DAILY MARKET INSIGHTS.

Thursday, 7 August 2025

MARKET COMMENTARY

System Liquidity

The system liquidity rebound to an opening of ₦229.4 billion surplus amidst ₦173.25 billion NTB settlement. Meanwhile, funding rates remains relatively stable as the Overnight Policy Rate (OPR) remained flat at 26.6%, while the Overnight (O/N) rate increased by 2bps to 27.02%.

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

SYS. LIQ. (₦'BN)		Diff.
7-Aug-25	229.44	1,840.61
6-Aug-25	-1,611.16	
Source: CBN		

Treasury Bills

The NTB market traded mixed with a bearish tone, as limited demand for the new 1-year bill and sell-offs in mid-tenors pushed the average yield up by 9bps to 17.92%. Only the 05 Feb 2026 paper saw buying interest, dipping 10bps.

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

BENCHMARK T-BILLS DISCOUNT RATES

	07-Aug-25	06-Aug-25	Change in Rates
91 DAYS	17.11%	17.07%	0.04%
182 DAYS	18.09%	18.19%	-0.10%
350 DAYS	16.07%	16.07%	0.00%
Source: FMDQ DQL for 07-Aug-2025			

FGN Bonds

The FGN bond market traded on a positive note, with interest concentrated at the mid-end of the curve. Significant upward repricing was observed in the FGN 2029, FGN 2031, and FGN 2032 papers, as yields advanced to 15.90%, 16.85%, and 16.30%, respectively. Conversely, the FGN 2033 defied the trend, with yield rising by 10bps to 16.65%. Overall, the average benchmark yield dipped by 6bps to 15.69%.

Outlook: *We expect sustained sentiment from investors.*

BENCHMARK FGN BOND YIELDS

	07-Aug-25	06-Aug-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	15.90%	16.75%	-0.85%
10 YRS: 22.60% 29-JAN-2035	15.35%	15.35%	0.00%
13 YRS: 15.45% 21-JUN-2038	15.00%	15.00%	0.00%
28 YRS: 15.70% 21-JUN-2053	15.70%	15.50%	0.20%
Source: FMDQ DQL for 07-Aug-2025			

Eurobonds

African Eurobonds sustain their rally amid OPEC's continued monitoring of global oil supply and demand trends, alongside President Trump's recent remarks on Russian oil. Notably, average yields on Nigerian Eurobonds inched up by 7bps to 8.01%.

Outlook*: Focus to be on President Trump's further comments on Russia and China.*

BENCHMARK FGN EUROBOND YIELDS			
	07-Aug-25	06-Aug-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	7.18%	7.29%	-0.11%
10 YRS: NGERIA 7.375% 09/29/33	8.45%	8.49%	-0.04%
15 YRS: NGERIA 7.696% 23/02/38	9.03%	9.06%	-0.03%
30 YRS: NGERIA 8.25% 09/29/51	9.65%	9.67%	-0.02%
8.75% ETI 06/17/31*	7.34%	7.81%	-0.47%
Source: FBN UK Runs for 07-Aug-2025			

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.52%	4.80%	4.80%	42.40%
NSE BANKING INDEX	0.20%	-0.42%	-0.42%	47.88%
NSE INSURANCE INDEX	8.76%	32.49%	32.49%	64.15%
NSE INDUSTRIAL GOODS INDEX	-1.73%	14.28%	14.28%	56.29%
NSE CONSUMER GOODS INDEX	4.08%	10.04%	10.04%	86.16%
NSE OIL & GAS INDEX	-0.93%	-1.93%	-1.93%	-10.34%

Nigerian Equities

The Nigerian equities market extended its bullish run, as the NGX All-Share Index (NGX-ASI) rose by 52bps to close at 146,570.71 points. The rally was largely driven by an +8.70% gain in BUAFOODS, which lifted the Consumer Goods Index by +4.08%. Similarly, the Insurance Index advanced by +8.76%, with nearly all constituents hitting new all-time highs. The Banking Index rebounded by +0.20%, recovering from the previous session's profit-taking. On the other hand, the Industrial Goods and Oil & Gas indices declined by -1.73% and -0.93%, respectively, following profit-taking in BUACEMENT and OANDO. Market breadth remained positive, with 44 gainers outpacing 33 losers. Major deals includes 99.9m LINKASSURE at ₦1.91, 37.5m FIDELITYBK at ₦21, 25.7m VERITAZKAP at ₦2.01. and 15.7m GTCO at ₦99.55.

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

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
AIICO	3.19	0.29	10.00%
CORNERST	5.83	0.53	10.00%
MANSARD	13.31	1.21	10.00%
UPL	5.61	0.51	10.00%
GUINNESS	141.60	12.85	9.98%
Source: NGX, AIICO Capital			

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
CHAMS	2.90	-0.32	-9.94%
AUSTINLAZ	2.11	-0.23	-9.83%
CAVERTON	6.37	-0.68	-9.65%
UACN	81.50	-8.50	-9.44%
JOHNHOLT	7.20	-0.75	-9.43%
Source: NGX, AIICO Capital			

Foreign Exchange

The Naira traded positive at the Nigerian interbank NFEM, with the USD/NGN rate ranging between ₦1,535.99 and ₦1,531.99. The Naira gained slightly, appreciating by 15bps to close at ₦1,535.00 to the dollar. As of August 6, 2025, Nigeria's gross foreign reserves rose to about $39.99 billion, representing a gain of about $179.91 million, compared to the previous session.

Outlook: *We anticipate sustain rate moderation around similar level.*

NFEM RATE ($/₦)		Diff.
7-Aug-25	1,535.0000	
6-Aug-25	1,537.2500	(2.2500)
Source: CBN		

Commodities

Global oil prices dipped, wiping out early gains, after the announcement of a meeting between President Putin and President Trump in the coming days, raising expectations for a diplomatic end to the war in Ukraine. Brent crude shed 48 cents to $66.41 per barrel, while U.S. West Texas Intermediate depreciates by 54 cents to $63.81. However, gold rose to an over 2-week high, buoyed by safe-haven demand after U.S. President Donald Trump's tariffs went into effect and U.S. jobs data added to rate-cut expectations. Spot gold gained by 0.60% to $3,389.40 per ounce, while U.S. gold futures closed $16.03 higher at $3,452.25.

Outlook: *Commodity prices are expected to trade cautiously tomorrow as investors await the possible announcement of new tariffs on China, as hinted by President Trump.*

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$'BILLION)	39.99 (-2.16% YTD as of 06-Aug-25)
MONETARY POLICY RATE (JULY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US$/BBL	*66.41 (-0.48 d/d)
Source: NBS,CBN, AIICO Capital	