

# DAILY MARKET INSIGHTS.



Thursday, 29 May 2025

## MARKET COMMENTARY

### System Liquidity

Interbank rates remained stable at 26.5% amid ample market liquidity, which offset the impact of today's ₦300 billion FGN Sukuk bond settlement. The Overnight Policy Rate (OPR) held at 26.50%, while the Overnight (O/N) rate edged up 9 bps to 26.95%.

**Outlook:** Interbank rates should hold steady tomorrow barring unexpected liquidity shocks.

SYS. LIQ. (₦'BN)	Diff.
29-May-25	1,580.04
28-May-25	2,091.66
	↓ (511.63)

Source: CBN

### Treasury Bills

The secondary market saw subdued activity, though selective demand emerged for mid-to-long tenors. The March/May NTBs and April/November OMO bills attracted the most trading interest. By session close, the benchmark NTB mid-rate held steady at 19.40%.

**Outlook:** The market is expected to maintain a mixed tone.

BENCHMARK T-BILLS DISCOUNT RATES	29-May-25	28-May-25	Change in Rates
84 DAYS	17.55%	17.55%	→ 0.00%
175 DAYS	18.20%	18.20%	→ 0.00%
343 DAYS	19.14%	19.14%	→ 0.00%

Source: FMDQ DQL for 29-May-2025

### FGN Bonds

Trading activity remained subdued with limited movement across the curve. However, selective trading emerged in the April 2029s, February 2031s, May 2033s, and January 2035s tenors. The session closed with the benchmark mid-yield steady at 18.62%.

**Outlook:** We anticipate the prevailing tone will continue through tomorrow's trading.

BENCHMARK FGN BOND YIELDS	29-May-25	28-May-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.13%	19.13%	→ 0.00%
10 YRS: 22.60% 29-JAN-2035	19.35%	19.35%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.39%	18.39%	→ 0.00%
28 YRS: 15.70% 21-JUN-2053	17.07%	17.07%	→ 0.00%

Source: FMDQ DQL for 29-May-2025

### Eurobonds

African Eurobonds rallied sharply after the US Court of International Trade struck down Trump's proposed 10% global tariffs ("Liberation Day" duties) and removed the threat of reciprocal tariffs. However, gains were partially reversed as markets questioned whether this would sustain risk appetite, noting that lost tariff revenue could exacerbate US deficit concerns under the new tax bill. Despite the pullback, Nigerian Eurobonds outperformed, with average yields tightening 6bps to 9.49%.

**Outlook:** We expect the market will maintain a mixed sentiment in tomorrow's session.

BENCHMARK FGN EUROBOND YIELDS				
	29-May-25	28-May-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	8.80%	8.80%	➡	0.00%
10 YRS: NGERIA 7.375% 09/29/31	9.98%	10.13%	⬇	-0.15%
15 YRS: NGERIA 7.696% 23/02/31	10.18%	10.24%	⬇	-0.06%
30 YRS: NGERIA 8.25% 09/29/51	10.67%	10.76%	⬇	-0.09%
8.75% ETI 06/17/31*	9.77%	9.64%	⬆	0.13%

Source: FBN UK Runs for 29-May-2025

## Nigerian Equities

The Nigerian equities market closed lower as the All-Share Index (ASI) declined by 8bps to settle at 111,818.08 points, trimming year-to-date returns to 8.64%. Despite a broadly positive market breadth with 41 gainers against 24 losers, the steep 10% decline in SEPLAT—its first trade-induced price movement in six months—dragged the index into negative territory. MBENEFIT led the gainers with a 10% surge, while SEPLAT and LEGENDINT topped the losers' chart. UBA dominated trading activity, leading both the volume (82.57m units) and value (₦2.86bn) charts. The NGX Banking Index rose by 30bps on strong performances from FIDELITYBK, WEMABANK, and ZENITHBANK. The Consumer Goods Index gained 94bps, driven by broad-based upticks across key names including HONYFLOUR, NNFM, and UNILEVER. The Oil and Gas Index plunged 501bps due to SEPLAT's steep fall and weakness in OANDO. The Industrial Index closed flat. Total value traded rose slightly by 0.3% to \$10.79 million amid active block trades in UBA, MTNN, and NB.

**Outlook:** Market sentiment is expected to be mixed in tomorrow's session.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
MBENEFIT	1.10	0.10	⬆ 10.00%
UPL	6.17	0.56	⬆ 9.98%
ACADEMY	4.45	0.40	⬆ 9.88%
SCOA	4.90	0.43	⬆ 9.62%
LIVESTOCK	9.15	0.80	⬆ 9.58%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
LEGENDINT	6.84	-0.76	⬇ -10.00%
SEPLAT	4964.40	-551.60	⬇ -10.00%
ABBEYBDS	6.19	-0.68	⬇ -9.90%
OMATEK	0.71	-0.07	⬇ -8.97%
LEARNAFRCA	4.23	-0.28	⬇ -6.21%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	⬇ -0.08%	⬆ 2.41%	⬆ 5.69%	⬆ 8.64%
NSE BANKING INDEX	⬆ 0.30%	⬆ 2.52%	⬆ 2.23%	⬆ 7.68%
NSE INSURANCE INDEX	⬇ -0.17%	⬆ 0.77%	⬆ 2.03%	⬇ -4.23%
NSE INDUSTRIAL GOODS INDEX	⬆ 0.00%	⬆ 1.15%	⬆ 2.56%	⬇ -3.40%
NSE CONSUMER GOODS INDEX	⬆ 0.94%	⬆ 3.34%	⬆ 19.29%	⬆ 38.12%
NSE OIL & GAS INDEX	⬇ -5.01%	⬇ -1.44%	⬇ -0.27%	⬇ -13.41%

## Foreign Exchange

Improved dollar liquidity driven in part by the Central Bank's intervention supported the interbank market. The USD/NGN pair traded within a narrow band of \$/₦1,584.50 to \$/₦1,590.70, leading to a 29-bp appreciation in the Naira, which closed at \$/₦1,586.1520.

**Outlook:** Barring major shocks, the Naira should remain within its current exchange rate range.

NFEM RATE (\$/₦)		Diff.
29-May-25	1,586.1520	
28-May-25	1,590.7471	⬇ (4.5951)

Source: FMDQ

## Commodities

Oil prices declined on Thursday, reversing earlier gains, after the International Energy Agency warned of weaker Chinese demand. Investors also monitored potential new U.S. sanctions on Russian crude and an upcoming OPEC+ decision on July output. Earlier, prices had risen following a U.S. court ruling that President Trump exceeded his authority in imposing broad tariffs, boosting global risk appetite. However, the ruling excluded specific industry tariffs and may be temporary, as the administration plans to appeal. Brent crude dropped 60 cents to \$64.30, while WTI fell 67 cents to \$61.17. Meanwhile, spot gold rose 0.9% to \$3,319.22 amid soft U.S. jobs data.

**Outlook:** We anticipate OPEC+ will approve another 411,000-bpd production hike, maintaining this incremental increase through Q3 as the group prioritizes market share retention.

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)	38.50 (-5.81% YTD as of 28-May-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*64.30 (-0.70 d/d)

Source: NBS,CBN, AIICO Capital

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