

WEEKLY FINANCIAL MARKETS.



Friday, 06 February 2026

MARKET COMMENTARY

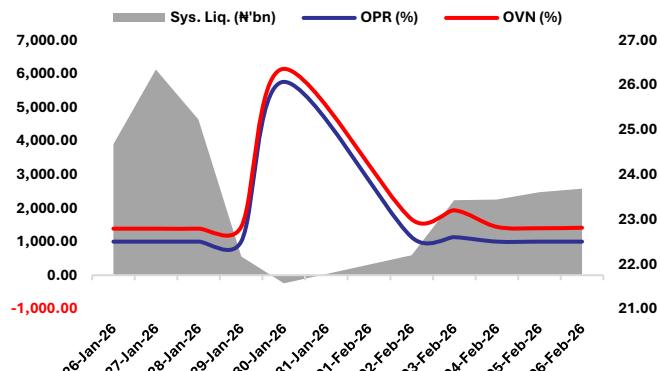
System Liquidity: Strong SDF Placement and OMO inflow Rebounds Market Liquidity to ₦2.57 trillion

System liquidity rebound strongly from the previous week's deficit level to a surplus level throughout the week, supported by robust placements at the CBN's Standing Deposit Facility (SDF), OMO & NTB maturities and bond coupon inflow, despite NTB primary market settlements. The liquidity opened the week with a surplus balance of ₦596.46 billion, buoyed by ₦1.02 trillion in SDF placements alongside ₦24.38 billion in primary market repayments. As the week progress, liquidity surplus improved to ₦2.24 trillion, amid ₦1.03 trillion OMO maturity inflow and increase in Deposit Money Banks (DMBs) placement at the SDF window.

Towards the end of the week, liquidity improved to ₦2.47 trillion, buoyed by significant increase in DMBs placements at the SDF window to ₦2.65 trillion despite negative flow of ₦283.74 billion from NTB maturity (₦668.87 billion) and settlement (₦952.61 billion). By close of the week, liquidity closed on a more surplus level at ₦2.57 trillion, driven by spike in placements at the CBN SDF window (₦2.49 trillion).

Consequently, average funding cost dropped significantly by 356bps w/w to 22.66%, with Open Repo Rate (OPR) shedding 357bps to 22.50%, while the Overnight Rate dropped by 355bps to 22.81%.

Outlook: Amid an expected inflow of ₦993 billion 10-Feb-2026 OMO maturity, we expect funding cost to ease slightly, barring any funding activities within the week.



Source: CBN, FMDQ, AICO Capital

Treasury Bill: Robust Liquidity, NTB Auction Result Moderate NTB Rates by 63bps w/w

During the week, the NTB secondary market traded on a calm-to-bullish note, supported by robust system liquidity and investors' reaction to the outcome of the NTB auction. Trading began the week on a quiet and neutral footing, with muted activity across all maturities keeping yields largely flat across the curve.

By midweek, market participants' attention shifted to the NTB Primary Market Auction (PMA), where the CBN offered ₦1.15 trillion but allotted ₦952.61 billion across the 91-, 182-, and 364-day tenors. At the auction close, stop rates on the 91- and 182-day bills settled flat at 15.84% and 16.65%, respectively, while the 364-day tenor cleared lower at 16.99%, representing a 137bps decline from the previous stop rate.

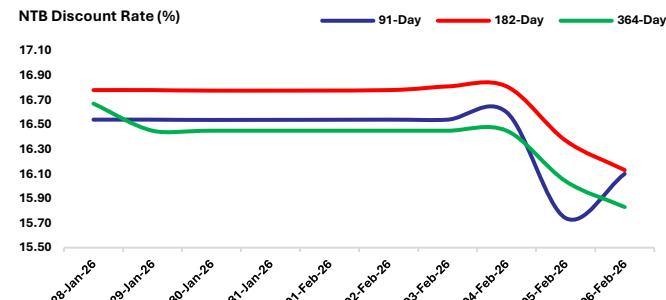
By Thursday, the market turned broadly bullish in reaction to the auction outcome, driving stronger demand and widespread yield declines across the curve. Short-, mid-, and long-tenor bills recorded notable yield compression.

Bullish sentiment was sustained through the end of the week, with demand skewed toward mid- to long-dated instruments. The newly issued long-dated bill (04-Feb-26) remained actively traded, settling around 15.80%.

Overall, the week ended with a sharp 63bps decline in the average benchmark rate, closing at 16.09%.

