

Actionable Market Insights, delivered daily.



DATE: Monday, 03 March 2025

MARKET COMMENTARY

System Liquidity

Interbank liquidity started the month positively, boosted by OMO maturities. As a result, interbank rates fell, with the Overnight Policy Rate (OPR) down 33 bps to 26.42% and the Overnight Rate (O/N) dropping 50 bps to 26.83%.

Outlook: We anticipate interbank rates will hold steady unless significant outflows occur.

Treasury Bills

The Treasury Bills market saw a quiet session with a mildly bearish tone. Selling interest was notable on the February 2026 maturities, while slight demand emerged on the shorter end. Most trades focused on the February 5 and 19, 2026 papers. Overall, the average mid-rate for benchmark NTB papers closed at 17.67%.

Outlook: We anticipate the current sentiment will continue in the near term, leading up to Wednesday's NTB auction.

FGN Bonds

The local bonds market saw significant offers on the mid-to-long tenors, though bids were sparse. Trading volumes stayed low due to wide bid/ask spreads, with most activity on the April 2029s, February 2031s, May 2033s, and June 2038 papers. Overall, the average mid-yield dropped by 6 bps to 18.02%.

Outlook: We expect the mixed tone to persist into tomorrow's session.

Eurobonds

The Eurobond market started the month strong, with solid buying interest in Sub-Saharan and North African bonds, driven by broad-based economic gains. Nigeria and Egypt led the rally, as Nigeria's GDP growth hit a three-year high, signaling potential reform success and boosting investor confidence. Meanwhile, US ISM Manufacturing PMI fell to 50.3% in February from 50.9%, indicating a slight slowdown. Overall, Nigerian Eurobonds' average mid-yield closed at 8.89%.

Outlook: We anticipate the current sentiment will continue into tomorrow's session.

BENCHMARK T-BILLS DISCOUNT RATES			
	03-Mar-25	28-Feb-25	Change in Rates
94 DAYS	18.44%	18.44%	→ 0.00%
185 DAYS	17.99%	17.97%	↑ 0.02%
325 DAYS	17.90%	17.90%	→ 0.00%

Source: FMDQ DQL for 03-Mar-2025

BENCHMARK FGN BOND YIELDS			
	03-Mar-25	28-Feb-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	18.65%	19.00%	↓ -0.35%
10 YRS: 22.60% 29-JAN-2035	18.47%	18.47%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.12%	18.12%	→ 0.00%
28 YRS: 15.70% 21-JUN-2053	16.74%	16.74%	→ 0.00%

Source: FMDQ DQL for 03-Mar-2025

BENCHMARK FGN EUROBOND YIELDS			
	03-Mar-25	28-Feb-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	8.35%	8.35%	→ 0.00%
10 YRS: NGERIA 7.375% 09/29/31	9.26%	9.27%	↓ -0.01%
15 YRS: NGERIA 7.696% 23/02/31	9.70%	9.72%	↓ -0.02%
30 YRS: NGERIA 8.25% 09/29/51	9.90%	9.94%	↓ -0.04%
8.75% ETI 06/17/31*	8.00%	8.31%	↓ -0.31%

Source: FBN UK Runs for 03-Mar-2025

NFEM (\$/₦)		Diff.
3-Mar-25	1,498.9800	
28-Feb-25	1,492.4900	↑ 6.4900

Source: FMDQ

SYS. LIQ. (₦'BN)		Diff.
3-Mar-25	582.95	
28-Feb-25	130.94	↑ 452.01

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	23.37
AIICO BALANCED FUND	7.21
AIICO EUROBOND FUND	7.02

As of February 26, 2025

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (JANUARY 2025)	24.48% (Dec'24: 34.80%)
EXTERNAL RESERVE (US\$BILLION)	38.42 (+16.72% YTD as of 28-Feb-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*72.71 (-0.47 d/d)

Source: NBS,CBN, AIICO Capital

Nigerian Equities

The Nigerian equities market ended in the red as the All-Share Index (ASI) declined by 34bps, bringing the YTD return to 4.4%. Market breadth was negative, with 20 gainers against 33 losers. LEARNAFRCA and NGXGROUP (+10%) led the gainers, while IKEJAHOTEL (-9.92%) topped the losers. ZENITHBANK dominated trading, leading both the volume (32.37m) and value (N1.56b) charts. Sectoral performance was largely bearish. The NGX Banking Index lost 120bps due to declines in FIDELITYBK (-3.37%), FBNH (-3.24%), and ACCESSCORP (-2.54%), while ETI (+7.57%) gained. The Consumer Index dropped 103bps, dragged by NASCON (-9.29%) and INTBREW (-5.66%). The Oil & Gas Index gained 42bps, driven by OANDO (+2.84%), while the Industrial Index dipped 2bps. Value traded fell 48.63% to \$4.82m, with ZENITHBANK accounting for a fifth of total trades. Sentiment remained weak, with selling pressure in financial stocks despite limited market activity.

Outlook: *We anticipate the current sentiment will continue.*

Foreign Exchange

The Nigerian Foreign Exchange Market (NFEM) remained stable, with trading rates ranging between \$/N1,497.00 and \$/N1,501.00. However, the Naira weakened by 43 bps, closing at \$/N1,498.98.

Outlook: *We expect the Naira to hold steady within its current trading range.*

Commodities

Oil prices remained steady, supported by positive economic data from China but weighed down by concerns over U.S. tariffs and ongoing uncertainty surrounding the Russia-Ukraine conflict. Brent crude futures dipped 10 cents (0.1%) to \$72.71 per barrel by 11:49 a.m. EST (1649 GMT), while U.S. West Texas Intermediate (WTI) crude declined 20 cents (0.3%) to \$69.56. Meanwhile, gold prices rebounded over 1% after hitting a three-week low in the prior session, driven by a weaker dollar and renewed safe-haven demand amid worries over U.S. tariff policies. Spot gold climbed 1.1% to \$2,891.29 an ounce, while U.S. gold futures rose 1.9% to \$2,902.30.

Outlook: *Tariffs could slow economic and oil demand growth, but they may also limit oil supply when targeting oil-producing nations like Canada and Mexico.*

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
NGXGROUP	33.00	3.00	↑ 10.00%
LEARNAFRCA	3.63	0.33	↑ 10.00%
CHAMPION	4.33	0.39	↑ 9.90%
ABCTRANS	1.56	0.14	↑ 9.86%
TANTALIZER	2.08	0.18	↑ 9.47%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
IKEJAHOTEL	10.90	-1.20	↓ -9.92%
UCAP	20.00	-2.20	↓ -9.91%
CUTIX	2.29	-0.25	↓ -9.84%
MULTIVERSE	8.80	-0.95	↓ -9.74%
AFRIPRUD	32.05	-3.35	↓ -9.46%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.34%	↓ -0.62%	↓ -0.34%	↑ 4.40%
NSE BANKING INDEX	↓ -1.20%	↓ -2.85%	↓ -1.20%	↑ 6.19%
NSE INSURANCE INDEX	↓ -0.64%	↓ -4.28%	↓ -0.57%	↓ -0.80%
NSE INDUSTRIAL GOODS INDEX	↓ -0.02%	↓ -0.46%	↓ -0.02%	↑ 1.32%
NSE CONSUMER GOODS INDEX	↓ -1.03%	↓ -1.24%	↓ -1.03%	↑ 5.15%
NSE OIL & GAS INDEX	↑ 0.42%	↑ 1.30%	↑ 0.42%	↓ -5.15%

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