

WEEKLY FINANCIAL MARKETS.



Thursday, 25 December 2025

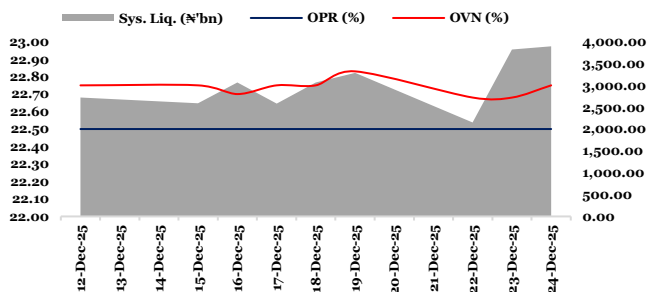
MARKET COMMENTARY

System Liquidity: Improvement in System Liquidity Pushes Funding Cost Lower by 4bps w/w

Interbank system liquidity remained robust throughout the week, supported by sustained Deposit Money Banks' (DMB) placements at the CBN's Standard Deposit Facility (SDF) window, alongside OMO maturities and bond coupon inflows, despite the settlement of an OMO auction. Liquidity opened with a moderate surplus balance of ₦2.15 trillion, largely reflecting the settlement of a ₦1.73 trillion OMO auction.

However, liquidity strengthened the following day, rising to ₦3.82 trillion on the back of ₦1.14 trillion inflows from the 23-Dec-26 OMO maturities, and further improved marginally on Wednesday to ₦3.89 trillion as DMB placements at the CBN's SDF window increased to ₦3.67 trillion.

Consequently, average funding costs declined by 4bps to 22.63%, with the OPR closing flat at 22.50%, while the overnight (O/N) rate fell by 8bps week-on-week to 22.75%.



Source: CBN, FMDQ, AIICO Capital

Outlook: Amid the expected inflows of ₦226.11 billion from the 30-Dec-25 OMO maturity, ₦281.53 billion from the 25-Dec-25 NTB maturity, and ₦161.81 billion in bond coupon payments from the Jun-32, Dec-35 Sukuk, and Dec-31 Sukuk bonds, we expect average funding costs to ease slightly, provided there are no major funding activities.

Treasury Bill: NTB Market Trades Cautiously Across Maturities

The NTB secondary market traded mixed but bearish sentiment over the week, despite the ample system liquidity. At the start of the week, calm activities was observed across tenors, with attention shifted to the OMO PMA, where ₦1.73 trillion was issued across the 162-day and 211-day tenors.

By Tuesday, cautious sentiment emerged at the short end, with rates on the 5-Mar-26, 12-Mar-26, and 19-Mar-26 bills rising by 12bps to 15.70%, 52bps to 15.72%, and 11bps to 15.75%, respectively. In contrast, long-dated bills softened, with the 19-Nov-26 recording the steepest yield decline of 37bps to 16.64%. Toward the close of the week, trading grew more restrained, characterized by marginal rate upticks at the short end and slight yield increases at the long end, as investors maintained light positioning ahead of the festive period.

Overall, the cautious tone drove a broad upward repricing across the curve, culminating in a 6bps w/w increase in the average benchmark yield to 16.24%.

Outlook: Market is anticipated to trade in line with the available system liquidity.

BENCHMARK T-BILLS DISCOUNT RATES			
	24-Dec-25	19-Dec-25	Change in Rates
85 DAYS	15.68%	15.64%	0.04
197 DAYS	16.20%	16.15%	0.05
358 DAYS	16.75%	16.88%	(0.13)

Source: FMDQ, AIICO Capital

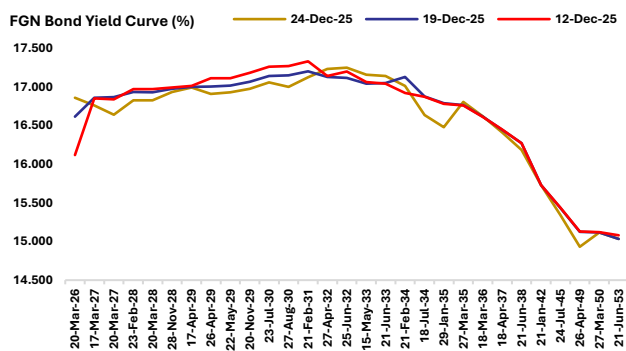
FGN Bonds: Buying-Interest Resurface in FGN Bond Market, as Yield Compressed by 7bps w/w

The FGN Bond secondary market maintained a generally calm but bullish tone over the week, with selective demand across the curve outweighing bouts of profit-taking.

Activity began on a cautious note, before buying interest emerged in short- and mid-tenor instruments—most notably the 2027s, 2028s, 2029s 2030s, 2037, and 2038 —leading to visible yield compression.

Bullish momentum gained traction midweek, supported by sustained demand for select short-, mid-, and long-dated bonds, including the 2028s, 2029s, 2030s, 2031, 2032s, and 2053, despite intermittent sell-offs were observed in the 2026s.

Overall, buying pressure dominated trading sentiment, resulting in a 7bps w/w decline in the average benchmark yield to 16.70%.



Source: FMDQ, AIICO Capital

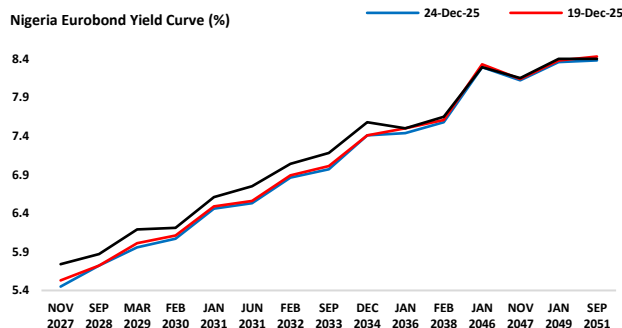
Outlook: Investor appetite in the domestic market is expected to remain sustained in the near term.

Eurobonds: Favorable Economic Indicators Pushes Eurobond Market Higher by 3bps w/w

African Eurobond market traded firmly over the week, supported by favourable global macroeconomic developments. Early-week gains were driven by softer U.S. CPI data, which eased inflation worries and stabilized U.S. Treasury yields, prompting selective demand for higher-yielding emerging market assets as investors sought value in attractive maturities.

Sentiment strengthened midweek after U.S. Q3 GDP growth came in stronger than expected at 4.3% (annualized), boosting risk-on sentiment and contributing to moderate yield declines across the curve, especially for the NIG-NOV-2027 bond with the steepest decline of 8bps to 5.45%.

Buying momentum persisted into the latter part of the week ahead of the market holiday, leading to further declines in yields across the curve. Overall, the average benchmark yield decreased by 3bps week-on-week to 7.04%.



Source: ZENITHBANK UK, AIICO Capital

Outlook: We expect the market to sustain positive sentiment post X-Mas holidays as all economic data points to further Fed rate cut in January.

Nigerian Equities: Bellwether Stocks Sustain Market Rally as ASI up 0.97%w/w

The Nigerian equities market closed trading activities Positive note, as buying interest was dominant in all of the three trading sessions amid price increase in small to high capped stocks like BUAFOODS and BUACEMENT. The market All-Share Index (ASI) added 97bps, to closed at 153,539.83 index points, while the Market Capitalization also gained ₦953.35 billion, representing a growth of 0.98% to close at ₦97.89 trillion.

The market positive outcome was also a result of investors buying interest in some medium and large capitalized stocks such as; ALEX, which emerged as the top gainer for the week, advanced by +32.39%, followed by AUSTINLAZ which grew by +32.23%. While FIRSTHOLDCO, GUNNISS, UBA, BUACEMENT, BUAFOODS, PRESCO, WAPCO AND GTCO also increased by +17.91%w/w, +9.98%w/w, +5.00%w/w, +2.94%w/w, +1.88%w/w, +1.40%w/w, +0.75%w/w and +0.62%w/w respectively, to be among the 44 appreciated stocks for the week.

Meanwhile, LEGENDINT declined by -11.71%w/w to led the losers' chart, trailed by CAHMPION (-11.50%w/w), MTNN (-5.21%w/w), AIICO (-3.08%w/w), NASCON (-2.27%w/w), OKOMUOIL (-1.26%), ZENITHBANK (-0.47%) NB (-0.19%w/w) and DANGCEM (-0.16%w/w), as 36 stocks depreciated during the week.

Furthermore, three out of the five major sectors closed positive for the week, led by the Consumer Goods sector (+334bps), followed by the Banking Sector (+293bps), and the Industrial sector (+117bps), while the Insurance sector dipped 213bps and Oil & Gas sector closed flat.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.12%	↑ 0.97%	↑ 6.98%	↑ 49.17%
NSE Banking Index	↑ 1.72%	↑ 2.93%	↑ 9.02%	↑ 38.90%
NSE Insurance Index	↓ -1.47%	↓ -2.13%	↑ 5.85%	↑ 59.61%
NSE Industrial Goods Index	↑ 0.05%	↑ 1.17%	↑ 9.68%	↑ 57.62%
NSE Consumer Goods Index	↑ 1.50%	↑ 3.34%	↑ 12.58%	↑ 122.41%
NSE Oil & Gas Index	↑ 0.02%	→ 0.00%	↓ -0.86%	↓ -1.33%

Source: NGX, AIICO Capital

Top 5 Equity Advancers W-o-W			
Name (Symbol)	Closing Price	Gain(N)	% Change
ALEX	16.35	4.00	↑ 32.39%
AUSTINLAZ	3.20	0.78	↑ 32.23%
INTBREW	14.50	2.50	↑ 20.83%
MECURE	65.20	10.20	↑ 18.55%
FIRSTHOLDCO	53.00	8.05	↑ 17.91%

Source: NGX, AIICO Capital

Top 5 Equity Decliners W-o-W			
Name (Symbol)	Closing Price	Loss(N)	% Change
LEGENDINT	4.90	-0.65	↓ -11.71%
CHAMPION	15.00	-1.95	↓ -11.50%
NEM	24.10	-2.20	↓ -8.37%
MANSARD	13.00	-1.00	↓ -7.14%
ABCTRANS	3.27	-0.23	↓ -6.57%

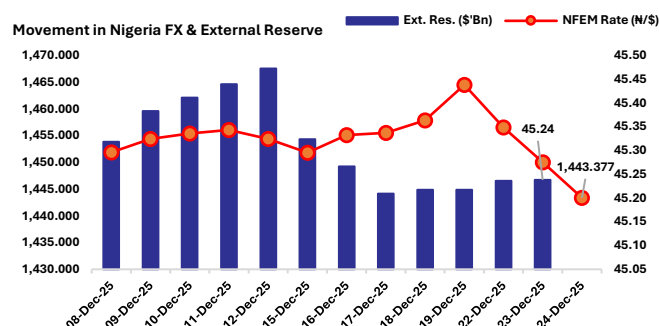
Source: NGX, AIICO Capital

Outlook: Positive sentiment to persist after the final Santa Claus rally and the portfolio rebalancing before the new year.

Foreign Exchange: Naira Rebounds by 0.75%w/w Amidst CBN Intervention

With help of continuous CBN's intervention in the Nigerian FX market as Naira appreciated against the USD in the Nigerian Foreign Exchange Market (NFEM). The Naira during the week strengthened by ₦11.04 per USD (+76bps w/w). Notably, the Naira traded within a range of ₦1,431.00 to ₦1,466.0 per USD within the week, with appreciation observed all through the three sessions.

Similarly, external reserves rebounds from the previous week decline to grew by \$20.94 million to \$45.24 billion as of December 23.



Source: CBN, AIICO Capital

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

Commodities: Oil Strengthens, Gold Pauses After Historic Rally

Oil prices settled higher week-on-week but marginally lower on Wednesday, as investors weighed U.S. economic growth and assessed the risk of supply disruptions from Venezuela and Russia. Brent crude futures for February settled at \$62.24 per barrel, up \$1.12 or 1.83%w/w, while West Texas Intermediate (WTI) futures closed at \$58.38 per barrel, gaining 94cents or 1.64%w/w.

Similarly, gold edged lower on Wednesday, taking a breather after surging past the key \$4,500/oz mark earlier in the session, while silver and platinum trimmed some gains following their record-breaking rally. Consequently, spot gold rose by 4.12%w/w to finish at \$4,479.64 per ounce.

MACRO INDICATORS	
GDP (Q3 2025)	+3.98% (Q2: 2025 +4.23% y/y)
INFLATION (NOVEMBER2025)	14.45% (Oct'25: 16.05%)
EXTERNAL RESERVE (US\$BILLION)	45.24 (+10.67% YTD as of 23-Dec-25)
MONETARY POLICY RATE (SEPT'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*62.24 (+1.12 w/w)

Source: CBN, NBS, Bloomberg, AIICO Capital

Outlook: We expect risk-on sentiment to extend into next week, supporting further gains in precious metals alongside continued oil price resilience on strong U.S. growth data and ongoing supply risk concerns.

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