The All Share Index (ASI) declined by 3.1% or 1,141.84 to settle at 15,504.52 points from 16,645.45 points of the previous week. Similarly, market capitalization declined by N935 billion or 0.93% to finish at N2.12 trillion from N2.13 trillion of the previous week. This was mainly due to profit taking witnessed in the stock market largely on the consumer goods, financial services, construction and conglomerates sectors. This week, we expect market to persist on this path as more listed companies release their financial statements.

Money Market
Cost of borrowing at the money market eased across all placements as the market witnessed heightened demand for N205 billion from maturing treasury bills (TFI) and Bond market yields on secondary market buying. The Overnight and Open Buy Back (OBB) rates eased to 19.60% and 22.17% respectively from 20.14% and 22.49% respectively as recorded the prior week. This week, rates are likely to remain low due to an inflow of N135 billion from OMO maturities.

Bond Market
Average bond yields declined last week. Yields on the seven- and ten-year bond declined to 16.67% and 16.85% from 16.72% and 16.67% of the previous week, this was as a result of increased demand from Pension Fund Administrators (PFAs) and international investors. Consequently, the Access Bank Nigeria Government Bond Index declined by 0.77% to close at 2,230.51 points from 2,318.00 points of the previous week. Improved liquidity in the system is expected to support the rally witnessed last week.

Commodities Market
Last week, oil prices edged up – Bony light, the Nigerian benchmark crude, gained by $1.5 to settle at $47.02 per barrel last Friday while -$0.74 per barrel the preceding week. This was as a result of a reduction in U.S. crude inventories and the shutdown of Libya’s oil field. Gold went up by 1.5% to $1,924.18 per ounce at $1,918.45 per ounce on the previous week. Silver also increased by 4.5% to $34.15 to close at $37.35 an ounce. The surge in the prices of precious metals may be attributed to the weakening of the dollar, uncertainty sparked by President Trump’s renewed threat to scrap the North American Free Trade Agreement as well as the political tensions caused by North Korea’s latest missile strike. This week, oil prices might trend southwards as a result of hurricane Harvey that hit Texas U.S.A., a state that hosts more than 50% of US refining capacity and household textiles. In another development, the CBN has announced the introduction of the new instruments - Funding for Liquidity Facility (FLF) and Intra-Day Facility (IDF) - to Non-interest Financial Institutions (NFIs). The apex bank made this disclosure in a circular signed by the director, Financial Markets. The circular explained that the FLF allows the CBN to provide a liquidity facility on overnight basis only and to be terminated on next business day. For the IDF, the CBN will provide facility for settlement, the same business day. According to the monetary regulator, under the new framework, authorised NFIs shall hold securities as collateral and the value of such securities shall be a minimum of 110% of the facility. In a separate circular, the CBN will provide a liquidity facility on overnight basis only to be terminated on next business day. In another development, the CBn has announced the introduction of the new instruments - Funding for Liquidity Facility (FLF) and Intra-Day Facility (IDF) - to Non-interest Financial Institutions (NFIs). The apex bank made this disclosure in a circular signed by the director, Financial Markets. The circular explained that the FLF allows the CBN to provide a liquidity facility on overnight basis only to be terminated on next business day. For the IDF, the CBN will provide facility for settlement, the same business day. According to the monetary regulator, under the new framework, authorised NFIs shall hold securities as collateral and the value of such securities shall be a minimum of 110% of the facility. In a separate circular, the CBN will provide a liquidity facility on overnight basis only to be terminated on next business day. For the IDF, the CBN will provide facility for settlement, the same business day. According to the monetary regulator, under the new framework, authorised NFIs shall hold securities as collateral and the value of such securities shall be a minimum of 110% of the facility.