

# WEEKLY FINANCIAL MARKETS.



Friday, 13 June 2025

## MARKET COMMENTARY

### System Liquidity

The interbank market sustained robust liquidity this week, buoyed by cumulative inflows totaling ₦363.13 billion. Key drivers included ₦264 billion in OMO maturities, 13% derivation fund disbursements to states by the CBN, and ₦81.84 billion in NTB maturities. These inflows offset net CRR debits and ensured market stability. As a result, the Overnight Policy Rate (OPR) held steady at 26.50% throughout the week, while the Overnight (O/N) rate edged up slightly by 3bps to 26.99%.

**Outlook:** Next week's ₦985.88 billion OMO maturities will significantly boost system liquidity. However, concurrent outflows - including CBN's currency swap settlement with DMBs and net NTB funding of c.₦134 billion - may create offsetting pressures. These liquidity drains could tighten market conditions, potentially driving interbank rates toward 30%.

SYS. LIQ. (₦BN)		Diff.
13-Jun-25	1,130.68	
5-Jun-25	577.79	↑ 552.89

Source: CBN

### Treasury Bills

The Nigerian Treasury Bills market traded on a subdued note throughout the week, with overall activity levels remaining light. The week opened with limited interest across both OMO and NTB maturities, as only a few trades were recorded on select OMO papers such as the 9-Oct-2025, 23-Apr-2026, and 20-Jan-2026 bills. Midweek, a bullish tone surfaced, particularly on mid-to-long dated maturities like the 4-Jun and 20-Jan OMO bills, with trades executed around 18.80%, although volumes remained thin.

By week's end, trading slowed again, with sparse activity focused on the 4-Sep, 7-May, and 4-Jun NTB papers. However, wide bid/ask spreads constrained execution. Overall, sentiment was steady, and rates inched marginally lower, as the average mid-yield on benchmark NTB papers declined 1 bps w/w to close at 19.27%.

**Outlook:** The focus next week will be the primary market auction, where ₦162.018 billion will be offered across 91, 182, and 364-day tenors, with only ₦27.191 billion maturing.

BENCHMARK T-BILLS DISCOUNT RATES			
	13-Jun-25	05-Jun-25	Change in Rates
90 DAYS	17.76%	18.55%	↓ -0.79%
181 DAYS	18.90%	19.45%	↓ -0.55%
356 DAYS	18.80%	19.02%	↓ -0.22%

Source: FMDQ DQL for 13-Jun-2025

### FGN Bonds

The FGN bonds market traded on a subdued to moderately active note during the week, with interest largely concentrated in mid-to-long dated maturities. Early in the week, activity was limited, though May 2033s changed hands within the 19.30%–19.40% range. Midweek sessions saw moderate demand, particularly on the new Apr 2029s and Feb 2031s, although offers were scarce. Toward the end of the week, trading momentum picked up slightly, with selective cherry-picking across the curve—especially in Feb 2031s, May 2033s, Jan 2035s, Jul 2045s, and Jun 2053s. However, wide bid-ask spreads hindered execution. Overall, the average mid-yield across benchmark papers declined by 3 bps w/w to close at 18.53%.

**Outlook:** The current mixed-to-bullish sentiment is likely to continue, though market attention remains focused on the upcoming NTB auction.

BENCHMARK FGN BOND YIELDS				
	13-Jun-25	05-Jun-25	Change in Yield	
5 YRS: 19.30% 17-APR-2029	19.18%	19.35%	↓	-0.17%
10 YRS: 22.60% 29-JAN-2035	19.09%	19.08%	↑	0.01%
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 13-Jun-2025				

## Eurobonds

African Eurobonds traded on a mixed-to-bullish note earlier in the week as U.S.-China trade talks resumed and Brent crude prices surged \$4 on trade optimism. Softer-than-expected U.S. inflation data (May CPI at 0.1% m/m and 2.4% y/y) further bolstered investor appetite, reinforcing expectations of a Fed rate cut. Nigeria, Angola, and Egypt outperformed initially, driven by strong oil-linked sentiment. However, market mood soured by week's end as geopolitical tensions flared following Israel's attack on Iranian nuclear and military sites. Fears of disrupted crude supply and global economic fallout led to bearish pressure on oil-linked African sovereigns. Despite the volatile backdrop, Nigerian Eurobonds ended the week with a modest 2bps decline in average mid-yield, closing at 9.15%.

**Outlook:** Trading sentiment is likely to remain cautious as geopolitical risks persist, with potential escalation threatening to spark significant sell-offs.

BENCHMARK FGN EUROBOND YIELDS				
	13-Jun-25	05-Jun-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	8.41%	8.41%	→	0.00%
10 YRS: NGERIA 7.375% 09/29/31	9.71%	9.71%	→	0.00%
15 YRS: NGERIA 7.696% 23/02/31	9.96%	9.90%	↑	0.06%
30 YRS: NGERIA 8.25% 09/29/51	10.43%	10.45%	↓	-0.02%
8.75% ETI 06/17/31*	9.82%	9.80%	↑	0.02%
Source: FBN UK Runs for 13-Jun-2025				

## Nigerian Equities

The Nigerian equities market extended its bullish run, advancing 71bps w/w to close at 115,429.54 points in a shortened 3-day trading week, with gains in all sessions. Market sentiment was lifted by bargain hunting in key names like DANGCEM, BUAFOODS, BUACEMENT, OANDO, MTNN, STANBIC, PRESCO, TRANSCORP, and GTCO, which offset selloffs in NESTLE, FIRSTHOLDCO, and ACCESSCORP. Consumer stocks had a strong showing, with several hitting new 52-week highs.

