

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com


/aioicapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened the week with a credit balance of ca ₦120.38 billion, albeit lower than Friday's opening balance of ca ₦192.51 billion. However, with no significant funding activity, the Open Buy Back (OBB) and Overnight (ON) rates trended lower to settle at 13.50% and 14.00% from 17.50% and 17.75%, respectively on Friday.

Treasury Bills

The NTB secondary market started the week on a quiet note, as market players stayed on the sidelines ahead of the penultimate NTB auction for the year. However, there were few offers on the CBN special bills and the November 2022 NTB papers at ca 5.10% and 5.00%, respectively. Overall, the average rate remained stable, day-on-day at 4.34%.

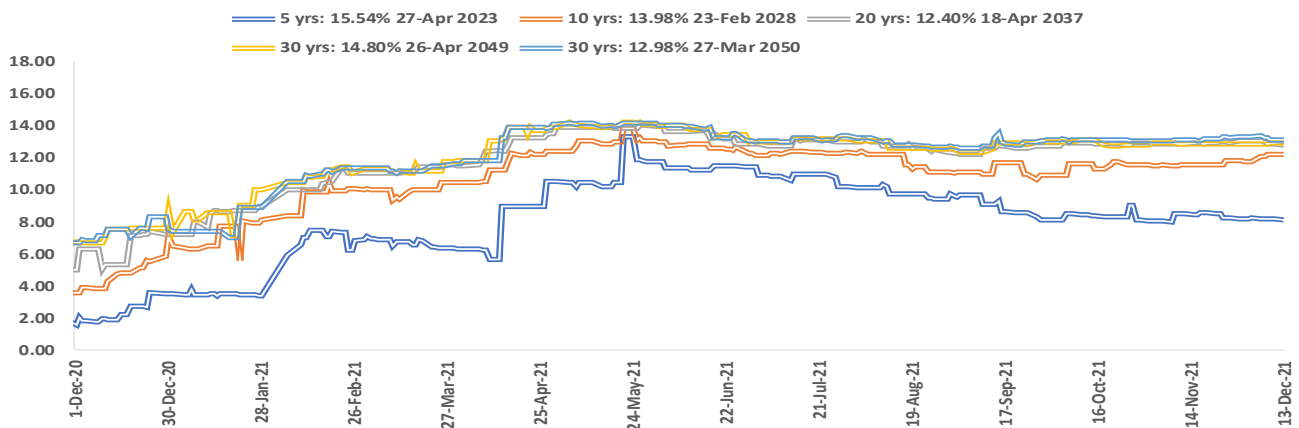
Bonds

The FGN bonds secondary market witnessed subdued activity, with trickles of trade executed across the curve. Trading interest was skewed towards the 2037s and 2050s, with traction observed on the latter at ca 13.25% levels. Overall, the average yield dipped ca 2bps day-on-day at 11.91%.

Eurobonds

Mixed trading sentiments were observed in the Eurobonds space, with only a handful of trade executed across the sovereign curve. Overall, the average yield remained flat day-on-day at 7.20%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (October 2021)	15.99 (+1.52 ytd)
PMI (December 2020)	49.60
MPR (%)	11.5 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	74.74 (-0.55% d/d)
External Reserve (US\$ billion)	40.90 (+15.63% ytd)
GDP (Q3 2021)	+4.03% (Q4 2020: -1.92% y/y)

Source: NBS, CBN, AICO Capital

T-Bills and Bond Statistics

Benchmark T-Bills Discount Rates	13-Dec-21	10-Dec-21	Change in Rates
87 days	2.98%	2.98%	→ 0.00%
178 days	3.67%	3.67%	→ 0.00%
346 days	5.35%	5.35%	→ 0.00%

Source: FMDQ DQL for 13 December 2021

Benchmark FGN Bond Yields	13-Dec-21	10-Dec-21	Change in Yield
5 yrs: 12.75% 27-Apr-2023	8.18%	8.20%	↓ -0.02%
10 yrs: 13.98% 23-Feb-2028	12.44%	12.44%	→ 0.00%
20 yrs: 16.25% 18-Apr-2037	12.85%	12.86%	↓ -0.01%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.17%	13.17%	→ 0.00%

