

Daily Financial Market Update

AIICO CAPITAL
www.aiicocapital.com


/aiicocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved, opening with a balance of ca ₦75.24 billion, compared to ₦19.68 billion recorded at the close of the previous week. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rate closed lower at 12.83% and 13.67% respectively, from 13.67% and 14.00% recorded on Friday.

Treasury Bills

The NTB secondary market opened the trading session with mixed sentiments, as we witnessed demand on the CBN's Special Bills while offers were seen on the long tenor Bills. Overall, the average rate increased slightly by c.3bps, closing at 3.78%.

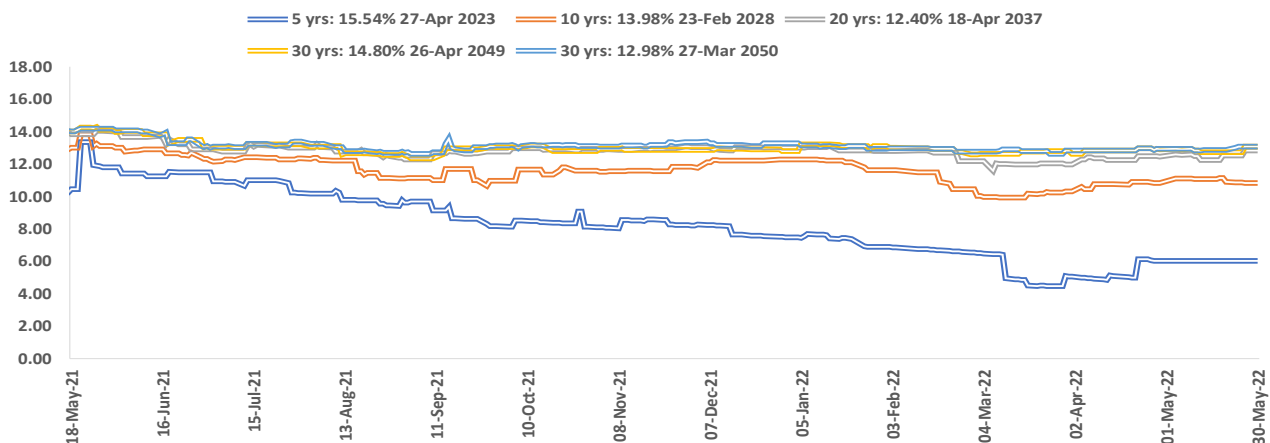
Bonds

The FGN Bonds secondary market traded on a bullish note, as market participants continued to deploy excess liquidity from FAAC inflows to attractive maturities. Activity was seen majorly on 2026s, 2027s, 2036s, 2042s and 2050s papers. Consequently, the average yield declined by ca 8bps across the curve, to settle at 11.63%.

Eurobonds

The Eurobond market opened firmer today, with global risk-on sentiment still evident in market activity. The Nigeria and Angola curve enjoyed some buy-side interest, while there were mild sell-offs witnessed in Ghana and some Egypt papers. Overall, the average yield settled at 10.44%.

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	121.72 (+1.92% d/d)
External Reserve (US\$'billion)	38.54 (-4.89% ytd)
GDP % (Q1 2022)	+3.11% (Q4 2021: +3.98% y/y)

Source: NBS, CBN, AIICO Capital

T-Bills and Bond Statistics

Benchmark T-Bills Discount Rates			
	30-May-22	27-May-22	Change in Rates
73 days	2.97%	2.97%	→ 0.00%
164 days	3.55%	3.55%	→ 0.00%
346 days	4.70%	4.70%	→ 0.00%

Source: FMDQ DQL for 30 May 2022

Benchmark FGN Bond Yields			
	30-May-22	27-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%	12.85%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	13.20%	13.27%	↓ -0.07%
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 30 May 2022

Benchmark FGN Eurobond Yields			
	30-May-22	27-May-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/21	14.29%	15.28%	↓ -0.99%
5 yrs: NGERIA 6 3/8 07/12/23	6.25%	7.16%	↓ -0.91%
10 yrs: NGERIA 6 1/2 11/28/27	9.81%	10.07%	↓ -0.26%
15 yrs: NGERIA 7.875 02/16/32	10.92%	11.06%	↓ -0.14%
30 yrs: NGERIA 9.248 01/21/49	11.37%	11.47%	↓ -0.10%
7.125% ECOTRAN 16/02/26	9.65%	9.65%	→ 0.00%

Source: FMDQ DQL for 30 May 2022

Equities

The domestic bourse opened trading activities on a negative note, with the Nigerian Stock Exchange All Share Index (NGX ASI) losing 0.58% day-on-day, to close at 53,772.14pts, on the back of sell pressure on bellwethers like MTN Nigeria Communications Plc (-2.95%), Guaranty Trust Holding Company Plc (-0.43%), and Zenith Bank Plc (-0.21%), respectively. Consequently, the market's year-to-date return currently stands at ca +25.88%.

The NGX Oil & Gas Index gained ca 0.07% while the NGX Banking, Consumer Goods, and Industrial Indices lost 0.26%, 0.11% and 0.11% day-on-day, respectively. Union Bank Nigeria Plc led both the volume and value charts with ca 27.34 billion units, traded at 191.36 billion worth of trades

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	8.12%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDEX Index	↓ -0.58%	↑ 1.63%	↑ 8.33%	↑ 25.88%
NSE Banking Index	↓ -0.26%	↓ -1.11%	↓ -1.95%	↑ 5.00%
NSE Insurance Index	↑ 0.65%	↓ -3.42%	↓ -6.01%	↓ -8.40%
NSE Industrial Goods Index	↓ -0.11%	↓ -0.70%	↑ 4.16%	↑ 13.34%
NSE Consumer Goods Index	↓ -0.11%	↓ -4.09%	↑ 7.35%	↑ 12.60%
NSE Oil & Gas Index	↑ 0.07%	↓ -1.07%	↑ 5.24%	↑ 59.96%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
TRANSEXP	0.78	0.07	↑ 9.86%
NPFMCRFBK	1.80	0.16	↑ 9.76%
UACN	11.50	1.00	↑ 9.52%
JAIZBANK	0.85	0.07	↑ 8.97%
LIVESTOCK	1.60	0.10	↑ 6.67%

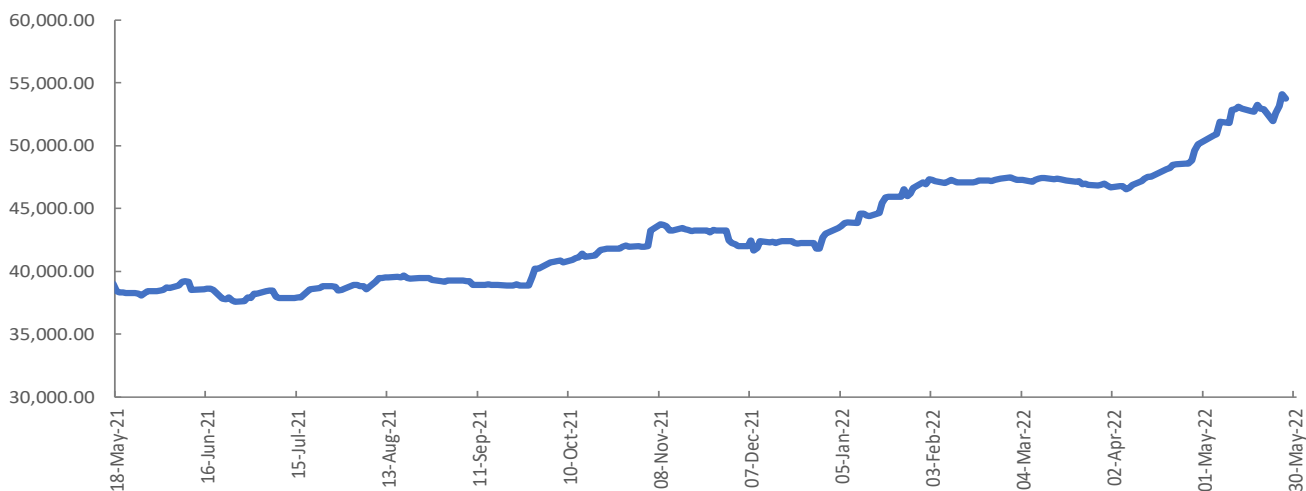
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
PRESCO	162.00	-18.00	↓ -10.00%
UPL	2.60	-0.25	↓ -8.77%
FTNCOCOA	0.32	-0.03	↓ -8.57%
MAYBAKER	4.01	-0.33	↓ -7.60%
WEMABANK	3.40	-0.25	↓ -6.85%

Source: NGX, AIICO Capital

NSE All Share Index



Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction.

Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance.