

# Daily Financial Market Update

**AIICO CAPITAL**
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## MARKET COMMENTARY

### Money Market

Opening System liquidity improved to c. ₦659.87 billion long, compared with yesterday's opening balance of ₦370.70 billion. However, the Open Repo Rate (OPR) and the Overnight Rate (O/N) remained unchanged at 11.63% and 12.00%. **We expect the interbank rates to remain at current levels tomorrow..**

### Treasury Bills

The treasury bills market endured a quiet session today, as market participants' attention tilted to the treasury bills auction. Nonetheless, the average mid-rate increased by 5bps to 5.75%. **We expect a relatively bullish market tomorrow, as unmet demand at today's auction should filter to the secondary market.**

### FGN Bonds

Activity in the local bonds market remained relatively muted, with mild buying interests. Overall, the average mid-yield increased by only 2bps to 13.68%. **We expect the current trend to persist tomorrow.**

### Eurobonds

Activity on the Nigerian Eurobonds market was quiet today. However, Ghana, Egypt and Angola witnessed a bullish performance with buying interests across board. Consequently, the average yield fell by 2bp to settle at 11.15%.. **We expect a similar trend tomorrow, in the absence of any significant driver.**

#### Macro Indicators

GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.22% (Mar'23: 22.04%)
External Reserve (US\$'billion)	35.95 (-3.05% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*77.59 (+1.81% d/d)

Source: NBS,CBN, AIICO Capital

#### Benchmark T-Bills Discount Rates

	07-Jun-23	06-Jun-23	Change in Rates
92 days	4.44%	4.44%	(0.00%)
155 days	5.27%	5.27%	(0.00%)
309 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 07 June 2023

#### Benchmark FGN Bond Yields

	07-Jun-23	06-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.09%	12.10%	+0.01%
10 yrs: 12.50% 27-Apr-2032	13.80%	14.85%	+1.05%
20 yrs: 13.00% 21-Jan-2042	15.27%	15.27%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.68%	15.58%	(0.10%)

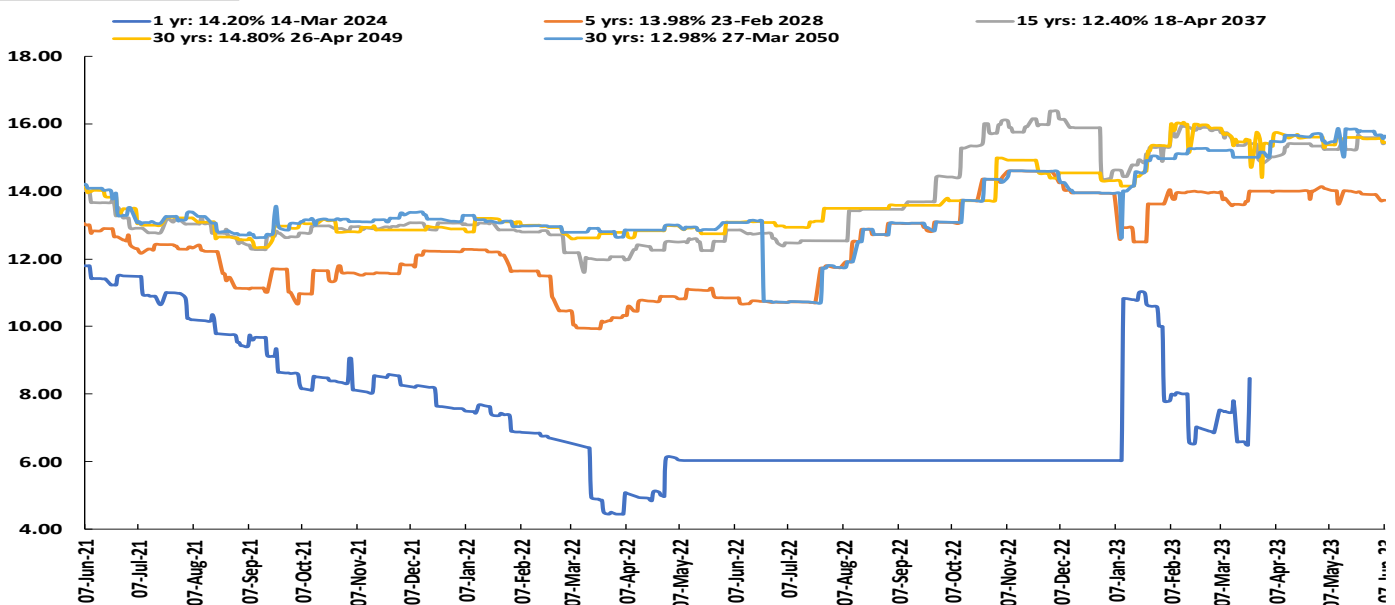
Source: FMDQ DQL for 07 June 2023

#### Benchmark FGN Eurobond Yields

	07-Jun-23	06-Jun-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.21%	6.21%	(0.00%)
5 yrs: NGERIA 6 1/2 11/28/27	10.66%	10.66%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	11.29%	11.58%	+0.29%
15 yrs: NGERIA 7.696 23/02/38	11.58%	11.85%	+0.27%
30 yrs: NGERIA 9.248 01/21/49	12.01%	12.01%	(0.00%)
7.125% ECOTRAN 16/02/26	13.00%	13.22%	+0.22%

Source: FBN UK Runs for 07 June 2023

### Benchmark Bond Yields



### Nigerian Equities

The Nigerian equity market closed relatively bearish, as the Nigerian Stock Exchange All Share Index (NGX ASI) declined by c.0.02% to close at 56,025.56 points, while year-to-date return settled at c 9.32%. Selling interests in the banking sector partly contributed to the negative performance today.

The NGX Banking, Industrial and Consumer Goods Indices depreciated in value by 0.25 %, 0.02%, and 0.01% respectively. While NGX Oil & Gas Index appreciated by 0.42%. GTCO led the volume charts with c.43.03 million units and AIRTELAfri led the value with c. ₦ 2.71 billion.

**We expect a relatively bullish performance tomorrow.**

### Foreign Exchange

FMDQ's Nigerian Autonomous Foreign Exchange Fixing (NAFEX) rate remained at ₦464.67/US\$1.00 today. **We expect the NAFEX rate to hover at similar levels tomorrow**

### Commodities

Oil prices nudged higher today, as market further digested Saudi Arabia's surprise weekend pledge to deepen output cuts. As of report time, Brent oil prices appreciated by c. 1.63% to \$77.54pb, day-on-day, while WTI appreciated by c 1.87% day-on-day to settle at US\$73.08pb. Spot Gold declined by c. -0.67% day-on-day to close at US\$1,968.30per ounce as of report time. **We expect the downward trend to spill into tomorrow's session, barring any positive catalyst.**

### AIICO Money Market Fund (AMMF)

Net Yield (As at 6th June 2023)	11.4571%
Added Benefit	Personal accident insurance cover

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
HONYFLOUR	3.45	0.31	↑ 9.87%
ETERNA	12.25	1.10	↑ 9.87%
FTNCOCOA	0.78	0.07	↑ 9.86%
CORNERST	1.01	0.09	↑ 9.78%
WAPIC	0.46	0.04	↑ 9.52%

Source: NGX, AIICO Capital

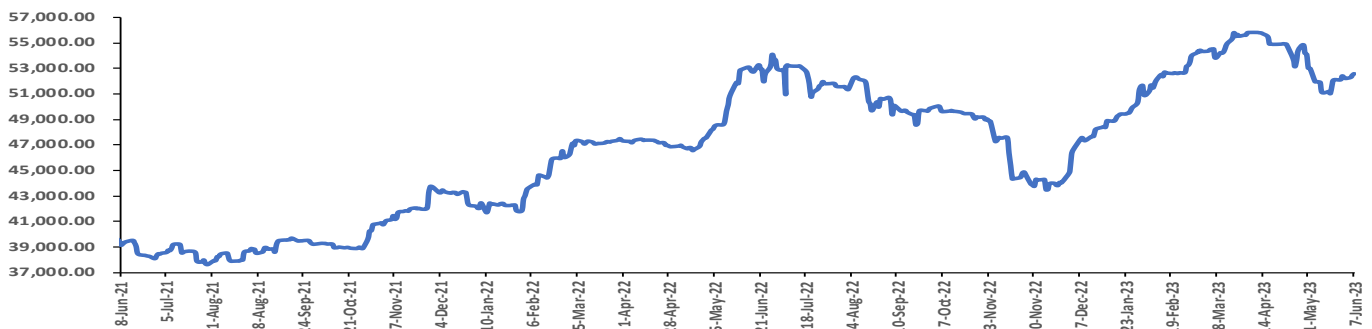
### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
UBN	7.20	-0.70	↓ -8.86%
FLOURMILL	33.10	-1.45	↓ -4.20%
NGXGROUP	28.00	-0.90	↓ -3.11%
PRESTIGE	0.40	-0.01	↓ -2.44%
COURTVILLE	0.47	-0.01	↓ -2.08%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.03%	↑ 0.46%	↑ 9.31%
NSE Banking Index	↓ -0.25%	↓ -0.65%	↑ 24.57%
NSE Insurance Index	↑ 3.61%	↑ 7.14%	↑ 28.44%
NSE Industrial Goods Index	↓ -0.02%	↓ -0.12%	↑ 3.40%
NSE Consumer Goods Index	↓ -0.01%	↑ 0.10%	↑ 44.15%
NSE Oil & Gas Index	↑ 0.42%	↑ 8.68%	↑ 40.05%

### NSE All Share Index



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