

Daily Financial Market Update



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MARKET COMMENTARY

Money Market

Opening system liquidity settled at ₦822.74 million long, compared with ₦818.00 million recorded last Friday. Thus, the Open Repo Rate (OPR) and Overnight Rate (O/N) declined by 7bps and 8bps to 0.93% and 1.33%, respectively. **We expect rates to hover at similar levels tomorrow.**

Treasury Bills

The treasury bills traded calmly today, with mild buy-side interest on long-dated papers, especially the June 2024. Overall, the average mid-rate fell by 5bps to 4.13%. **We expect a similar market activity tomorrow, as investors take position ahead of Wednesday's NTB auction.**

FGN Bonds

Today's session was decorated with mixed sentiment across several papers including the 2028, 2032, 2037, 2038 and 2050 papers. Overall, average mid-yield fell slightly by 2bps to 12.77%, partly impacted by the relatively stronger demands for the 2037 and 2038 papers. **We expect the mixed market sentiment to persist tomorrow.**

Eurobonds

Activity across the SSA and North African curves were mixed to bullish, as strong buy-side activity was recorded across Angola, Egypt, and long-end Nigeria papers, while Ghana traded bearish. Thus, Average yield declined by 101bps to 11.12%.

In other news, Nigeria recorded a 28% decline in capital importation between Q1'23 and Q1'22 (from \$1.57bn to \$1.13bn). **Activity should stir slower tomorrow, as participants take cautious position ahead of the US CPI data release on Wednesday.**

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.41% (Mar'23: 22.04%)
External Reserve (US\$'billion)	34.08 (-8.08% YTD)
Monetary Policy Rate	18.50%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*76.90 (+0.50% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	10-Jul-23	09-Jul-23	Change in Rates
62 days	6.03%	6.03%	(0.00%)
125 days	5.27%	5.27%	(0.00%)
279 days	7.31%	7.31%	(0.00%)

Source: FMDQ DQL for 07 July 2023

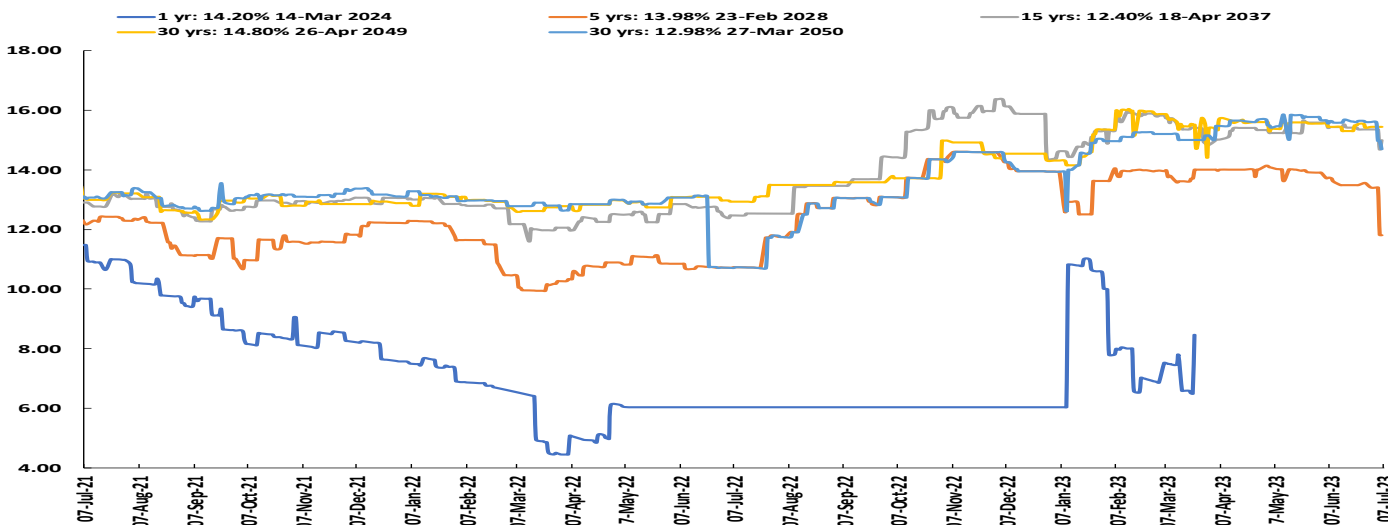
Benchmark FGN Bond Yields			
	10-Jul-23	09-Jul-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.06%	12.06%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	13.77%	13.77%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	14.58%	14.58%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	14.55%	14.55%	(0.00%)

Source: FMDQ DQL for 07 July 2023

Benchmark FGN Eurobond Yields			
	10-Jul-23	09-Jul-23	Change in Yield
1 yr: NGERIA 6 3/8 07/12/23	6.18%	6.18%	(0.00%)
5 yrs: NGERIA 6 1/2 11/28/27	10.53%	10.41%	(0.12%)
10 yrs: NGERIA 7.875 02/16/32	11.16%	10.92%	(0.24%)
15 yrs: NGERIA 7.696 23/02/38	11.56%	11.36%	(0.20%)
30 yrs: NGERIA 9.248 01/21/49	11.65%	11.45%	(0.20%)
7.125% ECOTRAN 16/02/26	12.25%	12.24%	(0.01%)

Source: FBN UK Runs for 07 July 2023

Benchmark Bond Yields



Nigerian Equities

The Nigerian's bourse closed on a bullish note today, as the NGX ASI appreciated by c.2.48%, to settle at 64,603.69 points, while year-to-date return settled at c 26.05%. Buying interests in FBNH (+9.85%) and DANGCEM (+10.00%) drove the positive trend in today's session.

The NGX Oil & Gas, Banking Goods, and Industrial Goods Indices appreciated in value by 2.61%, 1.73%, and 5.13% respectively. While the NGX Consumer Goods Index depreciated in value by 0.18%. FBNH led both the volume and value charts with c. 198.22 million units, and c. ₦ 4.41 billion, respectively. **We expect a bullish session in tomorrow's session.**

Foreign Exchange

FMDQ's I & E rate appreciated today as it closed at \$/₦744.07 compared to last week Friday's close (\$/₦776.90). **We expect the volatility to persist tomorrow.**

Commodities

Oil prices eased today, due to the increasing likelihood of more U.S. interest rate hikes, but crude supply cuts from top oil exporters Saudi Arabia and Russia limited the losses. Brent oil prices depreciated by c. 0.84% to \$77.81pb, day-on-day, while WTI depreciated by c 1.00% day-on-day to settle at US\$73.12pb. Spot Gold depreciated by c. 0.80% day-on-day to close at US\$1,930.70 per ounce as of report time.. **We expect oil prices range in tomorrow's session.**

AIICO Money Market Fund (AMMF)

Net Yield (As at 9th July 2023)	11.6208%
Added Benefit	Personal accident insurance cover

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
OMATEK	0.55	0.05	↑ 10.00%
FTNCOCOA	3.19	0.29	↑ 10.00%
PRESCO	220.00	20.00	↑ 10.00%
AFROMEDIA	0.22	0.02	↑ 10.00%
MERVALUE	26.55	2.41	↑ 9.98%

Source: NGX, AIICO Capital

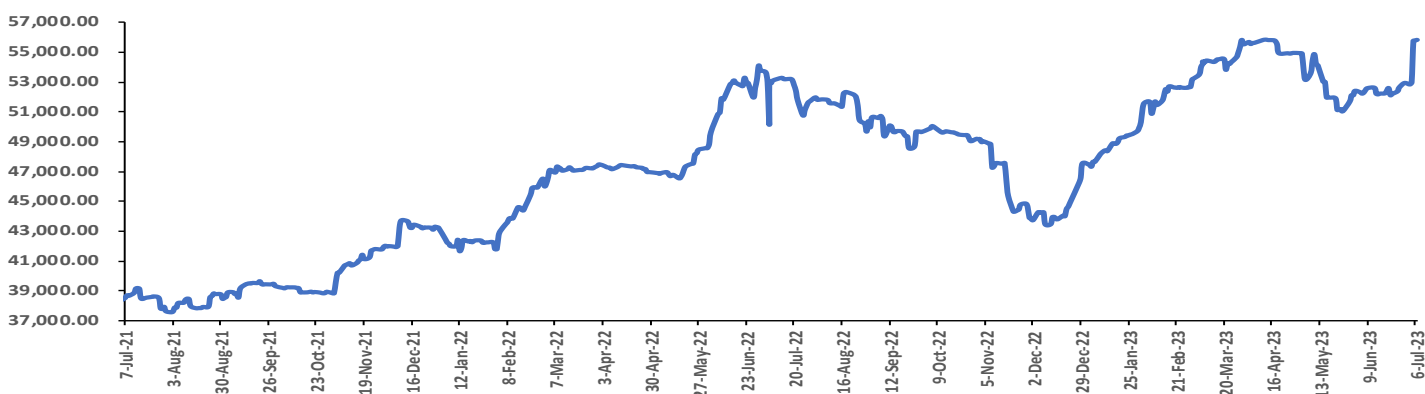
Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
MULTIVERSE	3.38	-0.37	↓ -9.87%
RTBRISCOE	0.66	-0.07	↓ -9.59%
COURTVILLE	0.67	-0.06	↓ -8.22%
WAPIC	0.61	-0.05	↓ -7.58%
CHAMPION	4.60	-0.15	↓ -3.16%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↑ 1.65%	↑ 3.40%	↑ 23.00%
NSE Banking Index	↑ 3.33%	↑ 9.82%	↑ 69.77%
NSE Insurance Index	→ 0.00%	↓ -4.91%	↑ 52.60%
NSE Industrial Goods Index	↑ 1.81%	↑ 2.22%	↑ 5.97%
NSE Consumer Goods Index	↑ 0.32%	↓ -0.22%	↑ 51.59%
NSE Oil & Gas Index	↑ 1.06%	↑ 7.18%	↑ 79.81%

NSE All Share Index



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