

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved slightly, opening with a balance of ca ₦19.68 billion, better than the previous day's opening deficit balance of ca ₦74.85 billion. Thus, the Overnight Policy Rate (OPR) held steady at 13.67%, while the Overnight (ON) rate trended lower to settle at 14.00% from 14.08%, recorded the previous day.

Treasury Bills

Activity in the NTB secondary market closed the week on a quiet note. However, there were few bids seen on the newly issued 1-year paper at 6.45% but offers were c.20bps wide. Therefore, the average rate held steady day-on-day, closing at 3.78%.

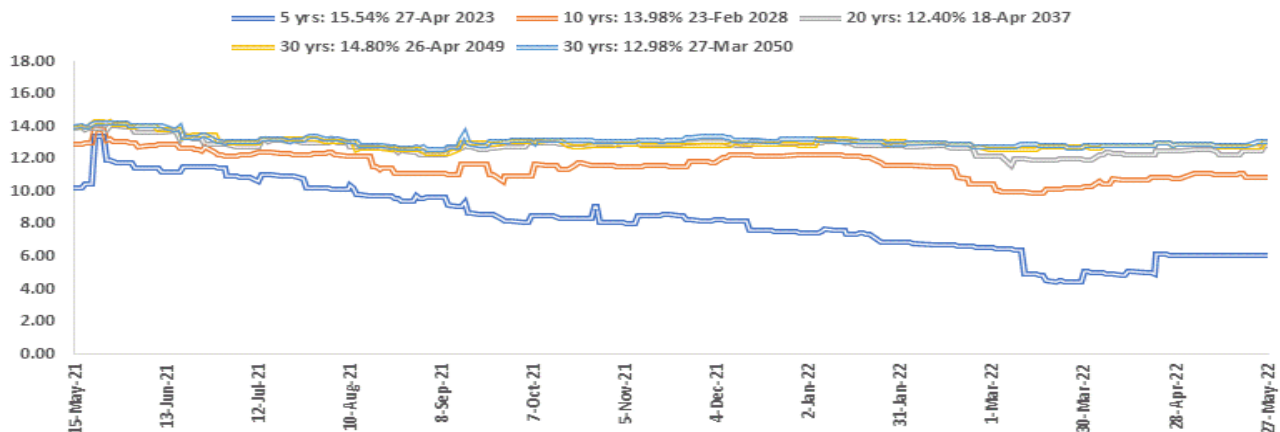
Bonds

The FGN Bonds secondary market reflected a mixed to bullish theme, with most of the demand skewed to 2024s, 2025s, 2026s, 2027s, 2032s, 2042s and 2050s, thus, pushing the narrative that the early bearish theme in the last two days seems to have faded. Consequently, the average yield dipped by ca 8bps, day-on-day across the curve, to settle at 11.64%.

Eurobonds

The Eurobond market closed the week with positive sentiment in the SSA space, as buy-side activity was recorded across Nigeria, Angola, and some Ghana papers. However, there was an early sell-off in Egypt long-end following yesterday's Moody downgrade, but it was short-lived, as investors later grabbed the attractive offers, ensuring c.1.2ppts upward repricing. Overall, the average yield settled at 10.78%.

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	119.00 (+1.36% d/d)
External Reserve (US\$'billion)	38.57 (-4.81% 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			
	27-May-22	26-May-22	Change in Rates
76 days	2.97%	2.97%	↔ 0.00%
167 days	3.55%	3.55%	↔ 0.00%
349 days	4.70%	4.70%	↔ 0.00%

Source: FMDQ DQL for 27 May 2022

Benchmark FGN Bond Yields			
	27-May-22	26-May-22	Change in Yield
10 yrs: 13.98% 23-Feb-2028	11.05%	11.05%	↔ 0.00%
20 yrs: 16.25% 18-Apr-2037	12.85%	12.51%	⬇ 0.34%
20 yrs: 13.00% 21-Jan-2042	13.27%	13.27%	↔ 0.00%
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 27 May 2022

Benchmark FGN Eurobond Yields			
	27-May-22	26-May-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	15.28%	17.37%	⬇ -2.09%
5 yrs: NGERIA 6 3/8 07/12/23	7.16%	7.35%	⬇ -0.19%
10 yrs: NGERIA 6 1/2 11/28/27	10.07%	10.22%	⬇ -0.15%
15 yrs: NGERIA 7.875 02/16/32	11.06%	11.25%	⬇ -0.19%
30 yrs: NGERIA 9.248 01/21/49	11.47%	11.64%	⬇ -0.17%
7.125% ECOTRAN 16/02/26	9.65%	9.65%	↔ 0.00%

Source: FMDQ DQL for 27 May 2022

Equities

The domestic bourse ended trading activities on a positive note, with the market's year-to-date returns positioned at ca +26.61%. The Nigerian Stock Exchange All Share Index (NGX ASI) gained 1.76% day-on-day, to close at 54,085.30pts, with buying interests observed on bellwethers like Airtel Africa Plc (+9.89%), Access Holdings Plc (+0.51%), and Zenith Bank Plc (+0.21%), respectively.

The NGX Consumer Goods Index lost ca 2.41% while the NGX Banking, Oil & Gas, and Industrial Indices gained 0.48%, 0.24% and 0.01% day-on-day, respectively.

Flourmills Nigeria Plc led the volume chart with ca 21.48 million units while Airtel Africa Plc topped the value charts with ca ₦2.34 billion worth of trades.

AIICO Money Market Fund (AMMF)	
Net Yield (As at current date)	8.35%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDEX Index	↑ 1.76%	↑ 2.09%	↑ 8.96%	↑ 26.61%
NSE Banking Index	↑ 0.48%	↓ -0.76%	↓ -1.69%	↑ 5.27%
NSE Insurance Index	↑ 0.32%	↓ -6.27%	↓ -6.62%	↓ -9.00%
NSE Industrial Goods Index	↑ 0.01%	↓ -0.67%	↑ 4.28%	↑ 13.46%
NSE Consumer Goods Index	↓ -2.41%	↓ -3.94%	↑ 7.46%	↑ 12.72%
NSE Oil & Gas Index	↑ 0.24%	↓ -0.86%	↑ 5.17%	↑ 59.85%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
CUTIX	2.87	0.26	↑ 9.96%
AIRTELAFRI	1767.00	159.00	↑ 9.89%
WEMABANK	3.65	0.29	↑ 8.63%
ARDOVA	15.10	1.00	↑ 7.09%
FBNH	11.50	0.75	↑ 6.98%

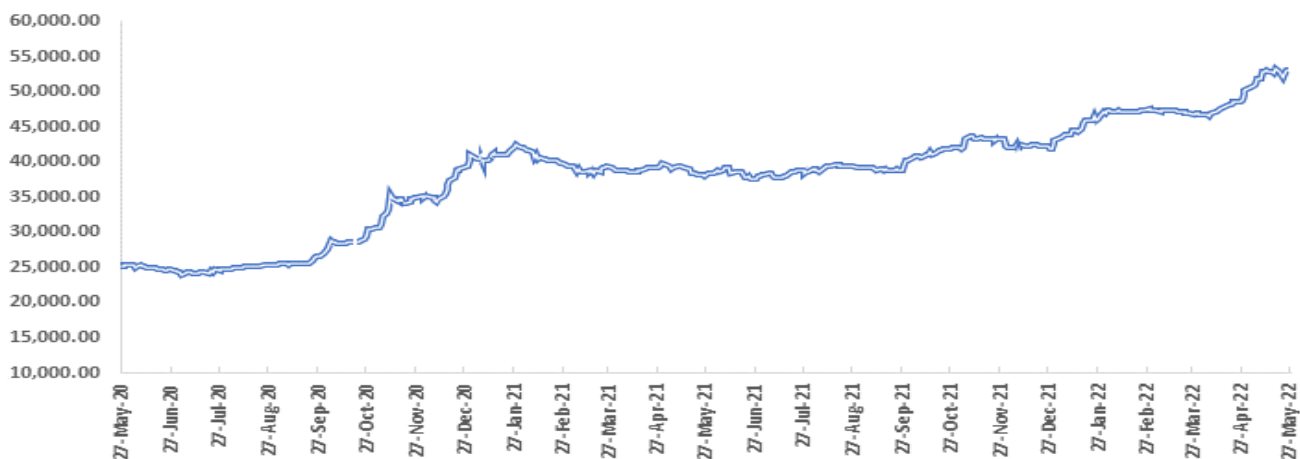
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NB	69.30	-7.70	↓ -10.00%
UACN	10.50	-1.15	↓ -9.87%
UPL	2.85	-0.30	↓ -9.52%
ROYALEX	0.98	-0.10	↓ -9.26%
LINKASSURE	0.56	-0.04	↓ -6.67%

Source: NGX, AIICO Capital

NSE All Share Index



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