

# Daily Financial Market Update

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## MARKET COMMENTARY

### Money Market

Opening System liquidity declined to c.₦297.75 billion long, compared with the opening balance of ₦320.88 billion recorded yesterday. However, the Open Repo Rate (OPR) remained unchanged at 11.00% while the Overnight Rate (O/N) decreased to 11.38%. **We expect the interbank rates to trade at similar levels tomorrow.**

### Treasury Bills

The NTB market witnessed a lull session, albeit few demands were recorded on 7 Mar 2024, 28 Mar 2024 and 11 Apr 2024 papers earlier in the day at c.9.50% - 9.90%, most of which were same day settlement trades. Overall, the average mid-rate closed c.7bps lower to settle at 6.77%. **We expect a quiet session tomorrow, though slight buy-side interest may be observed on short to mid dated papers.**

### FGN Bonds

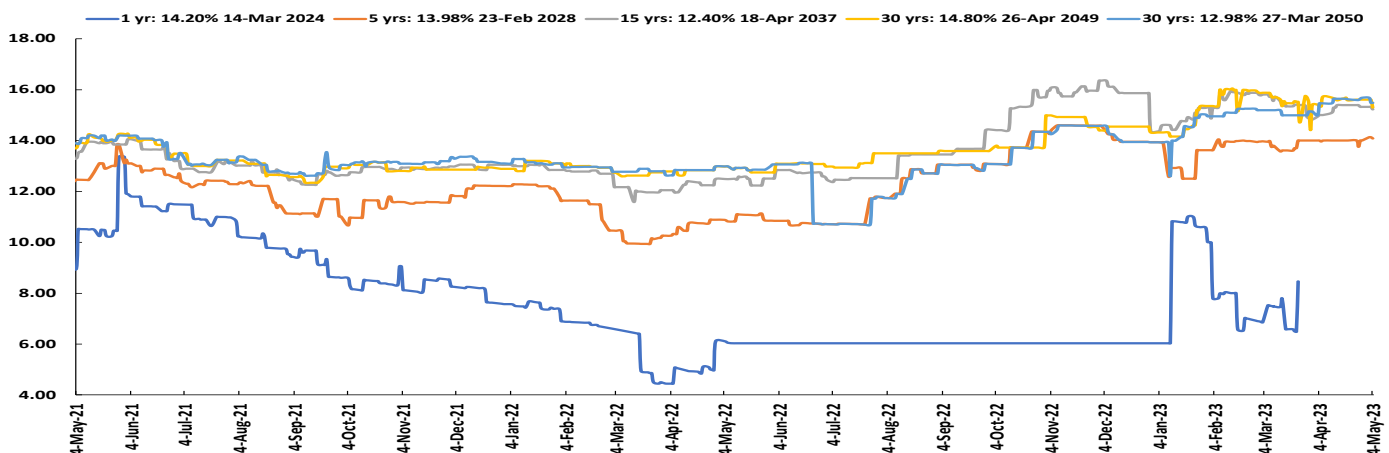
Sell side interest dominated the FGN bonds market, with persistent rise in yields particularly across the far mid to long dated papers. 2050s traded around 15.72%-15.75%, before bids adjusted upwards to 15.85% mark. A similar trend was also seen in the 2037 and 2049 papers, with improved bid and offer yields. Thus, the average mid-yield closed c.5bps to settle at c.13.95%. **We anticipate this trend to persist tomorrow, barring any major catalyst.**

### Eurobonds

Post FOMC meeting where the much-anticipated 25bps hike played out, saw the Eurobonds market trade bullish today, especially across Nigeria, Angola and Egypt papers. The market waved off the prospect that Fed Chair Powell might have one more hike in his radar, instead they stacked up bets that the US central bank's next move will be to cut its benchmark interest rate.

In other news, the ECB increased its benchmark interest rate by 25bps as expected to 3.75% and signaled a slowing pace of policy tightening. Also, the Nigerian Senate agreed to convert \$49 Billion owed to the Central Bank under the Ways and means scheme to long dated bonds and Ghana expects Inflation to slow down in the coming months. **We expect the buy-side activity to linger tomorrow**

### Benchmark Bond Yields



### Macro Indicators

GDP (Q4 2022)	+3.52% (Q3 2022: +2.25% y/y)
Inflation	22.04% (Feb'23: 21.91%)
External Reserve (US\$'billion)	35.25 (-4.94% YTD)
Monetary Policy Rate	18.00%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*73.65(-2.22% d/d)

Source: NBS,CBN, AIICO Capital

### Benchmark T-Bills Discount Rates

	04-May-23	03-May-23	Change in Rates
35 days	5.53%	5.50%	↑ 0.03%
133 days	5.40%	5.40%	→ 0.00%
308 days	9.56%	8.20%	↑ 1.36%

Source: FMDQ DQL for 04 May 2023

### Benchmark FGN Bond Yields

	04-May-23	03-May-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.84%	12.85%	↓ -0.01%
10 yrs: 12.50% 27-Apr-2032	14.73%	14.73%	→ 0.00%
20 yrs: 13.00% 21-Jan-2042	15.36%	15.36%	→ 0.00%
30 yrs: 12.98% 27-Mar-2050	15.70%	15.46%	↑ 0.24%

Source: FMDQ DQL for 04 May 2023

### Benchmark FGN Eurobond Yields

	04-May-23	03-May-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.92%	6.92%	→ 0.00%
5 yrs: NGERIA 6 1/2 11/28/27	12.15%	12.15%	→ 0.00%
10 yrs: NGERIA 7.875 02/16/32	12.76%	12.76%	→ 0.00%
15 yrs: NGERIA 7.696 23/02/38	12.87%	12.87%	→ 0.00%
30 yrs: NGERIA 9.248 01/21/49	12.95%	12.95%	→ 0.00%
7.125% ECOTRAN 16/02/26	13.67%	13.67%	→ 0.00%

Source: FBN UK Runs for 04 May 2023

Aim higher. Reach further ▶

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### Nigerian Equities

The Nigerian equity market closed on a positive note today, as the Nigerian Stock Exchange All Share Index (NGX ASI) appreciated by c. 0.16% to close at 52,290.75, while year-to-date return improved to c 2.03%. Buying interest in FIDELITYBK (0.05%) and GTCO (0.95%) drove the upward trend in today's session.

The NGX Banking, Industrial Goods and Oil & Gas Indices appreciated by 0.76%, 0.02%, and 0.78%, respectively. However, the NGX Consumer Goods Index depreciated by 0.29%.

TRANSCORP led the volume charts with c. 811.20 million units while ACCESSCORP the value charts with c. ₦ 2.35 billion. .

**We expect the bullish bias to linger tomorrow.**

### AIICO Money Market Fund (AMMF)

Net Yield	(As at 3rd May 2023)	12.5038%
Added Benefit	Personal accident insurance cover	

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
MBENEFIT	0.33	0.03	↑ 10.00%
NEM	4.55	0.40	↑ 9.64%
CWG	1.20	0.10	↑ 9.09%
ARDOVA	19.85	1.55	↑ 8.47%
PRESTIGE	0.39	0.03	↑ 8.33%

Source: NGX, AIICO Capital

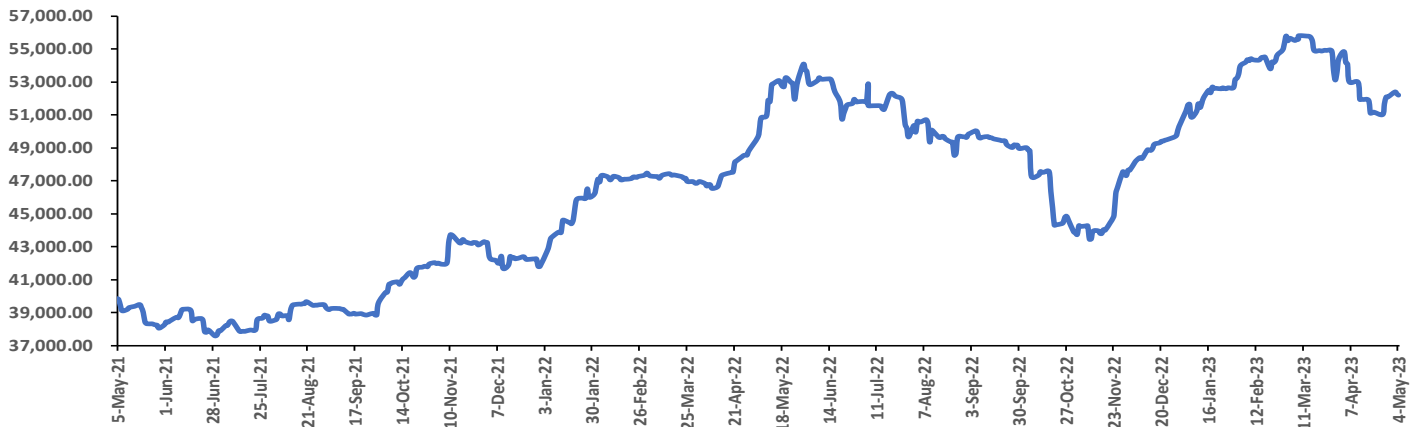
### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
LINKASSURE	0.48	-0.05	↓ -9.43%
MCNICHOLS	0.72	-0.07	↓ -8.86%
REDSTAREX	2.30	-0.22	↓ -8.73%
UPL	1.66	-0.15	↓ -8.29%
CHAMPION	4.00	-0.33	↓ -7.62%

Source: NGX, AIICO Capital

		W-o-W	MTD	YTD
NGX ASI	↑ 0.16%	↑ 0.11%	↓ -6.30%	↑ 2.03%
NSE Banking Index	↑ 0.76%	↑ 4.77%	↓ -2.58%	↑ 8.91%
NSE Insurance Index	↑ 2.08%	↑ 3.28%	↑ 5.44%	↑ 8.57%
NSE Industrial Goods Index	↑ 0.02%	↑ 0.02%	↓ -2.80%	↑ 1.83%
NSE Consumer Goods Index	↓ -0.29%	↑ 2.43%	↑ 8.82%	↑ 24.42%
NSE Oil & Gas Index	↑ 0.78%	↑ 2.45%	↓ -8.83%	↑ 11.46%

### NSE All Share Index



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