

DAILY MARKET INSIGHTS.



Monday, 2 March 2026

MARKET COMMENTARY

System Liquidity

System liquidity opened today on a surplus of ₦4.39 trillion, reflecting an increase of ₦682.39 billion from the previous session. This was driven by an increase in the Deposit Money Banks (DMBs) placement at the CBN's Standard Deposit Facility (SDF) window, from ₦3.62 trillion the previous day to ₦4.32 trillion.

Consequently, average funding cost ticked up by 9bps to 22.18%, as the Open Repo Rate (OPR) held steady 22.00%, while the Overnight Rate (OVN) added 18bps to settle at 22.35%.

Outlook: *Barring any funding activities, funding costs are likely to remain elevated.*

	SYS. LIQ. (₦BN)	Diff.
2-Mar-26	4,388.87	↑ 640.93
27-Feb-26	3,747.94	

Source: CBN, AIICO Capital

Eurobonds

The African Eurobond market traded on a bearish note amid heightened risk aversion. The uptick in yields reflected surging oil prices around \$78/bbl levels due to Middle East escalation and mixed global cues, including softer U.S. inflation at 2.4% but intensified geopolitical risks following U.S.-Israel strikes on Iran.

Across Nigeria's Eurobond curve, yields trended higher amid sell-offs. At the short end, Nov-2027 rose 7bps to 5.42%, while Sep-2028 and Mar-2029 increased 6bps and 4bps to 5.66% and 5.89%. Mid-tenors were firmer, with Feb-2030 and Jan-2031 up 12bps and 11bps to 6.30% and 6.67%. The long end extended the move as Jan-2036 climbed 5bps to 7.55% and Feb-2038 rose 3bps to 7.69%. Overall, the average Nigerian Eurobond benchmark yield widened 5bps to 7.06%.

Outlook: *We market to trade in line with the oil price volatility and macroeconomic updates.*

BENCHMARK FGN EUROBOND YIELDS			
	02-Mar-26	27-Feb-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.89%	5.85%	0.04
10 YRS: NGERIA 7.375% 09/29/33	7.09%	7.05%	0.04
15 YRS: NGERIA 7.696% 23/02/38	7.69%	7.66%	0.03
30 YRS: NGERIA 8.25% 09/29/51	8.27%	8.25%	0.02
8.75% ETI 06/17/31*	7.08%	6.72%	0.04

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market traded on a bearish note, with yields expanding sharply amid sustained selling pressure and repositioning by investors.

Across the curve, short-end bills saw moderate increases as nearby maturities closed firmer. In the mid- to longer-tenor segment, bills recorded sharper gains as yields climbed notably higher. Notably, the 04-Feb-27 bill posted a significant uptick of 269bps to 18.40%, reflecting broad-based selling pressure at the far end of the curve. Consequently, the average benchmark rate widened by 143bps to close at 17.24%.

Outlook: We expect the market to maintain a cautious tone in the near term.

BENCHMARK T-BILLS DISCOUNT RATES			
	02-Mar-26	27-Feb-26	Change in Yield (%)
66 DAYS	16.11%	15.66%	0.45
157 DAYS	16.91%	15.76%	1.15
339 DAYS	18.40%	15.71%	2.69

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded on a stable note day-on-day, with yields largely unchanged amid balanced trading activity and sustained investor confidence in the naira fixed-income curve.

At the curve, short- to mid-tenor bonds remained mostly flat as maturities closed steady or recorded marginal movements. Notably, the 17-Mar-27 bond posted a slight uptick of 1bp to 16.06%, while the 20-Mar-27 eased 2bps to 15.93% and longer-dated issues like 21-Jun-38 dipped 1bp to 15.21%, reflecting selective repositioning at select points. The flat trading reflected steady demand for high real yields, supported by the CBN's recent 50bps MPR cut, improved FX stability, falling inflation, and strong auction participation. Overall, the average benchmark yield remained unchanged at 15.42%.

Outlook: In the near term, we expect the market to retain a cautious tone.

BENCHMARK FGN BOND YIELDS			
	02-Mar-26	27-Feb-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	15.80%	15.80%	(0.00)
10 YRS: 12.40% 18-MAR-2036	15.38%	15.38%	0.00
18 YRS: 13.00% 21-JAN-2042	14.96%	14.96%	(0.00)
27 YRS: 15.70% 21-JUN-2053	14.16%	14.16%	0.00

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian bourse closed the session on a positive note as the All-Share Index (ASI) advanced by 139bps, lifting year to date (YTD) return to 25.64%. The Pension Index also strengthened, gaining 142bps and bringing its YTD return to 33.98%. Market breadth was neutral with 31 gainers and 31 losers. NGXGROUP (+10%) led the gainers, while CUSTODIAN (-10%) topped the losers' chart. Trading activity was mixed as FTGINSURE (109.07m shares) recorded the highest volume, while ARADEL (₦6.09bn) dominated the value chart.

