

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

The Interbank market remained buoyant, as system liquidity improved further to c.₦1.41 trillion, compared to c.₦ 1.40 trillion recorded the previous day. Nevertheless, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) remained unchanged at 9.50% and 9.83% respectively recorded the previous day.

Treasury Bills

Rates declined further in the Treasury bills market amid surfeit system liquidity. The Oct 2023 to Dec 2023 papers traded around 4.00% to 5.50% levels, while banks scramble for offers across the short end at c.2.20% levels. Thus, average rate closed c.4bps lower at 4.01%.

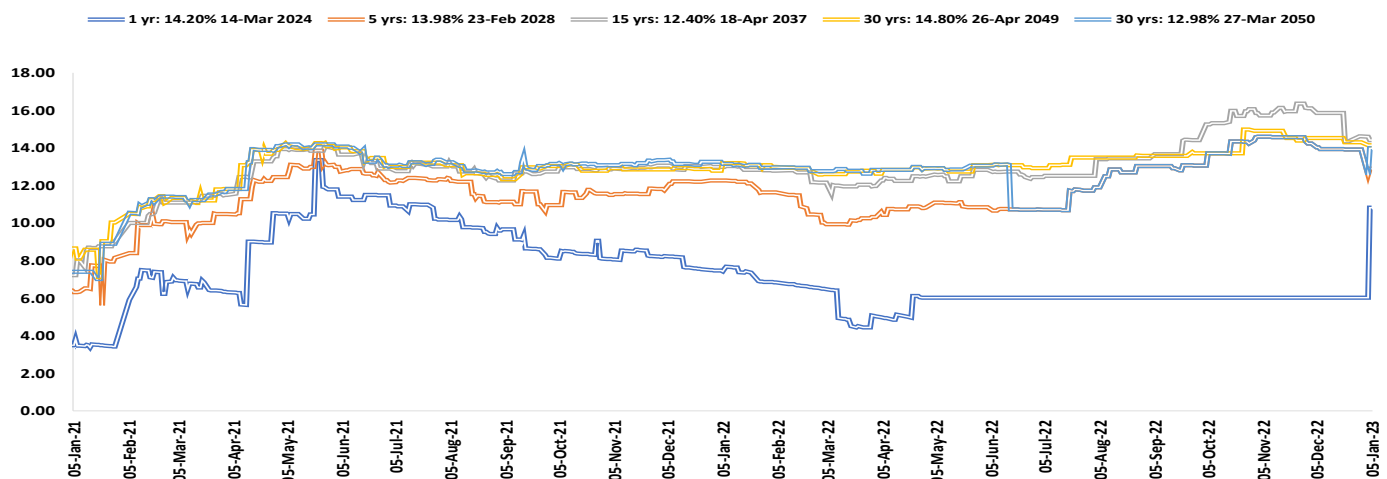
Bonds

The FGN bonds market was bullish with ample interests recorded across 2024s, 2025s, 2026s, 2027s, 2029s, 2032s and 2037s, as investors extended their options, given the huge drop in rates across the bills curve. Overall, the average mid-yield declined by c.15bps to close at 13.03%.

Eurobonds

Following the release of Dec'22 Fed minutes yesterday, where no rate cut is anticipated this year as the mandate to drive inflation to the desired level holds supreme, the Eurobond space opened softer with selling interest observed across most African papers. Investors are also starting to keep a keen eye on the economic situation in Nigeria, after new data from the Debt Management Office show that 80% of Nigeria's Revenue Collection was consumed by debt payments in 2022. Overall, the average yield across the Nigerian sovereign curve closed at 11.19%.

Benchmark Bond Yields



Macroeconomic Indicators

Indicators	
Inflation % (November 2022)	21.47 (+37.36 ytd)
PMI (December 2020)	49.60
MPR (%)	16.50 (-7%/+1% around mid-point)
CRR (%)	32.50
Brent Crude Price US\$/bbl	*78.90(+1.39% d/d)
External Reserve (US\$'billion)	37.08 (-8.49% ytd)
GDP % (Q3 2022)	+2.25% (Q2 2022: +3.54% y/y)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	05-Jan-23	04-Jan-23	Change in Rates
63 days	3.90%	3.90%	→ 0.00%
154 days	3.28%	3.28%	→ 0.00%
308 days	4.33%	7.73%	↓ -3.40%

Source: FMDQ DQL for 05 January 2023

Benchmark FGN Bond Yields			
	05-Jan-23	04-Jan-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.60%	12.60%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	13.40%	13.40%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	13.85%	13.85%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	14.00%	14.00%	→ 0.00%

Source: FMDQ DQL for 05 January 2023

Benchmark FGN Eurobond Yields			
	05-Jan-23	04-Jan-23	Change in Yield
1 yr: NIGERIA 6 3/8 07/12/23	6.63%	6.37%	↑ 0.26%
5 yrs: NIGERIA 6 1/2 11/28/27	11.10%	10.86%	↑ 0.24%
10 yrs: NIGERIA 7.875 02/16/32	12.00%	11.74%	↑ 0.26%
15 yrs: NIGERIA 7.696 23/02/38	11.98%	11.82%	↑ 0.16%
30 yrs: NIGERIA 9.248 01/21/49	12.10%	11.95%	↑ 0.15%
7.125% ECOTRAN 16/02/26	13.16%	13.26%	↓ -0.10%

Source: FBN UK Runs for 05 January 2023

Equities

The Nigerian Stock Exchange All Share Index (NGX ASI) declined by c.1.53% day-on-day to close at 50,868.52 points while market year-to-date return declined to c.-0.75%.

The bearish sentiment was driven by selling activities on stocks like AIRTELAFRI (-8.26%) and FBNH (-0.45%).

The NGX Banking, Consumer goods and Oil & Gas Indices all gained c.0.88%, 1.33% and 0.09% respectively while the NGX Industrial Index closed flat at the end of the session.

STERLN BANK led the the volume with c.29.15 million units while GTCO led the value charts c.₦ 477.77 million worth of trades respectively.

AIICO Money Market Fund (AMMF)

Net Yield (As at current date)	13.55%
Added Benefit	Personal accident insurance cover

		W-o-W	MTD	YTD
NGSEINDEX Index	↓ -1.53%	↑ 1.87%	↓ -0.75%	↓ -0.75%
NSE Banking Index	↑ 0.88%	↑ 1.33%	↑ 4.03%	↑ 4.03%
NSE Insurance Index	↓ -0.97%	↑ 4.81%	↑ 2.50%	↑ 2.50%
NSE Industrial Goods Index	↑ 0.00%	↓ -0.63%	↓ -0.77%	↓ -0.77%
NSE Consumer Goods Index	↑ 1.33%	↑ 11.18%	↑ 7.17%	↑ 7.17%
NSE Oil & Gas Index	↑ 0.09%	↑ 2.46%	↑ 0.07%	↑ 0.07%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
JOHNHOLT	0.88	0.08	↑ 10.00%
HONYFLOUR	2.43	0.22	↑ 9.95%
CWG	1.01	0.09	↑ 9.78%
UACN	10.75	0.50	↑ 4.88%
NB	47.00	1.90	↑ 4.21%

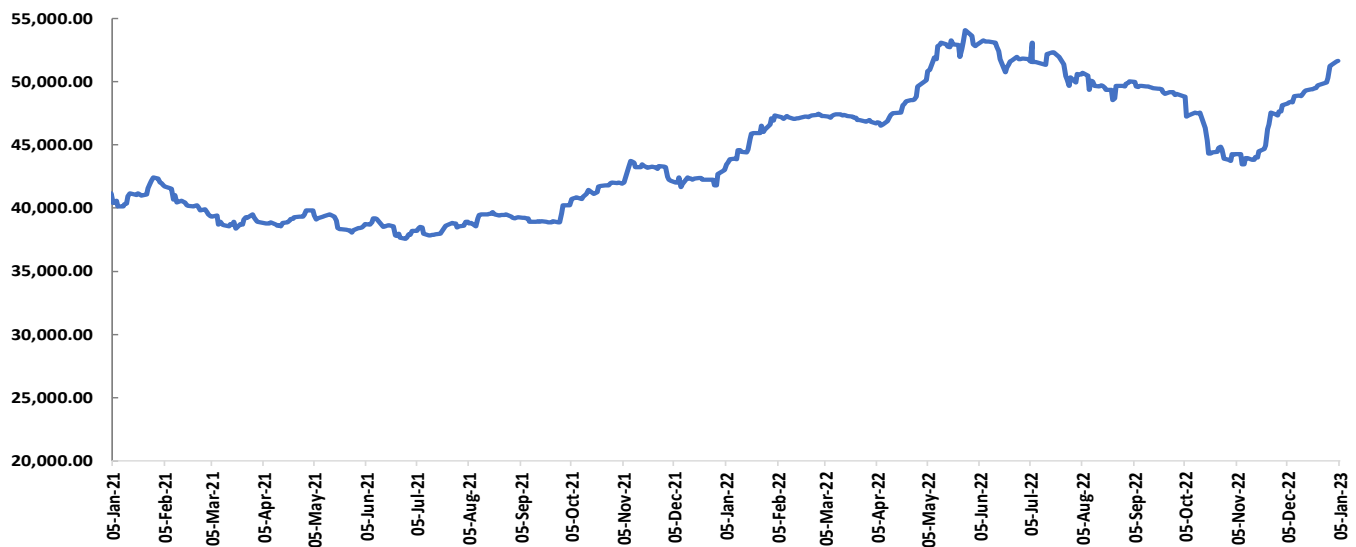
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
PRESTIGE	4.95	-0.55	↓ -8.70%
AIRTELAFRI	0.55	-0.04	↓ -8.26%
UPL	8.00	-0.30	↓ -7.37%
NPFMCRFBK	0.87	-0.03	↓ -7.10%
ROYALEX	0.65	-0.02	↓ -6.36%

Source: NGX, AIICO Capital

NSE All Share Index



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