DAILY MARKET INSIGHTS.

Monday, 22 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the day with a surplus balance of ₦3.88 trillion to improved by ₦595.22 billion from the previous opening. This increase was driven by an increase of ₦407 billon in Deposit Money Banks (DMBs) placement at CBN's SDF window (₦3.48 trillion) and an inflow of ₦242.07 billion from primary market activities. Meanwhile the CBN conducted an OMO auction of ₦600 billion worth but allotted ₦1.72 trillion across 162- and 211-day tenors.

Consequently, average funding cost eased by 7bps to 22.59%, as the Open Repo Rate (OPR) held steady at 22.50%, while the Overnight rate (O/N) shed 15bps to 22.68%.

Outlook: *Amidst the expected negative net-flow of ₦68 billion from OMO maturity and today's auction settlement, we market liquidity to open lower and rive the funding rate higher in the next session.*

SYS. LIQ. (₦'BN)		Diff.
22-Dec-25	3,880.52	595.22
19-Dec-25	3,285.30	

Source: CBN, AIICO Capital

Eurobonds

African Eurobonds market traded mixed to positive buoyed by softer U.S. CPI data that eased inflation concerns and stabilized U.S. Treasury yields, encouraging selective interest in higher-yielding emerging market assets

Notably, Africa sovereign issuance – Nigeria, Angola and Egypt – traded relatively positively. For the Nigeria papers, the short end papers traded quietly, while the mid to long-end paper went positively with notable gains of 3bps on SEP-2052 to 8.40% and 2bps gain each on SEP-2033 (6.99%), JAN-2036 (7.48%), JAN-2046 (8.31%), NOV-2047 (8.12%), and JAN-2049 (8.36%).

Consequently, Nigeria average benchmark ease slightly by 1bp to close at 7.07%.

Outlook*: Market to trade mixed to positive as market participants awaits the U.S. PCE data*

BENCHMARK FGN EUROBOND YIELDS

	22-Dec-25	19-Dec-25	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	6.01%	6.01%	-
10 YRS: NGERIA 7.375% 09/29/33	6.99%	7.01%	(0.02)
15 YRS: NGERIA 7.696% 23/02/38	7.60%	7.61%	(0.01)
30 YRS: NGERIA 8.25% 09/29/51	8.40%	8.43%	(0.03)
8.75% ETI 06/17/31*	7.66%	7.67%	(0.00)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a quiet and largely flat note today, with minimal activity observed across the curve. Most outstanding bills closed unchanged, reflecting subdued trading interest and balanced demand-supply dynamics in the absence of major market catalysts.

Notably, the 17-Dec-26 bill was the only paper to record a marginal gain, as yields declined by 6bps to close at 16.82%, indicating mild demand for the long end of the NTB curve. All other maturities, including the 08-Jan-26, 19-Feb-26, and 03-Dec-26 papers, closed flat at 15.32%, 16.98%, and 16.85%, respectively. As a result, the average benchmark rate closed unchanged at 16.18%.

Outlook: *We expect market activity to remain subdued in near term.*

BENCHMARK T-BILLS DISCOUNT RATES			
	22-Dec-25	19-Dec-25	Change in Rates
87 DAYS	15.64%	15.64%	-
178 DAYS	16.05%	16.05%	-
360 DAYS	16.82%	16.88%	(0.06)

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN Bonds market traded calmly today, with mixed movements across the curve. At the short end, the 22-Jan-26 paper edged lower by 1bp to close at 18.60%, while the 20-Mar-26 saw a sell-off, pushing yields higher by 8bps to 16.69%

At the bellyof the curve, trading was relatively muted. Marginal sell-offs on the 23-Feb-28 and 22-May-29 papers drove yields higher by 1bp each to 16.94% and 17.02%, respectively.

On the long end, activity remained subdued, with most papers trading unchanged. However, slight sell-offs on the 18-Jul-34 and 27-Mar-35 papers pushed yields higher by 1bp each to 16.88% and 16.77%, respectively.

As a result, the average benchmark yield closed unchanged at 16.70%.

Outlook: *In the near term, we expect the bond market to remain range-bound, driven by liquidity conditions.*

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Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian equity market closed the session on a positive note, with the All-Share Index rising by 26bps amidst gains in BUACEMENT, INTBREW and 32 others. Market breadth closed positive with 34 stocks gained against 19 losers. ALEX led the gainers with a 9.72% advance, while CUSTODIAN and ABCTRANS topped the losers' chart, each shedding 10%. Trading activity was mixed, with TANTALIZER recording the highest volume at 50.18 million shares, while ARADEL led value traded at ₦1.51 billion.

Sectoral performance was mixed. The Banking Index dipped slightly by 4bps, dragged by losses in UBA, ZENITHBANK and FCMB, despite marginal gains in FIDELITYBK and ETI. In contrast, the Consumer Goods Index outperformed, rising by 50bps on the back of strong gains in INTBREW, NASCON, MCNICHOLS and DANGSUGAR. The Oil and Gas Index closed flat, while the Industrial Goods Index gained 91bps, supported by AUSTINLAZ, BERGER and BUACEMENT.

Market activity remained subdued, with total value traded declining by 40.38% to $8.9 million amid limited block trades. Value traded declined sharply by 84.85% to $22.42 million, with activity largely driven by cross deals, particularly in FIRSTHOLDCO and GEREGU, which together accounted for nearly 80% of total traded value.

Outlook: *Amid an improved market breadth of +0.53x, 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%	2.02%	6.23%	48.12%
NSE Banking Index	-0.04%	1.81%	5.87%	34.89%
NSE Insurance Index	-0.54%	1.63%	7.57%	62.21%
NSE Industrial Goods Index	0.91%	1.64%	9.39%	57.20%
NSE Consumer Goods Index	0.50%	5.87%	9.49%	116.31%
NSE Oil & Gas Index	0.00%	-0.12%	-0.86%	-1.33%

Source: NGX, AIICO Capital

NAME (SYMBOL)	TOP 5 EQUITY ADVANCERS CLOSING PRICE	GAIN(N)	% CHANGE
ALEX	13.55	1.20	9.72%
INTENEGINS	2.49	0.22	9.69%
MECURE	60.30	5.30	9.64%
ROYALEX	1.94	0.17	9.60%
AUSTINLAZ	2.65	0.23	9.50%

Source: NGX, AIICO Capital

NAME (SYMBOL)	TOP 5 EQUITY DECLINERS CLOSING PRICE	LOSS(N)	% CHANGE
ABCTRANS	3.15	-0.35	-10.00%
CUSTODIAN	35.10	-3.90	-10.00%
PRESTIGE	1.50	-0.12	-7.41%
GUINEAINS	1.13	-0.09	-7.38%
ELLAHLAKES	13.05	-0.90	-6.45%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira in the Nigerian Foreign Exchange Market (NFEM) opened the week on a positive not to appreciate against the US Dollar amid improved supply levels. The Naira strengthened by ₦7.93 (54bps) per USD to close at ₦1,456.56/$, haven traded within a range of ₦1,466.00 and ₦1,431.00 per USD during the session.

The External Reserve halt the three days decline to increase by $7.90 million to $45.22 billion (as of 19-Dec-25), pushing the Year-to-Date (YTD) gain back to +10.61%.

***Outlook:** Amidst improvement in supply level, we expect Naira to trade around similar level tomorrow.*

NFEM RATE ($/₦)		Diff.
22-Dec-25	1,456.5637	(7.9337)
19-Dec-25	1,464.4974	

Source: CBN, AIICO Capital

Commodities

Global oil prices rose on Monday after the U.S. Coast Guard tried to intercept an oil tanker in international waters near Venezuela a day earlier, and Ukraine damaged two vessels and piers in Russia, raising the risk of oil supply disruptions. Brent crude rose 3.31%, to $62.04 per barrel, while U.S. West Texas Intermediate (WTI) rose by 167 cents, or 2.44%, to $57.90.

Similarly, gold jumped more than 2% to a record high, powered by safe-haven flows as U.S.-Venezuela tensions flared. Spot gold jumped 2.23% to $4,435.17/oz, while U.S. gold futures followed up with 1.85% leap to $4,468.55/oz.

***Outlook:** We expect oil prices to remain supported by supply-side geopolitical risks, while gold stays firm on safe-haven demand and sustained expectations of U.S. interest rate cuts.*

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$'BILLION)	45.22 (+10.61% YTD as of 19-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US$/BBL	*62.04 (+1.99 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital