DAILY MARKET INSIGHTS.

Tuesday, 20 January 2026

MARKET COMMENTARY

System Liquidity

System liquidity opened the day on a significantly improved surplus balance of ₦3.77 trillion, reflecting an increase of ₦1.53 trillion from the previous days open. This increase was driven by ₦1.31 trillion 20-Jan-26 OMO repayment, supported by an increase in DMBs placements at the CBN's Standing Deposit Facility (SDF) window to ₦2.50 trillion, despite offsets from ₦108.00 billion borrowings at the Standing Lending Facility (SLF). Meanwhile, the CBN conducted an OMO auction of ₦600 billion across 203-day and 245-day tenors but allotted ₦2.64 trillion in with stop rates of 19.38% and 19.39% for the two bills.

Consequently, average funding cost held steady at 22.61% as Open Repo Rate (OPR) and Overnight Rate (OVN) remained flat at 22.50% and 22.71%, respectively.

Outlook: *We expect funding cost to remain at range bound as market expect a coupon inflow of ₦90.59 billion from Jan-42 Bond.*

SYS. LIQ. (₦'BN)		Diff.
20-Jan-26	3,766.54	1,527.80
19-Jan-26	2,238.74	

Source: CBN, AIICO Capital

Eurobonds

African Eurobonds traded on a mildly bearish note amidst elevated U.S. Treasury yields as investors reassessed Fed easing timing.

Notably, selling pressure was evident across the Nigerian curve, with yields edging higher on most maturities. The Nov-27 bond rose by 7bps to 5.70%, while mid-curve papers such as the Mar-29 and Jan-31 widened by 4bps and 6bps to 6.21% and 6.72%, respectively. At the long end, yields also inched higher, with the Sep-51 bond closing up 4bps at 8.54%.

Consequently, the Nigeria Eurobonds recorded mild loss, as average Nigeria benchmark yields rose by 5bps to 7.27%.

Outlook*: Cautious sentiment likely to persist as investors monitor global risk dynamics and external market developments.*

BENCHMARK FGN EUROBOND YIELDS	20-Jan-26	19-Jan-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	6.21%	6.17%	0.04
10 YRS: NGERIA 7.375% 09/29/33	7.29%	7.22%	0.07
15 YRS: NGERIA 7.696% 23/02/38	7.87%	7.81%	0.06
30 YRS: NGERIA 8.25% 09/29/51	8.54%	8.50%	0.04
8.75% ETI 06/17/31*	6.78%	6.79%	(0.00)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB market traded on a calm-to-bearish note, reflecting a cautious undertone amid light trading activity, despite ample system liquidity.

Notably, only the 09-Apr-26 and 07-Jan-27 papers recorded yield movements, rising by 58bps and 12bps, respectively, while most tenors closed flat as cautious demand prevailed and attention shifted to the OMO auction. The CBN allotted ₦2.64tn across the 203-day and 245-day papers at stop rates of 19.38% and 19.39%.

Consequently, the average benchmark rate rose by 6bps to settle at 16.70%.

Outlook: *Tomorrow, we expect market to trade quietly as market focus on the NTB PMA auction, where ₦1.15 trillion worth of bills will be offered.*

BENCHMARK T-BILLS DISCOUNT RATES

	20-Jan-26	19-Jan-26	Change in Yield (%)
79 DAYS	16.16%	15.58%	0.58
170 DAYS	16.28%	16.28%	-
352 DAYS	17.63%	17.51%	0.12

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded cautiously following investors' reaction to the January Bond PMA circular and the early announcement of the OMO PMA, both of which dampened risk appetite and curtailed positioning.

Activities was focus on the short-mid tenor of the curve, while the long-end traded quietly. At the short end, mild selling pressure pushed yields on the 17-Mar-27 and 17-Apr-29 up by 1bp and 7bps to 16.97% and 17.26%, respectively. Mid-curve trading was mixed, as a 12bps rise in the 2033 was partly offset by a 7bps decline in the 2032.

Overall, the average benchmark yield edged up slightly by 1bp to 16.74%.

Outlook: *Market participants focus to shit towards the NTB PMA.*

BENCHMARK FGN BOND YIELDS

	19-Jan-26	16-Jan-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.94%	16.94%	-
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%	15.30%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian equities market closed trading on a positive note as the All-Share Index (ASI) gained 9bps, bringing the year-to-date (YTD) return to 6.84%. The gain today was strongly driven by 5.7% price appreciation in ARADEL and 38 others. Notably, market breadth was positive, with 39 gainers against 24 losers. NPFMCRFBK, REDSTAREX, and DEAPCAP, all appreciating by 10%, topped the gainers' chart, while ALEX (-9.95%) led the losers. TANTALIZER recorded the highest trading volume with 86.96m shares, while GTCO topped the value chart with trades worth ₦3.79bn.Sector performance was mixed.

