DAILY MARKET INSIGHTS.

Tuesday, 9 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the day with a surplus balance of ₦4.3 trillion, reflecting an increase of ₦1.0 trillion from previous session' level. This improvement was largely drive by an inflow of ₦1.1 trillion OMO maturity. Meanwhile, Deposit Money Banks (DMBs) placement at the CBN's SDF remain elevated at ₦3.1 trillion.

Despite this, average funding cost rose by 2bps to 22.63% as the Open Repo Rate (OPR) held at 22.50%, while the Overnight (O/N) spiked by 4bps to 22.76%.

Outlook: *We expect funding rate to slightly moderate in the meantime as market prepare for the ₦750 billon NTB auction.*

SYS. LIQ. (₦'BN)		Diff.
9-Dec-25	4,299.61	↑ 1,031.68
8-Dec-25	3,267.93	

Source: CBN, AIICO Capital

Eurobonds

African Eurobond market traded bearishly as profit-taking persist ahead of tomorrow's Federal Reserve funds rate decision. Sentiment was further weakened by decline in global oil prices as investors keep close eye on the development around the peace talks to end Russia-Ukraine war.

Yields across major oil-producing economies—Nigeria, Angola, and Egypt—rose sharply, resulting in price declines across maturities, except for NIG-2027, which dipped by 2bps to 5.8%. Consequently, the average Nigeria benchmark yield rose by 12bps to 7.36%.

Outlook*: Market is anticipated to stay cautious ahead of tomorrow's Fed rate decision.*

BENCHMARK FGN EUROBOND YIELDS

	09-Dec-25	08-Dec-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	6.48%	6.28%	↑ 0.20%
10 YRS: NGERIA 7.375% 09/29/33	7.41%	7.27%	↑ 0.14%
15 YRS: NGERIA 7.696% 23/02/38	7.81%	7.66%	↑ 0.15%
30 YRS: NGERIA 8.25% 09/29/51	8.54%	8.42%	↑ 0.12%
8.75% ETI 06/17/31*	7.49%	7.49%	→ 0.00%

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded mixed to bearish as sell pressure on the short to mid-dated bills outweighed the buy interest observed on the long end of the curve despite the supportive system liquidity.

Notably, sell-offs were observed on the short-to mid-end of the curve, as the 19-Feb-26 and 21-May-26 bills saw significant rate increase of 135bps and 124bps to close at 16.80% and 16.49%, respectively.

Consequently, average NTB discount rose 37bps to close at 16.31%.

***Outlook**: We expect quiet to cautious trading activities as market prepares for upcoming auction of ₦750 billion across 91-days, 182-days and 364-days tenor.*

BENCHMARK T-BILLS DISCOUNT RATES			
	09-Dec-25	08-Dec-25	Change in Rates
86 DAYS	15.24%	15.24%	0.00%
177 DAYS	15.56%	15.56%	0.00%
359 DAYS	17.24%	17.28%	-0.04%

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond market continues 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-Apr-29 and 26-Apr-29 bonds rose by 61bps and 60bps, respectively, to both settle at 17.31%.

The mid-tenor segment saw a significant rise in yields, with yields on the 15-May-33 and 21-Feb-34 bonds climbing to 17.04% (+149bps) and 16.93% (+166bps), respectively, as the 18-Jul-34 bond saw a 154bp rise to 16.86%.

At the long end of the curve, the 18-Mar-36 and 18-Mar-36 papers also recorded significant yield upticks of 131bp and 118bps, closing at 16.61% and 16.45%, respectively.

Overall, the average benchmark yield spiked by 65bp to 16.62%.

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

BENCHMARK FGN BOND YIELDS			
	09-Dec-25	08-Dec-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	17.31%	16.70%	0.61%
10 YRS: 22.60% 29-JAN-2035	16.78%	15.31%	1.47%
13 YRS: 15.45% 21-JUN-2038	16.27%	15.27%	1.00%
28 YRS: 15.70% 21-JUN-2053	15.08%	15.08%	0.00%

Source: FMDQ, AIICO Capital

Nigerian Equities

Today, the Nigerian stock market closed on a negative note to halt the fifth consecutive trading session gains as the ASI lost 33bps. The decline was driven by profit taking across major sectors save for the Oil & Gas that gained 8bps. LEARNAFRCA (+9.57%) led 20 other on the gainers' chart, while ETERNA and AUSTINLAZ (both -10%) topped 30 others on the losers' chart. ETRANZACT dominated market activity, leading both the volume and value charts with 1.03 billion units traded worth ₦7.5 billion.

