

DAILY MARKET INSIGHTS.



Wednesday, 18 June 2025

MARKET COMMENTARY

System Liquidity

Interbank rates held steady at 26.5%, supported by improved liquidity from yesterday's ₦985.55 billion OMO maturities and other inflows. The Overnight Policy Rate (OPR) remained unchanged at 26.50%, while the Overnight (O/N) rate inched up 2bps to 26.94%.

Outlook: The interbank market could see upward pressure on rates tomorrow following liquidity absorption from the CBN's cross-currency transaction.

	SYS. LIQ. (₦'BN)	Diff.
18-Jun-25	1,143.68	
17-Jun-25	1,380.33	↓ (236.66)

Source: CBN

Treasury Bills

The secondary market saw subdued activity as attention shifted to today's NTB auction. Trading remained light across both T-bills and OMO papers, with only selective demand for attractive yield levels. The session closed with average NTB yields stable at 19.30%.

At the primary auction, the DMO fully allotted its ₦162.02 billion offer despite receiving ₦1.233 trillion in bids. Stop rates declined across all tenors: 91-day papers fell 18bps to 17.80%, 182-day dropped 15bps to 18.35%, and 364-day yields retreated 51bps to 18.84%.

Outlook: A bullish tone is expected tomorrow as investors turn to the secondary market to cover unfilled bids, causing lower yields.

BENCHMARK T-BILLS DISCOUNT RATES

	18-Jun-25	17-Jun-25	Change in Rates
92 DAYS	17.85%	17.85%	→ 0.00%
176 DAYS	18.35%	18.90%	↓ -0.55%
351 DAYS	18.80%	18.80%	→ 0.00%

Source: FMDQ DQL for 18-Jun-2025

NTB AUCTION RESULT - 18 June 2025			
AUCTION DATE	18-Jun-25		
SETTLEMENT DATE	19-Jun-25		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	18-Sep-25	18-Dec-25	18-Jun-26
OFFER AMOUNT (₦'BN)	22.0181	40.0000	100.0000
SUBSCRIPTION AMOUNT (₦'BN)	72.6324	63.5573	1,097.3832
ALLOTMENT AMOUNT (₦'BN)	37.9844	40.5358	83.4980
RANGE OF BIDS	16.50% - 21.03%	17.39% - 20.03%	18.00% - 30.00%
CURRENT STOP RATE: DISCOUNT (YIELD)	17.800% (18.627%)	18.350% (20.198%)	18.840% (23.199%)
LAST STOP RATE: DISCOUNT (YIELD)	17.980% (18.824%)	18.500% (20.380%)	19.350% (23.977%)
CHANGE: DISCOUNT (YIELD)	-0.180% (-0.197%)	-0.150% (-0.182%)	-0.510% (-0.778%)

FGN Bonds

The bonds market saw moderate activity with a slight bullish bias as trading picked up across multiple tenors. The new April 2029s, February 2031s, May 2033s and Mar 2035s papers attracted demand. Despite limited overall volume, the session closed with average yields down 9 bps to 18.43%.

Outlook: The recent decline in NTB stop rates is expected to drive stronger demand for bonds, potentially pushing yields lower in the secondary market.

BENCHMARK FGN BOND YIELDS

	18-Jun-25	17-Jun-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	19.18%	19.18%	↓ 0.00%
10 YRS: 22.60% 29-JAN-2035	19.00%	19.00%	↓ 0.00%
13 YRS: 15.45% 21-JUN-2038	18.40%	18.40%	↑ 0.00%
28 YRS: 15.70% 21-JUN-2053	16.90%	17.08%	↓ -0.18%

Source: FMDQ DQL for 18-Jun-2025

Eurobonds

African Eurobonds rallied today ahead of the Fed meeting, except for Egyptian papers which remained pressured by Middle East tensions. As expected, the Fed maintained rates at 4.25-4.50% but signaled fewer cuts this year due to inflationary risks from new tariffs. Updated projections revealed a stagflationary outlook - 2025 GDP growth at 1.4%, unemployment rising to 4.5%, and inflation persisting at 3%. Nigerian Eurobonds outperformed, with yields tightening 14bps to 8.92%.

Outlook: Sentiment is expected to remain mixed with a bullish bias in the near term, though geopolitical tensions in the Middle East will remain a key focus for investors.

