

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

System liquidity declined to open at c.₦341.46 billion compared to yesterday's opening balance of c.₦ 370.18 billion. Nevertheless, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) declined to 9.50% and 9.83% respectively from 10.17% and 10.83% recorded the previous day.

Treasury Bills

The treasury bills market witnessed demand on short tenor papers at c.2.80% levels but interest was weak at the long end of the curve, ahead of tomorrow's NTB auction (the first for 2023). Thus, the average mid-rate rose by c.4bps to 4.02%.

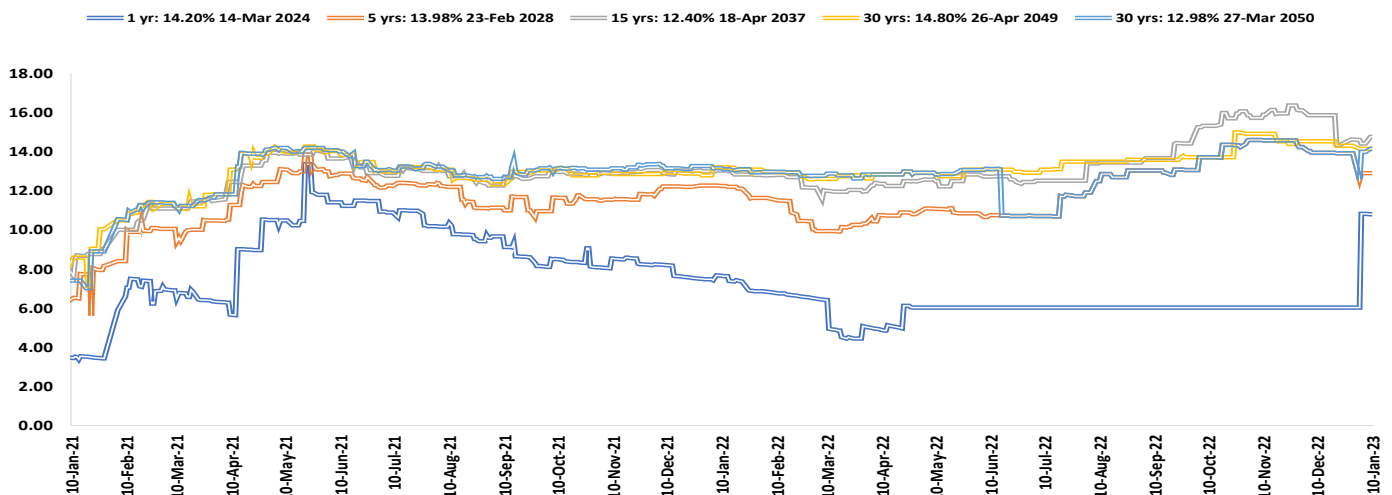
Bonds

The bearish theme was sustained in the FGN bonds space, as speculators take position in expectation of the release of Q1'2023 FGN bond issuance calendar. Most of the selling interests were skewed to 2026s, 2029s, 2032s, 2037s, 2042s, 2049s and 2050s, thus causing the average mid-yield to inch up by c.12bps to 13.24%.

Eurobonds

The Eurobond space slipped into the red zone at today's session, as buy-side interests take a pause ahead of Thursday's inflation data release and chatters of slower but cautious rate hikes by the Feds. Investors are basically adopting a wait and see approach, but the underlying theme is swinging to a bullish bias. Overall, the average yield across the Nigerian sovereign curve closed at 10.71%.

Benchmark Bond Yields



| 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 | *80.61(+2.60% d/d) |
| External Reserve (US\$'billion) | 37.16 (-8.29% ytd) |
| GDP % (Q3 2022) | +2.25% (Q2 2022: +3.54% y/y) |

Source: NBS,CBN, AIICO Capital

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 10-Jan-23 | 09-Jan-23 | Change in Rates |
| 59 days | 1.83% | 3.90% | ↓ -2.07% |
| 150 days | 3.28% | 3.28% | → 0.00% |
| 304 days | 4.33% | 7.73% | ↓ -3.40% |

Source: FMDQ DQL for 10 January 2023

| Benchmark FGN Bond Yields | | | |
|-----------------------------|-----------|-----------|-----------------|
| | 10-Jan-23 | 09-Jan-23 | Change in Yield |
| 5 yrs: 16.2884% 17-Mar-2027 | 12.59% | 12.59% | → 0.00% |
| 10 yrs: 12.50% 27-Apr-2032 | 13.40% | 13.75% | ↓ -0.35% |
| 20 yrs: 13.00% 21-Jan-2042 | 13.85% | 13.85% | → 0.00% |
| 30 yrs: 12.98% 27-Mar-2050 | 14.57% | 14.15% | ↑ 0.42% |

Source: FMDQ DQL for 10 January 2023

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 10-Jan-23 | 09-Jan-23 | Change in Yield |
| 1 yr: NGERIA 6 3/8 07/12/23 | 6.38% | 6.12% | ↑ 0.26% |
| 5 yrs: NGERIA 6 1/2 11/28/27 | 10.58% | 10.54% | ↑ 0.04% |
| 10 yrs: NGERIA 7.875 02/16/32 | 11.52% | 11.55% | ↓ -0.03% |
| 15 yrs: NGERIA 7.696 23/02/38 | 11.48% | 11.46% | ↑ 0.02% |
| 30 yrs: NGERIA 9.248 01/21/49 | 11.63% | 11.63% | → 0.00% |
| 7.125% ECOTRAN 16/02/26 | 13.06% | 13.06% | → 0.00% |

Source: FBN UK Runs for 10 January 2023

Equities

The Nigerian bourse took a bearish turn, as the Nigerian Stock Exchange All Share Index (NGX ASI) depreciated by c.0.48% day-on-day to close at 51,446.60 points while market year-to-date return closed lower at c.0.38%.

