

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Liquidity in the banking system eased slightly today, opening with a balance of ca ₦137.27 billion, lower than the previous day's opening of ca ₦258.10 billion. Nevertheless, the Open Buy Back (OBB) and Overnight (ON) rates trended lower to settle at 8.33% and 8.50% from 10.00% and 10.00% respectively, the previous day.

Treasury Bills

The NTB secondary market closed the week on a bearish note, with sustained offers on the newly issued 1-year NTB paper at c. 6.50%-6.60% levels. Overall, average rates remained unchanged, with very few trades executed due to the scarce bids across the NTB curve. The OMO secondary market was very quiet, with little or no activity seen across the curve. Thus, average rate remained flat, day-on-day.

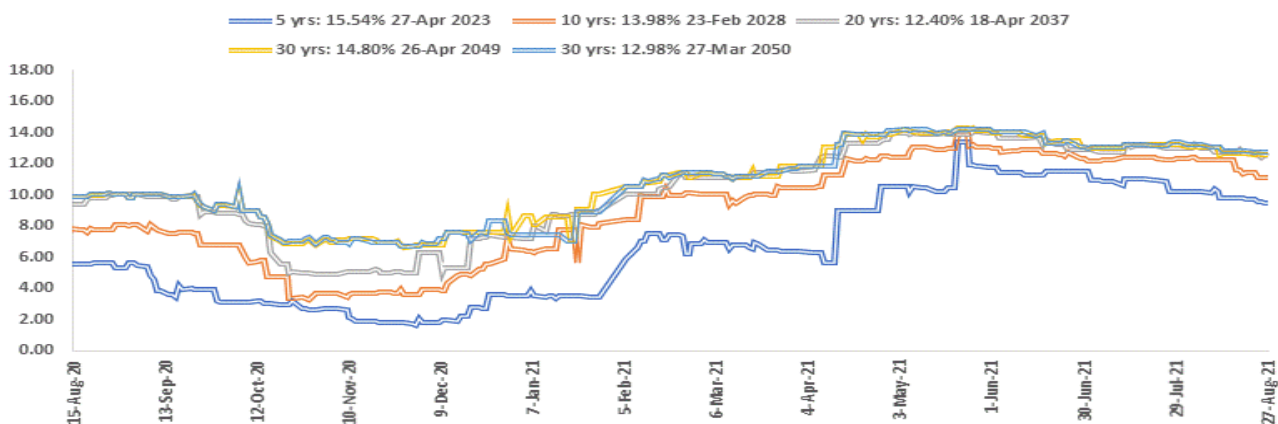
Bonds

The FGN bonds secondary market closed the week on a muted note. The 2035 and 2036 instruments witnessed mild interest at c.12.40% and 12.50% levels respectively, while offers were skewed to the 2050s at 12.75%. However, the number of trades executed was sparse causing the average yields to remain relatively flat across the curve.

Eurobonds

The Eurobonds secondary market closed the week with bullish sentiments, as demand was seen across the yield curve. Consequently, average yield reduced by ca 1bp, day-on-day.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (July 2021)	17.38 (+10.35 ytd)
PMI (December 2020)	49.60
MPR (%)	11.5 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	72.30 (+1.73% d/d)
External Reserve (US\$'billion)	33.57 (-5.09% ytd)
GDP % (Q2 2021)	+5.01% (Q4 2020: -1.92% y/y)

Source: NBS,CBN, AICO Capital

T-Bills and Bond Statistics

Benchmark T-Bills Discount Rates			
	27-Aug-21	26-Aug-21	Change in Rates
76 days	4.22%	4.22%	→ 0.00%
167 days	4.73%	4.73%	→ 0.00%
321 days	6.31%	6.31%	→ 0.00%

Source: FMDQ DQL for 27 August 2021

Benchmark FGN Bond Yields			
	27-Aug-21	26-Aug-21	Change in Yield
5 yrs: 12.75% 27-Apr-2023	9.44%	9.44%	→ 0.00%
10 yrs: 13.98% 23-Feb-2028	11.40%	11.40%	→ 0.00%
20 yrs: 16.25% 18-Apr-2037	12.47%	12.56%	↓ -0.09%
30 yrs: 14.80% 26-Apr-2049	12.70%	12.70%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	12.70%	12.70%	→ 0.00%

Source: FMDQ DQL for 27 August 2021

Benchmark FGN Eurobond Yields			
	27-Aug-21	26-Aug-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	1.87%	1.88%	↓ -0.01%
5 yrs: NGERIA 6 3/8 07/12/23	2.93%	2.94%	↓ -0.01%
10 yrs: NGERIA 6 1/2 11/28/27	5.58%	5.60%	↓ -0.02%
20 yrs: NGERIA 7.696 02/23/38	7.59%	7.60%	↓ -0.01%
30 yrs: NGERIA 9.248 01/21/49	8.05%	8.05%	→ 0.00%
7.125% ECOTRAN 16/02/26	7.09%	7.09%	→ 0.00%

Source: FMDQ DQL for 27 August 2021

Equities Market Performance

The Nigerian Equities Market closed the week on a positive note, with the Nigerian Stock Exchange All Share Index (NSE ASI) gaining 0.02% day-on-day, to close at 39,485.65pts, while market year-to-date loss trimmed to -1.95%. This was largely due to gains in Honeywell Flour mill Plc (+2.60%), Zenith Bank Plc (+0.41%), and MTN Nigeria Communications Plc (+0.29%).

The NSE Oil & Gas and Banking indices gained ca 0.31% and 0.29% while the NSE Consumer Goods index lost ca 0.25% day-on-day, respectively. The NSE Industrial Goods index closed flat.

Transnational Corporation of Nigeria Plc led the volume chart with ca 45.13 million units, while Guaranty Trust Holding Company Plc led the value chart with ca ₦614.25 million worth of trades.

AIICO Money Market Fund (AMMF)				
Net Yield (As at current date)	7.47%			
Added Benefit	Personal accident insurance cover			
AIICO Capital Guaranteed Income Note (GIN) Rates p.a.				
Amount (NGN)	60 Days	90 Days	180 Days	364 Days
10,000,001 - 50,000,000	7.00	7.00	7.25	7.50
50,000,001 - 100,000,000	7.25	7.50	7.75	8.00
100,000,001 - 400,000,000	7.75	8.00	8.25	8.50
>500,000,000	9.00	9.00	9.00	9.00

Index	D-o-D
NSE ASI	↑ 0.02%
NSE Banking Index	↑ 0.29%
NSE Industrial Goods Index	→ 0.00%
NSE Consumer Goods Index	↓ -0.25%
NSE Oil & Gas Index	↑ 0.31%

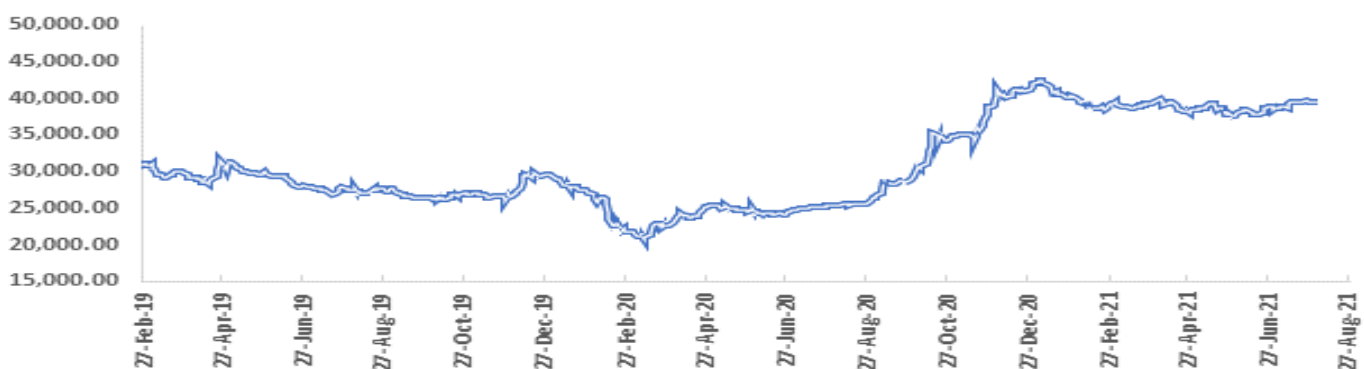
Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
MORISON	1.85	0.16	↑ 9.47%
FTNCOCOA	0.48	0.04	↑ 9.09%
SOVRENINS	0.25	0.02	↑ 8.70%
UPDC	1.83	0.14	↑ 8.28%
BOCGAS	11.80	0.70	↑ 6.31%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
UNILEVER	13.50	-1.50	↓ -10.00%
NASCON	14.15	-1.55	↓ -9.87%
VETGOODS	5.66	-0.35	↓ -5.82%
AIICO	0.98	-0.05	↓ -4.85%
VERITASKAP	0.23	-0.01	↓ -4.17%

Source: NGX, AIICO Capital

NSE All Share Index



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