

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity increased to ₦900.25 billion long, compared with yesterday's opening balance of ₦866.57 billion. Thus, the Open Repo Rate (OPR) and the Overnight Rate (O/N) decreased by 10bps and 20bps to 11.50% and 11.90% respectively. **We expect the interbank rates to hover at similar levels tomorrow.**

Treasury Bills

The treasury bills market traded slightly mixed today, as buy interest was seen on short-dated papers, while sell interest was noticed at the tail end of the curve. Average yield closed at 6.40%. **We expect tomorrow's session to trade on a similar note.**

FGN Bonds

The local bonds market was mildly mixed today, with selling interest seen on the 2053 paper, while buy interest was noticed on the 2037 and 2042 papers. Although, the average mid-yield remained at 13.75%. **We expect the current trend to resurface tomorrow.**

Eurobonds

The Eurobonds market witnessed some bearish spillover from UK's core inflation which printed higher-than-expected at 7.1% in May from 6.8% in April. Going further, Jerome Powell's speech caused the market to rattle downward, with more of bearish sentiment amidst selected buying interests.

Meanwhile, Ghana's GDP grew by 4.2% in Q1'23 from 3.7% in Q4'22. Nevertheless, Ghana's curve posted a mixed sentiment in today's session. Overall, average yield increased by 5bps to 10.51%.

We expect the bearish sentiment to linger tomorrow, as Jerome Powell's testimony at the Senate continue to sprinkle bearish bias.

Macro Indicators

GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.41% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.49 (-6.98% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*77.05(+1.52% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates

	21-Jun-23	20-Jun-23	Change in Rates
78 days	6.03%	6.03%	(0.00%)
141 days	5.27%	5.27%	(0.00%)
295 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 21 June 2023

Benchmark FGN Bond Yields

	21-Jun-23	20-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.29%	12.29%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	14.70%	14.70%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.25%	15.25%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.60%	15.60%	(0.00%)

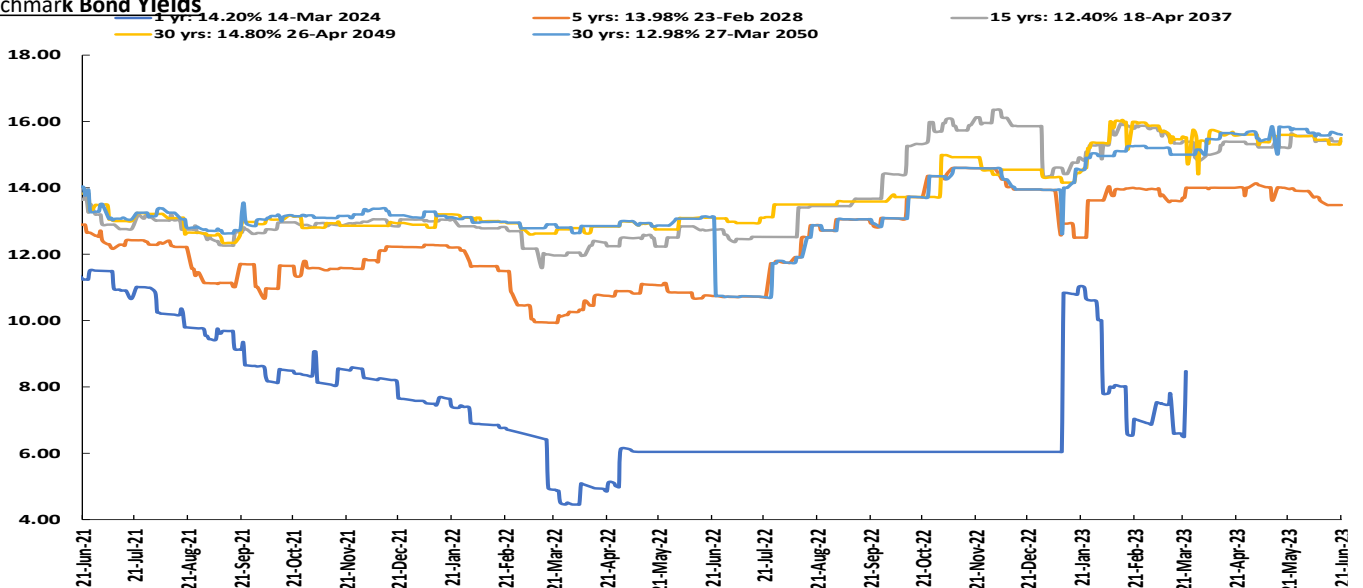
Source: FMDQ DQL for 21 June 2023

Benchmark FGN Eurobond Yields

	21-Jun-23	20-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	10.06%	9.98%	(0.08%)
10 yrs: NGERIA 7.875 02/16/32	10.79%	10.76%	(0.03%)
15 yrs: NGERIA 7.696 23/02/38	11.16%	11.12%	(0.04%)
30 yrs: NGERIA 9.248 01/21/49	11.27%	11.25%	(0.02%)
7.125% ECOTRAN 16/02/26	12.52%	12.46%	(0.06%)

Source: FBN UK Runs for 21 June 2023

Benchmark Bond Yields



Aim higher. Reach further ▶

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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.0.36% to close at 59,323.95 points, while year-to-date return settled at c 15.75%. Buying interests in CONOIL (9.49%) and BUACEMENT (4.65%) pushed the Index to close bullish.

