

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiiocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved today, opening with a credit balance of ca ₦274.55 billion, an increase from yesterday's balance of ca ₦252.22 billion. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended lower to settle at 4.50% and 5.25% from 6.67% and 7.50% respectively.

Treasury Bills

The NTB secondary market traded on a bullish note today, with major demand seen on the CBN's special bills, notably the February to May 2022 papers at 5.60% levels. The NTBs papers gathered little to no interest from investors despite the upcoming auction slated for next week. Overall, the average rates dipped ca 7bps, day-on-day, at 4.40%.

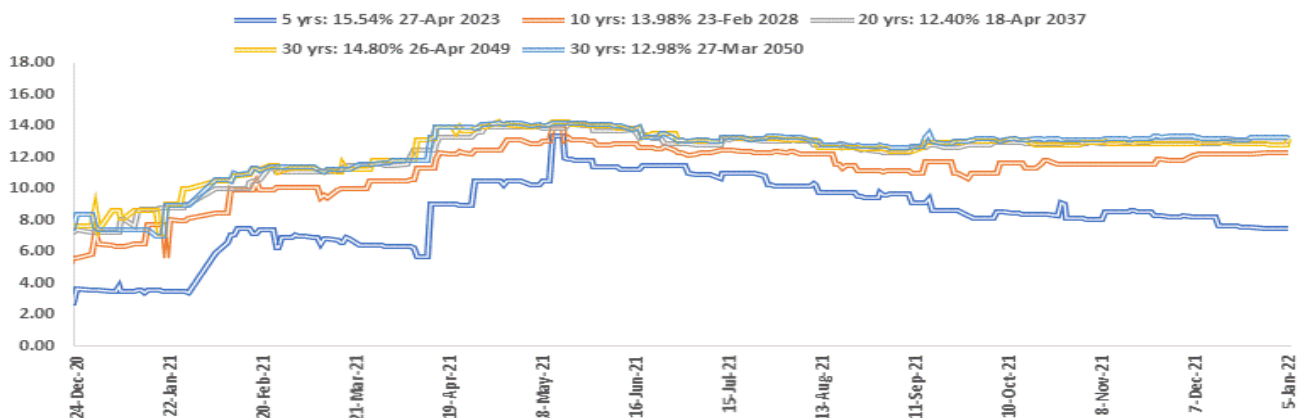
Bonds

Bullish sentiments dominated the FGN secondary market today, with buy interest seen on the long-dated maturities – 2036s, 2037s, and 2050s. The 2050 maturity witnessed the most traction, losing ca 5bps to settle at 13.17% at the close of today's trading session. Overall, the average yield dipped ca 6bps, day-on-day, at 11.89%.

Eurobonds

The Eurobonds space traded quietly today, with minimal activity observed across the sovereign curve. Overall, the average yield stayed stable, day-on-day, to 7.19%.

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	81.37 (+1.71% d/d)
External Reserve (US\$ billion)	40.52 (+14.56% 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	05-Jan-22	04-Jan-22	Change in Rates
64 days	2.98%	2.98%	→ 0.00%
155 days	3.67%	3.67%	→ 0.00%
309 days	5.01%	5.01%	→ 0.00%

Source: FMDQ DQL for 05 January 2022

Benchmark FGN Bond Yields	05-Jan-22	04-Jan-22	Change in Yield
5 yrs: 12.75% 27-Apr-2023	7.44%	7.45%	↓ -0.01%
10 yrs: 13.98% 23-Feb-2028	12.33%	12.40%	↓ -0.07%
20 yrs: 16.25% 18-Apr-2037	13.00%	13.00%	→ 0.00%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.15%	13.28%	↓ -0.13%

Source: FMDQ DQL for 05 January 2022

Benchmark FGN Eurobond Yields	05-Jan-22	04-Jan-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	3.36%	3.36%	→ 0.00%
5 yrs: NGERIA 6 3/8 07/12/23	4.22%	4.22%	→ 0.00%
10 yrs: NGERIA 6 1/2 11/28/27	6.59%	6.58%	↑ 0.01%
20 yrs: NGERIA 7.696 02/23/38	8.56%	8.56%	→ 0.00%
30 yrs: NGERIA 9.248 01/21/49	9.12%	9.09%	↑ 0.03%
7.125% ECOTRAN 16/02/26	7.30%	7.26%	↑ 0.04%

