

# Daily Financial Market Update



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## MARKET COMMENTARY

### Money Market

In the absence of official data from the Central Bank of Nigeria (CBN), opening system liquidity figure was estimated to be in the positive territory. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) both propped up by 20bps to 11.90% and 12.30% respectively. **We expect the interbank rates to remain at current levels tomorrow.**

### Treasury Bills

The treasury bills market closed on a positive note today, with some buying interests seen around the mid to long dated papers, especially May and June 2024 papers. Average yield fell to 5.98%. **We expect activities to ease tomorrow, as market players should tilt attention to the treasury bills auction, where the DMO will be offering N34.54 billion.**

### FGN Bonds

Activity in the local bonds market traded sideways today, as buying interests were seen on the 2037 and 2050 papers, while selling interest were mostly seen on the 2042 paper. Nonetheless, average yield increased by 3bps to settle at 13.71%. **We expect a similar trend tomorrow.**

### Eurobonds

The SSA Eurobonds market expressed a strong positive momentum, given the relieving US CPI print at 4.0% in May, from 4.9% in April. For Nigeria, the bullish trajectory was initially triggered by the suspension of the CBN governor, Godwin Emefiele, by President Bola Tinubu, alongside the president's desire to adopt a unified exchange rate regime. Consequently, the average yield settled at 10.88%. **We expect the bullish bias to persist tomorrow, albeit investors will keep a keen eye on the US Fed's decision 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)	34.85 (-6.02% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*74.56 (+3.79% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	13-Jun-23	12-Jun-23	Change in Rates
96 days	4.44%	4.44%	(0.00%)
149 days	5.27%	5.27%	(0.00%)
303 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 13 June 2023

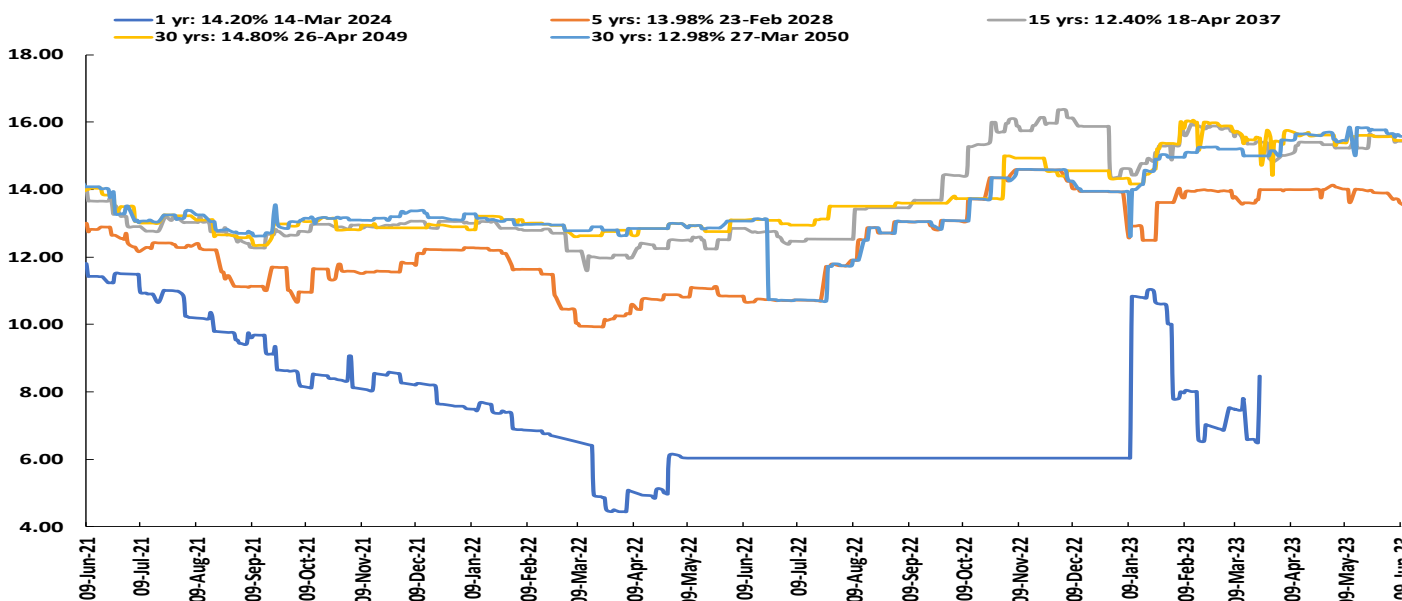
Benchmark FGN Bond Yields			
	13-Jun-23	12-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.09%	12.21%	+0.12%
10 yrs: 12.50% 27-Apr-2032	14.70%	14.74%	+0.04%
20 yrs: 13.00% 21-Jan-2042	15.30%	15.27%	(0.03%)
30 yrs: 12.98% 27-Mar-2050	15.57%	15.68%	+0.11%

Source: FMDQ DQL for 13 June 2023

Benchmark FGN Eurobond Yields			
	13-Jun-23	12-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	10.44%	10.87%	+0.43%
10 yrs: NGERIA 7.875 02/16/32	11.24%	11.59%	+0.35%
15 yrs: NGERIA 7.696 23/02/38	11.46%	11.90%	+0.44%
30 yrs: NGERIA 9.248 01/21/49	11.65%	11.90%	+0.25%
7.125% ECOTRAN 16/02/26	12.66%	13.02%	+0.36%

Source: FBN UK Runs for 13 June 2023

Benchmark Bond Yields



### Nigerian Equities

The Nigerian equity market closed on a bullish note, as the Nigerian Stock Exchange All Share Index (NGX ASI) advanced by c.3.99% to close at 58,163.55 points, while year-to-date return settled at c 13.49%. Buying interests in GTCO (+1.8%), UBA (+9.55%) and WAPCO (+8.91%) led the positive trend today.

All Indices closed in the green. The NGX Industrial and Consumer Goods Indices appreciated in value by 1.21% and 3.36%, respectively. While the NGX Banking and Oil & Gas Indices appreciated by 8.76% and 0.22%, respectively. UBA led the volume charts with c.214.94 million units while GTCO led the value with c. ₦ 6.24 billion.

**We expect the bullish sentiment to persist, as investors continue to ride on the perceived air of positivity shown by the new government.**

### Foreign Exchange

FMDQ's Nigerian Autonomous Foreign Exchange Fixing (NAFEX) rate depreciated to ₦471.67 today, from ₦469.50/US\$1.00 recorded last Friday..

**We expect the NAFEX rate to witness further depreciation in the interim.**

### Commodities

Oil prices increased today due to bargain hunting at attractive levels from yesterday's lows. Although, participants seem cautious of tomorrow's interest rate decision by the US Federal Reserve. As of report time, Brent oil prices appreciated by c. 3.72% to \$72.53pb, day-on-day, while WTI gained by c 3.83% day-on-day to settle at US\$69.69pb. Spot Gold depreciated by c. -1.10% day-on-day to close at US\$1,967.20per 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 9th June 2023)	11.9855%
Added Benefit	Personal accident insurance cover

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
NASCON	17.05	1.55	↑ 10.00%
ACCESSCORP	14.30	1.25	↑ 10.00%
GTCO	30.80	2.55	↑ 10.00%
LASACO	1.98	0.18	↑ 10.00%
ZENITHBANK	30.80	2.70	↑ 10.00%

Source: NGX, AIICO Capital

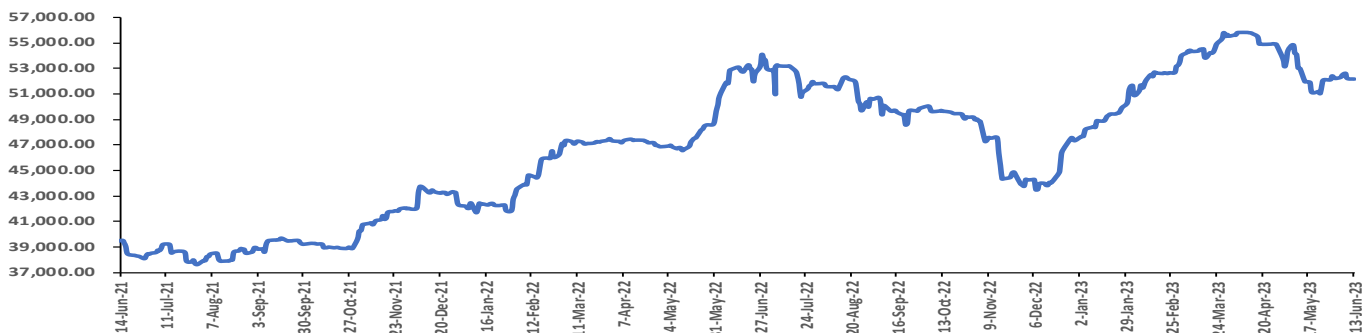
### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
JOHNHOLT	1.26	-0.14	↓ -10.00%
ELLAHLAKES	3.60	-0.40	↓ -10.00%
TIP	0.47	-0.05	↓ -9.62%
CAVERTON	1.24	-0.06	↓ -4.62%
VERITASKAP	0.22	-0.01	↓ -4.35%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 3.99%	↑ 4.29%	↑ 13.49%
NSE Banking Index	↑ 8.76%	↑ 9.28%	↑ 37.01%
NSE Insurance Index	↑ 4.83%	↑ 17.19%	↑ 45.28%
NSE Industrial Goods Index	↑ 1.21%	↓ -0.18%	↑ 3.34%
NSE Consumer Goods Index	↑ 3.36%	↑ 3.33%	↑ 48.80%
NSE Oil & Gas Index	↑ 0.22%	↑ 8.24%	↑ 39.49%

### NSE All Share Index



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