

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity increased to ₦360.65 billion long, compared with ₦294.35 billion recorded yesterday. Consequently, the Open Repo Rate (OPR) and the Overnight Rate (O/N) decreased by 315bps and 400bps to 2.75% and 3.20%, respectively.

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

Treasury Bills

The bullish bias from yesterday also trickled into today's session, albeit, on a less aggressive note. Buying interests were across selected papers while slight selling interests were noticed on June 2024 paper. Average yield fell by 15bps to 6.84%.

Outlook: Tomorrow's session is expected to be skewed towards the primary market auction, as the DMO would be offering c. ₦153.99bn worth of treasury bills.

FGN Bonds

Slight buying interest was also noticed in the bond market. However, this was accompanied by a quiet undertone. Consequently, yield declined by 7bps to 13.41%.

Outlook: We expect a similar trend tomorrow.

Eurobonds

Nigeria's Eurobonds market settled bearish in today's session. Average yield across the curve increased by 8bps to 10.31%. Further, market traded sideways, with Angola's papers in parallel trend with Nigeria, and a further extension with gains recorded on Ghana's papers.

Outlook: The market could stay quiet tomorrow, in the absence of any significant catalyst.

Date	Sys. Liq. (₦'bn)	Diff.
8-Aug-23	360.65	↓49.84
7-Aug-23	810.49	

Source: CBN

AIICO Money Market Fund (AMMF)

Net Yield (As at 07th August 2023)	11.7600%
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)	33.93(-8.50% 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			
	08-Aug-23	07-Aug-23	Change in Rates
30 days	4.13%	4.13%	(0.00%)
93 days	5.25%	5.25%	(0.00%)
247 days	8.00%	8.00%	(0.00%)

Source: FMDQ DQL for 08 August 2023

Benchmark FGN Bond Yields			
	08-Aug-23	07-Aug-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.53%	12.53%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	13.85%	13.48%	(0.37%)
20 yrs: 13.00% 21-Jan-2042	15.04%	14.57%	(0.47%)
30 yrs: 12.98% 27-Mar-2050	15.12%	15.12%	(0.00%)

Source: FMDQ DQL for 08 August 2023

Benchmark FGN Eurobond Yields			
	08-Aug-23	07-Aug-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	9.88%	9.80%	(0.08%)
10 yrs: NGERIA 7.875 02/16/32	10.29%	10.17%	(0.12%)
15 yrs: NGERIA 7.696 23/02/38	10.71%	10.63%	(0.08%)
30 yrs: NGERIA 9.248 01/21/49	10.93%	10.88%	(0.05%)
7.125% ECOTRAN 16/02/26	11.58%	11.58%	(0.00%)

Source: FBN UK Repo for 08 August 2023

Nigerian Equities

The Nigerian's bourse closed on a bearish note today, as the NGX ASI lost c.0.04%, to settle at 65,309.65 points, while year-to-date return settled at c.27.43%. Selling interests in STERLINGNG (-0.14%) and FIDELITYBK (-0.25%) drove the negative performance today.

The NGX Banking Index appreciated by 0.61%, while the NGX Industrial Goods ,Consumer Goods and Oil & Gas Indices lost 0.05%, 0.05% and 0.25% respectively. ACCESSCORP led both the volume charts and the values charts today with 49.36 million units and ₦861.16 million, respectively.

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

Foreign Exchange

FMDQ's I & E rate appreciated to \$/₦757.51, compared with \$/₦774.78 recorded yesterday.

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

Commodities

On Tuesday, oil prices increased as the market was underpinned by supply worries brought on by Saudi Arabia and Russia's production curbs. Brent oil prices depreciated by c.0.33% to \$85.06pb, day-on-day, while WTI depreciated by c 0.31% day-on-day to settle at US\$81.69pb. Spot Gold depreciated by c.0.08% day-on-day to close at US\$1,968.50 per ounce as of report time.

Outlook: *We expect oil prices to rise.*

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
GUINNESS	60.50	5.50	↑ 10.00%
GLAXOSMITH	10.70	0.95	↑ 9.74%
CHELLARAM	3.72	0.33	↑ 9.73%
TIP	0.79	0.07	↑ 9.72%
UNIVINSURE	0.24	0.02	↑ 9.09%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
NSLTECH	0.27	-0.03	↓ -10.00%
NNFM	12.30	-1.35	↓ -9.89%
JOHNHOLT	1.33	-0.14	↓ -9.52%
TANTALIZER	0.33	-0.03	↓ -8.33%
MBENEFIT	0.48	-0.04	↓ -7.69%

Source: NGX, AIICO Capital

	W-o-W	MTD	YTD
NGX ASI	↓ -0.04%	↑ 1.74%	↑ 1.51%
NSE Banking Index	↑ 0.61%	↑ 3.87%	↑ 1.86%
NSE Insurance Index	→ 0.00%	↑ 2.05%	↑ 3.01%
NSE Industrial Goods Index	↓ -0.05%	↑ 0.20%	↑ 0.20%
NSE Consumer Goods Index	↓ -0.05%	↑ 3.09%	↑ 3.64%
NSE Oil & Gas Index	↓ -0.25%	↓ -1.20%	↓ -1.20%

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