

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiiocapitalng

FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved today, opening with a balance of ₦26.59 billion, higher than Friday's negative balance of ca -₦169.99 billion. Thus, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) trended lower to settle at 14.50% from 14.83% recorded on Friday, while the Overnight Rate (O/N) remained unchanged at 15.00%.

Treasury Bills

The NTB secondary market endured a quiet session amid the ongoing MPC meeting, albeit there were offers witnessed across November 2022, March 2023, and September 2023 NTB papers. Overall, the average rate closed relatively flat, day-on-day to settle at 7.22%.

Bonds

The FGN bonds market traded mixed to bearish with sideways interest witnessed across 2025s, 2027s, 2028s, 2037s, 2042s, and 2050s. Overall, the average yield closed ca 5bps higher, day-on-day to settle at 13.37%.

Eurobonds

The trend in the Eurobond space was bearish as fears of faster inflation and global recession continued to rise. While a bottom is not yet likely in place and bond yields are still on the upward trajectory, some asset managers see value at current levels and continue to snap up the bargain deals. Overall, the average yield across the Nigerian sovereign curve settled at 13.21%.

Macroeconomic Indicators

Indicators	
Inflation % (August 2022)	20.52 (+31.29 ytd)
PMI (December 2020)	49.60
MPR (%)	13.00 (-7%/+1% around mid-point)
CRR (%)	27.5
Brent Crude Price US\$/bbl	85.01 (-1.31% d/d)
External Reserve (US\$ billion)	38.49 (-5.01% ytd)
GDP % (Q2 2022)	+3.54% (Q1 2022: +3.11% y/y)

Source: NBS, CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	26-Sep-22	23-Sep-22	Change in Rates
45 days	3.90%	3.90%	⇒ 0.00%
164 days	7.54%	7.54%	⇒ 0.00%
255 days	6.45%	6.45%	⇒ 0.00%

Source: FMDQ DQL for 26 September 2022

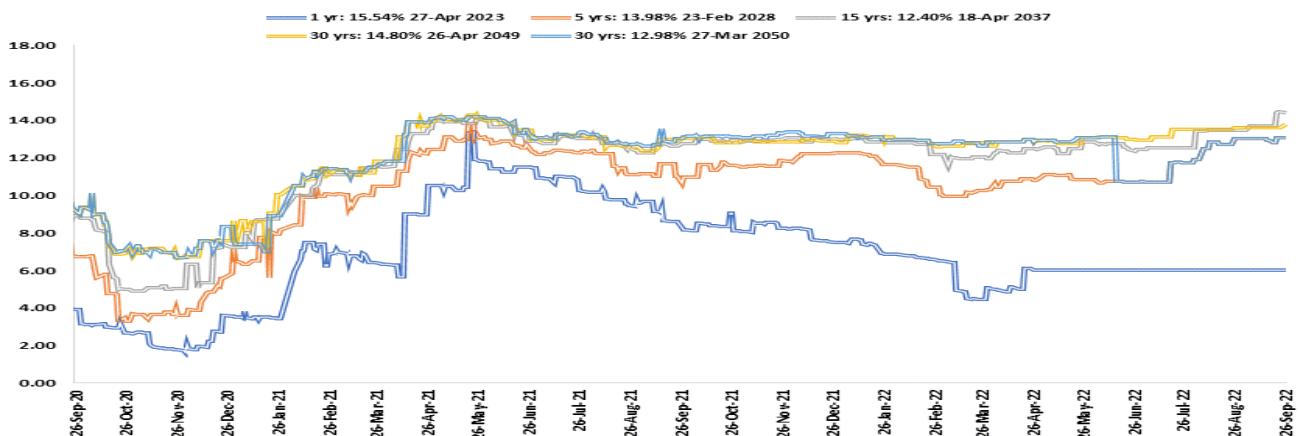
Benchmark FGN Bond Yields			
	26-Sep-22	23-Sep-22	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.08%	13.09%	↓ -0.01%
10 yrs: 12.50% 27-Apr-2032	13.90%	13.90%	⇒ 0.00%
20 yrs: 13.00% 21-Jan-2042	13.88%	13.88%	⇒ 0.00%
30 yrs: 12.98% 27-Mar-2050	13.65%	13.65%	⇒ 0.00%

Source: FMDQ DQL for 26 September 2022

Benchmark FGN Eurobond Yields			
	26-Sep-22	23-Sep-22	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	7.69%	7.35%	↑ 0.34%
5 yrs: NGERIA 6 1/2 11/28/27	13.02%	12.38%	↑ 0.64%
10 yrs: NGERIA 7.875 02/16/32	14.07%	13.45%	↑ 0.62%
15 yrs: NGERIA 7.696 23/02/38	13.87%	13.41%	↑ 0.46%
30 yrs: NGERIA 9.248 01/21/49	14.00%	13.40%	↑ 0.60%
7.125% ECOTRAN 16/02/26	12.61%	12.50%	↑ 0.11%

Source: FBN UK Runs for 26 September 2022

Benchmark Bond Yields



Equities

The domestic bourse recorded a positive session at the start of the week, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained 0.39% day-on-day to close at 46,218.35pts, while year-to-date returns extended to +15.22%. This performance was due to the keen interest in bellwethers such as Guaranty Trust Holding Company Plc (+1.89%) and Zenith Bank Plc (+0.25%), respectively.

The NGX Industrial and Banking Indices gained ca 1.89% and 0.52% while the NGX Consumer Goods and Oil & Gas Indices lost ca 0.58% and 0.34%, day-on-day, respectively.

Courteville Business Solutions Plc led the volume chart with ca 24.36 million units while Zenith Bank Plc topped the value charts with ca ₦177.13 million worth of trades.

AIICO Money Market Fund (AMMF)	
Net Yield (As at current date)	10.85%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINX Index	↑ 0.39%	↓ -0.45%	↓ -1.24%	↑ 15.22%
NSE Banking Index	↑ 0.52%	↑ 2.52%	↓ -0.73%	↓ -5.29%
NSE Insurance Index	↓ -2.61%	↓ -4.40%	↓ -5.84%	↓ 14.34%
NSE Industrial Goods Index	↑ 1.89%	↓ -2.10%	↓ -1.31%	↓ 12.67%
NSE Consumer Goods Index	↓ -0.58%	↓ -0.91%	↑ 0.17%	↑ 2.09%
NSE Oil & Gas Index	↓ -0.34%	↓ -3.13%	↓ -5.00%	↑ 46.53%

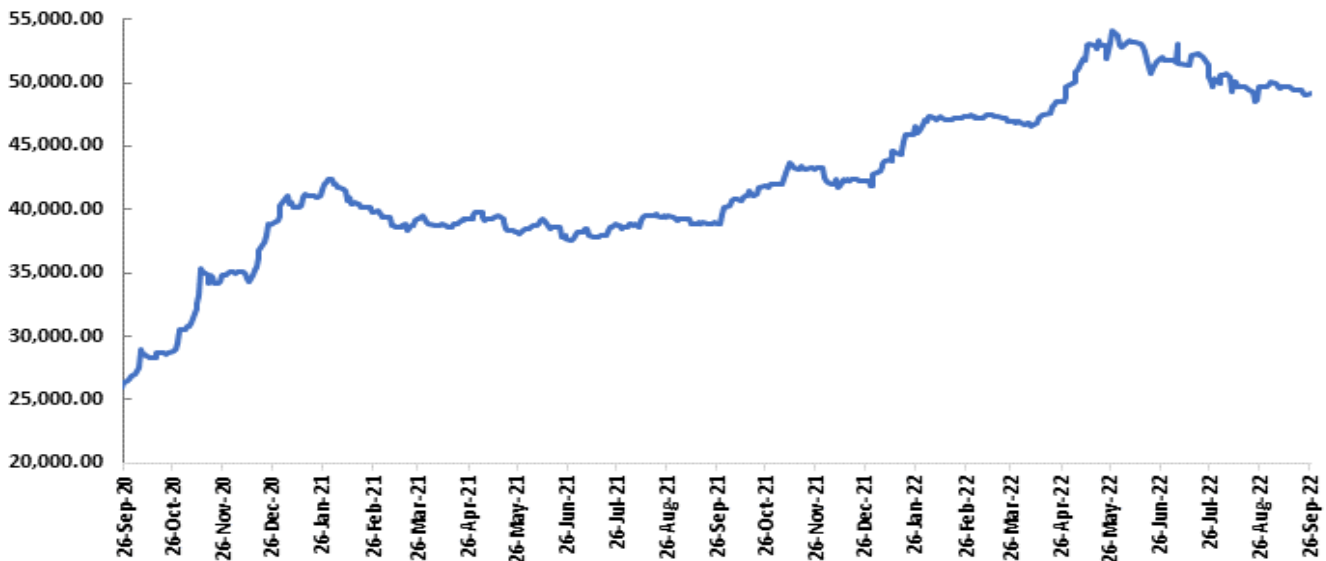
Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
MULTIVERSE	3.10	0.28	↑ 9.93%
FCMB	3.50	0.26	↑ 8.02%
UBN	6.20	0.45	↑ 7.83%
JAPPAULGOLD	0.29	0.02	↑ 7.41%
NGXGROUP	18.00	1.00	↑ 5.88%

Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
ACADEMY	1.53	-0.17	↓ -10.00%
NEM	4.91	-0.48	↓ -8.91%
NEIMETH	1.43	-0.13	↓ -8.33%
CHAMPION	3.40	-0.29	↓ -7.86%
CHAMS	0.25	-0.02	↓ -7.41%

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.