

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiiocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened with a credit balance of ca ₦101.54 billion, higher than yesterday's opening balance of ca ₦80.66 billion. However, the Open Buy Back (OBB) and Overnight (ON) rates trended higher to settle at 7.50% and 7.75% from 6.17% and 6.83% respectively, the previous day.

Treasury Bills

The NTB secondary market sustained a bullish theme, with demand seen on maturities at the long end of the NTB curve, particularly for the July to September NTB papers at ca 6.90% and 7.10% while few offers were observed at around <6.80% levels. Overall, average rates fell ca 5bps day-on-day to 4.93%.

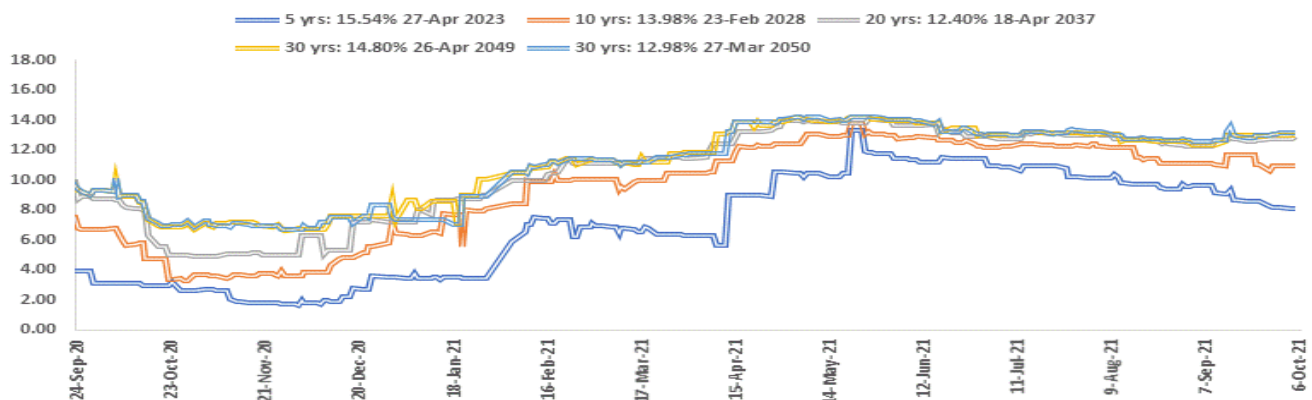
Bonds

Bullish sentiments dominated the FGN Bonds secondary market, following the release of DMO's Q4 borrowing calendar, where the 2028s and 2036s were swapped with 2026s and 2037s. Intense buying pressure was observed on the 2036s, as it slipped from 12.85% to 12.72%. Overall, average yields fell c.6bps day-on-day to 11.59%, with major trading activities skewed to the 2035s, 2036s, 2049s, and 2050s, respectively.

Eurobonds

The Eurobonds space sustained its bearish stance today, with improved offers seen across the Nigerian sovereign papers. Overall, the average yield rose by ca 12bps to 6.50%, day-on-day.

Benchmark Bond Yields



Macroeconomic Indicators

| Indicators | |
|---------------------------------|---------------------------------|
| Inflation % (August 2021) | 17.01 (+8.00 ytd) |
| PMI (December 2020) | 49.60 |
| MPR (%) | 11.5 (-7%/+1% around mid-point) |
| CRR (%) | 27.5 |
| Brent Crude Price US\$/bbl | 80.99 (-1.90% d/d) |
| External Reserve (US\$ billion) | 37.57 (+6.22% 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 | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 06-Oct-21 | 05-Oct-21 | Change in Rates |
| 36 days | 3.20% | 3.20% | ↔ 0.00% |
| 155 days | 4.04% | 4.04% | ↔ 0.00% |
| 337 days | 7.00% | 7.00% | ↔ 0.00% |

Source: FMDQ DQL for 06 October 2021

| Benchmark FGN Bond Yields | | | |
|----------------------------|-----------|-----------|-----------------|
| | 06-Oct-21 | 05-Oct-21 | Change in Yield |
| 5 yrs: 12.75% 27-Apr-2023 | 8.53% | 8.12% | ↑ 0.41% |
| 10 yrs: 13.98% 23-Feb-2028 | 11.54% | 11.55% | ↓ -0.01% |
| 20 yrs: 16.25% 18-Apr-2037 | 12.96% | 12.96% | ↔ 0.00% |
| 30 yrs: 14.80% 26-Apr-2049 | 13.13% | 13.20% | ↓ -0.07% |
| 30 yrs: 12.98% 27-Mar-2050 | 13.13% | 13.20% | ↓ -0.07% |

Source: FMDQ DQL for 06 October 2021

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 06-Oct-21 | 05-Oct-21 | Change in Yield |
| 3 yrs: NGERIA 6 3/4 01/28/21 | 2.93% | 2.70% | ↑ 0.23% |
| 5 yrs: NGERIA 6 3/8 07/12/23 | 3.62% | 3.48% | ↑ 0.14% |
| 10 yrs: NGERIA 6 1/2 11/28/27 | 6.11% | 6.00% | ↑ 0.11% |
| 20 yrs: NGERIA 7.696 02/23/38 | 8.11% | 8.00% | ↑ 0.11% |
| 30 yrs: NGERIA 9.248 01/21/49 | 8.67% | 8.58% | ↑ 0.09% |
| 7.125% ECOTRAN 16/02/26 | 7.16% | 7.19% | ↓ -0.03% |

Source: FMDQ DQL for 06 October 2021

Aim higher. Reach further ▶

AIICO CAPITAL

Equities

Performance in the domestic equities market sustained a positive trajectory, as the Nigerian Stock Exchange All Share Index (NSE ASI) gained 0.12% day-on-day, to close at 40,765.20pts, while market year-to-date gain extended to +1.23%. Buying interest was driven for stocks such as FBN Holdings Plc (+7.78%), N NIG. Flour Mills Plc (+6.49%) and Zenith Bank Plc (+0.63%), respectively at today's trading session.

The NSE Banking and Industrial Goods indices gained ca 0.06% and 0.05%, while the NSE Consumer Goods and Oil & Gas indices lost ca 0.15% and 0.04% day-on-day, respectively.

FBN Holdings Plc led both the volume and value charts with ca 108.74 million units traded at ca ₦1.07 billion.

| AIICO Money Market Fund (AMMF) | | | | | |
|---|-----------------------------------|---------|----------|----------|--|
| Net Yield (As at current date) | 10.13% | | | | |
| 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 | ↑ 0.12% |
| NSE Banking Index | ↑ 0.06% |
| NSE Industrial Goods Index | ↑ 0.05% |
| NSE Consumer Goods Index | ↓ -0.15% |
| NSE Oil & Gas Index | ↓ -0.04% |

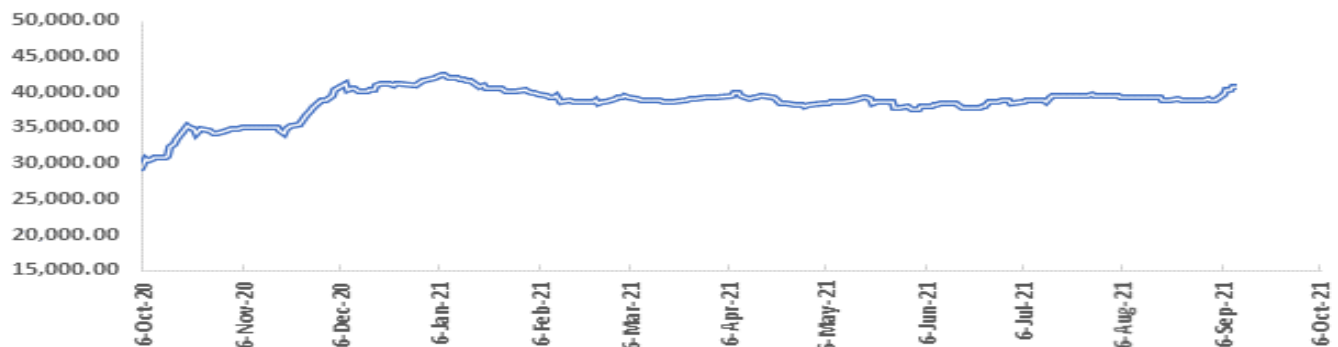
| Top 5 Equity Advancers | | | | |
|------------------------|---------------|---------|----------|-------|
| Name (Symbol) | Closing Price | Gain(N) | % Change | |
| FBNH | 9.70 | 0.70 | ↑ | 7.78% |
| UPL | 1.31 | 0.09 | ↑ | 7.38% |
| NNFM | 8.20 | 0.50 | ↑ | 6.49% |
| LIVESTOCK | 2.35 | 0.12 | ↑ | 5.38% |
| UNIVINSURE | 0.21 | 0.01 | ↑ | 5.00% |

Source: NGX, AIICO Capital

| Top 5 Equity Decliners | | | | |
|------------------------|---------------|---------|----------|--------|
| Name (Symbol) | Closing Price | Loss(N) | % Change | |
| PHARMDEKO | 2.66 | -0.17 | ↓ | -6.01% |
| ABCTRANS | 0.33 | -0.02 | ↓ | -5.71% |
| REGALINS | 0.39 | -0.02 | ↓ | -4.88% |
| CHAMS | 0.21 | -0.01 | ↓ | -4.55% |
| SOVRENINS | 0.23 | -0.01 | ↓ | -4.17% |

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.