

Daily Financial Market Update

www.aiicocapital.com f t in @ /aiicocapitalng

AIICO CAPITAL

FIXED INCOME MARKET

Money Markets

Liquidity in the banking system slipped into a deficit to open at ca ₦24.99 billion, lower than the previous day's opening of ca ₦28.63 billion. As a result, Open Buy Back (OBB) and Overnight (ON) rates trended higher to close at 18.50% and 19.00% from 14.50% and 15.00% respectively, the previous day.

Treasury Bills

The Nigerian Treasury Bills (NTB) and Open Market Operations (OMO) secondary markets maintained a quiet stance today, as players stayed cautious ahead of tomorrow's NTB Primary Market Auction (PMA). Slight interest was seen on 14 Oct 2021, 9 June 2022 and 30 June 2022 NTBs, but trades executed were scanty due to wide bid/ask spreads. Consequently, average rates stayed flat across the NTB curve and the OMO curve, day-on-day.

Bonds

Mixed sentiments played out in the FGN bonds market today, with wide spreads witnessed on the mid to long end of the curve. Improved offers were seen predominantly on the 2028s, 2035s, 2036s and 2050s, though trades executed were very few. Overall, average yields rose by ca 11bps day-on-day.

Eurobonds

The Eurobonds space saw bullish sentiments today, with buying interests seen on some select maturities. Consequently, the average yield fell by ca 1bp, day-on-day.

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	75.42 (+0.37% d/d)
External Reserve (US\$billion)	33.09 (-6.45% 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			
	12-Jul-21	09-Jul-21	Change in Rates
79 days	4.95%	4.95%	→ 0.00%
135 days	5.79%	5.79%	→ 0.00%
352 days	8.65%	8.65%	→ 0.00%

Source: FMDQ DQL for 13 July 2021

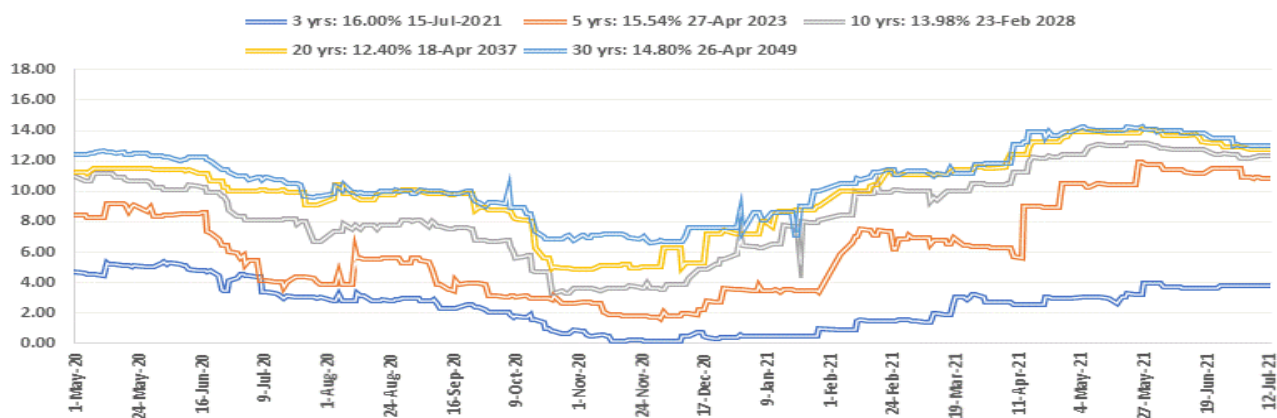
Benchmark FGN Bond Yields			
	12-Jul-21	09-Jul-21	Change in Yield
3 yrs: 14.50% 15-Jul-2021	3.82%	3.82%	→ 0.00%
5 yrs: 12.75% 27-Apr-2023	11.01%	10.65%	↑ 0.36%
10 yrs: 13.98% 23-Feb-2028	12.45%	12.45%	→ 0.00%
20 yrs: 16.25% 18-Apr-2037	13.12%	12.76%	↑ 0.36%
30 yrs: 14.80% 26-Apr-2049	13.25%	13.05%	↑ 0.20%
30 yrs: 12.98% 27-Mar-2050	13.25%	13.05%	↑ 0.20%