NTB AUCTION RESULT - 04 February 2026			
AUCTION DATE	04-Feb-26		
SETTLEMENT DATE	05-Feb-26		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	7-May-26	6-Aug-26	4-Feb-27
OFFER AMOUNT (₦'BN)	150.000	200.000	800.000
SUBSCRIPTION AMOUNT (₦'BN)	66.0508	123.4077	4,396.8327
ALLOTMENT AMOUNT (₦'BN)	63.2138	80.6097	808.7841
RANGE OF BIDS	14.5000% - 20.0000%	15.6000% - 0.0300%	16.0000% - 21.0000%
CURRENT STOP RATE: DISCOUNT (YIELD)	15.840% (16.491%)	16.650% (18.157%)	16.987% (20.452%)
LAST STOP RATE: DISCOUNT (YIELD)	15.840% (16.491%)	16.650% (18.157%)	18.360% (22.475%)
CHANGE: DISCOUNT (YIELD)	+0.000% (+0.000%)	+0.000% (+0.000%)	-1.373% (-2.024%)

Source: CBN, AICO Capital



Source: FMDQ, AICO Capital

Outlook: Market to trade in line with the available system liquidity

FGN Bonds: FGN Bonds Gain as NTB Momentum Spills Over

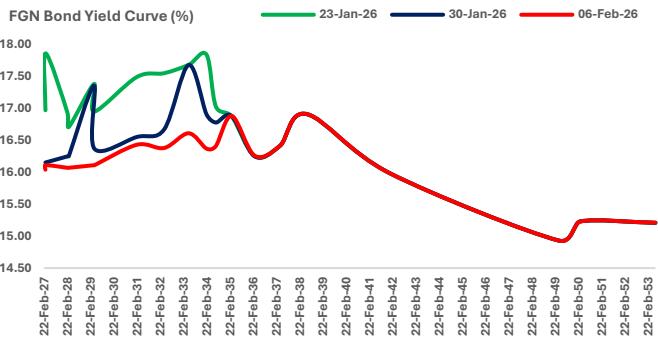
The FGN Bond secondary market traded mixed to bullish conditions over the week, as improved investors' confidence and spillover demand from the NTB market supported yield compression, particularly along the short- to mid-tenor sections of the curve.

The week began with measured and selective buying interest focused on the short and mid segments, before sentiment weakened briefly midweek following sell pressure around the belly of the curve.

However, the bearish momentum was short-lived, as renewed demand on Wednesday and Thursday drove notable yield pullbacks, led by the FGN 2031, 2032, 2033, 2034, and 2035 papers. This recovery was underpinned by improving sentiment and demand spillover from the strongly bullish NTB market.

By Friday, market activity turned mixed with a slightly cautious tone. Although selective demand remained evident in parts of the mid segment—particularly the FGN 2032, which saw yields decline by 9bps to 16.38% and profit-taking in some issues limited further yield compression, resulting in broad consolidation into the close.

Overall, the average benchmark yield declined by 23bps w/w to settle at 16.13%, highlighting sustained interest across the belly of the curve despite intermittent profit-taking during the week.



Source: FMDQ, AICO Capital

Outlook: We expect sustained market sentiment in the near term

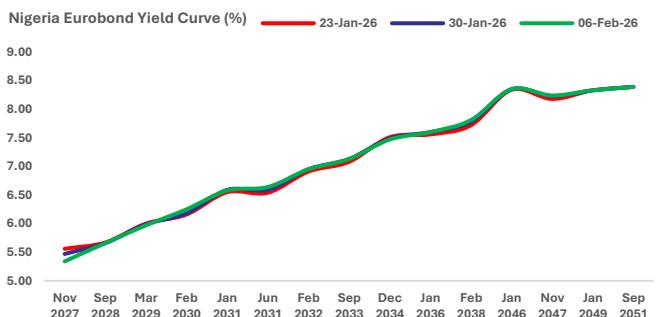
Eurobonds: Africa Eurobonds End Slightly Positive Amid Mixed Global Signals

The Africa Eurobond market experienced mixed trading conditions over the week but ended slightly bullish, as robust early-week demand outweighed late week profit-taking. Trading began the week with rebound from previous week, driven by renewed offshore interest, improving global risk appetite, and firmer crude oil prices. Supportive U.S. macroeconomic data—most notably the January ISM Manufacturing PMI at 52.6—helped temper global risk-off sentiment and facilitated modest yield compression across the Nigeria, Angola and Egypt Eurobond market.

Market sentiment softened midweek as higher U.S. Treasury yields and a stronger dollar curtailed investor appetite for higher-yielding emerging market assets, leading to profit-taking and more cautious positioning.

Further pressure stemmed from mixed global data releases and an increase in U.S. weekly jobless claims to around 231,000 and tension from U.S.-Iran talk, reinforcing risk aversion and resulting in mild yield upticks. Trading closed with a sell-side bias amid lingering uncertainty.

Overall, the Nigeria Eurobonds average benchmark yields edged down marginally by 1bp w/w to settle at 7.11%.



Source: FirstBank UK, AICO Capital

Outlook: Trading is expected to remain calm, with a slight bearish tilt, as investors navigate oil price swings and reassess the implications of recent U.S.-Iran developments.

Nigerian Equities: High Cap Stocks Drives ASI Higher by 3.8%w/w

The Nigerian equities market traded positively through out the week as the All-Share Index (ASI) gained 3.8%w/w to close at 171,727.49 points. This was driven by positive investor reactions to corporate earnings releases and select company-specific developments. Strong gains in MTNN (+8.4%), DANGCEM (+7.1%), SEPLAT (+10.0%), WAPCO (+6.4%), and STANBIC (+8.5%).

