

# Daily Financial Market Update

**AIICO CAPITAL**
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## MARKET COMMENTARY

### Money Market

Opening system liquidity increased to ₦788.93 billion long, compared with ₦686.56 billion recorded last week Friday. Thus, the Open Repo Rate (OPR) and the Overnight Rate (O/N) increased by 2bps respectively to 0.92% and 1.42%.

**Outlook:** We expect the interbank rates to hover at similar levels tomorrow.

### Treasury Bills

The treasury bills market was mostly quiet in today's session, with minimal interests on selected papers. Average yield remained flat at 7.01%.

**Outlook:** We expect to see some buyside interests tomorrow, given the improved system liquidity.

### FGN Bonds

Activity in the bonds market also posted a quiet posture, but with a bearish undertone, as average yield increased by 7bps to settle at 13.45%.

**Outlook:** We expect market to stay quiet tomorrow, in the absence of any significant driver.

### Eurobonds

The Eurobonds market witnessed ample buyside activity across the oilers (Nigeria and Angola) and Ghana papers, mostly in response to China's announcement to boost consumption. Average yield fell by 24bps to 9.89%.

**Outlook:** The US Job opening data and Manufacturing PMI data could dictate the direction of market activity tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
31-Jul-23	788.93	↑237.47
28-Jul-23	551.46	

Source: CBN

### AIICO Money Market Fund (AMMF)

Net Yield (As at 30th July 2023)	11.6240%
Added Benefit	Personal accident insurance cover

### Macro Indicators

GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	22.79% (May'23: 22.41%)
External Reserve (US\$ billion)	33.95 (-8.45% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*85.33 (+0.40% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	31-Jul-23	28-Jul-23	Change in Rates
38 days	4.13%	4.13%	(0.00%)
101 days	5.25%	5.25%	(0.00%)
255 days	8.00%	8.00%	(0.00%)

Source: FMDQ DQL for 31 July 2023

Benchmark FGN Bond Yields			
	31-Jul-23	28-Jul-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.54%	12.55%	+0.01%
10 yrs: 12.50% 27-Apr-2032	13.48%	13.48%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	14.57%	14.57%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	14.82%	14.89%	+0.07%

Source: FMDQ DQL for 31 July 2023

Benchmark FGN Eurobond Yields			
	31-Jul-23	28-Jul-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.40%	9.58%	+0.18%
10 yrs: NGERIA 7.875 02/16/32	9.92%	10.33%	+0.41%
15 yrs: NGERIA 7.696 23/02/38	10.31%	10.81%	+0.50%
30 yrs: NGERIA 9.248 01/21/49	10.56%	10.98%	+0.42%
7.125% ECOTRAN 16/02/26	10.63%	10.79%	+0.16%

Source: EBN UK Bps for 31 July 2023

## Nigerian Equities

The Nigerian's bourse closed on a bearish note today, as the NGX ASI lost c.1.10%, to settle at 64,337.52 points, while year-to-date return settled at c.25.53%. Selling interests in ACCESSCORP (-0.50%) and DANGSUGAR (-3.00%) drove the negative performance today.

The NGX Banking, Industrial and Consumer Goods Indices depreciated by 2.55%, 0.03% and 1.42%, respectively, while the NGX Oil & Gas Index appreciated by 0.40%. ABBEYBDS led the volume charts with 112.26 million units while MTNN led the value charts with ₦1.01 billion.

**Outlook:** We expect the bearish sentiment to ease tomorrow.

## Foreign Exchange

FMDQ's I & E rate appreciated to \$/₦756.94, compared with \$/₦ 768.60 recorded last week Friday.

**Outlook:** We expect rates to remain volatile in the interim.

## Commodities

On Monday, oil prices were hovering at three-month highs, poised to notch their biggest monthly gains in almost a year on expectations that Saudi Arabia would prolong voluntary output cuts into September, tightening global supply. Brent oil prices appreciated by c.0.13% to \$85.10pb, day-on-day, while WTI appreciated by c 0.42% day-on-day to settle at US\$80.92pb. Spot Gold depreciated by c.0.28% day-on-day to close at US\$1,994.30 per ounce as of report time.

**Outlook:** We expect oil prices to be on track to post its largest monthly rise in over a year.

### Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
LINKASSURE	0.77	0.07	↑ 10.00%
MANSARD	3.74	0.34	↑ 10.00%
BETAGLAS	38.50	3.50	↑ 10.00%
SUNUASSUR	0.66	0.06	↑ 10.00%
BERGER	11.05	1.00	↑ 9.95%

Source: NGX, AIICO Capital

### Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
LIVESTOCK	1.89	-0.21	↓ -10.00%
ETI	15.30	-1.70	↓ -10.00%
CAVERTON	1.17	-0.13	↓ -10.00%
NPFMCRFBK	1.80	-0.20	↓ -10.00%
SOVRENINS	0.63	-0.07	↓ -10.00%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -1.10%	↑ 5.53%	↑ 25.53%
NSE Banking Index	↓ -2.55%	↑ 3.84%	↑ 60.53%
NSE Insurance Index	↓ -1.22%	↓ -6.82%	↑ 49.54%
NSE Industrial Goods Index	↓ -0.03%	↑ 14.17%	↑ 18.36%
NSE Consumer Goods Index	↓ -1.42%	↓ -4.58%	↑ 44.97%
NSE Oil & Gas Index	↑ 0.40%	↑ 20.05%	↑ 101.40%

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