

DATE: Monday, 07 April 2025

MARKET COMMENTARY

System Liquidity

Interbank liquidity remained robust, exceeding ₦900 billion in surplus, keeping rates stable—the Overnight Policy Rate (OPR) held at 26.50% and the Overnight Rate (O/N) at 26.95%.

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

Treasury Bills

The Treasury Bills market closed bearish today as FPIs led selling pressure, overwhelming limited buy-side interest. While some demand emerged for short-tenor papers, offers were scarce. Trading focused on the Feb 2026 and Mar 2026 maturities, driving the benchmark NTB average up 38bps to 19.50%.

Outlook: The bearish tone is likely to continue ahead of this week's potential NTB auction, with investors also awaiting the Q2 2025 FGN NTB borrowing calendar for direction.

FGN Bonds

The local bonds market remained subdued as cautious trading persisted. Limited activity focused on the Feb 2031, May 2033, and June 2053 papers, with thin volumes recorded. The average mid-yield rose 22bps to 18.70% by session close.

Outlook: Market sentiment is likely to stay mixed-to-bearish as investors weigh yield opportunities against global economic challenges.

Eurobonds

African Eurobonds remained under heavy selling pressure, with Nigeria and Angola's oil-linked papers hit hardest. Brief relief emerged from bargain hunting (attracted by discounted entry points) and tariff optimism, but the rebound faltered after the White House denied reports of a tariff pause as "fake news." Nigerian yields ultimately spiked 59bps to 11.37% amid the broad retreat.

Outlook: Tariffs and weakening economic data are expected to sustain prolonged downward pressure on markets.

BENCHMARK T-BILLS DISCOUNT RATES			
	07-Apr-25	04-Apr-25	Change in Rates
94 DAYS	17.51%	17.51%	→ 0.00%
185 DAYS	17.71%	17.71%	→ 0.00%
318 DAYS	20.78%	19.70%	↑ 1.08%

Source: FMDQ DQL for 07-Apr-2025

BENCHMARK FGN BOND YIELDS			
	07-Apr-25	04-Apr-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%	19.23%	↓ 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 07-Apr-2025

BENCHMARK FGN EUROBOND YIELDS			
	07-Apr-25	04-Apr-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	11.08%	10.54%	↑ 0.54%
10 YRS: NGERIA 7.375% 09/29/3/	11.48%	11.26%	↑ 0.22%
15 YRS: NGERIA 7.696% 23/02/3/	11.71%	11.45%	↑ 0.26%
30 YRS: NGERIA 8.25% 09/29/51	11.82%	11.59%	↑ 0.23%
8.75% ETI 06/17/31*	9.87%	9.18%	↑ 0.69%

Source: FBN UK Runs for 07-Apr-2025

NFEM RATE (\$/₦)		Diff.
7-Apr-25	1,612.2368	
4-Apr-25	1,567.0200	↑ 45.2168

Source: FMDQ

SYS. LIQ. (₦'BN)		Diff.
7-Apr-25	906.85	
4-Apr-25	969.64	↓ (62.79)

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)	38.14 (-6.70% YTD as of 04-Apr-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*64.34 (-1.24 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian equities market closed sharply lower as the All-Share Index (ASI) plunged by 123bps, trimming YTD gains to 1.25%. Market breadth was deeply negative with only 9 gainers against 51 decliners. VFDGROUP (+10%) topped the gainers, while OANDO, NSLTECH, RTBRISCOE, and CORNERST all shed 10%, leading the laggards. FCMB dominated the volume chart with 65.5m shares traded, while GTCO led the value chart with N2.33 billion. Sectoral performance was broadly bearish. The Banking Index suffered a steep 548bps loss, pressured by FIDELITYBK (-9.52%), ACCESSCORP (-9.27%), and GTCO (-5.62%). The Consumer Index declined 79bps, dragged by HONYFLOUR and NB, while the Oil & Gas Index lost 65bps on OANDO's 10% dip. The Industrial Index remained largely flat. Trading activity rose, with value traded up 37.48% to \$6.78m. Broad-based selloffs, especially in financials, reflected global bearish sentiment. Cross deals in ARADEL, GTCO, and FCMB added to volume.

Outlook: Tomorrow's session is likely to maintain the current market sentiment.

Foreign Exchange

The interbank market remained bid as sustained demand pressure persisted, largely driven by foreign portfolio investors (FPIs) looking to exit amid a global risk-off sentiment. To ease the pressure, the CBN intervened in the NAFEM market, selling \$124 million at rates between \$/₦1,595 and \$/₦1,611. The USD/NGN pair traded within a range of \$/₦1,590 to \$/₦1,655, with the Naira ultimately depreciating by 2.89% to close at \$/₦1,612.2368.

Outlook: Offshore investors are likely to intensify selling pressure as risk aversion grows, though we anticipate continued CBN intervention to stabilize the market.

Commodities

Oil prices fell nearly 2% on Monday, reaching close to a four-year low, as concerns mounted that President Trump's latest tariffs could trigger a global recession and weaken energy demand. The day was highly volatile, with crude prices swinging by over \$3 overnight and rebounding slightly after the White House dismissed reports of a tariff pause as "fake news." Brent crude dropped \$1.24, or 1.9%, to \$64.34, while WTI declined \$1.21, or 2%, to \$60.78. After last week's 11% drop, both benchmarks were set for their lowest close since April 2021. Meanwhile, gold prices fell 1.3% to \$2,999.49 as investors flocked to the dollar, though broader economic uncertainty kept market sentiment positive on bullion.

Outlook: Oil prices face continued downward pressure as markets digest tariff effects amid rising supply and weakening global demand

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
VFDGROUP	62.70	5.70	↑ 10.00%
TOTAL	745.00	65.32	↑ 9.61%
GUINEAINS	0.69	0.06	↑ 9.52%
INTENEGINS	1.64	0.14	↑ 9.33%
ABBEYBDS	5.15	0.42	↑ 8.88%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
RTBRISCOE	2.16	-0.24	↓ -10.00%
NSLTECH	0.45	-0.05	↓ -10.00%
CORNERST	2.97	-0.33	↓ -10.00%
OANDO	37.80	-4.20	↓ -10.00%
HONYFLOUR	10.19	-1.13	↓ -9.98%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -1.23%	↓ -1.37%	↓ -1.37%	↑ 1.25%
NSE BANKING INDEX	↓ -5.48%	↓ -5.28%	↓ -5.28%	↑ 1.31%
NSE INSURANCE INDEX	↓ -7.56%	↓ -11.38%	↓ -11.38%	↓ -13.77%
NSE INDUSTRIAL GOODS INDEX	↓ -0.01%	↓ -0.22%	↓ -0.22%	↓ -2.52%
NSE CONSUMER GOODS INDEX	↓ -0.79%	↓ -1.70%	↓ -1.70%	↑ 3.08%
NSE OIL & GAS INDEX	↓ -0.65%	↓ -1.82%	↓ -1.82%	↓ -11.00%

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