

MONTHLY MARKET REPORT MARCH 2025



REPORT SUMMARY

Review

- Global Macros: Inflation Moderation Amid Trade Turmoil.
- Domestic Macros: Inflation Eases; Improved Trade Balance; Tax Reforms; Debt Management and Private Sector Expansion.
- Foreign Exchange: Persistent Dollar Demand Depreciates the Naira in March.
- Money Market: Liquidity Tightness Persisted in March as Interbank Rates Remained Elevated.
- Treasury bills: NTB Yields Rise Amid Strong Auction Participation in March.
- FGN Bonds: Local Bond Yields Rise Amid Caution and Liquidity Squeeze.
- Nigeria's Eurobonds: Nigerian Eurobonds Rise Amid Volatility and Global Trade Concerns.
- Equities Market: Profit-taking Prevails as Investors' Wealth Declines by 2%.

Outlook

- Global Economy: Mounting inflation and subdued growth prospects amid worsening trade tensions.
- Domestic Macros: Inflationary pressure to remain ease amid rebasing and stable economic activities.
- Foreign Exchange Market: With heightened trade tensions and market volatility, the CBN will maintain its defensive measures for the Naira.
- Money Market: The CBN aims to maintain a restrictive monetary stance, utilizing the CRR and OMO as control tools.
- Treasury Bills: Yields are expected to stabilize as investors remain cautious. ₦1.29 trillion maturities is expected in April.
- FGN Bonds: Investors to maintain cautious activities, evaluating yield opportunities; with c.₦478.18 billion in coupon inflows anticipated for April
- Nigeria's Eurobonds: Investors are expected to remain cautious, favoring short-end exposures and bonds issued by reform-focused economies with credible monetary policy frameworks.
- Equities Market: Stock investors should position themselves for high-dividend stocks and capitalize on the recent price drop.





GLOBAL MACROECONOMIC REVIEW

United States: *Inflation Moderation Amid Trade Turmoil*

The U.S. economy exhibited signs of cooling inflation in February 2025, with the Consumer Price Index (CPI) rising 0.2% m/m (2.80% y/y) and core CPI slowing to 3.1% annually—the lowest since April 2021. While these figures eased stagflation fears, uncertainty lingered due to aggressive tariff policies. The Producer Price Index (PPI) remained flat, and core PPI unexpectedly declined, yet components tied to the Federal Reserve's preferred inflation gauge, the Personal Consumption Expenditures (PCE) index, stayed elevated. The Fed held rates steady at 4.25%–4.5% in March, revising its 2025 GDP growth forecast downward to 1.7% and raising inflation projections to nearly 3%.

Labor market momentum softened, with February adding 151,000 jobs—below expectations—and unemployment inching up to 4.1%. Retail sales rebounded modestly (0.2%) after a January slump, but consumer caution prevailed amid escalating trade tensions. President Donald Trump's 25% tariffs on Canadian and Mexican imports triggered retaliatory measures, including Canada's 25% duties on \$30 billion of U.S. goods and Mexico's planned countermeasures. The Core PCE Price Index rose 0.4% monthly, underscoring the Fed's cautious stance. While policymakers signaled potential 0.5% rate cuts later in 2025, Chair Jerome Powell emphasized patience, citing risks from trade disruptions and sticky services inflation.

United Kingdom: *Contraction Clouds Economic Resilience*

The UK economy faced a setback in January 2025, contracting by 0.1% amid a sharp downturn in industrial production, which fell by 0.9%—its steepest decline since mid-2023. This followed a stronger-than-expected 0.4% expansion in December, driven by holiday-driven retail and services activity. However, rolling quarterly growth improved to 0.2% (up from 0.1% in Q4 2024), reflecting underlying resilience in sectors like technology, healthcare, and professional services. The Bank of England (BoE) maintained its benchmark rate at 4.5% in March, with an 8–1 vote by the Monetary Policy Committee. Governor Andrew Bailey emphasized that while inflation risks were “rebalancing,” persistent wage growth (6.1% year-over-year) and sticky services inflation (5.7%) justified holding rates steady.

The production slump was led by manufacturing, particularly automotive and pharmaceuticals, as supply chain disruptions from U.S.-led tariff measures and weaker European demand dented exports. Meanwhile, consumer spending showed tentative signs of recovery, with retail sales rising 1.2% in February, though higher mortgage costs continued to strain households. Policymakers acknowledged rising global trade uncertainty, particularly the spillover effects of U.S. tariffs on Canada and Mexico, which could further disrupt UK export channels. The BoE revised its 2025 GDP growth forecast downward to 0.5%, citing weaker global demand and delayed rate cuts.

Europe: *Trade Wars Test Fragile Recovery*

The Euro Area faced escalating trade tensions as the EU prepared retaliatory tariffs on €26 billion of U.S. goods, responding to Washington's threat of 200% duties on European alcohol. Germany's factory orders dropped 2.7% in January, with automakers like Volkswagen warning of margin pressures from U.S. tariffs on Chinese EV components. Southern Europe struggled: Spain's tourism sector faltered amid reduced U.S. spending, while Italy's debt-to-GDP ratio (142%) constrained fiscal flexibility.

The European Central Bank (ECB) held rates at 2.65%, balancing inflation control (2.2% headline, 4.1% services) against weak growth. Energy volatility, driven by Middle East tensions, pushed utility prices up 5%, denting industrial competitiveness. The ECB revised 2025 growth to 0.8% (from 1.2%) and projected inflation at 2.3% by year-end. Structural reforms under the €750 billion NextGenerationEU fund aimed to accelerate green transitions, but political resistance and bureaucratic delays in Italy and France clouded progress. With consumer confidence at six-month lows, the bloc's recovery hinges on resolving trade disputes and cohesive policy execution.



GLOBAL MACROECONOMIC REVIEW.../2

Asia: Deflationary Pressures and Mixed Growth

China's economic struggles dominated Asia's landscape as February data revealed deepening deflationary pressures. The 0.7% annual CPI decline marked the sharpest drop since early 2024, with core CPI entering negative territory (-0.1%) for only the second time in 15 years. Even more concerning, the PPI extended its losing streak to 29 consecutive months (-2.2%), reflecting chronic industrial overcapacity and weak domestic demand. Beijing responded with targeted stimulus measures, but their impact remained muted amid ongoing property sector turmoil and sluggish global trade.

Japan presented a contrasting picture, with inflation easing to 3.7% due to energy subsidies but core inflation (3.0%) stubbornly above the BoJ's target. The central bank maintained its 0.5% rate amid concerns about U.S. tariff threats to its vital auto sector. Across Southeast Asia, export-dependent economies like Vietnam and Thailand felt the ripple effects of China's slowdown, revising growth forecasts downward while grappling with tighter global financial conditions. The region's divergence highlights the complex balancing act facing policymakers - stimulating growth while managing inflation and external vulnerabilities.

Key Economic Snapshot

				
GDP	Q4'24 ● 2.40%	Q4'24 ● 0.10%	Q4'24 ● 0.00%	Q4'24 ● 1.60%
	Q3'24 3.10%	Q3'24 0.00%	Q3'24 0.40%	Q3'24 1.30%
	Q4'23 3.40%	Q4'23 -0.20%	Q4'23 0.00%	Q4'23 0.60%
INTEREST/ POLICY RATE	Mar'25 ➔ 4.50%	Mar'25 ➔ 4.50%	Mar'25 ● 2.65%	Mar'25 ➔ 3.10%
	Jan'25 4.50%	Feb'25 4.50%	Jan'25 2.90%	Feb'25 3.10%
	Mar'24 5.00%	Mar'24 5.25%	Mar'24 4.50%	Mar'24 3.45%
INFLATION RATE	Feb'25 ● 2.80%	Feb'25 ● 2.80%	Mar'25 ● 2.20%	Feb'25 ● -0.70%
	Jan'25 3.00%	Jan'25 3.00%	Feb'25 2.30%	Jan'25 0.50%
	Feb'24 3.20%	Feb'24 3.40%	Mar'24 2.40%	Feb'24 0.70%

Source: Bloomberg, Trading Economics, AIICO Capital

Africa: Reform Momentum Confronts Structural Challenges

Africa's economic narrative in early 2025 centered on Egypt's critical \$1.2 billion IMF disbursement, marking progress in its \$8 billion reform program. The approval came with adjusted fiscal targets, including a revised 4% primary surplus goal for FY2025/26, as Cairo struggles to stabilize its currency and rein in inflation. Meanwhile, South Africa's Reserve Bank maintained its hawkish 7.5% rate amid persistent inflation risks (3.6% forecast for 2025) and dismal 0.6% growth in 2024.

The continent's economic prospects remained uneven. While North Africa benefited from IMF-backed reforms, Sub-Saharan Africa faced mounting debt distress and climate-related shocks. Nigeria's oil production declines and Kenya's currency volatility underscored the challenges of commodity dependence. However, signs of potential emerged in East Africa's manufacturing hubs and Southern Africa's renewable energy investments. The IMF's Resilience and Sustainability Facility expansion to Egypt signaled growing recognition of Africa's climate financing needs, even as structural reforms and political stability remained prerequisites for sustainable growth.

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Key Economic Snapshot

					
GDP	Q4'24 ● 3.84%	Q4'24 ● 3.60%	Q4'24 ● 3.60%	Q4'24 ● 4.30%	Q4'24 ● 0.90%
	Q3'24 3.46%	Q3'24 7.20%	Q3'24 5.50%	Q3'24 3.50%	Q3'24 0.40%
	Q4'23 3.46%	Q4'23 3.80%	Q4'23 1.40%	Q4'23 2.30%	Q4'23 1.40%
INTEREST/ POLICY RATE	Feb'25 ● 27.50%	Mar'25 ● 28.00%	Mar'25 ➔ 19.50%	Feb'25 ➔ 27.25%	Mar'25 ● 7.50%
	Nov'24 27.50%	Jan'25 27.00%	Jan'25 19.50%	Dec'24 27.25%	Jan'25 7.50%
	Feb'24 22.75%	Mar'24 29.00%	Mar'24 19.00%	Feb'24 21.25%	Mar'24 8.25%
INFLATION RATE	Feb'25 ● 23.18%	Mar'25 ● 22.40%	Feb'25 ● 25.26%	Feb'25 ● 12.80%	Feb'25 ➔ 3.20%
	Jan'25 24.48%	Feb'25 23.10%	Jan'25 26.48%	Jan'25 24.00%	Jan'25 3.20%
	Feb'24 31.70%	Mar'24 25.80%	Feb'24 24.07%	Feb'24 35.70%	Feb'24 5.60%

Source: Bloomberg, Trading Economics, AIICO Capital

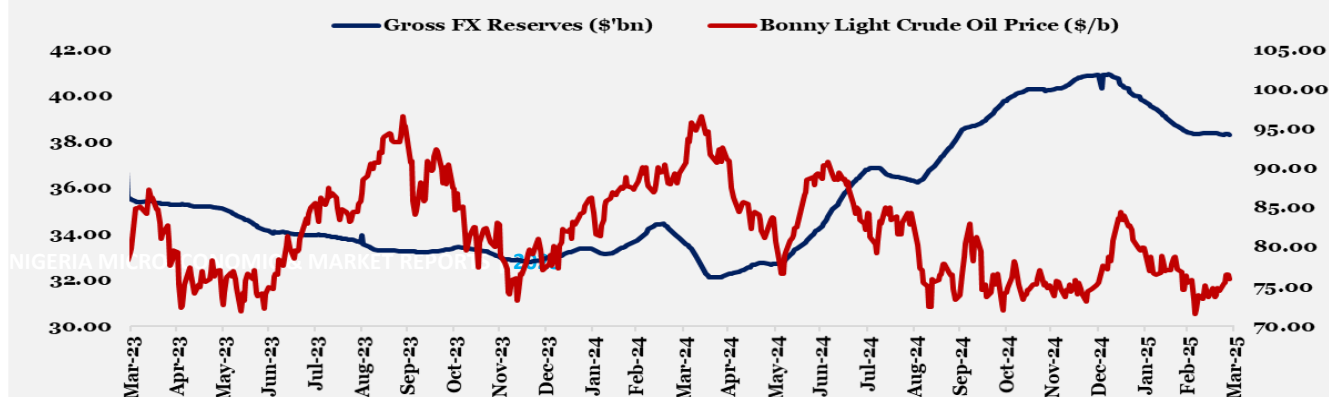
Oil Markets - *Geopolitical Tensions and Supply Disruptions Fuel Volatility*

Brent crude traded in a tight range near \$80/barrel, as OPEC+ production cuts offset concerns over slowing global growth. Nigeria's oil sector woes intensified, with February production falling 5% month-on-month to 1.46 mbpd—below its OPEC quota of 1.5 mbpd—due to pipeline sabotage in the Niger Delta. The Trans-Niger Pipeline explosion, which temporarily shut down 450,000 bpd of capacity.

Meanwhile, Middle East tensions continued to threaten supply stability, with Houthi attacks on Red Sea shipping and U.S.-Iran proxy conflicts keeping markets on edge. OPEC+ maintained its supply discipline, but cracks emerged as some members struggled to meet reduced quotas. On the demand side, China's industrial slowdown and U.S. trade tariffs raised fears of weaker consumption, while rising U.S. shale output (now at 13.2 mbpd) added downward pressure.

With global inventories tightening and refining margins softening, the market outlook remained finely balanced. Further supply disruptions or an escalation in trade wars could trigger a price spike, while a deeper economic slowdown risked tipping the scales toward surplus.

In terms of price movement, Bonny Light crude experienced a 60bps increase, settling at \$75.90 per barrel, while maintaining an average price of \$74.44 per barrel over the period.



Source: CBN, AIICO Capital



DOMESTIC MACROECONOMIC REVIEW.../1

Nigeria: *Inflation Eases; Improved Trade Balance; Tax Reforms; Debt Management and Private Sector Expansion.*

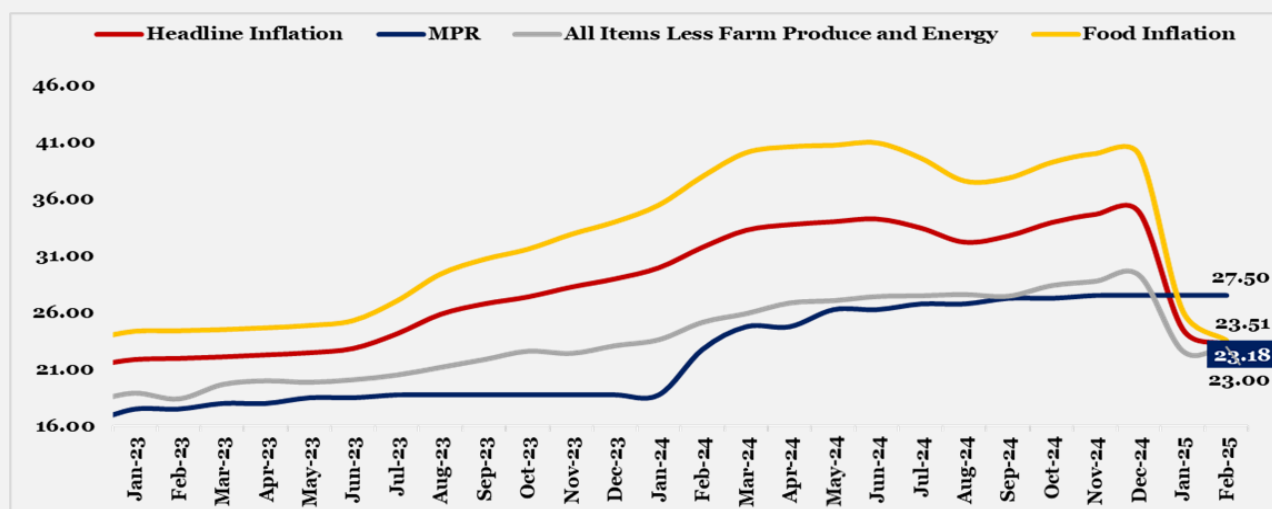
Inflation Eases for Second Straight Month as Food Prices Decline Sharply

Nigeria's headline inflation fell to 23.18% in February 2025, marking a second consecutive monthly decline after the National Bureau of Statistics rebased the Consumer Price Index. This reflects a 1.30-percentage-point drop from January's 24.48% and an 8.52% decrease year-on-year, signaling possible economic stabilization after 2024's inflationary spikes.

Food inflation eased to 23.51% annually, down from 26.08% in January and significantly lower than February 2024's 37.92%. However, core inflation rose slightly to 23% from 22.59%. Month-on-month, headline and food inflation stood at 2.04% and 1.67%, respectively. The base year adjustment (2009 to 2024) contributed to the sharper food inflation decline, better reflecting current spending trends.

Urban inflation (25.15%) outpaced rural (19.89%), revealing regional disparities. State-level data showed Edo with the highest food inflation (33.59%), followed by Enugu (30.72%) and Sokoto (30.19%), while Kaduna (15.45%), Akwa-Ibom (15.53%), and Plateau (15.74%) recorded the lowest.

The moderation stems from currency stability, lower fuel prices, and the CPI rebasing effect, offering relief after 2024's 28-year peak, driven by Tinubu's subsidy removal and naira devaluation..



Source: NBS, CBN, AIICO Capital

Trade Performance and Export Growth

Nigeria's trade sector showed remarkable resilience in 2024, with total exports surging to \$50.4 billion – a 22.1% increase in dollar terms. The depreciation of the naira and removal of fuel subsidies boosted competitiveness, driving non-oil exports like agriculture and manufactured goods. However, oil still dominated trade flows, accounting for over 70% of export earnings. While the trade balance improved, reliance on crude exports left the economy vulnerable to global price swings. The government's push to diversify exports through trade partnerships with Brazil, India, and the UAE showed early promise but required sustained investment in production capacity.

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DOMESTIC MACROECONOMIC REVIEW.../2

Tax Reforms and Fiscal Consolidation

The House of Representatives passed key tax reforms, retaining VAT at 7.5% but introducing progressive measures to ease burdens on low-income earners. The reforms replaced the 85% petroleum profit tax with a 30% corporate tax for oil firms, aligning with global standards. A global minimum tax was introduced for multinationals to curb profit shifting. These changes aimed to boost Nigeria's tax-to-GDP ratio (10.8%) and reduce borrowing. However, implementation challenges, including weak enforcement and resistance from states over VAT revenue sharing, threatened to dilute their impact.

Debt Management and External Pressures

Nigeria's debt service payments dropped to \$276 million, down from \$540 million in January, reflecting restructuring efforts with multilateral lenders. The government prioritized deferrals and negotiations to ease forex pressures, but external debt remained a concern, with repayments looming in 2026. The CBN's focus on dollar liquidity management helped stabilize the naira temporarily, but reliance on oil earnings left the currency vulnerable. There is the need for export diversification and domestic revenue mobilization to reduce dependence on external borrowing and shield the economy from global shocks.

Private Sector Expansion and MSME Support

The Stanbic IBTC PMI rose to 53.7 in February, signaling the fastest private sector growth in over a year. Stronger demand lifted output across agriculture, manufacturing, and services, though wholesale trade lagged. To sustain this momentum, the government partnered with banks to expand credit access for MSMEs, targeting job creation and local production. Initiatives like lower interest loans and ease-of-business reforms aimed to spur entrepreneurship. However, high operating costs and energy deficits persisted as hurdles. Strengthening infrastructure and reducing regulatory bottlenecks were critical to unlocking the sector's full potential.

