

DAILY MARKET INSIGHTS.



Wednesday, 17 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the day with a moderated but surplus balance of ₦2.58 trillion, down from ₦3.06 trillion on Tuesday. The moderation was mainly driven by an outflow of ₦596.47 billion for Bond auction and ₦5.0 billion through the Standing Lending Facility (SLF). A surge in the Deposit Money Banks (DMBs) placement at CBN's SDF window to ₦2.92 trillion brought the net change to ₦477.43 billion.

However, average funding cost rose slightly by 2bps. The Open Repo Rate (OPR) held at 22.50%, while Overnight rate (O/N) eased by 5bps to 22.75%.

Outlook: Amidst an expected outflow from the NTB allotment to moderate the system liquidity tomorrow and tightened the funding cost.

	SYS. LIQ. (₦BN)	Diff.
17-Dec-25	2,581.60	↓ (482.68)
16-Dec-25	3,064.27	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobond market traded on a bearish note, driven by a modest rise in global yield rise led by the U.S. Treasury, which triggered light profit-taking amid cautious positioning ahead of U.S. CPI data and Fed guidance, alongside softer oil prices that weakened near-term support for Nigeria's credit.

For Nigeria, yield rose across maturities, led by Feb-2038 with a 9bps increase in yield to 7.74%, while Sep-2028 had the least yield increase of 2bps to 5.93%. Consequently, average yield rose by 6bps to close at 7.24%.

Outlook: The market is expected to trade lower tomorrow as participants react to rising yields across the curve.

BENCHMARK FGN EUROBOND YIELDS

	17-Dec-25	16-Dec-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	6.23%	6.18%	↑ 0.05%
10 YRS: NGERIA 7.375% 09/29/33	7.25%	7.20%	↑ 0.05%
15 YRS: NGERIA 7.696% 23/02/38	7.74%	7.65%	↑ 0.09%
30 YRS: NGERIA 8.25% 09/29/51	8.48%	8.42%	↑ 0.06%
8.75% ETI 06/17/31*	6.66%	6.67%	↓ -0.01%

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market was subdued, as market participants attention shifted to the NTB auction, where ₦700 billion worth of bills was offered across the 91-, 182- and 364-day tenors, compared to maturities of ₦70.86 billion. Strong system liquidity underpinned pockets of buying interest across the mid-to-long end of the curve.

Notably, the short tenor bills closed flat, while the mid-curve bills like 9-Apr-26, 23-Apr-26 and 7-May-26 edged slightly higher by 25bps, 24bps and 23bps to 15.62%, 15.69% and 15.76%, respectively. On the long end, 17-Sep-26 tickled up by 10bps to 16.43%, while 3-Dec-26 eased by 17bps to 16.85%

Consequently, the average discount rate rose by 6bps to 16.04%.

Outlook: Market to trade in line with the outcome of the auction result and the available system liquidity.

BENCHMARK T-BILLS DISCOUNT RATES			
	17-Dec-25	16-Dec-25	Change in Rates
85 DAYS	15.20%	15.20%	➡ 0.00%
176 DAYS	15.50%	15.50%	➡ 0.00%
358 DAYS	16.83%	16.83%	➡ 0.00%

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond market traded mixed to positive, as investors focused on the NTB auction.

Activities was noticed at the short-to-mid tenor of the curve while the long end curve traded quietly. On the short end, 20-Mar-26 had yield decline of 4bps to 16.28%, while 28-Nov-28 rose to 17.08% (+10bps). However, most papers on the mid-end of the curve such as 21-Feb-31, 27-Apr-32 and 25-Jun-32 saw their yield eased to 17.19% (-13bps), 17.11% (-3bps) and 17.10% (-10bps), respectively.

As such, the average yield eased slightly by 1bps to 16.71%.

Outlook: We expect market to sustain similar sentiment in the near term.

BENCHMARK FGN BOND YIELDS			
	17-Dec-25	16-Dec-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	17.15%	17.00%	⬆ 0.15%
10 YRS: 22.60% 29-JAN-2035	16.79%	16.79%	➡ 0.00%
13 YRS: 15.45% 21-JUN-2038	16.27%	16.27%	⬆ 0.00%
28 YRS: 15.70% 21-JUN-2053	15.08%	15.08%	⬆ 0.00%

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian stock market closed the session in positive territory as the All-Share Index rose by 26bps, lifting YTD performance to +45.58%. Market breadth was positive, with 37 gainers against 23 losers. PRESTIGE, VERITASKAP, LASACO and FIRSTHOLDCO led the gainers' chart with 10.00% appreciation each, while LIVINGTRUST topped the losers, shedding 10.00%. ETI dominated trading activity, emerging as the most traded stock by both volume and value, with 5.25bn shares exchanged worth ₦168.66bn. Sector performance was mixed.

The Banking Index advanced by 148bps, driven by gains in FIRSTHOLDCO, ACCESSCORP, WEMABANK, GTCO and UBA, despite a slight decline in FCMB. The Consumer Goods Index edged up 3bps, supported by CHAMPION and VITAFOAM, although losses in PZ and MCNICHOLS capped upside. The Oil & Gas Index declined by 5bps on weakness in OANDO, while the Industrial Goods Index fell 63bps, pressured by WAPCO despite gains in CUTIX and CAP.

Value traded surged by 896.46% to ₦148.21bn, largely due to off-market block trades, notably a 5.249bn ETI cross at ₦32.13, linked to Nedbank's 21.2% divestment.

Outlook: Amid an improved market breadth of +0.59x, we expect positive sentiment to persist, while block trade continue to dominate activities.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.26%	↑ 2.03%	↑ 4.41%	↑ 45.58%
NSE BANKING INDEX	↑ 1.48%	↑ 1.19%	↑ 5.23%	↑ 34.08%
NSE INSURANCE INDEX	↑ 2.02%	↑ 6.90%	↑ 8.36%	↑ 63.40%
NSE INDUSTRIAL GOODS INDEX	↓ -0.63%	↓ -0.71%	↑ 6.85%	↑ 53.56%
NSE CONSUMER GOODS INDEX	↑ 0.03%	↑ 2.13%	↑ 3.66%	↑ 104.80%
NSE OIL & GAS INDEX	↓ -0.05%	↓ -0.31%	↓ -0.88%	↓ -1.35%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
FIRSTHOLDCO	39.60	3.60	↑ 10.00%
LASACO	2.75	0.25	↑ 10.00%
VERITASKAP	1.76	0.16	↑ 10.00%
PRESTIGE	1.65	0.15	↑ 10.00%
MECURE	50.40	4.55	↑ 9.92%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
LIVINGTRUST	3.15	-0.35	↓ -10.00%
INTENEGINS	2.27	-0.25	↓ -9.92%
MCNICHOLS	2.97	-0.22	↓ -6.90%
OMATEK	1.09	-0.08	↓ -6.84%
CHAMS	2.92	-0.20	↓ -6.41%

Source: NGX, AIICO Capital

Foreign Exchange

In the Nigerian Foreign Exchange Market (NFEM), the Nigeria Naira depreciated against the US Dollar as the supply wasn't enough to meet available demand despite CBN intervention. The Naira weakened by ₦0.42 (3bps) per USD to close at ₦1,455.50/\$, haven traded within a range of ₦1,460.75 and ₦1,453.07 per USD during the previous session.

Meanwhile, the External Reserve recorded its first d/d decline since 8-Oct-2025 to \$45.32 billion (as of 15-Dec-25), dragging the Year-to-Date (YTD) gain lower to +10.88% and d/d loss of ₦148.42 million.

Outlook: Barring any significant shift in supply, we expect Naira to trade around similar level tomorrow.

NFEM RATE (\$/N)		Diff.
17-Dec-25	1,455.4983	↑ 0.4166
16-Dec-25	1,455.0817	

Source: CBN, AIICO Capital

Commodities

Oil prices rallied more than 1% on Wednesday after U.S. President Donald Trump ordered what he called a complete blockade of all sanctioned oil tankers entering and leaving Venezuela, raising global political tensions and easing concerns about a growing surplus of global crude. Brent crude rose \$1.17, or 1.99%, to \$59.84 per barrel, while U.S. West Texas Intermediate (WTI) gained 97cents, or 1.76%, to \$56.1.

In contrast, Gold rose made its biggest jump since the 1979 oil crisis in 2025, with prices doubling in the last two years – a performance which might previously have meant forecasts of a big correction. Spot gold rose by 0.79% to \$4,337.85/oz, while U.S. gold futures inched up by 0.88% to \$4,370.50/oz.

Outlook: We expect a bullish commodity tone tomorrow, with gold likely to continue firming on strong forecasts for further gains into 2026 and oil poised to remain supported by heightened geopolitical risk following the U.S. order to blockade sanctioned Venezuelan oil tankers.

MACRO INDICATORS	
GDP (Q3 2025)	+3.98% (Q2: 2025 +4.23% y/y)
INFLATION (NOVEMBER 2025)	14.45% (Oct'25: 16.05%)
EXTERNAL RESERVE (US\$ BILLION)	45.47 (+11.24% YTD as of 12-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*59.05 (-1.51 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

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