DAILY MARKET INSIGHTS.

Monday, 11 August 2025

MARKET COMMENTARY

System Liquidity

Liquidity remained positive but moderated, as system balances fell by ₦436.38Bn, prompting banks to increase their use of the SLF window, with borrowings rising sharply to ₦186.3Bn (from ₦25.0Bn previously). Despite the tighter liquidity backdrop, funding costs eased slightly as the Overnight Policy Rate (OPR) remained dipped 8bps to 26.42%, while the Overnight (O/N) rate held at 27.00%.

Outlook: *Rates are expected remain at similar level, except for any significant funding activity.*

SYS. LIQ. (₦'BN)		Diff.
11-Aug-25	313.92	
8-Aug-25	750.31	(436.38)
Source: CBN		

Treasury Bills

The NTB secondary market kicked off the new week on a mixed note, as ample system liquidity drove mild yield declines on parts of the curve. The 06 Nov 2025 bill led the gains, dropping 32bps to 16.09%. This was offset by upward repricing in the 05 Feb 2026 paper, which rose 32bps to 17.23%, leaving the average benchmark yield relatively lower by 1bps to 16.44%.

Outlook: *Trading activity to align with the available liquidity.*

BENCHMARK T-BILLS DISCOUNT RATES	11-Aug-25	08-Aug-25	Change in Rates
87 DAYS	16.09%	16.41%	-0.32%
178 DAYS	17.23%	16.91%	0.32%
360 DAYS	16.35%	16.35%	0.00%
Source: FMDQ DQL for 11-Aug-2025			

FGN Bonds

The FGN bond market opened the week mixed, with trading activity concentrated in the short-to-mid segment of the curve. At the long end, FGN 2037 and FGN 2038 saw notable sell pressure, pushing yields up by +52bps and +19bps, respectively. On the other hand, the FGN 2029 outpaced, by dropping 35bps. Mid-tenor papers edged higher, with FGN 2031 and FGN 2033 closing at 17.15% and 17.10%. Overall, the average benchmark yield rose slightly by 2bps to 16.53%.

Outlook: *We expect sustained sentiment from investors.*

BENCHMARK FGN BOND YIELDS	11-Aug-25	08-Aug-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	16.86%	16.87%	-0.01%
10 YRS: 22.60% 29-JAN-2035	15.66%	15.65%	0.01%
13 YRS: 15.45% 21-JUN-2038	15.87%	15.68%	0.19%
28 YRS: 15.70% 21-JUN-2053	15.92%	15.92%	0.00%
Source: FMDQ DQL for 11-Aug-2025			

Eurobonds

Despite decline in global oil price, African Eurobonds sustain their rally as market participants focus on the President Trump's meeting with President Putin on Friday. Notably, average yields on Nigerian Eurobonds dropped 5bps to 7.99%.

Outlook*: We anticipate sustain sentiment.*

BENCHMARK FGN EUROBOND YIELDS			
	11-Aug-25	08-Aug-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	7.17%	7.25%	-0.08%
10 YRS: NGERIA 7.375% 09/29/33	8.45%	8.50%	-0.05%
15 YRS: NGERIA 7.696% 23/02/38	9.01%	9.03%	-0.02%
30 YRS: NGERIA 8.25% 09/29/51	9.65%	9.68%	-0.03%
8.75% ETI 06/17/31*	6.87%	7.49%	-0.62%
Source: FBN UK Runs for 11-Aug-2025			

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.09%	1.26%	4.30%	41.73%
NSE BANKING INDEX	0.44%	-0.39%	0.21%	48.81%
NSE INSURANCE INDEX	9.74%	49.59%	54.28%	91.15%
NSE INDUSTRIAL GOODS INDEX	-1.47%	1.34%	10.87%	51.63%
NSE CONSUMER GOODS INDEX	0.97%	4.18%	11.08%	87.91%
NSE OIL & GAS INDEX	-0.56%	0.74%	-2.11%	-10.51%

Nigerian Equities

On Monday, the Nigerian equities market rebounded after last Friday's decline, as the NGX All-Share Index (NGX-ASI) rose by 9bps to close at 145,880.77 points. The rally was largely driven by a +9.74% surge in insurance stocks, fueled by positive investor sentiment towards the sector following the Insurance Industry Act of 2025. Similarly, the Consumer Goods Index advanced by +0.97% on the back of price gains in BUAFOODS, while the Banking Index inched up +0.44%, supported by modest increases in ACCESSCORP (+0.36%) and FIDELITYBK (+0.47%). Conversely, the Industrial Goods and Oil & Gas indices fell -1.47% and -0.56%, respectively, due to profit-taking in WAPCO, HONYFLOUR, and OANDO. Market breadth remained positive, with 40 gainers outpacing 36 losers. Major deals includes 15m STANBIC at ₦111.0, 75m STERLINGNG at ₦8.2, 25.7m ETI at ₦37. and 588.7m LINKASSURE at ₦2.26.

Outlook: *Cautious trading to prevail amidst profit-taking and investors' appetite on the Insurance stocks.*

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
AIICO	3.85	0.35	10.00%
SUNUASSUR	5.50	0.50	10.00%
VERITASKAP	2.31	0.21	10.00%
STANBIC	111.10	10.10	10.00%
TIP	13.20	1.20	10.00%
Source: NGX, AIICO Capital			

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ABBEYBDS	5.67	-0.63	-10.00%
ABCTRANS	4.50	-0.50	-10.00%
UACN	75.25	-8.35	-9.99%
HMCALL	4.36	-0.48	-9.92%
VFDGROUP	12.10	-1.30	-9.70%
Source: NGX, AIICO Capital			

Foreign Exchange

The Naira traded negative at the Nigerian interbank NFEM, with the USD/NGN rate ranging between ₦1,538.45 and ₦1,526.00. The Naira dipped by depreciating 23bps to close at ₦1,5338.45 to the dollar. As of August 8, 2025, Nigeria's gross foreign reserves rose to about $40.29 billion, representing a gain of about $132.74 million, compared to the previous session.

Outlook: *We anticipate rate moderation around similar level amidst growing external reserve..*

NFEM RATE ($/₦)		Diff.
11-Aug-25	1,538.4500	
8-Aug-25	1,534.9000	3.5500
Source: CBN		

Commodities

Global oil prices rose, after China cut down crude import from Saudi Arabia amidst price increase to Asia countries. Brent crude spiked 13cents to $66.72 per barrel, while U.S. West Texas Intermediate appreciates by 16cents to $64.04. However, gold fell as investors awaited White House clarification regarding potential U.S. tariffs on imported gold bars as well as a U.S. inflation report that could provide an indication of the Federal Reserve's rate outlook. Spot gold dipped by 1.27% to $3,355.86 per ounce, while U.S. gold futures closed $87.28 lower at $3,404.02.

Outlook: *Commodity prices are expected to trade cautiously tomorrow as China source for another trading partners.*

MACRO INDICATORS	
GDP (Q1 2025)	+3.13% (Q4: 2024 +3.76% y/y)
INFLATION (JUNE 2025)	22.22% (May'25: 22.97%)
EXTERNAL RESERVE (US$'BILLION)	40.29 (-1.43% YTD as of 08-Aug-25)
MONETARY POLICY RATE (JULY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US$/BBL	*66.72 (+0.13 d/d)
Source: NBS,CBN, AIICO Capital	