Source: FMDQ DQL for 05 January 2022

Aim higher. Reach further ▶

AIIICO CAPITAL

Equities

The domestic bourse closed the day in the green, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained 1.05% day-on-day to close at 43,476.75pts, while year-to-date returns extended to +1.78%. This is largely due to positive sentiments towards bellwethers such as Airtel Africa Plc (+10.00%), Access Bank Plc (+1.08%), alongside the newly listed stock on the exchange, BUA Foods Plc (+10.00%).

The NSE Oil & Gas Index gained ca 3.12% while the NSE Industrial, Banking, and Consumer Goods indices lost ca 2.42%, 0.50% and 0.02% day-on-day, respectively.

BUA Foods Plc topped both the volume and value charts with ca 1.01 billion units traded at ca ₦40.53 million.

AIIICO Money Market Fund (AMMF)

Net Yield (As at current date)	10.18%
Added Benefit	Personal accident insurance cover

AIIICO 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	↑ 1.05%
NSE Banking Index	↓ -0.50%
NSE Industrial Goods Index	↓ -2.42%
NSE Consumer Goods Index	↓ -0.02%
NSE Oil & Gas Index	↑ 3.12%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
AIRTELAFRI	1050.50	95.50	↑ 10.00%
BUAFOODS	44.00	4.00	↑ 10.00%
OANDO	4.85	0.43	↑ 9.73%
AIIICO	0.78	0.06	↑ 8.33%
ARDOVA	12.60	0.90	↑ 7.69%

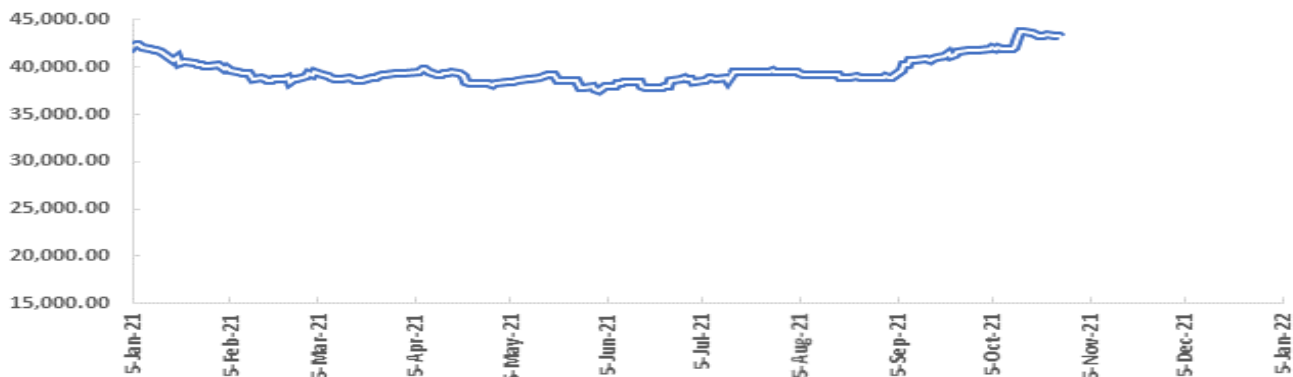
Source: NGX, AIIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
UNITYBNK	0.47	-0.05	↓ -9.62%
ROYALEX	0.77	-0.08	↓ -9.41%
REGALINS	0.45	-0.04	↓ -8.16%
UBN	5.40	-0.40	↓ -6.90%
MBENEFIT	0.30	-0.02	↓ -6.25%

Source: NGX, AIIICO Capital

NSE All Share Index



Important Disclaimers

This document has been issued and approved by AIIICO 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 AIIICO Capital clients who are then expected to make their own investment decisions. AIIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIIICO 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 AIIICO 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.