

# Daily Financial Market Update



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## MARKET COMMENTARY

### Money Market

Opening System liquidity improved to c. ₦765.13 billion long, compared with yesterday's opening balance of ₦659.87 billion. As a result, the Open Repo Rate (OPR) and the Overnight Rate (O/N) fell by 13bps and 10bps to 11.50% and 11.90% respectively. **We expect the interbank rates to remain at current levels tomorrow.**

### Treasury Bills

After few interests for the one-year paper (6-June-2024) at the early hours of trading, market stayed quiet for the most part of today's session. Nonetheless, the average mid-rate increased by 13bps to 5.87%. **We expect a muted session tomorrow, in the absence of any jitters.**

### FGN Bonds

Activity in the local bonds market remained relatively quiet today, given the absence of positive catalyst. Average yield remained at 13.68%. **We expect a similar trend tomorrow.**

### Eurobonds

The SSA Eurobonds market was bearish today, with selling interests across board. Meanwhile, the US jobless claims rose to 261k in June, surpassing consensus estimates and the preceding 233k. Consequently, the average yield expanded by 14bps to 11.29%. **We expect the bearish trend to ease tomorrow.**

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.22% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.92 (-5.83% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*76.66 (-0.38% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	08-Jun-23	07-Jun-23	Change in Rates
91 days	4.44%	4.44%	(0.00%)
154 days	5.27%	5.27%	(0.00%)
308 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 08 June 2023

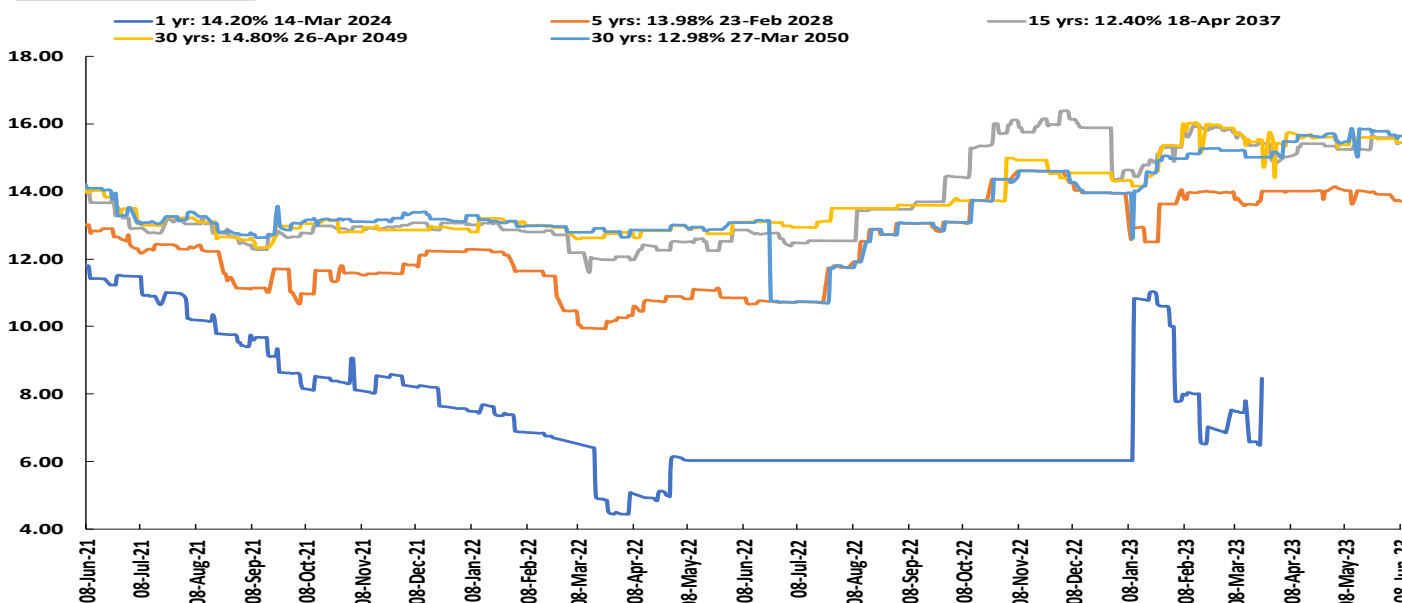
Benchmark FGN Bond Yields			
	08-Jun-23	07-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.21%	12.09%	(0.12%)
10 yrs: 12.50% 27-Apr-2032	14.74%	13.80%	(0.94%)
20 yrs: 13.00% 21-Jan-2042	15.27%	15.27%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.68%	15.68%	(0.00%)

Source: FMDQ DQL for 08 June 2023

Benchmark FGN Eurobond Yields			
	08-Jun-23	07-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	10.87%	10.66%	(0.21%)
10 yrs: NGERIA 7.875 02/16/32	11.64%	11.29%	(0.35%)
15 yrs: NGERIA 7.696 23/02/38	11.92%	11.58%	(0.34%)
30 yrs: NGERIA 9.248 01/21/49	11.99%	12.01%	+0.02%
7.125% ECOTRAN 16/02/26	13.02%	13.00%	(0.02%)

Source: FBN UK Runs for 08 June 2023

Benchmark Bond Yields



### Nigerian Equities

The Nigerian equity market closed on a bearish note, as the Nigerian Stock Exchange All Share Index (NGX ASI) declined by c.0.12% to close at 55,956.59 points, while year-to-date return settled at c 9.18%. Selling interests NB (-1.8%) and DANGCEM (-1.38%) led the downward trend in today's session.

The NGX Industrial and Consumer Goods Indices depreciated in value by 0.71% and 0.13%, respectively. While the NGX Banking and Oil & Gas Indices appreciated by 0.99% and 1.01%, respectively. UBA led both the volume charts with c.177.48 million units and the value with c. ₦ 1.73 billion.

**We expect the bearish bias to resurface tomorrow.**

### Foreign Exchange

FMDQ's Nigerian Autonomous Foreign Exchange Fixing (NAFEX) rate depreciated to ₦469.50 today, from ₦464.67/US\$1.00 recorded yesterday. **We expect the NAFEX rate to witness further depreciation in the interim.**

### Commodities

Oil prices fell today as tighter supply resulting from Saudi Arabia's pledged production cut and a potential pause to U.S. interest rate hikes offset worries over demand weakness and a global economic slowdown. As of report time, Brent oil prices depreciated by c. 0.45% to \$76.60pb, day-on-day, while WTI depreciated by c 0.61% day-on-day to settle at US\$72.09pb. Spot Gold increased by c. 1.16% day-on-day to close at US\$1,981.10per 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 7th June 2023)	12.1006%
Added Benefit	Personal accident insurance cover

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
JAPAULGOLD	0.44	0.04	↑ 10.00%
NSLTECH	0.33	0.03	↑ 10.00%
UNITYBNK	0.66	0.06	↑ 10.00%
SOVRENINS	0.44	0.04	↑ 10.00%
PRESTIGE	0.44	0.04	↑ 10.00%

Source: NGX, AIICO Capital

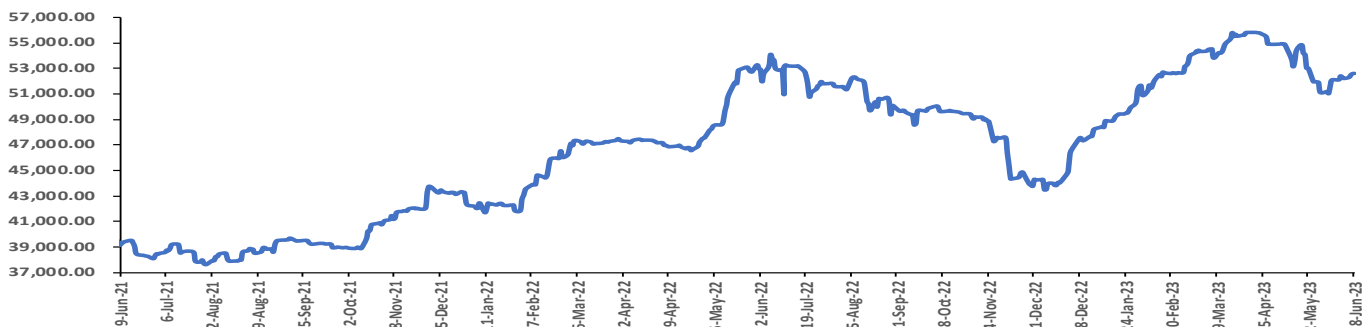
### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
JOHNHOLT	1.40	-0.15	↓ -9.68%
CAVERTON	1.30	-0.10	↓ -7.14%
WAPIC	0.43	-0.03	↓ -6.52%
GLAXOSMITH	7.15	-0.40	↓ -5.30%
STANBIC	45.00	-1.40	↓ -3.02%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.12%	↑ 0.34%	↑ 9.18%
NSE Banking Index	↑ 0.99%	↑ 0.34%	↑ 25.80%
NSE Insurance Index	↑ 3.97%	↑ 11.39%	↑ 33.54%
NSE Industrial Goods Index	↓ -0.71%	↓ -0.83%	↑ 2.67%
NSE Consumer Goods Index	↓ -0.13%	↓ -0.03%	↑ 43.96%
NSE Oil & Gas Index	↑ 1.01%	↑ 9.77%	↑ 41.46%

### NSE All Share Index



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