

# Daily Financial Market Update

**AIICO CAPITAL**
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## FIXED INCOME MARKET

### Money Markets

Interbank system liquidity decreased today, opening with a balance of ₦165.23 billion, lower than the previous day's opening balance of ca ₦275.55 billion. As a result, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended higher to settle at 9.00% and 9.50% from 6.00% and 6.33% respectively, the previous day.

### Treasury Bills

The NTB secondary market was quiet, as players shifted their attention to the Primary Market Auction (PMA) conducted today. Pockets of demand were seen at the short-end of the yield curve, although little to no trades were executed. Overall, the average rate remained unchanged day-on-day at 4.10%.

### Bonds

The FGN bonds secondary market sustained its bullish run, albeit less aggressive than the previous day. The 2026, 2027, 2028, 2035, 2036 and 2050 maturities witnessed the most traction, thus causing the average yield to decline by ca 11bps day-on-day, to settle at 10.98%.

### Eurobonds

The Nigerian Eurobonds curve reflected a mixed to bearish theme, with sell interest seen across the curve. However, with the Nigerian government suspending plans to issue the proposed \$4.0bn Eurobonds due to unfavorable market conditions, the market halted its bearish movement, staying relatively flat. It is expected that some renewed buying interest might return to the market following this news. Other SSA instruments, particularly the short end GHANA papers (2025s -2027s) witnessed a huge rise in yields ( on average +2.18 points), despite news that the economy is expected to expand by 4.60% (prior 4.10%). Overall, the average yield on Nigerian sovereign papers inched up by 10bps, day-on-day to settle at 7.52%.

## Macroeconomic Indicators

| Indicators                      |                                 |
|---------------------------------|---------------------------------|
| Inflation % (January 2022)      | 15.60 (-0.19 ytd)               |
| PMI (December 2020)             | 49.60                           |
| MPR (%)                         | 11.5 (-7%/+1% around mid-point) |
| CRR (%)                         | 27.5                            |
| Brent Crude Price US\$/bbl      | 96.53 (-0.34% d/d)              |
| External Reserve (US\$'billion) | 39.83 (-1.70% ytd)              |
| GDP % (Q4 2021)                 | +3.98% (Q4 2020: +3.40% y/y)    |

Source: NBS,CBN, AIICO Capital

## T-Bills and Bond Statistics

| Benchmark T-Bills Discount Rates |           |           |                 |
|----------------------------------|-----------|-----------|-----------------|
|                                  | 23-Feb-22 | 22-Feb-22 | Change in Rates |
| 78 days                          | 3.13%     | 3.13%     | ↔ 0.00%         |
| 169 days                         | 3.50%     | 4.54%     | ↓ -1.04%        |
| 260 days                         | 4.15%     | 5.01%     | ↓ -0.86%        |

Source: FMDQ DQL for 23 February 2022

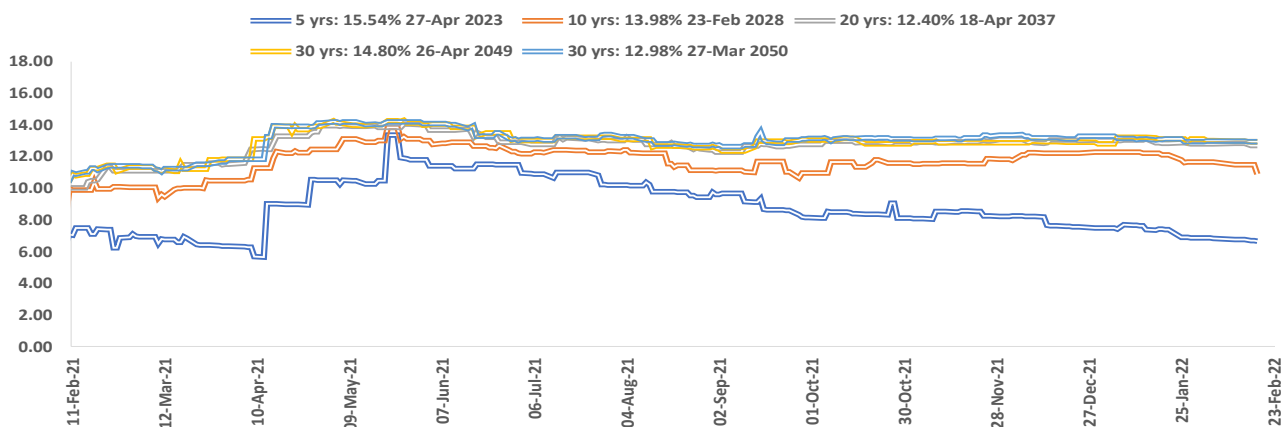
| Benchmark FGN Bond Yields  |           |           |                 |
|----------------------------|-----------|-----------|-----------------|
|                            | 23-Feb-22 | 22-Feb-22 | Change in Yield |
| 5 yrs: 12.75% 27-Apr-2023  | 6.61%     | 6.62%     | ↓ -0.01%        |
| 10 yrs: 13.98% 23-Feb-2028 | 10.68%    | 10.68%    | ↔ 0.00%         |
| 20 yrs: 16.25% 18-Apr-2037 | 12.70%    | 12.70%    | ↔ 0.00%         |
| 30 yrs: 14.80% 26-Apr-2049 | 13.05%    | 13.05%    | ↑ 0.00%         |
| 30 yrs: 12.98% 27-Mar-2050 | 12.78%    | 12.95%    | ↓ -0.17%        |

Source: FMDQ DQL for 23 February 2022

| Benchmark FGN Eurobond Yields |           |           |                 |
|-------------------------------|-----------|-----------|-----------------|
|                               | 23-Feb-22 | 22-Feb-22 | Change in Yield |
| 3 yrs: NGERIA 6 3/4 01/28/21  | 2.85%     | 2.84%     | ↑ 0.01%         |
| 5 yrs: NGERIA 6 3/8 07/12/23  | 3.75%     | 3.75%     | ↔ 0.00%         |
| 10 yrs: NGERIA 6 1/2 11/28/27 | 6.83%     | 6.84%     | ↓ -0.01%        |
| 20 yrs: NGERIA 7.696 02/23/38 | 9.05%     | 9.05%     | ↔ 0.00%         |
| 30 yrs: NGERIA 9.248 01/21/49 | 9.64%     | 9.65%     | ↓ -0.01%        |
| 7.125% ECOTRAN 16/02/26       | 7.79%     | 7.72%     | ↑ 0.07%         |

Source: FMDQ DQL for 23 February 2022

## Benchmark Bond Yields



Aim higher. Reach further ▶

**AIICO CAPITAL****Equities**

The domestic bourse returned some of previous day's gains to close the day in the red, as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 0.08% day-on-day to settle at 47,207.27pts, while year-to-date return reduced to +10.51%. This was largely due to sell-offs in stocks like United Bank for Africa Plc (-1.14%) and Guaranty Trust Holding Company Plc (-1.12%).

The NGX Consumer Goods, Banking and Industrial Goods indices lost ca 0.58%, 0.35% and 0.02% respectively, while the NGX Oil and Gas index gained ca 0.03%, day-on-day.

Transnational Corporation of Nigeria Plc led the volume chart with ca 23.19 million units, while Seplat Petroleum Development Company Plc led the value chart with ca ₦645.12 million worth of trades.

| AIICO Money Market Fund (AMMF) |                                   |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 9.47%                             |
| Added Benefit                  | Personal accident insurance cover |
|                                |                                   |

| Index                      | D-o-D    |
|----------------------------|----------|
| NSE ASI                    | ↓ -0.08% |
| NSE Banking Index          | ↓ -0.35% |
| NSE Industrial Goods Index | ↓ -0.02% |
| NSE Consumer Goods Index   | ↓ -0.58% |
| NSE Oil & Gas Index        | ↑ 0.03%  |

**Top 5 Equity Advancers**

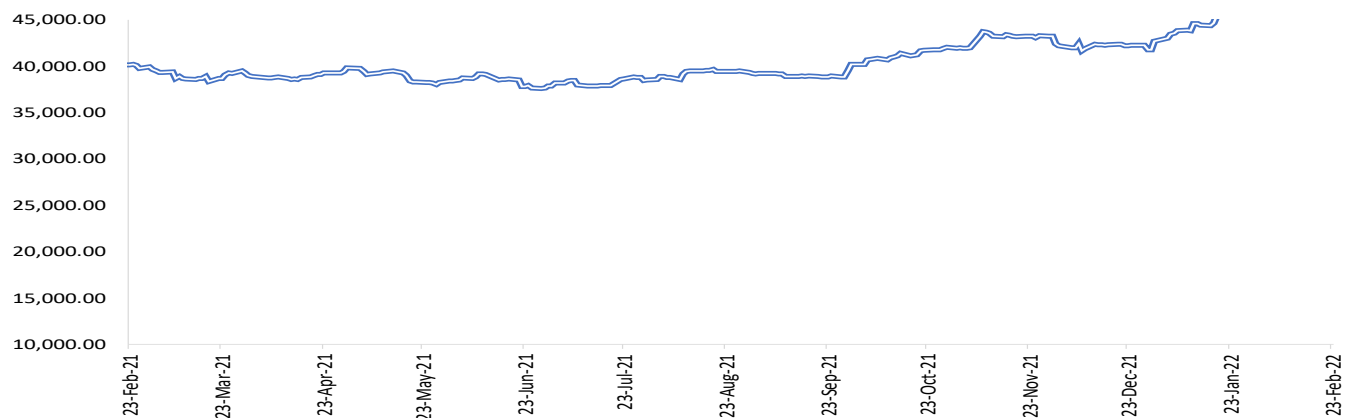
| Name (Symbol) | Closing Price | Gain(N) | % Change |
|---------------|---------------|---------|----------|
| ETRANZACT     | 2.20          | 0.20    | ↑ 10.00% |
| RTBRISCOE     | 0.79          | 0.07    | ↑ 9.72%  |
| NIGERINS      | 0.24          | 0.02    | ↑ 9.09%  |
| MAYBAKER      | 5.45          | 0.45    | ↑ 9.00%  |
| WEMABANK      | 0.97          | 0.08    | ↑ 8.99%  |

Source: NGX, AIICO Capital

**Top 5 Equity Decliners**

| Name (Symbol) | Closing Price | Loss(N) | % Change |
|---------------|---------------|---------|----------|
| AFRIPRUD      | 7.35          | -0.45   | ↓ -5.77% |
| DANGSUGAR     | 17.05         | -0.95   | ↓ -5.28% |
| CHAMS         | 0.23          | -0.01   | ↓ -4.17% |
| MBENEFIT      | 0.26          | -0.01   | ↓ -3.70% |
| ETI           | 11.40         | -0.35   | ↓ -2.98% |

Source: NGX, AIICO Capital

**NSE All Share Index****Important Disclaimers**

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