

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity reduced by ₦313.72 billion to open the week at ca. ₦139.91 billion after the CRR debits on Friday. The Overnight Policy Rate (OPR) and Overnight (ON) rates trended higher to 7.50% and 8.00% from 1.00% and 1.25%, respectively. Nonetheless, we anticipate that rates will stay in single digits in the absence of any significant funding.

Treasury Bills

The NTB secondary market witnessed improved offers on the long end of the curve, ranging from 5.10% to 5.20%, as market players continued to exit their position on auction winnings amid lackluster buy-side sentiments. Overall, the average rate rose ca 4bps day-on-day, to settle at 4.28%.

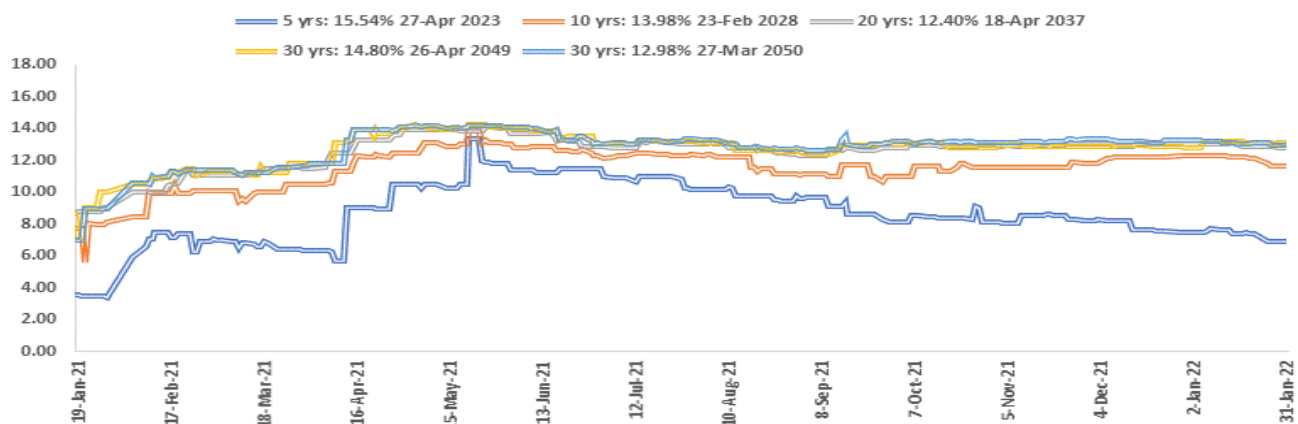
Bonds

The FGN bonds secondary market saw mixed sentiments, albeit with a bearish undertone. Activity skewed towards maturities at the far end of the curve, with traction evident on the 2037s and 2050s at 12.82% and 13.00%, respectively. Overall, the average yield inched ca 6bps day-on-day, to settle at 11.64%.

Eurobonds

The Nigerian Eurobonds started the week on a positive note, with buy interest seen across board. Overall, the average yield reduced by ca 2bps day-on-day at 7.21%.

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	91.01 (+1.09% d/d)
External Reserve (US\$ billion)	40.15 (-0.91% 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-Jan-22	28-Jan-22	Change in Rates
87 days	4.00%	4.00%	→ 0.00%
164 days	4.36%	4.36%	→ 0.00%
283 days	4.90%	4.90%	→ 0.00%

Source: FMDQ DQL for 31 January 2022

Benchmark FGN Bond Yields			
	31-Jan-22	28-Jan-22	Change in Yield
5 yrs: 12.75% 27-Apr-2023	6.85%	6.88%	↓ -0.03%
10 yrs: 13.98% 23-Feb-2028	11.78%	11.78%	→ 0.00%
20 yrs: 16.25% 18-Apr-2037	12.81%	12.81%	→ 0.00%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	12.98%	12.95%	↑ 0.03%

