

DATE: Tuesday, 08 April 2025

MARKET COMMENTARY

System Liquidity

Interbank liquidity stayed strong despite a modest decline to ~₦757 billion, keeping rates steady—the Overnight Policy Rate (OPR) at 26.50% and Overnight Rate (O/N) at 26.94%.

Outlook: Interbank rates are likely to rise slightly tomorrow as liquidity tightens due to additional CBN FX settlement outflows.

Treasury Bills

The Treasury Bills market saw subdued activity as investors positioned for tomorrow's auction, with limited trading concentrated on mid-to-long tenors (Jan/Mar 2026 bills). The benchmark NTB mid-rate closed at 19.31% amid thin volumes.

Outlook: Market attention tomorrow centers on the NTB auction, where the DMO will offer ₦800 billion across 91-day, 182-day, and 364-day tenors. Trading is likely to remain muted ahead of the results.

FGN Bonds

The local bonds market saw cautious trading, with limited activity focused on the Feb 2031 (thin volumes, though bids were above 20%) and May 2033 papers (bids >20%). Overall, the average mid-yield edged up 2bps to 18.72%.

Outlook: Investors' cautious assessment of yield prospects is expected to sustain a mixed-to-bearish market tone.

Eurobonds

African Eurobonds rebounded sharply today, recovering from early session volatility as improved risk appetite spurred bargain hunting following recent steep losses. Support also came from the Fed chair's dovish tone, which buoyed emerging markets. Overall, Nigerian Eurobond yields fell 40bps to 10.97%.

Outlook: Risk-off sentiment is still expected to persist amid ongoing US-China trade tensions and retaliatory tariffs, compounded by declining oil prices.

BENCHMARK T-BILLS DISCOUNT RATES			
	08-Apr-25	07-Apr-25	Change in Rates
93 DAYS	17.85%	17.51%	↑ 0.34%
184 DAYS	19.31%	17.71%	↑ 1.59%
352 DAYS	19.52%	19.52%	→ 0.00%

Source: FMDQ DQL for 08-Apr-2025

BENCHMARK FGN BOND YIELDS			
	08-Apr-25	07-Apr-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.43%	18.50%	↑ 0.93%
10 YRS: 22.60% 29-JAN-2035	18.85%	19.22%	↓ -0.37%
13 YRS: 15.45% 21-JUN-2038	18.37%	18.36%	↑ 0.00%
28 YRS: 15.70% 21-JUN-2053	17.00%	17.00%	↑ 0.00%

Source: FMDQ DQL for 08-Apr-2025

BENCHMARK FGN EUROBOND YIELDS			
	08-Apr-25	07-Apr-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	10.92%	11.08%	↓ -0.16%
10 YRS: NGERIA 7.375% 09/29/31	11.18%	11.48%	↓ -0.30%
15 YRS: NGERIA 7.696% 23/02/31	11.45%	11.71%	↓ -0.26%
30 YRS: NGERIA 8.25% 09/29/51	11.53%	11.82%	↓ -0.29%
8.75% ETI 06/17/31*	9.64%	9.87%	↓ -0.23%

Source: FBN UK Runs for 08-Apr-2025

NFEM RATE (\$/₦)		Diff.
8-Apr-25	1,611.5535	
7-Apr-25	1,612.2368	↓ (0.6833)

Source: FMDQ

SYS. LIQ. (₦BN)		Diff.
8-Apr-25	757.06	
7-Apr-25	906.85	↓ (149.79)

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)	38.09 (-6.81% YTD as of 07-Apr-25)
MONETARY POLICY RATE (FEB'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*62.74 (-1.60 d/d)

Source: NBS, CBN, AIICO Capital

Nigerian Equities

The Nigerian equities market rebounded modestly as the All-Share Index (ASI) advanced by 15bps, lifting YTD return to 1.41%. Market breadth remained negative with 16 gainers and 42 losers. NSLTECH (+8.89%) led the gainers' chart, while UHOMREIT (-9.95%) topped the laggards. ACCESSCORP led the volume chart with 56.5m units, while GTCO dominated the value chart with N3.43 billion. Banking stocks drove the market's recovery, lifting the NGX Banking Index by 189bps on gains in ZENITHBANK (+3.3%), UBA (+2.64%), FIDELITYBK (+2.49%), and ACCESSCORP (+2.19%). The Consumer Index lost 16bps, weighed by HONYFLOUR and DANGSUGAR. The Oil & Gas Index edged up by 4bps on OANDO's slight rebound, while the Industrial Index dipped 11bps. Value traded fell by 9.35% to \$6.23m, with notable crosses including 14m and 5m GTCO at N66.50/N66.75, and 2m ACCESSCORP at N21.00. Sentiment was mixed for most of the session but turned positive late in the day.

Outlook: We anticipate risk-on sentiment in tomorrow's trading.

Foreign Exchange

The interbank market remained bid amid ongoing demand pressure. To help alleviate this, the CBN intervened in the NAFEM market, selling \$101.2 million at rates between \$/₦1,603.15 and \$/₦1,615.00, and an additional \$48.2 million between \$/₦1,603.11 and \$/₦1,620. The USD/NGN pair traded within a range of \$/₦1,589 to \$/₦1,634, with the Naira recording a slight appreciation of 4 bps to close at \$/₦1,611.5535.

Outlook: The CBN is expected to continue stepping in to stabilize the market, even as heightened risk aversion drives offshore investors to sell more.

Commodities

Oil prices dropped over \$1 a barrel on Tuesday, hitting four-year lows as persistent recession fears tied to the escalating U.S.-China trade war outweighed gains in the stock market. Brent crude fell \$1.47, or 2.29%, to \$62.74 per barrel, while U.S. West Texas Intermediate (WTI) crude declined \$1.26, or 2.08%, to \$59.44. Meanwhile, gold prices rebounded above \$3,000 an ounce, supported by a weakening U.S. dollar and rising trade tensions between the two largest global economies. Spot gold rose 0.8% to \$3,007.69 by late morning, recovering from a three-week low seen on Monday. U.S. gold futures also climbed 1.6% to \$3,021.90, continuing to attract safe-haven investors amid ongoing market uncertainty.

Outlook: The U.S. will implement 104% tariffs on Chinese imports effective 12:01 a.m. EDT Wednesday, following China's failure to remove retaliatory duties by Trump's Tuesday noon deadline. Beijing's vow to 'fight to the end' has escalated concerns about global economic contraction.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
NSLTECH	0.49	0.04	↑ 8.89%
ABBEYBDS	5.58	0.43	↑ 8.35%
STERLINGNG	5.15	0.33	↑ 6.85%
VFDGROUP	66.00	3.30	↑ 5.26%
MBENEFIT	0.92	0.04	↑ 4.55%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
UHOMREIT	46.15	-5.10	↓ -9.95%
NAHCO	62.95	-6.95	↓ -9.94%
NEM	11.80	-1.30	↓ -9.92%
LASACO	1.92	-0.21	↓ -9.86%
ROYALEX	0.83	-0.09	↓ -9.78%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.15%	↓ -1.22%	↓ -1.22%	↑ 1.41%
NSE BANKING INDEX	↑ 1.89%	↓ -3.49%	↓ -3.49%	↑ 3.22%
NSE INSURANCE INDEX	↓ -4.07%	↓ -14.98%	↓ -14.98%	↓ -17.28%
NSE INDUSTRIAL GOODS INDEX	↓ -0.11%	↓ -0.34%	↓ -0.34%	↓ -2.63%
NSE CONSUMER GOODS INDEX	↓ -0.16%	↓ -1.86%	↓ -1.86%	↑ 2.92%
NSE OIL & GAS INDEX	↑ 0.04%	↓ -1.79%	↓ -1.79%	↓ -10.96%

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