

# Actionable Market Insights, delivered daily.



DATE: Tuesday, 25 March 2025

## MARKET COMMENTARY

### System Liquidity

Interbank liquidity improved notably today as yesterday's FAAC inflows eased—but did not eliminate—the market's prolonged liquidity crunch. With reduced funding pressure, rates declined: the Overnight Policy Rate (OPR) dropped 4.92% to 27.50%, while the Overnight Rate (O/N) fell 3.90% to 28.93%.

**Outlook:** Interbank rates are likely to edge higher as the market funds the ₦271 billion FGN Bond Auction winnings.

### Treasury Bills

The Treasury Bills market showed mixed activity, with focus on mid-to-long tenors (June 2025, Sept 2025, Mar 2026) as sellers anticipated higher yields at tomorrow's auction. Buyer interest remained muted as participants reserved liquidity for the auction. Overall, the benchmark NTB mid-rate settled at 18.97%.

**Outlook:** Tomorrow's session is likely to remain cautious as attention shifts to the NTB auction, with the DMO offering ₦700 billion across 91-day, 182-day, and 364-day papers.

### FGN Bonds

The local bonds market saw increased activity as unmet auction demand spilled into secondary trading, particularly on the Apr 2029, Feb 2031, and May 2033 papers. At yesterday's auction, the DMO allotted ₦271.23 billion competitively (19.00% for APR 2029, 19.99% for MAY 2033) and ₦152.45 billion non-competitively from its ₦300 billion offering. The session closed with the average mid-yield declining by 13bps to 18.42%.

**Outlook:** Investors are likely to maintain a selective approach in the near term, favoring attractively priced papers while keeping overall market sentiment mixed.

### Eurobonds

The Eurobonds market extended their gains as oil prices rose, with modest buying interest in SSA papers—particularly Nigeria and Angola. However, the rally faded by session close on concerns the market had moved too quickly amid lingering risks from trade tensions to economic slowdowns and persistent inflation. Nigerian bonds ended 2bps lower at 9.37%.

**Outlook:** Tomorrow's session is likely to see mixed trading activity.

BENCHMARK T-BILLS DISCOUNT RATES			
	25-Mar-25	24-Mar-25	Change in Rates
93 DAYS	16.78%	16.78%	→ 0.00%
184 DAYS	17.27%	17.27%	→ 0.00%
331 DAYS	18.05%	18.05%	→ 0.00%

Source: FMDQ DQL for 25-Mar-2025

BENCHMARK FGN BOND YIELDS			
	25-Mar-25	24-Mar-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	18.50%	18.50%	→ 0.00%
10 YRS: 22.60% 29-JAN-2035	18.80%	18.80%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.36%	18.12%	↑ 0.24%
28 YRS: 15.70% 21-JUN-2053	17.00%	16.74%	↑ 0.26%

Source: FMDQ DQL for 25-Mar-2025

BENCHMARK FGN EUROBOND YIELDS			
	25-Mar-25	24-Mar-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	8.91%	8.94%	↓ -0.03%
10 YRS: NGERIA 7.375% 09/29/31	9.77%	9.79%	↓ -0.02%
15 YRS: NGERIA 7.696% 23/02/31	10.02%	10.04%	↓ -0.02%
30 YRS: NGERIA 8.25% 09/29/51	10.40%	10.43%	↓ -0.03%
8.75% ETI 06/17/31*	8.73%	8.73%	↑ 0.00%

Source: FBN UK Runs for 25-Mar-2025

NFEM RATE (\$/₦)		Diff.
25-Mar-25	1,532.3900	
24-Mar-25	1,531.1900	↑ 1.2000

Source: FMDQ

SYS. LIQ. (₦'BN)		Diff.
25-Mar-25	(56.83)	
24-Mar-25	(923.56)	↑ 866.73

Source: CBN

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	23.46
AIICO BALANCED FUND	4.94
AIICO EUROBOND FUND	7.24

As of March 24, 2025

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (FEBRUARY 2025)	23.18% (Jan'25: 24.48% )
EXTERNAL RESERVE (US\$BILLION)	38.30 (-6.30% YTD as of 24-Mar-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*73.46 (+0.60 d/d)