Source: FMDQ DQL for 31 January 2022

Benchmark FGN Eurobond Yields			
	31-Jan-22	28-Jan-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	2.77%	2.76%	↑ 0.01%
5 yrs: NGERIA 6 3/8 07/12/23	3.60%	3.63%	↓ -0.03%
10 yrs: NGERIA 6 1/2 11/28/27	6.48%	6.54%	↓ -0.06%
20 yrs: NGERIA 7.696 02/23/38	8.86%	8.88%	↓ -0.02%
30 yrs: NGERIA 9.248 01/21/49	9.30%	9.31%	↓ -0.01%
7.125% ECOTRAN 16/02/26	7.67%	7.71%	↓ -0.04%

Source: FMDQ DQL for 31 January 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse sustained a positive performance at the close of the month, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained 0.91% day-on-day to settle at 46,624.67pts, while year-to-date return extended to +9.15%. Bellwethers like Guaranty Trust Holding Company Plc (+4.87%), MTN Nigeria Communications Plc (+3.95%), United Bank for Africa Plc (+1.78%), and Zenith Bank Plc (+1.17%) also observed stock price appreciation.

The NGX Industrial, Banking, and Oil and Gas indices gained ca 0.47%, 0.43% and 0.32% respectively, while the NGX Consumer Goods index shed ca 0.23% day-on-day.

Fidelity Bank Plc led the volume chart with ca 38.04 million units while Nigeria Exchange Group topped the value charts with ca ₦472.09 million worth of trades.

AIICO Money Market Fund (AMMF)				
Net Yield (As at current date)	9.80%			
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	↑ 0.91%
NSE Banking Index	↑ 0.43%
NSE Industrial Goods Index	↑ 0.47%
NSE Consumer Goods Index	↓ -0.23%
NSE Oil & Gas Index	↑ 0.32%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
CHIPLC	0.66	0.06	↑ 10.00%
RTBRISCOE	0.22	0.02	↑ 10.00%
NCR	3.30	0.30	↑ 10.00%
PRESCO	96.55	8.75	↑ 9.97%
NGXGROUP	23.25	2.10	↑ 9.93%

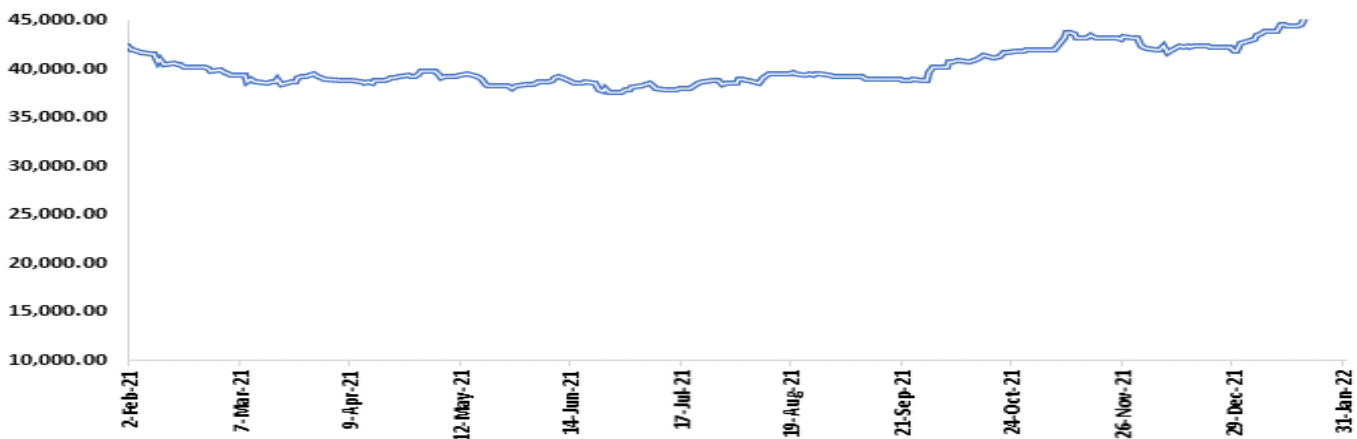
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
UPL	2.40	-0.25	↓ -9.43%
LASACO	1.03	-0.10	↓ -8.85%
LINKASSURE	0.47	-0.04	↓ -7.84%
MBENEFIT	0.26	-0.02	↓ -7.14%
PRESTIGE	0.43	-0.03	↓ -6.52%

Source: NGX, AIICO Capital

NSE All Share Index



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