

WEEKLY FINANCIAL MARKETS.



Friday, 8 August 2025

MARKET COMMENTARY

System Liquidity

During the week, the money market experienced mild volatility as funding rates rose early on despite a robust liquidity surplus, supported by the CBN's SDF window. Mid-week, liquidity tightened sharply, swinging to a ₦1.61 trillion deficit following the ₦2.13 trillion OMO settlement. However, by the end of the week, system liquidity rebounded to ₦750.3 billion surplus. Consequently, the OPR closed flat at 26.50%, while the O/N rate inched up by 10bps to 26.70%

Outlook: Barring any significant liquidity constraint, we expect funding rates to remain relatively stable around the current level.

SYS. LIQ. (₦BN)	Diff.
8-Aug-25	750.31
1-Aug-25	1,606.82
	↓ (856.51)

Source: CBN

Treasury Bills

Trading in the Nigerian Treasury Bills market opened cautiously, as ample system liquidity did little to stem moderate yield increases across mid- to long-tenor bills, led by the 05 Mar 2026 (+38bps to 18.95%). Sentiment improved in the next session as focus shifted to the OMO auction, where the CBN sold a larger-than-expected ₦2.12 trillion, prompting a marginal 1bp drop in average yields.

Midweek activity was subdued ahead of the NTB auction, which saw c.₦173 billion issued across tenors, with the 1-year paper clearing at 16.50% (compared to 15.88% in the previous auction). Post-auction, bearish sentiment returned despite the under-sale, as sell-offs in mid-tenors (05 Mar, 09 Apr, and 07 May 2026) outweighed gains in the 05 Feb 2026 bill. Consequently, the market closed the week bearish, with the average benchmark yield rising 12bps w/w to 16.45%.

Outlook: We anticipate that investor activity will remain guided by prevailing market liquidity conditions.

BENCHMARK T-BILLS DISCOUNT RATES

	08-Aug-25	01-Aug-25	Change in Rates
90 DAYS	16.41%	16.37%	↑ 0.04%
181 DAYS	16.91%	16.45%	↑ 0.46%
349 DAYS	16.20%	15.73%	↑ 0.47%

Source: FMDQ DQL for 08-Aug-2025

NTB AUCTION RESULT - 06 August 2025

AUCTION DATE	06-Aug-25		
SETTLEMENT DATE	07-Aug-25		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	6-Nov-25	5-Feb-26	6-Aug-26
OFFER AMOUNT (₦BN)	60.0000	20.0000	140.0000
SUBSCRIPTION AMOUNT (₦BN)	22.6009	20.8714	323.0826
ALLOTMENT AMOUNT (₦BN)	15.3346	18.3203	139.5946
RANGE OF BIDS	14.48% - 18.00%	14.95% - 17.64%	14.95% - 21.02%
CURRENT STOP RATE: DISCOUNT (YIELD)	15.000% (15.000%)	15.500% (15.500%)	16.500% (19.750%)
LAST STOP RATE: DISCOUNT (YIELD)	15.000% (15.583%)	15.500% (16.798%)	15.880% (18.868%)
CHANGE: DISCOUNT (YIELD)	+0.000% (-0.583%)	+0.000% (-1.298%)	+0.620% (+0.882%)

FGN Bonds

The FGN bond market traded mixed through the week. Early sessions saw selling pressure in the short- to mid-tenor segment, with notable yield increases on the FGN 2029, FGN 2032, FGN 2034 and FGN 2034. Midweek, trading turned cautious as attention shifted to the c.₦2.12 trillion OMO and c.₦173.25 billion NTB PMA sales, prompting mixed moves at the mid-end. Sentiment improved thereafter, supported by selective buying in papers such as the FGN 2035s, which recorded a yield decline of 29bps. Towards the end of the week, activity was largely muted, with brief buy-side interest, moderate mid-tenor repricing, and mild short-end sell-offs before yields retraced. Overall, the market closed slightly bearish, with the average benchmark yield edging up 12bps w/w to 16.51%.

Outlook: We expect similar trading sentiment to persist.

BENCHMARK FGN BOND YIELDS				
	08-Aug-25	01-Aug-25	Change in Yield	
5 YRS: 19.30% 17-APR-2029	16.87%	16.71%	⬆️	0.16%
10 YRS: 22.60% 29-JAN-2035	15.65%	16.03%	⬇️	-0.38%
13 YRS: 15.45% 21-JUN-2038	15.68%	15.68%	➡️	0.00%
28 YRS: 15.70% 21-JUN-2053	15.92%	15.92%	➡️	0.00%

Source: FMDQ DQL for 08-Aug-2025

Eurobonds

The African Eurobond market traded mostly bullish during the week, as strong early buying momentum drove broad-based yield declines across maturities. Sentiment was buoyed by geopolitical tensions following President Trump’s threat of tariffs on countries importing Russian oil and the Bank of England’s dovish move to cut its policy rate to 4.0% from 4.25%. The Nigerian Eurobond segment mirrored this bullish trend, further supported by the CBN’s announcement of the settlement of all outstanding FX forwards, which boosted investor confidence in Nigeria’s economic reforms and spurred a rally. Consequently, the average benchmark yield fell 21bps w/w to 8.04%.

Outlook: Eurobond performance likely to hinge on global risk sentiment such as, U.S. rate expectations, oil price movements and country-specific fiscal and debt developments.