The Banking Index declined by 69bps due to losses in GTCO (-2.46%), WEMABANK (-0.65%), and UBA (-0.44%), despite gains in FIDELITYBK (+0.25%) and ZENITHBANK (+0.84%). The Consumer Index edged up 3bps, supported by gains in CHAMPION (+8.83%), MCNICHOLS (+5.00%), VITAFOAM (+3.89%), NASCON (+0.87%), and HONYFLOUR (+0.22%), while DANGSUGAR (-2.16%) closed lower. The Oil & Gas Index gained 240bps on the back of ARADEL (+5.68%) and OANDO (+2.57%), offsetting losses in JAPAULGOLD (-3.72%). The Industrial Index closed flat as losses in AUSTINLAZ (-5.41%) and CUTIX (-1.37%) were offset by gains in TRIPPLEG (+9.90%).

Value traded increased by 37.37% to $13.93m, with trading activity largely concentrated in GTCO, ZENITHBANK, ARADEL, and MTNN, which together accounted for over half of total market turnover and were key drivers of ASI movement. Additionally, ZICHIS was listed by introduction on the Nigerian Exchange at ₦1.81 per share.

Outlook: *Market sentiment expected to remain mixed in the near term.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.09%	0.25%	6.84%	6.84%
NSE BANKING INDEX	-0.69%	0.80%	8.66%	8.66%
NSE INSURANCE INDEX	2.80%	3.71%	14.01%	14.01%
NSE INDUSTRIAL GOODS INDEX	0.00%	-0.24%	5.44%	5.44%
NSE CONSUMER GOODS INDEX	0.03%	-0.17%	4.15%	4.15%
NSE OIL & GAS INDEX	2.40%	6.31%	14.96%	14.96%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
NPFMCRFBK	4.73	0.43	10.00%
DEAPCAP	5.39	0.49	10.00%
REDSTAREX	15.95	1.45	10.00%
NCR	155.50	14.10	9.97%
MORISON	6.84	0.62	9.97%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ALEX	17.20	-1.90	-9.95%
JAIZBANK	7.21	-0.79	-9.88%
FTNCOCOA	7.05	-0.65	-8.44%
UPDC	5.70	-0.50	-8.06%
CAVERTON	7.60	-0.45	-5.59%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira at the Nigerian Foreign Exchange Market (NFEM) on Tuesday strengthened by 7bps (94 kobo) against the USD, closing at ₦1,419.35/$. The appreciation was driven by improved supply from local participants as the Naira traded within a range of ₦1,421.00 and ₦1,418.40 per USD.

Meanwhile, the External Reserve continues to improve, adding $49.34 million to previous day's balance, bringing total reserves to $45.95 trillion (as of 19-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.
19-Jan-26	1,420.2814	2.3331
16-Jan-26	1,417.9483	

Source: CBN, AIICO Capital

Commodities

Global Oil prices steadied on Monday as civil unrest in Iran subsided, reducing the likelihood of a U.S. attack that could disrupt supplies from the major producer, while market-watchers turned their attention to the stand-off over Greenland. Brent crude edged up by 0.05%, hovering around $64.16 per barrel, while U.S. West Texas Intermediate (WTI) rose slightly by 0.15%, to around $59.43.

However, Gold hit record highs on Monday, driven by a flight to safety after U.S. President Donald Trump warned of extra tariffs on some European countries in a dispute over Greenland. Spot gold price climbed 182bps to $4,678.58/oz, while U.S. gold futures followed, rising by 187bps to $4,681.49/oz.

Outlook: *We expect markets to trade cautiously with continued safe-haven demand supporting precious metals and oil prices remaining relatively steady amid geopolitical risk and mixed macro signals.*

Macro Indicators	
GDP (Q3 2025)	+3.98% (Q2: 2025 +4.23% y/y)
Inflation (December 2025)	15.15% (Nov'25: 17.33%)
External Reserve (US$'billion)	45.90 (+0.88% YTD as of 16-Jan-26)
Monetary Policy Rate (Nov'2025)	27.00%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US$/bbl	*64.16 (+0.03 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital