

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened with a balance of ₦281.53 billion, lower than the previous day's opening balance of ca ₦386.77 billion. However, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended lower to 0.50% and 1.00% from 1.50% and 1.85% respectively, the previous day.

Treasury Bills

The NTB secondary market saw mixed reactions on the newly issued 1-year NTB paper, with bids and offers at 5.20% and 4.90% levels. Overall market activity was calm, as local investors stayed on the sidelines; unwilling to breach the 5.00% resistance level for rates. Overall, the average rate stayed relatively flat, day-on-day, to settle at 4.34%.

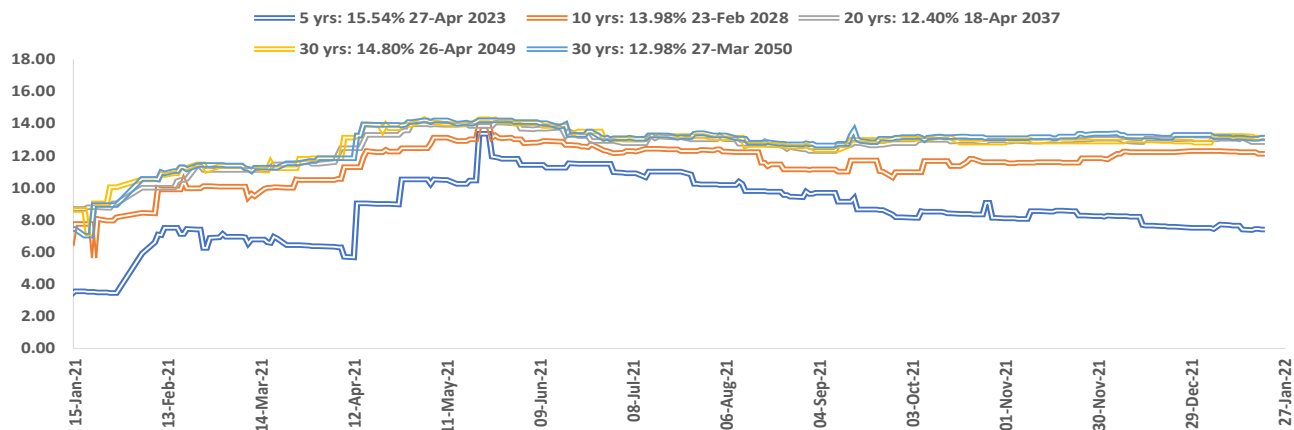
Bonds

Despite the anticipated bond coupon and maturity of c.₦654bn that hit the system today, the bullish theme in the FGN bonds market was not as strong as envisaged, with just a few axes on the 26s, 27s, 28s, 36s, and 37s. There were also sellers of the 42s and 50s, as some investors sought to take profit from their current holdings considering the buoyant system liquidity. Overall, the average yield dipped ca 4bps across the curve.

Eurobonds

The Nigerian Eurobonds traded mixed sentiments today, with buy-side activity witnessed across the yield curve, while some offers were seen on selected maturities. Overall, the average yield was relatively unchanged day-on-day at 6.70%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (December 2021)	15.63 (-0.76 ytd)
PMI (December 2020)	49.60
MPR (%)	11.5 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	90.71 (+0.87% d/d)
External Reserve (US\$'billion)	40.18 (-0.84% 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			
	27-Jan-22	26-Jan-22	Change in Rates
91 days	4.00%	4.00%	→ 0.00%
182 days	4.36%	4.36%	→ 0.00%
301 days	5.00%	5.00%	→ 0.00%

Source: FMDQ DQL for 27 January 2022

Benchmark FGN Bond Yields			
	27-Jan-22	26-Jan-22	Change in Yield
5 yrs: 12.75% 27-Apr-2023	6.88%	6.90%	↓ -0.02%
10 yrs: 13.98% 23-Feb-2028	12.09%	11.90%	↑ 0.19%
20 yrs: 16.25% 18-Apr-2037	12.09%	12.85%	↓ -0.76%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	12.95%	12.95%	→ 0.00%

Source: FMDQ DQL for 27 January 2022

Benchmark FGN Eurobond Yields			
	27-Jan-22	26-Jan-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	2.85%	2.87%	↓ -0.02%
5 yrs: NGERIA 6 3/8 07/12/23	3.73%	3.66%	↑ 0.07%
10 yrs: NGERIA 6 1/2 11/28/27	6.65%	6.65%	→ 0.00%
20 yrs: NGERIA 7.696 02/23/38	8.84%	8.84%	→ 0.00%
30 yrs: NGERIA 9.248 01/21/49	9.28%	9.28%	→ 0.00%
7.125% ECOTRAN 16/02/26	7.71%	7.71%	→ 0.00%

Source: FMDQ DQL for 27 January 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse ended the day in the red, as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 1.12% day-on-day to settle at 46,009.23pts, while year-to-date return dropped to +7.71%. This performance was largely due to price depreciation in Dangote Cement Plc (-8.53%) and First Bank of Nigeria Holdings Plc (-1.30%).

The NGX Consumer Goods and Banking indices gained ca 1.77% and 1.08% respectively, while the NGX Industrial Goods and Oil and Gas indices shed ca 3.25% and 0.48% day-on-day.

UPDC Plc led the volume chart with ca 46.36 million units while Guaranty Trust Holding Company Plc topped the value charts with ca ₦409.66 million worth of trades.

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	

	D-o-D
NGSEINDEX Index	↓ -1.12%
NSE Banking Index	↑ 1.08%
NSE Industrial Goods Index	↓ -3.25%
NSE Consumer Goods Index	↑ 1.77%
NSE Oil & Gas Index	↓ -0.48%

Top 5 Equity Advancers

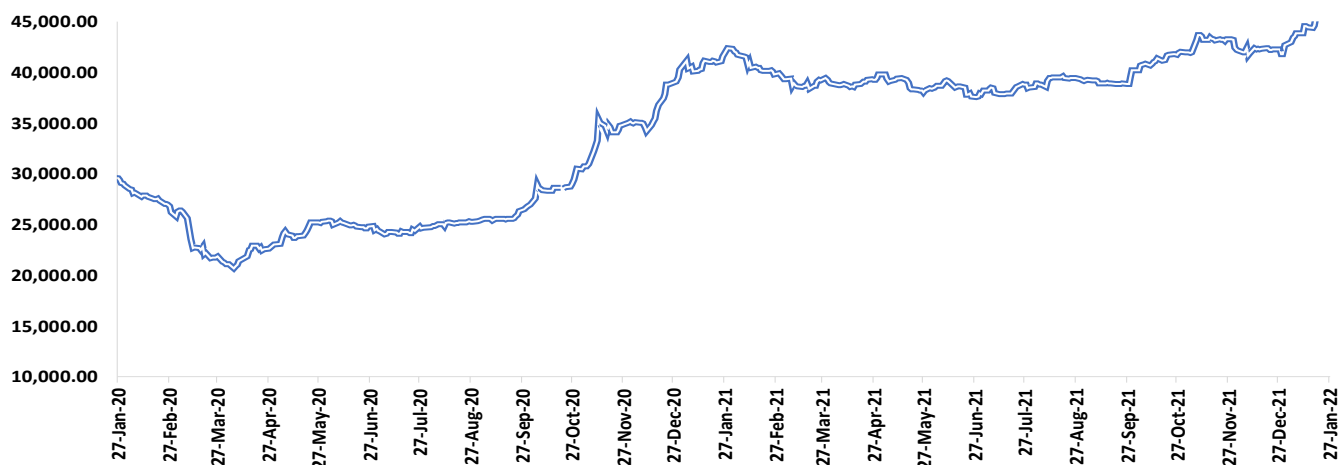
Name (Symbol)	Closing Price	Gain(N)	% Change
INTBREW	5.50	0.50	↑ 10.00%
GUINNESS	46.75	4.25	↑ 10.00%
ETI	11.95	1.05	↑ 9.63%
PRESTIGE	0.46	0.04	↑ 9.52%
UNILEVER	14.00	0.95	↑ 7.28%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NEM	3.20	-0.30	↓ -8.57%
DANGCEM	260.60	-24.30	↓ -8.53%
AIICO	0.76	-0.04	↓ -5.00%
ARDOVA	12.45	-0.65	↓ -4.96%
MULTIVERSE	0.20	-0.01	↓ -4.76%

Source: NGX, AIICO Capital



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