WEEKLY FINANCIAL MARKETS.

Friday, 20 February 2026

MARKET COMMENTARY

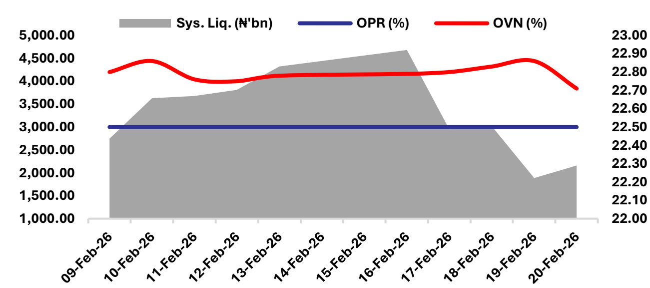
System Liquidity: *Liquidity Swings as OMO&NTB Auction Drives Sharp Mid-Week Tightening*

System liquidity fluctuated throughout the week, beginning with a strong surplus of ₦4.68 trillion on Monday and peaking at ₦5.26 trillion on Tuesday, driven mainly by increased Deposit Money Banks' placements at the CBN's SDF window and OMO repayments. By Wednesday and Thursday, liquidity tightened significantly to ₦3.02 trillion and ₦1.89 trillion, respectively, following the ₦1.91 trillion NTB auction settlement and ₦2.3 trillion OMO auction settlement. This was despite the OMO & NTB maturity of ₦1.87 trillion and ₦765.89 billion, respectively.

By Friday, liquidity improved slightly to ₦2.16 trillion, driven by strong placement at the CBN'SDF window.

However, funding rates remained relatively stable during the week, with the Open Repo Rate (OPR) holding steady at 22.50% across the week, while the Overnight (OVN) rate showed only mild movements, rising gradually from Monday to Thursday before easing to 22.71% on Friday. Consequently, average funding rate also eased slightly by 4bps to 22.61%.

Outlook: *Amid an expected inflow of ₦726.2 billion from 24-Feb-2026 OMO maturities and ₦650.5 billion from Feb-2028, 2031, 2034 and Aug-2030 bonds, we expect funding cost to ease slightly. Although, these inflow could be offset by the settlement of the Feb Bond auction allotment.*



Source: CBN, FMDQ, AIICO Capital

Treasury Bill: *Robust Liquidity, NTB Auction Result Declines NTB Rates by 11bps w/w*

The NTB secondary market traded in a calm, neutral pattern at the start of the week, with thin activity and stable rates across most maturities. Mild selective demand emerged at the long end, particularly the Feb-2027 bill, which saw gradual yield compression each day—from 15.86% to 15.40% by midweek. Average benchmark rates moved only marginally across these sessions.

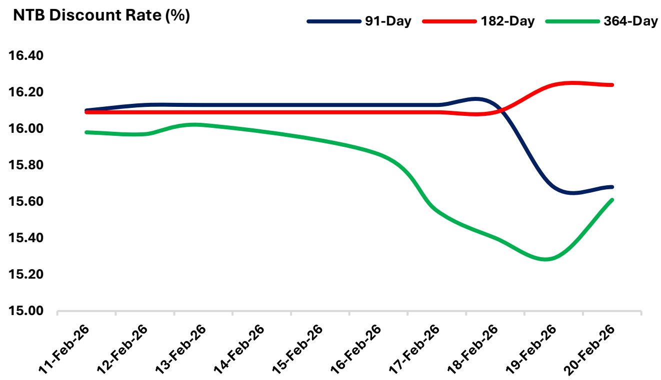
Towards the end of the week, market turned mildly bullish as buying interest strengthened across mid- to long-term maturities. Key bills such as the 07-May-26, 04 –un-26, and 03-Dec-26 recorded notable rate declines of 45–47bps, while long dated papers also compressed. This broad-based demand pushed the average benchmark NTB rate down by 14bps to 15.92%.

Bullish sentiment was sustained through the close of the week, as demand persisted at the long-end of the curve, while activity across the mid-tenors remained largely subdued, with most maturities closing unchanged.

Overall, the week ended with a modest 11bps decline in the average benchmark rate, closing at 16.00%.

NTB AUCTION RESULT - 18 February 2026			
AUCTION DATE	18-Feb-26		
SETTLEMENT DATE	19-Feb-26		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	21-May-26	20-Aug-26	18-Feb-27
OFFER AMOUNT (₦'BN)	150.0000	200.0000	800.0000
SUBSCRIPTION AMOUNT (₦'BN)	112.0099	93.7462	4,074.8652
ALLOTMENT AMOUNT (₦'BN)	**105.0504**	**93.4062**	**1,710.2965**
RANGE OF BIDS	14.880% - 18.030%	14.800% - 20.000%	15.000% - 23.500%
CURRENT STOP RATE: DISCOUNT (YIELD)	**15.800% (16.448%)**	**16.650% (18.157%)**	**15.900% (18.896%)**
LAST STOP RATE: DISCOUNT (YIELD)	15.840% (16.491%)	16.650% (18.157%)	16.987% (20.452%)
CHANGE: DISCOUNT (YIELD)	-0.040% (-0.043%)	+0.000% (+0.000%)	-1.087% (-1.555%)

Source: CBN, AIICO Capital



Source: FMDQ, AIICO Capital

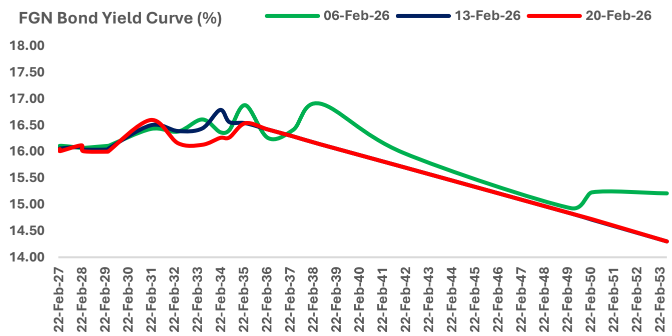
Outlook: *Market to trade in line with the available system liquidity*

FGN Bonds: *Moderating CPI, Bond Auction Notice Drives Bond Yield Lower by 7bpsw/w*

The FGN Bond secondary market traded with a bullish bias over the week, amid improved investors' sentiment and a lower-than-expected CPI data, which spurred buying activity—especially in the belly of the curve. Early in the week, selective demand emerged following the release of the Jan-26 inflation data (15.10%y/y), strengthening expectations of a gradual rate cut in interest rates and triggering mild downward adjustments in yields across key mid-tenor securities.

Momentum picked up midweek, with strong demand observed for the FGN 2033, 2034, and 2032 maturities, leading to notable yield compression amid sustained investor appetite. However, trading remained largely selective as market participants assessed the DMO's February bond offer circular, announcing an ₦800 billion auction, resulting in periods of cautious positioning.

By the end of the week, activity became mixed but retained a modest bullish undertone, as investors rebalanced portfolios and positioned ahead of the upcoming auction. Demand continued to concentrate in the short- to mid-tenor segment, with the FGN 2032 attracting particular interest and repricing lower to close at 16.00%. Overall turnover was light, reflecting a cautious, wait-and-see approach. Consequently, the average benchmark yield declined by 7bps w/w to close at 15.92%.



Source: FMDQ, AIICO Capital

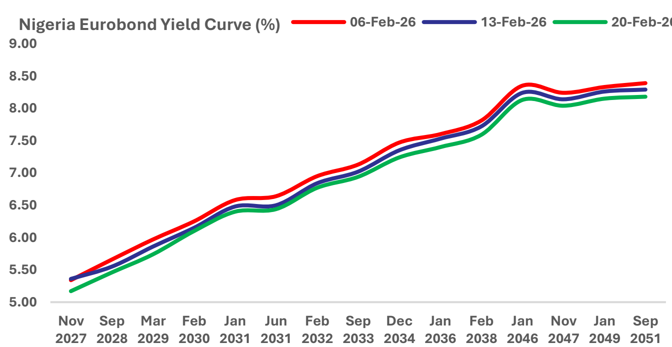
Outlook: *We anticipate a cautious tone in the market as investor focus turns to the forthcoming FGN bond PMA, at which the DMO plans to offer ₦800 billion across the Jun-2032, May-2033, and Feb-2034.*

Eurobonds: Eurobonds End Slightly Positive Amid Mixed Global Signals.

Nigeria's Eurobond market with a mixed to positive tone over the week, supported by stronger investor confidence and a favourable global macroeconomic backdrop. Early trading was driven by a lower-than-anticipated U.S. headline CPI data, steady global conditions, and robust crude oil prices.

Midweek, the bullish momentum persisted as investors positioned ahead of anticipated Iran–US talk and in reaction to Nigeria's softer Jan-26 inflation data of 15.1%y/y. This reinforced confidence in macroeconomic stability and sustained demand, leading to further yield compression. However, toward the end of the week, market adopted a mildly risk-off stance following the release of the Federal Reserve's hawkish meeting minutes, which reaffirmed expectations of a prolonged higher interest rate environment, and prompted selective profit-taking.

By week's close, market traded positive following the U.S. Supreme Court decision rejecting tariff measures proposed by Donald Trump. Consequently, the average benchmark yield declined by 11bpsw/w to close at 6.92%.



Source: FirstBank Uk, AIICO Capital

Outlook: *Trading is expected to remain calm to positive as investors assess the latest development between U.S. and Iran regard nuclear weapon enrichment.*

Nigerian Equities: High Cap Stocks Drives ASI Higher by 6.95%w/w

The domestic equities market sustained its bullish momentum during the week, posting gains in four out of five trading sessions. The upward movement was largely supported by strong buying interest in MTNN (+10.0%), DANGCEM (+10.1%), BUAFOODS (+5.8%), BUACEMENT (+9.4%), and SEPLAT (+8.3%). A such, the All-Share Index rose by 6.95% to close at 194,989.77 points, lifting MTD and YTD returns to +17.91% and +25.30%, respectively.

Sectors performance mirrored the positive market tone, as the Industrial Goods (+10.1%), Oil & Gas (+8.7%), Consumer Goods (+6.1%), Banking (+5.7%), and Insurance (+4.7%) indices all recorded gains.

Market activity strengthened notably, with total trading volume and value climbing by 148.4% week-on-week and 87.1% week-on-week, respectively.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	0.99%	6.95%	17.91%	25.30%
NSE Banking Index	1.43%	5.68%	15.84%	23.93%
NSE Insurance Index	2.52%	4.73%	2.96%	15.06%
NSE Industrial Goods Index	2.28%	10.10%	23.04%	29.75%
NSE Consumer Goods Index	1.23%	6.10%	10.34%	13.88%
NSE Oil & Gas Index	0.05%	8.66%	34.20%	52.73%

Source: NGX, AIICO Capital

Top 5 Equity Advancers W-o-W

Name (Symbol)	Closing Price	Gain(N)	% Change
ZICHIS	17.36	6.56	60.74%
JAPAULGOLD	4.02	1.51	60.16%
INFINITY	15.75	5.85	59.09%
FTGINSURE	0.60	0.21	53.85%
JAIZBANK	11.00	2.70	32.53%

Source: NGX, AIICO Capital

Top 5 Equity Decliners W-o-W

Name (Symbol)	Closing Price	Loss(N)	% Change
RTBRISCOE	13.80	-3.62	-20.78%
MECURE	84.25	-19.75	-18.99%
TRIPPLEG	5.40	-1.25	-18.80%
SOVRENINS	2.32	-0.48	-17.14%
ELLAHLAKES	12.80	-2.20	-14.67%

Source: NGX, AIICO Capital

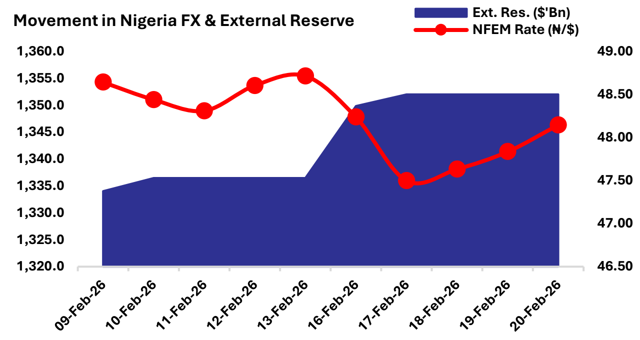
Outlook: *We expect the market to sustain its positive sentiment in mid-to high capped stocks in reaction to released earnings, bid for dividend season and MPC decision.*

Foreign Exchange: *Naira Remain Strong Amid Inflow from FPIs as Reserve Hits 13-Years High*

The Naira began the week on a stronger note, appreciating by c. ₦20 per USD to ₦1,336.0 per USD at the early part of the week, due to improved FX supply and inflows from FPIs and local participants

Later on, the Naira begin to consistently depreciate amidst higher demand pressure than the available supply. By Friday, the Naira closed at ₦1,346.30 per USD to a gain on 67bps w/w (₦9.1 per USD), driven the early week sharp appreciation.

Meanwhile, external reserves trended higher during the week, increasing by $555.38 million to $48.50 billion, providing additional confidence and cushioning short-term pressures.



Source: CBN, AIICO 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 Price Surge Amid U.S.-Iran Tensions; Gold Surges Over 1% on Dip Buying*

Global Oil prices rose in late-day short-covering on Friday as investors worried about U.S. military action, as President Donald Trump presses the Islamic Republic to halt nuclear weapon development. Brent crude rose $4.01 or 5.92%w/w to close near $71.76/bbl, West Texas Intermediate (WTI) gained $3.59 to close at $666.48/bbl.

Gold prices rally more than 1% on Friday after economic growth in the US decelerated, while inflation rose past the 3% threshold as depicted by the Core Personal Consumption Expenditures (PCE) Price Index, the Federal Reserve's (Fed) favourite inflation gauge. By week close, spot gold gained $61.23 (1.21%w/w) to close near $5,104.34/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$'BILLION)	48.50 (+6.59% YTD as of 17-Feb-26)
MONETARY POLICY RATE (SEPT'2025)	27.00%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US$/BBL	*71.76 (+4.01 w/w)

Source: CBN, DMO, Bloomberg, AIICO Capital

Outlook: *We expect the commodities market to remain firm next week, supported by safe-haven demand for gold and sustained geopolitical tensions underpinning oil prices.*