Tuesday, 05 May 2026

MARKET COMMENTARY

System Liquidity

System liquidity in the banking system opened the Tuesday with a surplus balance ₦6.61 trillion, an improvement of ₦1.05 trillion from the previous open of ₦5.56 trillion. The increase was mainly driven by ₦2.71 trillion inflow from the 05-May-2026 OMO maturity, further supported by ₦3.43 trillion DMB placements at the CBN's SDF window standing.

However, the Nigerian Overnight Financing Rate (NOFR) remained steady at 22.00% as of 04-May-2026.

Outlook: *We expect liquidity levels to remain surplus tomorrow, as attention shifts to the NTB auction set for tomorrow, with settlement set for Thursday*

SYS. LIQ. (₦'BN)		Diff.
5-May-26	6,608.06	1,045.85
4-May-26	5,562.21	

Source: CBN, AIICO Capital

Eurobonds

The Nigerian Sovereign Eurobond market traded on a positive note, as buying interest across the curve supported gains and higher oil prices.

Economic indicators from the U.S. remained varied during the session, offering little incentive for the Federal Reserve to adopt a more accommodative stance. While the ISM Services PMI dipped to 53.6, suggesting a deceleration in growth coupled with ongoing inflationary heat, the JOLTS report showed job openings falling to approximately 6.87 million. These figures point toward a gradual softening of the labour market, though the broader economic foundation remains notably durable.

The curve closed on a bullish note, with yields declining across almost all maturities. The broad-based compression reflects sustained buying interest, with only the Sep 2033 bond bucking the trend, rising by 23bps, indicating mild selectivity in the market. Consequently, the average benchmark yield declined by 7bps to close at 6.79%

Outlook: *We expect a cautious trading environment with a slight "risk-off" bias based on recent market data and the U.S. macroeconomic environment*

BENCHMARK FGN EUROBOND YIELDS	05-May-26	04-May-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.52%	5.63%	(0.11)
10 YRS: NGERIA 7.375% 09/29/33	6.78%	6.55%	0.23
15 YRS: NGERIA 7.696% 23/02/38	7.25%	7.33%	(0.08)
30 YRS: NGERIA 8.25% 09/29/51	8.02%	8.09%	(0.07)
8.75% ETI 06/17/31*	4.66%	4.74%	(0.01)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The NTB secondary market remained completely flat today as investors stood on the sidelines ahead of the upcoming Primary Market Auction. With market participants adopting a wait-and-see approach, trading activity was non-existent, leaving yields unchanged across the entire curve and reflecting a total pause in positioning. At tomorrow's auction, the CBN is scheduled to offer a total of ₦700.00 billion, consisting of ₦100.00 billion for the 91-Day tenor, ₦50.00 billion for the 182-Day tenor, and ₦550.00 billion for the 364-Day tenor.

Consequently, the average benchmark yield remained unchanged at 16.02%

Outlook: *Investor activity is expected to stay cautious as focus shifts to the NTB auction*

BENCHMARK T-BILLS DISCOUNT RATES	05-May-26	04-May-26	Change in Yield (%)
65 DAYS	15.77%	15.77%	-
156 DAYS	16.14%	16.14%	-
303 DAYS	16.08%	16.08%	-

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond secondary market traded on a quiet note as investors largely stayed on the sidelines ahead of the anticipated primary market auction. Activity was muted across the curve, with limited trades executed as participants maintained a wait-and-see approach.

Across the benchmark curve, yields were broadly unchanged, reflecting a stable market environment. Only slight downward movements were observed at the mid-segment, particularly on the 20-Mar-2028 and 21-Feb-2034 maturities, which dipped marginally by 1bp each.

Overall, the average yield remained steady at 15.77%, underscoring the subdued sentiment and lack of strong directional bias in the market.

Outlook: *We anticipate sustained investors interest in the near term.*

BENCHMARK FGN BOND YIELDS	04-May-26	30-Apr-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.18%	16.18%	-
10 YRS: 12.40% 18-MAR-2036	14.95%	14.95%	-
18 YRS: 13.00% 21-JAN-2042	14.07%	14.07%	-
27 YRS: 15.70% 21-JUN-2053	14.73%	14.73%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian equity market closed today's session on a bearish note, as sustained profit-taking pressured key market sectors, particularly Oil & Gas and Banking stocks. Consequently, both the NGX All-Share Index and market capitalisation declined by 58bps apiece. Losses were driven by sell-offs in select blue-chip and mid-cap stocks, including ARADEL, MTNN, ZENITHBANK, WEMABANK, WAPCO, and GTCO. As a result, the All-Share Index shed 1,408.82 points to close at 241,750.15, while market capitalisation fell by ₦904.40bn to ₦155.15trn.