Offshore investors were active in GTCO, STANBIC, ZENITHBANK, NB, ACCESSCORP, and SEPLAT, while local interest focused on MTNN, FIDELITYBK, GTCO, ARADEL, and OANDO. Key developments included MTNN, PRESCO, and BUAFOODS reaching new highs, and Notore Chemical's suspension ahead of delisting. Dividend adjustments also marked DANGCEM, JAPAULGOLD, and IMG, shaping part of the week's trading dynamics.

**Outlook:** Investors are likely to maintain a cautious stance ahead of May's inflation data release, though selective positioning may emerge in anticipation of half-year earnings reports.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 0.67%	↑ 0.71%	↑ 3.30%	↑ 12.15%
NSE Banking Index	↑ 0.20%	↓ 0.00%	↑ 4.69%	↑ 12.32%
NSE Insurance Index	↑ 0.87%	↓ -0.11%	↑ 3.24%	↓ -1.53%
NSE Industrial Goods Index	↑ 2.41%	↑ 1.21%	↑ 2.41%	↓ -1.23%
NSE Consumer Goods Index	↑ 0.18%	↑ 1.32%	↑ 3.68%	↑ 42.50%
NSE Oil & Gas Index	↑ 0.93%	↓ -1.22%	↑ 2.07%	↓ -12.42%
Source: NGX, Bloomberg, AIICO Capital				

Top 5 Equity Advancers W-o-W				
Ticker	Px	% Change	Points	% Mov
DANGCEM	438.90	↑ 5.04%	658.54	↑ 81.03%
BUAFOODS	459.00	↑ 4.32%	628.09	↑ 77.28%
BUACEMENT	90.00	↑ 7.53%	391.82	↑ 48.21%
OANDO	69.00	↑ 21.37%	277.39	↑ 34.13%
MTNN	325.00	↑ 1.82%	216.81	↑ 26.68%
Source: NGX, AIICO Capital				

Top 5 Equity Decliners W-o-W				
Ticker	Px	% Change	Points	% Mov
NESTLE	1,500.00	↓ -5.69%	131.74	↓ -16.21%
FIRSTHOLDCO	28.20	↓ -4.08%	79.11	↓ -9.73%
ACCESSCORP	22.35	↓ -3.66%	55.49	↓ -6.83%
ETI	30.00	↓ -4.31%	45.49	↓ -5.60%
CONOIL	241.50	↓ -9.99%	34.16	↓ -4.20%
Source: NGX, AIICO Capital				

### Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction. Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance. AIICO Capital is regulated by the Securities and Exchange Commission and is licensed to provide fund and portfolio management services in Nigeria.

Foreign Exchange

The naira extended its bullish momentum into the shortened 3-day trading week, driven by strong foreign portfolio inflows and weak local demand. Early in the week, the currency appreciated further, trading between \$/₦1535–1545, with the NAFEX fixing falling nearly 1% to ₦1545.67. Market chatter pointed to a \$500 million private placement with the CBN, boosting sentiment. Midweek saw renewed demand from locals, lifting the pair toward \$/₦1546, although most FX buyers maintained a cautious stance. By week’s end, geopolitical tensions in the Middle East triggered a slight flight to safety, tightening liquidity. Nevertheless, CBN’s intervention in the NFEM helped stabilize flows. The naira ultimately appreciated by 24bps w/w to \$/₦1549.35. Foreign reserves declined by \$256.72 million to \$38.02 billion.

**Outlook:** CBN’s measures will likely keep the Naira stable despite Middle East tensions.

NFEM RATE (\$/₦)		Diff.
13-Jun-25	1,549.3511	
5-Jun-25	1,553.1157	↓ (3.7646)
Source: FMDQ		

Commodities

Oil prices surged on Friday, closing 7% higher after escalating tensions between Israel and Iran sparked fears of widespread disruptions to Middle East oil exports. Brent crude rose \$4.87, or 7.02%, to settle at \$74.23 per barrel after reaching \$78.50—its highest since January 27. U.S. West Texas Intermediate (WTI) gained \$4.94, or 7.62%, to end at \$72.98, having touched \$77.62 earlier—its highest since January 21. Meanwhile, gold prices jumped as investors turned to safe-haven assets amid rising geopolitical risks. Spot gold climbed 1.3% to \$3,428.10 per ounce, nearing its all-time high, and recorded a 4% weekly gain.

**Outlook:** Oil prices are likely to stay high as Middle East tensions intensify.

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)	38.02 (-6.99% YTD as of 11-Jun-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*74.23 (+9.02 w/w)
Source: NBS,CBN, AIICO Capital	

Important Disclaimers

This document has been issued and approved by AIICO Capital and is based on information from various sources that we believe are reliable. However, no representation is made that it is accurate or complete. While reasonable care has been taken in preparing this document, no responsibility or liability is accepted for errors or fact or for any opinion expressed herein. This document is for information purposes only. It does not constitute any offer or solicitation to any person to enter into any trading transaction. Investments discussed in this report may not be suitable for all investors. This report is provided solely for the information of AIICO Capital clients who are then expected to make their own investment decisions. AIICO Capital conducts designated investment business with market counter parties and customers and this document is directed only to such persons. AIICO Capital accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or its contents. This report is for private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of AIICO Capital. Users of this report should bear in mind that investments can fluctuate in price and value. Past performance is not necessarily a guide to future performance. AIICO Capital is regulated by the Securities and Exchange Commission and is licensed to provide fund and portfolio management services in Nigeria.