

DAILY MARKET INSIGHTS.



Monday, 8 December 2025

MARKET COMMENTARY

System Liquidity

The market liquidity opened the day with a surplus balance of ₦3.3 trillion, representing an increase of ₦63.4 billion from Friday's level. The improvement was attributed to the ₦241.8 billion increase in Deposit Money Banks (DMBs) placement in the CBN's Standing Deposit Facility (SDF) window to ₦3.2 trillion. This SDF increase was however tempered by the ₦94 billion DMBs lending through the Standard Lending Facility (SLF) window.

However, average funding cost held steady as the Open Repo Rate (OPR) and Overnight (O/N) closed flat at 22.50% and 22.72%, respectively.

Outlook: Amidst an expected inflow of ₦1.1 trillion OMO maturities, we expect moderate in funding rate, barring any funding activities.

SYS. LIQ. (₦BN)		Diff.
8-Dec-25	3,267.93	↑ 63.37
5-Dec-25	3,204.57	

Source: CBN, AIICO Capital

Eurobonds

African Eurobond market traded bearishly as investor began profit-taking from the recent bullish trend and ahead of the Fed rate decision on Wednesday, having priced in the rate cut expectation in recent time. This was further impacted by the global oil price decline amid ongoing talk to end Ukraine war.

Notably, yields across major oil producing economies (Nigeria, Angola and Egypt) rose sharply leading to price decrease across maturities. Consequently, the average Nigeria benchmark yield rose by 10bps to 7.24%.

Outlook: Tomorrow, the market is expected to remain cautious as participants sharply focus on the Wednesday's Fed rate decision.

BENCHMARK FGN EUROBOND YIELDS			
	08-Dec-25	05-Dec-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	6.28%	6.18%	↑ 0.10%
10 YRS: NGERIA 7.375% 09/29/33	7.27%	7.18%	↑ 0.09%
15 YRS: NGERIA 7.696% 23/02/38	7.66%	7.55%	↑ 0.11%
30 YRS: NGERIA 8.25% 09/29/51	8.42%	8.30%	↑ 0.12%
8.75% ETI 06/17/31*	7.49%	7.01%	↑ 0.48%

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded bearish despite the ample system liquidity. The decline was largely driven by the revised NTB Q4 calendar which shows more anticipated supply to the market.

Notably, activities was noticed on the mid-to long tenor of the curve, while the short tenor bills traded quietly. The 9-Jul-26, 6-Aug-26, 3-Sep-26 and 5-Nov-26 saw significantly rate increase to 16.12% (+68bps), 16.34% (+89bps), 16.56% (+110bps) and 17.06% (111bps), respectively.

Consequently, average NTB rates rose by 8bps to 15.74%.

Outlook: *We expect quiet to cautious trading activities tomorrow as digest the possible impact of the revised auction calendar on the projected quiddity inflow.*

BENCHMARK T-BILLS DISCOUNT RATES

	08-Dec-25	05-Dec-25	Change in Rates
87 DAYS	15.24%	15.24%	→ 0.00%
178 DAYS	15.56%	15.56%	→ 0.00%
360 DAYS	17.22%	17.22%	→ 0.00%

Source: FirstBank UK, AllCO Capital

FGN Bonds

The FGN bond market kicked off the week on a bearish note, with investors maintaining a cautious stance across the short-, mid-, and long-tenor segments of the curve. Notably, yields on the 17-Mar-27 and 20-Mar-27 bonds rose by 54bps and 59bps, respectively, to settle at 16.27%. The 23-Feb-28 and 20-Mar-28 papers also recorded yield increases, rising to 16.46% (+68bps) and 16.48% (+74bps).

In the mid-tenor segment, yields on the 21-Feb-31 and 27-Apr-32 bonds climbed to 17.08% (+59bps) and 16.26% (+33bps), respectively, while the 15-May-33 bond saw a marginal 1bp decline to 15.27%.

At the long end of the curve, the 18-Mar-36 and 21-Jun-38 papers recorded slight yield upticks of 1bp each, closing at 15.30% and 15.27%, respectively.

Overall, the average benchmark yield spiked by 18bp to 15.81%.

Outlook: *We expect sustain investor's bearish sentiment in the near term.*

BENCHMARK FGN BOND YIELDS

	08-Dec-25	05-Dec-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	16.70%	15.79%	↑ 0.91%
10 YRS: 22.60% 29-JAN-2035	15.31%	15.31%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	15.27%	15.26%	↑ 0.01%
28 YRS: 15.70% 21-JUN-2053	15.08%	15.08%	→ 0.00%

Source: FMDQ, AllCO Capital

Nigerian Equities

The Nigerian stock market opened the new week on a positive note as the ASI gained 26bps, pushing the year-to-date return to +43.24%. The gain was driven by investors appetites towards fundamental stocks. MORISON (+9.89%) led the gainers' chart, while DAARCOMM (-7.14%) topped the losers' chart. FCMB recorded the highest volume at 129.65 million units, while ZENITHBANK led in value with ₦2.71 billion. Market breadth was positive, with 41 stocks advancing and 14 declining.

