

DAILY MARKET INSIGHTS.



Monday, 02 June 2025

MARKET COMMENTARY

System Liquidity

The CBN maintained its aggressive monetary policy by floating an OMO auction, offering N600 billion across two papers. Subscription and allotment reached N1.529 trillion and N1.512 trillion, respectively. Liquidity in the interbank market improved due to infrastructure funds disbursed to states, keeping rates steady at 26.5%. The Overnight Policy Rate (OPR) held at 26.50%, while the Overnight (O/N) rate closed at 26.94%.

Outlook: With no significant funding demands anticipated, rates will likely remain stable at current levels tomorrow.

SYS. LIQ. (₦'BN)	Diff.
2-Jun-25	1,842.99
30-May-25	1,899.41
	↓ (56.41)

Source: CBN

Treasury Bills

The Bills secondary market saw subdued activity, with limited movements across the curve following today's OMO auction. Subscription and allotment at the auction totaled N1.53 trillion and N1.51 trillion, respectively, with stop rates at 24.20% (106-day) and 24.64% (232-day). Trading was sparse on the 4-Dec, 5-Mar, and 7/21-May bills, with long-end deals settling around 18.95%. The benchmark NTB mid-rate closed unchanged at 19.40%.

Outlook: The market is likely to sustain a similar tone in tomorrow's session.

BENCHMARK T-BILLS DISCOUNT RATES

	02-Jun-25	30-May-25	Change in Rates
94 DAYS	18.55%	18.55%	→ 0.00%
185 DAYS	19.45%	19.45%	→ 0.00%
353 DAYS	19.02%	19.14%	↓ -0.12%

Source: FMDQ DQL for 02-Jun-2025

FGN Bonds

The FGN Bonds market opened the week with moderate activity, primarily focused on mid-dated tenors like the Feb 2031s, May 2033s, and Feb 2034s. Limited trades were recorded on the May 2033s, while the benchmark mid-yield closed flat at 18.58%.

Outlook: Current market sentiment is expected to persist through tomorrow's session.

BENCHMARK FGN BOND YIELDS

	02-Jun-25	30-May-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.28%	19.27%	↑ 0.00%
10 YRS: 22.60% 29-JAN-2035	19.00%	18.89%	↑ 0.11%
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 02-Jun-2025

Eurobonds

African Eurobonds ended mixed to bullish, with Nigeria outperforming after Moody's upgraded its rating to 'B3' from 'Caa1', citing stronger external and fiscal metrics. Despite escalating U.S.-China trade tensions marked by mutual accusations over tariff violations, investors largely looked past the uncertainty. The average mid-yield of Nigerian Eurobonds fell 9bps to 9.34%.

Outlook: We anticipate the prevailing tone will carry into tomorrow's session.

BENCHMARK FGN EUROBOND YIELDS				
	02-Jun-25	30-May-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	8.60%	8.68%	↓	-0.08%
10 YRS: NGERIA 7.375% 09/29/31	9.93%	9.98%	↓	-0.05%
15 YRS: NGERIA 7.696% 23/02/31	10.06%	10.12%	↓	-0.06%
30 YRS: NGERIA 8.25% 09/29/51	10.64%	10.67%	↓	-0.03%
8.75% ETI 06/17/31*	9.78%	9.78%	→	0.00%

Source: FBN UK Runs for 02-Jun-2025

Nigerian Equities

The Nigerian equities market closed in positive territory as the All-Share Index (ASI) advanced by 25bps to settle at 112,015.96 points, bringing year-to-date returns to 8.83%. Despite a negative market breadth with 23 gainers against 33 losers, modest price appreciation in select heavyweight stocks lifted the index. MULTIVERSE (+9.87%) led the gainers, while LEGENDINT (-9.9%) topped the losers’ chart. FIDELITYBK was the most traded stock, leading both volume (98.82m units) and value (₦1.88bn) charts, driven by a notable 90m unit cross at ₦19.00. Sector performance was largely tepid: the NGX Banking Index shed 6bps amid declines in FIDELITYBK, GTCO, and ZENITHBANK; the Consumer Goods Index dipped 8bps on selloffs in HONYFLOUR and NASCON; the Oil and Gas Index gained 24bps, lifted by OANDO; and the Industrial Index edged down 2bps. Overall market activity was moderate, with value traded dropping sharply by 84.3% to \$6.35m. Sentiment remained mixed, with small-cap stocks dominating the top gainers’ list.

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

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
MULTIVERSE	8.35	0.75	↑ 9.87%
LIVESTOCK	10.30	0.90	↑ 9.57%
LASACO	2.80	0.21	↑ 8.11%
NEIMETH	3.35	0.25	↑ 8.06%
ROYALEX	0.86	0.06	↑ 7.50%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
LEGENDINT	5.55	-0.61	↓ -9.90%
NSLTECH	0.55	-0.06	↓ -9.84%
ETRANZACT	6.15	-0.65	↓ -9.56%
UPL	5.35	-0.55	↓ -9.32%
MCNICHOLS	2.41	-0.19	↓ -7.31%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.25%	↑ 1.94%	↑ 0.25%	↑ 8.83%
NSE BANKING INDEX	↓ -0.06%	↑ 0.61%	↓ -0.06%	↑ 7.23%
NSE INSURANCE INDEX	↑ 0.72%	↑ 2.84%	↑ 0.72%	↓ -3.93%
NSE INDUSTRIAL GOODS INDEX	↓ -0.02%	↑ 0.33%	↓ -0.02%	↓ -3.57%
NSE CONSUMER GOODS INDEX	↓ -0.08%	↑ 1.47%	↓ -0.08%	↑ 37.33%
NSE OIL & GAS INDEX	↑ 0.24%	↓ -4.08%	↑ 0.24%	↓ -13.99%

Foreign Exchange

The interbank NAFEM sustained its upward momentum amid ample market liquidity. The USD/NGN pair fluctuated between \$/₦1,579.00 and \$/₦1,584.00, resulting in a 29-bps gain for the Naira, which settled at \$/₦1,581.5866 by the close of the session.

Outlook: Barring any major disruptions, the Naira’s exchange rate should remain range-bound in the near term.

NFEM RATE (\$/₦)		Diff.
2-Jun-25	1,581.5866	
30-May-25	1,586.1524	↓ (4.5658)

Source: FMDQ

Commodities

Oil prices surged nearly 3% on Monday despite OPEC+ maintaining its planned output increases, as wildfires in Canada’s oil region raised supply concerns and President Trump’s new tariff threats pressured the U.S. dollar. Brent crude rose by \$1.85, or 2.95%, to settle at \$64.63 per barrel, while U.S. West Texas Intermediate (WTI) crude increased \$1.73, or 2.85%, to \$62.52. Meanwhile, gold prices jumped over 2%, reaching a three-week high, driven by a weaker dollar, geopolitical tensions, and economic uncertainty. Spot gold climbed 2.5% to \$3,372.13 an ounce by 2:17 p.m. ET, its highest since May 8 earlier in the session.

Outlook: Tight physical markets, robust activity data, and seasonal demand factors indicate any demand slowdown will likely be too moderate to halt production hikes in the upcoming August output decision.

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)	38.45 (-5.94% YTD as of 30-May-25)
MONETARY POLICY RATE (MAY’2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*64.63 (+0.73 d/d)

Source: NBS,CBN, AIICO Capital

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