

# Daily Financial Market Update

**AICO CAPITAL**
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## FIXED INCOME MARKET

### Money Markets

Interbank system liquidity opened higher today with a balance of ca ₦269.25 billion, compared to yesterday's opening balance of ca ₦225.87 billion. Thus, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) trended lower to 7.00% and 7.50% respectively, from 7.50% and 8.00%, recorded the previous day.

### Treasury Bills

The NTB secondary market witnessed a muted theme, with participants staying on the sidelines as the NTB auction took center stage (c.160bn offered across the usual tenors). Mild buying interests was recorded across short to mid-dated papers, but offers were scarce. Thus, the average rate stayed relatively flat, day-on-day to settle at 7.53%.

### Bonds

The FGN bonds secondary market traded bullish, as yields across the FGN local bonds curve declined today, buoyed by coupon inflows (c.₦51bn). Major demand was recorded on 2025s, 2026s, 2027s, 2029s, 2049s, and 2050s while mild selling pressure was seen on 2032s, 2037s and 2042s. Consequently, the average yield dipped ca 12bps, to settle at 13.16%.

### Eurobonds

The Eurobond space opened lower today, sustaining the bearish bias from yesterday's close which was spurred by the recent US CPI data. Risk assets across the SSAs and other African papers repriced lower, amid the growing possibility of the US Feds hiking the benchmark interest rate by 75bps or more at its next meeting. Overall, the average yield across the Nigerian sovereign curve settled at 11.89%.

## Macroeconomic Indicators

| Indicators                      |                                  |
|---------------------------------|----------------------------------|
| Inflation % (July 2022)         | 19.64 (+25.66 ytd)               |
| PMI (December 2020)             | 49.60                            |
| MPR (%)                         | 13.00 (-7%/+1% around mid-point) |
| CRR (%)                         | 27.5                             |
| Brent Crude Price US\$/bbl      | 95.17 (+2.15% d/d)               |
| External Reserve (US\$'billion) | 38.82 (-4.29% ytd)               |
| GDP % (Q2 2022)                 | +3.54% (Q1 2022: +3.11% y/y)     |

Source: NBS,CBN, AICO Capital

| Benchmark T-Bills Discount Rates |           |           |                 |
|----------------------------------|-----------|-----------|-----------------|
|                                  | 14-Sep-22 | 13-Sep-22 | Change in Rates |
| 57 days                          | 3.90%     | 3.90%     | ⇒ 0.00%         |
| 176 days                         | 10.05%    | 10.05%    | ⇒ 0.00%         |
| 267 days                         | 6.45%     | 6.45%     | ⇒ 0.00%         |

Source: FMDQ DQL for 14 September 2022

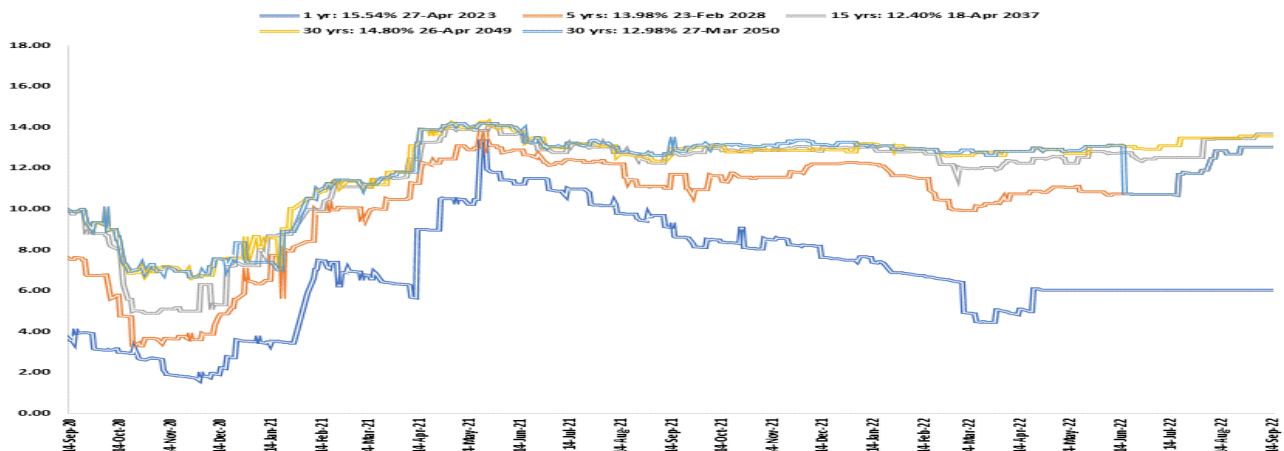
| Benchmark FGN Bond Yields   |           |           |                 |
|-----------------------------|-----------|-----------|-----------------|
|                             | 14-Sep-22 | 13-Sep-22 | Change in Yield |
| 5 yrs: 16.2884% 17-Mar-2027 | 12.78%    | 13.04%    | ↓ -0.26%        |
| 10 yrs: 12.50% 27-Apr-2032  | 13.45%    | 13.45%    | ⇒ 0.00%         |
| 20 yrs: 13.00% 21-Jan-2042  | 13.88%    | 13.88%    | ⇒ 0.00%         |
| 30 yrs: 12.98% 27-Mar-2050  | 13.65%    | 13.65%    | ⇒ 0.00%         |