BENCHMARK FGN EUROBOND YIELDS

	18-Jun-25	17-Jun-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	8.21%	8.29%	↓ -0.08%
10 YRS: NGERIA 7.375% 09/29/31	9.50%	9.64%	↓ -0.14%
15 YRS: NGERIA 7.696% 23/02/31	9.71%	9.86%	↓ -0.15%
30 YRS: NGERIA 8.25% 09/29/51	10.33%	10.40%	↓ -0.07%
8.75% ETI 06/17/31*	10.23%	10.52%	↓ -0.29%

Source: FBN UK Runs for 18-Jun-2025

Nigerian Equities

Bullish momentum returned to the Nigerian market, lifting the All-Share Index (ASI) 1.63 % to close at 116,786.87 points and widening YTD gains to 13.47 %. Despite a balanced breadth (37 advancers, 30 decliners), heavyweights drove the rally. Banking stocks surged 3.25 %, powered by ZENITHBANK (+5.32 %), UBA (+5.59 %) and GTCO (+4.43 %); ZENITHBANK also led trading with 149.9 m shares worth ₦7.21 bn. Oil & Gas outperformed, jumping 7.49 % on SEPLAT (+9.78 %), ARADEL (+7.36 %) and OANDO (+4.72 %), while NEM's 10 % spike headlined insurance names. Consumer counters slipped 0.16 % as profit-taking hit HONYFLOUR and NB, and Industrials rose 0.09 % on BETAGLAS (+9.99 %) and DANGCEM (+0.25 %). Turnover inched 1.3 % higher to \$16.8 m, fueled by block trades: 70 m ZENITHBANK around ₦48, 36 m NB at ₦58, and 110 k SEPLAT at ₦5,450.00. Gains in MTNN (+4.79 %) and SEPLAT added heft, eclipsing ETERNA's 10 % slide. Overall, index-heavy banking and energy names anchored the day's advance amid mixed broader sentiment.

Outlook: Trading activity is expected to remain robust in tomorrow's session.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.63%	↑ 1.86%	↑ 4.51%	↑ 13.47%
NSE BANKING INDEX	↑ 3.25%	↓ -0.86%	↑ 3.58%	↑ 11.13%
NSE INSURANCE INDEX	↑ 2.02%	↑ 2.81%	↑ 5.23%	↑ 0.37%
NSE INDUSTRIAL GOODS INDEX	↑ 0.09%	↑ 2.67%	↑ 2.67%	↓ -0.98%
NSE CONSUMER GOODS INDEX	↓ -0.16%	↑ 1.48%	↑ 5.03%	↑ 44.35%
NSE OIL & GAS INDEX	↑ 7.49%	↑ 6.17%	↑ 7.37%	↓ -7.87%

TOP 5 EQUITY ADVANCERS

NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
NEM	16.50	1.50	↑ 10.00%
BETAGLAS	250.95	22.79	↑ 9.99%
SEPLAT	5,450.00	485.53	↑ 9.78%
THOMASWY	2.03	0.18	↑ 9.73%
LINKASSURE	1.49	0.13	↑ 9.56%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS

NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
ETERNA	38.70	-4.30	↓ -10.00%
NSLTECH	0.56	-0.06	↓ -9.68%
LEGENDINT	6.55	-0.70	↓ -9.66%
FTNCOCOA	2.63	-0.17	↓ -6.07%
GUINEAINS	0.76	-0.04	↓ -5.00%

Source: NGX, AIICO Capital

Foreign Exchange

The interbank NFEM remained relatively liquid, and the exchange rate held steady despite a slight increase in FX demand. The USD/NGN pair traded between \$/₦1,547.50 and \$/₦1,551.00, with the Naira depreciating by 26 bps to close at \$/₦1,549.2093.

Outlook: The USD/NGN exchange rate is expected to remain stable around current levels in the near term.

NFEM RATE (\$/₦)	Diff.
18-Jun-25	1,549.2093
17-Jun-25	1,545.2650
	↑ 3.9443

Source: FMDQ

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Commodities

Oil prices ended higher on Wednesday after a volatile trading session as investors evaluated the risk of supply disruptions due to rising tensions between Iran and Israel and the possibility of U.S. intervention. Brent crude futures gained 25 cents to close at \$76.70 a barrel, while U.S. West Texas Intermediate (WTI) crude rose 30 cents to \$75.14. Earlier in the day, both benchmarks had fallen nearly 2%, following Tuesday’s sharp 4% rally. Meanwhile, gold prices slipped after the U.S. Federal Reserve kept interest rates unchanged and signaled fewer rate cuts ahead. Fed Chair Jerome Powell also projected persistent inflation. Spot gold dipped 0.4% to \$3,374.75, while U.S. gold futures edged up 0.03% to \$3,408.10.

Outlook: *Crude markets remain cautious as the Israel-Iran conflict creates significant uncertainty, with Brent crude potentially swinging between \$68 and \$83 per barrel depending on geopolitical developments.*

MACRO INDICATORS	
GDP (Q4 2024)	+3.84% (Q3: 2024 +3.46% y/y)
INFLATION (MAY 2025)	22.97% (Apr'25: 23.71%)
EXTERNAL RESERVE (US\$BILLION)	37.78 (-7.58% YTD as of 17-Jun-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*76.70 (+0.25 d/d)
Source: NBS,CBN, AIICO Capital	

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