

Daily Financial Market Update

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FIXED INCOME MARKET

Opening system liquidity slipped into the negative territory (c.-₦280.23 billion, compared to yesterday's opening balance of c.₦197.27billion long), following yesterday's FGN bond auction settlement which caused most banks to lean towards CBN's Standing Lending Facility (SLF) for funding. **We expect the interbank rates to remain at elevated levels barring any significant inflows.**

Treasury Bills

Activity in the treasury bills market was partially active, although bearish. The first half of today's session was stirred with offers across the long-dated papers, particularly 7 and 14 March 2024. In the second half, market toned down quiet, given the low buy-side interests. Nevertheless, average yield declined by 3bps to settle at 5.47%. **We expect a similar performance in tomorrow's session.**

Bonds

The local bonds market traded mixed to bullish, as sell interest were recorded on 2026 and 2028 papers, while buy-side activity was observed on 2037 and 2049 papers at c.14.80% and c.15.30% respectively. Thus, the average mid-yield declined by c.17bps to settle at 13.46%. **We expect activity to trend in similar posture, pending any major driver.**

Eurobonds

The Eurobonds market was generally bullish today, suggesting market satisfaction with regards to expectations of the rate decision at the FOMC meeting. Investors looked to cherry-pick attractive yield levels, amid a quick easing out in selling interests. Consequently, average yield declined by 28bps to 12.90%. **We expect the direction of market sentiment to retreat to country-specific catalyst (across SSA region) in the interim.**

Macro Indicators

GDP (Q4 2022)	+3.52% (Q3 2022: +2.25% y/y)
Inflation	21.91% (Jan'23: 21.82%)
External Reserve (US\$'billion)	35.84 (-0.50% YTD)
Monetary Policy Rate	18.00%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*75.78(-1.19% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates

	23-Mar-23	22-Mar-23	Change in Rates
49 days	2.50%	2.50%	→ 0.00%
77 days	3.46%	3.46%	→ 0.00%
322 days	7.94%	7.94%	→ 0.00%

Source: FMDQ DQL for 23 March 2023

Benchmark FGN Bond Yields

	23-Mar-23	22-Mar-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.49%	12.50%	↓ -0.01%
10 yrs: 12.50% 27-Apr-2032	13.93%	13.93%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	14.71%	14.71%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	15.15%	15.15%	→ 0.00%

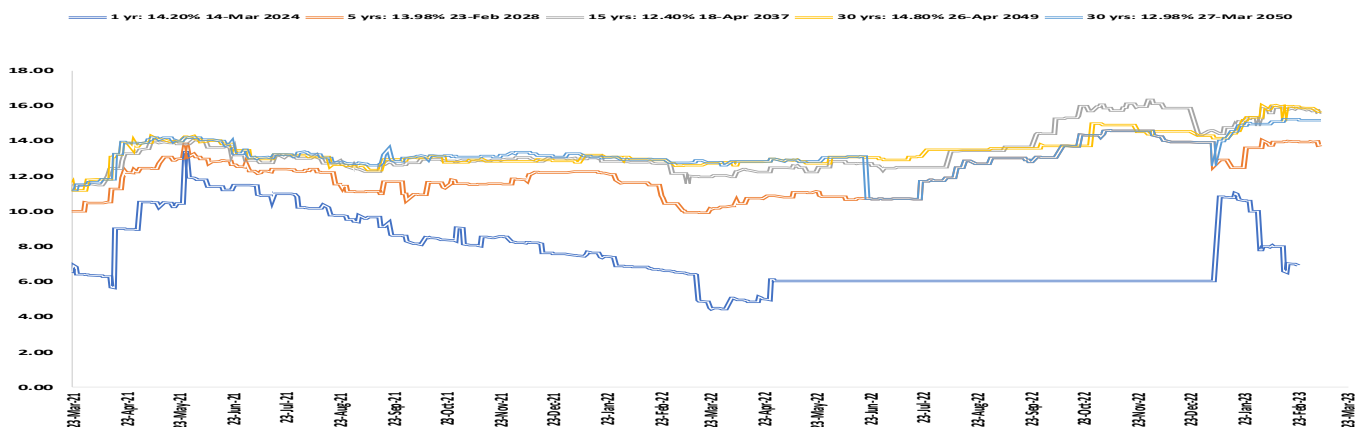
Source: FMDQ DQL for 23 March 2023

Benchmark FGN Eurobond Yields

	23-Mar-23	22-Mar-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.72%	7.56%	↓ -0.84%
5 yrs: NGERIA 6 1/2 11/28/27	12.37%	12.65%	↓ -0.28%
10 yrs: NGERIA 7.875 02/16/32	13.01%	13.22%	↓ -0.21%
15 yrs: NGERIA 7.696 23/02/38	13.09%	13.22%	↓ -0.13%
30 yrs: NGERIA 9.248 01/21/49	13.13%	13.22%	↓ -0.09%
7.125% ECOTRAN 16/02/26	12.63%	12.62%	↑ 0.01%

Source: FBN UK UK Runs for 23 March 2023

Benchmark Bond Yields



Aim higher. Reach further ►

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Equities

The Nigerian bourse settled on the negative side today, as the Nigerian Stock Exchange All Share Index (NGX ASI) depreciated in value by c. -0.02% day-on-day to close at 54,922.57 while year-to-date return closed at c.7.16%.

