

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity fell to ₦450.31 billion short, compared with ₦131.46 billion short, recorded yesterday. As a result, the Open Repo Rate (OPR) increased by 75bps to 22.75%, while the Overnight Rate (O/N) expanded by 90bps to 23.70%.

Outlook: We expect interbank rates remain elevated in the interim.

Treasury Bills

The treasury bills market traded mildly bullish today despite the tight system liquidity and NTB auction. Buyside interests were seen on selected papers and average yield declined by 62bps to close at 7.60%, day-on-day.

Outlook: We expect the next trading session to be determined by the outcome of today's NTB auction result.

FGN Bonds

The local bonds market maintained its bearish backdrop with mild interests observed on selected papers. Thus, average yield increased by 11bps to 14.40%, day-on-day.

Outlook: We expect the bearish bias to persist.

Eurobonds

The Eurobonds market closed on a bearish note today, as US CPI grew at 3.7% y/y in August, higher than market expectation of 3.6%. Selling interests were sighted across the curve. Meanwhile, Ghana's inflation rate for August moderated to 40.10% from 43.1% in July. Overall, average yield increased by 6bps to settle at 11.28%.

Outlook: We expect market to extend its bearish bias into tomorrow's session, even as market anticipate uptick in the US August PPI and other inflation data.

Date	Sys. Liq. (₦'bn)	Diff.
13-Sep-23	-450.31	↓(318.85)
12-Sep-23	-131.46	

Source: CBN

AIICO Money Market Fund (AMMF)	
Net Yield (As at 12th September 2023)	11.6475%
Added Benefit	Personal accident insurance cover

Macro Indicators	
GDP (Q1 2023)	+2.31% (Q4 2022: +3.52% y/y)
Inflation	24.08% (May'23: 22.41%)
External Reserve (US\$'billion)	33.95 (-8.44% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*89.00 (+0.51% d/d)

Source: NBS,CBN, AIICO Capital

Benchmark T-Bills Discount Rates			
	13-Sep-23	12-Sep-23	Change in Rates
57 days	4.00%	4.00%	(0.00%)
148 days	5.48%	5.48%	(0.00%)
316 days	11.49%	11.55%	+0.06%

Source: FMDQ DQL for 13 September 2023

Benchmark FGN Bond Yields			
	13-Sep-23	12-Sep-23	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	13.03%	13.03%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	14.78%	14.78%	(0.00%)
20 yrs: 13.00% 21-Jan-2042	15.57%	15.57%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	15.81%	15.81%	(0.00%)

Source: FMDQ DQL for 13 September 2023

Benchmark FGN Eurobond Yields			
	13-Sep-23	12-Sep-23	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	10.68%	10.63%	(0.05%)
10 yrs: NGERIA 7.875 02/16/32	11.31%	11.31%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	11.63%	11.57%	(0.06%)
30 yrs: NGERIA 9.248 01/21/49	11.71%	11.69%	(0.02%)
7.125% ECOTRAN 16/02/26	12.33%	12.26%	(0.07%)

Source: FBN UK Runs for 13 September 2023

Nigerian Equities

The Nigerian's bourse dialled back its bullish momentum in today's trading, as the NGX ASI gained c.0.93%, to settle at 67,378.88 points, while year-to-date return settled at c.31.47%. Buying interests in DANGSUGAR (+10.00%) and ACCESSCORP (+9.77%) drove the bullish performance today.

The NGX Banking and Consumer Goods Indices appreciated by 4.58% and 1.27%, while Industrial Goods and Oil & Gas Indices depreciated by 0.03% and 0.12% respectively. OANDO led the volume with 143.45 million units, and as well as the value chart with ₦1.39 billion.

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

Foreign Exchange

FMDQ's I & E rate depreciated to \$/₦758.12, compared with \$/₦742.10 recorded yesterday.

Outlook: *We expect rates volatility to persist.*

Commodities

Oil prices remained elevated in today's session. Brent oil prices appreciated by c.0.01% to \$92.06pb, day-on-day, while WTI appreciated by c. 0.01% day-on-day to settle at US\$88.85pb. Spot Gold depreciated by c.0.11% day-on-day to close at US\$1,933.00 per ounce as of report time.

Outlook: *We expect oil prices to around the \$90 band in the interim.*

Top 5 Equity Advancers

Name (Symbol)	Closing Price	Gain(N)	% Change
DANGSUGAR	57.20	5.20	↑ 10.00%
NASCON	51.70	4.70	↑ 10.00%
UCAP	16.50	1.50	↑ 10.00%
NAHCO	23.65	2.15	↑ 10.00%
TRANSCORP	6.61	0.60	↑ 9.98%

Source: NGX, AIICO Capital

Top 5 Equity Decliners

Name (Symbol)	Closing Price	Loss(N)	% Change
COURTVILLE	0.54	-0.06	↓ -10.00%
ABCTRANS	0.92	-0.10	↓ -9.80%
TANTALIZER	0.39	-0.04	↓ -9.30%
LEARNAFRCA	3.01	-0.28	↓ -8.51%
REGALINS	0.33	-0.03	↓ -8.33%

Source: NGX, AIICO Capital

	W-o-W		MTD	YTD
NGX ASI	↑ 0.93%	↓ -1.33%	↑ 1.25%	↑ 31.47%
NSE Banking Index	↑ 4.58%	↓ -4.13%	↑ 5.69%	↑ 63.61%
NSE Insurance Index	↑ 2.27%	↓ -2.60%	↓ -3.43%	↑ 48.85%
NSE Industrial Goods Index	↓ -0.03%	↓ -0.82%	↑ 0.85%	↑ 20.04%
NSE Consumer Goods Index	↑ 1.27%	↓ -2.39%	↑ 1.74%	↑ 83.63%
NSE Oil & Gas Index	↓ -0.12%	↓ -0.34%	↓ -0.28%	↑ 102.66%

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