

DAILY MARKET INSIGHTS.



Thursday, 05 February 2026

MARKET COMMENTARY

System Liquidity

The banking system opened the day with a liquidity surplus of ₦2.47 trillion, representing an improvement of ₦221.46 billion from the previous session's surplus level. This improvement was driven by increased Deposit Money Banks' (DMBs) placements at the Central Bank of Nigeria's (CBN) Standing Deposit Facility (SDF) window, which rose to ₦2.65 trillion, despite a net liquidity outflow of ₦283.74 billion from the 5-Feb-2026 NTB maturity and the settlement of yesterday's NTB auction.

Consequently, average funding cost edge lower by 2bps to 22.65%, as the Open Repo Rate (OPR) steady at 22.50%, while the Overnight Rate (OVN) slide by 3bps to 22.80%.

Outlook: *Barring any funding activities, we expect average funding rate to moderate amid improved system liquidity.*

| | SYS. LIQ. (₦'BN) | Diff. |
|----------|------------------|----------|
| 5-Feb-26 | 2,473.75 | ↑ 221.46 |
| 4-Feb-26 | 2,252.29 | |

Source: CBN, AIICO Capital

Eurobonds

African Eurobonds market traded largely bearish today following investors' reaction to various macroeconomic data such as higher-than-expected U.S. weekly jobless claim data, BoE interest rate decision and rising tension ahead of U.S. –Iran negotiation.

Broad-based selling was evident across major African issuers such as Nigeria, Angola, and Egypt, with Nigeria experiencing sell pressure across the entire yield curve, leaving Nov-27 and Sep-28 with light yield compression of 1bp each. Notably, Feb-32 had the highest yield expansion, 7bps (6.94%), while yield on Jan-31, Dec-34, Jan-36, Jan-46 and Sep 2051 rose by 6bps, each.

Consequently, the average Nigerian Eurobond benchmark yield rose by 4bps to 7.10%.

Outlook: *We expect market to trade in-line with the outcome of the U.S.-Iran negotiation.*

| BENCHMARK FGN EUROBOND YIELDS | | | |
|--------------------------------|-----------|-----------|---------------------|
| | 05-Feb-26 | 04-Feb-26 | Change in Yield (%) |
| 5 YRS: NGERIA 8.375% 03/24/29 | 5.92% | 5.89% | 0.03 |
| 10 YRS: NGERIA 7.375% 09/29/33 | 7.11% | 7.09% | 0.02 |
| 15 YRS: NGERIA 7.696% 23/02/38 | 7.81% | 7.76% | 0.05 |
| 30 YRS: NGERIA 8.25% 09/29/51 | 8.38% | 8.32% | 0.06 |
| 8.75% ETI 06/17/31* | 6.86% | 6.56% | 0.03 |

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market closed on a bullish note, as strong demand drove discount rates lower across most maturities, particularly within the mid-to-long tenors.

Notable declines were recorded on the 05-Mar-26 (105bps), 07-May-26 (86bps), and longer-dated papers such as 08-Oct-26 (94bps) and 05-Nov-26 (123bps), reflecting aggressive demand within the mid-to-long segment of the curve. Meanwhile, the 09-Apr-26, 04-Jun-26, and 09-Jul-26 maturities closed unchanged, indicating steady participation at those points.

Consequently, the average benchmark rate declined by 53bps to close at 16.21%

Outlook: We expect sentiment to remain positive, supported by liquidity conditions and sustained investor appetite for NTB instruments.

| BENCHMARK T-BILLS DISCOUNT RATES | | | |
|----------------------------------|-----------|-----------|---------------------|
| | 05-Feb-26 | 04-Feb-26 | Change in Yield (%) |
| 63 DAYS | 16.50% | 16.50% | - |
| 154 DAYS | 16.74% | 16.74% | - |
| 336 DAYS | 16.05% | 16.33% | (0.28) |

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market closed on a bullish note, supported by strong demand across the short-to-mid tenors, while long-dated papers traded flat.

At the short end, yields compressed on the 17-Mar-27 and 20-Mar-27 bonds by 12bps and 8bps respectively, extending into the belly where the 23-Feb-28, 20-Mar-28 and 17-Apr-29 papers recorded notable yield declines of 19bps, 16bps and 124bps. Further demand was seen on the 21-Feb-31 and 21-Feb-34 maturities, which fell by 29bps and 40bps, respectively. In contrast, most long-dated instruments closed unchanged amid limited interest.

Overall, the improved sentiment at the short to mid segment was sufficient to drag the average benchmark yield lower by 17bps to 16.13%.

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

| BENCHMARK FGN BOND YIELDS | | | |
|----------------------------|-----------|-----------|---------------------|
| | 05-Feb-26 | 04-Feb-26 | Change in Yield (%) |
| 3 YRS: 14.55% 26-APR-2029 | 16.11% | 16.37% | (0.26) |
| 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

Investors at the Nigerian Exchange sustained positive sentiment for the fourth consecutive sessions as the All-Share Index (ASI) gained 1.18% on Thursday, lifting YTD performance to 9.25%. Market breadth was strongly positive, with 54 advancing stocks against 19 decliners. GUINEAINS, CNIF, and SEPLAT led the gainers' chart, each recording gains of 10.0%, while DEAPCAP posted the steepest decline, down 9.6%. Trading activity was robust, with ACCESSCORP leading the volume chart after exchanging 106.6 million shares, while GEREGU dominated the value chart with trades worth ₦2.8 billion.

