

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved significantly, to open with a credit balance of ₦309.73 billion, higher than yesterday's opening balance of ca ₦195.31 billion, as the repayment of OMO maturities worth ca ₦135.90 billion hit the system. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rates fell to 1.50% and 1.92% from 3.00% and 3.25% respectively, the previous day.

Treasury Bills

The secondary market was dominated by buy-side interest across board, with demand centered on CBN special bills, OMO papers, and mid to long-dated NTB maturities, as investors sought to reinvest excess funds from OMO maturities on relatively attractive papers. Overall, the average rate dipped ca11bps day-on-day, closing at 4.20%.

Bonds

The FGN bonds secondary market reflected a bullish theme buoyed by sizeable demand seen across select maturities – 2024s to 2028s, 2036s, 2037s, and 2050s. However, buy-side participants continue to minimize their risk exposures, with most of the trading activity skewed towards the short end of the bond curve. Thus, the average yield reduced by ca 6bps day-on-day, to settle at 11.44%.

Eurobonds

The Nigerian Eurobonds market witnessed an upturn in prices after a 3-day bearish run, with renewed buy-side interest across the curve. Overall, the average yield rose by ca 1bp day-on-day to 6.85%. In the interim, we anticipate the market reaction to President Buhari's request, seeking lawmakers approval for a US\$6.14bn (2.6 trillion Naira) supplementary spending plan for petroleum-product subsidies for 2022.

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	92.52 (-4.10% d/d)
External Reserve (US\$'billion)	39.85 (-1.65% ytd)
GDP % (Q3 2021)	+4.03% (Q4 2020: -1.92% y/y)

Source: NBS,CBN, AIICO Capital

T-Bills and Bond Statistics

Benchmark T-Bills Discount Rates			
	15-Feb-22	14-Feb-22	Change in Rates
86 days	4.00%	4.00%	⇒ 0.00%
177 days	4.54%	4.54%	⇒ 0.00%
268 days	5.01%	5.01%	⇒ 0.00%

Source: FMDQ DQL for 15 February 2022

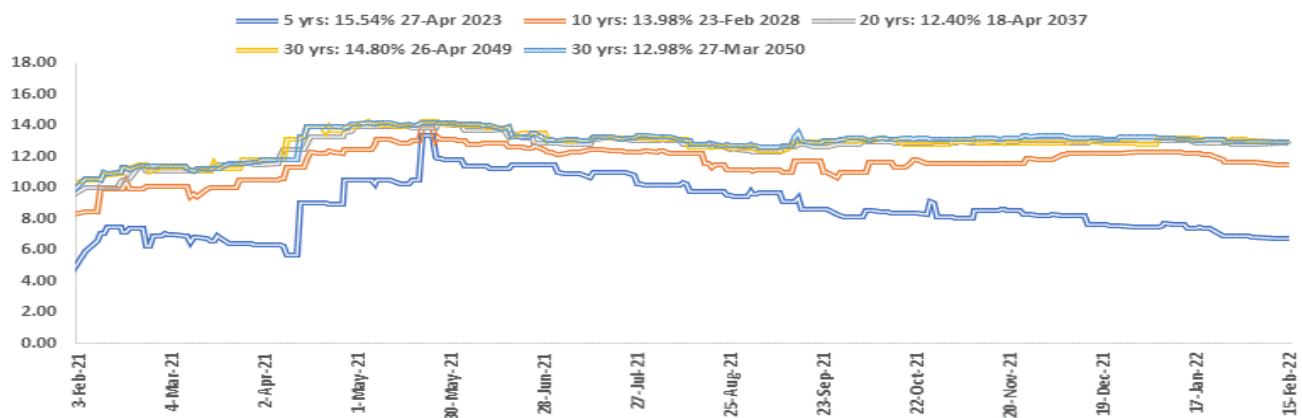
Benchmark FGN Bond Yields			
	15-Feb-22	14-Feb-22	Change in Yield
5 yrs: 12.75% 27-Apr-2023	6.71%	6.72%	↓ -0.01%
10 yrs: 13.98% 23-Feb-2028	11.63%	12.00%	↓ -0.37%
20 yrs: 16.25% 18-Apr-2037	12.75%	12.75%	⇒ 0.00%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	⇒ 0.00%
30 yrs: 12.98% 27-Mar-2050	12.95%	13.06%	↓ -0.11%

Source: FMDQ DQL for 15 February 2022

Benchmark FGN Eurobond Yields			
	15-Feb-22	14-Feb-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	2.81%	2.75%	↑ 0.06%
5 yrs: NGERIA 6 3/8 07/12/23	3.77%	3.74%	↑ 0.03%
10 yrs: NGERIA 6 1/2 11/28/27	6.82%	6.81%	↑ 0.01%
20 yrs: NGERIA 7.696 02/23/38	9.04%	9.12%	↓ -0.08%
30 yrs: NGERIA 9.248 01/21/49	9.64%	9.65%	↓ -0.01%
7.125% ECOTRAN 16/02/26	7.72%	7.72%	⇒ 0.00%

Source: FMDQ DQL for 15 February 2022

Benchmark Bond Yields



Aim higher. Reach further ▶

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Equities

Trading activity in the domestic bourse was largely tepid amid lackluster buy-side sentiments observed across board. The Nigerian Stock Exchange All Share Index (NGX ASI) was flat today, closing at 47,064.82pts, while year-to-date return remained stable at +10.18%.

The NGX Oil & Gas and Consumer Goods indices were up ca 0.26% and 0.10% respectively, while the NGX Banking and Industrial indices lost ca 1.01% and 0.02% day-on-day.

Access Bank Plc led the volume chart with ca 55.40 million units while Guinness Nigeria Plc topped the value chart with ca ₦1.16 billion 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)	90 Days	180 Days	364 Days
10,000,001 - 50,000,000	7.00	7.25	7.50
50,000,001 - 100,000,000	7.50	7.75	8.00
100,000,001 - 400,000,000	8.00	8.25	8.50
>500,000,000	9.00	9.00	9.00

	D-o-D
NGSEINDX Index	→ 0.00%
NSE Banking Index	↓ -1.01%
NSE Industrial Goods Index	↓ -0.02%
NSE Consumer Goods Index	↑ 0.10%
NSE Oil & Gas Index	↑ 0.26%

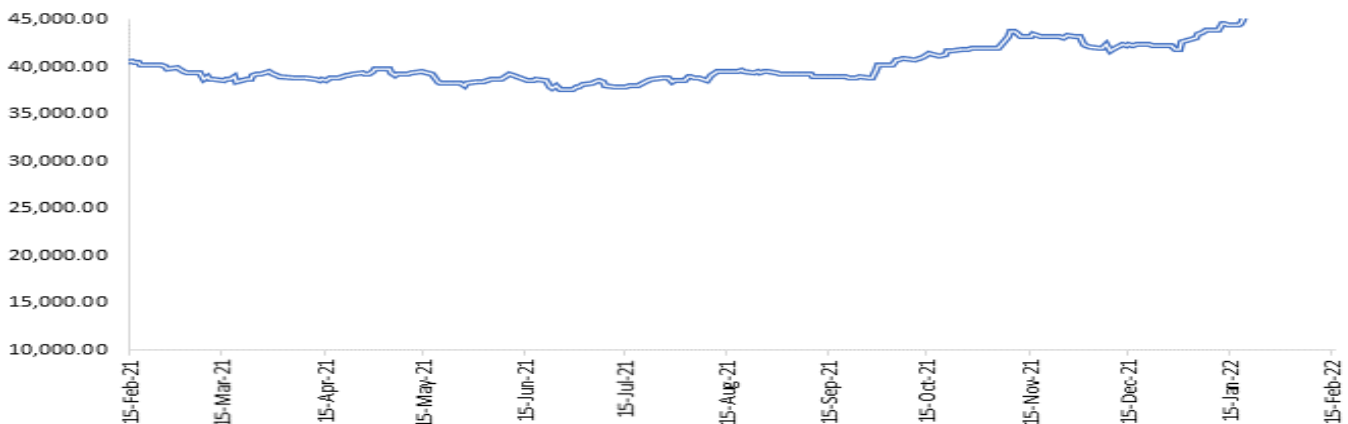
Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
LEARNAFRCA	1.81	0.16	↑ 9.70%
MORISON	2.18	0.19	↑ 9.55%
RTBRISCOE	0.46	0.04	↑ 9.52%
VERITASKAP	0.23	0.02	↑ 9.52%
NASCON	14.50	1.25	↑ 9.43%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
BERGER	7.55	-0.80	↓ -9.58%
CHIPLC	0.62	-0.03	↓ -4.62%
JAIZBANK	0.67	-0.03	↓ -4.29%
INTBREW	5.10	-0.15	↓ -2.86%
ETI	12.15	-0.35	↓ -2.80%

Source: NGX, AIICO Capital

NSE All Share Index



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