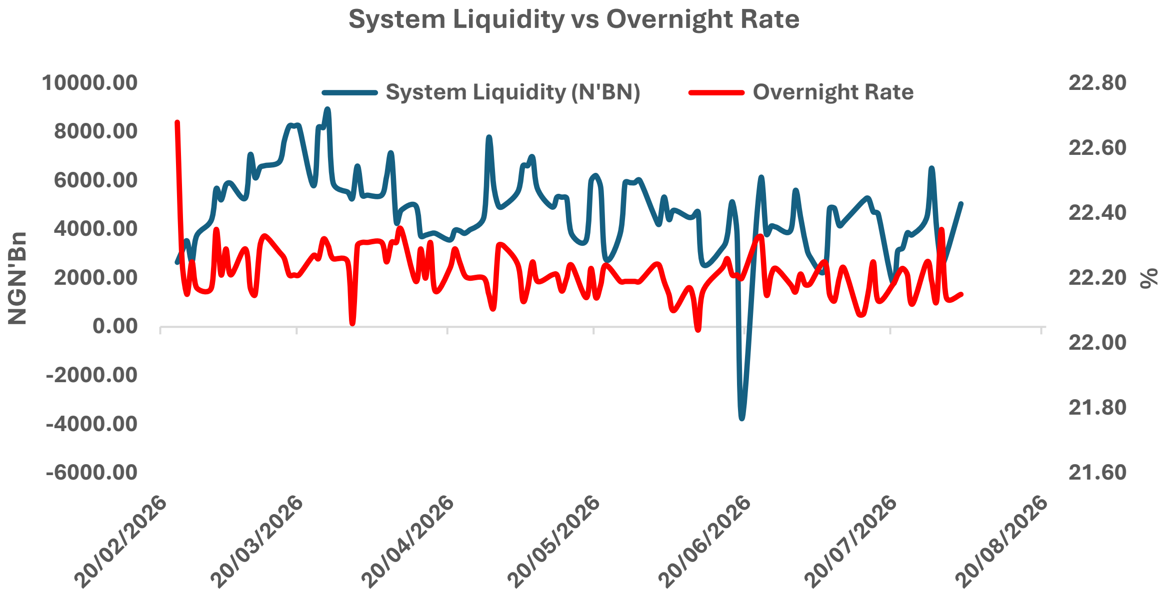
AIICO CAPITAL

DAILY MARKET INSIGHTS.

Thursday, 20th August 2026

System Liquidity



Source: CBN, AIICO Capital

	20/08/2026	19/08/2026		
Indicator	**Current**	**Previous**	**Change**	**Ytd**
System Liquidity (NGN Billion)	3,964.61	4,010.55	-1.15%	3.87%
Overnight Policy Rate (%)	22.00	22.00	0.00%	-0.50%
Overnight Rate (%)	22.11	22.36	-0.25%	-0.64%
Average T-Bill Rate (%)	18.59	18.60	-0.01%	1.59%
NOFR (%)	22.00	22.00	0.00%	

Source: CBN, AIICO Capital

System liquidity remained in surplus, opening at c. ₦3.96trn, supported by inflows of c. ₦429.23bn from the 20-Aug NTB maturity. DMBs maintained strong participation at the CBN's SDF window, with placements settling at c. ₦3.37trn, while there was no recourse to the SLF. Consequently, the average funding cost declined by 12bps to 22.06%. Meanwhile, the OPR remained unchanged at 22.00%, while the O/N rate declined by 25bps to close at 22.11%.

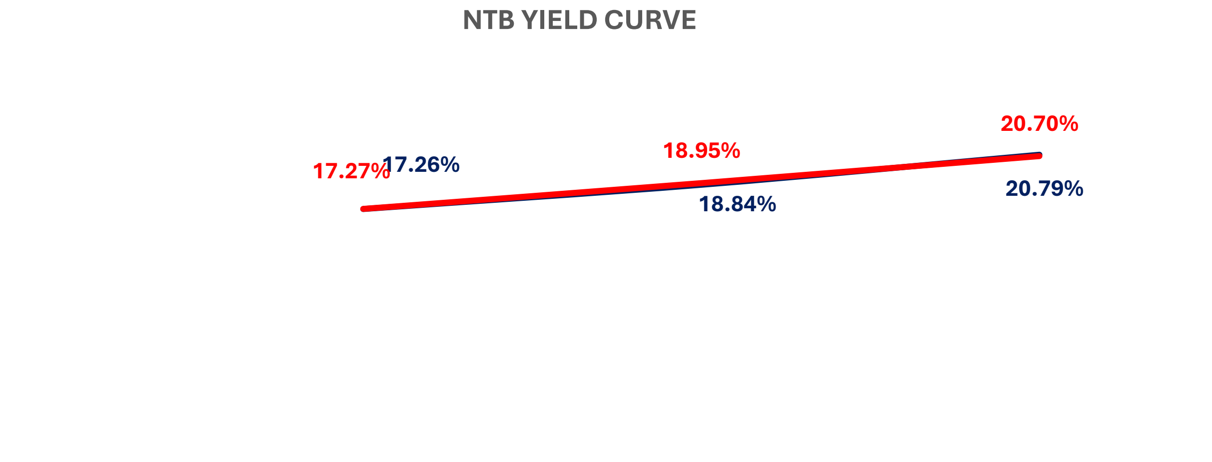
“ **Outlook:**

funding costs are expected to remain moderated, as coupon inflows of c. ₦508.81bn from the 18.50% FGN FEB 2031 and 19.00% FGN FEB 2034 bonds are expected to support liquidity in the next session. ”

The Nigerian Treasury Bills secondary market traded mixed, with yields easing at the short and mid end of the curve while inching higher at the long end. The 91-day yield eased by 1bp to 17.26%, and the 180-day dropped 11bps to 18.84%, as buying interest built on those tenors. The 365-day yield rose 9bps to 20.79%, reflecting some selling pressure on the longer-dated paper. On a year-to-date basis, yields remain lower across all tenors, down 0.96% on the 91-day, 2.14% on the 180-day, and 1.20% on the 365-day.

Outlook:

We expect the mixed pattern to persist in the near term, with continued demand at the short and mid segments of the curve, while the long end could stay pressured pending clarity on system liquidity and upcoming auction supply.



	91 day	180 day	365 day
Current	17.26%	18.84%	20.79%
Previous	17.27%	18.95%	20.70%

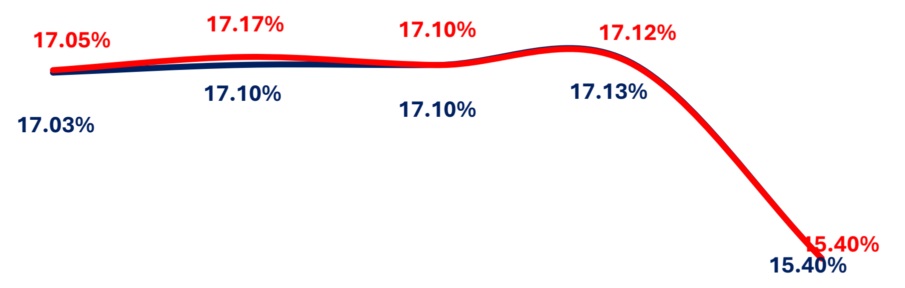
Source: FMDQ, AIICO Capital

	20/08/2026	19/08/2026		
NTB	Current	Previous	Change	YTD
91 day	17.26%	17.27%	-0.01%	-0.96%
180 day	18.84%	18.95%	-0.11%	-2.14%
365 day	20.79%	20.70%	0.09%	-1.20%

Source: FMDQ, AIICO Capital

FGN Bonds Market

FGN BOND YIELD CURVE



	FGN 3	FGN 5	FGN 7	FGN 10	FGN 20
Current	17.03%	17.10%	17.10%	17.13%	15.40%
Previous	17.05%	17.17%	17.10%	17.12%	15.40%

Source: FMDQ, AIICO Capital

	20/08/2026	19/08/2026		
FGN BOND	**Current**	**Previous**	**Change**	**YTD**
FGN 3	17.01%	17.03%	-0.02%	-0.09%
FGN 5	17.03%	17.10%	-0.07%	0.03%
FGN 7	17.06%	17.10%	-0.04%	0.05%
FGN 10	17.13%	17.13%	0.00%	-0.32%
FGN 20	15.40%	15.40%	0.00%	-0.06%

Source: FMDQ, AIICO Capital

The domestic FGN bond market traded on a bullish note, amid mild activity across the curve. At the short end, the FGN 3-year recorded buying interest, resulting in a 2bps decline in yield to close at 17.01%. At the mid-segment, buying interest persisted in the FGN 5-year and 7-year papers, driving yields lower by 7bps and 4bps, respectively, to close at 17.03% and 17.06%. At the long end, the FGN 10-year and 20-year held flat at 17.13% and 15.40%. Overall, average yields eased across most of the curve, reflecting sustained demand at the shorter end.

“ ***Outlook:***

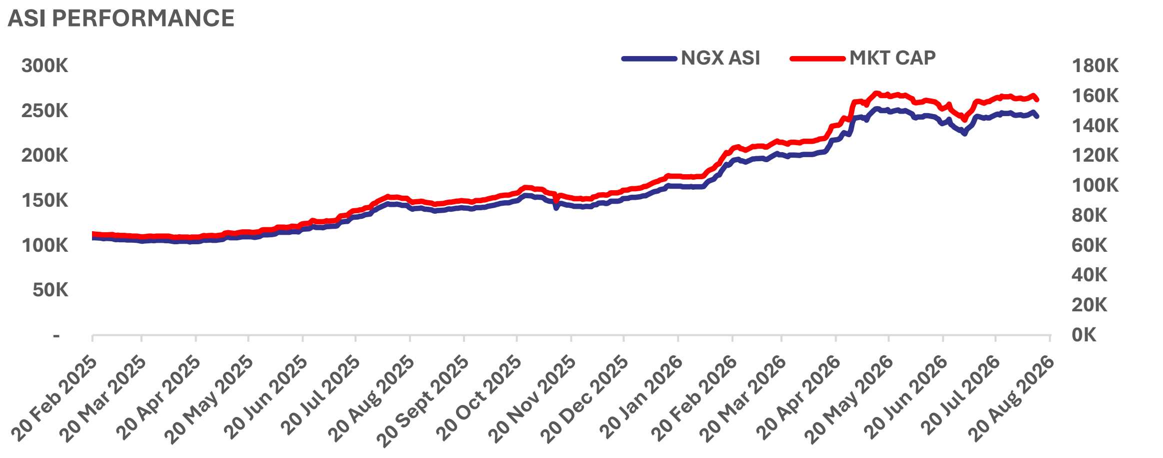
We anticipate sustained investor interest in the domestic space in the near term, with demand likely to stay concentrated at the short end of the curve where buying momentum has been strongest. ”

Equities Market

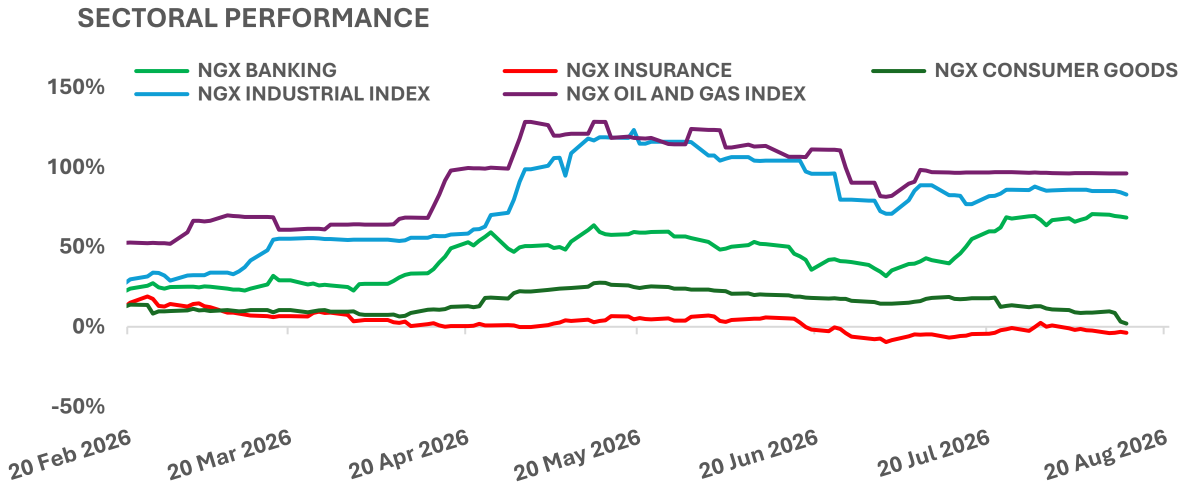
The Nigerian equities market extended its bearish run, with the NGX-ASI declining by 0.30% to close at 240,037.80 points, marking the eighth consecutive session of losses. Market Capitalisation also fell by 0.28% to ₦154.98trn. Sectoral performance was broadly negative, led by Oil & Gas (-2.49%), Insurance (-0.79%), and Banking (-0.41%), while Consumer Goods gained 0.10% and Industrial Goods closed flat. Trading activity was mixed, with total volume rising sharply by 140.65% to 2.87bn units, while total value traded declined by 10.11% to ₦33.99bn across 34,725 deals. Market breadth remained weak, with 14 gainers against 28 losers. Despite the continued pullback, the market's YTD return remains strong at 54.25%.

	20/08/2026	19/08/2026		
Market Sector	**Current**	**Previous**	**Change**	**Ytd**
NGX-ASI	240,037.80	240,750.47	-0.30%	54.25%
Banking	2,493.33	2,503.67	-0.41%	64.48%
Insurance	1,093.95	1,102.71	-0.79%	-8.02%
Consumer Goods	4,041.35	4,037.49	0.10%	1.66%
Industrial Goods	10,378.74	10,378.61	0.00%	82.84%
Oil &Gas	4,837.50	4,960.82	-2.49%	81.16%

Source: NGX, AIICO Capital



Source: NGX, AIICO Capital



Source: NGX, AIICO Capital

Equities Market

AIICO CAPITAL

Top Gainers

Ticker	Price	Change
HMCALL	₦3.85	9.38%
TRANSEXPR	₦3.06	8.90%
MCNICHOLS	₦5.20	8.33%
CUTIX	₦2.40	2.56%
VERITASKAP	₦1.34	1.52%

Top Decliners

Ticker	Price	Change
INTENEGINS	₦4.30	9.85%
WAPIC	₦2.20	9.84%
FTGINSURE	₦1.85	9.76%
AVACAP	₦7.00	7.89%
ZICHIS	₦17.00	7.36%

Sectoral performance closed on a negative note today as three of the five major sectors declined. The Oil & Gas sector led the losses (-2.49%), followed by Insurance (-0.79%) and Banking (-0.41%). Consumer Goods (+0.10%) and Industrial Goods (+0.00%) bucked the overall trend. On a year-to-date (YTD) basis, Banking (+82.84%), Industrial Goods (+81.16%), and Oil & Gas (+64.48%) remain the primary growth drivers, while the Insurance sector remains in negative territory at -8.02%.

“ **Outlook:**

We expect near-term trading to remain cautious and choppy as profit-taking persists. However, selective buying in stocks with strong fundamentals should provide support to the market. ”

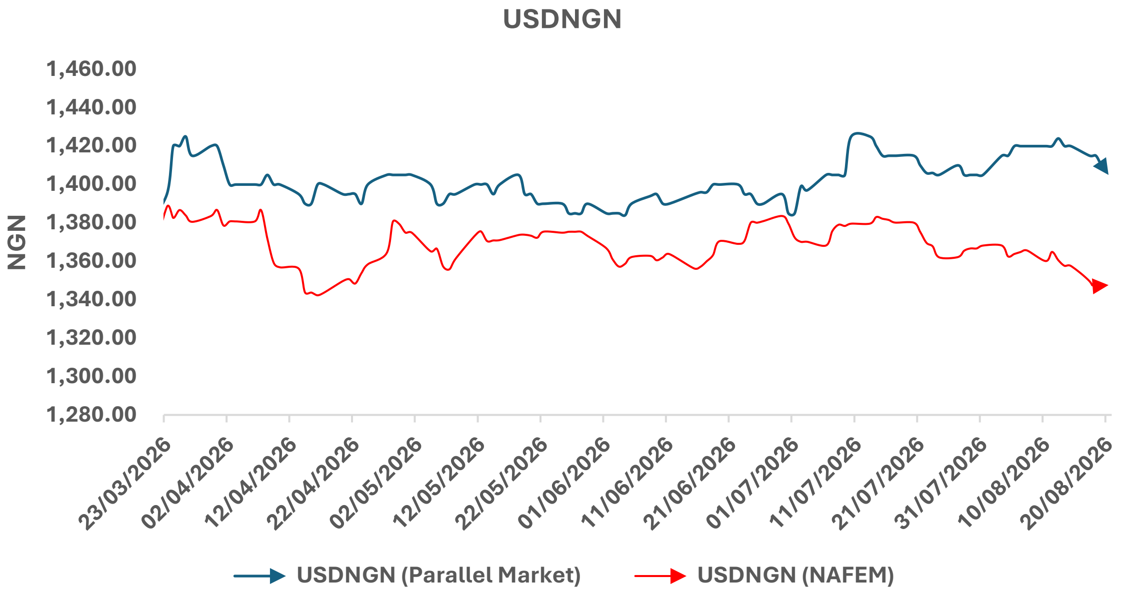
Source: NGX, AIICO Capital

Foreign Exchange Market

The Naira appreciated against the US Dollar at both windows, gaining 0.21% to close at ₦1,347.63/$ at the NAFEM window and 0.28% to ₦1,405.00/$ in the parallel market. It also strengthened against the British Pound, gaining 0.02% at NAFEM and 0.53% in the parallel market. Against the Euro, the Naira depreciated marginally by 0.04% at NAFEM to ₦1,574.97, while gaining 0.31% in the parallel market. Foreign Exchange Reserves rose by c. $74.21mn, from c. $52.58bn on 18 August to c. $52.66bn on 19 August, as reported by the CBN. Overall, the market continues to show relative stability, supported by ongoing monetary and fiscal policy refinements.

	20/08/2026	19/08/2026		
Market Sector	**Current**	**Previous**	**Change**	**YTD**
USDNGN (Parallel Market)	₦1,405.00	₦1,409.00	-0.28%	-4.42%
USDNGN (NAFEM)	₦1,347.63	₦1,350.41	-0.21%	-6.14%
GBPNGN(Parallel Market)	₦1,890.00	₦1,900.00	-0.53%	-4.30%
GBPNGN (NAFEM)	₦1,838.70	₦1,839.13	-0.02%	-4.94%
EURNGN (Parallel Market)	₦1,590.00	₦1,595.00	-0.31%	-7.02%
EURNGN (NAFEM)	₦1,574.97	₦1,574.31	0.04%	-6.69%
External Reserve (Billion)	$0.00	$52.66	-100.00%	-100.00%

Source: CBN, AIICO Capital



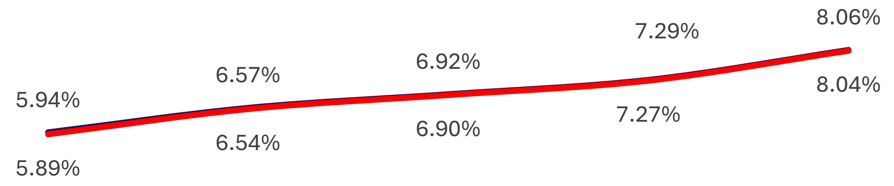
Source: CBN, AIICO Capital

Outlook:

“The naira is expected to remain broadly stable in the near term, supported by improving FX liquidity and rising reserves. However, persistent dollar demand and the gap between the official and parallel markets could limit further appreciation. Market direction will remain dependent on FX inflows, reserve accumulation, and demand pressures.”

Eurobonds Market

FGN EURO BOND YIELD CURVE



	FGN EURO 3	FGN EURO 5	FGNEURO 7	FGN EURO 10	FGN EURO 20
Current	5.94%	6.57%	6.92%	7.29%	8.06%
Previous	5.89%	6.54%	6.90%	7.27%	8.04%

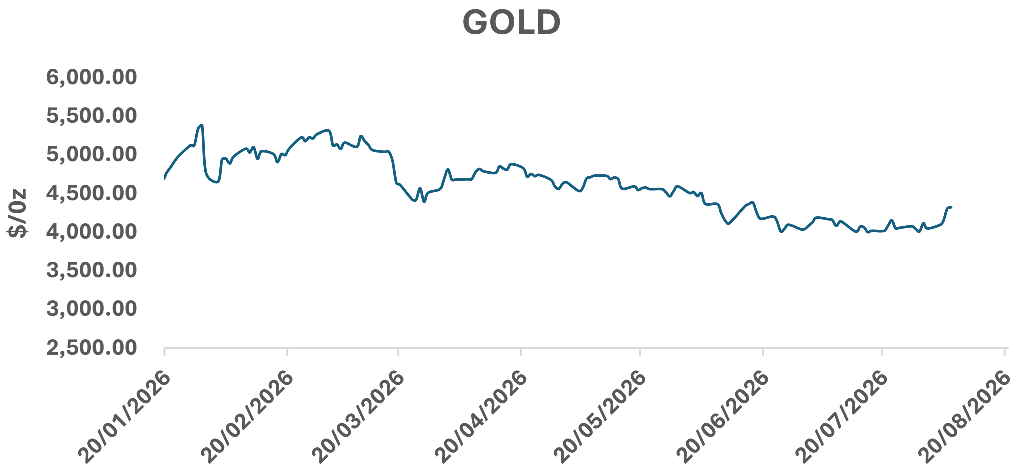
Source: FirstBank UK, AIICO Capital

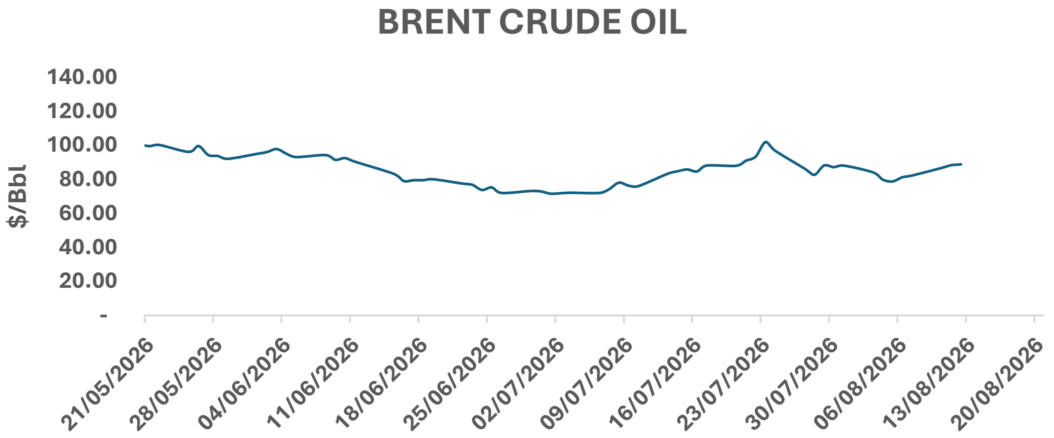
Outlook:

We expect yields to remain under pressure in the near term from elevated UST yields and Middle East risks, though Nigeria's improving fiscal and reserve position should limit the scale of any sell-off.

The Nigerian Sovereign Eurobond market traded on a mixed note, as elevated US Treasury yields and persistent geopolitical risks continued to weigh on global fixed-income sentiment. Fiscal and inflation concerns in the US, alongside elevated oil prices amid ongoing Middle East tensions, constrained appetite for emerging- and frontier-market debt. US initial jobless claims fell to 206,000 (from 212,000, below the 210,000 estimate), signalling labour-market resilience and limiting expectations for aggressive Fed easing. Mild buying interest at the long end was offset by selling pressure at the short end, leaving the average benchmark yield unchanged at 6.89%.

Commodities Market





Source: Bloomberg, AIICO Capital

Gold rose to $4,530/oz, holding recent highs as the US Treasury doubled bond buybacks, lowering the dollar and supporting the debasement trade. Reduced longer-term yields and expectations of higher deficit spending further boosted safe-haven demand.

Brent crude climbed above $93/bbl, its highest since late July, after President Trump announced sweeping economic measures targeting Iran. The restrictions aim to isolate Tehran from global finance and commerce, following the UAE's suspension of ties over alleged missile attacks. Crude from other Gulf producers continues to transit Hormuz despite elevated risks.

Outlook:

"Gold should stay supported near recent highs on fiscal and yield concerns, though a hawkish Fed could cap gains. Brent is likely to remain volatile amid US–Iran tensions and the Hormuz situation."