

DAILY MARKET INSIGHTS.



Monday, 29 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the week with a moderate surplus balance of ₦3.79 trillion, representing a marginal decrease of ₦102.93 billion from the previous week, decline in Deposit Money Banks (DMBs) placement in CBN's Standing Deposit Facility (SDF) window to ₦3.52 trillion from ₦3.67 trillion in the previous session.

Consequently, average funding cost increased marginally by 2bps to 22.65% as the Open Repo Rate (OPR) held steady at 22.50%, while the Overnight rate (O/N) rose 4bps to 22.79%.

Outlook: We expect liquidity to stay comparatively strong, barring any notable outflow and keep funding rate within the same range.

	SYS. LIQ. (₦'BN)	Diff.
29-Dec-25	3,790.39	↓ (102.93)
24-Dec-25	3,893.32	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobonds market traded on a softer note, as profit-taking activities emerged across the curve, leading to a modest uptick in yields. Despite relatively stable global cues, investor sentiment weakened, resulting in mild selloffs in select African sovereign papers.

Specifically, Nigerian Eurobonds witnessed broad-based yield increases across tenors. For the Nigeria papers, yield on the NOV-27, SEP-28, MAR-29 and FEB-30 rose to 5.58% (+13bps), 5.79% (+7bps), 6.01% (+5bps) and 6.13% (+6bp), respectively. Similarly, mid- and long-term tenor instruments higher

Consequently, Nigeria's average benchmark yield expanded by 5bps to close at 7.09%.

Outlook: We expect the market to trade cautiously in the near term, as investors remain selective amid lingering profit-taking.

BENCHMARK FGN EUROBOND YIELDS			
	29-Dec-25	24-Dec-25	Change in Yield (bps)
5 YRS: NIGERIA 8.375% 03/24/29	6.01%	5.96%	0.05
10 YRS: NIGERIA 7.375% 09/29/33	7.01%	6.97%	0.04
15 YRS: NIGERIA 7.696% 23/02/38	7.61%	7.58%	0.03
30 YRS: NIGERIA 8.25% 09/29/51	8.41%	8.38%	0.03
8.75% ETI 06/17/31*	5.69%	7.21%	(0.15)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a largely calm to positive note, with minimal activity observed across most tenors. Trading was predominantly flat, as yields on the majority of short- to mid-dated bills closed unchanged, reflecting cautious investor participation.

However, the longer-dated papers recorded modest gains, as eased on the 19-Nov-26 and 18-Jun-26 bills eased to 15.50% (-60bps) and 16.49% (-33bps) respectively, suggesting pockets of demand at the longer end of the curve. Meanwhile, the rate on the 17-Dec-26 rose sharply to 17.04% (+29bps). Consequently, the average benchmark rate closed lower by 2bps to close at 16.23%

Outlook: We expect market activity to remain muted, in line with system liquidity conditions.

BENCHMARK T-BILLS DISCOUNT RATES			
	29-Dec-25	24-Dec-25	Change in Rates
80 DAYS	15.68%	15.68%	(0.00)
171 DAYS	15.50%	16.10%	(0.60)
353 DAYS	17.04%	16.75%	0.29

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond market traded on a mixed to cautious note, with modest yield compression observed across the short to mid segments of the curve. At the short end, trading sentiment was bullish on the 2028s and the 27-Jan-26 bond, while the 20-Mar-26 paper offset most near-term yield compression, as its yield rose by 6bps to close at 16.92%.

In the mid-tenor segment, sentiment was largely positive. Yields on the 15-May-33 and 21-Jun-33 bonds declined by 6bps and 5bps to settle at 17.10% and 17.09%, respectively, while the 27-Apr-32 bond recorded a marginal 1bp increase in yield to 17.24%.

Activity at the long end was mixed, with the 27-Mar-27 bond seeing its yield rise by 1bp to 16.81%, while the 21-Jun-38 bond recorded a 1bp yield decline to 16.18%. Overall, the average benchmark yield closed flat at 16.65%.

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

BENCHMARK FGN BOND YIELDS			
	29-Dec-25	24-Dec-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	16.98%	17.00%	(0.02)
10 YRS: 22.60% 29-JAN-2035	16.48%	16.79%	(0.31)
13 YRS: 15.45% 21-JUN-2038	16.18%	16.27%	(0.09)
28 YRS: 15.70% 21-JUN-2053	15.03%	15.03%	0.00

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian equities market closed the session on a positive note, with the ASI rising by 55bps, lifting year-to-date gains to 50%. Market breadth was slightly positive, as 40 stocks advanced against 37 decliners. AUSTINLAZ and ETI led the gainers' table with 10% appreciation each, while INTENEGINS recorded the steepest decline at 10%. ACCESSCORP dominated trading activity, topping both volume and value charts with 594.38 million shares traded, valued at ₦12.36 billion.

Sector performance was mixed. The Banking Index declined marginally due to losses in UBA and ZENITHBANK, despite gains in ACCESSCORP, FCMB, GTCO, and ETI. The Consumer Goods Index outperformed, supported by strong rallies in GUINNESS, HONYFLOUR, INTBREW, and CADBURY. The Industrial Goods Index closed higher, driven by gains in AUSTINLAZ, BERGER, CUTIX, and WAPCO, while the Oil and Gas Index posted a marginal increase.

Trading activity improved, with value traded rising by 18.3% to \$24.5 million, largely driven by significant cross trades. Overall market sentiment remained positive, supported by strong performances in select consumer and banking stocks.

Outlook: Amid an improved market breadth of +0.88x, we expect positive sentiment to persist, while block trade continue to dominate activities.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.55%	↑ 1.27%	↑ 7.57%	↑ 50.00%
NSE BANKING INDEX	↓ -0.28%	↑ 2.68%	↑ 8.71%	↑ 38.51%
NSE INSURANCE INDEX	↓ 0.00%	↓ -1.60%	↑ 5.85%	↑ 59.61%
NSE INDUSTRIAL GOODS INDEX	↑ 0.19%	↑ 0.45%	↑ 9.88%	↑ 57.92%
NSE CONSUMER GOODS INDEX	↑ 2.16%	↑ 5.04%	↑ 15.01%	↑ 127.22%
NSE OIL & GAS INDEX	↑ 0.01%	↑ 0.01%	↓ -0.86%	↓ -1.32%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
AUSTINLAZ	3.52	0.32	↑ 10.00%
ETI	41.80	3.80	↑ 10.00%
EUNISELL	96.70	8.75	↑ 9.95%
HONYFLOUR	19.50	1.75	↑ 9.86%
GUINNESS	349.90	31.30	↑ 9.82%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
INTENEGINS	2.34	-0.26	↓ -10.00%
MEYER	11.80	-1.30	↓ -9.92%
ETRANZACT	11.35	-1.25	↓ -9.92%
LIVESTOCK	5.65	-0.60	↓ -9.60%
CILEASING	5.60	-0.60	↓ -9.68%

Source: NGX, AIICO Capital

Foreign Exchange

In the Nigerian Foreign Exchange Market (NFEM) the Naira appreciated marginally against the USD amid improved supply level from CBN intervention. The Naira strengthened by 86kobo (6bps) per USD to close at ₦1,442.51/\$, haven traded within a range of ₦1,450.00 and ₦1,438.15 per USD during the session.

The External Reserve was noted at \$45.28 billion (as of 24-Dec-25), reflecting a \$37.42 million day-on-day change and pushing the Year-to-Date (YTD) gain up to +10.76%.

Outlook: With strengthening foreign reserves, we anticipate that the Naira will continue to move in accordance with current market supply and demand conditions.

NFEM RATE (\$/N)		Diff.
29-Dec-25	1,442.5126	
24-Dec-25	1,443.3767	↓ (0.8641)

Source: CBN, AIICO Capital

Commodities

Global oil market settled more than \$1 a barrel higher on Monday as Russia accused Ukraine of attacking President Vladimir Putin's residence, while traders braced for potential supply disruptions in the Middle East due to rising tensions in Yemen. Brent crude rose by \$1.47 or 2.44%, to \$61.71 per barrel, while U.S. West Texas Intermediate (WTI) gained \$1.20 or 2.11%, to \$57.94.

Similarly, Precious metals retreated sharply on Monday, with gold falling from record highs hit earlier in the session, as investors booked profits after recent rallies. Spot gold fell 4.41% to \$4,331.37/oz, while U.S. gold futures shed 4.54% to \$4,346.00/oz.

Outlook: We expect continued volatility in commodity markets tomorrow, with oil prices likely to stay supported by lingering geopolitical tensions while precious metals may see further profit-taking pressure after recent record runs.

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)	45.28 (+10.76% YTD as of 24-Dec-25)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*61.71 (+1.47 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

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