

DAILY MARKET INSIGHTS.



Wednesday, 03 June 2026

MARKET COMMENTARY

System Liquidity

System liquidity opened today on a surplus balance of ₦5.33 trillion, reflecting a 26.50% increase from the previous open of ₦4.21 trillion. The increment was driven by the CBN's SDF window at c.₦5.29 trillion with no recourse to the SLF window.

Despite the increase in system liquidity, the Nigerian Overnight Financing Rate (NOFR) remained steady at 22.00% as of 02-Jun-2026.

Outlook: *Barring any major liquidity disruptions, we expect system liquidity to ease in the next session, as the settlement of the c. ₦1.46trn NTB auction is likely to tighten market conditions. Nonetheless, the c. ₦464.60bn maturity inflow from the 04 June 2026 NTB is expected to provide some support and partly cushion the liquidity impact.*

	SYS. LIQ. (₦'BN)	Diff.
3-Jun-26	5,330.19	↑1,116.51
2-Jun-26	4,213.67	

Source: CBN, AIICO Capital

Eurobonds

The Nigerian Sovereign Eurobond market traded on a mildly bearish note as profit-taking dominated the session, with investors locking in gains from the recent rally. Sentiment remained cautious amid heightened Middle East tensions and stronger-than-expected U.S. economic data, as the ISM Services PMI printed at 54.5, reinforcing expectations of a higher-for-longer interest rate environment.

Selling pressure was more pronounced at the mid- to long-end, with MAR 2029 and FEB 2030 rising by 4bps and 5bps, respectively, while JAN 2036 and NOV 2047 gained 3bps. Elsewhere, most maturities recorded modest 1–2bps increases, while NOV 2027 compressed by 1bp and SEP 2028 and JUN 2031 closed flat. Overall, the average benchmark yields edged higher by 2bps to close at 6.77%.

Outlook: *We expect market direction will remain tied to U.S. Treasury movements, oil prices, and global risk sentiment.*

BENCHMARK FGN EUROBOND YIELDS	03-Jun-26	02-Jun-26	Change in Yield (%)
5 YRS: NGERIA 8.375% 03/24/29	5.73%	5.69%	0.04
10 YRS: NGERIA 7.375% 09/29/33	6.80%	6.79%	0.01
15 YRS: NGERIA 7.696% 23/02/38	7.18%	7.16%	0.02
30 YRS: NGERIA 8.25% 09/29/51	7.94%	7.93%	0.01
8.75% ETI 06/17/31*	1.75%	2.23%	(0.05)

Source: FirstBank UK, AIICO Capital

Treasury Bills

The Nigerian Treasury Bills secondary market traded on a mildly bullish note as selective buying interest emerged at the longer end of the curve. Activity remained subdued as investor attention shifted to the NTB Primary Market Auction (PMA), where the DMO offered c. ₦1.0trn across the three tenors against maturities of c. ₦464.60bn. The auction recorded strong demand, with the DMO ultimately allotting c. ₦1.46trn at stop rates of 16.05%, 16.19%, and 16.35%, respectively.

Consequently, investors largely maintained a cautious, wait-and-see stance ahead of the auction outcome, resulting in thin secondary market activity. Average yield declined marginally by 1bp to 16.05% from 16.06% in the previous session, driven by an 8bps yield compression on the 06-May-27 bill, while rates across other maturities closed unchanged.

Outlook: *We anticipate that investor activity will align with prevailing liquidity conditions.*

BENCHMARK T-BILLS DISCOUNT RATES			
	03-Jun-26	02-Jun-26	Change in Yield (%)
64 DAYS	15.88%	15.88%	-
155 DAYS	16.08%	16.08%	-
309 DAYS	15.97%	15.97%	-

Source: FMDQ, AIICO Capital

FGN Bonds

The FGN bond market traded on a largely quiet and flat note as yields remained unchanged across the curve, reflecting muted investor activity and balanced market sentiment. Investors largely remained on the sidelines, anticipating further market clarity from the NTB PMA held during the day.

Yield closed unchanged from the previous session, with no notable movements recorded across all maturities, as trading activity remained subdued throughout the session. Overall, average benchmark yield closed steady at 16.02%.

Outlook: *We expect sustained investor interest in the domestic market in the near term.*

BENCHMARK FGN BOND YIELDS			
	03-Jun-26	02-Jun-26	Change in Yield (%)
3 YRS: 14.55% 26-APR-2029	16.20%	16.20%	-
10 YRS: 12.40% 18-MAR-2036	14.96%	14.96%	-
18 YRS: 13.00% 21-JAN-2042	14.07%	14.07%	-
27 YRS: 15.70% 21-JUN-2053	14.95%	14.95%	-

Source: FMDQ, AIICO Capital

Nigerian Equities

The Nigerian equities market closed on a bearish note as the All-Share Index (ASI) declined by 144bps, although it remained up 56.24% year-to-date (YTD). Market breadth was weak, with 15 gainers against 43 losers, reflecting broad-based selling pressure across major sectors.

ABBEYBDS led the gainers with a 9.93% appreciation, while WAPCO recorded the steepest loss, declining 9.97%. STERLINGNG dominated activity by volume, trading 264.59 million shares, while MTNN led the value chart with transactions worth ₦17.61bn. Trading activity was largely negative across the market, with banking and industrial stocks weighing on sentiment despite improved turnover.