Source: FMDQ DQL for 14 September 2022

| Benchmark FGN Eurobond Yields |           |           |                 |
|-------------------------------|-----------|-----------|-----------------|
|                               | 14-Sep-22 | 13-Sep-22 | Change in Yield |
| 1 yr: NGERIA 6 3/8 07/12/23   | 7.31%     | 6.99%     | ↑ 0.32%         |
| 5 yrs: NGERIA 6 1/2 11/28/27  | 11.44%    | 11.15%    | ↑ 0.29%         |
| 10 yrs: NGERIA 7.875 02/16/32 | 12.68%    | 12.57%    | ↑ 0.11%         |
| 15 yrs: NGERIA 7.696 23/02/38 | 12.49%    | 12.35%    | ↑ 0.14%         |
| 30 yrs: NGERIA 9.248 01/21/49 | 12.67%    | 12.55%    | ↑ 0.12%         |
| 7.125% ECOTRAN 16/02/26       | 12.16%    | 12.05%    | ↑ 0.11%         |

Source: FBN UK Runs for 14 September 2022

## Benchmark Bond Yields



Aim higher. Reach further ▶

**AIICO CAPITAL****Equities**

The domestic bourse closed bearish as the Nigerian Stock Exchange All Share Index (NGX ASI) lost 0.10% day-on-day to close at 49,576.05pts, while year-to-date returns reduced to +16.06%. Sell pressures were observed on stocks like Zenith Bank Plc (-2.50%), International Breweries Plc (-1.01%), and Guaranty Trust Holding Company Plc (-0.25%), respectively.

The NGX Banking, Consumer Goods, Industrial Indices lost ca 1.32%, 0.02% and 0.01%, day-on-day, respectively. The NGX Oil & Gas Index closed flat.

Courteville Business Solutions Plc led the volume traded chart with ca 87.14 million units while Nestle Nigeria Plc led the value traded chart with ca ₦1.63 billion worth of trades.

| AIICO Money Market Fund (AMMF) |                                   |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 11.38%                            |
| Added Benefit                  | Personal accident insurance cover |

