

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity opened at ca ₦247.13 billion today, significantly higher than Friday's opening of a ca ₦89.99 billion deficit, due to late FAAC inflows. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rates trended lower to settle at 10.00% and 10.50% from 14.75% and 15.00%, recorded on Friday.

Treasury Bills

The Treasury bills market traded with a bearish bias to start the month, as short tenored papers were offered at double digits c.12.00%, between 9.00% and 10.00% on mid tenors, while the long end remained muted. Consequently, the average rate rose by c.10bps day-on-day, to close at 7.49%.

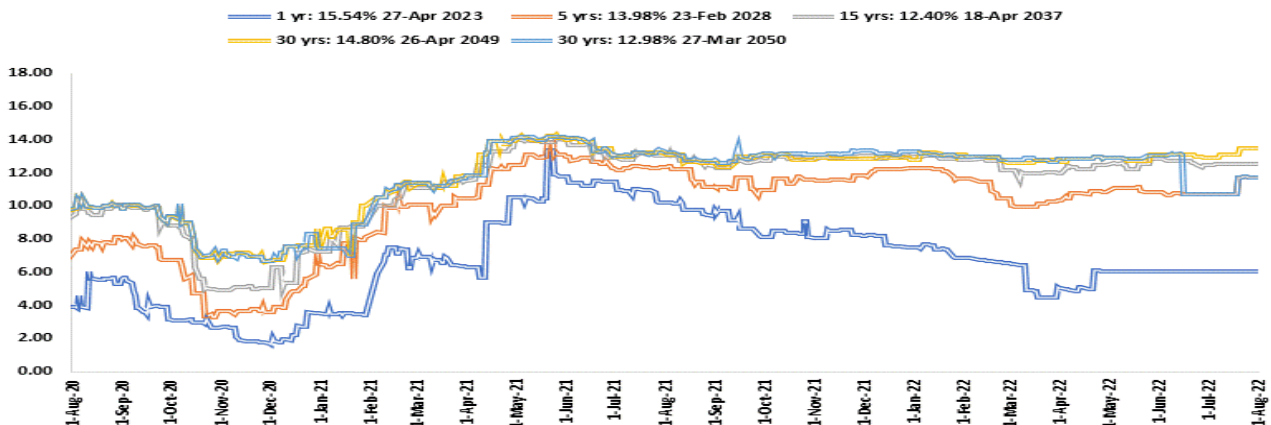
Bonds

The FGN bonds market endured a calm session, although the undertone was bearish as there were more sellers than buyers. Most of the offers remained skewed to 2025s, 2028s and 2042s at 11.40%, 11.70%, and 13.70% respectively. Overall, the average yield rose by c.6bps day-on-day, to settle at 12.32%.

Eurobonds

In the Eurobond space, recession risks seem to have eased concerns on how aggressive the US Fed will be as regards interest rate hikes. Thus, the SSA markets continued from last week's close with buying interest recorded across the curve, causing average mid-price to appreciate by c.2.5ppts. Overall, the average yield across the Nigerian sovereign curve settled at 11.82%.

Benchmark Bond Yields



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 | 99.61 (-4.20% d/d) |
| External Reserve (US\$'billion) | 39.22 (-3.21% ytd) |
| GDP % (Q1 2022) | +3.11% (Q4 2021: +3.98% y/y) |

Source: NBS,CBN, AICO Capital

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 01-Aug-22 | 29-Jul-22 | Change in Rates |
| 73 days | 9.00% | 9.00% | → 0.00% |
| 178 days | 7.50% | 7.50% | → 0.00% |
| 311 days | 6.45% | 6.45% | → 0.00% |

Source: FMDQ DQL for 01 August 2022

| Benchmark FGN Bond Yields | | | |
|-----------------------------|-----------|-----------|-----------------|
| | 01-Aug-22 | 29-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% | 12.95% | → 0.00% |
| 20 yrs: 13.00% 21-Jan-2042 | 13.69% | 13.66% | ↑ 0.03% |
| 30 yrs: 12.98% 27-Mar-2050 | 13.40% | 13.49% | ↓ -0.09% |

Source: FMDQ DQL for 01 August 2022

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 01-Aug-22 | 29-Jul-22 | Change in Yield |
| 1 yr: NGERIA 6 3/8 07/12/23 | 6.37% | 6.37% | → 0.00% |
| 5 yrs: NGERIA 6 1/2 11/28/27 | 12.24% | 12.47% | ↓ -0.23% |
| 10 yrs: NGERIA 7.875 02/16/32 | 12.42% | 12.98% | ↓ -0.56% |
| 15 yrs: NGERIA 7.696 23/02/38 | 12.48% | 12.99% | ↓ -0.51% |
| 30 yrs: NGERIA 9.248 01/21/49 | 12.96% | 13.40% | ↓ -0.44% |
| 7.125% ECOTRAN 16/02/26 | 12.11% | 12.10% | ↑ 0.01% |

Source: FBN UK Runs for 01 August 2022

Aim higher. Reach further ▶

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Equities

The domestic bourse recorded a bearish performance today, as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 0.83% day-on-day to close at 49,950.32pts, while year-to-date returns reduced to +16.93%. This can be attributed to profit-taking on stocks like International Breweries Plc (-6.54%), and Access Holdings Plc (-1.11%), respectively.