Sectoral performance was broadly upbeat across the market. The Banking Index rose by 0.6%, supported by gains in FIDELITYBK (+6.3%), FCMB (+1.3%), ACCESSCORP (+0.9%), UBA (+0.2%), and GTCO (+0.2%), despite losses in ZENITHBANK (-0.3%) and WEMABANK (-1.2%). The Consumer Goods Index edged higher by 0.1%, driven by VITAFOAM (+4.8%), DANGSUGAR (+3.7%), CHAMPION (+0.9%), HONYFLOUR (+0.5%), and MCNICHOLS (+0.5%), while INTBREW declined by 0.7%. The Oil and Gas Index gained 4.7%, largely on the back of SEPLAT (+10.0%) and OANDO (+0.3%), offsetting losses in JAPAUFGOLD (-1.7%). Meanwhile, the Industrial Index appreciated by 0.8%, reflecting strong performances from AUSTINLAZ (+9.8%), CUTIX (+7.3%), BERGER (+4.6%), and DANGCEM (+1.6%).

Market turnover improved, with value traded rising by 8.2% to ₦22.26 billion. Trading opened on a mixed note but strengthened toward the close, supported by late buying interest in SEPLAT (+10.0%) and MTNN (+3.7%).

Outlook: Amidst renewed bargain-hunting is high capped and dividend paying stocks, we expect sustained positive sentiment in the near term.

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|----------|----------|----------|----------|
| NGX ASI | ↑ 1.18% | ↑ 2.70% | ↑ 2.80% | ↑ 9.25% |
| NSE BANKING INDEX | ↑ 0.64% | ↑ 2.88% | ↑ 3.68% | ↑ 10.93% |
| NSE INSURANCE INDEX | ↓ -0.31% | ↓ -2.77% | ↓ -4.40% | ↑ 6.84% |
| NSE INDUSTRIAL GOODS INDEX | ↑ 0.79% | ↑ 2.62% | ↑ 2.62% | ↑ 8.21% |
| NSE CONSUMER GOODS INDEX | ↑ 0.11% | ↑ 0.69% | ↑ 0.59% | ↑ 3.82% |
| NSE OIL & GAS INDEX | ↑ 4.68% | ↑ 8.22% | ↑ 8.20% | ↑ 23.14% |

Source: NGX, AIICO Capital

| TOP 5 EQUITY ADVANCERS CLOSING | | | |
|--------------------------------|----------|---------|----------|
| NAME (SYMBOL) | PRICE | GAIN(N) | % CHANGE |
| CNIF | 110.00 | 10.00 | ↑ 10.00% |
| SEPLAT | 7,370.00 | 670.00 | ↑ 10.00% |
| GUINEAINS | 1.43 | 0.13 | ↑ 10.00% |
| RTBRISCOE | 11.49 | 1.04 | ↑ 9.95% |
| NEIMETH | 11.10 | 1.00 | ↑ 9.90% |

Source: NGX, AIICO Capital

| TOP 5 EQUITY DECLINERS CLOSING | | | |
|--------------------------------|-------|---------|----------|
| NAME (SYMBOL) | PRICE | LOSS(N) | % CHANGE |
| DEAPCAP | 6.20 | -0.66 | ↓ -9.62% |
| UNIVINSURE | 1.44 | -0.15 | ↓ -9.43% |
| HMCALL | 4.00 | -0.40 | ↓ -9.09% |
| REDSTAREX | 15.60 | -1.55 | ↓ -9.04% |
| UPDC | 5.30 | -0.40 | ↓ -7.02% |

Source: NGX, AIICO Capital

Foreign Exchange

The Naira at the Nigerian Foreign Exchange Market (NFEM) ended its 3-day successive appreciation today, weakening by 0.57% (₦7.77) against the U.S Dollar. This depreciation was driven by profit-taking by some Foreign Portfolio Investors (FPIs) as demand build-up against limited supply. The Naira traded higher within the ₦1,361.80/\$ and ₦1,370.00/\$ band during the session before settling at ₦1,366.06/\$.

Meanwhile, external reserves was noted at \$46.81 billion as of 4-Feb-2026, reflecting an addition of \$106.24 million day-on-day.

Outlook: Supported by current supply level conditions and policy reform implications, we expect the naira to trade around lower levels in the next session.

| NFEM RATE (\$/N) | | Diff. |
|------------------|------------|----------|
| 5-Feb-26 | 1,366.0573 | ↑ 7.7734 |
| 4-Feb-26 | 1,358.2839 | |

Source: CBN, AIICO Capital

Commodities

Global oil prices slipped by more than 3% on Thursday after the U.S. and Iran agreed to hold talks in Oman on Friday, easing concerns around any bottlenecks in Iranian crude supplies. Brent crude lost 2.42% or \$1.68, hovering around \$67.78 per barrel, while U.S. West Texas Intermediate (WTI) declined 2.39%, to around \$63.58 per barrel.

Similarly, gold prices fell as a stronger U.S. dollar pressured prices, reducing demand for the non-yielding metal and prompting profit-taking after recent gains. Spot gold price dipped 185bps to \$4,871.63/oz, while U.S. gold futures shed 121bps, hovering around \$4,890.95/oz.

Outlook: Tomorrow, we expect oil prices to remain under pressure as markets watch U.S.–Iran talks for signs of easing geopolitical risk, while gold may continue to face headwinds from a firmer dollar and reduced safe-haven demand.

| 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) | 46.81 (+2.87% YTD as of 04-Feb-26) |
| MONETARY POLICY RATE (NOV'2025) | 27.00% |
| CASH RESERVE REQUIREMENT (CRR) | 45.00% |
| BRENT CRUDE PRICE US\$/BBL | *67.78 (-1.68 d/d) |

Source: NBS,CBN, Bloomberg, AIICO Capital

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