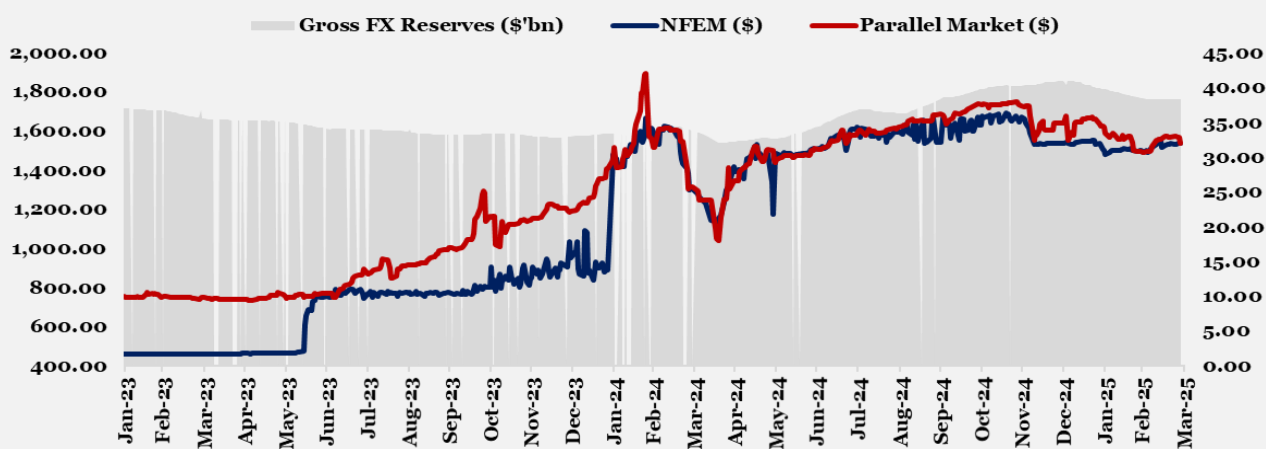




MARKET UPDATE

Foreign Exchange Market – *Naira Depreciates by 2.97% in March Amid Persistent Dollar Demand*

The Naira experienced significant depreciation in March 2025 due to persistent demand pressure in the Foreign Exchange Market (NFEM). Despite the Central Bank of Nigeria (CBN) intervening with substantial dollar sales totaling \$668.8 million, the Naira weakened by 2.97% m/m, closing at ₦1,536.82/\$ from ₦1,492.49/\$ at the start of the month. The market opened at ₦1,510/\$, and demand remained robust, particularly from foreign portfolio investors and local corporates. The parallel market mirrored this trend, depreciating by c.₦43.50/\$ to ₦1,536.00/\$. Liquidity improved midmonth with CBN interventions, but demand continued to outstrip supply. In the final week, despite continued CBN dollar sales and a slight appreciation of 0.5bps, the Naira remained under pressure. On a quarterly basis, the Naira depreciated by 7bps q/q at the NFEM window. Meanwhile, external reserves fell by c.\$110 million to \$38.31 billion.



Source: FMDQ, Rate Captain, AIICO Capital

Outlook: Despite weak FPI flows, the CBN will likely sustain liquidity to stabilize the naira near-term. However, global risks—like US tariffs and retaliatory measures—may spur volatility and capital flight.

Money Market – *Liquidity Tightness Persisted in March as Interbank Rates Remained Elevated*

Throughout March, interbank liquidity remained constrained, reflecting persistent funding pressures. Despite periodic inflows from FAAC, FGN bond maturities, and coupon payments, liquidity stayed negative for much of the month. Early in the month, the Overnight Policy Rate (OPR) and Overnight Rate (O/N) surged due to tight liquidity, peaking midweek at 32.50% and 32.90%, respectively, driven by CRR debits and NTB auction settlements. The market saw some improvement mid-month, following inflows from FGN bond coupon payments, FAAC inflows, and NTB maturities, which helped alleviate funding pressures temporarily. However, towards the month's end, liquidity tightened once again, exacerbated by NTB auction settlements and a decline in inflows. Despite this, additional inflows from NLNG dividend refunds and derivation funds stabilized liquidity. The average system liquidity closed at ₦395.11 billion, improving slightly from ₦686.36 billion in February. The average OPR and O/N rates declined m/m by 1.49% and 1.47%, closing at 30.17% and 30.63%, respectively.

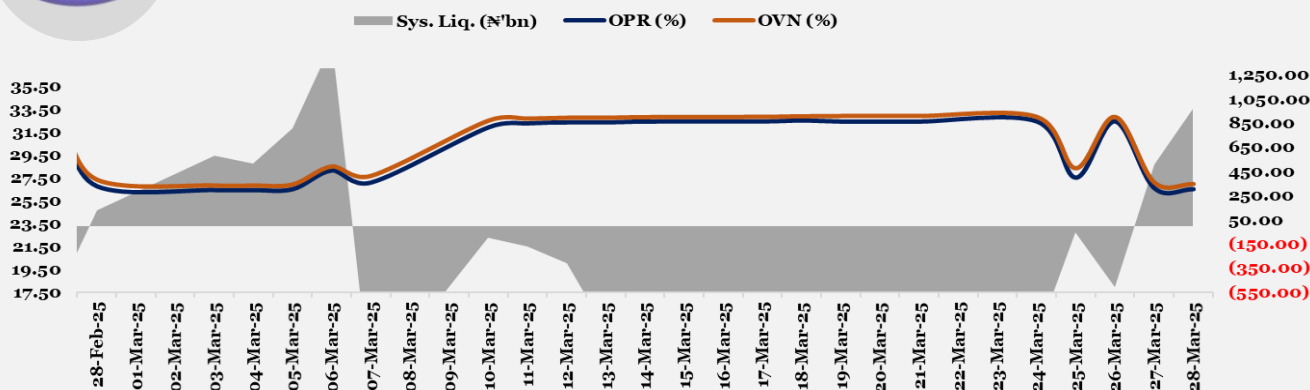
For Q1 2025, interbank liquidity averaged ₦284 billion, showing an improvement from the ₦371.99 billion recorded in Q4 2024. The average OPR and O/N rates for Q1 2025 were 30.24% and 30.73%, respectively, compared to 29.86% and 30.37% in Q4 2024.

Outlook: The CBN is likely to sustain its restrictive monetary stance, employing CRR deductions and OMO sales as primary liquidity control tools.

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MARKET UPDATE.../2



Source: CBN, FMDQ, AIICO Capital

Treasury Bills – NTB Yields Rise Amid Strong Auction Participation in March.

The Treasury Bills market saw fluctuating sentiment throughout March, driven by key auctions and investor expectations. The month began quietly, with limited trading activity as market participants awaited the NTB primary auctions. The first auction of the month saw strong investor participation, with the DMO offering ₦650 billion in 91-day, 182-day, and 364-day bills. This auction attracted a significant subscription of ₦1.92 trillion, pushing stop rates for the longer tenors to 17.75% and 17.82%, while the short tenor remained at 17.00%. Subsequent weeks saw mixed sentiment, as investors oscillated between seeking attractive yields and selling off longer tenors. The DMO's NTB auctions, which offered larger amounts in mid-month and toward month-end, attracted higher subscriptions, driving stop rates upward. The revised auction calendar, which increased the offer size for March, led to sharper yield increases as investors expected better returns. Overall, the average mid-yield for the month declined by 4bps m/m to 19.74%.

In Q1 2025, the DMO held eight auctions, raising ₦5.53 trillion against ₦5.15 trillion offered, with total subscriptions hitting ₦15.20 trillion. Meanwhile, the CBN's four OMO auctions sold ₦4.57 trillion—exceeding its ₦2.3 trillion offer—amid ₦8.24 trillion in bids. On a quarterly basis, NTB yields decreased by 6.25%.

MARCH 2025 NTB AUCTION RESULT

Tenor	Feb'25 Close	Mar'25 Auc 1	Mar'25 Auc 2	Mar'25 Auc 3	Mar'25 Auc 4	Change M-o-M (basis points)
91	17.00%	17.00%	17.00%	18.00%	18.00%	+100.00
182	18.00%	17.75%	17.79%	18.50%	18.50%	+50.00
364	18.43%	17.82%	18.39%	19.94%	19.63%	+120.00

MARCH 2025 OMO AUCTION RESULT

Tenor	Feb'25 Close	Mar'25 Close	Change M-o-M (basis points)
Long	21.32%	19.19%	(213.49)
Long	21.45%	19.45%	(200.00)

Source: CBN, FMDQ, AIICO Capital

Outlook: Amid demand appetite by the FGN and global economic uncertainties, we anticipate yield stabilization as investors remain cautious. April is expected to see maturities totaling ₦1.29 trillion.

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MARKET UPDATE.../3

FGN Bond Market – *Local Bond Yields Rise Amid Caution and Liquidity Squeeze*

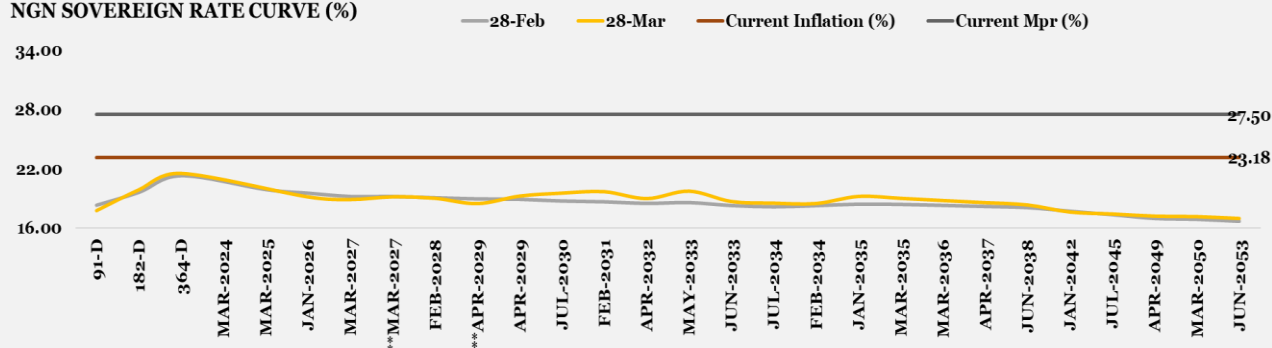
The local bonds market in March experienced subdued activity due to limited investor interest and a liquidity squeeze. Early in the month, demand was concentrated on the April 2029, February 2031, and May 2033 papers, but offers remained scarce. Throughout the month, trading volumes stayed low, with wide bid/ask spreads restricting transactions. Midway through the month, market sentiment became more cautious as participants awaited the Debt Management Office's (DMO) bond auction. The March auction saw ₦271.23 billion allotted competitively across April 2029 and May 2033 bonds, with stop rates of 19.00% and 19.99%, respectively. Post-auction, unmet demand spilled into the secondary market, sparking some activity. However, selling pressure on mid- to long-tenor bonds persisted, with the market remaining generally bearish. By the end of the month, the average mid-yield for the local bond market rose by 21bps m/m to settle at 18.63%.

The quarter began with rising yields (+83bps) and the successful debut of the 10-year FGN 22.60% Jan 2035 bond, oversold by ₦168bn. Foreign investor interest grew amid high yields. The CBN held rates at 27.50%, while DMO's removal of the Jan 2035 bond from auctions sparked a rally. Bearish sentiments persisted as investors targeted mid-curve bonds. March saw selloffs after a bond switch, pushing yields up. The DMO sold a total of ₦1.94 trillion (Non-comp - ₦152.45 billion) across tenors during the quarter, against ₦1.1 trillion offered, with total subscriptions hitting ₦2.83 trillion. Liquidity shifts and maturities (₦562bn Mar 2025) drove short-tenor activity. On a quarterly basis, the average mid-yield declined by 95bps.

