

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity decreased to ₦215.74 billion long, compared with ₦298.28 billion recorded last Friday. Consequently, the Open Repo Rate (OPR) and the Overnight Rate (O/N) both increased by 300bps to 5.00% and 5.80%, respectively.

Outlook: We expect the interbank rates to stay at current levels tomorrow.

Treasury Bills

The treasury bills market maintained a quiet position today, with mild offers noticed on selected papers. Thus, average yield remained at 8.79%.

Outlook: We expect market to trend bearish tomorrow.

FGN Bonds

The local bonds market was largely quiet in today's session, as activity tilted towards the FGN bond auction. Average yield closed flat at 13.74%.

Outlook: Market activities should be dictated by the auction result.

Eurobonds

African Eurobonds witnessed a bearish theme, with selling interest observed across all tenors, as the Nigerian curve continue to witness low investors' confidence amid the recent release of CBN's financials. Consequently, average yield expanded by 81bps to 11.06%.

Outlook: We expect the bearish trajectory to persist tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
14-Aug-23	298.28	↑ 82.54
11-Aug-23	215.74	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 11th August 2023)	11.7779%
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)	33.88 (-8.62% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*85.84 (-1.12% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	14-Aug-23	11-Aug-23	Change in Rates
24 days	4.13%	4.13%	(0.00%)
87 days	5.25%	5.25%	(0.00%)
241 days	8.00%	8.00%	(0.00%)

Source: FMDQ DQL for 14 August 2023

Benchmark FGN Bond Yields			
	14-Aug-23	11-Aug-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	12.52%	12.52%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	13.85%	13.85%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.04%	15.04%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.12%	15.12%	(0.00%)

Source: FMDQ DQL for 14 August 2023

Benchmark FGN Eurobond Yields			
	14-Aug-23	11-Aug-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.89%	10.40%	(0.49%)
10 yrs: NGERIA 7.875 02/16/32	11.16%	10.62%	(0.54%)
15 yrs: NGERIA 7.696 23/02/38	11.38%	10.92%	(0.46%)
30 yrs: NGERIA 9.248 01/21/49	11.40%	11.10%	(0.30%)
7.125% ECOTRAN 16/02/26	11.86%	11.48%	(0.38%)

Source: FBN UK Runs for 14 August 2023

Nigerian Equities

The Nigerian's bourse closed on a bearish note today, as the NGX ASI depreciated by c.0.44%, to settle at 65,036.37 points, while year-to-date return settled at c.26.90%. Selling interests in OKOMUOIL (5.66%), and ZENITHBANK (2.57) drove the negative performance today.

The NGX Banking and Industrial Indices depreciated by 1.13% and 1.10%, respectively. While the NGX Consumer Goods Index gained 0.47%. The Oil & Gas Index fell by 0.44%. TRANSCORP led both the volume charts with 41.76 million units while GTCO led the value charts with ₦585.09 million.

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

Foreign Exchange

FMDQ's I & E rate depreciated to \$/₦744.41, compared with \$/₦740.60 recorded last Friday.

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

Commodities

Oil prices ranged today as investors weighed concerns about China's faltering economic recovery and a stronger dollar against seven weeks of gains on tightening supply from OPEC+ output cuts. Brent oil prices depreciated by c.0.62% to \$86.27pb, day-on-day, while WTI depreciated by c 0.49% day-on-day to settle at US\$82.79pb. Spot Gold depreciated by c.-0.30% day-on-day to close at US\$1,940.40 per ounce as of report time.

Outlook: *We expect oil prices to remain elevated in the interim.*

Top 5 Equity Advancers					
Name (Symbol)	Closing Price	Gain(N)		% Change	
CORNERST	1.29	0.11	↑	9.32%	
OMATEK	0.37	0.03	↑	8.82%	
TIP	1.02	0.08	↑	8.51%	
CHAMS	1.02	0.07	↑	7.37%	
RTBRISCOE	0.46	0.03	↑	6.98%	

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
ETERNA	17.75	-1.95	↓	-9.90%
SUNUASSUR	1.04	-0.11	↓	-9.57%
UPL	2.26	-0.23	↓	-9.24%
FTNCOCOA	2.06	-0.19	↓	-8.44%
OKOMUOIL	250.00	-15.00	↓	-5.66%

Source: NGX, AIICO Capital

		W-o-W	MTD	YTD
NGX ASI	↓ -0.44%	↓ -0.46%	↑ 1.09%	↑ 26.90%
NSE Banking Index	↓ -1.13%	↓ -0.69%	↑ 0.54%	↑ 61.40%
NSE Insurance Index	↓ -0.97%	↑ 0.93%	↑ 3.97%	↑ 55.48%
NSE Industrial Goods Index	↓ -1.10%	↓ -1.47%	↓ -1.23%	↑ 16.90%
NSE Consumer Goods Index	↑ 0.47%	↓ -0.40%	↑ 3.28%	↑ 49.72%
NSE Oil & Gas Index	↓ -0.44%	↓ -0.88%	↓ -1.83%	↑ 97.71%

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