

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity slipped further into the deficit zone, with an opening balance of ca - ₦207.34 billion, significantly lower than yesterday's balance of ca -₦52.07 billion. Nonetheless, the Overnight Policy Rate (OPR) trended lower to 13.83% from 14.00% recorded in the previous session, while the Overnight Rate (O/N) remained unchanged at 14.00%.

Treasury Bills

Selling interests dominated the NTB market today due to tight system liquidity. Short-dated securities (CBN Special bills, NTBs and OMOs) were offered between 9% and 10%, while long end OMOs were offered at 6.30% but very few bids were recorded. Overall, average rate rose by c.30bps, day-on-day, to 7.04%.

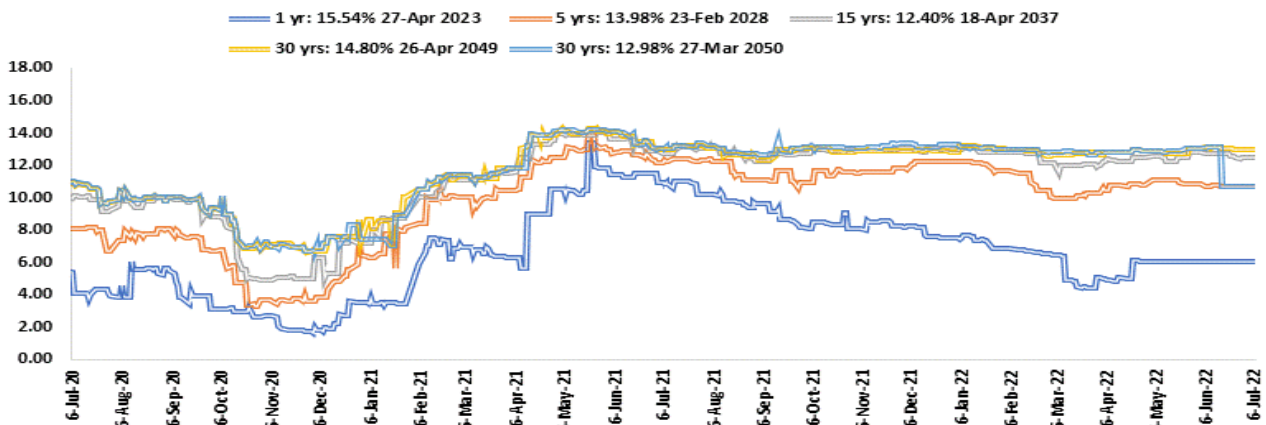
Bonds

The FGN bonds market sustained a bearish bias as well, with increased offers witnessed across the short and mid dated papers. The most offered papers were 2028s, 2032s, 2036s and 2042s at 11.00%, 12.45%, 12.65% and 13.10% respectively, as market players traded sentiments around the recently released Q3 2022 FGN bonds issuance calendar and prevailing market liquidity status. Thus, average yield rose by c.10bps/day-on-day to settle at 11.55%.

Eurobonds

Mixed sentiments prevailed in the Eurobond market ahead of the release of June's FOMC meeting minutes today. Specifically, in the SSA space, Ghana was better bid across the curve, as investors traded sentiments around the country's meeting with the IMF today on a potential \$1.5bn bailout program, while Angola suffered losses amid ETF selling. Nigeria on the one hand endured a quiet outing with minor lifts across the mid to long-dated papers. Overall, the average yield across the Nigerian sovereign curve settled at 12.24%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (May 2022)	17.71 (+13.31 ytd)
PMI (December 2020)	49.60
MPR (%)	13.00 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	99.97 (-2.71% d/d)
External Reserve (US\$'billion)	39.25 (-3.13% ytd)
GDP % (Q1 2022)	+3.11% (Q4 2021: +3.98% y/y)

Source: NBS,CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	06-Jul-22	05-Jul-22	Change in Rates
64 days	9.75%	9.00%	↑ 0.75%
127 days	3.90%	3.90%	↔ 0.00%
337 days	6.03%	6.03%	↔ 0.00%

Source: FMDQ DQL for 06 July 2022

Benchmark FGN Bond Yields			
	06-Jul-22	05-Jul-22	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	10.72%	10.72%	↔ 0.00%
10 yrs: 12.50% 27-Apr-2032	12.39%	12.46%	↓ -0.07%
20 yrs: 13.00% 21-Jan-2042	13.10%	13.06%	↑ 0.04%
30 yrs: 12.98% 27-Mar-2050	12.98%	12.98%	↔ 0.00%

Source: FMDQ DQL for 06 July 2022

Benchmark FGN Eurobond Yields			
	06-Jul-22	05-Jul-22	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.89%	6.37%	↑ 0.52%
5 yrs: NGERIA 6 1/2 11/28/27	12.41%	12.26%	↑ 0.15%
10 yrs: NGERIA 7.875 02/16/32	13.31%	13.07%	↑ 0.24%
15 yrs: NGERIA 7.696 23/02/38	13.29%	13.08%	↑ 0.21%
30 yrs: NGERIA 9.248 01/21/49	13.40%	13.16%	↑ 0.24%
7.125% ECOTRAN 16/02/26	10.89%	10.89%	↔ 0.00%

Source: FBN UK Runs for 06 July 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse sustained its negative performance, as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 0.06% day-on-day to settle at 51,556.54pts, while year-to-date return dropped to +20.69%. This was largely characterized by sell-offs in stocks like Union Bank Nigeria Plc (-9.76%), International Breweries Plc (-5.26%), Fidelity Bank Plc (-1.22%) and Guaranty Trust Holding Company Plc (-0.73%), respectively.

The NGX Banking, Oil & Gas, and Consumer Goods indices lost ca 0.60%, 0.16%, and 0.03% day-on-day, respectively. The NGX Industrial Index closed flat.

Transcorp Corporation of Nigeria Plc led the volume chart with ca 15.55 million units while Guaranty Trust Holding Company Plc topped the value charts with ca ₦267.09 million worth of trades.

AIICO Money Market Fund (AMMF)	
Net Yield (As at current date)	7.97%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDEX Index	↓-0.06%	↓-0.47%	↓-0.50%	↑ 20.69%
NSE Banking Index	↓-0.60%	↓-0.32%	↓-0.59%	↓ -2.62%
NSE Insurance Index	↓-1.36%	↓-0.07%	↓-0.48%	↓ -10.42%
NSE Industrial Goods Index	↔0.00%	↓-0.21%	↓-0.06%	↑ 7.10%
NSE Consumer Goods Index	↓-0.03%	↓-1.76%	↓-1.54%	↑ 4.25%
NSE Oil & Gas Index	↓-0.16%	↓-0.48%	↓-0.90%	↑ 56.65%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
ACADEMY	1.57	0.14	↑ 9.79%
CHIPLC	0.75	0.06	↑ 8.70%
JAPAUFGOLD	0.29	0.02	↑ 7.41%
UPDCREIT	3.60	0.15	↑ 4.35%
CHAMS	0.25	0.01	↑ 4.17%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CHAMPION	3.60	-0.40	↓ -10.00%
NEM	3.42	-0.38	↓ -10.00%
UBN	5.55	-0.60	↓ -9.76%
UPL	2.35	-0.23	↓ -8.91%
RTBRISCOE	0.37	-0.03	↓ -7.50%

Source: NGX, AIICO Capital

NSE All Share Index



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