Source: FMDQ DQL for 13 December 2021

Benchmark FGN Eurobond Yields	13-Dec-21	10-Dec-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	3.56%	3.52%	↑ 0.04%
5 yrs: NGERIA 6 3/8 07/12/23	4.36%	4.38%	↓ -0.02%
10 yrs: NGERIA 6 1/2 11/28/27	6.61%	6.62%	↓ -0.01%
20 yrs: NGERIA 7.696 02/23/38	8.52%	8.51%	↑ 0.01%
30 yrs: NGERIA 9.248 01/21/49	9.06%	9.05%	↑ 0.01%
7.125% ECOTRAN 16/02/26	7.23%	7.23%	→ 0.00%

Source: FMDQ DQL for 13 December 2021

Aim higher. Reach further ▶

AIICO CAPITAL

Equities

The domestic bourse ended trading activities on a positive note, with the market's year-to-date returns positioned at ca 5.32%. The Nigerian Stock Exchange All Share Index (NGX ASI) gained 1.26% day-on-day, to close at 42,411.12pts, with buying interests observed on bellwethers like MTN Nigeria Communications Plc (+7.05%) and Dangote Cement Plc (+1.19%).

The NSE Industrial Index gained ca 0.66%, while the NSE Oil & Gas, Banking, and Consumer Goods indices lost ca 0.86%, 0.47% and 0.05% day-on-day, respectively.

Unity Bank Plc led the volume chart with ca 48.32 million units while Nestle Nigeria Plc led the value charts with ca ₦846.76 million worth of trades.

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	↑ 1.26%
NSE Banking Index	↓ -0.47%
NSE Industrial Goods Index	↑ 0.66%
NSE Consumer Goods Index	↓ -0.05%
NSE Oil & Gas Index	↓ -0.86%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
MEYER	0.36	0.03	↑ 9.09%
ACADEMY	0.51	0.04	↑ 8.51%
FTNCOCOA	0.4	0.03	↑ 8.11%
GLAXOSMITH	6.05	0.4	↑ 7.08%
MTNN	186.8	12.3	↑ 7.05%

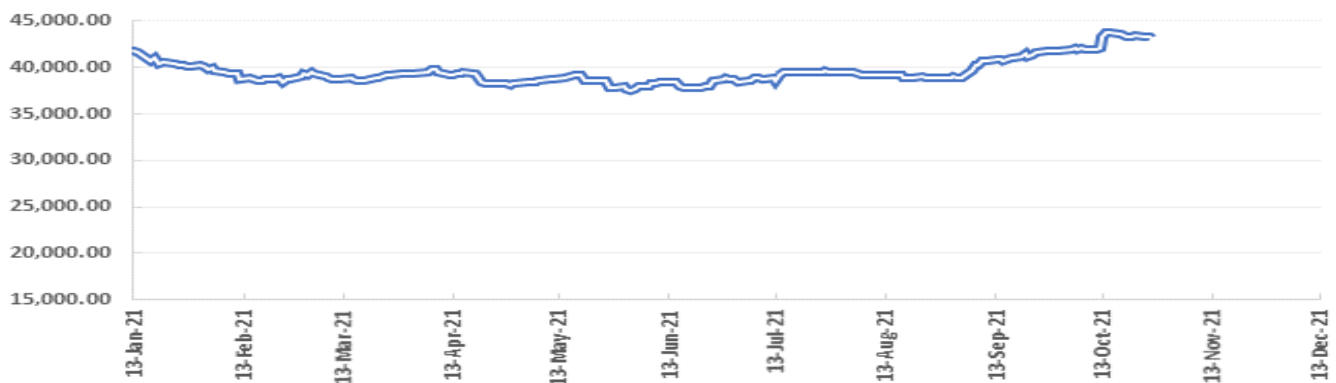
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NASCON	13.05	-0.95	↓ -6.79%
CORNERST	0.47	-0.03	↓ -6.00%
WAPIC	0.48	-0.03	↓ -5.88%
OANDO	4.72	-0.21	↓ -4.26%
CHAMPION	2.6	-0.11	↓ -4.06%

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.