Sectoral performance was broadly negative as the NGX Banking Index lost 153bps due to declines in UBA (-3.15%), GTCO (-1.91%), FIDELITYBK (-1.9%), and ZENITHBANK (-0.83%), although FCMB (+1.33%), and WEMABANK (+3.17%) posted gains. The NGX Consumer Index shed 28bps on losses in NB (-4.13%), CHAMPION (-3.32%), DANGSUGAR (-0.91%), and PZ (-0.45%), while INTBREW (+2.87%) advanced. The NGX Oil and Gas Index eased 5bps following declines in JAPAULGOLD (-7.61%), and OANDO (-0.62%), while the NGX Industrial Index fell 155bps on losses in WAPCO (-9.97%), and CUTIX (-3.33%) despite gains in TRIPPLEG (+9.8%). Trade value rose 44.37% to \$30.99m, supported by structured and cross trades in MTNN, ACCESSCORP, UBA, and ARADEL, alongside a notable 242 million-unit STERLINGNG cross at ₦8.00, with participation from both local and foreign investors.

Outlook: *We expect the Nigerian equities market to trade mixed, amid profit-taking in bellwether stocks and selective bargain hunting.*

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -1.44%	↓ -2.65%	↓ -2.90%	↑ 56.24%
NSE BANKING INDEX	↓ -1.53%	↓ -5.23%	↓ -4.58%	↑ 48.45%
NSE INSURANCE INDEX	↓ -2.76%	↓ -0.18%	↓ -2.42%	↑ 3.62%
NSE INDUSTRIAL GOODS INDEX	↓ -1.55%	↓ -5.40%	↓ -5.35%	↑ 104.19%
NSE CONSUMER GOODS INDEX	↓ -0.28%	↓ -1.25%	↓ -0.76%	↑ 22.44%
NSE OIL & GAS INDEX	↓ -0.05%	↑ 4.20%	↓ -0.31%	↑ 123.24%

Source: NGX, AIICO Capital

TOP 5 EQUITY ADVANCERS CLOSING			
NAME (SYMBOL)	PRICE	GAIN(N)	% CHANGE
ABBEYBDS	7.75	0.70	↑ 9.93%
INTENEGINS	6.00	0.54	↑ 9.89%
TRIPPLEG	4.37	0.39	↑ 9.80%
UNIVINSURE	1.10	0.09	↑ 8.91%
ROYALEX	1.50	0.10	↑ 7.14%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS CLOSING			
NAME (SYMBOL)	PRICE	LOSS(N)	% CHANGE
WAPCO	307.90	-34.10	↓ -9.97%
ZICHIS	29.20	-3.18	↓ -9.82%
JOHNHOLT	13.80	-1.50	↓ -9.80%
LEARNAFRCA	11.50	-1.25	↓ -9.80%
CONHALLPLC	6.19	-0.60	↓ -8.84%

Source: NGX, AIICO Capital

Foreign Exchange

The Naira closed today on a stronger note, appreciating by 28bps against the U.S. Dollar at the Nigerian Foreign Exchange Market (NFEM)

The Naira gained ₦3.79 against the U.S. Dollar, supported by relatively stronger Naira demand relative to the Dollar. The recent stability in the Naira has been linked to sustained foreign portfolio inflows, improved market liquidity, and continued confidence from the CBN's FX reforms. During today's session, the Naira traded between the ₦1,350.00/\$ and ₦1,370.00/\$ band before settling at ₦1,357.26/\$.

Similarly, external reserves recorded an addition of \$75.73 million to \$49.87 billion as of 2-Jun-2026.

Outlook: We expect the FX market to remain stable in the interim, supported by robust external reserves and ongoing refinements in CBN policies

	NFEM RATE (\$/N)	Diff.
3-Jun-26	1,357.2615	
2-Jun-26	1,361.0497	↓(3.7882)

Source: CBN, AIICO Capital

Commodities

Oil prices rose around 2% today, extending the previous session's gains, as hostilities in the Middle East erupted anew and talks between Tehran and Washington showed little progress. Brent futures settled up 1.89%, at \$97.81 per barrel, while U.S. West Texas Intermediate crude climbed 2.41%, to \$96.02.

Conversely, Gold prices dipped today, weighed down by expectations that war-driven inflation will keep interest rates elevated, while investors focused on developments in the Middle East and upcoming economic data. Spot gold fell 1% to \$4,440.99 per ounce by while U.S. gold futures settled 1.2% lower at \$4,466.90.

Outlook: Driven by escalating Middle East conflicts, oil prices will likely rise tomorrow, pressuring fixed-income markets as inflation fears fuel higher-for-longer rate expectations. Meanwhile, gold is expected to remain under pressure in a defensive trading range.

MACRO INDICATORS

GDP (Q1 2026)	+3.98% (Q4: 2025 +4.07% y/y)
INFLATION (APRIL 2026)	15.69% (Mar'26: 15.38%)
EXTERNAL RESERVE (US\$'BILLION)	49.88 (+9.61% YTD as of 02-Jun-26)
MONETARY POLICY RATE (MAY'2026)	26.50%
CASH RESERVE REQUIREMENT (CRR)	45.00%
BRENT CRUDE PRICE US\$/BBL	*97.77 (+1.78 d/d)

Source: NBS, CBN, Bloomberg, AIICO Capital

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