Tuesday, 27 January 2026

MARKET COMMENTARY

System Liquidity

System liquidity opened the day on an improved surplus balance of ₦6.13 trillion, representing an improvement of ₦2.22 trillion from previous opening. This improvement was largely driven by ₦2.14 trillion 27-Jan-26 OMO maturity and an increase in Deposit Money Banks' (DMBs) placements at CBN's Standing Deposit Facility (SDF) window to ₦3.92 trillion, despite a slight borrowing of ₦14.30 billion at the SLF window.

However, average funding cost remained unchanged at 22.65% as the Open Repo Rate (OPR) and the Overnight Rate (OVN) also closed flat at 22.50% and 22.79%, respectively.

Outlook: *System liquidity is expected to open on a moderate level tomorrow amid an expected settlement of ₦1.54 trillion for the Jan-26 Bond auction. As such, we expect funding cost to increase slightly, barring an further funding activity*

SYS. LIQ. (₦'BN)		Diff.
27-Jan-26	6,127.15	2,221.57
26-Jan-26	3,905.58	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobonds market traded on a mixed to positive note amidst investors' expectation of Federal Reserve holding the interest rate at 3.75%.

Buying interest was evident across the curve, with mild yield compressions on most Nigerian maturities. Notably, the Nov-2027 maturity recorded the highest yield decline of 7bps on the near-end of the curve to settle at 6.48%, while at the belly of the curve, Feb-2032, Sep-2033 and Dec-2034 posted modest yield declines of 2bps each to settle at 6.86%, 7.03% and 7.42%, respectively. Long-end maturities also saw mild yield compressions. Consequently, the average Nigerian Eurobond benchmark yields eased by 2bps to 7.03%.

Outlook*: Market likely to remain cautious as investors await Fed's decision on rate.*

BENCHMARK FGN EUROBOND YIELDS	27-Jan-26	26-Jan-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.90%	5.91%	(0.01)
10 YRS: NGERIA 7.375% 09/29/33	7.03%	7.05%	(0.02)
15 YRS: NGERIA 7.696% 23/02/38	7.67%	7.67%	-
30 YRS: NGERIA 8.25% 09/29/51	8.31%	8.34%	(0.03)
8.75% ETI 06/17/31*	7.00%	7.02%	(0.00)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a quiet note, as muted activity and balanced positioning across maturities kept rates flat along the curve.

Trading remained subdued across the short, mid, and long ends, as no meaningful demand–supply imbalances emerged during the session. Investor participation was cautious, with market attention was centred on the January bond auction.

Consequently, the average benchmark rate settled unchanged at 16.86%.

Outlook: *We expect market to trade sideways, largely guided by system liquidity and near-term funding conditions.*

BENCHMARK T-BILLS DISCOUNT RATES			
	27-Jan-26	26-Jan-26	Change in Yield (%)
72 DAYS	16.50%	16.50%	-
163 DAYS	16.74%	16.74%	-
345 DAYS	17.36%	17.36%	-

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded on a calm to positive note, as buying interests were notable on selected papers. Muted activities prevailed across all other tenors.

At the short end, mild buy pressure pushed the 20-Mar-27 maturity higher by 1bp to 17.84%. At the belly of the curve, the 21-Feb-34 recorded the most notable yield compression, as yields fell by 12bps to settle at 17.52%, while most long-dated bonds closed with yields unchanged from previous session's close.

Overall, the sharp fall in yield in the 21-Feb-34 was enough to drive average benchmark yields lower by 1bp to 16.73%.

Outlook: *In the near term, we expect market activities to improve as investor sentiment trade in line with the Bond auction results.*

BENCHMARK FGN BOND YIELDS			
	27-Jan-26	26-Jan-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.96%	16.96%	-
10 YRS: 12.40% 18-MAR-2036	16.25%	16.25%	-
18 YRS: 13.00% 21-JAN-2042	15.98%	15.98%	-
27 YRS: 15.70% 21-JUN-2053	15.21%	15.21%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The NGX closed positive as the ASI rose 12bps, bringing YTD return to 6.5%. SCOA, UHOMREIT, and DEAPCAP (+9.9%) led gainers, while AUSTINLAZ (-10.0%) topped losers. ACCESSCORP led volume with 26.5m shares, while GTCO led value at ₦2.5bn. Overall, 33 stocks gained while 26 declined.

Sectoral performance was mixed as the Banking Index declined 11bps driven by FCMB (-1.3%), WEMABANK (-0.4%), and ZENITHBANK (-0.1%), despite gains in UBA (+0.8%), ACCESSCORP (+2.0%), and FIDELITYBK (+4.5%). The Consumer Index advanced 46bps on INTBREW (+3.6%) and CADBURY (+3.5%), while VITAFOAM (-1.3%) and MCNICHOLS (-1.4%) lost. The Oil & Gas Index edged up 2bps supported by JAPAULGOLD (+3.6%) and ETERNA (+1.9%), while the Industrial Index gained 9bps on WAPCO (+0.6%) despite losses in CUTIX (-0.3%) and AUSTINLAZ (-10.0%).

Market activity improved slightly as value traded rose 0.5% to $12.3m, with banking and Oil & Gas stocks dominating trades. Notable crosses included 200k SEPLAT at ₦6,800.0, 14.5m GTCO between ₦98.5 and ₦98.5, and 5.2m ZENITHBANK at ₦70.9. ARADEL, WAPCO, and ACCESSCORP recorded decent off-cross volumes, while the broader market remained quiet with mixed sentiment and marginal price movements across most bellwethers.

Outlook: *Mixed sentiment to persist amid profit-taking and positioning for dividend season.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.12%	-0.33%	6.49%	6.49%
NSE BANKING INDEX	-0.11%	-1.01%	7.56%	7.56%
NSE INSURANCE INDEX	1.23%	-2.94%	10.66%	10.66%
NSE INDUSTRIAL GOODS INDEX	0.09%	0.01%	5.45%	5.45%
NSE CONSUMER GOODS INDEX	0.46%	-0.97%	3.14%	3.14%
NSE OIL & GAS INDEX	0.02%	-1.08%	13.72%	13.72%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
UHOMREIT	86.25	7.80	9.94%
SCOA	28.75	2.60	9.94%
DEAPCAP	8.63	0.78	9.94%
MORISON	9.09	0.82	9.92%
RTBRISCOE	7.22	0.65	9.89%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
AUSTINLAZ	4.34	-0.48	-9.96%
NEIMETH	10.80	-1.15	-9.62%
PRESTIGE	1.76	-0.14	-7.37%
AFRIPRUD	14.70	-1.10	-6.96%
VERITASKAP	1.90	-0.14	-6.86%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira closed today's trading session on a strong note, recording its largest gain in months. The Naira strengthened by 120bps (₦17.73) against the USD at the Nigerian Foreign Exchange Market (NFEM) today, by closing the session at ₦1,401.22/$. The appreciation was driven by inflows form Foreign Portfolio Investors (FPIs) as the Naira traded as low as ₦1,400.00 per USD with its highest at ₦1,415.00 during the session.

Meanwhile, the External Reserve sustained it improvement to add $25.32 million to previous day's balance, bringing total reserves to $46.04 trillion (as of 22-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.
27-Jan-26	1,401.2209	(17.7313)
26-Jan-26	1,418.9522	

Source: CBN, AIICO Capital

Commodities

Global Oil prices rose by around 2% on Tuesday as producers reeled from a winter storm that hobbled crude production and affected refineries on the U.S. Gulf Coast over the weekend, with the slow restart of output from the Tengiz oilfield in Kazakhstan further boosting prices. Brent crude jumped 3.71% or $2.40, hovering around $67.17 per barrel, while U.S. West Texas Intermediate (WTI) climbed 2.38%, to around $62.07.

Similarly, Gold pushed higher after breaking through the $5,000 per ounce milestone for the first time in the previous session, as persistent economic and geopolitical uncertainty drove investors to the safe-haven metal. Spot gold price climbed 136bps to $5,083.69/oz, while U.S. gold futures fell marginally by 10bps to $5,117.09/oz.

Outlook: *We expect market to trade cautiously with safe-haven bids in metals and energy price volatility likely influencing risk sentiment tomorrow.*

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$'billion)	46.04 (+1.18% YTD as of 26-Jan-26)
Monetary Policy Rate (Nov'2025)	27.00%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US$/bbl	*67.17 (+2.40 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital