

DAILY MARKET INSIGHTS.



Wednesday, 31 December 2025

MARKET COMMENTARY

System Liquidity

Market liquidity opened the last day of the year with a surplus balance of ₦3.82 trillion, representing a decline of ₦59.82 million from the previous day. This depletion was buoyed by decrease in Deposit Money Banks (DMBs) placement in CBN's Standing Deposit Facility (SDF) window to ₦3.61 million.

Meanwhile, average funding cost held steady at 22.63% as the Open Repo Rate (OPR) the Overnight rate closed at 22.50% and 22.75%, respectively.

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

	SYS. LIQ. (₦BN)	Diff.
31-Dec-25	3,816.75	↓ (59.82)
30-Dec-25	3,876.57	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobonds market traded on a calm to mildly bullish note, supported by buying interest across most oil-producing issuers as investors position for further rate cuts in the coming year.

Specifically, most Nigerian sovereign bills recorded modest yield declines across maturities, with notable compression on the NOV-27, SEP-28, FEB-30, and FEB-32 papers, which fell to 5.37% (-14bps), 5.67% (-11bps), 5.90% (-23bps), and 6.71% (-16bps), respectively. Other maturities also posted slight yield moderation.

Consequently, Nigeria's average benchmark yield declined by 8bps to close at 7.00%.

Outlook: We expect market activity to remain selective in the near term,

BENCHMARK FGN EUROBOND YIELDS

	31-Dec-25	30-Dec-25	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.95%	6.00%	(0.05)
10 YRS: NGERIA 7.375% 09/29/33	6.93%	6.99%	(0.06)
15 YRS: NGERIA 7.696% 23/02/38	7.61%	7.60%	0.01
30 YRS: NGERIA 8.25% 09/29/51	8.37%	8.39%	(0.02)
8.75% ETI 06/17/31*	5.59%	5.65%	(0.01)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a quiet note, with no activity across most tenors. Trading remained predominantly flat, as yields on short- to mid- and long-dated bills closed unchanged, reflecting cautious investor participation ahead of the new year.

Consequently, average benchmark rate remained unchanged at 16.19%.

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

BENCHMARK T-BILLS DISCOUNT RATES			
	31-Dec-25	30-Dec-25	Change in Rates
78 DAYS	15.68%	15.68%	-
169 DAYS	15.50%	15.50%	-
351 DAYS	16.48%	16.48%	-

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond market traded on a broadly calm note, with no yield movement observed across the curve. However, 17-Mar-27 on the short curve, ended slightly bearish with 1bps higher to 16.77%.

In the mid-tenor segment, only the 21-Feb-31 had a positive sentiment with 10bps drop in yield to 17.11%, while other maturities ended flat.

Activity at the long end flat as not yield movement was observed across tenors. Overall, the average benchmark yield held steady at 16.55%.

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

BENCHMARK FGN BOND YIELDS			
	31-Dec-25	30-Dec-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	16.98%	16.98%	-
10 YRS: 22.60% 29-JAN-2035	16.48%	16.48%	-
13 YRS: 15.45% 21-JUN-2038	16.18%	16.18%	-
28 YRS: 15.70% 21-JUN-2053	14.99%	14.99%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian bourse closed the session on a positive note as the All-Share Index rose by 37bps, lifting year-to-date returns to 51.19%. ALEX topped the gainers' chart with a 9.9% increase, while NEIMETH led the losers after shedding 9.38%. Market activity showed CHAMS as the most traded stock by volume with 710.28 million shares, while ARADEL led in value traded at ₦9.52 billion. Market breadth was positive, with 47 stocks advancing against 15 decliners.

Sector performance was mixed. The NGX Banking Index gained 140bps on gains from FCMB (+9.05%), FIRSTHOLDCO (+7.88%), and STANBIC (+4.17%) despite loss from ZENITHBANK (-1.67%), ACCESSCORP (-1.64%), GTCO (-0.33%), and ETI (-0.248%). The NGX Consumer Index gained 20bps on HONYFLOUR (+2.10%), FTNCOCOA (+2.04%), and BUAFOODS (+1.25%), while INTBREW (-4.44%) and VITAFOAM (-3.06%) lost points. The NGX Oil and Gas Index lost 55bps on ARADEL (-1.46%). The NGX Industrial Index shed 14bps on WAPCO (-1.10%), while BERGER (-6.67%) lost points.

Total value traded declined by 9.42% to \$24.26 million, with activity largely driven by negotiated crosses, mostly involving local investors. Market sentiment was mixed for most of the day, but late buying interest in FIRSTHOLDCO boosted the index. FIRSTHOLDCO, BUAFOODS, MTNN, and STANBIC were the major contributors to the day's gains.

Outlook: *Amid sustained positive market breadth of +0.34x, we expect positive sentiment to persist, while block trade continue to dominate activities.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.37%	↑ 1.35%	↑ 8.43%	↑ 51.19%
NSE BANKING INDEX	↑ 1.40%	↑ 0.62%	↑ 9.70%	↑ 39.77%
NSE INSURANCE INDEX	↑ 2.17%	↑ 3.78%	↑ 9.85%	↑ 65.65%
NSE INDUSTRIAL GOODS INDEX	↓ -0.14%	↑ 0.82%	↑ 10.58%	↑ 58.91%
NSE CONSUMER GOODS INDEX	↑ 0.20%	↑ 3.22%	↑ 16.20%	↑ 129.58%
NSE OIL & GAS INDEX	↓ -0.55%	↓ -0.21%	↓ -1.08%	↓ -1.54%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
ALEX	21.65	1.95	↑ 9.90%
AUSTINLAZ	4.25	0.38	↑ 9.82%
MEYER	12.95	1.15	↑ 9.75%
CILEASING	6.85	0.60	↑ 9.60%
UNIONDICON	6.90	0.60	↑ 9.52%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
NEIMETH	5.80	-0.60	↓ -9.38%
TANTALIZER	2.50	-0.18	↓ -6.72%
INTBREW	14.00	-0.65	↓ -4.44%
NPFMCRFBK	3.71	-0.12	↓ -3.13%
VITAFOAM	92.00	-2.90	↓ -3.06%

Source: NGX, AIICO Capital

Foreign Exchange

The Nigerian Foreign Exchange Market (NFEM) saw the Naira appreciation against the USD amidst improvement in supply level from market participants. The Naira strengthened by ₦9.93 (69bps) per USD to close at ₦1,435.76/\$, reversing the decline witnessed the previous day. The naira traded within a range of ₦1,439.50 and ₦1,427.00 per USD during the session.

The External Reserve was noted at \$45.49 billion (as of 30-Dec-25), reflecting a \$34.91 million day-on-day change and pushing the Year-to-Date (YTD) gain up further to +11.28%.

Outlook: Supported by strengthening foreign reserves, we expect the Naira to continue to move in accordance with current market supply and demand conditions.

NFEM RATE (\$/N)		Diff.
31-Dec-25	1,435.7571	↓ (9.9257)
30-Dec-25	1,445.6828	

Source: CBN, AIICO Capital

Commodities

Global oil prices fell on Wednesday and recorded an annual loss of nearly 20%, as expectations of oversupply increased in a year marked by wars, higher tariffs, increased OPEC+ output and sanctions on Russia, Iran and Venezuela. Brent crude fell slightly by 8cents or 0.13%, to \$61.25 per barrel, while U.S. West Texas Intermediate (WTI) declined by 11cents or 0.19%, to \$57.84.

Similarly, gold prices dropped on the final trading day of 2025 and but set to end the year with gains of more than 60% as U.S. interest rate easing, central bank buying, and geopolitical risks fueled demand for bullion. Spot gold price recede 0.48% to \$4,325.68/oz, while U.S. gold futures shed 1.43% decline to \$4,339.10/oz.

Outlook: We anticipate market to trade mixed, with sentiment weighed down by weak oil prices while support may come from sustained strength in gold and other precious metals amid expectations of Fed easing.

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)	45.49 (+11.28% YTD as of 30-Dec-25)
Monetary Policy Rate (Nov'2025)	27.00%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*61.25 (-0.08 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

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