

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened significantly lower at ₦23.43billion long from ₦259.73 billion recorded on Friday, because of the retail FX auction and CRR debits that took place last week. However, Overnight Policy Rate (OPR) and Overnight (ON) rate closed at 13.50% and 14.00% respectively, compared to 13.75% and 14.00% reported on Friday, due to weak funding pressure.

Treasury Bills

The NTB market endured a calm session today, albeit with a bearish undertone. There were offers seen on Aug 2022, Oct 2022, Nov 2022 and June 2023 papers at 3.40%, 3.80%, 4.10% and 6.00% levels respectively with weak bids to match. Thus, average rate inched up by c.4bps to 3.88% at the close of the session.

Bonds

The FGN bonds market traded mixed sentiments, as there was specific client demand on 2026s, 2027s, 2034s and 2049s papers, while slightly improved offers were seen on 2025s, 2032s and 2042s maturities. Overall, average yield inched up by c.5bps to close at 11.40% at the close of the trading session.

Eurobonds

The Eurobond market took a breather from yesterday's high-octane selloff theme, as it opened firmer with renewed interest seen on Nigeria, Ghana, Angola, and some North African papers. Market's perception is that a potential 75bps rate hike has been priced in at current levels, though we await the outcome of the 2-day FOMC meeting tomorrow, for clarity on yield direction.

In other news, Kenya plans to borrow \$1bn from banks by end of this month after they halted their Eurobond sale plans. Ghana's Deputy Finance Minister also hinted at the country turning to the IMF to salvage their economy if homegrown plans fail.

Macroeconomic Indicators

Indicators	
Inflation % (April 2022)	16.82 (+7.61 ytd)
PMI (December 2020)	49.60
MPR (%)	13.00 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	124.37 (+1.71% d/d)
External Reserve (US\$'billion)	38.55 (-4.87% ytd)
GDP % (Q1 2022)	+3.11% (Q4 2021: +3.98% y/y)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	14-Jun-22	10-Jun-22	Change in Rates
86 days	3.45%	3.50%	↓ -0.05%
149 days	3.90%	3.90%	↔ 0.00%
331 days	6.09%	5.06%	↑ 1.03%

Source: FMDQ DQL for 14 June 2022

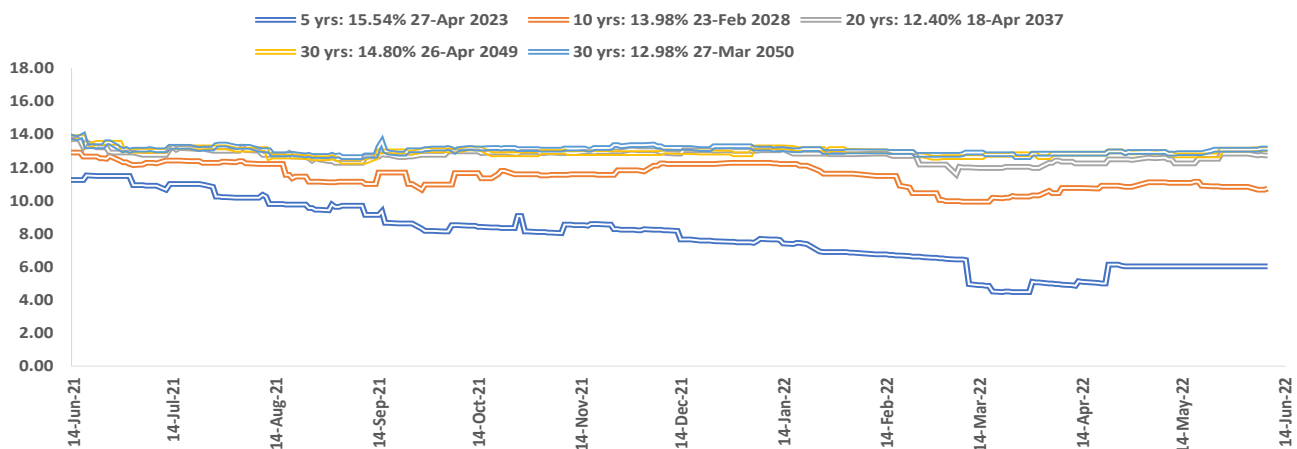
Benchmark FGN Bond Yields			
	14-Jun-22	10-Jun-22	Change in Yield
10 yrs: 13.98% 23-Feb-2028	10.81%	10.77%	↑ 0.04%
20 yrs: 16.25% 18-Apr-2037	12.75%	12.74%	↑ 0.01%
20 yrs: 13.00% 21-Jan-2042	13.16%	13.12%	↑ 0.04%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.14%	13.11%	↑ 0.03%

Source: FMDQ DQL for 14 June 2022

Benchmark FGN Eurobond Yields			
	14-Jun-22	10-Jun-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/22	47.34%	31.74%	↑ 15.60%
5 yrs: NGERIA 6 3/8 07/12/23	8.89%	7.60%	↑ 1.29%
10 yrs: NGERIA 6 1/2 11/28/27	12.31%	11.09%	↑ 1.22%
15 yrs: NGERIA 7.875 02/16/32	13.32%	12.24%	↑ 1.08%
30 yrs: NGERIA 9.248 01/21/49	13.37%	12.45%	↑ 0.92%
7.125% ECOTRAN 16/02/26	9.94%	9.68%	↑ 0.26%

Source: FMDQ DQL for 14 June 2022

Benchmark Bond Yields



Equities

The Nigerian Bourse closed the trading session on a bearish note as the ASI declined by c.0.16% from the previous session to close at 53,114.65pts. Market performance was dragged by selling activities on Transnational Corporation of Nigeria (TRANSCORP) (-5.07%), STANBIC (-2.35%) and WAPCO (-1.07%) while year-to-date returns was recorded at +24.34%.

The NGX Industrial, Banking and Oil & Gas Indices all lost c.0.11%, 0.35% and 0.46% respectively, while the NGX Consumer goods Index remained unchanged from the previous day. FCMB led the volume chart with c.52.08 million units while GTCO led the value charts with c.₦446.15 million worth of trades.

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	8.20%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDX Index	↓ -0.16%	↓ -0.29%	↑ 7.00%	↑ 24.34%
NSE Banking Index	↓ -0.35%	↓ -2.33%	↓ -4.82%	↑ 1.92%
NSE Insurance Index	↑ 0.16%	↓ -0.65%	↓ -7.21%	↓ -9.58%
NSE Industrial Goods Index	↓ -0.11%	↑ 0.06%	↑ 0.53%	↑ 9.38%
NSE Consumer Goods Index	↓ 0.00%	↑ 0.28%	↑ 4.66%	↑ 9.77%
NSE Oil & Gas Index	↓ -0.46%	↓ -0.46%	↑ 4.92%	↑ 59.47%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
LEARNAFRCA	2.37	0.21	↑ 9.72%
SUNUASSUR	0.35	0.03	↑ 9.37%
WAPIC	0.42	0.02	↑ 5.00%
STERLNBANK	1.55	0.03	↑ 1.97%
CORNERST	0.62	0.01	↑ 1.64%

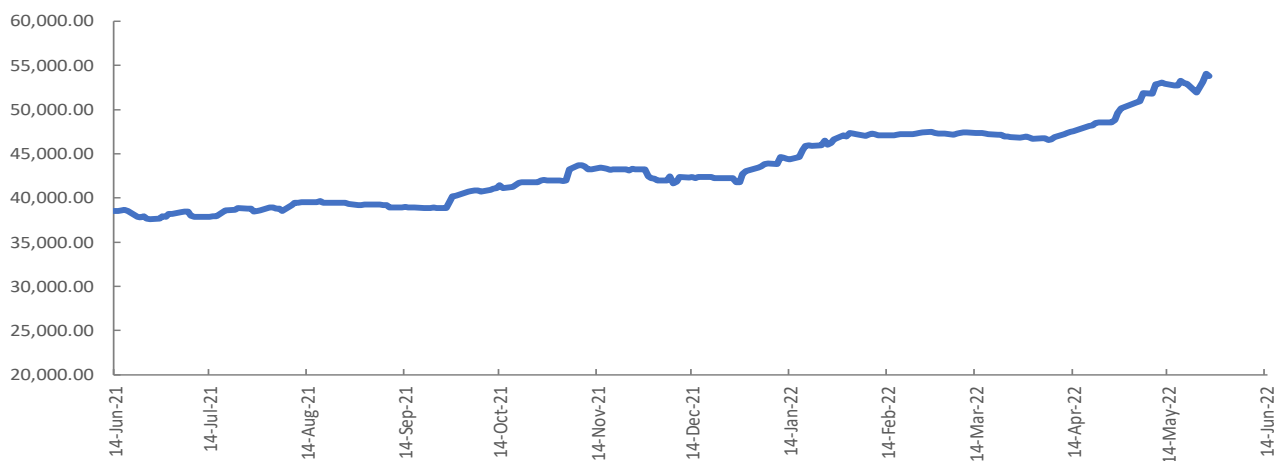
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CAP	18.15	-2.00	↓ -9.93%
CAVERTON	1.06	-0.09	↓ -7.83%
LIVESTOCK	1.50	-0.10	↓ -6.25%
TRANSCORP	1.31	-0.07	↓ -5.07%
CHAMPION	3.50	-0.17	↓ -4.63%

Source: NGX, AIICO Capital

NSE All Share Index



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