

# Daily Financial Market Update

**AICO CAPITAL**
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## FIXED INCOME MARKET

System liquidity opened with a negative balance of ₦407.88 billion today, compared with the opening balance of ₦430.03 billion recorded as at close of last week. Nevertheless, the Open Repo Rate (OPR) and Overnight Rate (O/N) stiffened by 400bps and 375bps to 14.63% and 15.25%, respectively. **We expect the interbank rates to draw closer to its lower band levels, as money market players anticipate buoyant liquidity inflows later this week.**

### Treasury Bills

Ahead of tomorrow's treasury bills auction, market traded bearish, with offers sighted across the mid and long-dated tenors. On our watch, selling interests was daunted mostly on 21 August 2023, 7 March 2024, and 11 April 2024. Average yield soared by 88bps to 6.61%. **We expect activities to be staged around the treasury bills auction tomorrow, where the DMO will be offering ₦131.46 treasury bills.**

### Bonds

Quite similarly, the local bonds market exhibited a bearish performance, but mostly at the early hours of trading. Towards the closing bell, some papers were cherry-picked at good levels. Average yield slipped by 3bps to settle at 13.88%, despite the offers that rattled across the 2028, 2032, 2037, 2049 and 2050 papers. **We expect the market to gently adjust to a bullish posture tomorrow, as market exudes optimism from the inflows on the maturing 2023 paper.**

### Eurobonds

The Eurobonds market started the session slightly bearish. However, market flipped over to settle on a bullish note for the remaining part of the trading session, with buyside interests across several papers. The market repriced average yield lower by 19bps to 12.98%. **We expect the market to stay mixed, as investors anticipates the final key economic data ahead of the Fed's meeting.**

### Macro Indicators

|                                 |                              |
|---------------------------------|------------------------------|
| GDP (Q4 2022)                   | +3.52% (Q3 2022: +2.25% y/y) |
| Inflation                       | 22.04% (Feb'23: 21.91% )     |
| External Reserve (US\$'billion) | 35.32(-4.74% YTD)            |
| Monetary Policy Rate            | 18.00%                       |
| Cash Reserve Requirement (CRR)  | 32.50%                       |
| Brent Crude Price US\$/bbl      | *80.80 (-2.33% d/d)          |

Source: NBS,CBN, AICO Capital

### Benchmark T-Bills Discount Rates

|          | 25-Apr-23 | 20-Apr-23 | Change in Rates |
|----------|-----------|-----------|-----------------|
| 44 days  | 5.50%     | 5.50%     | → 0.00%         |
| 142 days | 6.91%     | 6.91%     | → 0.00%         |
| 317 days | 10.00%    | 11.59%    | ↓ -1.59%        |

Source: FMDQ DQL for 25 April 2023

### Benchmark FGN Bond Yields

|                             | 25-Apr-23 | 20-Apr-23 | Change in Yield |
|-----------------------------|-----------|-----------|-----------------|
| 5 yrs: 16.2884% 17-Mar-2027 | 13.48%    | 13.49%    | ↓ -0.01%        |
| 10 yrs: 12.50% 27-Apr-2032  | 14.70%    | 14.70%    | → 0.00%         |
| 20 yrs: 13.00% 21-Jan-2042  | 15.32%    | 15.32%    | → 0.00%         |
| 30 yrs: 12.98% 27-Mar-2050  | 15.49%    | 15.69%    | ↓ -0.20%        |

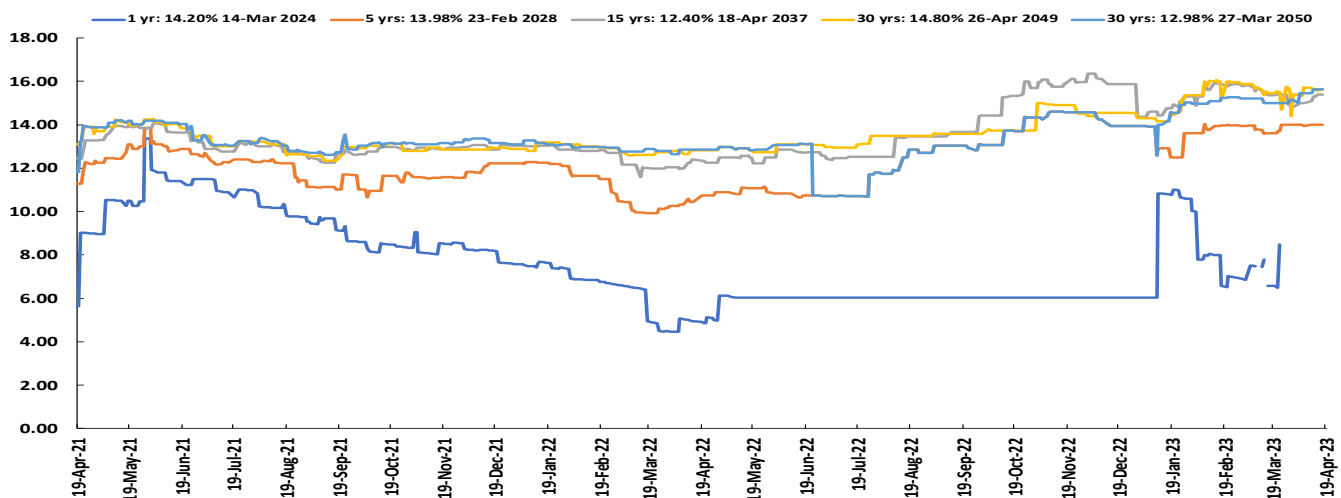
Source: FMDQ DQL for 25 April 2023

### Benchmark FGN Eurobond Yields

|                               | 25-Apr-23 | 20-Apr-23 | Change in Yield |
|-------------------------------|-----------|-----------|-----------------|
| 1 yr: NGERIA 6 3/8 07/12/23   | 7.46%     | 7.41%     | ↑ 0.05%         |
| 5 yrs: NGERIA 6 1/2 11/28/27  | 12.29%    | 12.49%    | ↓ -0.20%        |
| 10 yrs: NGERIA 7.875 02/16/32 | 12.89%    | 13.07%    | ↓ -0.18%        |
| 15 yrs: NGERIA 7.696 23/02/38 | 12.94%    | 13.18%    | ↓ -0.24%        |
| 30 yrs: NGERIA 9.248 01/21/49 | 13.11%    | 13.32%    | ↓ -0.21%        |
| 7.125% ECOTRAN 16/02/26       | 13.20%    | 13.24%    | ↓ -0.04%        |

Source: FBN UK Runs for 25 April 2023

## Benchmark Bond Yields



Aim higher. Reach further ►

**AICO CAPITAL**

The Nigerian equity market closed on a bullish note today, as the Nigerian Stock Exchange All Share Index (NGX ASI) gained c. 0.63% to closed at 51,681.01, while year-to-date return settled on a positive at c 0.84%.

Buying interest in HONYFLOUR (9.91%) and TRANSCORP (9.80%) stirred the market to a positive closure in today's session.

The NGX Banking and Industrial Indices appreciated in value by 1.30% and 0.11%, respectively. At the other side of the divide, the NGX Consumer Goods, and Oil & Gas Indices depreciated by 0.37%, and 0.07%, respectively.

ACCESSCORP led the volume charts with c.217.42 billion units and led the value charts with c. ₦ 2.31 billion.

**We expect the market to stay bullish in the interim.**

| AICO Money Market Fund (AMMF) |                       |                                   |
|-------------------------------|-----------------------|-----------------------------------|
| Net Yield                     | (As at 24th Apr 2023) | 12.0816%                          |
| Added Benefit                 |                       | Personal accident insurance cover |

|                            |          | W-o-W    | MTD       | YTD      |
|----------------------------|----------|----------|-----------|----------|
| NGX ASI                    | ↑ 0.63%  | ↑ 1.07%  | ↓ -7.39%  | ↑ 0.84%  |
| NSE Banking Index          | ↑ 1.30%  | ↑ 5.03%  | ↓ -6.52%  | ↑ 4.51%  |
| NSE Insurance Index        | ↑ 0.07%  | ↑ 2.81%  | ↑ 0.72%   | ↑ 3.72%  |
| NSE Industrial Goods Index | ↑ 0.11%  | ↓ -0.05% | ↓ -2.93%  | ↑ 1.70%  |
| NSE Consumer Goods Index   | ↓ -0.37% | ↓ -0.31% | ↑ 3.55%   | ↑ 18.40% |
| NSE Oil & Gas Index        | ↓ -0.07% | ↓ -1.62% | ↓ -11.11% | ↑ 8.67%  |

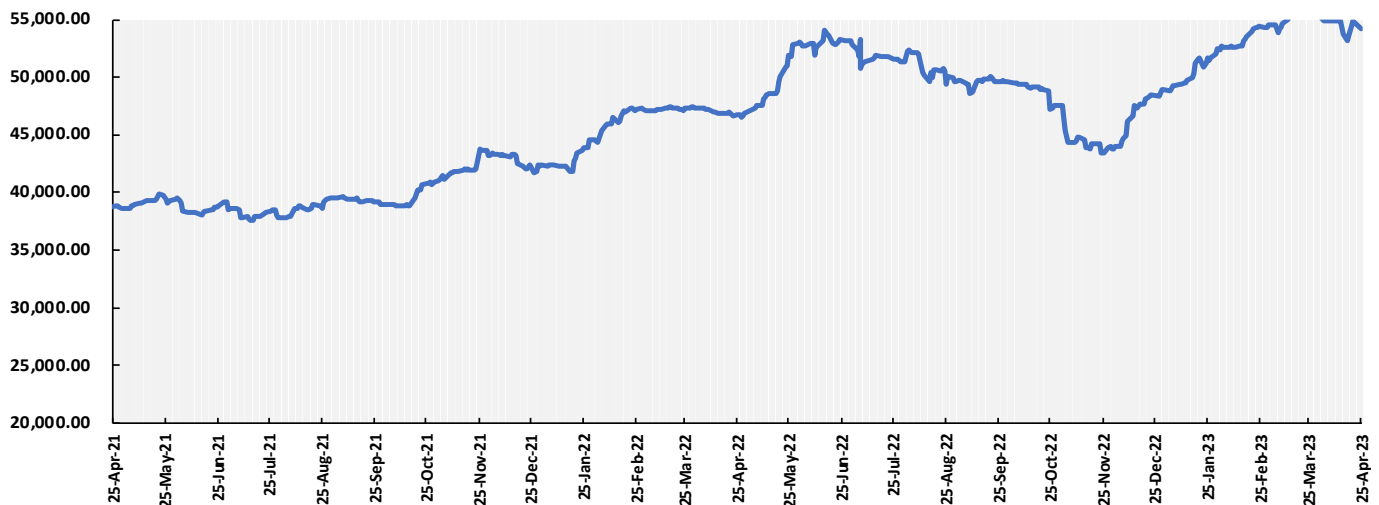
| Top 5 Equity Advancers |               |         |   |          |
|------------------------|---------------|---------|---|----------|
| Name (Symbol)          | Closing Price | Gain(N) |   | % Change |
| JAPAULGOLD             | 0.33          | 0.03    | ↑ | 10.00%   |
| HONYFLOUR              | 2.55          | 0.23    | ↑ | 9.91%    |
| BERGER                 | 8.35          | 0.75    | ↑ | 9.87%    |
| TRANSCORP              | 2.69          | 0.24    | ↑ | 9.80%    |
| IKEJAHOTEL             | 1.52          | 0.13    | ↑ | 9.35%    |

*Source: NGX, AICO Capital*

| Top 5 Equity Decliners |               |         |   |          |
|------------------------|---------------|---------|---|----------|
| Name (Symbol)          | Closing Price | Loss(N) |   | % Change |
| WAPIC                  | 0.38          | -0.03   | ↓ | -7.32%   |
| NGXGROUP               | 25.30         | -1.30   | ↓ | -4.89%   |
| RTBRISCOE              | 0.24          | -0.01   | ↓ | -4.00%   |
| AICO                   | 0.53          | -0.02   | ↓ | -3.64%   |
| ROYALEX                | 0.61          | -0.02   | ↓ | -3.17%   |

*Source: NGX, AICO Capital*

### NSE All Share Index



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