

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiiocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened the week lower, with a credit balance of ₦178.50 billion compared to Friday's opening balance of c. ₦347.91 billion. Thus, Overnight Policy Rate (OPR) and Overnight (ON) rate settled at 6.33% and 7.08% respectively from 6.67% and 7.00% recorded last week Friday.

Treasury Bills

The Treasury Bills secondary market opened with mixed sentiments seen across tenors. There were notable offers on Sept to Nov 2022 Bills, while mild demand was seen on 25 May 2023 bill, as market participants continued to take positions ahead of the NTB Auction scheduled for Wednesday, 08 June 2022. Overall, average rate remained unchanged at 3.88%.

Bonds

The FGN Bonds secondary market reflected sideways trading, with bids seen majorly on 2025s and 2026s at 10.10% and 10.40% levels respectively, while slightly improved offers were witnessed on 2032s, 2035s and 2035s. Thus, average yield reduced marginally by c.3bps to 11.53% at the close of the trading session.

Eurobonds

The Eurobond market opened relatively unchanged after the 2-day holiday in the UK as weak demand was observed on some selected SSA papers, despite Beijing slowly removing COVID-19 restrictions. In other news, The Federal Government of Nigeria scrapped the proposed US\$950m Eurobond issuance, owing to unfavourable market conditions during the time frame approved for the fundraising. Overall, average rate closed flat at 11.39%.

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	119.96 (+0.20% d/d)
External Reserve (US\$'billion)	38.48 (-5.04% ytd)
GDP % (Q1 2022)	+3.11% (Q4 2021: +3.98% y/y)

Source: NBS,CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	06-Jun-22	03-Jun-22	Change in Rates
66 days	3.30%	3.25%	↑ 0.05%
157 days	3.85%	3.97%	↓ -0.12%
339 days	4.84%	4.84%	→ 0.00%

Source: FMDQ DQL for 6 June 2022

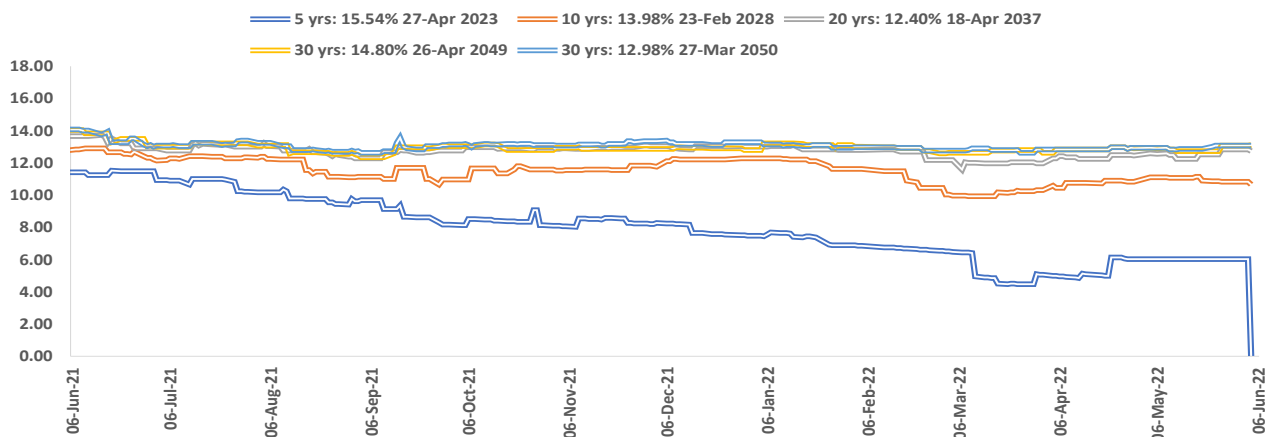
Benchmark FGN Bond Yields			
	06-Jun-22	03-Jun-22	Change in Yield
10 yrs: 13.98% 23-Feb-2028	10.86%	10.84%	↑ 0.02%
20 yrs: 16.25% 18-Apr-2037	12.73%	12.76%	↓ -0.03%
20 yrs: 13.00% 21-Jan-2042	13.21%	13.20%	↑ 0.01%
30 yrs: 14.80% 26-Apr-2049	13.05%	13.05%	↑ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.07%	13.07%	→ 0.00%

Source: FMDQ DQL for 6 June 2022

Benchmark FGN Eurobond Yields			
	06-Jun-22	03-Jun-22	Change in Yield
3 yrs: NGERIA 6 3/4 01/28/22	19.64%	23.37%	↓ -3.73%
5 yrs: NGERIA 6 3/8 07/12/23	7.20%	7.40%	↓ -0.20%
10 yrs: NGERIA 6 1/2 11/28/27	10.26%	10.28%	↓ -0.02%
15 yrs: NGERIA 7.875 02/16/32	11.18%	11.23%	↓ -0.05%
30 yrs: NGERIA 9.248 01/21/49	11.59%	11.64%	↓ -0.05%
7.125% ECOTRAN 16/02/26	9.62%	9.66%	↓ -0.04%

Source: FMDQ DQL for 6 June 2022

Benchmark Bond Yields



Aim higher. Reach further ▶

AIICO CAPITAL**Equities**

The equities market started the week on a positive note, as the ASI Index gained c.0.34% from the previous session to close at 53,086.86pts while year-to-date returns extended to 24.28%. This was largely supported by buy side activities on bellwethers such as FBN Holdings (+2.27%) and Conoil (+9.97%).

The NGX Consumer Goods and Banking indices lost c.0.12% and 0.42% respectively while the NGX Industrial goods and Oil & Gas indices gained c.0.05% and 0.68% respectively from the previous session. FBN Holdings led both the volume charts and the value charts with c.610.41 million units and ₦ 6.78 billion worth of trades respectively.

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	7.71%
Added Benefit	Personal accident insurance cover

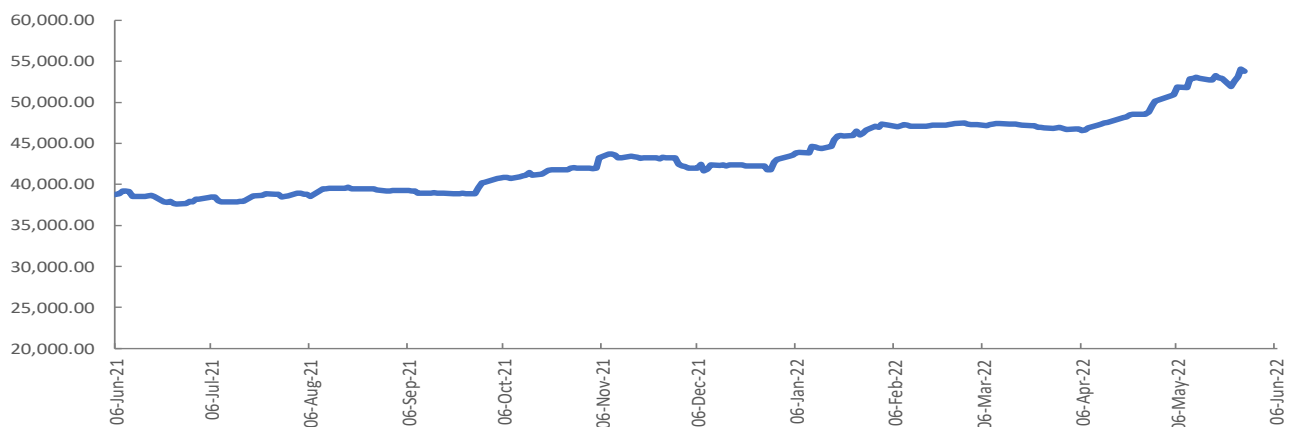
	D-o-D	W-o-W	MTD	YTD
NGSEINDX Index	↑ 0.34%	↓ -1.28%	↑ 6.95%	↑ 24.28%
NSE Banking Index	↓ -0.42%	↓ -0.89%	↓ -2.82%	↑ 4.06%
NSE Insurance Index	↓ -0.44%	↓ -0.26%	↓ -6.26%	↓ -8.65%
NSE Industrial Goods Index	↑ 0.05%	↓ -3.57%	↑ 0.43%	↑ 9.28%
NSE Consumer Goods Index	↓ -0.12%	↓ -2.94%	↑ 4.63%	↑ 9.75%
NSE Oil & Gas Index	↑ 0.68%	↑ 0.16%	↑ 5.41%	↑ 60.21%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
CONOIL	32.00	2.90	↑ 9.97%
PHARMDEKO	1.75	0.15	↑ 9.37%
LEARNAFRCA	2.37	0.19	↑ 8.72%
FTNCOCOA	0.36	0.02	↑ 5.88%
CHAMS	0.25	0.01	↑ 4.17%

Source: NGX, AIICO Capital**Top 5 Equity Decliners**

Name (Symbol)	Closing Price	Loss(N)	% Change
JAPAULGOLD	0.30	-0.02	↓ -6.25%
ABCTRANS	0.31	-0.02	↓ -6.06%
UNILEVER	14.50	-0.45	↓ -3.01%
AIICO	0.66	-0.02	↓ -2.94%
JAIZBANK	0.88	-0.02	↓ -2.22%

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.