

DAILY MARKET INSIGHTS.



Monday, 07 July 2025

MARKET COMMENTARY

System Liquidity

Liquidity tightened further today after the CRR debit settlement, keeping rates near 28%. The Overnight Policy Rate (OPR) eased slightly to 26.75% (-8bps), while the Overnight (O/N) rate fell to 27.25% (-17bps).

Outlook: Rates should stay near current levels tomorrow barring any major shock.

	SYS. LIQ. (₹BN)	Diff.
7-Jul-25	275.53	
4-Jul-25	468.52	↓ (192.99)

Source: CBN

Treasury Bills

The week started strong as investors turned to the secondary market, driving prices higher. With no NTB auction scheduled, demand concentrated on the 9 October bill. Overall, the average mid-rate across the benchmark NTB papers fell 6bps to 18.27%.

Outlook: The upward trend is likely to continue, backed by decent market liquidity, even as investors await the Q3 NTB issuance calendar.

BENCHMARK T-BILLS DISCOUNT RATES			
	07-Jul-25	04-Jul-25	Change in Rates
94 DAYS	16.50%	17.73%	↓ -1.23%
185 DAYS	18.64%	18.43%	↑ 0.21%
346 DAYS	17.40%	17.40%	→ 0.00%

Source: FMDQ DQL for 07-Jul-2025

FGN Bonds

The bond market rallied today, with strong demand across maturities, especially the Feb 2031s and May 2033s, which saw yields drop 40bps from Friday's levels. The DMO released its Q3 2025 bond issuance calendar, announcing re-openings of the 17 April 2029 and 25 June 2032 papers. Active trading pushed the average yield down to 17.01%.

Outlook: The positive momentum is likely to extend into tomorrow as investors react to the newly released bond calendar showing limited supply.

BENCHMARK FGN BOND YIELDS			
	07-Jul-25	04-Jul-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	17.94%	17.80%	↑ 0.14%
10 YRS: 22.60% 29-JAN-2035	17.25%	17.45%	↓ -0.20%
13 YRS: 15.45% 21-JUN-2038	15.93%	15.95%	↓ -0.01%
28 YRS: 15.70% 21-JUN-2053	15.90%	16.04%	↓ -0.14%

Source: FMDQ DQL for 07-Jul-2025

Eurobonds

Trading was mixed with a cautious tone as Trump's new tariff threats weighed on sentiment. The US plans 25% duties on Japanese and South Korean imports from August, plus a 10% levy on BRICS-aligned nations. These warnings followed BRICS' criticism of US trade policy at their recent summit. Nigerian Eurobond yields edged up 3bps to 8.63% amid the uncertainty.

Outlook: The current market mood should hold tomorrow, with rising oil prices offering key support to Nigerian and Angolan bonds.

BENCHMARK FGN EUROBOND YIELDS			
	07-Jul-25	04-Jul-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	7.93%	7.97%	↓ -0.04%
10 YRS: NGERIA 7.375% 09/29/31	9.06%	9.03%	↑ 0.03%
15 YRS: NGERIA 7.696% 23/02/31	9.37%	9.41%	↓ -0.04%
30 YRS: NGERIA 8.25% 09/29/51	9.98%	9.95%	↑ 0.03%
8.75% ETI 06/17/31*	9.74%	9.88%	↓ -0.14%