Source: NBS,CBN, AIICO Capital

## Nigerian Equities

The Nigerian equities market closed slightly higher, with the All-Share Index (ASI) gaining 4bps, bringing YTD returns to 2.59%. Market breadth remained positive, as 29 stocks advanced while 21 declined. MAYBAKER (+10%) led the gainers, while ETERNA (-9.21%) topped the losers. ACCESSCORP recorded the highest volume with 36.6 million shares, while GEREGU dominated value with ₦8.22 billion traded. Sectoral performance was mixed. The NGX Banking Index climbed 133bps, driven by FCMB (+4.74%), FIDELITYBK (+4.38%), and ZENITHBANK (+3.24%), while UBA (-2.25%) weighed on the sector. The Consumer Index dipped 10bps due to DANGSUGAR (-2.78%), despite gains in CADBURY (+7.79%). The Oil & Gas Index lost 169bps, dragged down by ETERNA (-9.21%) and OANDO (-5.66%). The Industrial Index edged up 1bp on CUTIX (+5.22%). Despite a quiet trading session, value traded surged 141.28% to \$9.8m, largely due to a cross of 3.6m GEREGU at N1,027.40. Banking stocks led activity, with investors anticipating further FY results.

**Outlook:** We anticipate another subdued session tomorrow.

## Foreign Exchange

The NFEM maintained relative stability today, supported by improved dollar supply, as the CBN sold \$27.9 million at rates between \$/₦1,528.31 and \$/₦1,534. The USD/NGN pair fluctuated between \$/₦1,528.31 and \$/₦1,537.00, ultimately closing at \$/₦1,532.39.

**Outlook:** We expect the CBN to maintain its support for the USD/NGN pair.

## Commodities

Oil prices climbed for a fifth straight day on Tuesday, driven by expectations of tighter global supply following U.S. tariffs on countries purchasing Venezuelan crude. However, gains were capped by OPEC+ plans to proceed with a production increase in May. Brent crude rose 46 cents, or 0.6%, to \$73.46 per barrel by 10:23 GMT, while WTI gained 46 cents, or 0.7%, to \$69.57. Meanwhile, gold prices edged higher as safe-haven demand grew amid uncertainty over U.S. President Donald Trump's upcoming tariff policies and potential inflationary pressures. Spot gold rose 0.3% to \$3,021.39 an ounce, with U.S. gold futures up 0.4% at \$3,026.20.

**Outlook:** OPEC+ is expected to proceed with its planned May production increase – the second consecutive monthly hike – as oil prices remain stable. The group will require some members to cut output to offset previous overproduction.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
MAYBAKER	8.80	0.80	↑ 10.00%
MBENEFIT	0.80	0.07	↑ 9.59%
ETRANZACT	5.25	0.45	↑ 9.38%
ABBEYBDS	4.30	0.35	↑ 8.86%
CONHALLPLC	3.59	0.29	↑ 8.79%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ETERNA	34.50	-3.50	↓ -9.21%
ROYALEX	0.81	-0.07	↓ -7.95%
VERITASKAP	1.10	-0.07	↓ -5.98%
WAPIC	2.24	-0.14	↓ -5.88%
OANDO	50.00	-3.00	↓ -5.66%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.04%	↑ 0.21%	↓ -2.07%	↑ 2.59%
NSE BANKING INDEX	↑ 1.33%	↑ 3.41%	↓ -0.91%	↑ 6.50%
NSE INSURANCE INDEX	↑ 1.99%	↓ -1.74%	↓ -3.84%	↓ -4.07%
NSE INDUSTRIAL GOODS INDEX	↑ 0.01%	↓ 0.00%	↓ -3.60%	↓ -2.31%
NSE CONSUMER GOODS INDEX	↓ -0.10%	↑ 0.24%	↓ -1.66%	↑ 4.49%
NSE OIL & GAS INDEX	↓ -1.69%	↓ -2.13%	↓ -3.68%	↓ -9.03%

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