DAILY MARKET INSIGHTS.

Wednesday, 04 February 2026

MARKET COMMENTARY

System Liquidity

The banking system liquidity opened the day with surplus balance of ₦2.25 trillion, to extend the previous surplus level of ₦2.24 trillion. The slight improvement was solely driven by the increase in Deposit Money Banks (DMBs) placements at CBN's Standing Deposit Facility (SDF) window to ₦2.10 trillion.

As such, average funding cost dipped by 23bps to 22.67%, as the Open Repo Rate (OPR) slide by 10bps to 22.50%, while the Overnight Rate (OVN) shed 37bps to 22.83%.

Outlook: *With an expected negative net flow from the ₦668.87 billion NTB maturity and settlement of ₦952.61 billion in NTB allotments, we expect funding rates to edge slightly higher.*

SYS. LIQ. (₦'BN)		Diff.
4-Feb-26	2,252.29	16.33
3-Feb-26	2,235.97	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobonds market traded with mixed to positive bias, as sustained buying interest outweighed lingering global risk-off Sentiment, driving overall yield compression across the market.

Buying interest was evident on some selected paper with, with notable yield decline on the short-dated papers like Nov-27 and Mar-29, which declined by 7bps and 4bps, respectively. Mid-tenor papers traded mixed as Jun-31 and Dec-34 saw yield compression by 5bps each, while Feb-32 and Sep-33 saw yield expansion by 2bps, each. At the long-end of the curve, yield dipped on Jan-46 and Sep-51by 1bp and 2bps, respectively.

Consequently, the average Nigerian Eurobond benchmark yield declined by 1bp to7.06%.

Outlook: *Market to is expected to trade with the similar sentiment barring any adverse global macro developments.*

BENCHMARK FGN EUROBOND YIELDS	04-Feb-26	03-Feb-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.89%	5.94%	(0.04)
10 YRS: NGERIA 7.375% 09/29/33	7.09%	7.07%	0.02
15 YRS: NGERIA 7.696% 23/02/38	7.76%	7.74%	0.02
30 YRS: NGERIA 8.25% 09/29/51	8.32%	8.34%	(0.02)
8.75% ETI 06/17/31*	6.26%	6.27%	(0.00)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a calm to slightly negative note, as investors focused on today's NTB Primary Market Auction (PMA). This kept rates largely unchanged across the curve, despite mild pressure at the very short end.

Trading activity remained muted across the mid-to-long segments, with most maturities closing flat. However, the 05-Mar-26 bill recorded a modest rate uptick of 19bps, marginally lifting overall market levels, while all other tenors closed unchanged amid balanced demand–supply dynamics.

Consequently, the average benchmark rate rose by 2bps to close at 16.74%.

Outlook: *We expect market participants to react to the outcome of the NTB auction and the prevailing market liquidity.*

BENCHMARK T-BILLS DISCOUNT RATES	04-Feb-26	03-Feb-26	Change in Yield (%)
64 DAYS	16.50%	16.50%	-
155 DAYS	16.74%	16.74%	-
337 DAYS	16.33%	16.33%	-

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded on a calm to mildly bullish note, as selective buying interest at the short-to-mid tenor of the curve, wile the long-dated papers traded flat.

At the short end, yields were mixed, with the 17-Mar-27 bond recording a marginal 1bp expansion, while the 20-mar-28 bond saw yield compression of 1bp. Activity picked up significantly at the belly of the curve, where the 21-Feb-31, 27-Apr-32, 15-May33 bonds recorded notable yield compressions of 10bps, 12bps, and 14bps, respectively. However, long-dated maturities closed largely unchanged.

Overall, the improved sentiment at the belly of the curve was sufficient to drag the average benchmark yield lower by 2bps to 16.29%.

Outlook: *In the near term, we expect market activities to trade at similar level.*

BENCHMARK FGN BOND YIELDS	04-Feb-26	03-Feb-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.37%	16.37%	-
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

Amidst investors' positive sentiment in notable high capped stocks, the Nigerian bourse closed the trading session on a high note as the All-Share Index (ASI) advanced by 1.28%, pushing YTD returns to 7.98%. FTGINSURE, DAARCOMM, RTBRISCOE, and BERGER topped the gainers' chart with gains of 10.0% each, while DEAPCAP and REDSTAREX led the losers, shedding 9.97%, each. CHAMS recorded the highest trading volume with 57.4 million shares, while SEPLAT emerged as the most traded by value at ₦2.6 billion. Market breadth was positive, with 52 stocks advancing against 26 decliners.

Sectoral performance was broadly bullish as the Banking Index gained 2.3%, driven by ETI (+9.1%), UBA (+2.4%), FCMB (+1.8%), WEMABANK (+1.4%), FIDELITYBK (+1.4%), ZENITHBANK (+0.8%), GTCO (+0.3%), and ACCESSCORP (+0.2%), while STANBIC declined by 0.7%. The Consumer Goods Index rose by 1.1% on the back of gains in INTBREW (+8.2%), NASCON (+3.8%), and VITAFOAM (+0.4%), despite a 9.9% decline in MCNICHOLS. The Oil and Gas Index added 1.5%, supported by ARADEL (+3.7%) and JAPAULGOLD (+2.6%), although OANDO (-0.4%) and ETERNA (-2.0%) closed lower. The Industrial Index advanced by 1.2%, driven by BERGER (+10.0%), AUSTINLAZ (+9.8%), CUTIX (+9.5%), WAPCO (+5.1%), CAP (+3.1%), and DANGCEM (+0.9%).

Market turnover declined by 14.31% to ₦20.57 billion, with SEPLAT, ARADEL, FIRSTHOLDCO, WAPCO, and ZENITHBANK accounting for over 40% of total traded value.

Outlook: *We expect positive sentiment tomorrow, amid renewed bargain hunting in dividend paying stocks.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	1.28%	1.74%	1.61%	7.98%
NSE BANKING INDEX	2.33%	2.92%	3.03%	10.22%
NSE INSURANCE INDEX	-0.84%	-1.85%	-4.10%	7.18%
NSE INDUSTRIAL GOODS INDEX	1.20%	1.82%	1.82%	7.37%
NSE CONSUMER GOODS INDEX	1.09%	1.04%	0.48%	3.71%
NSE OIL & GAS INDEX	1.52%	3.48%	3.37%	17.63%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
BERGER	66.00	6.00	10.00%
DAARCOMM	1.87	0.17	10.00%
FTGINSURE	0.22	0.02	10.00%
RTBRISCOE	10.45	0.95	10.00%
FIRSTHOLDCO	48.75	4.40	9.92%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
REDSTAREX	17.15	-1.90	-9.97%
DEAPCAP	6.86	-0.76	-9.97%
MCNICHOLS	6.53	-0.72	-9.93%
ETRANZACT	16.85	-1.85	-9.89%
OMATEK	2.19	-0.24	-9.88%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira at the Nigerian Foreign Exchange Market (NFEM) traded on a positive note, to strengthened by 1.07% (₦14.63) against the U.S Dollar. The appreciation was driven by sustained inflows from Foreign Portfolio Investors (FPIs) and local participants as the Naira traded within the ₦1,348.00/$ and ₦1,365.00/$ band during the session before settling at ₦1,358.28/$.

Meanwhile, external reserves was noted at $46.70 billion as of 3-Feb-2026, reflecting an addition of $105.84 million day-on-day.

Outlook: *Supported by current supply level conditions, we expect the exchange rate to trade around the similar band in the next session.*

NFEM RATE ($/₦)		Diff.
4-Feb-26	1,358.2839	(14.6303)
3-Feb-26	1,372.9142	

Source: CBN, AIICO Capital

Commodities

Global oil prices climbed about 3%, on a report that the U.S. would not agree to change the location and format of talks with Iran planned for Friday. Brent crude spiked 3.33% or $2.24, hovering around $69.57 per barrel, while U.S. West Texas Intermediate (WTI) rose 3.39%, to around $65.35.

Similarly, gold prices dipped below $5,000 an ounce amid a lack of fresh catalysts to support the market following a historic price plunge late last week. Spot gold price dipped 49bps to $4,914.95/oz, while U.S. gold futures shed 17bps, hovering around $4,926.65/oz.

Outlook: *Precious metals are likely to remain supported on safe-haven demand after gold regained ground, while oil prices could stay elevated on lingering Middle East tension fears.*

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$'BILLION)	46.70 (+2.63% YTD as of 03-Feb-26)
MONETARY POLICY RATE (NOV'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US$/BBL	*69.57 (+2.24 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital