

# Daily Financial Market Update

**AIICO CAPITAL**
[www.aiicocapital.com](http://www.aiicocapital.com)

f t in @ /aiicocapitalng

## FIXED INCOME MARKET

### Money Markets

System Liquidity improved significantly today, opening with a balance of ca ₦149.26 billion, higher than previous day's opening of ca ₦24.15 billion. Nevertheless, Open Buy Back (OBB) and Overnight (ON) rates trended higher to settle at 19.75% and 20.50% from 11.25% and 11.75% respectively, yesterday.

### Treasury Bills

Some demand was witnessed in the NTB market today, particularly on Jan'22, May'22 and Jun'22 at 7.00%, 8.60% and 8.70% respectively, as Investors traded cautiously ahead of next week's NTB auction. Overall, average yield fell by ca 2bps day-on-day. Conversely, activity in the OMO market was muted, with mild sell-offs seen at the long-end of the yield curve. Thus, average yield gained ca 1bps, day-on-day.

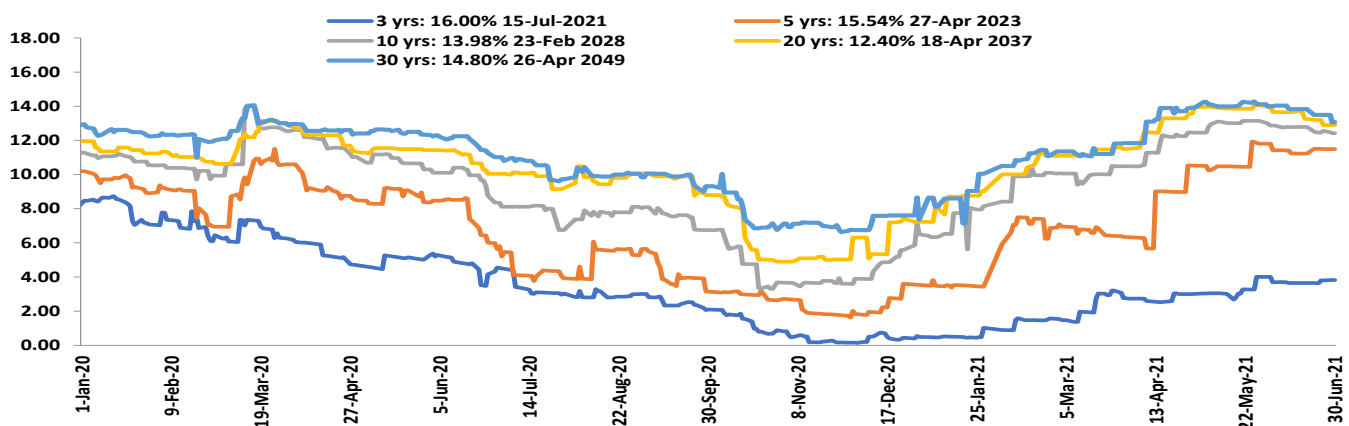
### Bonds

The FGN bonds secondary market traded on a subdued note closing the week. The 2035s and 2025s saw the most interest at c.12.85% and 13.08% levels respectively, however, the number of trades executed was sparse. Overall, the average yield remained stable day-on-day.

### Eurobonds

The Eurobonds secondary market closed the week with bullish sentiments, as demand was seen across the yield curve.

### Benchmark Bond Yields



## Macroeconomic Indicators

Indicators	
Inflation % (May 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	73.21 (-0.30% d/d)
External Reserve (US\$'billion)	33.12 (-6.36% 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			
	09-Jul-21	08-Jul-21	Change in Rates
83 days	4.95%	4.95%	→ 0.00%
139 days	5.79%	5.79%	→ 0.00%
335 days	8.58%	9.00%	↓ -0.42%

Source: FMDQ DQL for 09 July 2021

Benchmark FGN Bond Yields			
	09-Jul-21	08-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	10.90%	10.90%	→ 0.00%
10 yrs: 13.98% 23 Feb 2028	12.36%	12.30%	↑ 0.06%
20 yrs: 16.25% 18-Apr 2037	12.77%	12.77%	→ 0.00%
30 yrs: 14.80% 26-Apr 2049	13.00%	13.00%	→ 0.00%

