

# Actionable Market Insights, Delivered Weekly.

**AIICO  
CAPITAL**

## MARKET COMMENTARY

DATE: Thursday | 17 April 2025

### Money Market

The interbank market faced significant liquidity fluctuations during the week. Opening with a credit balance of ₦262.61 billion, liquidity declined by ₦365.62 billion to end in a ₦103.02 billion debit, largely due to CBN FX settlements. Although inflows from Remita, Project Gazelle, and ₦73.75 billion in FGN bond coupons provided relief, they were insufficient to offset outflows. This liquidity crunch drove interbank rates higher, with the Overnight Policy Rate (OPR) and Overnight Rate (O/N) rising to 31.60% and 32.05% respectively, up 5.02% and 5.09% week-on-week.

**Outlook:** With current system liquidity from SRA inflows, an expected ₦145.97 billion FGN Bond coupon payment, and pending FAAC allocations, interbank rates should hold steady in the coming week.

### Treasury Bills

The Treasury bills market traded on a bullish note for most of the week, driven by strong system liquidity and investor demand for long-dated maturities—particularly December 2025, February, and March 2026 papers. The rally at the long end saw yields trend downward consistently. Despite a quieter session midweek with mostly retail-sized trades, demand for longer tenors persisted. As a result, the benchmark NTB average mid-rate declined by 31bps w/w to close at 19.71%. Earlier in the week, the mid-rate had dropped as low as 19.50% due to active buying interest, before settling slightly higher by week's end.

**Outlook:** Trading activity is likely to remain measured as market participants await next week's NTB primary market auction.

### FGN Bonds

The FGN bond market traded on a cautious note throughout the week, as investors awaited the release of the Q2 2025 bond issuance calendar. Activity was largely subdued, with modest interest focused on short to mid-dated maturities, particularly the February 2031 and May 2033 papers. The May 2033 bond saw slight demand early in the week, compressing yields marginally. Overall, the average bond mid-yield declined by 4bps w/w to close at 18.82%.

**Outlook:** Investor caution should prevail in the interim, as market participants await the release of the Q2'25 FGN Bond primary market auction calendar.

### Nigerian Equities

The Nigerian equities market closed the week on a mixed note, with the All-Share Index down 31bps w/w amid early profit-taking in banking stocks. Sentiment improved midweek, buoyed by bargain hunting in MTNN, ACCESSCORP, ETI, NB, and FIDELITYBK. Nigerian Breweries (NB) posted impressive Q1 results, recording ₦1.43 EPS, reversing prior losses and attracting strong investor interest. Market momentum further lifted by positive moves in OKOMUOIL, PRESCO, NESTLE, and OANDO. Offshore investors remained calm but were active in NB and GTCO. Meanwhile, several blue-chip stocks, including UBA, GTCO, ZENITHBANK, and FIDELITYBK, were marked down for dividend payments. Wema Bank's ₦10.45 rights issue continues, closing May 21. Overall, the market reflected cautious optimism amid corporate actions and earnings results.

**Outlook:** Buying interest should persist as current price levels remain attractive, while upcoming Q1'25 earnings releases are anticipated to influence market direction.

#### BENCHMARK T-BILLS DISCOUNT RATES

	17-Apr-25	11-Apr-25	Change in Rates
84 DAYS	17.12%	17.30%	↓ -0.18%
175 DAYS	18.50%	17.50%	↑ 1.00%
343 DAYS	18.35%	19.70%	↓ -1.35%

Source: FMDQ DQL for 17-Apr-2025

#### BENCHMARK FGN BOND YIELDS

	17-Apr-25	11-Apr-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.78%	18.50%	↑ 1.28%
10 YRS: 22.60% 29-JAN-2035	19.04%	19.23%	↓ -0.18%
13 YRS: 15.45% 21-JUN-2038	18.37%	18.36%	↑ 0.01%
28 YRS: 15.70% 21-JUN-2053	17.15%	17.00%	↑ 0.15%

Source: FMDQ DQL for 17-Apr-2025

#### NFEM RATE (\$/₦)

		Diff.
17-Apr-25	1,599.9384	
11-Apr-25	1,603.7832	↓ (3.8448)

Source: FMDQ

#### SYS. LIQ. (₦'BN)

		Diff.
17-Apr-25	(103.02)	
11-Apr-25	303.04	↓ (406.06)

Source: CBN

#### NAME OF FUND

#### EFFECTIVE YIELD (%)

AIICO MONEY MARKET FUND	20.99
AIICO BALANCED FUND	5.51
AIICO EUROBOND FUND	7.12

As of April 15, 2025

BENCHMARK FGN EUROBOND YIELDS					MACRO INDICATORS	
	17-Apr-25	11-Apr-25	Change in Yield		GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
5 YRS: NGERIA 8.375% 03/24/29	9.86%	11.18%	↓	-1.32%	INFLATION (MARCH 2025)	24.23% (Feb'25: 23.18% )
10 YRS: NGERIA 7.375% 09/29/31	10.56%	11.51%	↓	-0.95%	EXTERNAL RESERVE (US\$BILLION)	37.89 (-7.31% YTD as of 16-Apr-25)
15 YRS: NGERIA 7.696% 23/02/31	10.83%	11.64%	↓	-0.81%	MONETARY POLICY RATE (FEB'2025)	27.50%
30 YRS: NGERIA 8.25% 09/29/51	11.22%	11.71%	↓	-0.49%	CASH RESERVE REQUIREMENT (CRR)	50.00%
8.75% ETI 06/17/31*	9.78%	9.42%	↑	0.36%	BRENT CRUDE PRICE US\$/BBL	*67.96 (+3.20 w/w)
Source: FBN UK Runs for 17-Apr-2025					Source: NBS,CBN, AIICO Capital	

Eurobonds Market

Bullish sentiment returned to the African Eurobond market this week, driven by stronger commodity prices and dovish signals from global central banks, which eased fears of monetary tightening. Nigerian Eurobonds rallied, with yields declining steadily through the week—from 10.85% to 10.67%—before settling at 10.40%, marking a 101bps week-on-week compression. Buying interest was prominent in Nigerian, Angolan, and Egyptian papers, although Egypt experienced brief selling pressure midweek due to fiscal concerns. Market sentiment was also influenced by geopolitical headlines, including comments from U.S. President Donald Trump suggesting a potential shake-up at the Federal Reserve.

**Outlook:** Market conditions are likely to stay volatile as tariff concerns continue to weigh on investor sentiment.

Foreign Exchange

The NAFEM market witnessed subdued activity throughout the week, characterized by cautious sentiment and minimal trading volumes. Market participants largely anticipated CBN intervention rather than active interbank flows. The Central Bank intermittently injected liquidity, supplying an estimated \$280 million across various sessions, with rates ranging between ₦1,590 and ₦1,623.24/\$1. Despite the muted demand, trades consistently occurred above the ₦1,600 handle. As sellers attempted to offload inflows into the market, the tone remained offered. By week’s end, the Naira appreciated marginally by 24bps w/w to close at ₦1,599.94/\$1. Meanwhile, Nigeria’s external reserves stood at \$37.88 billion as of April 17, reflecting a weekly decline of approximately \$111.2 million, according to the CBN.

**Outlook:** The CBN is expected to sustain its market stabilization interventions in the near term.

Commodities

Oil prices climbed over 3% on Thursday, driven by optimism around a potential U.S.-EU trade deal and newly imposed U.S. sanctions on Iran aimed at cutting its oil exports, heightening global supply concerns. Brent crude rose by \$2.11, or 3.2%, to settle at \$67.96 per barrel, while U.S. West Texas Intermediate (WTI) crude advanced \$2.21, or 3.54%, to \$64.68. Meanwhile, gold prices dipped as investors took profits following a strong rally the previous day. Despite the decline, gold remained above the \$3,300 mark, supported by a weaker U.S. dollar and persistent U.S.-China trade tensions. Spot gold fell 0.5% to \$3,326.51 per ounce after reaching a record \$3,357.40, while U.S. gold futures edged down 0.2% to \$3,339.90.

**Outlook:** While the U.S. intensifies pressure through expanded Iranian oil sanctions, OPEC+ has reassured markets of its capacity to adjust output, stating it retains sufficient flexibility to enact supply reductions when necessary.

Top 5 Equity Advancers W-o-W					Top 5 Equity Decliners W-o-W				
Ticker	Px	% Change	Points	% Mov	Ticker	Px	% Change	Points	% Mov
MTNN	242.00	↑ 2.98%	261.67	81.54%	ZENITHBANK	44.00	↓ -4.22%	111.74	-34.82%
ACCESSCORP	22.10	↑ 8.07%	107.71	33.57%	GTCO	59.00	↓ -3.06%	100.81	-31.41%
ETI	29.25	↑ 8.94%	80.88	25.20%	NESTLE	1,000.00	↓ -1.96%	29.12	-9.07%
NB	36.20	↑ 13.13%	79.26	24.70%	FIRSTHOLDCO	24.60	↓ -1.60%	26.37	-8.22%
FIDELITYBK	19.25	↑ 6.50%	62.53	19.49%	UBA	32.10	↓ -0.62%	12.56	-3.91%
Source: NGX, AIICO Capital					Source: NGX, AIICO Capital				

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.37%	↓ -0.53%	↓ -1.35%	↑ 1.27%
NSE Banking Index	↑ 1.33%	↓ -4.91%	↓ -7.31%	↓ -0.86%
NSE Insurance Index	↓ -2.92%	↓ -0.33%	↓ -10.65%	↓ -13.07%
NSE Industrial Goods Index	→ 0.00%	↓ -0.06%	↓ -0.48%	↓ -2.77%
NSE Consumer Goods Index	↑ 1.17%	↑ 2.33%	↑ 0.78%	↑ 5.68%
NSE Oil & Gas Index	↑ 0.44%	↓ -0.23%	↓ -1.47%	↓ -10.67%

Source:NGX, Bloomberg, AIICO Capital

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