

DAILY MARKET INSIGHTS.



Tuesday, 13 December 2024

MARKET COMMENTARY

System Liquidity

System liquidity opened the day with an improved surplus balance of ₦2.21 trillion, reflecting an increase of ₦740.03 billion from the previous session. This increase was notably driven by the ₦810.10 billion inflow from 13-Jan-26 OMO maturities, as well as sustained large placements at the SDF window (₦1.40 trillion), despite an offset of ₦101.50 billion borrowing at the CBN Standard Lending Facility (SLF).

Meanwhile, average funding cost rose slightly by 1bp to 22.60% as the Open Repo Rate (OPR) remained at 22.50% while the Overnight Rate (OVN) spiked by 2bps to close at 22.70%.

Outlook: Barring any significant activity, we expect funding costs to remain range-bound

SYS. LIQ. (₦'BN)	Diff.
13-Jan-26	2,212.74
12-Jan-26	1,472.71

Source: CBN, AICO Capital

Eurobonds

The African Eurobonds market traded on a broadly bullish note, supported by improved risk appetite and a pullback in U.S. Treasury yields, which encouraged selective buying across emerging market sovereign credits. In addition, softer U.S. December CPI data which came 2.6%y/y, lower than expectation and previous reading of 2.7%, spiked investors' positive sentiment across African paper, despite lingering caution around global macro uncertainties.

Consequently, the Nigeria Eurobonds recorded broad-based gains across the curve, as yields compressed in all maturities, driving the average benchmark yield down to 7.20%.

Outlook: Positive sentiment to persist as investors positively react to recent decline and in anticipation of U.S. PPI data.

HMARK FGN EUROBOND YIELDS			
	13-Jan-26	12-Jan-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	6.14%	6.27%	(0.13)
10 YRS: NGERIA 7.375% 09/29/33	7.16%	7.26%	(0.10)
15 YRS: NGERIA 7.696% 23/02/38	7.76%	7.84%	(0.08)
30 YRS: NGERIA 8.25% 09/29/51	8.49%	8.55%	(0.06)
8.75% ETI 06/17/31*	6.28%	6.31%	(0.00)

Source: FirstBank UK, AICO Capital

Treasury Bills

The NTB market traded on a calm to mixed note, as market activities were skewed towards selective positioning across the curve. Buying interest was evident at the long end, particularly on the 7-Jan-27 bill, where the discount rate declined by 11bps to close at 17.83%, reflecting improved demand for longer-dated papers.

However, sell pressure emerged at the mid-tenor segment, with the 7-May-26 bill recording a notable rate increase of 49bps to close at 16.54%. Overall, the average benchmark rate edged higher by 3bps to settle at 16.49%.

Outlook: We expect market to trade in-line with the prevailing market liquidity.

BENCHMARK T-BILLS DISCOUNT RATES

	13-Jan-26	12-Jan-26	Change in Yield (%)
86 DAYS	15.92%	15.92%	-
177 DAYS	16.28%	16.28%	-
359 DAYS	17.83%	17.94%	(0.11)

Source: FMDQ, AICO Capital

FGN Bonds

The FGN Bond secondary market traded on a mixed to bearish note, as investor participation remained cautious across the curve with sell-off sentiment driving market direction.

Trading activities were subdued, with most maturities closing flat. However, selling pressure was evident on select mid- to long-dated papers, particularly the 17-Apr-29, 21-Feb-31, and 15-May-33 bonds, which recorded yield upticks of 25bps, 54bps, and 53bps, respectively. Similarly, the 21-Jun-38 and 21-Jun-53 bonds saw yield increases of 58bps and 37bps, while mild buying interest emerged on the 21-Feb-34 bond, which recorded a 10bps yield compression to close at 17.84%. Consequently, the average benchmark yield increased by 11bps to close at 16.81%.

Outlook: In the near term, we expect the bond market to remain cautious ahead of the December CPI data.

BENCHMARK FGN BOND YIELDS

	13-Jan-26	12-Jan-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.94%	16.93%	0.01
10 YRS: 12.40% 18-MAR-2036	16.24%	16.24%	-
18 YRS: 13.00% 21-JAN-2042	15.98%	15.98%	-
27 YRS: 15.70% 21-JUN-2053	15.30%	14.93%	0.37

Source: FMDQ, AICO Capital

Nigerian Equities

The Nigerian equity market closed firmly in positive territory as the All-Share Index (ASI) advanced by 159bps, lifting year-to-date returns to 6.57%. Market breadth was strong, with 54 stocks recording gains against 13 decliners. DEAPCAP, CAVERTON, PZ, ETRANZACT and MTNN led the gainers' chart with maximum price appreciation, while UNIVINSURE emerged as the top laggard, declining by 6.25%. Activity levels improved significantly, as SOVRENINS topped the volume chart with 343.54 million shares traded, while MTNN led in value terms with turnover of ₦10.85 billion.

Sector performance was broadly positive, led by the Banking Index which gained 133bps on the back of strong performances in UBA, FIDELITYBK, WEMABANK, ZENITHBANK, STANBIC and GTCO, despite mild weakness in ACCESSCORP. The Consumer Goods Index rose by 74bps, supported by gains in PZ, MCNICHOLS, CHAMPION, NB, VITAFOAM and INTBREW, while the Oil and Gas Index added 39bps on strength in OANDO, ETERNA and JAPAULGOLD. The Industrial Goods Index edged up by 10bps, driven by gains in MEYER, CUTIX and WAPCO, despite losses in AUSTINLAZ.

Market turnover increased sharply by 75.01% to \$23.55 million, with MTNN accounting for nearly one-third of total value traded, including a 10 million unit cross at ₦605.00, alongside notable block trades in SEPLAT, ETRANZACT, GTCO, PZ and ACCESSCORP, while banking stocks also recorded healthy volumes outside of crosses.

Outlook: Positive sentiment expected to persist, amidst positive market breadth of +4.58x and sustained cautious trading in the fixed income market.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.59%	↑ 3.68%	↑ 6.57%	↑ 6.57%
NSE BANKING INDEX	↑ 1.33%	↑ 0.66%	↑ 7.79%	↑ 7.79%
NSE INSURANCE INDEX	↓ -0.06%	↓ -1.16%	↑ 9.94%	↑ 9.94%
NSE INDUSTRIAL GOODS INDEX	↑ 0.10%	↑ 1.96%	↑ 5.70%	↑ 5.70%
NSE CONSUMER GOODS INDEX	↑ 0.74%	↑ 2.57%	↑ 4.33%	↑ 4.33%
NSE OIL & GAS INDEX	↑ 0.39%	↑ 5.56%	↑ 8.14%	↑ 8.14%

Source: NGX, AICO Capital

NAME(SYMBOL)	TOP 5 EQUITY DECLINERS		
	CLOSING PRICE	LOSS(N)	% CHANGE
UNIVINSURE	1.20	-0.08	↓ -6.25%
PRESTIGE	1.62	-0.10	↓ -5.81%
REGALINS	1.10	-0.06	↓ -5.17%
ACADEMY	7.50	-0.40	↓ -5.06%
ROYALEX	1.93	-0.08	↓ -3.98%

Source: NGX, AICO Capital

NAME(SYMBOL)	TOP 5 EQUITY ADVANCERS		
	CLOSING PRICE	GAIN(N)	% CHANGE
CAVERTON	7.70	0.70	↑ 10.00%
DEAPCAP	3.63	0.33	↑ 10.00%
MTNN	605.00	55.00	↑ 10.00%
ETRANZACT	18.15	1.65	↑ 10.00%
PZ	58.30	5.30	↑ 10.00%

Source: NGX, AICO Capital

Foreign Exchange

The Naira on Tuesday recorded an appreciation of 13bps (₦1.80) against the USD, to close at ₦1,419.66/\$ at the Nigerian Foreign Exchange Market (NFEM) market. This gain was an improved supply from local participants to enhance market liquidity. Notably, the Naira traded within the ₦1,424.00 AND ₦1,418.00 range during the session.

Meanwhile, the External Reserve added \$65.07 million to previous day's balance, bringing total reserves to \$45.74 trillion (as of 12-Jan-26).

Outlook: Barring any significant change in supply level, we expect the exchange rate to trade around the similar level in the next session.

NFEM RATE (\$/₦)	Diff.
13-Jan-26	1,419.6585
12-Jan-26	1,421.4581 ↓ (1.7996)

Source: CBN, AICO Capital

Commodities

Global oil prices surged by about 3% on Tuesday as the prospect of disruptions to Iranian crude exports overshadowed possible increased supply from Venezuela. Brent crude climbed a \$1.85 or 2.90%, to \$65.57 per barrel, while U.S. West Texas Intermediate (WTI) rose by a significant \$2.04 or 3.44%, to \$61.36.

Similarly, Gold hit a record high on Tuesday, as U.S. inflation data cemented bets on Federal Reserve rate cuts this year and persistent geopolitical and economic uncertainties drove safe-haven demand, while silver also hit a fresh peak. Spot gold price rose 44bps to \$4,614.29/oz, while U.S. gold futures followed, edging up 15bps to \$4,621.74/oz.

Outlook: Tomorrow, we expect markets to trade cautiously with risk-off sentiment, as oil prices remain pressured by supply concerns and gold stabilises after recent profit-taking, keeping investor positioning defensive ahead of key data releases.

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)	45.74 (+0.52% YTD as of 12-Jan-26)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*65.72 (+1.85 d/d)

Source: NBS, CBN, Bloomberg, AICO Capital

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