

Daily Financial Market Update



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MARKET COMMENTARY

Money Market

Opening System liquidity settled at c.₦ 538.90 billion long, compared with yesterday's opening balance of ₦765.13 billion. The Open Repo Rate (OPR) and the Overnight Rate (O/N) both increased by 20bps to 11.70% and 12.10% respectively. **We expect the interbank rates stay at similar levels next week.**

Treasury Bills

Market traded on a quiet note today, with minimal cares for the one-year paper (6-June-2024). Nonetheless, the average mid-rate increased by 36bps to 6.23%.. **We expect market to tilt focus towards the treasury bills auction next week, as the DMO will be offering ₦34.54bn treasury bills.**

FGN Bonds

Activity in the local bonds market remained relatively quiet today. Activity in the local bonds market remained relatively quiet today. Although, few buying interests were seen on the selected papers, like the 2029 paper. Nonetheless, average yield remained unchanged at 13.68%. **We expect activity to remain mildly active next week, barring any significant driver.**

Eurobonds

The Nigerian Eurobonds market traded quietly today, with few interests seen at the belly of the curve. Consequently, the average yield fell by 7bps to 11.22%. **We expect the US inflation data and the policy decision by the US Fed to be a key driver of market direction next week.**

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.22% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.88 (-5.93% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*76.06 (-0.13% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	09-Jun-23	08-Jun-23	Change in Rates
90 days	4.44%	4.44%	(0.00%)
153 days	5.27%	5.27%	(0.00%)
307 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 09 June 2023

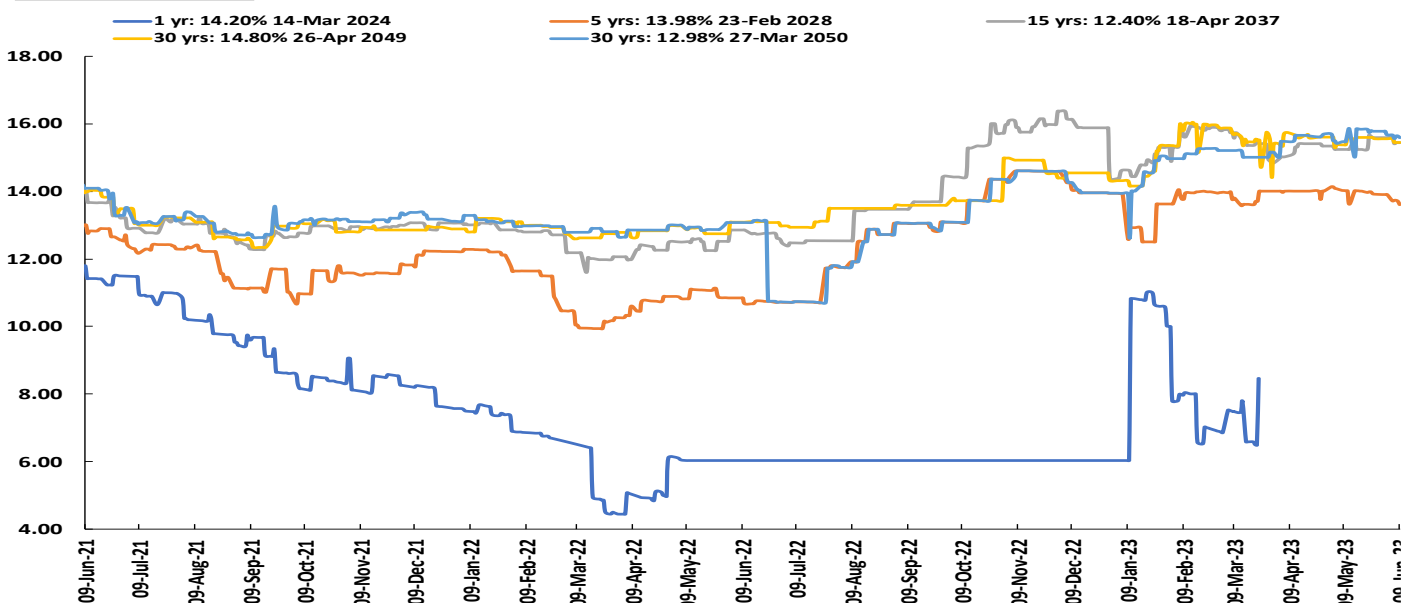
Benchmark FGN Bond Yields			
	09-Jun-23	08-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.21%	12.21%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	14.74%	14.74%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.27%	15.27%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.68%	15.68%	(0.00%)

Source: FMDQ DQL for 09 June 2023

Benchmark FGN Eurobond Yields			
	09-Jun-23	08-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%	10.87%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	11.59%	11.64%	+0.05%
15 yrs: NGERIA 7.696 23/02/38	11.90%	11.92%	+0.02%
30 yrs: NGERIA 9.248 01/21/49	11.90%	11.99%	+0.09%
7.125% ECOTRAN 16/02/26	13.02%	13.02%	(0.00%)

Source: FBN UK Runs for 09 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.0.05% to close at 55,930.97 points, while year-to-date return settled at c 9.13%. Selling interests NB (-1.8%) and DANGCEM (-1.38%) led the downward trend in today's session.

The NGX Industrial and Consumer Goods and Oil & Gas Indices depreciated in value by 0.55%, 0.01 and 1.60%, respectively. While the NGX Banking Index appreciated by 0.13%. UBA led both the volume charts with c.177.48 million units and the value with c. ₦ 1.73 billion.

We expect the bullish bias to ease next week.

Foreign Exchange

FMDQ's Nigerian Autonomous Foreign Exchange Fixing (NAFEX) rate depreciated to ₦472.50 today, from ₦469.50/US\$1.00 recorded yesterday..

We expect further depreciation of the naira at the NAFEX window.

Commodities

Oil prices were broadly stable today, although poised for a second week of decline, as concerns over oil demand outweighed Saudi output cuts. As of report time, Brent oil prices depreciated by c. 0.25% to \$75.77pb, day-on-day, while WTI depreciated by c 0.39% day-on-day to settle at US\$70.99pb. Spot Gold depreciated by c. 0.11% day-on-day to close at US\$1,976.50per ounce as of report time. **We expect the rate decision by the US Fed to be a major driver of oil prices next week, alongside the outcome of other economic data.**

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
NEM	6.05	0.55	↑ 10.00%
OMATEK	0.22	0.02	↑ 10.00%
GOLDBREW	0.89	0.08	↑ 9.88%
CHAMS	0.46	0.04	↑ 9.52%
FTNCOCOA	0.93	0.08	↑ 9.41%

Source: NGX, AIICO Capital

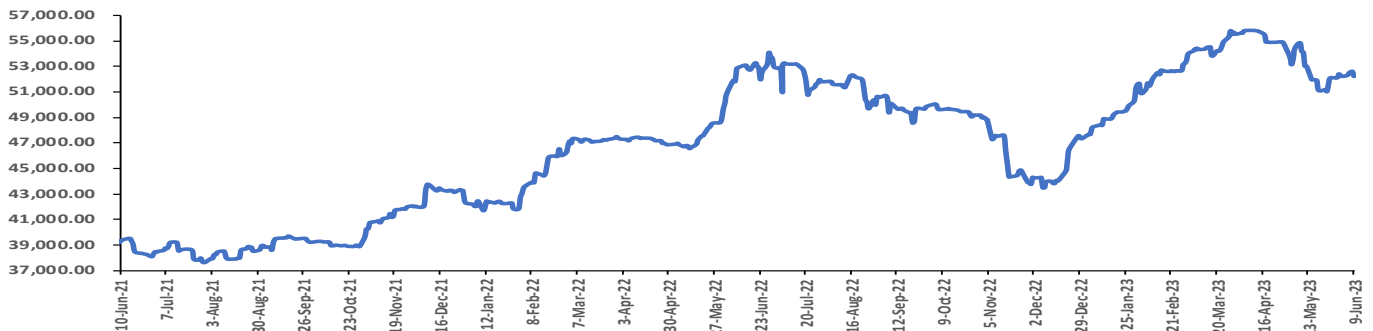
Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
CONOIL	71.95	-7.95	↓ -9.95%
ABCTRANS	0.39	-0.04	↓ -9.30%
SOVRENINS	0.40	-0.04	↓ -9.09%
SUNUASSUR	0.43	-0.04	↓ -8.51%
COURTVILLE	0.46	-0.04	↓ -8.00%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.05%	↑ 0.29%	↑ 9.13%
NSE Banking Index	↑ 0.13%	↑ 0.47%	↑ 25.97%
NSE Insurance Index	↑ 3.78%	↑ 15.61%	↑ 38.59%
NSE Industrial Goods Index	↓ -0.55%	↓ -1.37%	↑ 2.11%
NSE Consumer Goods Index	↓ 0.00%	↓ -0.03%	↑ 43.96%
NSE Oil & Gas Index	↓ -1.60%	↑ 8.01%	↑ 39.19%

NSE All Share Index



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