

DAILY MARKET INSIGHTS.



Monday, 26 May 2025

MARKET COMMENTARY

System Liquidity

Last Friday's SRA inflows significantly boosted system liquidity, prompting the CBN to intervene today with CRR debits and a ₦600 billion OMO auction (mid-tenor papers). The auction saw robust demand, with ₦1,146.6 billion in subscriptions and ₦1,127.6 billion allotted. Despite these liquidity-absorbing measures, interbank rates held steady near 26.5%, as the Overnight Policy Rate (OPR) remained at 26.50% and the Overnight (O/N) rate edged down 14 bps to 26.78%.

Outlook: With current liquidity levels and ₦984.22 billion in OMO maturities due tomorrow, rates should hold steady at 26.5% as the market remains flush with funds.

SYS. LIQ. (₦'BN)		Diff.
26-May-25	2,030.46	
23-May-25	431.87	↑ 1,598.58

Source: CBN

Treasury Bills

The bills market opened the week on a relatively calm note, largely influenced by the early announcement of an OMO auction. Despite this, there was a slight bullish sentiment observed across the curve, with particular interest in the July, August, and May bills. By the end of the trading session, the benchmark NTB mid-rate had declined by 3 bps, settling at 19.48%.

Outlook: We expect some bullish sentiment in the interim.

BENCHMARK T-BILLS DISCOUNT RATES

	26-May-25	23-May-25	Change in Rates
87 DAYS	17.63%	17.63%	→ 0.00%
178 DAYS	18.25%	18.25%	→ 0.00%
346 DAYS	19.35%	19.35%	→ 0.00%

Source: FMDQ DQL for 26-May-2025

FGN Bonds

The FGN bonds market remained largely quiet as investors awaited the outcome of the auction, where the DMO offered ₦300 billion across the April 2029 and May 2033 maturities. However, there were slight price movements in the April 2029, May 2033, and June 2053 bonds during the session. By the close of trading, the benchmark mid-yield held steady at 18.73%.

Outlook: We anticipate a bullish trading trend in tomorrow's session, driven by the decline in stop rates at the FGN bond auction.

BENCHMARK FGN BOND YIELDS

	26-May-25	23-May-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.46%	19.46%	→ 0.00%
10 YRS: 22.60% 29-JAN-2035	19.44%	19.44%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.38%	18.38%	→ 0.00%
28 YRS: 15.70% 21-JUN-2053	17.07%	17.07%	→ 0.00%

Source: FMDQ DQL for 26-May-2025

Eurobonds

Eurobond trading activity was subdued due to the U.S. Memorial Day holiday, leaving Nigeria's average mid-yield unchanged at 9.73%.

Outlook: Market activity is anticipated to be robust tomorrow, as a bullish trend is projected. This optimistic outlook stems from Trump's recent decision to delay the implementation of higher tariffs on the European Union, which has positively influenced investor sentiment.

BENCHMARK FGN EUROBOND YIELDS			
	26-May-25	23-May-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	9.04%	9.04%	➡ 0.00%
10 YRS: NGERIA 7.375% 09/29/3:	10.20%	10.20%	➡ 0.00%
15 YRS: NGERIA 7.696% 23/02/3:	10.40%	10.40%	➡ 0.00%
30 YRS: NGERIA 8.25% 09/29/51	10.83%	10.83%	➡ 0.00%
8.75% ETI 06/17/31*	9.89%	9.89%	➡ 0.00%
Source: FBN UK Runs for 26-May-2025			

Nigerian Equities

The Nigerian equities market rebounded strongly, as the All-Share Index (ASI) gained 79bps to close at 109,884.93 points, lifting YTD returns to 6.76%. The rally was largely driven by strong gains in ARADEL (+9.98%) and BUAFOODS (+5.26%), which offset losses in TRIPPLEG (-10%) and select banking stocks. Market breadth was broadly balanced with 33 gainers and 31 losers. Sectoral performance was mixed: the NGX Consumer Index led the pack, up 220bps on strength in BUAFOODS and INTBREW, while the Oil and Gas Index advanced 236bps on ARADEL’s surge. However, the Banking Index shed 2bps amid losses in FIDELITYBK (-2.41%) and GTCO (-2.29%). The Industrial Index was flat. Trading activity slowed, with value traded down 38.78% to \$7m. Notable crosses included 35m CUSTODIAN, 16m FIDELITYBK at ₦18.35, and 4m ETERNA at ₦43.00. Overall, investor sentiment was mixed, but positive momentum in a few large-cap stocks helped steer the market upward.

Outlook: Tomorrow's session is likely to mirror today's trading pattern.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
ARADEL	505.90	45.91	➡ 9.98%
UPL	4.79	0.43	➡ 9.86%
ABCTRANS	2.70	0.21	➡ 8.43%
LINKASSURE	1.59	0.12	➡ 8.16%
CILEASING	4.40	0.30	➡ 7.32%
Source: NGX, AIICO Capital			

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
TRIPPLEG	2.07	-0.23	⬇️ -10.00%
MRS	141.80	-15.70	⬇️ -9.97%
CHELLARAM	10.58	-1.17	⬇️ -9.96%
IMG	35.90	-3.95	⬇️ -9.91%
CORNERST	3.13	-0.34	⬇️ -9.80%
Source: NGX, AIICO Capital			

	D-o-D	W-o-W	MTD	YTD
NGX ASI	➡ 0.79%	➡ 0.17%	➡ 3.86%	➡ 6.76%
NSE BANKING INDEX	⬇️ -0.02%	⬇️ -0.81%	➡ 1.18%	➡ 6.57%
NSE INSURANCE INDEX	⬇️ -1.06%	⬇️ -0.89%	⬇️ -0.49%	⬇️ -6.59%
NSE INDUSTRIAL GOODS INDEX	➡ 0.00%	➡ 0.55%	➡ 2.04%	⬇️ -3.89%
NSE CONSUMER GOODS INDEX	➡ 2.20%	➡ 2.83%	➡ 16.89%	➡ 35.35%
NSE OIL & GAS INDEX	➡ 2.36%	⬇️ -1.35%	➡ 3.28%	⬇️ -10.33%

Foreign Exchange

Stability persisted in the interbank NFEM, as the USD/NGN pair traded within a narrow band of \$/₦1,578.00 to \$/₦1,583.00. By the end of the session, the Naira appreciated marginally by 7 bps, closing at \$/₦1,579.4080.

Outlook: Near-term stability is expected for the Naira, with limited volatility anticipated.

NFEM RATE (\$/₦)		Diff.
26-May-25	1,579.4080	
23-May-25	1,580.4411	⬇️ (1.0331)
Source: FMDQ		

Commodities

Oil prices were mostly unchanged on Monday as markets awaited a key OPEC+ meeting, rescheduled to May 31, where eight member countries will discuss their voluntary output cuts. Brent crude dipped slightly, closing down four cents at \$64.74 per barrel, while U.S. West Texas Intermediate crude held steady at \$61.53. Meanwhile, gold prices declined nearly 1% after U.S. President Donald Trump withdrew his threat to impose 50% tariffs on European Union goods starting June 1. The move reduced investor demand for safe-haven assets. Spot gold slipped 0.8% to \$3,332.04 an ounce, while U.S. gold futures dropped 1% to \$3,331.90.

Outlook: Investors continue to price in possible OPEC production hikes but refrain from significant moves pending actual supply changes.

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (APRIL 2025)	23.71% (Mar'25: 24.23%)
EXTERNAL RESERVE (US\$BILLION)	38.56 (-5.67% YTD as of 22-May-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*64.74 (-0.04 d/d)
Source: NBS,CBN, AIICO Capital	

NAME OF FUND	EFFECTIVE YIELD (%)
AIICO MONEY MARKET FUND	20.82
AIICO BALANCED FUND	11.64
AIICO EUROBOND FUND	7.84
As of May 25, 2025	

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