The NGX Industrial and Oil & Gas Indices appreciated in value by 1.84%, and 1.84% respectively. While the NGX Banking and Consumer Goods Index fell by 0.60% and 0.11%. UNIVINSURE led the volume charts with c.141.33 million units while GTCO led the value with c. ₦ 1.44 billion. **We expect the bullish sentiment to persist tomorrow.**

Foreign Exchange

FMDQ's I & E rate depreciated to ₦763.17 today, from ₦756.61/US\$1.00 recorded yesterday. **We expect the volatility to persist tomorrow.**

Commodities

Oil prices stabilized today as investors parsed the latest statements from Federal Reserve chairman Jerome Powell and as data showing British inflation remained sticky raised the possibility of a hawkish Bank of England policy decision this week. Brent oil prices appreciated by c. 1.61% to \$77.12pb, day-on-day, while WTI increased by c 2.01% day-on-day to settle at US\$72.62pb. Spot Gold depreciated by c. 0.26% day-on-day to close at US\$1,942.60per ounce as of report time. **We expect Oil prices to be depressed in the interim, amid demand concerns.**

AIICO Money Market Fund (AMMF)

Net Yield (As at 21st June 2023)	11.8913%
Added Benefit	Personal accident insurance cover

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
AFROMEDIA	0.22	0.02	↑ 10.00%
ETRANZACT	5.88	0.53	↑ 9.91%
FTNCOCOA	1.78	0.16	↑ 9.88%
NEIMETH	1.78	0.16	↑ 9.88%
UNITYBNK	1.35	0.12	↑ 9.76%

Source: NGX, AIICO Capital

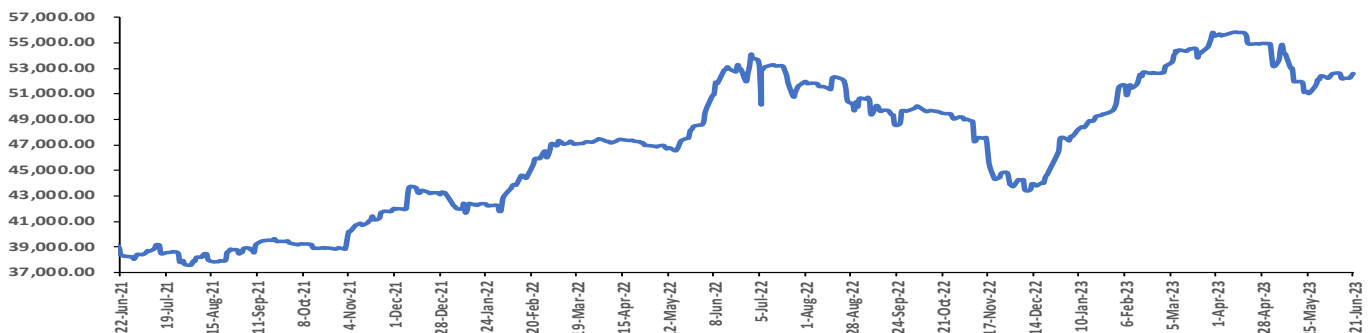
Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
JAIZBANK	1.53	-0.17	↓ -10.00%
MEYER	2.19	-0.24	↓ -9.88%
IKEJAHOTEL	3.20	-0.35	↓ -9.86%
TANTALIZER	0.20	-0.02	↓ -9.09%
CADBURY	17.10	-1.70	↓ -9.04%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.36%	↓ -1.10%	↑ 6.37%
NSE Banking Index	↓ -0.60%	↓ -16.28%	↑ 15.75%
NSE Insurance Index	↑ 1.93%	↓ -11.17%	↑ 32.38%
NSE Industrial Goods Index	↑ 1.84%	↑ 0.87%	↓ -0.45%
NSE Consumer Goods Index	↓ -0.11%	↓ -3.11%	↑ 4.21%
NSE Oil & Gas Index	↑ 1.84%	↓ -0.56%	↑ 24.87%

NSE All Share Index



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