DATE: Wednesday | 07 December | 2022

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

Interbank system liquidity improved significantly with a positive opening balance of c.₦325.63 billion compared to c.₦ 174.68 billion recorded yesterday. Thus, the Overnight Policy Rate (OPR) and Overnight (ON) rate declined to 10.00% and 10.28% respectively from 10.63% and 10.88% recorded the previous day, amid less funding pressure.

Treasury Bills

It was a lull treasury bills trading session today, as market participants anticipated the outcome of the NTB auction. However, passive demand was recorded across Jan 2023 to Mar 2023 papers, but the offers were relatively scarce. Thus, the average mid-rate closed lower by c.5bps at 7.48%.

Bonds

The FGN bonds market also endured a quiet theme, with sideways interest recorded across the 2026, 2029, 2032 and 2037 papers, albeit traded volumes were few and far between. Overall, the average mid-yield closed c.2bps lower, to settle at 14.45%.

Eurobonds

Following the stock markets' sustained selling interest amidst mixed signals from China and global economic concerns, the Eurobond market witnessed another weak session, with average price reduction of c.1.25pts observed across the major SSAs and MENAs. Overall, the average yield across the Nigerian sovereign curve settled at 11.58%.

In other news, Ghana's local debt score was cut to 'selective default' by S&P amidst debt exchange plan, outlook negative and Kenya seeks $750m funding from World Bank as part of planned external borrowing.

Macroeconomic Indicators

Indicators	
Inflation % (October 2022)	21.09 (+34.93 ytd)
PMI (December 2020)	49.60
MPR (%)	16.50 (-7%/+1% around mid-point)
CRR (%)	32.50
Brent Crude Price US$/bbl	79.33 (-0.06% d/d)
External Reserve (US$'billion)	36.97 (-8.76% ytd)
GDP % (Q3 2022)	+2.25% (Q2 2022: +3.54% y/y)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates

	07-Dec-22	06-Dec-22	Change in Rates
61 days	8.32%	8.32%	0.00%
141 days	8.05%	8.05%	0.00%
323 days	13.50%	13.50%	0.00%

Source: FMDQ DQL for 07 December 2022

Benchmark FGN Bond Yields

	07-Dec-22	06-Dec-22	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.95%	14.03%	-0.08%
10 yrs: 12.50% 27-Apr-2032	14.90%	14.90%	0.00%
20 yrs: 13.00% 21-Jan-2042	14.73%	14.73%	0.00%
30 yrs: 12.98% 27-Mar-2050	14.72%	14.72%	0.00%

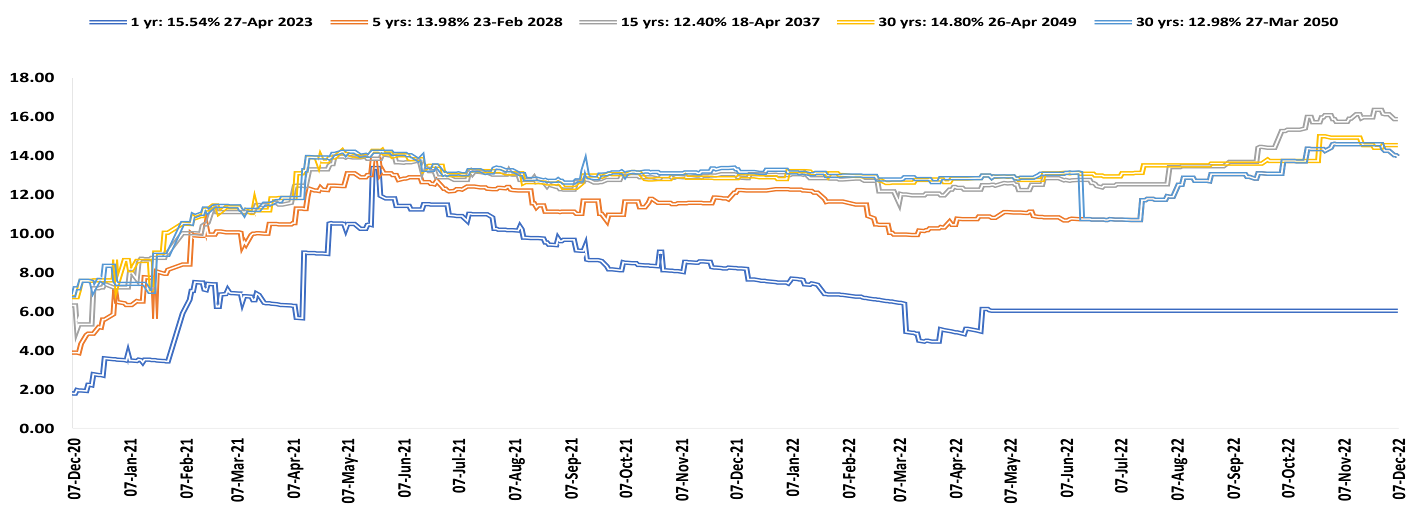
Source: FMDQ DQL for 07 December 2022

Benchmark FGN Eurobond Yields

	07-Dec-22	06-Dec-22	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	7.90%	7.67%	0.23%
5 yrs: NGERIA 6 1/2 11/28/27	11.56%	11.49%	0.07%
10 yrs: NGERIA 7.875 02/16/32	12.14%	12.08%	0.06%
15 yrs: NGERIA 7.696 23/02/38	12.16%	12.09%	0.07%
30 yrs: NGERIA 9.248 01/21/49	12.36%	12.26%	0.10%
7.125% ECOTRAN 16/02/26	13.90%	13.89%	0.01%

Source: FBN UK Runs for 07 December 2022

Benchmark Bond Yields



Aim higher. Reach further ▶

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Equities

The domestic bourse closed on a positive note, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained c.0.12% day-on-day to close at 48,426.49pts, while year-to-date returns improved to +13.37%. Buying interest on bellwethers like NB (+4.62%) and NESTLE (+1.67%) drove the index upward.

The NGX Consumer Goods Index gained c.0.90bps, the NGX Banking and Oil & Gas indices lost c.0.17% and c.0.08% day-on-day respectively, while the NGX Industrial Index remained unchanged from the previous day. First Bank of Nigeria Holdings Plc continued to lead the volume chart c.59.27 million units while GEREGU also continued to lead the value charts with c.₦1.53 billion worth of trades.

AIICO Money Market Fund (AMMF)	
Net Yield (As at current date)	11.43%
Added Benefit	Personal accident insurance cover

	D-o-D	W-o-W	MTD	YTD
NGSEINDX Index	0.12%	2.09%	1.61%	13.37%
NSE Banking Index	-0.17%	0.01%	0.40%	-1.92%
NSE Insurance Index	0.00%	0.85%	0.74%	-15.83%
NSE Industrial Goods Index	0.00%	3.00%	2.88%	9.48%
NSE Consumer Goods Index	0.90%	1.05%	2.88%	-5.38%
NSE Oil & Gas Index	-0.08%	0.49%	0.49%	29.07%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
THOMASWY	0.44	0.04	10.00%
JAPAULGOLD	0.29	0.02	7.41%
HONYFLOUR	2.42	0.14	6.14%
MAYBAKER	4.00	0.20	5.26%
NB	38.50	1.70	4.62%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
SCOA	0.87	-0.09	-9.38%
UNITYBNK	0.53	-0.04	-7.02%
CORNERST	0.45	-0.03	-6.25%
COURTVILLE	0.47	-0.03	-6.00%
CHAMS	0.22	-0.01	-4.35%

Source: NGX, AIICO Capital

NSE All Share Index