%
3YR	13.54%	13.93%	-0.39%
5YR	14.57%	14.55%	0.02%
7YR	13.95%	14.97%	-0.98%
10YR	12.80%	12.80%	0.00%
30YR	14.33%	14.51%	-0.18%

In Other Markets	Nigeria	Ghana	Egypt	Kenya	South Africa	Frontier	Emerging	Developed
Today	1.09%	0.00%	1.41%	0.19%	0.98%	0.40%	-1.25%	-1.07%
WTD	1.19%	0.54%	0.00%	0.73%	-0.17%	1.29%	0.71%	-0.88%
YTD	4.16%	-11.82%	4.74%	-22.49%	-1.15%	-22.58%	-23.51%	-18.60%
YTD	6.15x	4.83x	8.01x	6.96x	10.15x	8.57x	10.72x	13.25x

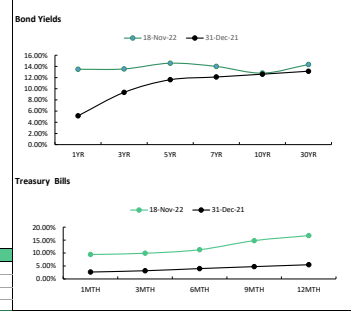
Money Market Rates

	This Week	Previous
OBB	16.25%	12.00%
OVN	16.50%	12.83%
Average	16.38%	12.42%

Treasury Bills Yields

	This Week	Previous
1MTH	9.44%	9.82%
3MTH	9.92%	9.92%
6MTH	11.28%	11.90%
9MTH	14.78%	14.43%
12MTH	16.72%	15.79%
Average	12.43%	12.37%

Fixed Income Monitor



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