The NGX Banking Index gained ca 0.19% while NGX Industrial and Consumer Goods indices lost ca 4.18% and 0.13%, day-on-day, respectively. The NGX Oil & Gas Index closed flat.

Guaranty Trust Holding Company Plc led the volume chart with ca 21.37 million units while Zenith Bank Plc topped the value charts with ca ₦429.28 million worth of trades.

| AICO Money Market Fund (AMMF) | |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 8.36% |
| Added Benefit | Personal accident insurance cover |

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|----------|----------|----------|-----------|
| NGSEIINDEX | ↓ -0.83% | ↓ -2.82% | ↓ -3.60% | ↑ 16.93% |
| NSE Banking Index | ↑ 0.19% | ↓ -1.26% | ↓ -4.75% | ↓ -6.69% |
| NSE Insurance Index | ↑ 0.12% | ↓ -4.90% | ↓ -6.22% | ↓ -15.58% |
| NSE Industrial Goods Index | ↓ -4.18% | ↓ -4.43% | ↓ -8.18% | ↓ -1.60% |
| NSE Consumer Goods Index | ↓ -0.13% | ↓ -4.88% | ↓ -8.25% | ↓ -2.85% |
| NSE Oil & Gas Index | → 0.00% | ↓ -0.92% | ↑ 2.01% | ↑ 61.24% |

Top 5 Equity Advancers

| Name (Symbol) | Closing Price | Gain(N) | % Change |
|---------------|---------------|---------|----------|
| CAVERTON | 1.10 | 0.10 | ↑ 10.00% |
| COURTVILLE | 0.44 | 0.04 | ↑ 10.00% |
| CHAMPION | 4.00 | 0.35 | ↑ 9.59% |
| UNITYBNK | 0.47 | 0.04 | ↑ 9.30% |
| LIVESTOCK | 1.25 | 0.10 | ↑ 8.70% |

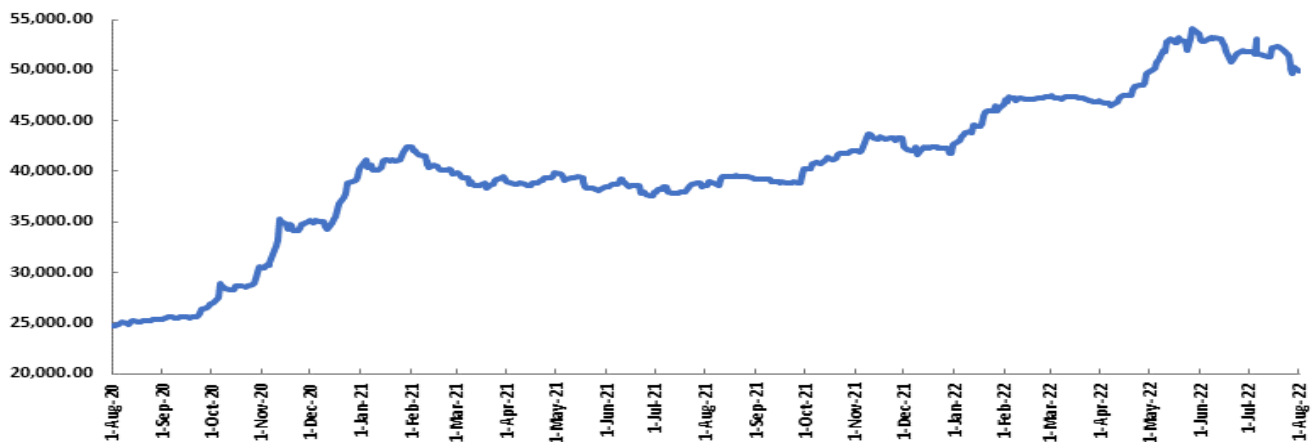
Source: NGX, AICO Capital

Top 5 Equity Decliners

| Name (Symbol) | Closing Price | Loss(N) | % Change |
|---------------|---------------|---------|----------|
| BUACEMENT | 62.40 | -6.90 | ↓ -9.96% |
| MCNICHOLS | 0.82 | -0.09 | ↓ -9.89% |
| NEIMETH | 1.40 | -0.15 | ↓ -9.68% |
| INTBREW | 5.00 | -0.35 | ↓ -6.54% |
| MAYBAKER | 3.35 | -0.23 | ↓ -6.42% |

Source: NGX, AICO Capital

NSE All Share Index



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