In the sectoral space, the NGX Banking Index fell 5bps due to weakness in WEMABANK (-1.83%), FCMB (-0.9%), ZENITHBANK (-0.77%), and ACCESSCORP (-0.71%), while GTCO (+1.05%) advanced. The NGX Consumer Index closed flat as PZ (+0.12%) edged up and MCNICHOLS (-0.74%) dipped. The NGX Oil and Gas Index gained 8bps on OANDO (+2.18%) despite ETERNA (-10%) declining, while the NGX Industrial Index shed 6bps driven by AUSTINLAZ (-10%), CUTIX (-4.76%), and WAPCO (-0.36%).

Market activity saw a 118.14% increase in value traded to $20.68 million, although overall sentiment was bearish, dragged mainly by oil palm names—OKOMUOIL (-6.49%) and PRESCO (-2.41%). Trading volumes were dominated by banking stocks, with significant crosses including 84m ACCESSCORP at N20.50, 72m FCMB at N10.90, 38m STANBIC at N105.00, two GTCO crosses of 10m each at N91.00 and N91.50, 50m TANTALIZER at N2.38, 112m CORNERSTONE at N5.25, and 50m JAPAULGOLD at N2.18, while off-market activity featured a major cross of 1.03bn ETRANZACT at N7.30.

Outlook: *We anticipate market to close positive sentiment tomorrow as investors continue to cherry-pick fundamental stocks ahead of the new year.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	-0.33%	1.39%	2.38%	42.76%
NSE BANKING INDEX	-0.05%	3.80%	4.12%	32.66%
NSE INSURANCE INDEX	-1.53%	1.50%	1.77%	53.45%
NSE INDUSTRIAL GOODS INDEX	-0.06%	3.26%	7.61%	54.66%
NSE CONSUMER GOODS INDEX	0.00%	1.58%	1.64%	100.81%
NSE OIL & GAS INDEX	0.08%	-0.39%	-0.48%	-0.95%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
LEARNAFRCA	6.30	0.55	9.57%
MECURE	32.40	2.60	8.72%
DEAPCAP	1.72	0.12	7.50%
INTENEGINS	2.45	0.15	6.52%
RTBRISCOE	3.20	0.18	5.96%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
AUSTINLAZ	2.07	-0.23	-10.00%
ETERNA	31.95	-3.55	-10.00%
TRANSCOHOT	155.60	-17.20	-9.95%
IKEJAHOTEL	28.10	-3.00	-9.65%
UACN	88.00	-8.80	-9.09%

Source: NGX, AIICO Capital

Foreign Exchange

In the Nigerian Foreign Exchange Market (NFEM), the Nigeria Naira depreciation against the USD as demand pressure deepens despite the CBN intervention Foreign Portfolio Investors (FPIs) inflow. The NFEM Rate dipped by ₦2.52 per USD to close at ₦1,454.3805/$, having traded within a range of ₦1,456.50 and ₦1,450.25 per USD during the session.

Meanwhile, the External Reserve position was noted at $45.32 billion (as of 8-Dec-25), reflecting a +10.86% Year-to-Date (YTD) gain and d/d gain of ₦206.3 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 ($/₦)		Diff.
9-Dec-25	1,454.3805	2.5175
8-Dec-25	1,451.8630	

Source: CBN, AIICO Capital

Commodities

Global oil prices edged lower on Tuesday after falling 2% in the previous session, with investors keeping a close eye on peace talks to end Russia's war in Ukraine, concerns about ample supply and a looming decision on U.S. interest rates. Brent crude shed 38cents, or 61bps, to $61.95 per barrel, while U.S. West Texas Intermediate (WTI) lost 63cents, or 1.07%, to $58.25.

In contrast, gold prices edged higher, as traders await the Federal Reserve's policy meeting. Federal Reserve's two-day policy meeting and Chair Jerome Powell's remarks for clues on future monetary policy. Spot gold increased by 0.47% to $4,208.91/oz, while U.S. gold futures rose by 0.49% to $4, 238.25/oz.

Outlook: *Tomorrow, we expect cautious trading as markets brace for the Federal Reserve's rate decision and its potential hawkish tone.*

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$'BILLION)	45.32 (+10.86% YTD as of 08-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US$/BBL	*61.95 (-0.38 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital

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