

Daily Financial Market Update

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FIXED INCOME MARKET

Money Markets

System liquidity improved significantly to c.₦ 1.02 trillion long, compared to c.₦ 581.26 billion recorded yesterday. Nevertheless, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) both remained unchanged at 10.50% and 11.00% recorded yesterday.

Treasury Bills

The Treasury bills market observed some demand across the curve, as banks sought to invest their idle cash. The Mar 2023 and Jan 2024 Bills were offered at 0.30% and 2.80% levels respectively, while bids were c.35bps higher. Thus, the average mid-rate closed c.8bps lower at 3.65%.

Bonds

The FGN bonds market traded bearish earlier in the day amid yesterday's oversupply at the auction. Offers across the on-the-run papers (2028s, 2032s, 2037s and 2049s) nudged up c.15bps on average, as bids were very minimal but the frenzy cooled off later with bids resurfacing and a handful of trades executed. Overall, the average mid-yield increased by c.20bps to 14.03%.

Eurobonds

The Eurobond space traded weaker today, with Nigeria, Egypt, Ghana and Angola papers recording lower prices. The former led the bearish theme, following the recent downgrade by Moody.

On a broader scope, equities have also dipped in recent days as markets await key central bank meetings this week and Powell's post FOMC meeting comments for guidance on the future path of hikes. Overall, the average yield on the Nigerian curve settled at 10.53%.

Macro Indicators	
GDP (Q3 2022)	+2.25% (Q2 2022: +3.54% y/y)
Inflation	21.34% (Nov'22: 21.47%)
External Reserve (US\$'billion)	37.01 (-0.21% YTD)
Monetary Policy Rate	17.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*84.67 (-0.27% d/d)

Source: NBS, CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	31-Jan-23	30-Jan-23	Change in Rates
86 days	1.10%	1.10%	→ 0.00%
128 days	1.83%	1.83%	→ 0.00%
310 days	3.74%	3.74%	→ 0.00%

Source: FMDQ DQL for 31 January 2023

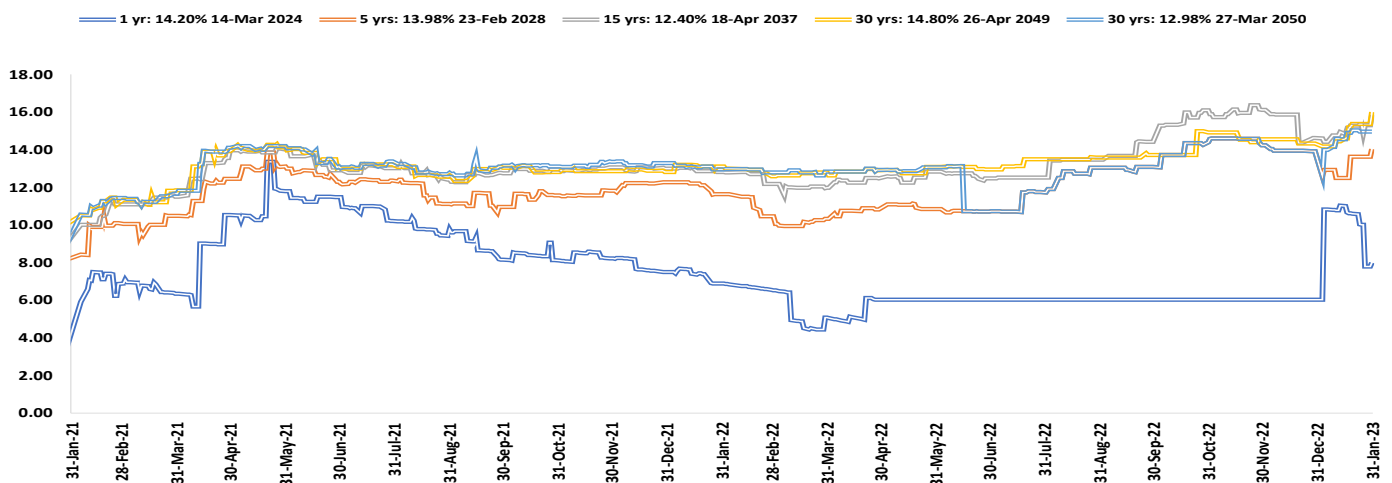
Benchmark FGN Bond Yields			
	31-Jan-23	30-Jan-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.36%	13.36%	→ 0.00%
10 yrs: 12.50% 27-Apr-2032	14.80%	14.80%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	15.15%	15.15%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	14.96%	14.96%	→ 0.00%

Source: FMDQ DQL for 31 January 2023

Benchmark FGN Eurobond Yields			
	31-Jan-23	30-Jan-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.93%	6.93%	→ 0.00%
5 yrs: NGERIA 6 1/2 11/28/27	11.15%	10.36%	↑ 0.79%
10 yrs: NGERIA 7.875 02/16/32	12.30%	11.70%	↑ 0.60%
15 yrs: NGERIA 7.696 23/02/38	12.01%	11.67%	↑ 0.34%
30 yrs: NGERIA 9.248 01/21/49	12.31%	11.93%	↑ 0.38%
7.125% ECOTRAN 16/02/26	10.88%	10.66%	↑ 0.22%

Source: FBN UK Runs for 31 January 2023

Benchmark Bond Yields



Aim higher. Reach further ▶

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Equities

The Nigerian equities market sustained bullish sentiments, with the Nigerian Stock Exchange All Share Index (NGX ASI) appreciating by c.0.15% day-on-day to close at 53,238.67 points while market year-to-date return extended to c.3.88%.

Demand across bellwethers such as TRANSCORP (+2.50%), ACCESSCORP (+0.55%) and WAPCO (+0.40%) drove the positive sentiment.

The NGX Banking and Consumer Goods Indices both lost c. 0.03% and 0.17% respectively, the NGX Industrial Index gained c. 0.03% while the NGX Oil & Gas Index remained unchanged from the previous day.

UNIVINSURE led the volume chart with c.48.55 million while AIRTELAFRI led the values charts and c.₦ 3.31 billion worth of trades.

AIICO Money Market Fund (AMMF)

Net Yield (As at 30th Jan 2023)	13.2419%
Added Benefit	Personal accident insurance cover

		W-o-W	MTD	YTD
NGX ASI	↑ 0.15%	↑ 1.19%	↑ 3.88%	↑ 3.88%
NSE Banking Index	↓ -0.03%	↑ 1.84%	↑ 7.51%	↑ 7.51%
NSE Insurance Index	↑ 2.98%	↑ 2.40%	↑ 5.36%	↑ 5.36%
NSE Industrial Goods Index	↑ 0.03%	↑ 0.11%	↑ 2.14%	↑ 2.14%
NSE Consumer Goods Index	↓ -0.17%	↑ 0.07%	↑ 5.64%	↑ 5.64%
NSE Oil & Gas Index	→ 0.00%	↑ 1.71%	↑ 5.41%	↑ 5.41%

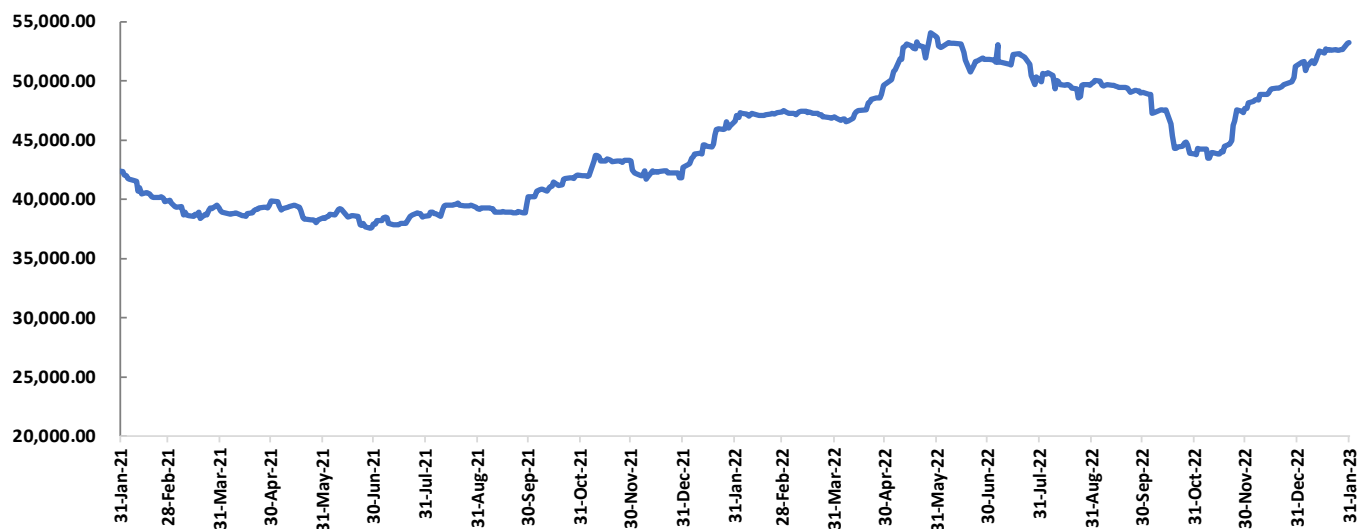
Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)	% Change	
GEREGU	193.60	17.60	↑	10.00%
VERITASKAP	0.22	0.02	↑	10.00%
LIVINGTRUST	1.98	0.18	↑	10.00%
JOHNHOLT	1.33	0.12	↑	9.92%
SCOA	1.01	0.09	↑	9.78%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)	% Change	
NCR	3.24	-0.36	↓	-10.00%
CHAMS	0.27	-0.03	↓	-10.00%
UNITYBNK	0.50	-0.05	↓	-9.09%
ROYALEX	0.71	-0.07	↓	-8.97%
JAPPAULGOLD	0.33	-0.03	↓	-8.33%

Source: NGX, AIICO Capital

NSE All Share Index



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