

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened the day with a deficit balance of ca ₦74.85 billion, lower than yesterday's opening balance of ca ₦48.18 billion, due to funding provision for the NTB auction debit. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended higher to settle at 13.67% and 14.08% from 12.96% and 13.50%, recorded the previous day.

Treasury Bills

The NTB market endured a mixed to bearish theme, following yesterday's NTB auction result. The offers were mostly seen on mid to long dated papers, while the newly issued 1-year paper had bids around 6.40% but offers were c.50bps apart. Thus, the average rate inched up 55bps day-on-day, closing at 3.78%.

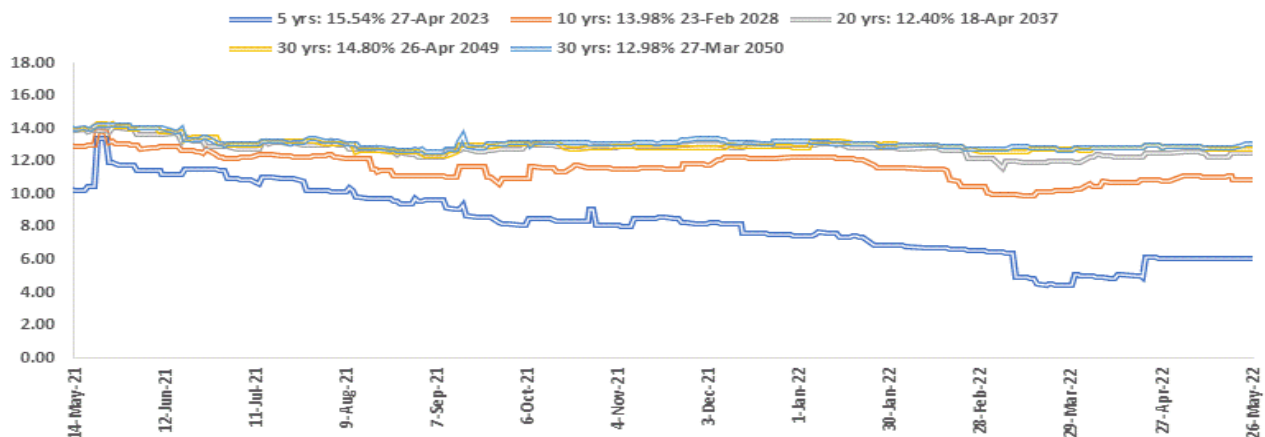
Bonds

The FGN bonds market had an early bearish reaction to yesterday's auction result, with improved offers seen on 2026s, 2028s, 2032s, 2035s, 2036s, 2042s, and 2050s, albeit with bid/ask spreads were too wide. However, as the market approached a close, bids moved to within c.10bps of offers, ensuring few trades were executed. Overall, the average yield rose ca 20bps, day-on-day, to settle at 11.53%.

Eurobonds

The SSA Eurobond market traded bullish, as the Federal Reserve minutes released yesterday appeared to be less hawkish than investors may have expected, putting markets at ease. As a result, we continued to see sustained demand for Sub-Saharan papers across Angola, Ghana, and Nigeria curves. Overall, the average yield settled at 11.22%.

Benchmark Bond Yields



Macroeconomic Indicators

| Indicators | |
|---------------------------------|---------------------------------|
| Inflation % (April 2022) | 16.82 (+7.61 ytd) |
| PMI (December 2020) | 49.60 |
| MPR (%) | 11.5 (-7%/+1% around mid-point) |
| CRR (%) | 27.5 |
| Brent Crude Price US\$/bbl | 117.32 (+2.89% d/d) |
| External Reserve (US\$'billion) | 38.63 (-4.66% ytd) |
| GDP % (Q1 2022) | +3.11% (Q4 2021: +3.98% y/y) |

Source: NBS,CBN, AICO Capital

T-Bills and Bond Statistics

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 26-May-22 | 25-May-22 | Change in Rates |
| 77 days | 2.97% | 2.97% | ↔ 0.00% |
| 168 days | 3.55% | 3.55% | ↔ 0.00% |
| 350 days | 4.70% | 4.70% | ↔ 0.00% |

Source: FMDQ DQL for 26 May 2022

| Benchmark FGN Bond Yields | | | |
|----------------------------|-----------|-----------|-----------------|
| | 26-May-22 | 25-May-22 | Change in Yield |
| 10 yrs: 13.98% 23-Feb-2028 | 11.05% | 11.06% | ↓ -0.01% |
| 20 yrs: 16.25% 18-Apr-2037 | 12.51% | 12.51% | ↔ 0.00% |
| 20 yrs: 13.00% 21-Jan-2042 | 13.27% | 13.00% | ↑ 0.27% |
| 30 yrs: 14.80% 26-Apr-2049 | 13.05% | 13.05% | ↔ 0.00% |
| 30 yrs: 12.98% 27-Mar-2050 | 13.07% | 13.07% | ↔ 0.00% |

Source: FMDQ DQL for 26 May 2022

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 26-May-22 | 25-May-22 | Change in Yield |
| 3 yrs: NGERIA 6 3/4 01/28/21 | 17.37% | 16.23% | ↑ 1.14% |
| 5 yrs: NGERIA 6 3/8 07/12/23 | 7.35% | 7.80% | ↓ -0.45% |
| 10 yrs: NGERIA 6 1/2 11/28/27 | 10.22% | 10.78% | ↓ -0.56% |
| 15 yrs: NGERIA 7.875 02/16/32 | 11.25% | 11.67% | ↓ -0.42% |
| 30 yrs: NGERIA 9.248 01/21/49 | 11.64% | 11.97% | ↓ -0.33% |
| 7.125% ECOTRAN 16/02/26 | 9.65% | 9.65% | ↔ 0.00% |

Source: FMDQ DQL for 26 May 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse sustained its positive performance, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained 1.06% day-on-day to close at 53,151.32pts, while year-to-date performance rose to +24.43%. This was largely supported by buy interests in bellwethers such as MTN Nigeria Communications Plc (+4.35%), Guaranty Trust Holding Company Plc (+2.68%), and Zenith Bank Plc (+1.06%), respectively.

The NGX Oil & Gas Index lost ca 0.30% while the NGX Banking, Consumer Goods, and Industrial Indices gained 1.22%, 0.93% and 0.42% day-on-day, respectively.

Transcorp Corporation of Nigeria Plc led the volume chart with ca 47.65 million units while MTN Nigeria Communications Plc topped the value charts with ca ₦1.88 billion worth of trades.

| AICO Money Market Fund (AMMF) | |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 8.34% |
| Added Benefit | Personal accident insurance cover |

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|----------|----------|----------|----------|
| NGSEINDEX Index | ↑ 1.06% | ↓ -0.23% | ↑ 7.08% | ↑ 24.43% |
| NSE Banking Index | ↑ 1.22% | ↓ -1.19% | ↓ -2.16% | ↑ 4.76% |
| NSE Insurance Index | ↑ 0.42% | ↓ -4.75% | ↓ -6.92% | ↓ -9.29% |
| NSE Industrial Goods Index | ↑ 0.42% | ↓ -0.66% | ↑ 4.26% | ↑ 13.45% |
| NSE Consumer Goods Index | ↑ 0.93% | ↓ -1.45% | ↑ 10.12% | ↑ 15.50% |
| NSE Oil & Gas Index | ↓ -0.30% | ↓ -0.49% | ↑ 4.92% | ↑ 59.46% |

Top 5 Equity Advancers

| Name (Symbol) | Closing Price | Gain(N) | % Change |
|---------------|---------------|---------|----------|
| IMG | 11.00 | 1.00 | ↑ 10.00% |
| CHAMPION | 3.76 | 0.34 | ↑ 9.94% |
| LINKASSURE | 0.60 | 0.05 | ↑ 9.09% |
| LIVESTOCK | 1.46 | 0.10 | ↑ 7.35% |
| WAPCO | 28.15 | 1.65 | ↑ 6.23% |

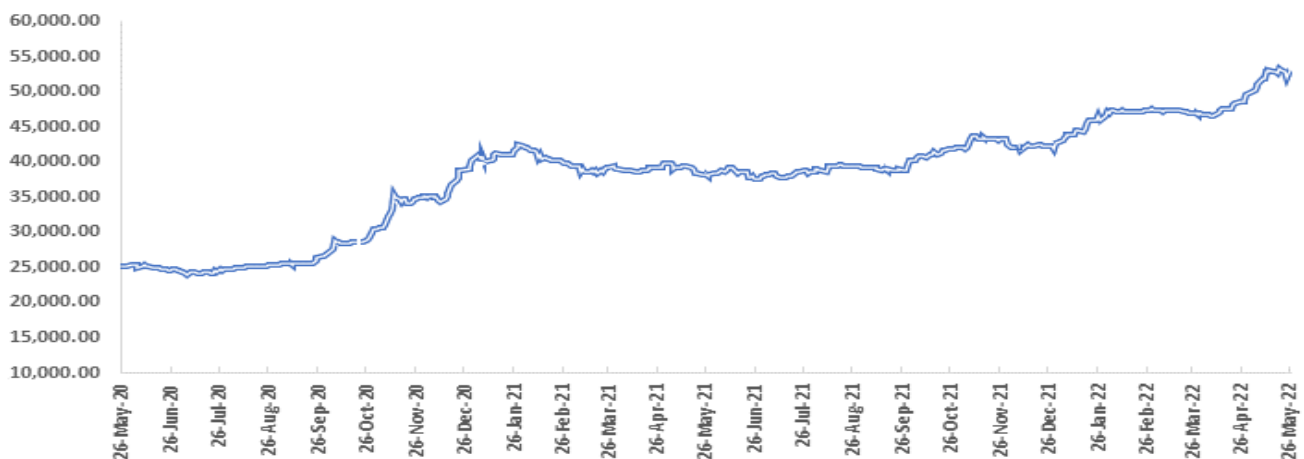
Source: NGX, AICO Capital

Top 5 Equity Decliners

| Name (Symbol) | Closing Price | Loss(N) | % Change |
|---------------|---------------|---------|----------|
| NPFMCRFBK | 1.82 | -0.20 | ↓ -9.90% |
| UACN | 11.65 | -1.25 | ↓ -9.69% |
| ACADEMY | 1.32 | -0.14 | ↓ -9.59% |
| LEARNAFRCA | 2.05 | -0.20 | ↓ -8.89% |
| ROYALEX | 1.08 | -0.06 | ↓ -5.26% |

Source: NGX, AICO Capital

NSE All Share Index



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