

Daily Financial Market Update



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MARKET COMMENTARY

Money Market

Opening system liquidity increased significantly to ₦711.13 billion long, compared with last week Friday's opening balance of ₦156.39 billion. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) both remained unchanged at 11.60% and 12.10% respectively. **We expect the interbank rates to remain at current levels tomorrow.**

Treasury Bills

The treasury bills market traded quietly bearish, with unaggressive sell interests seen on the short end of the curve, especially July, Aug, and Sept 2023 papers. **We expect a similar trend tomorrow.**

FGN Bonds

Activity in the local bonds market endured a mixed tone, albeit on a less aggressive note, as attention was mostly skewed towards the bond auction today. For context, bids and offers were mostly seen on 2037 papers, with some trades executed at 15.30% levels. Towards the end of the session, we noticed slight buy interests for 2050 paper. Nonetheless, the average mid-yield stayed at 13.73%. **We expect the direction of market activities to be mostly determined by the FGN bonds auction result.**

Eurobonds

The Eurobonds market traded on a mixed note, although activity was lethargic due to the US holiday. Nonetheless, some participants crystalized gains amidst some sustained bullish drivers associated with certain regions alongside global positive sentiment linked to pause in interests rate. Consequently, average yield increased by 2bps to 10.40%. **We expect activity to resume fully tomorrow**

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.41% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.62 (-6.64% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*76.53(-0.10% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	19-Jun-23	16-Jun-23	Change in Rates
80 days	6.03%	4.44%	(1.59%)
143 days	5.27%	5.27%	(0.00%)
297 days	7.31%	7.31%	(0.00%)

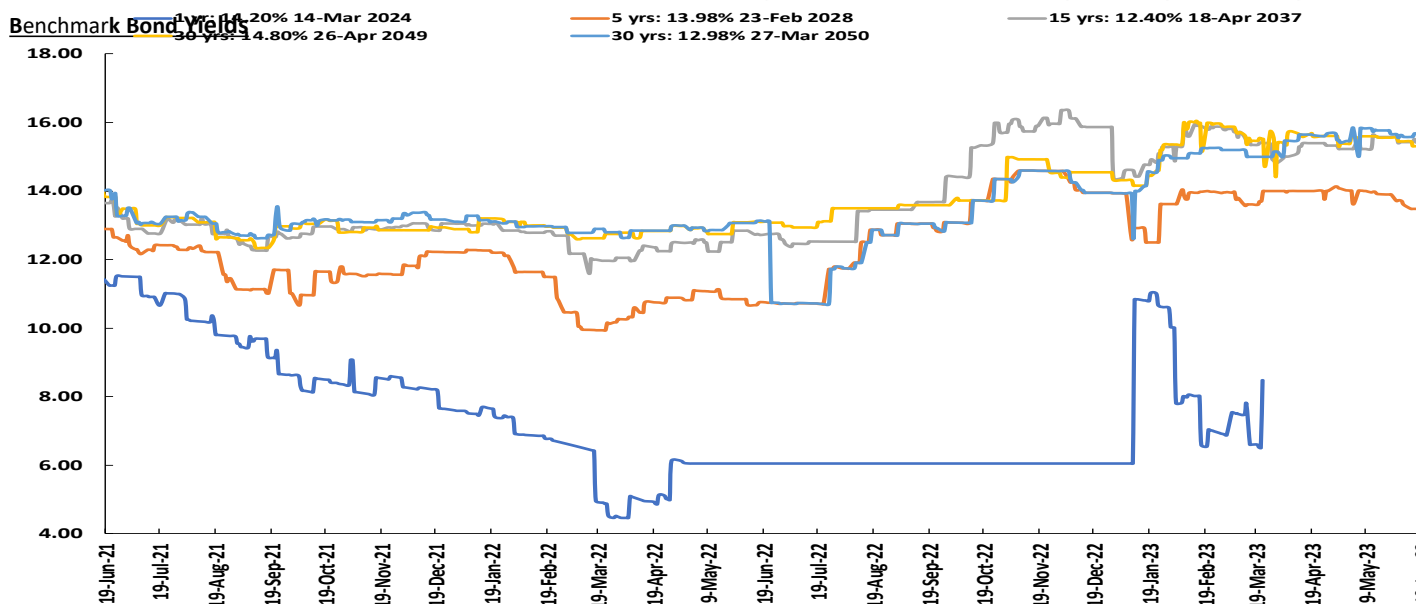
Source: FMDQ DQL for 19 June 2023

Benchmark FGN Bond Yields			
	19-Jun-23	16-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.29%	12.30%	+0.01%
10 yrs: 12.50% 27-Apr-2032	14.70%	14.70%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.30%	15.30%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.64%	15.64%	(0.00%)

Source: FMDQ DQL for 19 June 2023

Benchmark FGN Eurobond Yields			
	19-Jun-23	16-Jun-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.20%	6.20%	(0.00%)
5 yrs: NGERIA 6 1/2 11/28/27	9.91%	9.79%	(0.12%)
10 yrs: NGERIA 7.875 02/16/32	10.71%	10.63%	(0.08%)
15 yrs: NGERIA 7.696 23/02/38	11.03%	11.01%	(0.02%)
30 yrs: NGERIA 9.248 01/21/49	11.17%	11.20%	+0.03%
7.125% ECOTRAN 16/02/26	12.33%	12.08%	(0.25%)

Source: FBN UK Runs for 19 June 2023



Nigerian Equities

The Nigerian equity market closed on a bullish note today, as the Nigerian Stock Exchange All Share Index (NGX ASI) appreciated by c.0.03% to close at 59,016.12 points, while year-to-date return settled at c 15.15%. Buying interests in ZENITHBANK (1.00%) and GTCO (1.455%) pushed the Index to close bullish.

The NGX Banking, Industrial and Consumer Goods Indices all appreciated in value by 2.92%, 0.65% and 0.15%, respectively. However, the NGX Oil & Gas index closed flat. JAIZBANK led the volume charts with c.139.89 million units while GTCO led the value with c. ₦ 2.65billion.

We expect the bullish sentiment to persist tomorrow.

Foreign Exchange

FMDQ's I & E rate depreciated to ₦770.38 today, from ₦633.04/US\$1.00 recorded last week Friday, as the market continue to adjust towards equilibrium. **We expect the I&E rate to remain volatile.**

Commodities

Global oil prices sank more than \$1 today, erasing last week's gains, as concerns about China's economy overshadowed OPEC+ output curbs and the seventh consecutive decline in the number of oil and gas rigs operating in the United States. Brent oil prices depreciated by c. 0.10% to \$76.53pb, day-on-day, while WTI depreciated by c 0.18% day-on-day to settle at US\$71.65pb. Spot Gold depreciated by c. 0.37% day-on-day to close at US\$1,963.90per ounce as of report time. **We expect Oil prices to decrease, due to concerns over China's economic growth.**

AIICO Money Market Fund (AMMF)

Net Yield (As at 16th June 2023)	11.7920%
Added Benefit	Personal accident insurance cover

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
TANTALIZER	0.22	0.02	↑ 10.00%
UNIVINSURE	0.22	0.02	↑ 10.00%
UNITYBNK	1.12	0.10	↑ 9.80%
MBENEFIT	0.45	0.04	↑ 9.76%
FTNCOCOA	1.48	0.13	↑ 9.63%

Source: NGX, AIICO Capital

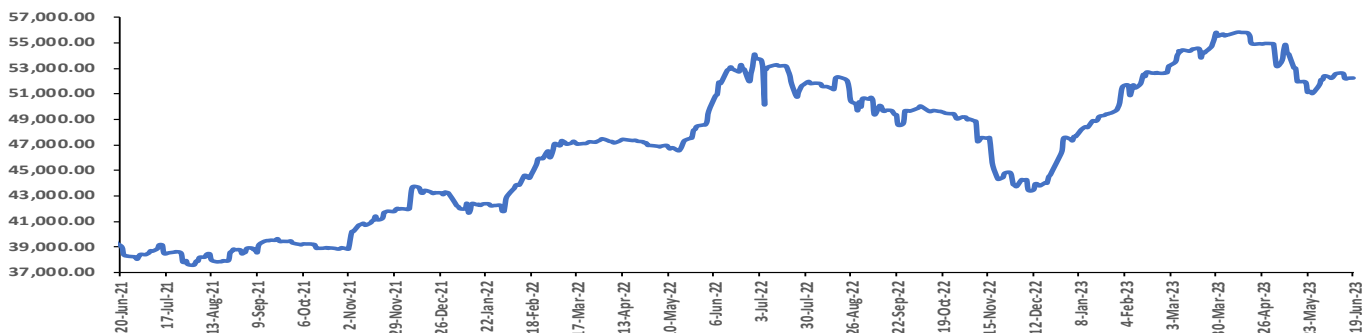
Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
ELLAHLAKES	3.24	-0.36	↓ -10.00%
JOHNHOLT	1.04	-0.11	↓ -9.57%
ACADEMY	1.80	-0.19	↓ -9.55%
OMATEK	0.26	-0.02	↓ -7.14%
GLAXOSMITH	7.00	-0.45	↓ -6.04%

Source: NGX, AIICO Capital

		W-o-W	MTD	YTD
NGX ASI	↑ 0.03%	↑ 5.52%	↑ 5.82%	↑ 15.15%
NSE Banking Index	↑ 2.92%	↑ 15.87%	↑ 16.42%	↑ 45.97%
NSE Insurance Index	→ 0.00%	↑ 9.00%	↑ 26.02%	↑ 51.07%
NSE Industrial Goods Index	↑ 0.65%	↓ -0.99%	↓ -2.35%	↑ 1.10%
NSE Consumer Goods Index	↑ 0.15%	↑ 4.29%	↑ 4.26%	↑ 50.14%
NSE Oil & Gas Index	→ 0.00%	↑ 11.95%	↑ 20.91%	↑ 55.82%

NSE All Share Index



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