MARCH 2025 BOND AUCTION RESULT

Non-comp	Maturity	Offer (₦'bn)	Sub (₦'bn)	Allot (₦'bn)	Marginal Rate	Feb'25 Close	Change M-o-M (basis points)
91.30	17-Apr-29	200.00	59.07	4.69	19.00%	19.20%	(20.00)
61.15	15-May-33	100.00	471.24	266.54	19.99%		
		300.00	530.31	271.23			
			Non-comp	152.45			
			Total	423.68			

NGN SOVEREIGN RATE CURVE (%)



Source: FMDQ, NBS, CBN, AIICO Capital

Outlook: Investors are expected to remain cautious while evaluating yield opportunities. With c.₦478.18 billion in coupon inflows anticipated for April, we project increased buy-side activity toward month-end.





MARKET UPDATE.../4

Eurobonds Market – *Nigerian Eurobonds Rise Amid Volatility and Global Trade Concerns*

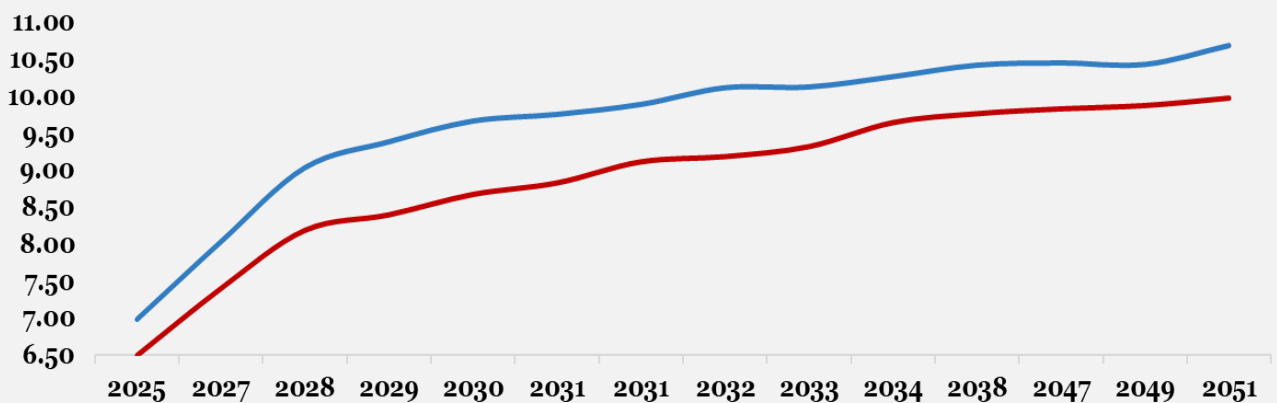
The Eurobond market exhibited notable volatility throughout March, driven by shifting global economic conditions and geopolitical uncertainties. The month began on a positive note, with Nigerian Eurobonds experiencing strong gains amid optimism following Nigeria's three-year high GDP growth. However, the initial optimism faded mid-month as U.S. trade tensions escalated, with tariffs on major trading partners fueling fears of a global trade war. This concern triggered broad sell-offs, particularly in Sub-Saharan African bonds.

The market saw brief rebounds, especially after softer-than-expected U.S. inflation data and rising oil prices, which initially supported Nigerian and Angolan bond yields. However, the rally was short-lived, as trade tensions, weak job reports from the U.S., and geopolitical risks weighed heavily on market sentiment. By the end of the month, the Nigerian Eurobond yields closed higher at 9.67%, up 76bps m/m, marking a clear shift in investor sentiment toward risk-off trades.

In Q1 2025, The Sub-Saharan Africa Eurobond market faced dual pressures from global headwinds and domestic reforms. A new U.S. tariff war disrupted trade expectations, while steady Fed rates offered limited refinancing relief. China's slower-than-expected recovery dampened commodity demand, squeezing exporters. Regionally, reforms like Nigeria's inflation rebasing and Ghana's policy shifts aimed to stabilize economies. Geopolitical tensions further complicated matters, benefiting oil exporters but raising costs for importers. These intersecting factors—tariff risks, commodity volatility, and policy recalibration—drove yield fluctuations as investors reassessed SSA risk premiums amid evolving global uncertainties.

Nigerian Sovereign Eurobond Yield Curve

— 28-Feb-25 — 31-Mar-25



Source: FBN UK, AIICO Capital

Outlook: Q2 2025 should see continued SSA Eurobond volatility, with gradual stabilization possible. While U.S. tariff risks persist, better global liquidity may offer relief. Investors will likely stay cautious - favoring short-end exposure and bonds from reform-focused economies with strong monetary frameworks.

