

Daily Financial Market Update

AIICO CAPITAL
www.aiicocapital.com

f t in @ /aiicocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved to c.₦392.48 billion versus c.₦368.47 billion reported the previous day. However, the Overnight Policy Rate (OPR) and Overnight Rate(O/N) increased to 12.00% and 12.50% respectively from 7.00% and 7.50% reported at yesterday's session, due to the Retail SMIS auction.

Treasury Bills

The treasury bills market closed the week on a tepid note, albeit with mixed interest recorded on the long-dated papers, ahead of the NTB Primary Market Auction scheduled to hold next week. Overall, average rate closed relatively flat at 7.55%.

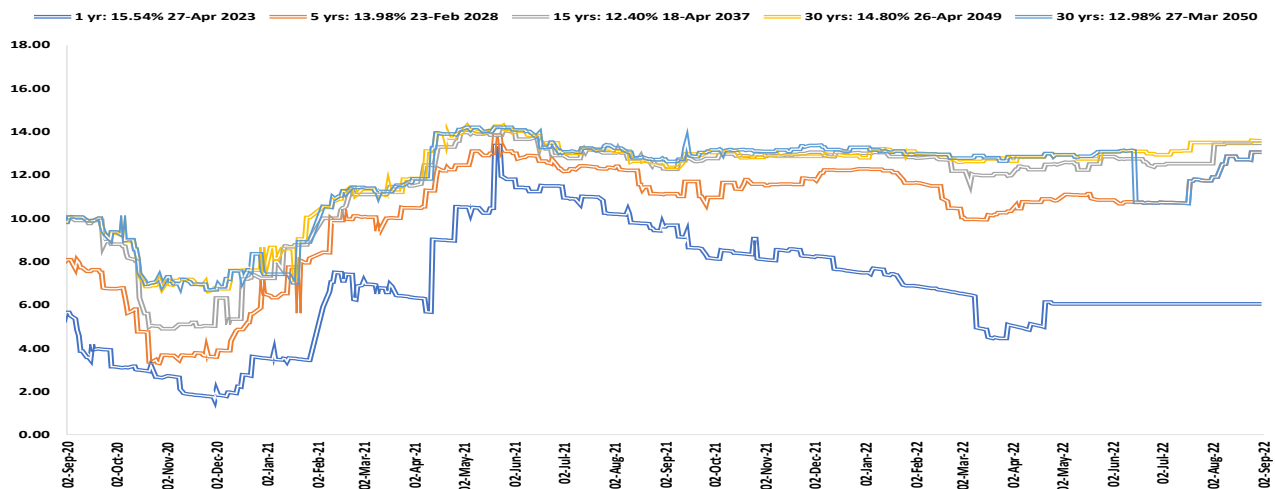
Bonds

The FGN bonds market traded on a quiet note as well, although mild buying interest was recorded on 2042s and 2050s at 14.10% and 13.55% levels respectively, with weak offers to match. Thus, average yield remained unchanged at 12.84% due to the low traded volumes.

Eurobonds

The Eurobond space traded bullish on the back of encouraging Non-farm payroll data, with several lifts recorded across the major curves we track (Nigeria, Ghana and Angola), causing prices to appreciate by c.1.80pts on average. In other news, the US economy added 315,000 jobs in the month of August, above market estimate, however, the unemployment rate rose to 3.7% from 3.5% recorded in July

Benchmark Bond Yields



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	94.00 (+1.80% d/d)
External Reserve (US\$'billion)	39.02 (-3.69 ytd)
GDP % (Q2 2022)	+3.54% (Q1 2022: +3.11% y/y)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	02-Sep-22	01-Sep-22	Change in Rates
69 days	3.90%	3.90%	→ 0.00%
160 days	10.00%	10.00%	→ 0.00%
279 days	6.45%	6.45%	→ 0.00%

Source: FMDQ DQL for 2 September 2022

Benchmark FGN Bond Yields			
	02-Sep-22	01-Sep-22	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.05%	13.05%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	13.43%	13.35%	↑ 0.08%
20 yrs: 13.00% 21-Jan-2042	14.00%	14.00%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.65%	13.65%	→ 0.00%

Source: FMDQ DQL for 2 September 2022

Benchmark FGN Eurobond Yields			
	02-Sep-22	01-Sep-22	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	7.29%	7.60%	↓ -0.31%
5 yrs: NGERIA 6 1/2 11/28/27	12.10%	12.64%	↓ -0.54%
10 yrs: NGERIA 7.875 02/16/32	12.84%	13.19%	↓ -0.35%
15 yrs: NGERIA 7.696 23/02/38	12.85%	13.22%	↓ -0.37%
30 yrs: NGERIA 9.248 01/21/49	12.85%	13.21%	↓ -0.36%
7.125% ECOTRAN 16/02/26	12.43%	12.02%	↑ 0.41%

Source: FBN UK Runs for 2 September 2022

Equities

The domestic bourse continued to trade with bullish sentiment as the Nigerian Stock Exchange All Share Index (NGX ASI) gained 0.31% day-on-day, closing at 50,045.83pts while year-to-date returns improved to +17.61%. Buying sentiment on stocks such as NB (+3.30%), ACCESSCORP (+2.35) and MTNN (+0.50%) drove the performance.

The NGX Consumer Goods, & Banking Indices both gained by c.0.38% and 0.90% respectively, the NGX Oil & Gas Index lost c. 0.05% while the NGX Industrial Index closed flat.

Sterling Bank led the volume chart with c.93.73million units while MTNN topped the value charts with c.₦ 1.21 billion worth of trades

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	9.28%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDX Index	↑ 0.31%	↑ 0.73%	↓ -0.64%	↑ 17.16%
NSE Banking Index	↑ 0.90%	↑ 1.21%	↑ 2.91%	↓ -4.15%
NSE Insurance Index	↑ 0.85%	↑ 0.05%	↑ 8.23%	↓ -8.74%
NSE Industrial Goods Index	→ 0.00%	↑ 1.36%	↓ -12.98%	↓ -10.64%
NSE Consumer Goods Index	↑ 0.38%	↑ 2.01%	↑ 5.25%	↑ 2.39%
NSE Oil & Gas Index	↓ -0.05%	↑ 0.65%	↓ -4.08%	↑ 54.66%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
FCMB	3.49	0.29	↑ 9.06%
STANBIC	33.00	2.00	↑ 6.45%
ETRANZACT	2.65	0.15	↑ 6.00%
TRANSCORP	1.10	0.05	↑ 4.76%
NPFMCRFBK	1.62	0.07	↑ 4.52%

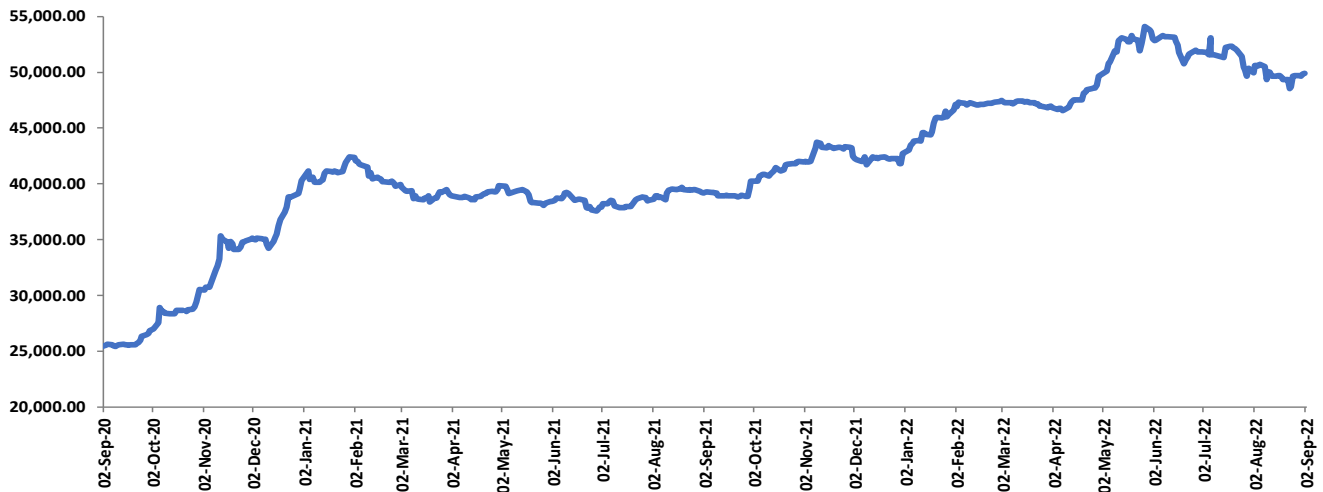
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
MCNICHOLS	0.67	-0.07	↓ -9.46%
RTBRISCOE	0.32	-0.03	↓ -8.57%
CHAMS	0.26	-0.02	↓ -7.14%
HONYFLOUR	2.53	-0.12	↓ -4.53%
UPDC	1.02	-0.03	↓ -2.86%

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.