

Daily Financial Market Update



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FIXED INCOME MARKET

Money Markets

Opening system liquidity increased today to c.₦ 472.3 billion compared to yesterday's c.₦ 280.1 billion. Nonetheless, the Overnight Policy Rate (OPR) and the Overnight Rate (O/N) remained unchanged at 10.50% and at 10.81% respectively.

Treasury Bills

The treasury bills market sustained its bullish bias in today's session, with buy interest concentrated across the mid-to-long dated papers. Moreso, the NTB primary market auction is slated for tomorrow, where c. ₦217 billion will be offered across the usual tenors.

Bonds

The FGN local bonds market traded sideways, with most of the activity seen on the short-to-medium-dated maturities, particularly on the 2024, 2025, 2027, 2028 and 2037 maturities. While the cherry-picking rekindled in today's session, slight sell interests were noticed on the long end of the curve.

Eurobonds

The Eurobonds market posted a bearish bias, as the spillover impact of the job report and negative outlook on Nigeria's debt by the S&P continued to impact the market sentiments. The same sell offs were noticed across the SSA region, except for Kenya, with some respite, on the back of revision of the 2022/2023 budget expenditure, and a downward revision of the budget deficit from the projected 6.2% of GDP to an estimated 5.7% of the total GDP. In addition, the markets also steered their attention to Fed Chair Powell's comments later today on the possibilities of steeper rate hikes after last week Friday's jobs numbers.

In Ghana, today was the deadline for the local debt exchange and local bondholders were offered new bonds with coupons between 8.35% and 15% compared with earlier offers of 5% and 9%.

| Macro Indicators | |
|---------------------------------|------------------------------|
| GDP (Q3 2022) | +2.25% (Q2 2022: +3.54% y/y) |
| Inflation | 21.34% (Nov'22: 21.47%) |
| External Reserve (US\$'billion) | 36.98 (-0.25% YTD) |
| Monetary Policy Rate | 17.50% |
| Cash Reserve Requirement (CRR) | 32.50% |
| Brent Crude Price US\$/bbl | *\$81.96 (+1.20% d/d) |

Source: NBS, CBN, AIICO Capital

| Benchmark T-Bills Discount Rates | | | |
|----------------------------------|-----------|-----------|-----------------|
| | 07-Feb-23 | 06-Feb-23 | Change in Rates |
| 79 days | 1.10% | 1.10% | → 0.00% |
| 121 days | 1.20% | 1.20% | → 0.00% |
| 303 days | 3.74% | 3.74% | → 0.00% |

Source: FMDQ DQL for 7 February 2023

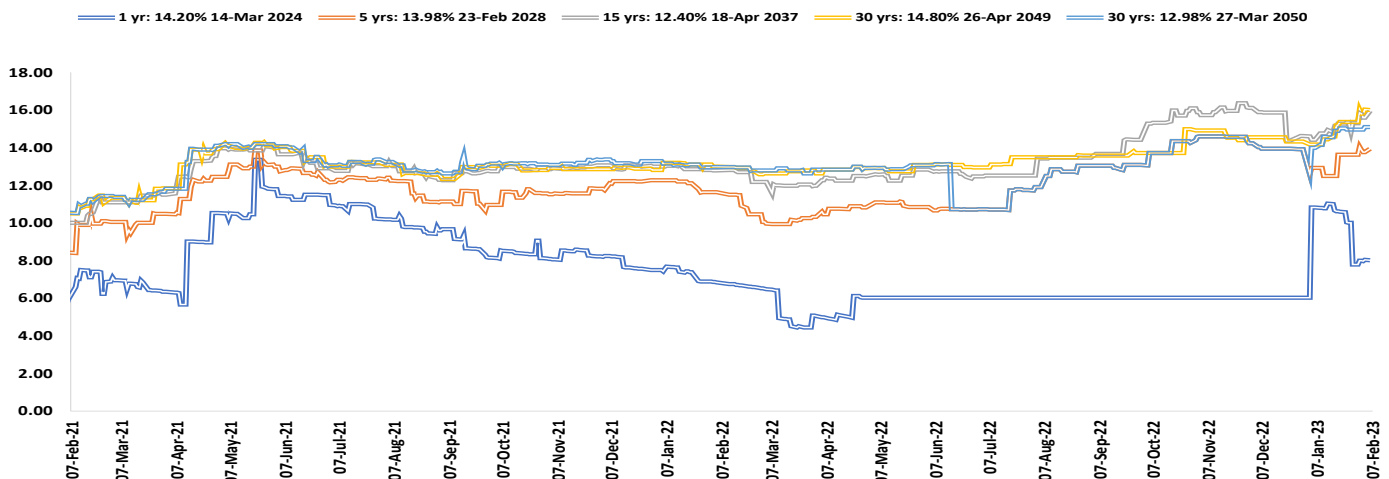
| Benchmark FGN Bond Yields | | | |
|-----------------------------|-----------|-----------|-----------------|
| | 07-Feb-23 | 06-Feb-23 | Change in Yield |
| 5 yrs: 16.2884% 17-Mar-2027 | 13.40% | 13.40% | → 0.00% |
| 10 yrs: 12.50% 27-Apr-2032 | 14.80% | 14.80% | → 0.00% |
| 20 yrs: 13.00% 21-Jan-2042 | 15.15% | 15.15% | → 0.00% |
| 30 yrs: 12.98% 27-Mar-2050 | 15.10% | 15.10% | → 0.00% |

Source: FMDQ DQL for 7 February 2023

| Benchmark FGN Eurobond Yields | | | |
|-------------------------------|-----------|-----------|-----------------|
| | 07-Feb-23 | 06-Feb-23 | Change in Yield |
| 1 yr: NGERIA 6 3/8 07/12/23 | 7.55% | 7.55% | → 0.00% |
| 5 yrs: NGERIA 6 1/2 11/28/27 | 11.36% | 11.31% | ↑ 0.05% |
| 10 yrs: NGERIA 7.875 02/16/32 | 12.45% | 12.42% | ↑ 0.03% |
| 15 yrs: NGERIA 7.696 23/02/38 | 12.09% | 12.04% | ↑ 0.05% |
| 30 yrs: NGERIA 9.248 01/21/49 | 12.19% | 12.29% | ↓ -0.10% |
| 7.125% ECOTRAN 16/02/26 | 10.90% | 11.11% | ↓ -0.21% |

Source: FBN UK Runs for 7 February 2023

Benchmark Bond Yields



Aim higher. Reach further ▶

AIICO CAPITAL

Equities

The Nigerian domestic bourse reversed its opening bullish theme, as the Nigerian Stock Exchange All Share Index (NGX ASI) declined by c.0.13% day-on-day to close at 54,299.76 points while year-to-date return closed lower at c.5.95%.

Selling activities on trailblazers like DANGCEM (-0.71%) GEREGU (-5.07) and FCMB (-7.82) drove the negative trend.

The NGX Banking, Industrial and Consumer Goods Indices all depreciated in value by c. 0.61%, 0.31% and 0.02% respectively, while the NGX Oil and Gas Index gained c. 0.54%.

GEREGU led the values charts with c. 4.17 billion and FCMB led the volume charts with c. ₦ 27.98 million worth of trades. .

| Top 5 Equity Advancers | | | | |
|------------------------|---------------|---------|----------|--------|
| Name (Symbol) | Closing Price | Gain(N) | % Change | |
| CONOIL | 29.15 | 2.65 | ↑ | 10.00% |
| MRS | 21.25 | 1.90 | ↑ | 9.82% |
| INTENEGINS | 1.17 | 0.10 | ↑ | 9.35% |
| GLAXOSMITH | 6.95 | 0.45 | ↑ | 6.92% |
| WAPIC | 0.45 | 0.02 | ↑ | 4.65% |