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MARKET UPDATE.../5

Equities Market Performance – Profit-taking Prevails in the Equity Market as Investors' Wealth Declines by 2%

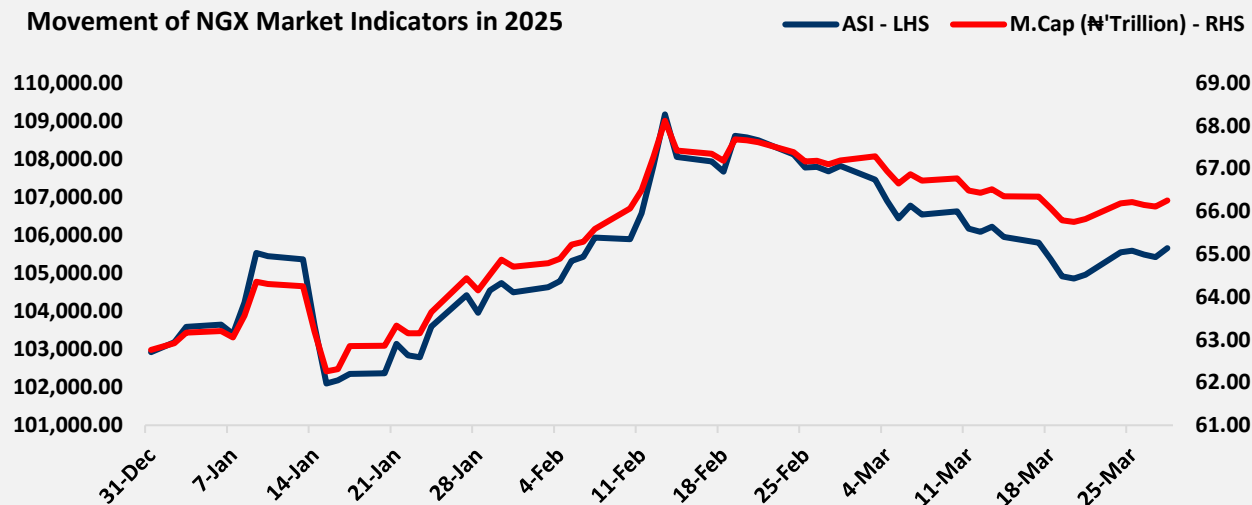
Profit-taking dominated the Nigerian stock market in March, as the NGX All-Share Index (NGX-ASI) declined by 2.00%, halting three consecutive months of gains. The NGX-ASI closed at 105,660.64 points, reflecting a 2.00% month-on-month (M-o-M) drop. Meanwhile, market capitalization fell by 1.4% to ₦66.26 trillion. The divergence between market capitalization and the NGX-ASI was attributed to the listing of additional shares by Sterling Financial Holdings Company Plc, valued at ₦75 billion through a private placement.

The negative sentiment was largely driven by price declines in bellwether stocks, including UCAP, OANDO, ACCESSCORP, BUACEMENT, MTNN, MRS, ZENITHBANK, WAPCO, and GEREGU, among others.

Across sector performance, all five major indices recorded losses, led by Oil & Gas (-4.02%), Industrial Goods (-3.59%), Insurance (-2.48%), Consumer Goods (-1.30%), and Banking (-0.49%).

Market activity, however, slowed down, with investors trading 15.42 billion shares worth ₦557.8 billion across 243,266 deals, compared to 9.21 billion shares worth ₦254.7 billion across 287,465 deals in February 2025.

Movement of NGX Market Indicators in 2025



Source: NGX, AIICO Capital

Market Sector	Mar-24	Feb-25	Mar-25	YTD
NGX-ASI	4.58%	2.94%	-2.00%	2.66%
Banking	21.21%	-3.20%	-0.49%	6.96%
Consumer Goods	-0.78%	2.49%	-1.30%	4.86%
Industrial Goods	-0.92%	10.87%	-3.59%	-2.30%
Insurance	10.44%	0.38%	-2.48%	-2.71%
Oil & Gas	-0.66%	-5.23%	-4.02%	-9.34%

Source: NGX, AIICO Capital

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MARKET UPDATE.../6

Top 10 Decliner	Close	Open	%Change
REDSTAREX	4.82	6.60	-27.0%
AFRIPRUD	13.05	17.70	-26.3%
UCAP	16.50	22.20	-25.7%
TRANSCOR	44.40	57.00	-22.1%
INTENEGI	1.62	2.01	-19.4%
DANGSUGA	33.10	40.00	-17.3%
CAVERTON	2.45	2.95	-16.9%
OANDO	48.35	58.05	-16.7%
WAPIC	2.18	2.60	-16.2%
IKEJAHOT	10.30	12.10	-14.9%

Top 10 Performer	Close	Open	%Change
MBENEFIT	1.05	0.61	72.1%
TANTALIZ	2.90	1.90	52.6%
ABBHEYBDS	4.73	3.60	31.4%
SCOA	4.47	3.44	29.9%
SUNUASSU	6.65	5.31	25.2%
NNFM	87.75	72.55	21.0%
LIVESTOC	8.70	7.43	17.1%
ROYALEX	1.05	0.90	16.7%
UHOMREIT	51.25	44.25	15.8%
GTCO	68.80	61.20	12.4%

Source: NGX, Bloomberg, AIICO Capital

Outlook: In April, we expect the market to trade higher as investors begin to position for dividend payments and take advantage of recent profit-taking opportunities. However, the ongoing global tariff war may trigger further sell-downs and introduce volatility to the market.



Contact us now to receive valuable investment guidance today.



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