

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity decreased to ₦294.35 billion long, compared with ₦355.75 billion recorded last week Friday. However, the Open Repo Rate (OPR) and the Overnight Rate (O/N) increased by 7bps and 37bps to 5.90% and 7.20%, respectively.

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

Treasury Bills

The treasury bills market was quiet today, with minute activity on selected papers. Average yield lost 20bps to close at 6.99%, as players looked to take positions ahead of treasury bills auction later into the week.

Outlook: We expect the same trend tomorrow.

FGN Bonds

The local bonds market was also quiet, but with a bearish undertone. Average yield increased by 10bps to 13.88%.

Outlook: We expect the selling interest to continue tomorrow.

Eurobonds

Market was weak today, as sell offs spread across Nigeria and some SSA papers. Ghana's papers witnessed a bullish bias due to jitters from the finance minister. Average yield fell significantly to 10.24% for Nigeria's papers.

Outlook: We expect market to trend cautiously tomorrow, ahead of the next US inflation report.

Date	Sys. Liq. (₦'bn)	Diff.
7-Aug-23	294.35	↓516.14)
4-Aug-23	810.49	

Source: CBN

AIICO Money Market Fund (AMMF)

Net Yield (As at 06th August 2023)	11.4243%
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)	33.957(-8.41% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*85.41 (-0.96% d/d)

Source: NBS, CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	07-Aug-23	04-Aug-23	Change in Yield
31 days	4.13%	4.13%	(0.00%)
94 days	5.25%	5.25%	(0.00%)
248 days	8.00%	8.00%	(0.00%)

Source: FMDQ DQL for 07 August 2023

Benchmark FGN Bond Yields			
	07-Aug-23	04-Aug-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.53%	12.54%	+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	15.12%	15.05%	(0.07%)

Source: FMDQ DQL for 07 August 2023

Benchmark FGN Eurobond Yields			
	07-Aug-23	04-Aug-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.80%	9.72%	(0.08%)
10 yrs: NGERIA 7.875 02/16/32	10.17%	10.17%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	10.63%	10.57%	(0.06%)
30 yrs: NGERIA 9.248 01/21/49	10.88%	10.85%	(0.03%)
7.125% ECOTRAN 16/02/26	11.58%	11.57%	(0.01%)

Source: FBN UK Repo for 07 August 2023

Nigerian Equities

The Nigerian's bourse closed on a bullish note today, as the NGX ASI gained c.0.21%, to settle at 65,336.80 points, while year-to-date return settled at c.27.48%. Buying interests in ETERNA (0.55%) and ACCESSCORP (0.20%) drove the positive performance today.

The NGX Banking and Oil & Gas Indices appreciated by 0.81% and 0.12%, respectively, while the NGX Industrial Goods and Consumer Goods Indices lost 0.01% and 0.05% respectively. STERLINGNG led the volume charts with 55.14 million units while MTNN led the value charts with ₦559.39 million.

Outlook: We expect the bullish sentiment to linger tomorrow.

Foreign Exchange

FMDQ's I & E rate depreciated to \$/₦774.78, compared with \$/₦743.07 recorded last week Friday.

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

Commodities

Following an attack on a crucial Russian oil export facility and further production restrictions by OPEC's two leading nations, Saudi Arabia and Russia, oil prices soared Monday to their highest level since mid-April. Brent oil prices depreciated by c.0.71% to \$85.63pb, day-on-day, while WTI depreciated by c 0.78% day-on-day to settle at US\$82.17pb. Spot Gold depreciated by c.0.29% day-on-day to close at US\$1,970.30 per ounce as of report time.

Outlook: After Saudi Arabia and Russia cut production, we expect oil prices to rise.

Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)		% Change
ENAMELWA	19.50	1.75	↑	9.86%
WEMABANK	4.72	0.42	↑	9.77%
UPL	2.48	0.22	↑	9.73%
SUNUASSUR	1.02	0.09	↑	9.68%
GLAXOSMITH	9.75	0.85	↑	9.55%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
OMATEK	0.31	-0.03	↓	-8.82%
PRESTIGE	0.47	-0.04	↓	-7.84%
MCNICHOLS	0.63	-0.05	↓	-7.35%
CORNERST	0.90	-0.07	↓	-7.22%
WAPIC	0.63	-0.04	↓	-5.97%

Source: NGX, AIICO Capital

		W-o-W	MTD	YTD
NGX ASI	↑0.21%	↑ 1.55%	↑ 1.55%	↑ 27.48%
NSE Banking Index	↑0.81%	↑ 1.24%	↑ 1.24%	↑ 62.53%
NSE Insurance Index	↓-1.16%	↑ 3.01%	↑ 3.01%	↑ 54.05%
NSE Industrial Goods Index	↓-0.01%	↑ 0.25%	↑ 0.25%	↑ 18.65%
NSE Consumer Goods Index	↓-0.05%	↑ 3.70%	↑ 3.70%	↑ 50.32%
NSE Oil & Gas Index	↑0.12%	↓-0.96%	↓ -0.96%	↑ 99.46%

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