In the sectoral space, the NGX Banking Index gained 94bps, supported by ZENITHBANK (+4.5%), FCMB (+1.38%), WEMABANK (+1.32%), and GTCO (+1.18%), while FIDELITYBK (-1.04%) and ACCESSCORP (-2.09%) declined. The NGX Consumer Index rose by 8bps on gains in MCNICHOLS (+3.85%), CADBURY (+2.94%), PZ (+1.36%), DANGSUGAR (+0.46%), and INTBREW (+0.44%), while HONYFLOUR (-0.52%) and CHAMPION (-1.41%) lost ground. The NGX Oil and Gas Index closed flat, while the NGX Industrial Index gained 28bps, driven by CUTIX (+5%), BERGER (+1.82%), and WAPCO (+1.81%), with AUSTINLAZ (-2.54%) declining.

Market activity was relatively muted as value traded fell by 6.76% to \$9.47 million. Aside from notable crosses in ZENITHBANK (20 million units between ₦63.80 and ₦65.00), MTNN (2.85 million units at ₦472.50), and FCMB (100 million units at ₦11.10), trading was quiet across most counters.

Outlook: We expect sustained positive sentiment in the near term as investors continue to take advantage of low prices and portfolio realignment for next year.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.26%	↑ 2.95%	↑ 2.72%	↑ 43.24%
NSE Banking Index	↑ 0.94%	↑ 4.06%	↑ 4.17%	↑ 32.73%
NSE Insurance Index	↑ 1.83%	↑ 3.24%	↑ 3.34%	↑ 55.83%
NSE Industrial Goods Index	↑ 0.28%	↑ 7.76%	↑ 7.68%	↑ 54.75%
NSE Consumer Goods Index	↑ 0.08%	↑ 2.68%	↑ 1.64%	↑ 100.81%
NSE Oil & Gas Index	→ 0.00%	↓ -0.45%	↓ -0.57%	↓ -1.03%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
MORISON	3.89	0.35	↑ 9.89%
NPFMCRFBK	3.01	0.27	↑ 9.85%
SOVRENINS	3.17	0.27	↑ 9.31%
CAVERTON	5.35	0.45	↑ 9.18%
CHAMS	3.30	0.24	↑ 7.84%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
DAARCOMM	0.91	-0.07	↓ -7.14%
LIVESTOCK	6.00	-0.40	↓ -6.25%
NAHCO	100.00	-6.50	↓ -6.10%
UNIONDICON	6.00	-0.30	↓ -4.76%
JAIZBANK	4.50	-0.16	↓ -3.43%

Source: NGX, AIICO Capital

Foreign Exchange

In the Nigerian Foreign Exchange Market (NFEM), the Naira recorded a marginal depreciation against the USD, showing persistent demand pressure despite the CBN intervention to tampered the demand pressure. The NFEM Rate dipped by ₦1.43 per USD to close at ₦1,451.8630/\$, having traded within a range of ₦1,457.00 and ₦1,450.25 per USD during the session.

Meanwhile, the External Reserve position was noted at \$45.11 billion (as of 5-Dec-25), reflecting a +10.36% Year-to-Date (YTD) gain and d/d gain of ₦68.70 million.

Outlook: We anticipate that the market will hold around its current elevated levels, as liquidity conditions remain tight and demand pressures persist.

NFEM RATE (\$/N)		Diff.
8-Dec-25	1,451.8630	
5-Dec-25	1,450.4287	↑ 1.4343

Source: CBN, AIICO Capital

Commodities

Global oil prices slipped 2% on Monday after Iraq restored production at one of its oilfields which accounts for 0.5% of world oil supply, while investors weighed ongoing talks to end the war in Ukraine. Brent crude shed 131cents, or 2.05%, to \$62.44 per barrel, while U.S. West Texas Intermediate (WTI) lost 127cents, or 2.11%, to \$58.81.

Similarly gold prices edged slightly down, as investors stayed cautious ahead of the U.S. Federal Reserve's two-day policy meeting and Chair Jerome Powell's remarks for clues on future monetary policy. Spot gold decreased by 0.24% to \$4,187.10/oz, while U.S. gold futures dipped 0.70% to \$4, 213.15/oz.

Outlook: Markets are likely to remain cautious tomorrow as investors await the Federal Reserve's upcoming rate decision — with oil and gold markets already reacting to softer dollar and rate-cut expectations.

MACRO INDICATORS	
GDP (Q3 2025)	+3.98% (Q2: 2025 +4.23% y/y)
INFLATION (OCTOBER 2025)	16.05% (Sept'25: 18.02%)
EXTERNAL RESERVE (US\$BILLION)	45.11 (+10.36% YTD as of 05-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*62.44 (-1.31 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction. Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers, and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance. AIICO Capital is regulated by the Securities and Exchange Commission and is licensed to provide fund and portfolio management services in Nigeria.