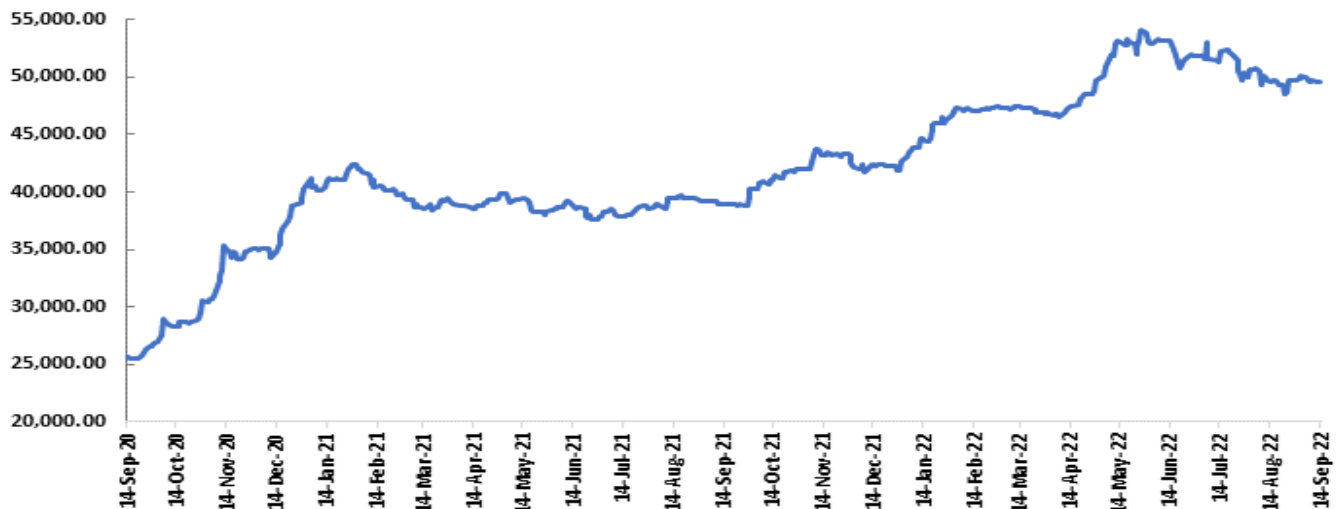
|                            | D-o-D    | W-o-W    | MTD      | YTD      |
|----------------------------|----------|----------|----------|----------|
| NGSEINDX Index             | ↓ -0.10% | ↓ -0.14% | ↓ -0.52% | ↑ 16.06% |
| NSE Banking Index          | ↓ -1.32% | ↓ -0.24% | ↓ -1.98% | ↓ -6.49% |
| NSE Insurance Index        | ↓ -1.09% | ↓ -1.91% | ↓ -1.73% | ↓ 10.60% |
| NSE Industrial Goods Index | ↓ -0.01% | ↑ 0.14%  | ↑ 0.81%  | ↓ 10.79% |
| NSE Consumer Goods Index   | ↓ -0.02% | ↓ -0.01% | ↑ 1.17%  | ↑ 3.10%  |
| NSE Oil & Gas Index        | → 0.00%  | ↓ -0.11% | ↑ 0.16%  | ↑ 54.49% |

| Top 5 Equity Advancers |               |         |          |       |
|------------------------|---------------|---------|----------|-------|
| Name (Symbol)          | Closing Price | Gain(N) | % Change |       |
| REGALINS               | 0.27          | 0.02    | ↑        | 8.00% |
| ABCTRANS               | 0.30          | 0.02    | ↑        | 7.14% |
| JAPAUFGOLD             | 0.28          | 0.01    | ↑        | 3.70% |
| LIVESTOCK              | 1.15          | 0.04    | ↑        | 3.60% |
| HONYFLOUR              | 2.40          | 0.07    | ↑        | 3.00% |

Source: NGX, AIICO Capital

| Top 5 Equity Decliners |               |         |          |        |
|------------------------|---------------|---------|----------|--------|
| Name (Symbol)          | Closing Price | Loss(N) | % Change |        |
| FTNCOCOA               | 0.29          | -0.03   | ↓        | -9.38% |
| CHAMS                  | 0.30          | -0.03   | ↓        | -9.09% |
| WAPIC                  | 0.36          | -0.02   | ↓        | -5.26% |
| CUTIX                  | 2.15          | -0.11   | ↓        | -4.87% |
| AIICO                  | 0.55          | -0.02   | ↓        | -3.51% |

Source: NGX, AIICO Capital

**NSE All Share Index****Important Disclaimers**

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