Source: NGX, AIICO Capital

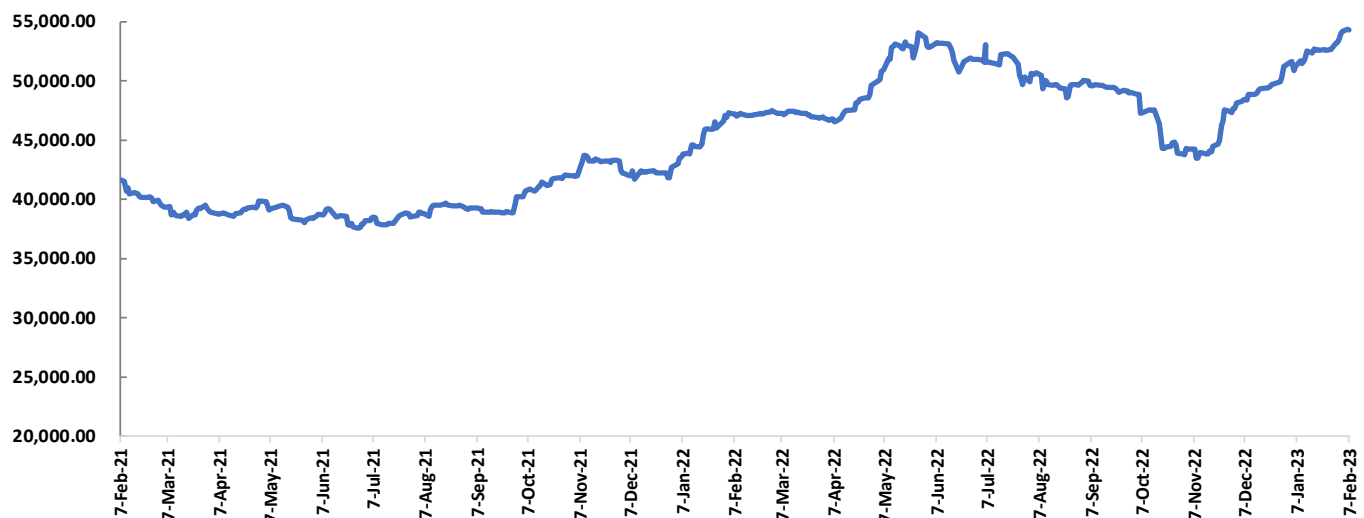
| AIICO Money Market Fund (AMMF) | | |
|--------------------------------|----------------------|-----------------------------------|
| Net Yield | (As at 6th Feb 2023) | 13.1280% |
| Added Benefit | | Personal accident insurance cover |

| | | W-o-W | MTD | YTD |
|----------------------------|---------|---------|---------|---------|
| NGX ASI | ↓-0.13% | ↑1.99% | ↑1.99% | ↑5.95% |
| NSE Banking Index | ↓-0.46% | ↑0.90% | ↑0.90% | ↑8.48% |
| NSE Insurance Index | ↓-0.80% | ↓-1.89% | ↓-1.89% | ↑3.37% |
| NSE Industrial Goods Index | ↓-0.31% | ↓-0.27% | ↓-0.27% | ↑1.87% |
| NSE Consumer Goods Index | ↓-0.02% | ↓-0.50% | ↓-0.50% | ↑5.11% |
| NSE Oil & Gas Index | ↑0.54% | ↑9.72% | ↑9.72% | ↑15.66% |

| Top 5 Equity Decliners | | | | |
|------------------------|---------------|---------|----------|--------|
| Name (Symbol) | Closing Price | Loss(N) | % Change | |
| JAPAUFGOLD | 0.29 | -0.03 | ↓ | -9.38% |
| FCMB | 4.60 | -0.39 | ↓ | -7.82% |
| ROYALEX | 0.76 | -0.06 | ↓ | -7.32% |
| UACN | 9.20 | -0.60 | ↓ | -6.12% |
| LINKASSURE | 0.46 | -0.03 | ↓ | -6.12% |

Source: NGX, AIICO Capital

NSE All Share Index



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