Sector performance was broadly positive. The Banking Index rose 26bps, supported by gains in WEMABANK (+3.52%), STANBIC (+3.28%), ZENITHBANK (+1.04%), GTCO (+0.81%), and FIDELITYBK (+0.25%), offsetting declines in ACCESSCORP (-2.08%), FCMB (-2.88%), and UBA (-3.28%). The Consumer Index added 36bps on the back of PZ (+9.72%), INTBREW (+3.10%), HONYFLOUR (+0.66%), and NB (+0.06%), despite losses in DANGSUGAR (-2.35%), CHAMPION (-5.56%), and MCNICHOLS (-9.92%). The Oil and Gas Index surged 468bps, driven by ARADEL (+9.99%), OANDO (+9.33%), and JAPAUFGOLD (+3.37%). The Industrial Index gained 249bps following advances in DANGCEM (+3.97%) and WAPCO (+3.75%), amid declines in CUTIX (-2.62%), AUSTINLAZ (-4.99%), and CAP (-5.05%). Earnings releases from DANGCEM and BUACEMENT were noted

Trade value rose 1.9% to \$25.34m, with notable crosses in DANGCEM, ARADEL, and MTNN underpinning activity.

Outlook: We expect mixed market performance tomorrow as participants' profit-taking and repositioning.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.39%	↓ -0.38%	↑ 1.39%	↑ 25.64%
NSE BANKING INDEX	↑ 0.26%	↓ -0.46%	↑ 0.26%	↑ 25.15%
NSE INSURANCE INDEX	↓ -1.49%	↓ -5.35%	↓ -1.49%	↑ 12.63%
NSE INDUSTRIAL GOODS INDEX	↑ 2.49%	↑ 0.48%	↑ 2.49%	↑ 32.07%
NSE CONSUMER GOODS INDEX	↑ 0.36%	↓ -3.02%	↑ 0.36%	↑ 10.33%
NSE OIL & GAS INDEX	↑ 4.68%	↑ 4.44%	↑ 4.68%	↑ 59.20%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
NGXGROUP	136.40	12.40	↑ 10.00%
ARADEL	1,192.30	108.30	↑ 9.99%
UHOMEIT	76.15	6.90	↑ 9.96%
SOVRENINS	2.43	0.22	↑ 9.95%
PZ	79.00	7.00	↑ 9.72%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
CUSTODIAN	61.20	-6.80	↓ -10.00%
MCNICHOLS	7.63	-0.84	↓ -9.92%
AFRIPRUD	16.20	-1.75	↓ -9.75%
CHAMS	4.09	-0.41	↓ -9.11%
NEIMETH	10.60	-0.95	↓ -8.23%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira at the Nigerian Foreign Exchange Market (NFEM) today continued its negative run into the week, depreciating by 107bps (₦14.63) against the U.S. Dollar.

The depreciation was driven by high USD demand pressure and global risk-off sentiment as safe-haven demands cause foreign investors to pull out from riskier emerging market assets. The Naira traded within the ₦1,368.50/\$ and ₦1,397.00/\$ band during the session before settling at ₦1,378.03/\$.

Meanwhile, external reserves was noted at \$49.51 billion as of 25-Feb-2026, reflecting an addition of \$115.96 million day-on-day.

Outlook: We expect the Naira to trade at relatively weaker levels tomorrow supported by recent demand and supply dynamics.

NFEM RATE (\$/₦)		Diff.
2-Mar-26	1,378.0246	
27-Feb-26	1,363.3954	↑ 14.6292

Source: CBN, AIICO Capital

Commodities

Global Oil and gas prices surged on Monday as Israeli and U.S. strikes on Iran and retaliation by Tehran forced shutdowns of oil and gas facilities across the Middle East and disrupted shipping in the crucial Strait of Hormuz. Brent crude surged 6.15% or \$4.48, hovering around \$77.35 per barrel, while U.S. West Texas Intermediate (WTI) climbed 5.74% from Friday's close, to around \$70.87 per barrel.

Similarly, Safe-haven gold rose on Monday in response to concerns of a prolonged conflict in the Middle East following U.S. and Israeli strikes against Iran. Spot gold price rose by 104bps, to around \$5,332.85/oz, while U.S. gold futures followed with a 110bps, hovering around \$5,305.74/oz.

Outlook: Oil likely to remain strong or push higher on supply risk pricing, while gold continues to strong, supported by escalation of hostilities and uncertainties.

Macro Indicators	
GDP (Q4 2025)	+4.07% (Q3: 2025 +3.98% y/y)
Inflation (January 2026)	15.10% (Dec'25: 15.15%)
External Reserve (US\$ billion)	49.51 (+8.81% YTD as of 25-Feb-26)
Monetary Policy Rate (Feb'2026)	26.50%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US\$/bbl	*77.35 (+4.48 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

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