

Daily Financial Market Update

AIICO CAPITAL
www.aiicocapital.com

f t in @ /aiicocapitalng

FIXED INCOME MARKET

Money Markets

Liquidity in the banking system opened in a deficit of ca ₦36.09 billion today, lower than the previous day's opening of ca ₦26.59 billion. As a result, the Open Buy Back (OBB) and Overnight (ON) rates trended slightly higher to settle at 12.00% and 12.50% from 11.50% and 12.00% respectively, the previous day.

Treasury Bills

The NTB secondary market was relatively calm at the close of the week, albeit with few offers on the 30 June NTB paper at around 8.60% levels. Overall, average rates remained unchanged. However, the OMO secondary market saw sell-side interests at the mid-long end of the yield curve. Average yield rose by ca 5bps, day-on-day.

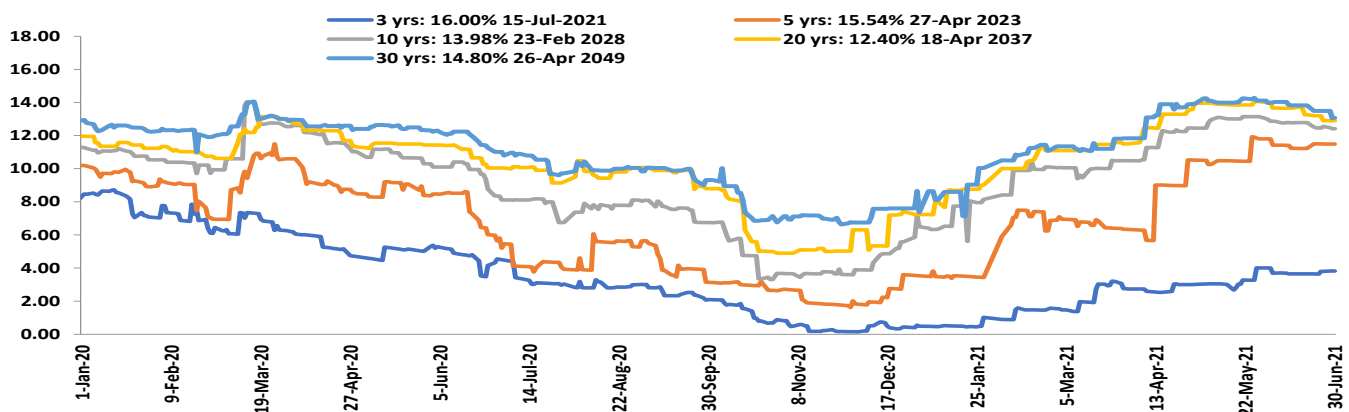
Bonds

The FGN Bonds secondary market closed the week on a bullish note with demand seen across the yield curve, as investors sought attractive yields. The 2045s, 2049s, and 2050s drew the most attention, with trades executed at sub 12.00%, 12.78%, and 13.05% levels, respectively. Consequently, the average yield dipped by ca 3bps, day-on-day.

Eurobonds

Activity in the Eurobonds secondary market was subdued today, albeit with a bearish undertone. Consequently, average yield rose ca 1bp, day-on-day

Benchmark Bond Yields



Macroeconomic Indicators

| Indicators | |
|---------------------------------|---------------------------------|
| Inflation % (April 2021) | 17.93 (+13.84 ytd) |
| PMI (December 2020) | 49.60 |
| MPR (%) | 11.5 (-7%/+1% around mid-point) |
| CRR (%) | 27.5 |
| Brent Crude Price US\$/bbl | 76.03 (+0.26% d/d) |
| External Reserve (US\$'billion) | 33.28 (-5.91% ytd) |
| GDP % (Q1 2021) | +0.51% (Q4 2020: -1.92% y/y) |

Source: NBS,CBN, AIICO Capital

T-Bills and Bond Statistics

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 02-Jul-21 | 01-Jul-21 | Change in Rates |
| 90 days | 4.63% | 4.63% | → 0.00% |
| 146 days | 5.79% | 5.79% | → 0.00% |
| 342 days | 9.00% | 9.00% | → 0.00% |

Source: FMDQ DQL for 01 July 2021

| Benchmark FGN Bond Yields | | | |
|----------------------------|-----------|-----------|-----------------|
| | 02-Jul-21 | 01-Jul-21 | Change in Yield |
| 1 yr: 5.625% 27-Jun-2022 | 3.82% | 3.82% | → 0.00% |
| 5 yrs: 15.54% 27-Apr 2023 | 10.95% | 11.48% | ↓ -0.53% |
| 10 yrs: 13.98% 23 Feb 2028 | 12.17% | 12.22% | ↓ -0.05% |
| 20 yrs: 16.25% 18-Apr 2037 | 12.90% | 12.90% | → 0.00% |
| 30 yrs: 14.80% 26-Apr 2049 | 13.00% | 13.02% | ↓ -0.02% |

Source: FMDQ DQL for 01 July 2021

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 02-Jul-21 | 01-Jul-21 | Change in Yield |
| 3 yrs: NGERIA 6 3/4 01/28/21 | 1.90% | 1.93% | ↓ -0.03% |
| 5 yrs: NGERIA 6 3/8 07/12/23 | 2.79% | 2.78% | ↑ 0.01% |
| 10 yrs: NGERIA 6 1/2 11/28/27 | 5.41% | 5.40% | ↑ 0.01% |
| 20 yrs: NGERIA 7.696 02/23/38 | 7.47% | 7.45% | ↑ 0.02% |
| 30 yrs: NGERIA 9.248 01/21/49 | 8.01% | 8.00% | ↑ 0.01% |
| 7.125% ECOTRAN 16/02/26 | 6.99% | 6.99% | → 0.00% |

Source: FMDQ DQL for 01 July 2021

Equities Market Performance

The Nigerian Stock Exchange All Share Index (NSE ASI) rose 0.83% day on day to close at 38,212.01 points, bringing the market's year-to-date returns to -5.11%. This was largely due to gains in Dangote Cement Plc (+4.03%) and Seplat Energy Plc (+1.45).

The NSE Industrial, Oil & Gas and Consumer Goods indices gained ca 2.02%, 0.73% and 0.73% respectively, while the Consumer Goods index closed flat day-on-day.

Wema Bank Plc led the volume chart with ca 36.07 million units while Zenith Bank Plc led the value chart with ca ₦429.49 million worth of trades.

| AIICO Money Market Fund (AMMF) | | | | | |
|---|-----------------------------------|---------|---------|----------|----------|
| Net Yield (As at current date) | 6.27% | | | | |
| Added Benefit | Personal accident insurance cover | | | | |
| AIICO Capital Guaranteed Income Note (GIN) Rates p.a. | | | | | |
| Amount (NGN) | 30 Days | 60 Days | 90 Days | 180 Days | 364 Days |
| 10,000,001 - 50,000,000 | 0.00 | 7.00 | 7.00 | 7.00 | 7.25 |
| 50,000,001 - 100,000,000 | 0.00 | 7.00 | 7.25 | 7.25 | 7.50 |
| 100,000,001 - 400,000,000 | 0.00 | 7.50 | 7.50 | 7.75 | 8.00 |

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|---------|----------|---------|----------|
| NGSEINDEX Index | ↑ 0.83% | ↑ 0.25% | ↑ 0.83% | ↑ 5.11% |
| NSE Banking Index | ↑ 0.73% | ↑ 1.64% | ↑ 0.73% | ↓ -6.92% |
| NSE Insurance Index | ↑ 1.30% | ↑ 1.21% | ↑ 1.30% | ↑ 5.15% |
| NSE Industrial Goods Index | ↑ 2.02% | ↓ -1.10% | ↑ 2.02% | ↓ -8.09% |
| NSE Consumer Goods Index | → 0.00% | ↑ 0.34% | → 0.00% | ↓ -0.31% |
| NSE Oil & Gas Index | ↑ 0.73% | ↑ 0.24% | ↑ 0.73% | ↑ 39.07% |

Top 5 Equity Advancers

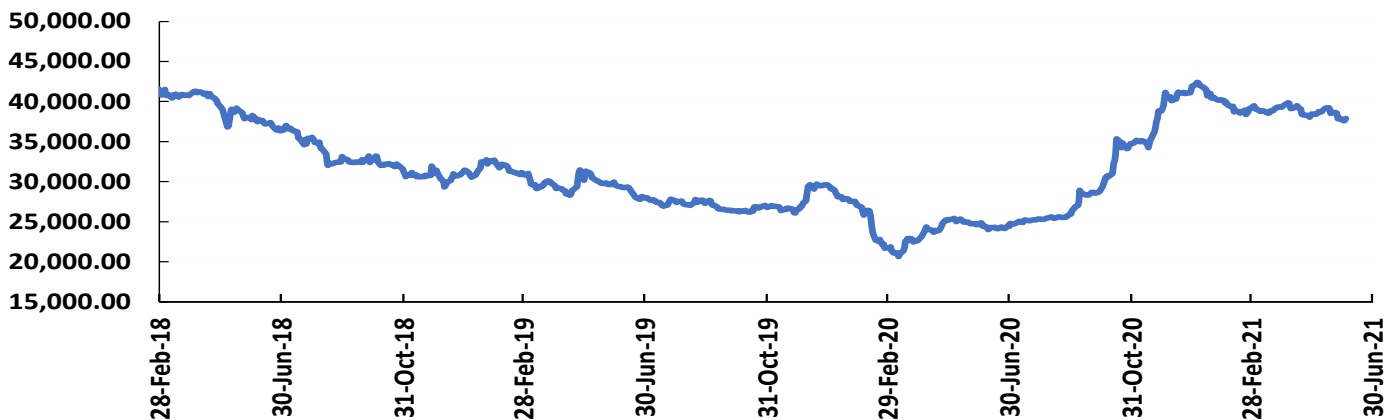
| Name (Symbol) | Closing Price | Gain(N) | % Change |
|---------------|---------------|---------|----------|
| NASCON | 15.75 | 1.40 | ↑ 9.76% |
| IKEJAHOTEL | 1.60 | 0.14 | ↑ 9.59% |
| BERGER | 9.20 | 0.80 | ↑ 9.52% |
| ACADEMY | 0.35 | 0.03 | ↑ 9.37% |
| TRIPPLEG | 0.84 | 0.07 | ↑ 9.09% |

Source: NGX, AIICO Capital

Top 5 Equity Decliners

| Name (Symbol) | Closing Price | Loss(N) | % Change |
|---------------|---------------|---------|----------|
| UPL | 1.52 | -0.15 | ↓ -8.98% |
| LINKASSURE | 0.85 | -0.07 | ↓ -7.61% |
| FCMB | 3.10 | -0.25 | ↓ -7.46% |
| LASACO | 1.48 | -0.10 | ↓ -6.33% |
| FTNCOCOA | 0.31 | -0.02 | ↓ -6.06% |

Source: NGX, AIICO Capital



Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction.

Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance.