

**What Moved the Markets this Week?**

On the Global scene, the European Central Bank (ECB) raised its three key interest rates by 75bps in a bid to curb spiraling inflation in the region, and bring it below its 2% medium term target. However, the Bank expects the reinvestment of principal payment from maturing securities under both the Asset Purchase Programme (APP) and Pandemic Emergency Purchase Programme (PEPP) to continue to maintain system liquidity in the region. Meanwhile, in the U.K, Liz Truss was inaugurated as the new Prime Minister (PM) of the country. The new Prime Minister is coming in at a time when the country is battling with economic recession, rising energy prices and high cost of living, however, the PM has indicated that major economic policies of the new administration will center around cutting taxes, increase spending and grow the economy. Sequel to this, in a bid to address the energy crisis in the country, the PM announced the plan to freeze the UK energy bills by GBP130.00bn starting from October 2022. The essence of this policy is to ease the burden of high electricity and gas bills on household, while the Government covers for the shortfall to energy firms.

On the domestic scene, according to the National Bureau of Statistics, Nigeria recorded a 32.22% YoY increase in total trade for Q2:2022, with a total trade value of NGN12.84trn (vs NGN9.71trn in Q2:2021) in the quarter. However, the total trade value declined from NGN13.00trn recorded in Q1:2022 to NGN12.84trn in Q2:2022 which is the first decline in eight consecutive quarters. While export during the quarter increased by 47.55% YoY, import increase by 15.83% YoY. The increase in crude oil price during the quarter contributed majority to the positive trade balance.

The Nigerian equities market ended the week on a negative note, as the All-Share Index declined by 0.70% WoW to close at 49,695.12pts. Thus, the Year-to-Date return declined to 16.34% (from 17.15% last week). Across sectors, performance was largely mixed as **NGXBNK** (-0.60%), **NGXOILGAS** (-0.11%) and **NGXINDUSTR** (-0.01%) closed in the negative while the other sectors recorded week on week gains.

In the fixed income market, during the week, the Central Bank held a treasury bills primary market auction. The Bank raised a total of NGN214.74bn exactly the same amount on offer, with increase in rate across all trio instruments by 150bps, 85bps, 150bps. On the flip side, the secondary fixed income market remained bearish this week, as the average bond and treasury bills yield increased by 17.97bps and 96.49bps to 12.97% and 8.21% respectively. Our prognosis is for yields to maintain its uptrend for the rest of the year, premised on the low system liquidity, expectation of further hike in monetary policy rates and attractive rates at the primary market auctions.

**Nigeria | September 9, 2022**

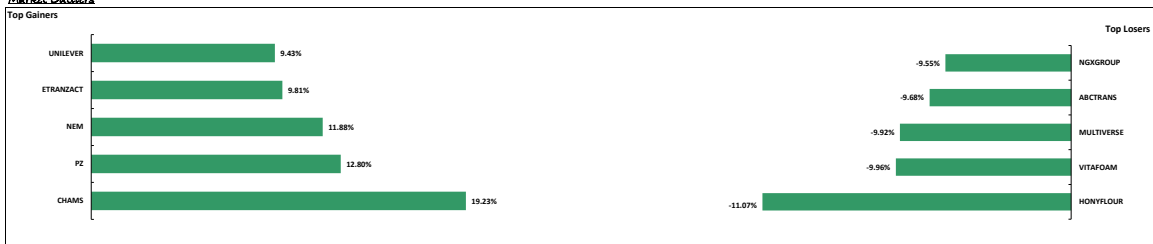
**Market Performance**

Equities	This Week	Previous Week	%Δ
NGXASI	49,695.12	50,045.83	-0.70%
Volume (bn)	0.94	1.19	-20.82%
Value (bn)	9.33	12.92	-27.81%
Mkt. Cap. (bn)	26.80	26.99	-0.70%
Market Breadth	0.69x	1.19x	

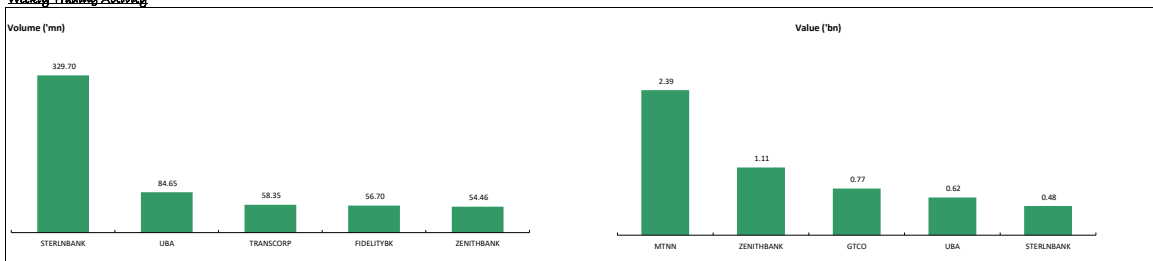
Sectoral Indices	WTD	MID	YTD
NGXBNK	-0.60%	-0.14%	-4.73%
NGXCONSMRGDS	0.72%	1.19%	3.13%
NGXOILGAS	-0.11%	0.16%	54.49%
NGXINS	1.04%	1.35%	-7.79%
NGXINDUSTR	-0.01%	0.97%	-10.65%
NGX-ASI	-0.70%	-0.28%	16.34%

Other Indices	WTD	MID	YTD
NGX-3D	-0.68%	-0.25%	2.91%
NGX-PENSION	-0.25%	0.20%	5.33%

**Market Outliers**



**Weekly Trading Activity**



	This Week	Previous Week	%Δ
I & E (per USD)	436.33	431.50	-1.11%

**Money Market Rates**

	This Week	Previous
OBB	8.50%	12.00%
OVN	9.00%	12.50%
Average	8.75%	12.25%

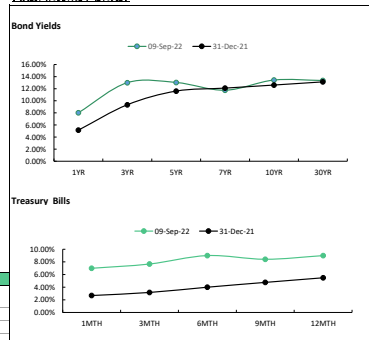
**Bond Yields**

	This Week	Previous Week	%Δ
1YR	8.02%	7.61%	0.41%
3YR	13.00%	13.05%	-0.05%
5YR	13.03%	13.00%	0.03%
7YR	11.75%	11.75%	0.00%
10YR	13.43%	13.23%	0.20%
30YR	13.36%	13.55%	-0.19%

**Treasury Bills Yields**

	This Week	Previous
1MTH	6.99%	5.99%
3MTH	7.66%	6.97%
6MTH	9.00%	7.91%
9MTH	8.41%	7.77%
12MTH	8.99%	8.54%
Average	8.21%	7.44%

**Fixed Income Monitor**



**in Other Markets**

	Nigeria	Ghana	Egypt	Kenya	South Africa	Frontier	Emerging	Developed
Today	0.09%	-0.02%	0.32%	-1.39%	2.53%	0.42%	0.07%	1.10%
WTD	-0.70%	-0.02%	0.00%	2.63%	2.35%	-0.82%	-1.52%	-1.26%
YTD	16.34%	-10.19%	-14.09%	-14.91%	-6.44%	-18.89%	-22.30%	-22.93%
P/E	10.26x	5.97x	7.08x	7.51x	10.12x	9.40x	10.73x	12.46x

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**Investment Research**

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Reuters: [www.thomsonreuters.com](http://www.thomsonreuters.com)

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