Source: FMDQ DQL for 13 July 2021

Benchmark FGN Eurobond Yields			
	12-Jul-21	09-Jul-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	1.86%	1.84%	↑ 0.02%
5 yrs: NGERIA 6 3/8 07/12/23	2.81%	2.82%	↓ -0.01%
10 yrs: NGERIA 6 1/2 11/28/27	5.38%	5.39%	↓ -0.01%
20 yrs: NGERIA 7.696 02/23/38	7.42%	7.43%	↓ -0.01%
30 yrs: NGERIA 9.248 01/21/49	7.95%	7.96%	↓ -0.01%
7.125% ECOTRAN 16/02/26	6.96%	6.96%	→ 0.00%

Source: FMDQ DQL for 13 July 2021

Benchmark Bond Yields



Equities Market Performance

The domestic bourse ended today's trading session with a flatline performance, as the Nigerian Stock Exchange All Share Index (NSE ASI) remained stable day-on-day to close at 37,857.24pts, bringing the market's year-to-date returns to -5.99%.

The NSE Banking and Consumer Goods indices gained ca 0.37% and 0.31% respectively, while the Oil & Gas index lost ca 0.04% day-on-day. The NSE Industrial Goods Index closed flat.

Wema Bank Plc led the volume chart with ca 37.20 million units while Guaranty Trust Holding Company Plc led the value chart with ca ₦823.20 million worth of trades.

AIICO Money Market Fund (AMMF)					
Net Yield (As at current date)	6.95%				
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	→ 0.00%
NSE Banking Index	↑ 0.37%
NSE Industrial Goods Index	→ 0.00%
NSE Consumer Goods Index	↑ 0.31%
NSE Oil & Gas Index	↓ -0.04%

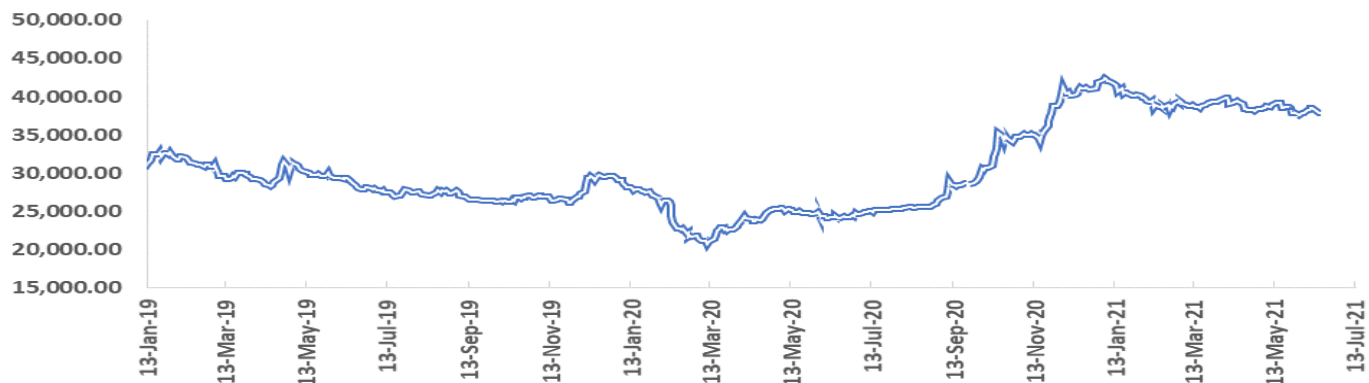
Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)	% Change	
NCR	2.73	0.24	↑	9.64%
WEMABANK	0.81	0.07	↑	9.46%
FTNCOCOA	0.39	0.03	↑	8.33%
NPFMCRFBK	1.71	0.11	↑	6.87%
LASACO	1.60	0.10	↑	6.67%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)	% Change	
IKEJAHOTEL	1.40	-0.14	↓	-9.09%
CUSTODIAN	6.10	-0.40	↓	-6.15%
JAPAUFGOLD	0.50	-0.03	↓	-5.66%
MBENEFIT	0.40	-0.02	↓	-4.76%
FBNH	7.20	-0.30	↓	-4.00%

Source: NGX, AIICO Capital

NSE All Share Index



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.