

Daily Financial Market Update

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MARKET COMMENTARY

Money Market

Opening system liquidity increased by 87.36% from ₦117.32 billion last week to ₦219.82 billion today. Thus, the Open Repo Rate declined by 12bps to 15.38%, and the Overnight Rate lost 90bps to 16.10%.

Outlook: *We expect rates to stay elevated tomorrow.*

Treasury Bills

The Treasury bills market was quietly stirred in today's session, with mixed sentiment on selected papers. Although, the backdrop displayed a substantial bullish bias. As a result, average mid-yield declined by 131bps to close at 13.07%.

Outlook: *We expect the market to trade sideways tomorrow.*

FGN Bonds

Similarly, the local bonds market traded sideways, with activities revolving around the 2029, 2033 and 2038 papers. At the closing bell, average mid-yield fell by c.14bps to settle at 16.46%.

Outlook: *We expect a similar occurrence in tomorrow's session.*

Eurobonds

The Eurobonds market witnessed a generally subdued pace of activity, marked by a blend of positive and negative movements across Sub-Saharan African papers. Angola saw bullish trading, while Nigeria and Ghana experienced a bearish trend. Kenya also traded slightly bullish, despite the ongoing book building of a 6-year Eurobond with initial price talks (IPTs) at 11.00% and a subsequent yield set at 10.375%, with an expected size of \$1 billion to \$1.5 billion. Overall, Nigeria's average mid-yield marginally declined by 1bp, closing at 9.64%.

Outlook: We expect the U.S CPI data to impact the direction of the market tomorrow.

Date	Sys. Liq. (₦bn)	Diff.
12-Feb-24	219.82	↑ 102.49
9-Feb-24	117.33	

Source: CBN

AICO Money Market Fund (AMMF)

(As of 6th February 2024)	13.2685%
Added Benefit	Personal accident insurance cover

Macro Indicators

GDP (Q3 2023)	+2.54% (Q2: 2023 +2.51% y/y)
Inflation (December'2023)	28.92% (Nov'23: 28.20%)
External Reserve (US\$'billion)	33.12 (+0.62% YTD)
Monetary Policy Rate	18.75%
Cash Reserve Requirement (CRR)	32.50%
Brent Crude Price US\$/bbl	*81.92 (-0.33% d/d)

Source: NBS,CBN, AICO Capital

Benchmark T-Bills Discount Rates			
	12-Feb-24	09-Feb-24	Change in Rates
87 days	13.96%	13.96%	(0.00%)
150 days	13.88%	14.95%	+1.07%
297 days	16.36%	16.36%	(0.00%)

Source: FMDQ DQL for 12 February 2024

Benchmark FGN Bond Yields			
	12-Feb-24	09-Feb-24	Change in Yield
5 yrs: 16.2884% 17-Mar-2027	16.02%	16.02%	(0.00%)
10 yrs: 12.50% 27-Apr-2032	14.70%	14.71%	+0.01%
20 yrs: 13.00% 21-Jan-2042	16.80%	16.80%	(0.00%)
30 yrs: 12.98% 27-Mar-2050	16.15%	16.15%	(0.00%)

Source: FMDQ DQL for 12 February 2024

Benchmark FGN Eurobond Yields			
	12-Feb-24	09-Feb-24	Change in Yield
5 yrs: NGERIA 6 1/2 11/28/27	8.87%	8.91%	+0.04%
10 yrs: NGERIA 7.875 02/16/32	9.85%	9.85%	(0.00%)
15 yrs: NGERIA 7.696 23/02/38	10.17%	10.15%	(0.02%)
30 yrs: NGERIA 9.248 01/21/49	10.19%	10.21%	+0.02%
7.125% ECOTRAN 16/02/26	9.36%	9.36%	(0.00%)

Source: FBN UK Runs for 12 February 2024

Nigerian Equities

The Nigerian equity market exhibited a bullish bias today, as ASI gained 0.18% to settle at 102, 042.32 points while the year-to-date return ticked up to c.36.47% and total market capitalization was valued at ₦55.84 trillion. To buttress, GEREGU (+6.75%) and NB (+2.63%) drove the market to close bullish.

Overall, trading activity was negative, with a 24.68% decline in total volume and a 30.31% fall in total value. UNIVINSURE led the volume chart with 42.77 million units while ZENITHBANK led the value charts with ₦1.12 billion. The Banking, and Industrial Indices declined by 0.88% and 0.07%, respectively, while the Consumer Goods and Oil & Gas Indices shed 0.60% and 0.15%, respectively.

Outlook: *We expect a similar momentum tomorrow.*

Foreign Exchange

FMDQ's Nigeria's Autonomous Foreign Exchange (NAFEM) depreciated by 4.38% (or ₦64.42) to \$/₦1,534.39 from \$/₦1,469.97 recorded last Friday.

Outlook: *We expect volatility to persist.*

Commodities

Oil prices were largely flat today after the significant rally last week on escalating Middle East tensions. Brent crude reached \$81.85 per barrel, while West Texas Intermediate (WTI) stood at \$76.74 per barrel at the time of reporting. Additionally, the price of gold surged to \$2,027.00 per ounce at the same time.

Outlook: *We expect geopolitical tensions to continue to weigh on crude oil prices.*

Top 5 Equity Advancers				
Name (Symbol)	Closing Price	Gain(N)		% Change
NCR	4.40	0.40	↑	10.00%
CHAMS	2.75	0.25	↑	10.00%
ROYALEX	0.77	0.07	↑	10.00%
SUNUASSUR	1.96	0.17	↑	9.50%
TIP	2.32	0.20	↑	9.43%

Source: NGX, AIICO Capital

Top 5 Equity Decliners				
Name (Symbol)	Closing Price	Loss(N)		% Change
INFINITY	7.19	-0.79	↓	-9.90%
JOHNHOLT	2.19	-0.24	↓	-9.88%
PZ	27.85	-3.05	↓	-9.87%
MAYBAKER	6.35	-0.69	↓	-9.80%
DEAPCAP	0.65	-0.05	↓	-7.14%

Source: NGX, AIICO Capital

ers	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.18%	↓ -1.56%	↑ 0.88%	↑ 36.47%
NSE Banking Index	↓ -0.88%	↓ -5.50%	↑ 3.89%	↑ 0.39%
NSE Insurance Index	↑ 2.30%	↓ -1.84%	↑ 7.55%	↑ 30.86%
NSE Industrial Goods Index	↓ -0.07%	↓ -4.23%	↓ -3.74%	↑ 100.09%
NSE Consumer Goods Index	↑ 0.60%	↑ 0.49%	↑ 6.67%	↑ 32.62%
NSE Oil & Gas Index	↑ 0.15%	↓ -0.25%	↓ -0.22%	↑ 19.69%

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