Sector performance was broadly positive, led by the Oil & Gas (+10.9%), Industrial Goods (+4.4%), Banking (+3.6%), and Consumer Goods (+1.0%) indices, while the Insurance sector underperformed, declining by 2.3%.

Market activity also improved significantly, with total trading volume and value increasing by 53.5% and 98.3% w/w, respectively.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.01%	↑ 3.84%	↑ 3.84%	↑ 10.36%
NSE Banking Index	↓ -0.11%	↑ 3.57%	↑ 3.57%	↑ 10.80%
NSE Insurance Index	↑ 2.16%	↓ -2.33%	↓ -2.33%	↑ 9.15%
NSE Industrial Goods Index	↑ 1.70%	↑ 4.36%	↑ 4.36%	↑ 10.05%
NSE Consumer Goods Index	↑ 0.42%	↑ 1.01%	↑ 1.01%	↑ 4.26%
NSE Oil & Gas Index	↑ 2.47%	↑ 10.88%	↑ 10.88%	↑ 26.18%

Source: NGX, Alico Capital

Top 5 Equity Advancers W-o-W			
Name (Symbol)	Closing Price	Gain(N)	% Change
RTBRISCOE	12.63	4.77	↑ 60.69%
ZICHIS	6.72	2.53	↑ 60.38%
ABBEYBDS	14.95	5.55	↑ 59.04%
UNIONDICON	13.05	4.30	↑ 49.14%
AUSTINLAZ	5.40	1.50	↑ 38.46%

Source: NGX, Alico Capital

Top 5 Equity Decliners W-o-W			
Name (Symbol)	Closing Price	Loss(N)	% Change
DEAPCAP	6.82	-2.57	↓ -27.37%
UHOMREIT	69.25	-25.60	↓ -26.99%
REDSTAREX	17.15	-3.65	↓ -17.55%
UPDCREIT	7.85	-1.10	↓ -12.29%
CORNERST	5.45	-0.76	↓ -12.24%

Source: NGX, Alico Capital

Outlook: We expect the market to sustain its positive sentiment in mid-to high capped stocks in creation to released earnings and bid for dividend season. However, profit-taking from recent rally may emerge.

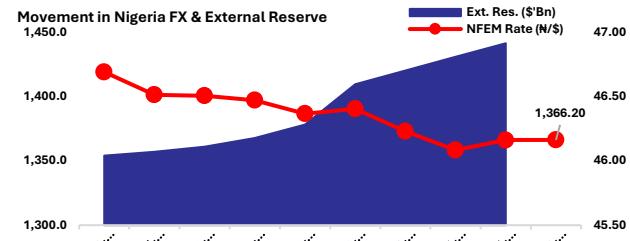
Foreign Exchange: Naira Strengthened by ₦20/USD Amid Inflow from FPIs

At the start of the week, the Naira opened on footing at the Nigerian Foreign Exchange Market (NFEM), depreciating by 27bps as stronger demand outweighed available supply, with the currency settling at ₦1,390.36/\$, but this was followed by a strong recovery

On Tuesday, robust inflows from Foreign Portfolio Investors (FPI) and local participants drove a sharp 125-basis-point appreciation. This momentum continued through Wednesday, with the Naira closing at ₦1,358.28/\$, before beginning to weaken later in the week as supply diminished.

By week's end, the Naira recorded a week-on-week gain of 147 basis points (₦20.36), closing around ₦1,366.20/\$, despite late-week demand pressures.

Meanwhile, external reserves trended higher during the week, increasing by \$736.67 million to \$46.91 billion, providing additional confidence and cushioning short-term pressures.



Source: CBN, Alico Capital

Outlook: Barring any significant shift in supply, we expect the Naira to trade within a similar range, supported by steady inflows and reserve accretion.

Commodities: Oil Retreats Amid U.S.-Iran Tensions; Gold Surges Over 3% on Dip Buying

Global Oil prices settled higher on Friday but recorded weekly losses as traders worried that this week's talks between the U.S. and Iran had failed to reduce the risk of a military conflict between the two countries. Brent crude shed \$1.32 or 1.90%w/w to close near \$68.00/bbl, West Texas Intermediate (WTI) lost \$1.66 to close at \$63.55/bbl.

Gold rallied more than 3% on Friday, poised for a decent weekly gain as dip buyers emerged, following a session that pushed the yellow metal below the \$4,800 mark. By week close, spot gold gained \$100.87 (2.07%w/w) to close near \$4,966.22/ounce.

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)	46.91 (+3.10% YTD as of 05-Feb-26)
MONETARY POLICY RATE (SEPT'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*68.00 (-1.32 w/w)

Source: CBN, DMO, Bloomberg, Alico Capital

Outlook: We expect market direction to remain driven by geopolitical risks and USD dynamics, with oil prices volatile around US-Iran talks while gold stays supported by a softer dollar and haven demand.

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