

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Opening system liquidity declined significantly by c.₦234.23 billion from yesterday's figure to print at ₦283.71 billion, following another round of CRR debits. Consequently, the Overnight Policy Rate (OPR) and Overnight (ON) rate inched up to 6.67% and 7.00% respectively from 6.00% and 6.17% recorded at yesterday's session.

Treasury Bills

The Treasury Bills secondary market closed the week with mixed sentiments. Offers were seen on Sept to Nov 2022 Bills at 3.50% to 3.85% levels, while mild demand was observed on Apr and May 2023 Bills, as market participants positioned ahead of the NTB Auction scheduled to hold next week. At the close of the session, average rate declined slightly by c.3bps to settle at 3.88%.

Bonds

The FGN Bonds secondary market witnessed a slight uptick in yield on 2027s at 10.70%, while demand was seen on 2025s and 2026s at 10.15% and 10.35% respectively. Overall, average yield dipped by c.6bps to 11.56% at the close of the trading session.

Eurobonds

The Eurobond space ended the week with little to no activity recorded across the SSA, North and East African markets, due to the UK holiday. We expect activity to resume fully on Monday.

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	119.85 (+1.85% d/d)
External Reserve (US\$'billion)	38.48 (-5.03% ytd)
GDP % (Q1 2022)	+3.11% (Q4 2021: +3.98% y/y)

Source: NBS,CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	03-Jun-22	02-Jun-22	Change in Rates
69 days	3.25%	3.25%	→ 0.00%
160 days	3.97%	3.97%	→ 0.00%
342 days	4.84%	4.84%	→ 0.00%

Source: FMDQ DQL for 3 June 2022

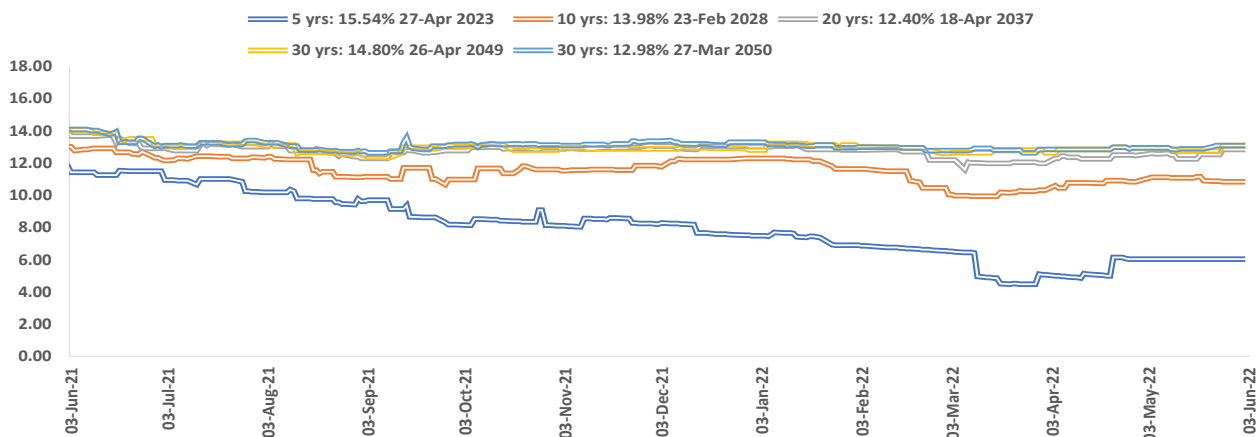
Benchmark FGN Bond Yields			
	03-Jun-22	02-Jun-22	Change in Yield
10 yrs: 13.98% 23-Feb-2028	10.84%	11.05%	↓ -0.21%
20 yrs: 16.25% 18-Apr-2037	12.76%	12.85%	↓ -0.09%
20 yrs: 13.00% 21-Jan-2042	13.20%	13.18%	↑ 0.02%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.07%	13.07%	→ 0.00%

Source: FMDQ DQL for 3 June 2022

Benchmark FGN Eurobond Yields			
	03-Jun-22	02-Jun-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/22	23.37%	22.52%	↑ 0.85%
5 yrs: NGERIA 6 3/8 07/12/23	7.40%	7.37%	↑ 0.03%
10 yrs: NGERIA 6 1/2 11/28/27	10.28%	10.28%	→ 0.00%
15 yrs: NGERIA 7.875 02/16/32	11.23%	11.23%	→ 0.00%
30 yrs: NGERIA 9.248 01/21/49	11.64%	11.64%	→ 0.00%
7.125% ECOTRAN 16/02/26	9.66%	9.66%	→ 0.00%

Source: FMDQ DQL for 3 June 2022

Benchmark Bond Yields



Equities

The equities market reversed its negative trend, as the ASI Index inched up by 0.13% day-on-day to close at 52,908.24pts. Buying interest was seen on bellwethers such as Nigeria Breweries(+7.06%) and Zenith Bank Nigeria (+1.96%) while the index improved to +23.86% YTD.

The NGX Consumer Goods, Banking and Oil & Gas Indices all gained by c.1.05%, 0.95% and 0.53% respectively while the NGX Industrial goods index declined slightly by c.0.01% day-on-day. UAC Nigeria led both the volume charts and the value charts with c.73.89 million units and ₦ 812.90 million worth of trades respectively .

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	7.95%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDEX Index	↑ 0.13%	↓ -2.18%	↑ 6.59%	↑ 23.86%
NSE Banking Index	↑ 0.95%	↓ -0.73%	↓ -2.41%	↑ 4.50%
NSE Insurance Index	↑ 1.41%	↑ 0.83%	↓ -5.84%	↓ -8.24%
NSE Industrial Goods Index	↓ -0.01%	↓ -3.73%	↑ 0.38%	↑ 9.23%
NSE Consumer Goods Index	↑ 1.05%	↓ -2.51%	↑ 4.76%	↑ 9.89%
NSE Oil & Gas Index	↑ 0.53%	↓ -0.45%	↑ 4.70%	↑ 59.13%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
NEM	4.20	0.38	↑ 9.95%
CHAMS	0.24	0.02	↑ 9.09%
CHAMPION	3.89	0.29	↑ 8.06%
NB	63.70	4.20	↑ 7.06%
ETERNA	7.70	0.48	↑ 6.65%

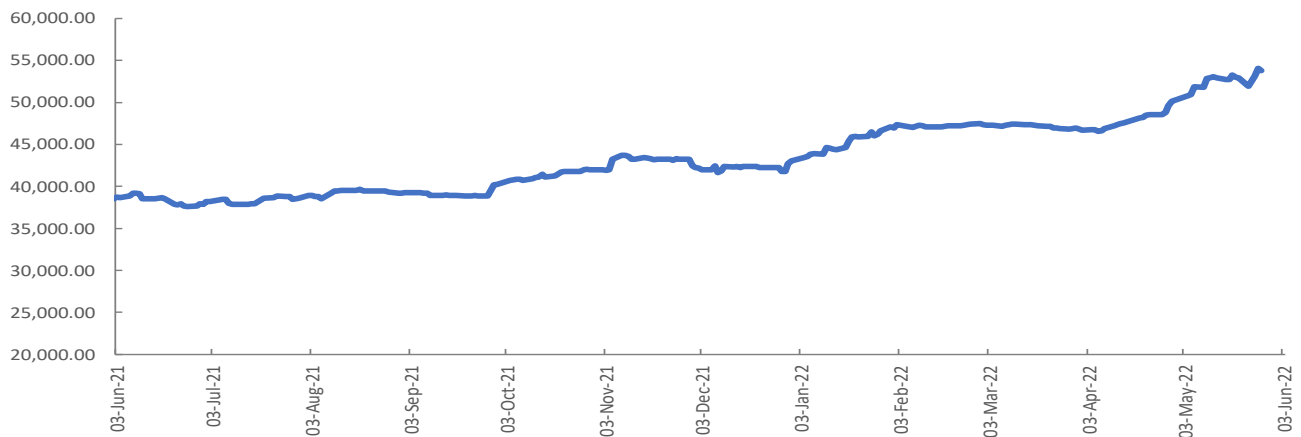
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
UPDCREIT	3.40	-0.35	↓ -9.33%
WAPIC	0.42	-0.02	↓ -4.55%
UACN	11.00	-0.50	↓ -4.35%
CAVERTON	1.15	-0.04	↓ -3.36%
INTBREW	7.25	-0.25	↓ -3.33%

Source: NGX, AIICO Capital

NSE All Share Index



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