

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity decreased to ₦613.33 billion long, compared with yesterday's opening balance of ₦668.52.25 billion. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) decreased by 593ps and 560bps to 2.90% and 3.40% respectively. **We expect the interbank rates to hover at similar levels next week.**

Treasury Bills

The treasury bills market traded cautiously today, with slight buy interests on selected papers, as market braced up for next week's auction. Overall, the average mid-rate remained at 5.62%. **Market players are expected to shift their attention to the treasury bills auction next week, as the DMO intends to sell ₦ 187bn treasury bills.**

FGN Bonds

The local bonds market witnessed a bullish rally today across 2026, 2037, 2042, 2050 and 2053 papers. Consequently, the average mid-yield shed 17bps to settle at 13.35%. **We expect the bullish sentiment to extend into next week, although, on a less aggressive note.**

Eurobonds

The Eurobonds market traded sideways today, with most activities seen around the long-dated papers. Average yield increased by 4bps to 10.58%. Meanwhile, Zambia reached an agreement in principle to restructure the country's \$6.3 billion of debt with bilateral lenders. **We expect to see occasional swings across regions next week, as global economic data continue to drive investors' sentiments.**

Macro Indicators

GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.41% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.35 (-7.36% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*72.94(-1.62% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates

	23-Jun-23	22-Jun-23	Change in Rates
76 days	6.03%	6.03%	(0.00%)
139 days	5.27%	5.27%	(0.00%)
293 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 23 June 2023

Benchmark FGN Bond Yields

	23-Jun-23	22-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	11.39%	12.29%	+0.90%
10 yrs: 12.50% 27-Apr-2032	14.40%	14.40%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.25%	15.25%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	14.97%	15.60%	+0.63%

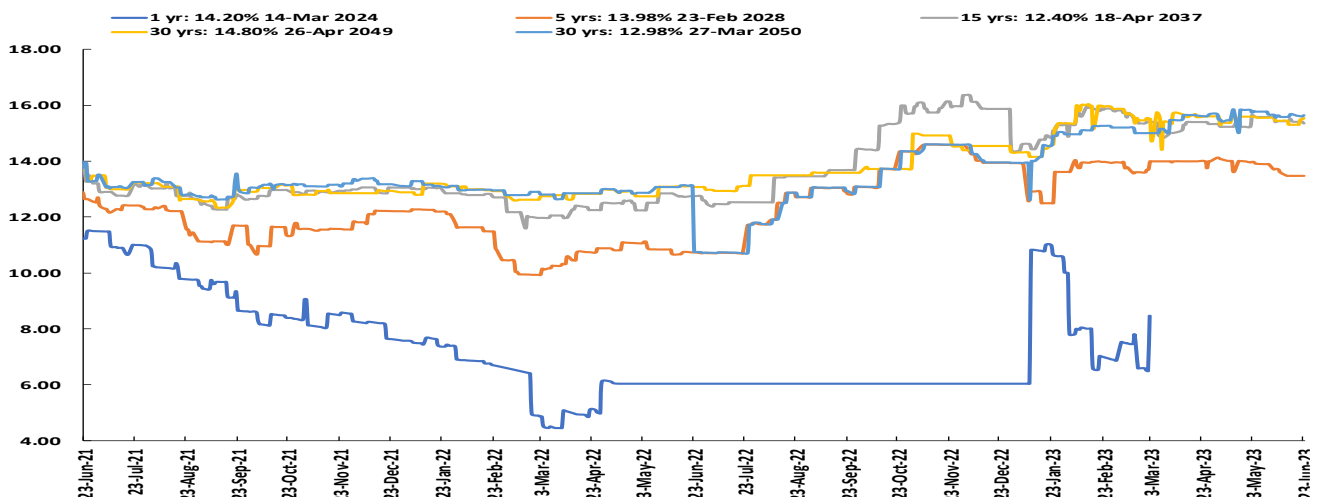
Source: FMDQ DQL for 23 June 2023

Benchmark FGN Eurobond Yields

	23-Jun-23	22-Jun-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.19%	6.20%	+0.01%
5 yrs: NGERIA 6 1/2 11/28/27	10.03%	10.03%	(0.00%)
10 yrs: NGERIA 7.875 02/16/32	10.79%	10.79%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	11.16%	11.16%	(0.00%)
30 yrs: NGERIA 9.248 01/21/49	11.25%	11.25%	(0.00%)
7.125% ECOTRAN 16/02/26	12.54%	12.54%	(0.00%)

Source: FBN UK Runs for 23 June 2023

Benchmark Bond Yields



Nigerian Equities

The Nigerian equity market closed on a bearish note today, as the Nigerian Stock Exchange All Share Index (NGX ASI) depreciated by c.0.26% to close at 59,206.63 points, while year-to-date return settled at c 15.52%. Selling interests in GTCO (0.20%) and COINOIL(5.75%) pulled the Index to close bearish. The NGX Consumer Goods Index appreciated in value by 0.06%. While the NGX Banking, Industrial Goods and Oil& Gas Indices fell by 0.54%,0.02% and 0.73% respectively. LIVINGTRUST led the volume charts with c.113.00 million units while GTCO led the value with c. ₦ 1.54 billion. **We expect the bullish sentiment to persist next week, amid month-end profit taking.**

Foreign Exchange

FMDQ's I & E rate depreciated to ₦770.17 today, from ₦756.61/US\$1.00 recorded yesterday. **We expect the volatility to persist next week.**

Commodities

Oil prices fell for the second consecutive session and were on track for a weekly drop of more than 3% on Friday, as a higher-than-expected interest rate hike in the United Kingdom and warnings about future rate hikes in the United States fueled concerns about demand. Brent oil prices depreciated by c. 1.62% to \$72.94pb, day-on-day, while WTI decreased by c 1.84% day-on-day to settle at US\$68.23pb. Spot Gold appreciated by c. 0.19% day-on-day to close at US\$1,927.40per ounce as of report time. **We expect Oil prices to be depressed in the interim, amid demand concerns and hawkish central banks' chatters.**

AIICO Money Market Fund (AMMF)

Net Yield (As at 22nd June 2023)	11.8707%
Added Benefit	Personal accident insurance cover

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
NASCON	18.70	1.70	↑ 10.00%
RTBRISCOE	0.44	0.04	↑ 10.00%
FIDSON	12.87	1.17	↑ 10.00%
TRANSCOHOT	17.60	1.60	↑ 10.00%
CORNERST	1.22	0.11	↑ 9.91%

Source: NGX, AIICO Capital

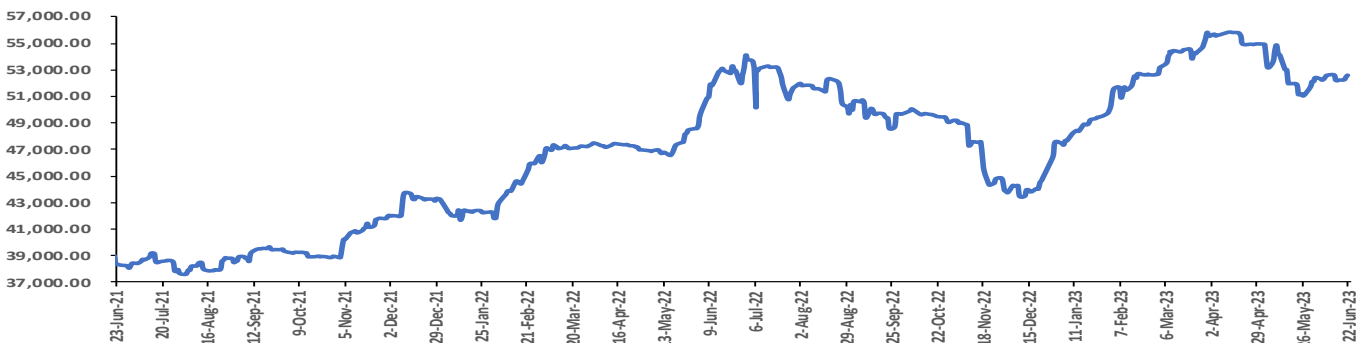
Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
UNITYBNK	1.10	-0.12	↓ -9.84%
WAPIC	0.85	-0.09	↓ -9.57%
MCNICHOLS	0.67	-0.07	↓ -9.46%
NEM	6.30	-0.63	↓ -9.09%
ETI	14.00	-1.40	↓ -9.09%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.26%	↑ 6.16%	↑ 15.52%
NSE Banking Index	↓ -0.54%	↑ 14.40%	↑ 43.44%
NSE Insurance Index	→ 0.00%	↑ 33.86%	↑ 60.48%
NSE Industrial Goods Index	↓ -0.02%	↓ -0.49%	↑ 3.02%
NSE Consumer Goods Index	↑ 0.06%	↑ 4.34%	↑ 50.25%
NSE Oil & Gas Index	↓ -0.73%	↑ 24.50%	↑ 60.44%

NSE All Share Index



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