Despite the market downturn, trading activity strengthened, with total volume and value traded rising by 31.09% and 71.57% respectively. Overall, 1.27bn shares valued at ₦75.23bn were exchanged across 102,665 deals. FCMB led the volume chart, followed by GTCO, ACCESSCORP, ZENITHBANK, and FIDELITYBK, while GTCO emerged as the most traded stock by value, accounting for 17.43% of total turnover.

Market breadth closed positive, with 45 gainers against 26 losers. On the gainers' chart, RTBRSICOE, VITAFOAM, MCNICHOLS, and ZICHIS advanced by 10% apiece, alongside CAP (+9.99%), DANGSUGAR (+9.98%), CONHALLPLC (+9.97%), and FTNCOCOA (+9.92%). Conversely, GUINNESS led the losers, declining by 10%, followed by UNIONDICON, AIICO, WEMABANK, MTNN, and SOVRENINS.

Sectoral performance was mixed, as three of the five major indices closed higher. The Industrial Goods Index led gains, rising by 249bps, followed by the Insurance Index (+94bps) and Consumer Goods Index (+40bps). In contrast, the Oil & Gas and Banking indices declined by 291bps and 122bps respectively.

Outlook: *We expect a mixed trading session tomorrow amid intermittent profit taking and repositioning.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	-0.54%	5.81%	-0.18%	55.42%
NSE BANKING INDEX	-1.22%	1.62%	-0.81%	49.28%
NSE INSURANCE INDEX	0.94%	1.11%	2.21%	1.96%
NSE INDUSTRIAL GOODS INDEX	2.49%	14.50%	3.59%	105.80%
NSE CONSUMER GOODS INDEX	0.40%	2.11%	1.24%	23.59%
NSE OIL & GAS INDEX	-2.91%	5.42%	-3.77%	119.74%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
RTBRISCOE	12.87	1.17	10.00%
VITAFOAM	170.50	15.50	10.00%
MCNICHOLS	7.92	0.72	10.00%
ZICHIS	25.08	2.28	10.00%
CAP	175.65	15.95	9.99%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
GUINNESS	447.30	-49.70	-10.00%
UNIONDICON	19.75	-2.15	-9.82%
AIICO	4.30	-0.44	-9.28%
WEMABANK	30.35	-2.90	-8.72%
MTNN	836.00	-79.00	-8.63%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira ended today's session at the Nigerian Foreign Exchange Market (NFEM) weaker, quickly reversing gains recorded in the previous session against the U.S. Dollar.

The Naira depreciated by 9bps (₦1.31), against the Dollar, driven by stronger demand for the dollar by foreign and local participants, despite the CBN's interventions. During the session, the Naira ranged between the ₦1,362.00/$ and ₦1,370.50/$ band before settling at ₦1,366.55/$.

Similarly, external reserves further declined by $23.35 million, as it was noted at $48.34 billion as of 4-May-2026, reflecting the CBN's continued interventions geared towards maintaining a stable Naira.

Outlook: *We expect the naira to trade mixed in the near term amid CBN interventions and FX demand and supply dynamics*

NFEM RATE ($/₦)		Diff.
5-May-26	1,366.5592	1.3118
4-May-26	1,365.2474	

Source: CBN, AIICO Capital

Commodities

Global Oil prices fell about 4% in volatile trade on Tuesday, as two vessels passed through the Strait of Hormuz and the United States said the ceasefire with Iran remained in place despite exchanges of fire. Brent crude fell 3.70%, losing $4.24 and hovering around $110.20 per barrel as at 21:00 HRS, while U.S. West Texas Intermediate (WTI) dipped 3.50%, trading around $102.69 per barrel.

Conversely, Gold prices rose on Tuesday after hitting a more than one-month low in the previous session, as investors assessed a fragile Middle East truce and the conflict's potential impact on inflation and interest-rate expectations. Spot gold price gained 0.80%, to trade around $4,555.08/oz, while U.S. gold futures lost 0.72%, hovering around $4,565.79/oz.

Outlook: *Tomorrow, we expect oil to trade lower but with a cautious bias as the U.S. reinforces ceasefire.*

Macro Indicators	
GDP (Q4 2025)	+4.07% (Q3: 2025 +3.98% y/y)
Inflation (March 2026)	15.38% (Feb'26: 15.06%)
External Reserve (US$'billion)	48.34 (+6.24% YTD as of 04-May-26)
Monetary Policy Rate (Feb'2026)	26.50%
Cash Reserve Requirement (CRR)	45.00%
Brent Crude Price US$/bbl	*110.20 (-4.24 d/d)

Source: NBS,CBN, Bloomberg, AIICO Capital