

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity slipped into negative territory for the second time this week, opening with a deficit balance of ca ₦76.41 billion, lower than previous day's opening balance of ca ₦47.41 billion. Nonetheless, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended lower to settle at 13.50% and 14.25% from 15.00% and 15.75% respectively.

Treasury Bills

The NTB secondary market opened with improved offers across the mid to long end of the curve, particularly the newly issued 1-yr paper which was offered at 5.10%, however bids were around 5.30% to 5.40%. The CBN Special bills also witnessed improved offers, as most players were on the sell side in reaction to the 60bps hike in 1-yr NTB paper at yesterday's auction. Thus, average rates inched up by 10bps at 4.26%.

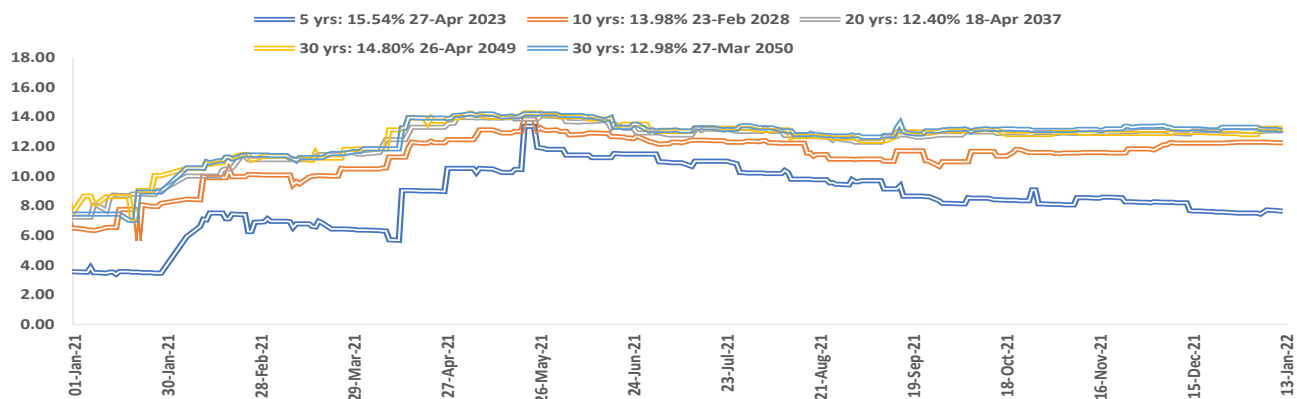
Bonds

The FGN bonds secondary market traded with mixed sentiments, following the release of Q1 2022 FGN bonds issuance calendar, where the 2026s will be on offer alongside a newly issued bond, 2042. Offers on the 2026 maturity improved by ca 9bps as investors anticipated supply at next week's FGN bond auction. There was also notable interest on 2023, 2027, 2028 and 2050 maturities. However, volumes executed remained unimpressive. Overall, average yield inched up 7bps, day-on-day to 11.54%.

Eurobonds

The Eurobonds secondary market also traded with mixed sentiments today, with demand seen at the short-end of the curve, while sell-offs were witnessed on the mid to long dated maturities. Overall, the average yield reduced by ca 1bp day-on-day, at 7.58%.

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	84.98 (+0.37% d/d)
External Reserve (US\$'billion)	40.51 (+14.53% 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-Jan-22	12-Jan-22	Change in Rates
77 days	3.40%	3.40%	⇒ 0.00%
182 days	4.30%	4.30%	⇒ 0.00%
315 days	5.00%	5.00%	⇒ 0.00%

Source: FMDQ DQL for 13 January 2022

Benchmark FGN Bond Yields			
	13-Jan-22	12-Jan-22	Change in Yield
5 yrs: 12.75% 27-Apr-2023	7.63%	7.64%	↓ -0.01%
10 yrs: 13.98% 23-Feb-2028	12.27%	12.32%	↓ -0.05%
20 yrs: 16.25% 18-Apr-2037	13.03%	13.04%	↓ -0.01%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.11%	13.11%	⇒ 0.00%

Source: FMDQ DQL for 13 January 2022

Benchmark FGN Eurobond Yields			
	13-Jan-22	12-Jan-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	3.40%	3.53%	↓ -0.13%
5 yrs: NGERIA 6 3/8 07/12/23	4.35%	4.37%	↓ -0.02%
10 yrs: NGERIA 6 1/2 11/28/27	7.03%	7.02%	↑ 0.01%
20 yrs: NGERIA 7.696 02/23/38	9.02%	9.01%	↑ 0.01%
30 yrs: NGERIA 9.248 01/21/49	9.51%	9.49%	↑ 0.02%
7.125% ECOTRAN 16/02/26	6.28%	6.28%	⇒ 0.00%

Source: FMDQ DQL for 13 January 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse closed the day in the red, as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 0.01% day-on-day to settle at 44,604.74pts, while year-to-date returns settled at +4.42%. This performance was largely due to sell-offs in stocks such as and Custodian Investment Plc (-9.49%) and Stanbic IBTC Bank Plc (-0.08%).

The NSE Consumer Goods and Banking indices gained ca 0.16% and 0.07% respectively, while the NSE Industrial Goods and Oil and Gas indices remained flat, day-on-day.

Transnational Corporation of Nigeria Plc led the volume chart with ca 104.58 million units, while Seplat Petroleum Development Company Plc topped the value chart with ca ₦920.64 billion.

AIICO Money Market Fund (AMMF)				
Net Yield (As at current date)	9.81%			
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	↓ -0.01%
NSE Banking Index	↑ 0.07%
NSE Industrial Goods Index	→ 0.00%
NSE Consumer Goods Index	↑ 0.16%
NSE Oil & Gas Index	→ 0.00%

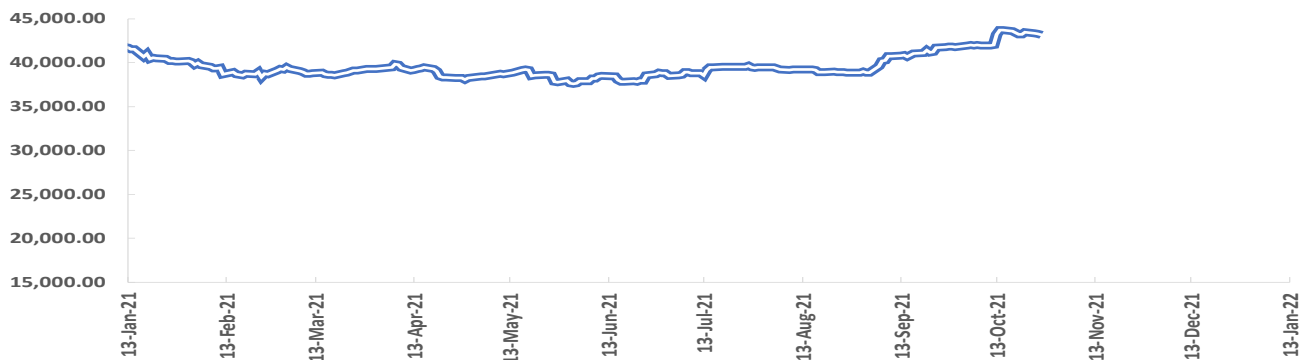
Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
TRANSCORP	1.13	0.10	↑ 9.71%
CHIPLC	0.68	0.05	↑ 7.94%
REGALINS	0.45	0.03	↑ 7.14%
JAIZBANK	0.70	0.04	↑ 6.06%
INTBREW	5.15	0.20	↑ 4.04%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
NEM	3.96	-0.44	↓ -10.00%
CUSTODIAN	7.15	-0.75	↓ -9.49%
UACN	9.10	-0.50	↓ -5.21%
FTNCOCOA	0.37	-0.02	↓ -5.13%
JAPAUFGOLD	0.43	-0.02	↓ -4.44%

Source: NGX, AIICO Capital

NSE All Share Index



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