

DATE: Wednesday, 02 April 2025

MARKET COMMENTARY

System Liquidity

Interbank liquidity remained robust, supported by ₦651 billion in OMO maturities, keeping rates stable—the Overnight Policy Rate (OPR) held at 26.50% and the Overnight Rate (O/N) at 26.96%.

Outlook: Interbank rates should hold steady unless unforeseen outflows occur.

Treasury Bills

The Treasury Bills market started the shortened week quietly, though demand emerged later for the new 1-year paper (26 Mar 2025) and, to a lesser extent, the long-end Feb OMO bill. Trading volumes remained modest as participants capitalized on improved system liquidity. The session closed with the benchmark NTB average at 18.99%.

Outlook: Tomorrow's session may show mixed activity, primarily focused on long-term instruments as investors cautiously begin the new trading month.

FGN Bonds

Trading in the local bonds market remained subdued, with limited activity concentrated on mid-tenor papers (Feb 2031 and May 2033). The session ended with an average mid-yield of 18.45%.

Outlook: Market sentiment is likely to stay mixed as investors continue assessing yield opportunities.

Eurobonds

African Eurobonds continued their decline as risk-averse investors reacted to Trump's "Liberation day" retaliatory tariff announcement. Nigerian yields rose 4bps to 9.71% amid the broad sell-off.

Outlook: Markets will continue to face prolonged pressure from tariffs and softening economic indicators.

BENCHMARK T-BILLS DISCOUNT RATES

	02-Apr-25	28-Mar-25	Change in Rates
85 DAYS	17.30%	17.04%	↑ 0.26%
176 DAYS	17.50%	18.10%	↓ -0.60%
323 DAYS	18.05%	18.05%	→ 0.00%

Source: FMDQ DQL for 02-Apr-2025

BENCHMARK FGN BOND YIELDS

	02-Apr-25	28-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	19.22%	19.22%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.36%	18.36%	→ 0.00%
28 YRS: 15.70% 21-JUN-2053	17.00%	17.00%	→ 0.00%

Source: FMDQ DQL for 02-Apr-2025

BENCHMARK FGN EUROBOND YIELDS

	02-Apr-25	28-Mar-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.41%	9.21%	↑ 0.20%
10 YRS: NGERIA 7.375% 09/29/31	10.14%	10.02%	↑ 0.12%
15 YRS: NGERIA 7.696% 23/02/31	10.40%	10.28%	↑ 0.12%
30 YRS: NGERIA 8.25% 09/29/51	10.71%	10.60%	↑ 0.11%
8.75% ETI 06/17/31*	8.95%	8.73%	↑ 0.22%

Source: FBN UK Runs for 02-Apr-2025

NFEM RATE (\$/₦)

		Diff.
2-Apr-25	1,531.2500	
28-Mar-25	1,536.8200	↓ (5.5700)

Source: FMDQ

SYS. LIQ. (₦'BN)

		Diff.
2-Apr-25	1,503.46	
28-Mar-25	969.77	↑ 533.69

Source: CBN

NAME OF FUND

EFFECTIVE YIELD (%)

AIICO MONEY MARKET FUND	22.14
AIICO BALANCED FUND	5.56
AIICO EUROBOND FUND	7.15

As of March 31, 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)	38.31 (-6.29% YTD as of 28-Mar-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*74.91 (+1.37 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian equities market closed in the red as the ASI declined by 14bps, bringing YTD returns to 2.52%. Market sentiment was weak, with 25 gainers against 33 losers. UPDCREIT (+10%) led the advancers, while UACN (-10%) topped the laggards. FIDELITYBK recorded the highest traded volume at 41.73m shares, while GTCO led in value at N2.3 billion. Sectoral performance was mixed. The NGX Banking Index edged up 7bps, driven by WEMABANK (+1.87%), ACCESSCORP (+1.34%), and GTCO (+1.16%), while FCMB (-3.09%) weighed on performance. The Consumer Index lost 1bp as NASCON (-6.42%) and HONYFLOUR (-4.45%) declined, despite gains in DANGSUGAR (+1.21%). The Oil & Gas Index fell 49bps on OANDO (-5.48%), while the Industrial Index dropped 21bps. Trading activity slowed, with value traded declining 44.41% to \$7.82m. Market sentiment remained bearish, with notable crosses including 34.5m NB at ₦34.30 and 5m MTNN at ₦240.50.

Outlook: Anticipate a continuation of today's market dynamics tomorrow.

Foreign Exchange

The interbank NFEM remained stable, supported by consistent CBN intervention and a relatively calm market. The USD/NGN pair traded within a range of \$/₦1,525.00 to \$/₦1,535.00, ultimately closing at \$/₦1,531.25.

Outlook: The Naira is expected to remain stable within its present trading band.

Commodities

Oil prices inched higher on Wednesday as investors awaited the U.S. announcement of reciprocal tariffs at 4 p.m. ET (2000 GMT), raising concerns about a potential global trade war that could impact crude demand. Brent crude futures rose 42 cents, or 0.6%, to \$74.91 a barrel by 12:51 p.m. EDT (1651 GMT), while WTI crude gained 53 cents, or 0.7%, to \$71.73. Meanwhile, gold prices climbed toward record highs as investors sought safe-haven assets ahead of U.S. President Donald Trump's tariff plans. Spot gold increased 0.5% to \$3,127.23 an ounce at 11:45 a.m. EDT, while U.S. gold futures rose 0.7% to \$3,166.30.

Outlook: Risks skew downward—modest tariff relief may not boost Brent significantly, while aggressive measures could spark sharp declines.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING		
	PRICE	GAIN(N)	% CHANGE
VFDGROUP	51.90	4.70	↑ 9.96%
AFRIPRUD	14.35	1.30	↑ 9.96%
UNIONDICON	5.30	0.45	↑ 9.28%
MAYBAKER	8.60	0.50	↑ 6.17%
FIDSON	19.00	0.95	↑ 5.26%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING		
	PRICE	LOSS(N)	% CHANGE
UACN	31.95	-3.55	↓ -10.00%
UPL	3.89	-0.43	↓ -9.95%
SUNUASSUR	5.99	-0.66	↓ -9.92%
CONHALLPLC	3.23	-0.35	↓ -9.78%
LEARNAFRCA	3.00	-0.32	↓ -9.64%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.14%	↑ 0.04%	↓ -0.14%	↑ 2.52%
NSE BANKING INDEX	↑ 0.07%	↑ 0.37%	↑ 0.07%	↑ 7.04%
NSE INSURANCE INDEX	↓ -2.61%	↓ -3.77%	↓ -2.61%	↓ -5.25%
NSE INDUSTRIAL GOODS INDEX	↓ -0.21%	↓ -0.20%	↓ -0.21%	↓ -2.51%
NSE CONSUMER GOODS INDEX	↓ -0.01%	↓ 0.00%	↓ -0.01%	↑ 4.85%
NSE OIL & GAS INDEX	↓ -0.49%	↓ -0.86%	↓ -0.49%	↓ -9.79%

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