Selling activities on bellwether stocks like AIRTELAFRI (-4.29%) and GTCO (-0.21%) drove the index southwards.

The NGX Banking and Industrial Indices both gained c.0.07% and 1.54% respectively, the NGX Consumer Goods Index lost c. 0.11% while the NGX Oil & Gas Index closed flat at the end of the session.

FBNH led the the volume with c.151.39 million units while BUACEMENT led the value charts c.₦ 2.92 billion worth of trades

AIICO Money Market Fund (AMMF)

| | |
|--------------------------------|-----------------------------------|
| Net Yield (As at current date) | 13.26% |
| Added Benefit | Personal accident insurance cover |

| | | W-o-W | MTD | YTD |
|----------------------------|----------|----------|---------|---------|
| NGSEINDX Index | ↓ -0.48% | ↓ -0.29% | ↑ 0.38% | ↑ 0.38% |
| NSE Banking Index | ↑ 0.07% | ↑ 0.38% | ↑ 2.98% | ↑ 2.98% |
| NSE Insurance Index | ↓ -1.75% | ↓ -2.32% | ↑ 0.17% | ↑ 0.17% |
| NSE Industrial Goods Index | ↑ 1.54% | ↑ 0.96% | ↑ 0.96% | ↑ 0.96% |
| NSE Consumer Goods Index | ↓ -0.11% | ↑ 2.71% | ↑ 6.40% | ↑ 6.40% |
| NSE Oil & Gas Index | → 0.00% | ↑ 0.08% | ↑ 0.06% | ↑ 0.06% |

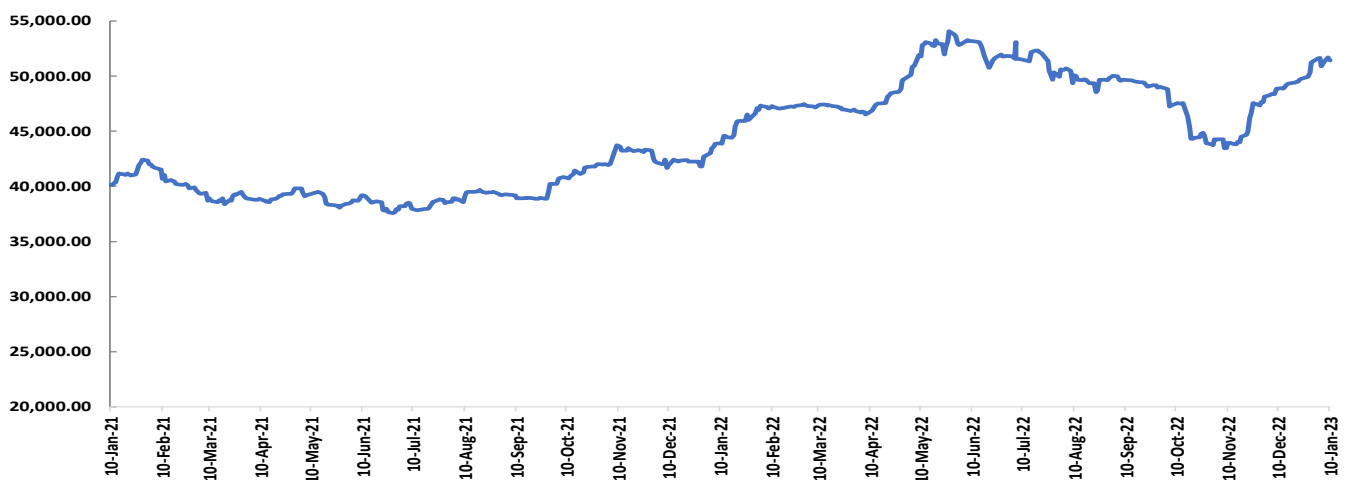
| Top 5 Equity Advancers | | | | |
|------------------------|---------------|---------|----------|-------|
| Name (Symbol) | Closing Price | Gain(N) | % Change | |
| THOMASWY | 1.16 | 0.10 | ↑ | 9.43% |
| MBENEFIT | 0.30 | 0.02 | ↑ | 7.14% |
| ACADEMY | 1.31 | 0.07 | ↑ | 5.65% |
| LASACO | 0.94 | 0.04 | ↑ | 4.44% |
| CHAMS | 0.24 | 0.01 | ↑ | 4.35% |

Source: NGX, AIICO Capital

| Top 5 Equity Decliners | | | | |
|------------------------|---------------|---------|----------|---------|
| Name (Symbol) | Closing Price | Loss(N) | % Change | |
| NEM | 4.05 | -0.45 | ↓ | -10.00% |
| CHELLARAM | 1.82 | -0.20 | ↓ | -9.90% |
| CHAMPION | 4.34 | -0.46 | ↓ | -9.58% |
| CORNERST | 0.56 | -0.04 | ↓ | -6.67% |
| HONYFLOUR | 2.30 | -0.12 | ↓ | -4.96% |

Source: NGX, AIICO Capital

NSE All Share Index



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