

Daily Financial Market Update



www.aiocapital.com f t in @ /aiiocapitalng

MARKET COMMENTARY

Money Market

Opening system liquidity settled at ₦574.64 billion long, compared with last Friday's opening balance of ₦668.52 billion. Nonetheless, the Open Repo Rate (OPR) and the Overnight Rate (O/N) declined by 90bps and 60bps to 2.00% and 2.80% respectively. **We expect the interbank rates to trend at lower levels in the interim.**

Treasury Bills

The Treasury bills market was bullish today with buy-side interest across board, due to a robust system liquidity. Thus, the average mid-rate fell by 90bps to 4.72%. **We expect market players to trade cautiously tomorrow, in anticipation of this week's treasury bills primary market auction.**

FGN Bonds

Activity in the FGN bonds market was bullish, with significant buy-side interest recorded across the yield curve. Specific maturities, 2026s, 2037s, 2038s, 2042s, 2050s and 2053s, declined materially amid intense demand. Also, the DMO released the bond auction calendar for Q3'2023, which entails a repeat of the on-the-run maturities. At the closing bell, the average mid-yield fell by 26bps to settle at 13.05%. **We expect the bullish bias to persist tomorrow.**

Eurobonds

The Eurobonds market was swayed by mixed sentiments across the curve, as participants looked to take position with uneven expectations on the unfolding economic happenings. Average yield increased by 5bps to 10.62%. **We expect the mixed trend to linger 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)	34.30 (-7.48% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*69.45 (-4.20% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	26-Jun-23	23-Jun-23	Change in Rates
73 days	6.03%	6.03%	(0.00%)
136 days	5.27%	5.27%	(0.00%)
290 days	7.31%	7.31%	(0.00%)

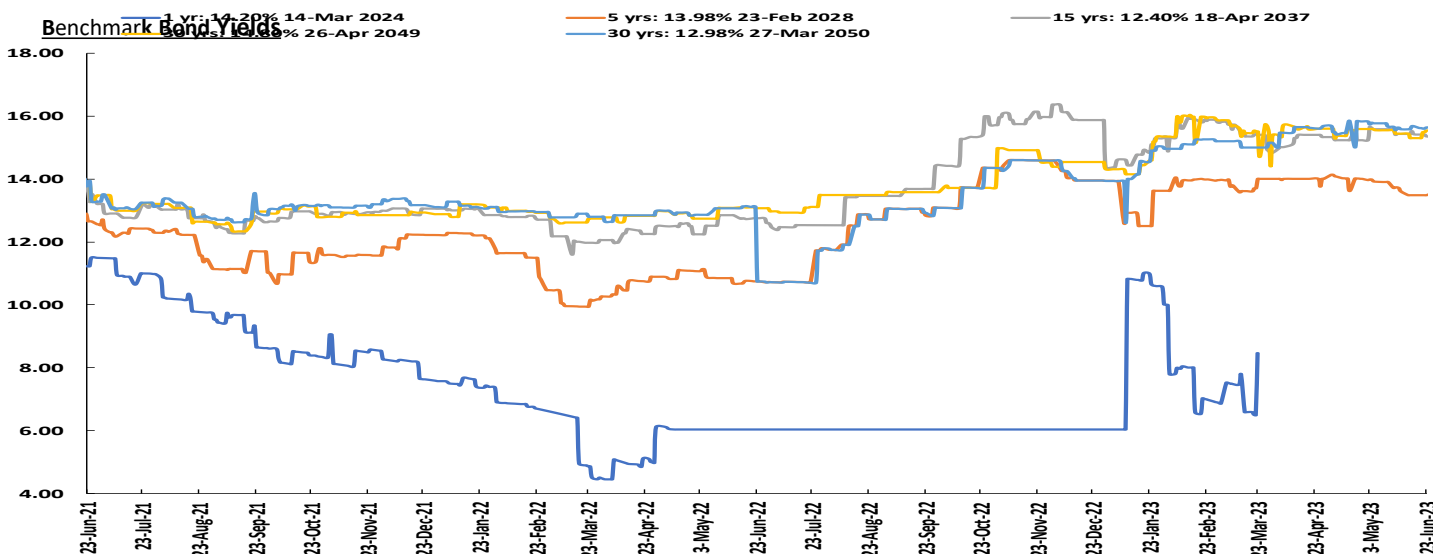
Source: FMDQ DQL for 26 June 2023

Benchmark FGN Bond Yields			
	26-Jun-23	23-Jun-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	11.38%	11.39%	+0.01%
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%	14.97%	(0.00%)

Source: FMDQ DQL for 26 June 2023

Benchmark FGN Eurobond Yields			
	26-Jun-23	23-Jun-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.19%	6.19%	(0.00%)
5 yrs: NGERIA 6 1/2 11/28/27	10.15%	10.11%	(0.04%)
10 yrs: NGERIA 7.875 02/16/32	10.92%	10.86%	(0.06%)
15 yrs: NGERIA 7.696 23/02/38	11.25%	11.20%	(0.05%)
30 yrs: NGERIA 9.248 01/21/49	11.36%	11.31%	(0.05%)
7.125% ECOTRAN 16/02/26	12.55%	12.54%	(0.01%)

Source: FBN UK Runs for 26 June 2023



Aim higher. Reach further ▶

AIICO CAPITAL

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.0.22% to close at 59,338.76 points, while year-to-date return settled at c 15.78%. Buying interests in GTCO (+3.97%) and ACCESSCORP (+2.01%) pushed the Index to close bullish.

All Indices closed in the green. The NGX Consumer Goods and Oil & Gas Indices appreciated in value by 0.14%, and 0.52% respectively. While the NGX Banking and Industrial Goods Index appreciated by 2.40% and 1.00%. ACCESSCORP led the volume charts with c.74.60 million units while BUACEMENT led the value with c. ₦ 3.86 billion.

We expect the bullish bargain to remain dominant.

Foreign Exchange

FMDQ's I & E rate depreciated to ₦768.17 today, from ₦765.13/US\$1.00 recorded last week Friday. **We expect the volatility to persist tomorrow.**

Commodities

Oil prices erased gains made in the previous session, tracking a broader calm in financial markets as investors watched warily to see if there will be further fallout from an attempted insurrection in Russia that could disrupt energy supplies from one of the world's largest oil producer nations. Brent oil prices depreciated by c. 0.84% to \$74.47pb, day-on-day, while WTI decreased by c 0.78% day-on-day to settle at US\$69.70pb. Spot Gold depreciated by c. 0.26% day-on-day to close at US\$1,934.60per ounce as of report time. **We expect Oil prices to range in the interim, pending any significant driver.**

AIICO Money Market Fund (AMMF)	
Net Yield (As at 23rd June 2023)	11.8419%
Added Benefit	Personal accident insurance cover

Top 5 Equity Advancers			
Name (Symbol)	Closing Price	Gain(N)	% Change
TANTALIZER	0.22	0.02	↑ 10.00%
IKEJAHOTEL	3.30	0.30	↑ 10.00%
ABCTrans	0.44	0.04	↑ 10.00%
THOMASWY	1.43	0.13	↑ 10.00%
ACADEMY	2.20	0.20	↑ 10.00%

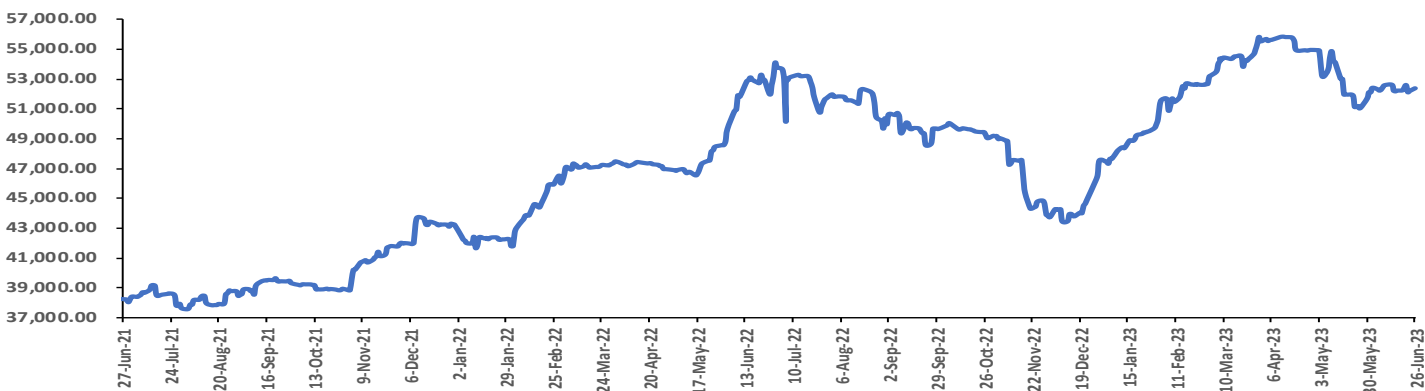
Source: NGX, AIICO Capital

Top 5 Equity Decliners			
Name (Symbol)	Closing Price	Loss(N)	% Change
UNITYBNK	0.99	-0.11	↓ -10.00%
JAPAUFGOLD	0.59	-0.06	↓ -9.23%
VERITASKAP	0.21	-0.02	↓ -8.70%
NSLTECH	0.35	-0.03	↓ -7.89%
CUTIX	2.60	-0.15	↓ -5.45%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 0.22%	↑ 6.40%	↑ 15.78%
NSE Banking Index	↑ 2.40%	↑ 17.15%	↑ 46.87%
NSE Insurance Index	→ 0.00%	↑ 33.86%	↑ 60.48%
NSE Industrial Goods Index	↑ 1.00%	↑ 0.50%	↑ 4.05%
NSE Consumer Goods Index	↑ 0.14%	↑ 4.48%	↑ 50.46%
NSE Oil & Gas Index	↑ 0.52%	↑ 25.15%	↑ 61.27%

NSE All Share Index



Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction. Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance. AIICO Capital is regulated by the Securities and Exchange Commission, and is licensed to provide fund and portfolio management services in Nigeria.