

# Daily Financial Market Update

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## FIXED INCOME MARKET

### Money Markets

Open Buy Back (OBB) and Overnight (ON) rates trended lower to settle at 6.50% and 7.17% from 8.33% and 8.50% respectively on Friday, suggesting higher liquidity levels in the system today. The Central Bank of Nigeria (CBN) today, rolled over maturing special bills of ca ₦4.5 trillion for ca 35, 63 and 91 days respectively, with the longest tenor offered around 6.00% levels.

### Treasury Bills

The NTB secondary market saw a subdued trading session today, with offers seen on 25 August 2022 paper between 6.50% and 6.65% levels, bids however were around 6.75% levels. Overall, average rates remained unchanged due to weak traded volumes. The OMO secondary market was also very quiet, with little or no activity seen across the curve. Thus, average rate remained flat, day-on-day.

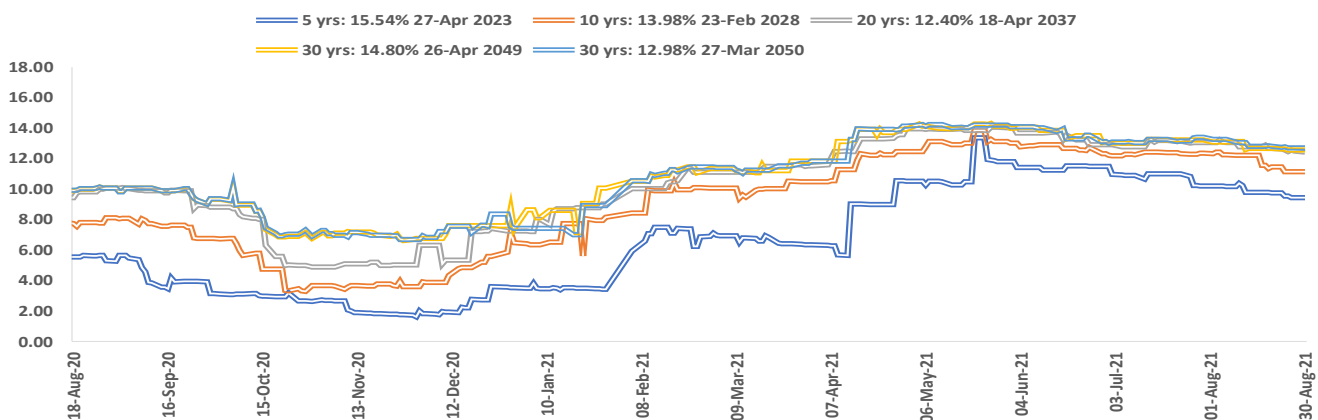
### Bonds

The FGN bonds secondary market opened the week on a muted note, albeit with a bullish undertone. Mild demand was seen on the 2028, 2035 and 2036 maturities at ca 11.30%, 12.30% and 12.40% levels respectively. Thus average yields declined 4bps day-on-day.

### Eurobonds

The Eurobonds secondary market was mixed today, as the nation's finance minister confirmed the FGN plans to issue the first tranche of the Eurobonds on 11 October 2021, with ca \$3 billion expected to be raised. Demand was seen at the short-end of the yield curve, while sell-offs were recorded at the mid to long end of the yield curve, thus, average yield declined ca 1bps, 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      | 72.98 (+0.33% 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 |           |           |                 |
|----------------------------------|-----------|-----------|-----------------|
|                                  | 30-Aug-21 | 27-Aug-21 | Change in Rates |
| 87 days                          | 3.27%     | 3.27%     | → 0.00%         |
| 178 days                         | 4.25%     | 4.97%     | ↓ -0.72%        |
| 318 days                         | 6.31%     | 6.31%     | → 0.00%         |

Source: FMDQ DQL for 30 August 2021

| Benchmark FGN Bond Yields  |           |           |                 |
|----------------------------|-----------|-----------|-----------------|
|                            | 30-Aug-21 | 27-Aug-21 | Change in Yield |
| 5 yrs: 12.75% 27-Apr-2023  | 9.42%     | 9.44%     | ↓ -0.02%        |
| 10 yrs: 13.98% 23-Feb-2028 | 11.40%    | 11.40%    | → 0.00%         |
| 20 yrs: 16.25% 18-Apr-2037 | 12.40%    | 12.47%    | ↓ -0.07%        |
| 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 30 August 2021

| Benchmark FGN Eurobond Yields |           |           |                 |
|-------------------------------|-----------|-----------|-----------------|
|                               | 30-Aug-21 | 27-Aug-21 | Change in Yield |
| 3 yrs: NGERIA 6 3/4 01/28/21  | 1.94%     | 1.87%     | ↑ 0.07%         |
| 5 yrs: NGERIA 6 3/8 07/12/23  | 3.02%     | 2.93%     | ↑ 0.09%         |
| 10 yrs: NGERIA 6 1/2 11/28/27 | 5.55%     | 5.58%     | ↓ -0.03%        |
| 20 yrs: NGERIA 7.696 02/23/38 | 7.53%     | 7.59%     | ↓ -0.06%        |
| 30 yrs: NGERIA 9.248 01/21/49 | 8.00%     | 8.05%     | ↓ -0.05%        |
| 7.125% ECOTRAN 16/02/26       | 7.09%     | 7.09%     | → 0.00%         |

Source: FMDQ DQL for 30 August 2021

## Equities Market Performance

The Nigerian Equities Market opened the week on a negative note, with the Nigerian Stock Exchange All Share Index (NSE ASI) losing 0.40% day-on-day, to close at 39,326.67pts, while market year-to-date loss expanded to -2.34%. This was largely due to losses in Oando Plc (-5.00%), Zenith Bank Plc (-0.61%), and GTCO Nigeria Plc (-0.18%).

The NSE Consumer goods index gained ca 1.17% while the NSE Industrial Goods, Oil and Gas and Banking indices lost ca 1.43%, 1.15% and 0.15% respectively, day-on-day.

Transnational Corporation of Nigeria Plc led the volume chart with ca 51.69 million units, while Zenith Bank Plc led the value chart with ca ₦220.26 million worth of trades.

| AIICO Money Market Fund (AMMF)                        |                                   |         |          |          |
|---|-----------------------------------|---------|----------|----------|
| Net Yield (As at current date)                        | 5.69%                             |         |          |          |
| 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%  |

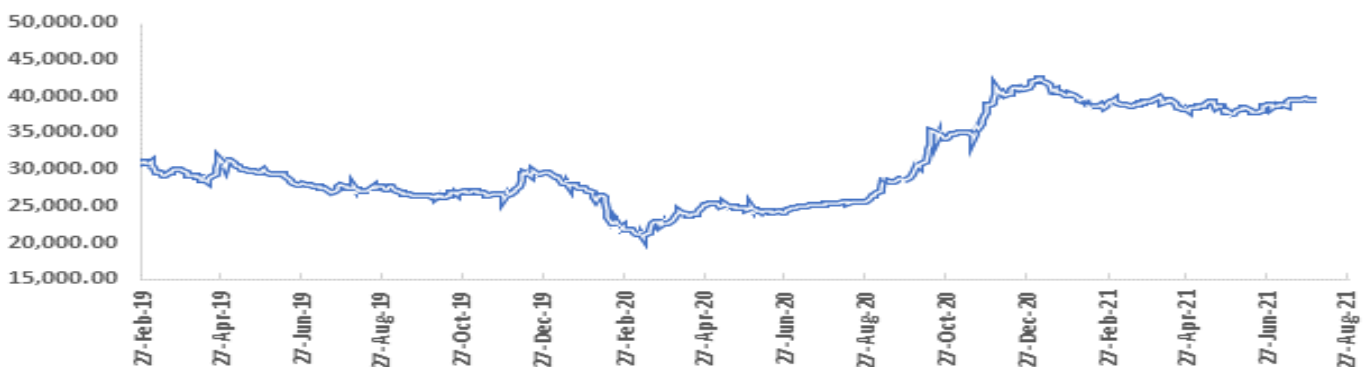
| Top 5 Equity Advancers |               |         |          |
|------------------------|---------------|---------|----------|
| Name (Symbol)          | Closing Price | Gain(N) | % Change |
| HONYFLOUR              | 3.90          | 0.35    | ↑ 9.86%  |
| UPDC                   | 2.01          | 0.18    | ↑ 9.84%  |
| ABCTrans               | 0.36          | 0.03    | ↑ 9.09%  |
| PRESCO                 | 79.50         | 6.50    | ↑ 8.90%  |
| FTNCOCOA               | 0.52          | 0.04    | ↑ 8.33%  |

Source: NGX, AIICO Capital

| Top 5 Equity Decliners |               |         |          |
|------------------------|---------------|---------|----------|
| Name (Symbol)          | Closing Price | Loss(N) | % Change |
| CHAMPION               | 2.03          | -0.17   | ↓ -7.73% |
| ETERNA                 | 6.96          | -0.54   | ↓ -7.20% |
| LINKASSURE             | 0.58          | -0.04   | ↓ -6.45% |
| OANDO                  | 4.56          | -0.24   | ↓ -5.00% |
| CAVERTON               | 1.76          | -0.09   | ↓ -4.86% |

Source: NGX, AIICO Capital

## NSE All Share Index



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