BENCHMARK FGN EUROBOND YIELDS			
	08-Aug-25	01-Aug-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	7.25%	7.49%	⬇️ -0.24%
10 YRS: NGERIA 7.375% 09/29/33	8.50%	8.70%	⬇️ -0.20%
15 YRS: NGERIA 7.696% 23/02/38	9.03%	9.17%	⬇️ -0.14%
30 YRS: NGERIA 8.25% 09/29/51	9.68%	9.81%	⬇️ -0.13%
8.75% ETI 06/17/31*	7.49%	7.97%	⬇️ -0.48%

Source: FBN UK Runs for 08-Aug-2025

Nigerian Equities

After a 26-session bullish streak, the Nigerian stock market closed the week on a negative note, slipping 52bps. Nonetheless, the market recorded a strong week-on-week performance, with the NGX All-Share Index (NGX-ASI) gaining 315bps to close at 145,751.91 points, after hitting a new all-time high of 146,570.71 points in the previous session. The rally was driven by robust gains in key stocks such as BUACEMENT (+13.62%), DANGCEM (+9.22%), BUAFOODS (+118.93%), GUINNESS (+33.06%), and several insurance counters, following President Tinubu’s approval of the Nigeria Insurance Industry Bill (2025). Four of the five major sectors closed the week positive, led by Insurance (+41.00% w/w), Industrial Goods (+8.73% w/w), Consumer Goods (+8.27% w/w), and Oil & Gas (+0.17% w/w), while the Banking index declined 0.75% w/w. Trading activity was notably high in insurance stocks, DANGCEM, BUACEMENT, and BUAFOODS.

Outlook: We anticipate profit-taking from the recent rallies, particularly in high-cap stocks. However, positive sentiment in the insurance sector is likely to persist.

	D-o-D	W-o-W	MTD	YTD
NGXASI	⬇️ -0.56%	⬆️ 3.18%	⬆️ 4.21%	⬆️ 41.61%
NSE Banking Index	⬆️ 0.19%	⬇️ -0.75%	⬇️ -0.23%	⬆️ 48.15%
NSE Insurance Index	⬆️ 6.11%	⬆️ 41.00%	⬆️ 40.59%	⬆️ 74.18%
NSE Industrial Goods Index	⬇️ -1.54%	⬆️ 8.73%	⬆️ 12.53%	⬆️ 53.89%
NSE Consumer Goods Index	⬇️ -0.02%	⬆️ 8.27%	⬆️ 10.02%	⬆️ 86.11%
NSE Oil & Gas Index	⬆️ 0.38%	⬆️ 0.17%	⬇️ -1.56%	⬇️ -10.00%

Source:NGX, AIICO Capital

Top 5 Equity Advancers W-o-W			
Name (Symbol)	Closing Price	Gain(N)	% Change
MBENEFIT	2.92	1.10	⬆️ 60.44%
AIICO	3.50	1.31	⬆️ 59.82%
ROYALEX	2.39	0.89	⬆️ 59.33%
SOVRENINS	2.72	1.01	⬆️ 59.06%
CORNERST	6.41	2.26	⬆️ 54.46%

Source: NGX, AIICO Capital

Top 5 Equity Decliners W-o-W			
Name (Symbol)	Closing Price	Loss(N)	% Change
LIVINGTRUST	5.00	-1.59	⬆️ -24.13%
ACADEMY	9.00	-2.00	⬆️ -18.18%
TIP	12.00	-1.75	⬆️ -12.73%
UPDCREIT	8.25	-1.10	⬆️ -11.76%
LEGENDINT	5.65	-0.75	⬆️ -11.72%

Source: NGX, AIICO Capital

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Foreign Exchange

This week, the naira appreciated by ₦0.60/USD (0.04% w/w) to ₦1,534.90/USD, supported by the CBN’s end-week announcement of clearing all outstanding FX forwards. Meanwhile, Nigeria’s gross external reserves increased by \$800.51 million w/w to \$40.16 billion as of August 7th.

Outlook: We expect the current stability in the FX market to persist in the near term, supported by the Central Bank of Nigeria’s (CBN) ongoing refinement of existing policies.

NFEM RATE (\$/₦)		Diff.
8-Aug-25	1,534.9000	
1-Aug-25	1,535.5000	↓ (0.6000)
Source: FMDQ		

Commodities

This week, global oil prices marked their steepest weekly losses since late June as markets awaits the meeting between President Trump and President Putin in coming days. However, it is expected that the two countries likely to reach a deal that stop the war in Ukraine and lock in Russia's occupation of territory seized during its military invasion. Brent crude fell by \$3.08 (-4.42%) to \$666.59 per barrel, while U.S. West Texas Intermediate (WTI) dropped \$3.45 (-5.12%) to \$63.88. In the precious metals market, gold prices rose by +2.69% w/w (to \$3,491.30/oz) on rising safe-haven demand amid renewed U.S. tariff threats alongside buoyant rate-cut expectations from the Federal Reserve

Outlook: Oil prices are likely to stay pressured next week as oversupply concerns from higher OPEC+ output and U.S. tariffs outweigh support from tight diesel supplies.

MACRO INDICATORS	
GDP (Q1 2025)	+3.13% (Q4: 2024 +3.84% y/y)
INFLATION (JUNE 2025)	22.22% (May'25: 22.97%)
EXTERNAL RESERVE (US\$'BILLION)	38.63 (-5.49% YTD as of 24-Jul-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*68.44 (-0.84 w/w)
Source: NBS,CBN, AIICO Capital	

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