AIICO CAPITAL

DAILY MARKET INSIGHTS.

Tuesday, 23 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the day with a surplus balance of ₦3.82 trillion, representing an improvement of ₦1.67 trillion from the previous position. The increase in surplus level was driven by an inflow of ₦1.14 trillion OMO maturity and ₦4.48 billion bond coupon payment, despite a moderation in Deposit Money Banks (DMBs) placement in CBN's Standing Deposit Facility (SDF) window to ₦2.47 trillion) from the previous opening.

However, average funding cost stayed flat at 22.59% as the Open Repo Rate (OPR) and the Overnight rate (O/N)) held steady at 22.50% and 22.68%, respectively.

Outlook: *Due to anticipated inflows from an NTB maturity (₦281.53 billion), we anticipate system liquidity to stay strong. As such, we still anticipate funding rate to moderate slightly, barring any funding activity.*

SYS. LIQ. (₦'BN)		Diff.
23-Dec-25	3,818.18	1,665.86
22-Dec-25	2,152.32	

Source: CBN, AIICO Capital

Eurobonds

African Eurobonds market sustained its positive sentiment, buoyed by firmer oil prices and stronger-than-anticipated U.S. GDP data of 4.3%y/y growth rate in the Q3-2025. This beat market expectations and strengthened global risk-on sentiment. As investor appetite improved, yields edged lower across the curves.

Notably, Africa sovereign issuance – Nigeria, Angola and Egypt – sustained relatively positive sentiment. For the Nigeria papers, yield on the NOV-27, JUN-31, FEB-32 AND JAN-46 dropped to 5.46% (-7bps), 6.53% (-3bps), 6.86% (-3bps) and 8.30% (-1bp), respectively.

Consequently, Nigeria average benchmark ease slightly by 1bp to close at 7.06%.

Outlook*:* *Market to sustain positive momentum ahead of the holiday.*

BENCHMARK FGN EUROBOND YIELDS

	23-Dec-25	22-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%	6.99%	-
15 YRS: NGERIA 7.696% 23/02/38	7.60%	7.60%	-
30 YRS: NGERIA 8.25% 09/29/51	8.40%	8.40%	-
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 largely mixed but generally calm note, with limited activity observed across the curve. Mostly, short- to mid-dated bills traded bearish, reflecting subdued trading interest, while mild yield compression was evident at the long end.

Notably, the longer-dated papers recorded modest gains, as yields on the 19-Nov-26 and 22-Oct-26 bills declined by 37bps and 9bps to close at 16.64% and 16.54%, respectively, indicating improved demand for longer tenors.. Meanwhile, the rate on the12-Mar-26 rose sharply to 15.72% (+52bps). As a result, the average benchmark rate closed unchanged at 16.18%.

***Outlook**: We expect market activity to trade in line with the system liquidity.*

BENCHMARK T-BILLS DISCOUNT RATES	23-Dec-25	22-Dec-25	Change in Rates
86 DAYS	15.75%	15.64%	0.11
177 DAYS	16.08%	16.05%	0.03
359 DAYS	16.74%	16.88%	(0.14)

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN Bonds market traded mixed to largely positive, with modest yield compression observed across most segments of the curve. At the short end, trading was mixed. The 20-Mar-28 paper recorded a slight gain, with yields easing by 10bps to close at 16.83%, reflecting mild demand.

At the belly of the curve, sentiment leaned positive as the 27-Aug-30 and 21-Feb-34 bonds recorded yield declines of 15bps and 12bps to close at 17.00% and 17.01%, respectively.

On the long end, trading remained subdued, with most papers closing flat. However, selective buying interest was observed on the 18-Apr-37 and 21-Jun-38 bonds, making yields decline. As a result, the average benchmark yield declined by 3bps to close at 16.67%.

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

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Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian bourse closed in positive territory as the ASI advanced by 59bps, taking YTD performance to +48.99%. Market breadth was slightly positive with 28 gainers against 27 losers. ALEX (+9.96%) led the gainers, while ROYALEX (-7.22%) topped the losers' chart. Activity was concentrated in a few names, with VFDGROUP leading volume traded at 191.97m shares, while GTCO led value traded at N5.59bn.

Sector performance was mixed, as the NGX Banking Index gained 123bps driven by gains in UBA (+1.03%), STANBIC (+0.84%) and FCMB (+0.47%), despite losses in GTCO, FIDELITYBK and ZENITHBANK. The NGX Consumer Index rose 130bps on strength in INTBREW and BUAFOODS, although losses in DANGSUGAR, NB, NASCON and CHAMPION capped upside. The NGX Industrial Index added 21bps, supported by AUSTINLAZ and WAPCO, while the NGX Oil & Gas Index dipped 2bps on OANDO.

Value traded rose 59.92% to $14.29m, with banking stocks dominating activity. FIRSTHOLDCO (+9.35%) was the main driver of gains, while price movements elsewhere remained largely modest.

Outlook: *Amid an improved market breadth of +0.90x, we expect positive sentiment to persist, while block trade continue to dominate activities.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.59%	2.61%	6.85%	48.99%
NSE BANKING INDEX	1.23%	3.35%	7.17%	36.55%
NSE INSURANCE INDEX	-0.13%	1.14%	7.43%	61.99%
NSE INDUSTRIAL GOODS INDEX	0.21%	1.95%	9.62%	57.54%
NSE CONSUMER GOODS INDEX	1.30%	7.03%	10.91%	119.13%
NSE OIL & GAS INDEX	-0.02%	-0.05%	-0.88%	-1.35%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
ALEX	14.90	1.35	9.96%
AUSTINLAZ	2.91	0.26	9.81%
CUSTODIAN	38.50	3.40	9.69%
FIRSTHOLDCO	50.30	4.30	9.35%
FTNCOCOA	5.10	0.41	8.74%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ROYALEX	1.80	-0.14	-7.22%
CHAMPION	15.65	-1.10	-6.57%
NASCON	105.05	-5.95	-5.36%
SOVRENINS	3.77	-0.21	-5.28%
JAPAULGOLD	2.33	-0.11	-4.51%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira in the Nigerian Foreign Exchange Market (NFEM) continued previous day's positive performance, appreciating against the US Dollar amid improved supply levels. The Naira strengthened by ₦6.57 (45bps) per USD to close at ₦1,449.99/$, haven traded within a range of ₦1,455.50 and ₦1,447.50 per USD during the session.

The External Reserve increased by $19.19 million to $45.24 billion (as of 22-Dec-25), pushing the Year-to-Date (YTD) gain up to +10.66%.

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

NFEM RATE ($/₦)		Diff.
23-Dec-25	1,449.9869	(6.5768)
22-Dec-25	1,456.5637	

Source: CBN, AIICO Capital

Commodities

Global oil prices edged up on Tuesday as investors assessed stronger-than-expected U.S. economic growth and the risk of disruptions to oil supply from Venezuela and Russia. Brent crude inched up 72 cents or 1.17%, to $62.30 per barrel, while U.S. West Texas Intermediate (WTI) followed with 25 cents increase, or 0.43%, to $58.26.

Similarly, gold edged up 0.8%, powered by safe-haven flows. Spot gold crept up 0.96% to $4,488.47/oz, while U.S. gold futures followed up with 1.09% leap to $4,518.15/oz.

***Outlook:** We expect oil prices to remain supported by supply-side geopolitical risks, while gold stays firm on safe-haven demand.*

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$'BILLION)	45.24 (+10.66% YTD as of 22-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US$/BBL	*62.30 (+0.72 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital