

Daily Financial Market Update

AICO CAPITAL
www.aiocapital.com

f t in @ /aiocapitalng

FIXED INCOME MARKET

System liquidity remained in its negative territory today, with an opening balance of c. ₦160.70 billion, compared to yesterday's opening negative balance of c. ₦81.08 billion. However, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) declined to 18.50% and 18.88%, respectively from 18.63% and 19.00% recorded yesterday. **We expect the interbank rates to remain at its elevated levels.**

Treasury Bills

The treasury bills market was saturated with offers around the belly and long end of the curve, especially on papers like the 28 March 2024, 22 February 2024, and 7 August 2023. Despite some consummated demands at good levels, average yield shed 64bps to 8.05%. **We expect the market activity to be skewed towards the NTB auction next week.**

Bonds

For the most part of today's session, the local bonds market was bearish, as offers were observed on the 2037 and 2049 papers. Although, buy interests came in briefly, however, unaggressive. Average mid-yield declined marginally by 1bp to 13.93%. **We expect activity to stay relatively muted, barring any significant catalyst.**

Eurobonds

The Eurobonds market started off nearly neutral, as market participants slowly digested the \$800m loan to Nigeria from World Bank, which is intended to facilitate the execution of the long-discussed "fuel subsidy removal". Furthering into the session, the market trended downwards with sell interests across the curve. Average yield increased by 18bps to 12.31%. **We expect the market sentiment to be tossed by the U.S Nonfarm Payroll tomorrow and the US inflation data next week.**

Macro Indicators	
GDP (Q4 2022)	+3.52% (Q3 2022: +2.25% y/y)
Inflation	21.91% (Jan'23: 21.82%)
External Reserve (US\$ billion)	35.39 (-3.49% YTD)
Monetary Policy Rate	18.00%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*84.95 (-0.05% d/d)

Source: NBS, CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	06-Apr-23	05-Apr-23	Change in Rates
63 days	4.57%	4.57%	→ 0.00%
161 days	6.91%	6.74%	↑ 0.17%
336 days	11.59%	10.80%	↑ 0.79%

Source: FMDQ DQL for 6 April 2023

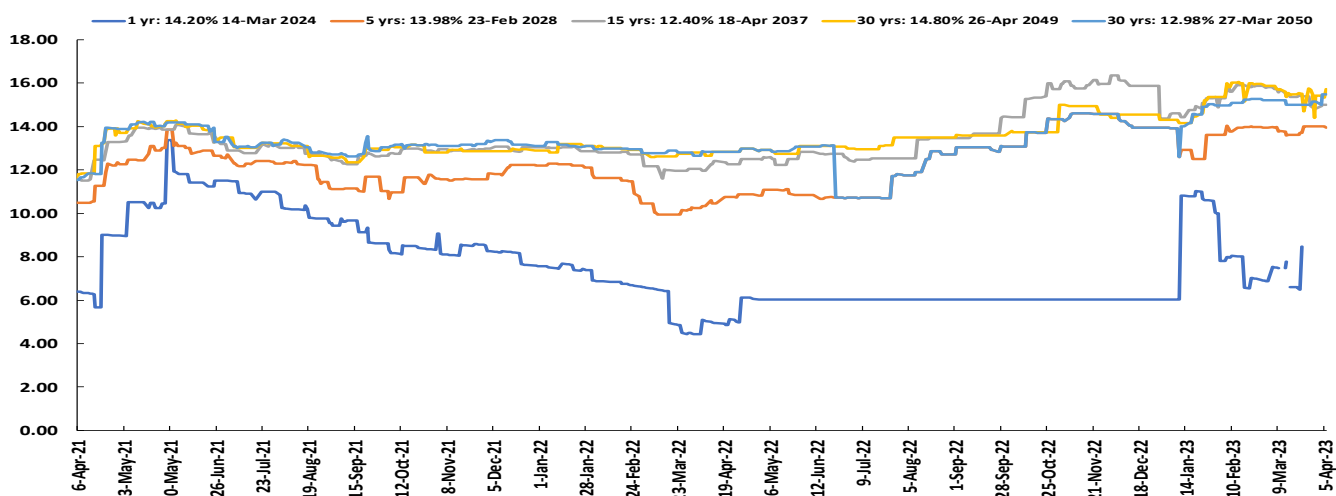
Benchmark FGN Bond Yields			
	06-Apr-23	05-Apr-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.01%	12.72%	↑ 0.29%
10 yrs: 12.50% 27-Apr-2032	14.75%	14.75%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	15.14%	15.14%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	15.65%	15.65%	→ 0.00%

Source: FMDQ DQL for 6 April 2023

Benchmark FGN Eurobond Yields			
	06-Apr-23	05-Apr-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.77%	6.28%	↑ 0.49%
5 yrs: NGERIA 6 1/2 11/28/27	11.96%	11.63%	↑ 0.33%
10 yrs: NGERIA 7.875 02/16/32	12.70%	12.44%	↑ 0.26%
15 yrs: NGERIA 7.696 23/02/38	12.78%	12.50%	↑ 0.28%
30 yrs: NGERIA 9.248 01/21/49	13.09%	12.91%	↑ 0.18%
7.125% ECOTRAN 16/02/26	12.58%	12.58%	→ 0.00%

Source: FBN UK Runs for 6 April 2023

Benchmark Bond Yields



Aim higher. Reach further ►

AIIICO CAPITAL

Equities

The Nigerian equity market closed on a bearish note, as the Nigerian Stock Exchange All Share Index (NGX ASI) declined in value by c.-0.05% day-on-day, to close at 52,994.13, while year-to-date return closed at c.3.40%.

Selling interest in GTCO (-0.3%) and TRANSCORP (-0.01%) led to the negative performance recorded today.

The NGX Consumer Goods, Industrial Goods and Oil & Gas Indices depreciated in value by c. -0.17%, c. -0.04% and c.-0.17 respectively, while the NGX Banking Index appreciated in value by c. 0.08%.

TRANSCORP led the volume charts with c.147.14 million units while ZENITHBANK led value charts with c. ₦ 487.11 million.

We expect the bearish bias to linger next week.

AIIICO Money Market Fund (AMMF)		
Net Yield	(As at 31st Mar 2023)	12.2991%
Added Benefit	Personal accident insurance cover	

		W-o-W	MTD	YTD
NGX ASI	↓ -0.05%	↓ -2.61%	↓ -5.04%	↑ 3.40%
NSE Banking Index	↑ 0.08%	↓ -0.44%	↓ -3.97%	↑ 7.36%
NSE Insurance Index	↑ 0.10%	↑ 4.16%	↑ 1.03%	↑ 4.04%
NSE Industrial Goods Index	↓ -0.04%	↓ -3.63%	↓ -2.48%	↑ 2.17%
NSE Consumer Goods Index	↓ -0.17%	↓ -0.47%	↑ 3.71%	↑ 18.58%
NSE Oil & Gas Index	↓ -0.17%	↓ -0.11%	↓ -9.75%	↑ 10.33%

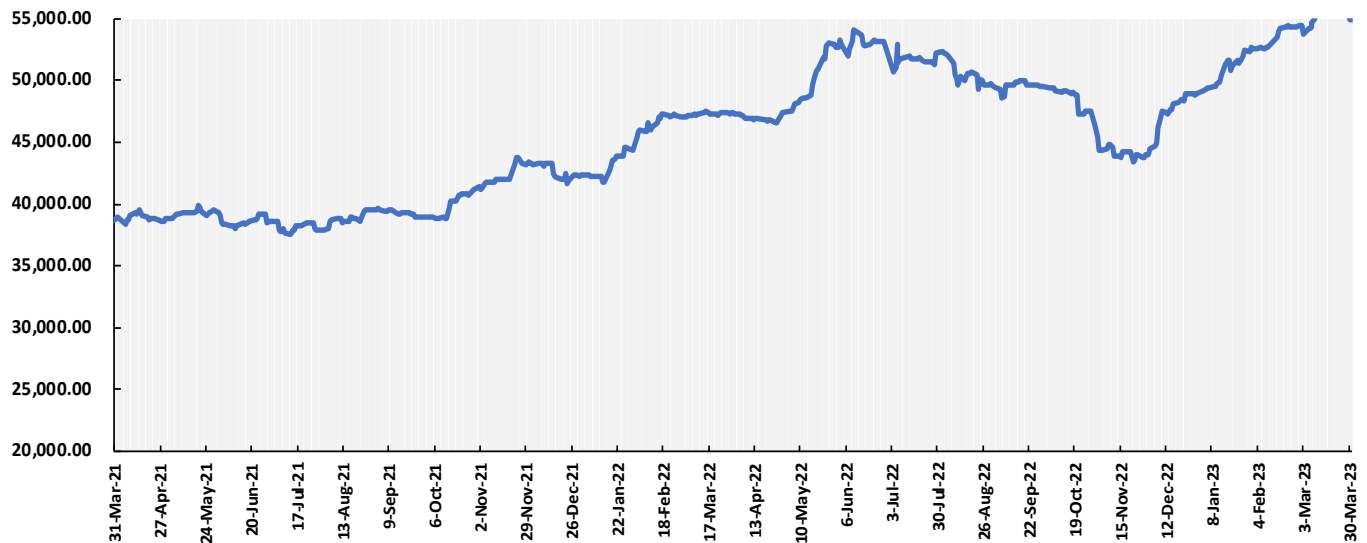
Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)		% Change
AIIICO	0.60	0.03	↑	5.26%
ACADEMY	1.35	0.06	↑	4.65%
CHAMS	0.24	0.01	↑	4.35%
UBA	8.55	0.20	↑	2.40%
CHAMPION	5.10	0.10	↑	2.00%

Source: NGX, AIIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
UPL	1.80	-0.20	↓	-10.00%
STERLINGNG	1.48	-0.12	↓	-7.50%
WAPIC	0.40	-0.03	↓	-6.98%
ETERNA	5.50	-0.35	↓	-5.98%
FTNCOCOA	0.27	-0.01	↓	-3.57%

Source: NGX, AIIICO Capital

NSE All Share Index



Important Disclaimers

This document has been issued and approved by AIIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction.

Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIIICO Capital clients who are then expected to make their own investment decisions. AIIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance.