

DATE: Tuesday, 11 March 2025

MARKET COMMENTARY

System Liquidity

Interbank liquidity started lower today after pending CRR debits were settled. Despite inflows for oil-producing states, market illiquidity persisted, keeping rates elevated. The Overnight Policy Rate (OPR) climbed by 35 bps to 32.25%, while the Overnight Rate (O/N) rose by 17 bps to 32.67%.

Outlook: We anticipate interbank rates will remain high barring substantial inflows.

Treasury Bills

The Treasury Bills market saw some buying interest, particularly on the 22 May and September maturities, though offers were limited. Meanwhile, a few offers emerged on the 19 Feb 2026 and 5 Mar 2026 maturities, with only a handful of trades executed. Overall, the average mid-rate for benchmark NTB papers dropped by 42 bps to 18.14%.

Outlook: We anticipate cautious trading tomorrow as focus turns to the NTB auction, where the DMO plans to offer ₦550 billion across 91-day, 182-day, and 364-day papers, with ₦162.17 billion maturing.

FGN Bonds

The local bonds market remained quiet, with minimal activity on the mid-to-long tenors as sell interests outweighed limited buy interests. Most trades were executed on the February 2031s, May 2033s, and February 2034s papers. Overall, the average mid-yield increased by 2 bps to 18.31%.

Outlook: We expect the market will maintain a mixed tone tomorrow.

Eurobonds

The Eurobond market saw a mixed session, with earlier gains reversed after President Trump announced plans to raise tariffs on Canadian steel and aluminum to 50% and threatened higher duties on Canadian car imports. Nigerian and Angola papers traded unevenly, while Egypt papers showed some recovery. Overall, the average mid-yield for Nigerian Eurobonds fell by 4 bps to 9.29%.

Outlook: We anticipate the current market sentiment will continue in the near term, as investors await the release of February's US CPI data tomorrow.

BENCHMARK T-BILLS DISCOUNT RATES			
	11-Mar-25	10-Mar-25	Change in Rates
86 DAYS	16.77%	16.77%	→ 0.00%
177 DAYS	16.82%	16.82%	→ 0.00%
345 DAYS	17.85%	17.85%	→ 0.00%

Source: FMDQ DQL for 11-Mar-2025

BENCHMARK FGN BOND YIELDS			
	11-Mar-25	10-Mar-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	18.50%	18.75%	↓ -0.25%
10 YRS: 22.60% 29-JAN-2035	18.45%	18.45%	↑ 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 11-Mar-2025

BENCHMARK FGN EUROBOND YIELDS			
	11-Mar-25	10-Mar-25	Change in Yield
5 YRS: NIGERIA 8.375% 03/24/29	8.82%	8.86%	↓ -0.04%
10 YRS: NIGERIA 7.375% 09/29/31	9.71%	9.76%	↓ -0.05%
15 YRS: NIGERIA 7.696% 23/02/31	10.03%	10.05%	↓ -0.02%
30 YRS: NIGERIA 8.25% 09/29/51	10.30%	10.28%	↑ 0.02%
8.75% ETI 06/17/31*	8.52%	8.31%	↑ 0.21%

Source: FBN UK Runs for 11-Mar-2025

NFEM RATE (\$/₦)		Diff.
11-Mar-25	1,536.1532	
10-Mar-25	1,530.1500	↑ 6.0032

Source: FMDQ

SYS. LIQ. (₦'BN)		Diff.
11-Mar-25	(171.05)	
10-Mar-25	(98.65)	↓ (72.40)

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	22.18
AIICO BALANCED FUND	4.98
AIICO EUROBOND FUND	7.94

As of March 09, 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)	38.35 (-6.18% YTD as of 07-Mar-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*69.64 (-0.28 d/d)

Source: NBS,CBN, AIICO Capital

Nigerian Equities

The Nigerian equities market closed lower as the All-Share Index (ASI) declined by 43bps, trimming YTD gains to 3.15%. Market sentiment remained negative, with 31 stocks declining against 23 gainers. LIVESTOCK (+9.93%) led the advancers, while MECURE (-10%) topped the laggards. FIDELITYBK recorded the highest trading volume (29.39m units), while GTCO led in value (N1.68b). Sectoral performance was broadly bearish. The NGX Banking Index lost 21bps, weighed down by FIDELITYBK (-2.57%) and ACCESSCORP (-1.84%), despite gains in GTCO (+0.5%) and ETI (+4.63%). The NGX Consumer Index dipped 28bps, pressured by NB (-2.2%). The NGX Oil & Gas Index slipped 3bps as OANDO (-0.46%) declined, while ETERNA (+1.2%) posted gains. The NGX Industrial Index closed flat. Trading activity slowed as the value traded dropped 18.67% to \$5.15m. Late-session selling in MTNN (-4.22% to ₦245) significantly dragged the ASI lower, reinforcing the market's bearish close.

Outlook: We expect to see mixed sentiments in the market tomorrow.

Foreign Exchange

The NFEM experienced heightened demand pressure today against a backdrop of limited supply. The USD/NGN pair fluctuated between ₦1,520 and ₦1,540, leading to a 39-basis-point depreciation of the Naira, which closed at ₦1,536.15.

Outlook: We expect the CBN to sustain its support for the USD/NGN pair amid global headwinds.

Commodities

Oil prices inched higher on Tuesday, supported by a weaker dollar, though gains were limited by concerns over a U.S. economic slowdown and the impact of tariffs on global growth. Brent crude futures rose 36 cents, or 0.5%, to \$69.64 a barrel by 1:01 p.m. EDT (1701 GMT) after touching a session low of \$68.63. U.S. West Texas Intermediate crude climbed 28 cents, or 0.4%, to \$66.31 following earlier declines. Meanwhile, gold prices gained 1% as a softer dollar and economic uncertainty fueled safe-haven demand, with investors awaiting inflation data for rate outlook clues. Spot gold rose 1% to \$2,919.29 an ounce, while U.S. gold futures increased 0.9% to \$2,926.30.

Outlook: Investors are awaiting U.S. inflation data, set for release on Wednesday, for insights into the future direction of interest rates.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
LIVESTOCK	9.85	0.89	↑ 9.93%
CORNERST	3.19	0.27	↑ 9.25%
INTENEGINS	1.94	0.16	↑ 8.99%
LASACO	2.85	0.20	↑ 7.55%
SOVRENINS	1.06	0.06	↑ 6.00%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
MECURE	11.25	-1.25	↓ -10.00%
ABCTTRANS	1.50	-0.13	↓ -7.98%
DAARCOMM	0.62	-0.05	↓ -7.46%
GUINEAINS	0.63	-0.05	↓ -7.35%
ROYALEX	0.76	-0.06	↓ -7.32%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.43%	↓ -0.69%	↓ -1.53%	↑ 3.15%
NSE BANKING INDEX	↓ -0.21%	↑ 0.10%	↓ -2.88%	↑ 4.39%
NSE INSURANCE INDEX	↑ 0.87%	↓ -2.49%	↓ -2.34%	↓ -2.57%
NSE INDUSTRIAL GOODS INDEX	↓ 0.00%	↓ -0.17%	↓ -0.18%	↑ 1.15%
NSE CONSUMER GOODS INDEX	↓ -0.28%	↓ -0.37%	↓ -1.76%	↑ 4.38%
NSE OIL & GAS INDEX	↓ -0.03%	↓ -0.73%	↓ -0.66%	↓ -6.17%

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