Source: FBN UK Runs for 07-Jul-2025

Nigerian Equities

The Nigerian equities market closed higher, with the All-Share Index (ASI) advancing by 25bps to 121,295.33 points to extend its year-to-date return to 17.85%. Sentiment was broadly positive as 53 stocks gained while 23 declined. TRIPPLEG, UPDCREIT, ELLAHLAKES, and CADBURY all topped the gainers' chart with 10% gains, while SUNUASSUR (-10%) led the laggards. Sector performance was mostly bullish. The NGX Banking Index rose 94bps on gains in GTCO, UBA, and ZENITHBANK, despite losses in FCMB, WEMABANK, and ACCESSCORP. The NGX Consumer Index gained 75bps, buoyed by gains in CADBURY (+10%), PZ, CHAMPION, and DANGSUGAR. The Oil & Gas Index inched up 1bp, while the Industrial Index was flat, as losses in BERGER and CUTIX were offset by gains in MEYER and TRIPPLEG. Trading activity improved, with value traded rising 31.23% to \$9.43m. Key trades included a 36m NB cross at ₦63.00 and 800k NESTLE at ₦1,500.00. ZENITHBANK and GTCO saw decent flows outside of block trades.

Outlook: We expect a similar activity tomorrow.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
CADBURY	53.35	4.85	↑ 10.00%
ELLAHLAKES	8.91	0.81	↑ 10.00%
TRIPPLEG	2.97	0.27	↑ 10.00%
REDSTAREX	9.20	0.83	↑ 9.92%
NGXGROUP	51.00	4.60	↑ 9.91%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
SUNUASSUR	4.50	-0.50	↓ -10.00%
RTBRISCOE	3.30	-0.35	↓ -9.59%
PRESTIGE	1.20	-0.12	↓ -9.09%
UPDC	4.35	-0.39	↓ -8.23%
BERGER	30.50	-2.50	↓ -7.58%

Source: NGX, AIICO Capital

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	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.25%	↑ 1.08%	↑ 1.10%	↑ 17.85%
NSE BANKING INDEX	↑ 0.94%	↑ 1.06%	↑ 2.17%	↑ 20.63%
NSE INSURANCE INDEX	↑ 0.39%	↑ 6.28%	↑ 5.54%	↑ 11.06%
NSE INDUSTRIAL GOODS INDEX	↓ 0.00%	↓ -2.11%	↓ -1.70%	↑ 0.11%
NSE CONSUMER GOODS INDEX	↑ 0.75%	↑ 4.86%	↑ 4.04%	↑ 58.37%
NSE OIL & GAS INDEX	↑ 0.01%	↑ 0.78%	↑ 1.08%	↓ -9.16%

Foreign Exchange

The interbank NFEM maintained its stability, with active market participation. The USD/NGN pair traded within a range of \$/₦1,520.00 to \$/₦1,531.00, while the Naira appreciated slightly by 2bps to close at \$/₦1,528.3301. As of July 4, 2025, gross FX reserves stood at approximately \$37.18 billion, marking a day-on-day increase of around \$556,000.

Outlook: The Naira is expected to remain stable at current levels

NFEM RATE (\$/₦)		Diff.
7-Jul-25	1,528.3301	
4-Jul-25	1,528.5616	↓ (0.2315)

Source: FMDQ

Commodities

Oil prices rose nearly 2% on Monday as signs of strong demand more than offset the impact of a higher-than-expected OPEC+ output hike for August and fresh concerns about the potential impact of U.S. tariffs. Brent crude futures settled \$1.28, or 1.9%, at \$69.58. U.S. West Texas Intermediate crude settled 93 cents or 1.4%, at \$67.93. Early in the session, Brent had fallen as low as \$67.22 and WTI's session low was \$65.40. Gold prices pared earlier losses on Monday after U.S. President Donald Trump announced a 25% tariff on goods from Japan and South Korea starting August 1, prompting some safe-haven interest, though a strong U.S. dollar continued to add pressure on the yellow metal. Having initially slid more than 1% on a strong U.S. dollar, spot gold recovered to be down 0.1% at \$3,332.62 an ounce by 0149 p.m. EDT (1749 GMT).

Outlook: While supply is clearly increasing, demand continues to outpace expectations, keeping the market balanced.

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (MAY 2025)	22.97% (Apr'25: 23.71%)
EXTERNAL RESERVE (US\$BILLION)	37.18 (-9.04% YTD as of 04-Jul-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*69.58 (+1.28 d/d)

Source: NBS, CBN, AIICO Capital