

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity slightly improved today, albeit still in a deficit at ca ₦243.37 billion, lower than Friday's negative balance of ca ₦281.85 billion. Thus, the Open Buy Back (OBB) and Overnight (ON) trended lower to settle at 15.50% and 16.00% from 19.00% and 19.25%, respectively on Friday. We expect liquidity levels to ease further with expected inflows from coupon payments this week.

Treasury Bills

The NTB secondary market started the week with a bullish momentum. A handful of trades were executed, as local investors continue to seek NTB papers with attractive rates, particularly at the mid-long end of the NTB curve at ca 4.20% and 6.20% levels respectively, while offers were also observed at the short end of the curve at 4.00% levels. Overall, the average rate dipped ca 5bps, day-on-day to settle at 5.33%.

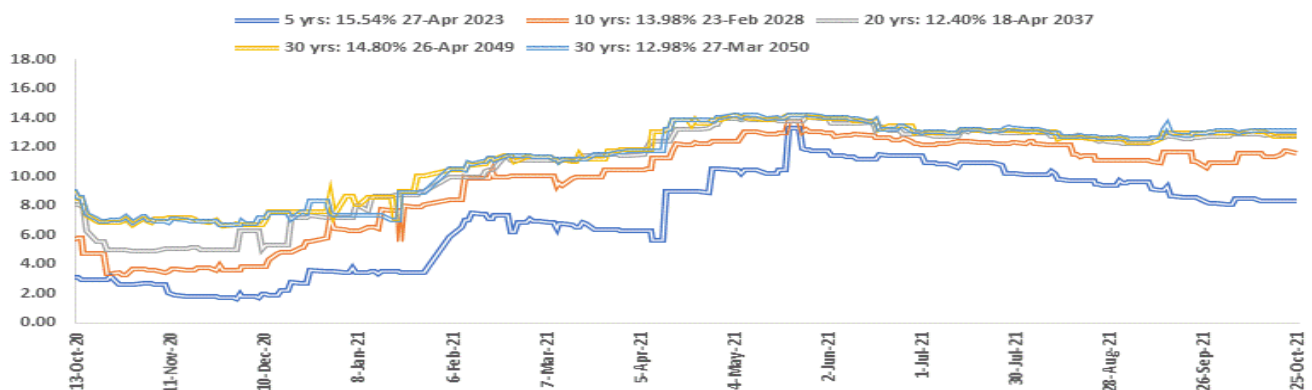
Bonds

The FGN bonds secondary market traded on a quiet note in today's session, albeit with notable demand seen for the 2026s, 2049s, and 2050s across the curve, as market players anticipate inflows from coupon payments to spur trading activities. However, very few trades were executed due to wide offers. Overall, the average yield remained stable, day-on-day to 11.71%.

Eurobonds

The Eurobonds space was dominated with mixed sentiments, albeit with a bearish undertone. Overall, the average yield rose ca 1bp, day-on-day at 6.54%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (September 2021)	16.63 (+5.59 ytd)
PMI (December 2020)	49.60
MPR (%)	11.5 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	86.28 (+0.87% d/d)
External Reserve (US\$ billion)	40.96 (+15.80% ytd)
GDP % (Q2 2021)	+5.01% (Q4 2020: -1.92% y/y)

Source: NBS, CBN, AIICO Capital

T-Bills and Bond Statistics

Benchmark T-Bills Discount Rates			
	25-Oct-21	22-Oct-21	Change in Rates
80 days	3.73%	3.73%	→ 0.00%
136 days	4.43%	4.43%	→ 0.00%
353 days	6.70%	6.70%	→ 0.00%

Source: FMDQ DQL for 25 October 2021

Benchmark FGN Bond Yields			
	25-Oct-21	22-Oct-21	Change in Yield
5 yrs: 12.75% 27-Apr-2023	8.33%	8.35%	↓ -0.02%
10 yrs: 13.98% 23-Feb-2028	11.71%	11.71%	→ 0.00%
20 yrs: 16.25% 18-Apr-2037	12.82%	12.89%	↓ -0.07%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.16%	13.16%	→ 0.00%

Source: FMDQ DQL for 25 October 2021

Benchmark FGN Eurobond Yields			
	25-Oct-21	22-Oct-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	3.17%	3.17%	→ 0.00%
5 yrs: NGERIA 6 3/8 07/12/23	3.82%	3.81%	↑ 0.01%
10 yrs: NGERIA 6 1/2 11/28/27	6.06%	6.03%	↑ 0.03%
20 yrs: NGERIA 7.696 02/23/38	8.16%	8.11%	↑ 0.05%
30 yrs: NGERIA 9.248 01/21/49	8.68%	8.62%	↑ 0.06%
7.125% ECOTRAN 16/02/26	7.26%	7.26%	→ 0.00%

Source: FMDQ DQL for 25 October 2021

Equities

The domestic bourse started the week with a positive performance, sustaining its trend from the previous week. The Nigerian Stock Exchange All Share Index (NGX ASI) gained 0.12% day-on-day to close at 41,814.74pts, while the year-to-date returns extended to +3.83%. Trading performances remain elevated as investors maintain buying interest in bellwethers such as First Bank of Nigeria Holdings Plc (+2.45%), Airtel Africa Plc (+1.30%), and Guaranty Trust Holding Company Plc (+0.35%).

The NSE Consumer Goods and Oil & Gas indices gained ca 0.43% and 0.40%, while the NSE Banking and Industrial Goods indices lost ca 0.19% and 0.06% day-on-day, respectively.

First Bank of Nigeria Holdings Plc led both the volume and value charts with ca 350.54 million units traded at ca ₦4.35 billion.

AIICO Money Market Fund (AMMF)					
Net Yield (As at current date)		9.93%			
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	↓ -0.19%
NSE Industrial Goods Index	↓ -0.06%
NSE Consumer Goods Index	↑ 0.43%
NSE Oil & Gas Index	↑ 0.40%

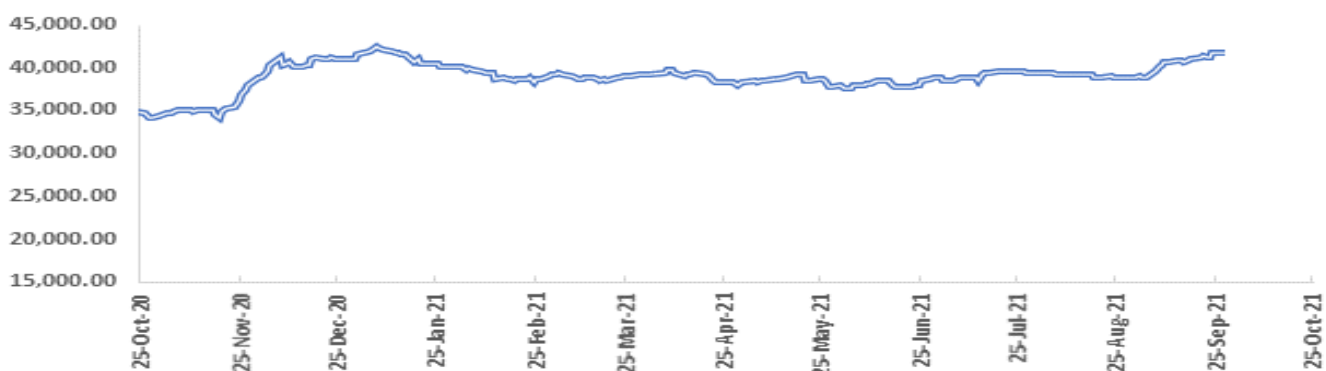
Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)	% Change	
PZ	6.45	0.55	↑	9.32%
MBENEFIT	0.30	0.02	↑	7.14%
UNILEVER	15.50	1.00	↑	6.90%
MANSARD	2.46	0.15	↑	6.49%
CUTIX	6.40	0.35	↑	5.79%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)	% Change	
ABBEYBDS	0.86	-0.09	↓	-9.47%
PRESTIGE	0.43	-0.04	↓	-8.51%
REGALINS	0.38	-0.03	↓	-7.32%
CILEASING	4.40	-0.30	↓	-6.38%
NGXGROUP	20.60	-1.40	↓	-6.36%

Source: NGX, AIICO Capital

NSE All Share Index



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