

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiiocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved to open with a credit balance of ca ₦16.06 billion, higher than yesterday's deficit balance of ca -₦2.23 billion. Thus, the Overnight Policy Rate (OPR) remained unchanged at 10.00% while the Overnight (ON) rates trended lower to settle at 10.50% from 11.25%, the previous day.

Treasury Bills

The NTB secondary market ended the week with tepid activity seen across the curve. There was notable interest on the CBN Special bills – February to May 2022 papers, but trades executed remained few and far between. Overall, the average rate stayed relatively flat, day-on-day, at 4.33%.

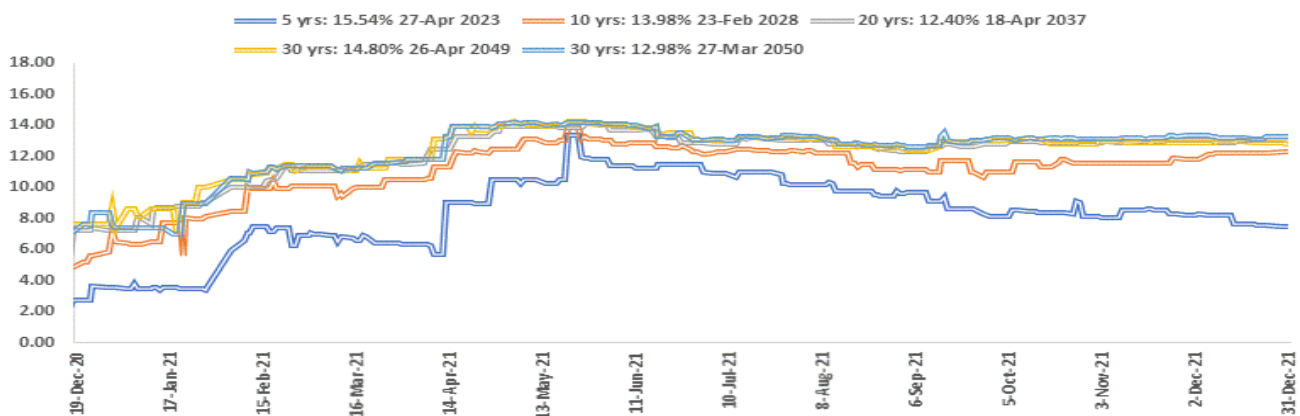
Bonds

The FGN secondary market was relatively calm, with only a handful of trades executed across board. Trading interest was skewed towards the 2024s, 2037s, and 2050s, respectively. Overall, the average yield dipped by ca 2bps, day-on-day, to 11.86%.

Eurobonds

The Eurobonds space sustained bullish sentiments at the close of the week, albeit with minimal activities observed across board. Overall, the average yield dipped by ca 1bp, day-on-day to 7.20%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (November 2021)	15.40 (-2.22 ytd)
PMI (December 2020)	49.60
MPR (%)	11.5 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	78.66 (-1.07% d/d)
External Reserve (US\$'billion)	40.53 (+14.59% 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			
	31-Dec-21	30-Dec-21	Change in Rates
90 days	3.78%	3.78%	→ 0.00%
160 days	3.67%	3.67%	→ 0.00%
328 days	5.00%	5.00%	→ 0.00%

Source: FMDQ DQL for 31 December 2021

Benchmark FGN Bond Yields			
	31-Dec-21	30-Dec-21	Change in Yield
5 yrs: 12.75% 27-Apr-2023	3.89%	3.89%	→ 0.00%
10 yrs: 13.98% 23-Feb-2028	12.43%	7.50%	↑ 4.93%
20 yrs: 16.25% 18-Apr-2037	13.00%	12.28%	↑ 0.72%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.28%	13.28%	→ 0.00%

Source: FMDQ DQL for 31 December 2021

Benchmark FGN Eurobond Yields			
	31-Dec-21	30-Dec-21	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	3.39%	3.38%	↑ 0.01%
5 yrs: NGERIA 6 3/8 07/12/23	4.25%	4.26%	↓ -0.01%
10 yrs: NGERIA 6 1/2 11/28/27	6.57%	6.60%	↓ -0.03%
20 yrs: NGERIA 7.696 02/23/38	8.59%	8.59%	→ 0.00%
30 yrs: NGERIA 9.248 01/21/49	9.10%	9.10%	→ 0.00%
7.125% ECOTRAN 16/02/26	7.26%	7.26%	→ 0.00%

Source: FMDQ DQL for 31 December 2021

Aim higher. Reach further ▶

AIICO CAPITAL

Equities

The domestic bourse ended this year's trading activities with a positive performance. Despite the relatively brief session, the Nigerian Stock Exchange All Share Index (NGX ASI) gained 2.16% day-on-day to close at 42,716.44pts, while year-to-date returns extended to +6.07%. This performance was attributed to buy interest in bellwethers like Nestle Nigeria Plc (+10.00%), MTN Nigeria Communications Plc (+8.24%), and Access Bank Plc (+2.20%), respectively.

The NSE Consumer Goods, Banking, Oil & Gas, Industrial Goods Indices gained ca 6.69%, 0.66%, 0.21% and 0.07% day-on-day, respectively.

First Bank of Nigeria Holdings Plc led the volume chart with ca 77.93 million units while Nestle Nigeria Plc topped the value charts with ca ₦4.81 billion worth of trades.

AIICO Money Market Fund (AMMF)					
Net Yield (As at current date)	10.18%				
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	↑ 2.16%
NSE Banking Index	↑ 0.66%
NSE Industrial Goods Index	↑ 0.07%
NSE Consumer Goods Index	↑ 6.69%
NSE Oil & Gas Index	↑ 0.21%

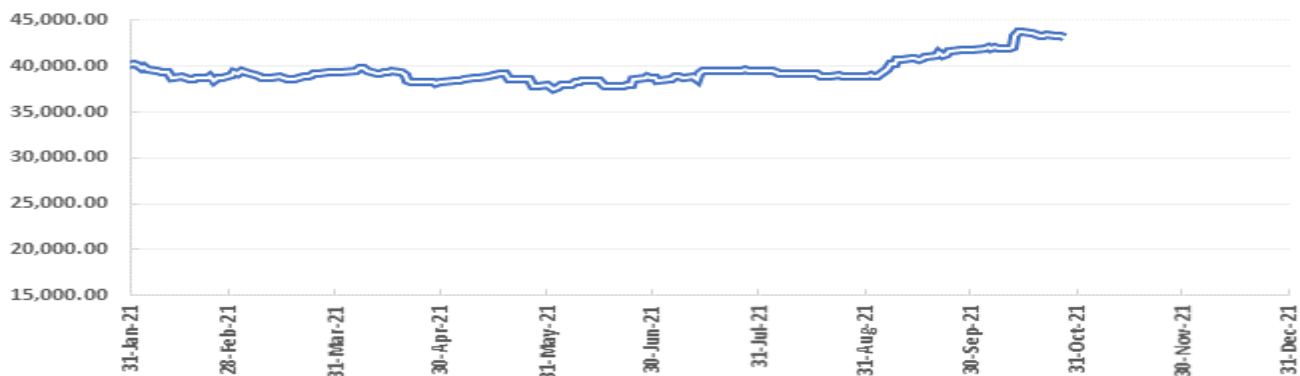
Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)	% Change	
NESTLE	1556.50	141.50	↑ 10.00%	
ROYALEX	0.88	0.08	↑ 10.00%	
UPDCREIT	4.45	0.40	↑ 9.88%	
SKYAVN	5.30	0.42	↑ 8.61%	
REGALINS	0.51	0.04	↑ 8.51%	

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)	% Change	
NEM	4.50	-0.50	↓ -10.00%	
WEMABANK	0.72	-0.07	↓ -8.86%	
JAIZBANK	0.56	-0.03	↓ -5.08%	
CHAMPION	2.35	-0.10	↓ -4.08%	
TRANSCORP	0.96	-0.03	↓ -3.03%	

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.