Source: FMDQ DQL for 09 July 2021

Benchmark FGN Eurobond Yields			
	09-Jul-21	08-Jul-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	1.84%	1.88%	↓ -0.04%
5 yrs: NGERIA 6 3/8 07/12/23	2.84%	2.85%	↓ -0.01%
10 yrs: NGERIA 6 1/2 11/28/27	5.43%	5.48%	↓ -0.05%
20 yrs: NGERIA 7.696 02/23/38	7.46%	7.52%	↓ -0.06%
30 yrs: NGERIA 9.248 01/21/49	7.97%	8.04%	↓ -0.07%
7.125% ECOTRAN 16/02/26	6.96%	6.96%	→ 0.00%

Source: FMDQ DQL for 09 July 2021

## Equities Market Performance

Following sell-offs in Airtel Africa Plc (-9.99%), Access Bank Plc (-0.55%) and Zenith Bank Plc (-0.20), the Nigerian Equities Market closed trading in the red for the second consecutive day, with the NSE ASI losing ca -1.24% day-on-day to close at 37,994.19pts while market year-to-date loss expanded to -5.65%.

The NSE Industrial Goods index gained ca 13bps, the NSE Oil and Gas and Banking indices lost ca 0.18% and 0.13% respectively, while the NSE Consumer Goods index remained flat, day-on-day.

GTCO Nigeria Plc led both the volume and value charts with ca 30.97 million units traded ca ₦909.73 million.

AIICO Money Market Fund (AMMF)					
Net Yield (As at current date)	7.05%				
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

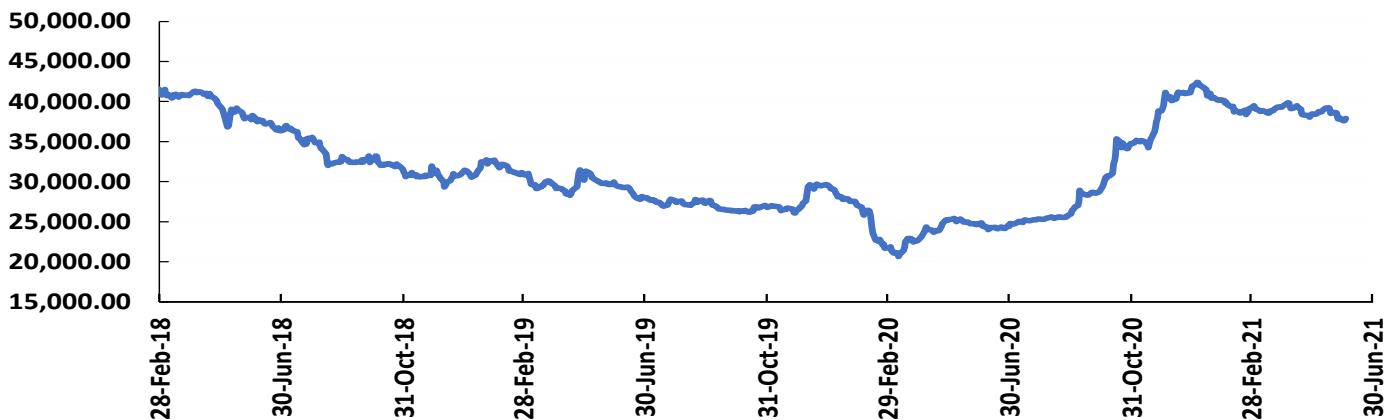
	D-o-D
NGSEINDEX Index	↓ -1.24%
NSE Banking Index	↓ -0.18%
NSE Industrial Goods Index	↑ 0.02%
NSE Consumer Goods Index	→ 0.00%
NSE Oil & Gas Index	↓ -0.13%

Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)	% Change	
FTNCOCOA	0.34	0.03	↑	9.68%
JOHNHOLT	0.73	0.06	↑	8.96%
UNITYBNK	0.59	0.04	↑	7.27%
NEIMETH	1.80	0.10	↑	5.88%
WAPIC	0.59	0.03	↑	5.36%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)	% Change	
AIRTELAFRI	601.00	-66.70	↓	-9.99%
NAHCO	2.34	-0.25	↓	-9.65%
NEM	2.00	-0.20	↓	-9.09%
REGALINS	0.45	-0.04	↓	-8.16%
REDSTAREX	3.11	-0.20	↓	-6.04%

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.