WEEKLY FINANCIAL MARKETS.

MARKET COMMENTARY

Friday, 25 April 2025

System Liquidity

System liquidity remained robust this week, driven by inflows from CBN FX swaps, FAAC disbursements (c.₦300 billion), Remita receipts, and FGN bond coupon payments (₦229.39 billion), which outweighed FX settlement and CRR outflows. Interbank liquidity opened at ₦368.21 billion and improved by ₦1.418 trillion to close at ₦1.785 trillion. Money market rates stayed anchored around 26.5% despite a ₦714.38 billion NTB settlement and a ₦1.008 trillion OMO auction. The Overnight Policy Rate (OPR) and Overnight (O/N) rate closed at 26.50% and 26.88% respectively, down 5.10% and 5.17% w/w.

Outlook*: System liquidity should stay ample with ₦259.69 billion bond coupon inflows offsetting auction settlements, likely keeping rates anchored near current levels barring new funding shocks.*

SYS. LIQ. (₦'BN)		Diff.
25-Apr-25	1,784.96	↑ 1,887.98
17-Apr-25	(103.02)	
Source: CBN		

Treasury Bills

The treasury bills market opened the week on a soft note, with Dec-25 and Mar-26 papers driving early activity. Trading turned quiet midweek as focus shifted to the NTB auction, which recorded strong demand, with subscriptions of ₦1.54 trillion against ₦400 billion offered. The DMO eventually sold ₦714.38 billion, with stop rates declining across tenors. The 91-day papers fell 50 bps to 18.00%, 182 day dropped 100 bps to 18.50% and 364 day edged 3 bps lower to 19.60%. Following the auction, profit-taking activities picked up, especially on the newly issued 23-Apr-2026 bill, though overall bid interest remained limited. Later in the week, the market slowed again following the announcement of an OMO auction, where ₦1.008 trillion was sold against ₦1.39 trillion in subscriptions. Stop rates closed higher at 22.37% (+3.18%) and 22.73% (+3.28%) across the two OMO tenors. Overall, the benchmark NTB average mid-rate fell 26bps w/w to settle at 19.45%.

Outlook: *We anticipate mixed trading in the treasury bills market next week..*

FGN Bonds

The FGN bonds market traded quietly throughout the week, with steady but cautious interest concentrated in mid-curve papers, particularly the February 2031 and 2034 maturities. Market participants largely adopted a wait-and-see approach ahead of the upcoming bond auction, leading to subdued activity. Some cherry-picking was observed in select tenors, especially June 2053 and other mid-duration papers, but overall market flow remained light. Despite the muted trading sentiment, yields trended lower, reflecting modest buying interest. By week's end, the average mid-yield across the curve declined by 6 bps w/w to settle at 18.76%.

Outlook: *The DMO will auction ₦350 billion in bonds on Monday, reopening two tenors: 19.30% APR 2029 and 19.89% May 2033 papers. Thus, we expect a relatively muted start.*

BENCHMARK T-BILLS DISCOUNT RATES	25-Apr-25	17-Apr-25	Change in Rates
90 DAYS	17.55%	17.12%	↑ 0.43%
181 DAYS	18.00%	18.50%	↓ -0.50%
335 DAYS	19.20%	18.35%	↑ 0.85%
Source: FMDQ DQL for 25-Apr-2025			

BENCHMARK FGN BOND YIELDS	25-Apr-25	17-Apr-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.60%	19.78%	↓ -0.18%
10 YRS: 22.60% 29-JAN-2035	19.62%	19.04%	↑ 0.58%
13 YRS: 15.45% 21-JUN-2038	18.37%	18.37%	↑ 0.00%
28 YRS: 15.70% 21-JUN-2053	17.15%	17.15%	↑ 0.00%
Source: FMDQ DQL for 25-Apr-2025			

NTB AUCTION RESULT - 23 April 2025			
AUCTION DATE	23-Apr-25		
SETTLEMENT DATE	24-Apr-25		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	24-Jul-25	23-Oct-25	23-Apr-26
OFFER AMOUNT (₦'BN)	50.0000	100.0000	250.0000
SUBSCRIPTION AMOUNT (₦'BN)	107.3820	53.3618	1,380.7865
ALLOTMENT AMOUNT (₦'BN)	**51.3706**	**12.7228**	**650.2836**
RANGE OF BIDS	17.00% - 19.20%	17.99% - 20.10%	18.49% - 5.000%
CURRENT STOP RATE: DISCOUNT (YIELD)	**18.000% (18.846%)**	**18.500% (20.380%)**	**19.600% (24.362%)**
LAST STOP RATE: DISCOUNT (YIELD)	18.500% (19.395%)	19.500% (21.600%)	19.630% (24.408%)
CHANGE: DISCOUNT (YIELD)	**-0.500% (-0.549%)**	**-1.000% (-1.220%)**	**-0.030% (-0.046%)**

Eurobonds

African Eurobonds sustained a bullish trend throughout the week, with Nigerian papers leading gains. Early sessions saw mixed sentiment and selling pressure, but markets rebounded strongly, supported by rising oil prices, a softer U.S. dollar, and robust demand for Nigerian, Angolan, and Egyptian sovereigns. Positive global cues, including reassurances on Fed leadership and potential easing of U.S.-China tariffs, further bolstered risk appetite. Nigerian Eurobonds responded positively, with yields falling consistently. By week's end, the rally cooled slightly as some investors booked profits, but sentiment remained firm. Overall, Nigerian Eurobond yields dropped 41bps w/w to close at 9.99%.

Outlook: *Current sentiment should extend into next week, though with heightened caution tempering activity.*

BENCHMARK FGN EUROBOND YIELDS			
	25-Apr-25	17-Apr-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.62%	9.86%	-0.24%
10 YRS: NGERIA 7.375% 09/29/3	10.28%	10.56%	-0.28%
15 YRS: NGERIA 7.696% 23/02/3	10.49%	10.83%	-0.34%
30 YRS: NGERIA 8.25% 09/29/51	10.85%	11.22%	-0.37%
8.75% ETI 06/17/31*	9.44%	9.78%	-0.34%

Source: FBN UK Runs for 25-Apr-2025

Nigerian Equities

The equities market posted a positive performance this week, as the All-Share Index rose by 1.46% w/w to close at 105,752.61 points. Gains were driven by bargain hunting in MTNN, WAPCO, GTCO, NESTLE, ZENITHBANK, UBA, DANGSUGAR, TRANSCORP, ACCESSCORP, INTBREW, and ETI, despite a selloff in DANGCEM. Investor sentiment was largely shaped by Q1 earnings releases, with notable interest in UBA, WAPCO, NASCON, and NB. Offshore activity remained subdued, mainly focused on NB and GTCO. Key events included Legend Internet Plc's listing and several dividend markdowns. Notably, NB, NESTLE, WAPCO, INTBREW, and TIP hit new 52-week highs. Meanwhile, Wema Bank's ongoing rights issue remains open at ₦10.45 per share, closing on May 21, 2025.

Outlook: *Market sentiment will likely be shaped by anticipated Q1 earnings, though recent gainers may face profit-taking.*

Top 5 Equity Advancers W-o-W

Ticker	Px	% Change	Points	% Mov
MTNN	255.50	5.58%	504.65	33.41%
WAPCO	81.00	13.29%	281.03	18.60%
GTCO	63.00	6.78%	216.21	14.31%
NESTLE	1,100.00	10.00%	145.57	9.64%
ZENITHBANK	46.50	5.68%	144.15	9.54%

Source: NGX, AIICO Capital

Top 5 Equity Decliners W-o-W

Ticker	Px	% Change	Points	% Mov
DANGCEM	432.00	-10.00%	1,502.18	-99.44%
MRS	157.50	-9.95%	10.96	-0.73%
CUSTODIAN	17.20	-3.91%	7.56	-0.50%
FCMB	9.10	-1.62%	5.46	-0.36%
WAPIC	2.07	-5.05%	4.85	-0.32%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	-0.30%	1.46%	0.09%	2.75%
NSE Banking Index	1.55%	5.06%	-2.62%	4.15%
NSE Insurance Index	1.50%	7.30%	-4.13%	-6.73%
NSE Industrial Goods Index	-4.73%	-3.44%	-3.90%	-6.11%
NSE Consumer Goods Index	2.21%	8.65%	9.50%	14.82%
NSE Oil & Gas Index	0.07%	-0.07%	-1.53%	-10.73%

Source:NGX, Bloomberg, AIICO Capital

Foreign Exchange

At the start of the week, the FX market opened quietly after the holidays but turned bullish on the USD, prompting the CBN to intervene with an estimated $50 million sale at $/₦1598.85–1605.00. Throughout the week, liquidity improved with inflows from oil and gas exporters, alongside consistent CBN interventions totaling about $1.31 billion month-to-date. Volatility eased, narrowing bid-offer spreads to ₦2–₦3, while the pair traded within $/₦1599–1606. Despite improved sentiment, the Naira slightly depreciated by 2.4bps w/w to close at $/₦1599.55. The foreign reserve dipped by c.$66 million to $37.81 billion as of April 24, 2025.

Outlook: *The recent OMO auction shows the CBN's readiness to use all monetary policy tools to maintain the Naira's stability within its current range.*

NFEM RATE ($/₦)		Diff.
25-Apr-25	1,599.5491	
17-Apr-25	1,599.9384	(0.3893)

Source: FMDQ

Commodities

Oil prices ticked higher on Friday but recorded a weekly loss, weighed down by oversupply concerns and uncertainty over U.S.-China trade talks. Brent crude futures rose 32 cents to settle at $66.87 a barrel, ending the week down 1.6%. U.S. West Texas Intermediate (WTI) crude added 23 cents to $63.02, posting a 2.6% weekly drop. Meanwhile, gold prices slipped 2% on Friday and were set for a weekly decline as the dollar strengthened and optimism over U.S.-China trade relations pressured demand for the safe-haven asset. Spot gold fell 1.7% to $3,292.99 an ounce by 1:39 p.m. EDT after earlier dropping by as much as 2%. Bullion recorded a 1.2% loss for the week, reversing some of its recent gains.

Outlook: *Persistent trade tensions between major oil consumers and potential OPEC+ production increases from June are tempering expectations for further price gains.*

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (MARCH 2025)	24.23% (Feb'25: 23.18%)
EXTERNAL RESERVE (US$'BILLION)	37.81 (-7.50% YTD as of 24-Apr-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US$/BBL	*66.87 (-1.09 w/w)

Source: NBS,CBN, AIICO Capital

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	20.92
AIICO BALANCED FUND	5.68
AIICO EUROBOND FUND	7.14

As of April 24, 2025

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