Selling interest in GTCO (-0.05%), and FIDELITYBK (-0.07%) led to the market to close on a bearish note today.

The NGX Consumer Goods and Banking indices, both depreciated in value by c. -0.04%, and c. -0.45%, respectively. While both the NGX Industrial Goods and Oil & Gas indices closed flat.

TRANSCORP led the volume charts at c. 31.48 billion units, and MTNN led the value charts at c. ₦ 370.21 billion

We expect a similar play at tomorrow's session.

AIICO Money Market Fund (AMMF)

Net Yield	(As at 22nd Mar 2023)	13.0234%
Added Benefit	Personal accident insurance cover	

		W-o-W	MTD	YTD
NGX ASI	↓-0.02%	↑0.01%	↓-1.58%	↑7.16%
NSE Banking Index	↓-0.45%	↑1.37%	↓-6.15%	↑4.92%
NSE Insurance Index	↓-0.42%	↑0.56%	↓-1.71%	↑1.22%
NSE Industrial Goods Index	↑0.00%	↑0.19%	↑1.53%	↑6.37%
NSE Consumer Goods Index	↓-0.04%	↓-0.78%	↑3.60%	↑18.46%
NSE Oil & Gas Index	→0.00%	→0.00%	↓-7.79%	↑12.73%

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
SUNUASSUR	0.48	0.04	↑9.09%
TRANSCOHOT	6.90	0.53	↑8.32%
ACADEMY	1.29	0.09	↑7.50%
REGALINS	0.30	0.02	↑7.14%
ABCTRANS	0.37	0.02	↑5.71%

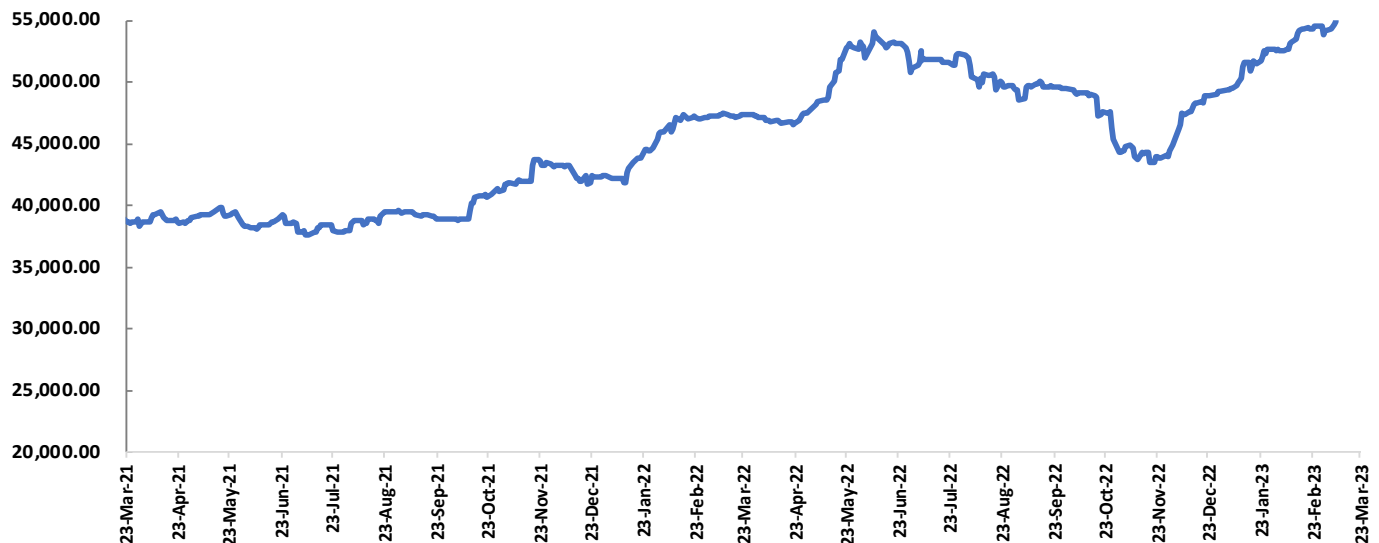
Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NCR	2.35	-0.26	↓-9.96%
LINKASSURE	0.42	-0.04	↓-8.70%
MANSARD	1.85	-0.15	↓-7.50%
ROYALEX	0.68	-0.04	↓-5.56%
UPDC	0.96	-0.04	↓-4.00%

Source: NGX, AIICO Capital

NSE All Share Index



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