

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity tightened further with an opening balance of ca ₦413.40 billion short. Thus, the Overnight Policy Rate (OPR) and Overnight Rate (ON) stayed elevated at 15.00%.

Treasury Bills

The Treasury bills secondary market witnessed improved offers on short-dated papers, with the August and November 2022 papers trading at c.11.00% and c.12.00% respectively. However, the newly issued 1-year paper had mild demand at 6.95% levels as some players sought to fill their lost bids. Consequently, the average rate rose by c.7bps day-on-day, to close at 7.33%.

Bonds

Activity in the FGN bonds secondary market maintained a quiet theme, albeit mixed interest was seen on 2032s, 2042s, and 2050s. Overall, the average yield stayed relatively flat, day-on-day to settle at 12.27%.

Eurobonds

Yesterday's expected 75bps rate hike by the US Fed's spurred a risk-on sentiment in the SSA and other African Eurobond markets, with renewed buying interest recorded across the curve. Overall, the average yield across the Nigerian sovereign curve settled at 12.67%.

Macroeconomic Indicators

| Indicators | |
|---------------------------------|----------------------------------|
| Inflation % (June 2022) | 18.60 (+19.00 ytd) |
| PMI (December 2020) | 49.60 |
| MPR (%) | 13.00 (-7%/+1% around mid-point) |
| CRR (%) | 27.5 |
| Brent Crude Price US\$/bbl | 107.73 (+1.04% d/d) |
| External Reserve (US\$'billion) | 39.39 (-3.08% ytd) |
| GDP % (Q1 2022) | +3.11% (Q4 2021: +3.98% y/y) |

Source: NBS,CBN, AIICO Capital

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 28-Jul-22 | 27-Jul-22 | Change in Rates |
| 77 days | 9.00% | 9.00% | ↔ 0.00% |
| 105 days | 3.90% | 3.90% | ↔ 0.00% |
| 315 days | 6.03% | 6.03% | ↔ 0.00% |

Source: FMDQ DQL for 28 July 2022

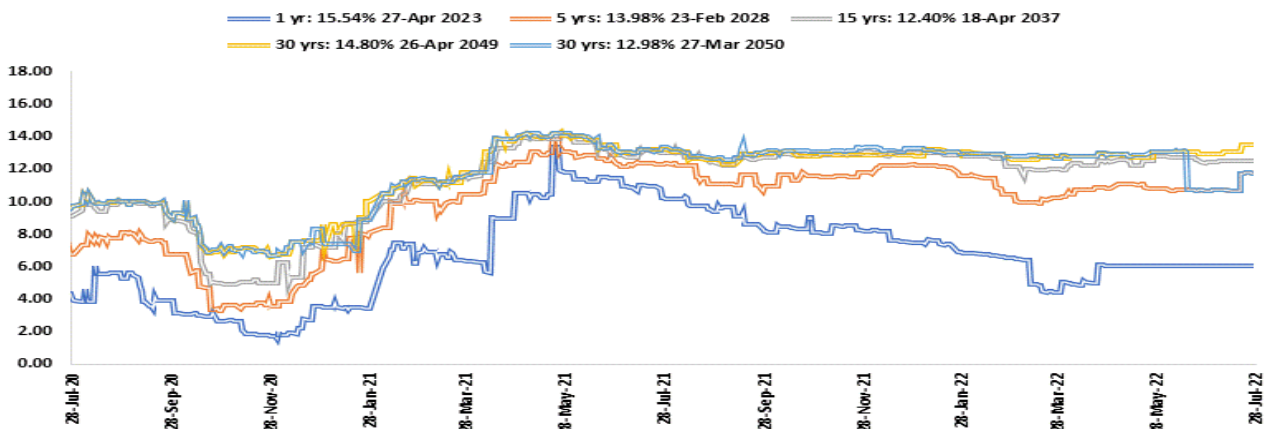
| Benchmark FGN Bond Yields | | | |
|-----------------------------|-----------|-----------|-----------------|
| | 28-Jul-22 | 27-Jul-22 | Change in Yield |
| 5 yrs: 16.2884% 17-Mar-2027 | 11.74% | 11.74% | ↔ 0.00% |
| 10 yrs: 12.50% 27-Apr-2032 | 12.95% | 12.90% | ↑ 0.05% |
| 20 yrs: 13.00% 21-Jan-2042 | 13.73% | 13.73% | ↔ 0.00% |
| 30 yrs: 12.98% 27-Mar-2050 | 13.49% | 13.15% | ↑ 0.34% |

Source: FMDQ DQL for 28 July 2022

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 28-Jul-22 | 27-Jul-22 | Change in Yield |
| 1 yr: NGERIA 6 3/8 07/12/23 | 6.92% | 7.34% | ↓ -0.42% |
| 5 yrs: NGERIA 6 1/2 11/28/27 | 12.90% | 13.25% | ↓ -0.35% |
| 10 yrs: NGERIA 7.875 02/16/32 | 13.45% | 13.75% | ↓ -0.30% |
| 15 yrs: NGERIA 7.696 23/02/38 | 13.25% | 13.55% | ↓ -0.30% |
| 30 yrs: NGERIA 9.248 01/21/49 | 13.60% | 13.95% | ↓ -0.35% |
| 7.125% ECOTRAN 16/02/26 | 12.10% | 12.09% | ↑ 0.01% |

Source: FBN UK Runs for 28 July 2022

Benchmark Bond Yields



Equities

The domestic bourse closed the day on a bearish note, as sustained sell activity pushed market performance southward. The Nigerian Stock Exchange All Share Index (NGX ASI) lost ca 1.04% day-on-day to close at 49,667.14pts, while market year-to-date returns dropped to ca +16.27%. Sell action was seen on bellwethers like Nestle Nigeria Plc (-9.84%), Zenith Bank Plc (-8.25%), and Guaranty Trust Holding Company Plc (-3.57%), respectively.

The NGX Oil & Gas Index gained ca 0.59% while the NGX Consumer Goods, Banking, and Industrial indices lost ca 3.77%, 3.54%, and 0.46%, day-on-day, respectively.

Transcorp Corporation of Nigeria Plc led the volume chart with ca 38.53 million units while MTN Nigeria Communications Plc topped the value charts with ca ₦2.03 billion worth of trades.

| AIICO Money Market Fund (AMMF) | |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 8.17% |
| Added Benefit | Personal accident insurance cover |

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|----------|----------|-----------|-----------|
| NGSEIINDEX Index | ↓ -1.04% | ↓ -4.71% | ↓ -4.15% | ↑ 16.27% |
| NSE Banking Index | ↓ -3.54% | ↓ -9.16% | ↓ -10.81% | ↓ -12.63% |
| NSE Insurance Index | ↓ -3.19% | ↓ -4.58% | ↓ -7.18% | ↓ -16.45% |
| NSE Industrial Goods Index | ↓ -0.46% | ↓ -1.00% | ↓ -4.41% | ↑ 2.44% |
| NSE Consumer Goods Index | ↓ -3.77% | ↓ -4.63% | ↓ -8.31% | ↓ -2.92% |
| NSE Oil & Gas Index | ↑ 0.59% | ↓ -1.13% | ↑ 1.95% | ↑ 61.15% |

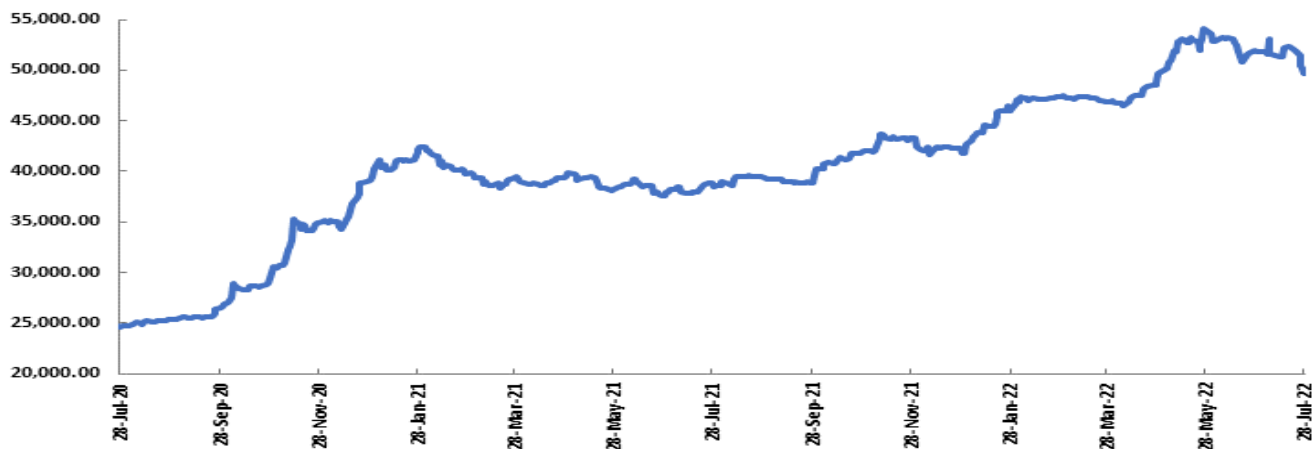
| Top 5 Equity Advancers | | | |
|------------------------|---------------|---------|----------|
| Name (Symbol) | Closing Price | Gain(N) | % Change |
| UPDCREIT | 3.55 | 0.30 | ↑ 9.23% |
| RTBRISCOE | 0.38 | 0.03 | ↑ 8.57% |
| CHAMS | 0.26 | 0.02 | ↑ 8.33% |
| CUSTODIAN | 6.80 | 0.50 | ↑ 7.94% |
| LIVESTOCK | 1.20 | 0.05 | ↑ 4.35% |

Source: NGX, AIICO Capital

| Top 5 Equity Decliners | | | |
|------------------------|---------------|---------|-----------|
| Name (Symbol) | Closing Price | Loss(N) | % Change |
| LASACO | 0.90 | -0.10 | ↓ -10.00% |
| STANBIC | 28.40 | -3.15 | ↓ -9.98% |
| CADBURY | 15.40 | -1.70 | ↓ -9.94% |
| NESTLE | 1262.30 | -137.70 | ↓ -9.84% |
| MANSARD | 1.72 | -0.18 | ↓ -9.47% |

Source: NGX, AIICO Capital

NSE All Share Index



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