

DAILY MARKET INSIGHTS.



Tuesday, 01 July 2025

MARKET COMMENTARY

System Liquidity

Liquidity stayed strong due to CBN disbursements to states, keeping rates stable at 26.5%. The Overnight Policy Rate (OPR) eased slightly to 26.50% (-8bps), while the Overnight (O/N) rate dropped 21bps to 26.96%.

Outlook: With no major funding changes expected, rates should stay at current levels tomorrow.

SYS. LIQ. (₦BN)		Diff.
1-Jul-25	980.86	
30-Jun-25	1,280.08	↓ (299.21)

Source: CBN

FGN Bonds

Trading was quiet with limited activity across most tenors. The February 2034 bond saw some interest at 18.30/18.00% levels, while the New Apr 2029, Feb 2031 and May 2033 maturities recorded few trades. Despite the thin volume, average yields fell 21bps to close at 17.69%.

Outlook: Investors are expected to remain cautious while waiting for clearer signals.

BENCHMARK FGN BOND YIELDS				
	01-Jul-25	30-Jun-25	Change in Yield	
5 YRS: 19.30% 17-APR-2029	18.69%	18.69%	↓	0.00%
10 YRS: 22.60% 29-JAN-2035	18.37%	18.53%	↓	-0.16%
13 YRS: 15.45% 21-JUN-2038	16.30%	16.75%	↓	-0.45%
28 YRS: 15.70% 21-JUN-2053	16.51%	16.63%	↓	-0.12%

Source: FMDQ DQL for 01-Jul-2025

Treasury Bills

The market opened the new quarter quietly but with a slightly positive tone. Demand was strongest for short-term bills, especially the September, October, and January NTBs, along with the March 17 OMO paper. Trading volume rose noticeably compared to yesterday. The session ended with the benchmark NTB rate at 18.35%.

Outlook: Investors are expected to stay cautious while awaiting details of the Q3 2025 borrowing plan.

BENCHMARK T-BILLS DISCOUNT RATES			
	01-Jul-25	30-Jun-25	Change in Rates
86 DAYS	17.38%	17.45%	↓ -0.07%
177 DAYS	19.08%	19.08%	→ 0.00%
352 DAYS	17.53%	17.53%	→ 0.00%

Source: FMDQ DQL for 01-Jul-2025

Eurobonds

Markets opened H2 with uneven trading as early gains faded. Investors turned cautious, trimming positions as traders grew wary of Powell's speech, the forthcoming OPEC+ meeting, and the July 9 tariff deadline. Nigerian bonds ended flat at 8.60% amid the pullback.

Outlook: The market is likely to maintain its mixed performance in the near term.

BENCHMARK FGN EUROBOND YIELDS				
	01-Jul-25	30-Jun-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	8.05%	7.97%	⬆️	0.08%
10 YRS: NGERIA 7.375% 09/29/31	9.05%	9.10%	⬇️	-0.05%
15 YRS: NGERIA 7.696% 23/02/31	9.40%	9.40%	➡️	0.00%
30 YRS: NGERIA 8.25% 09/29/51	10.01%	10.04%	⬇️	-0.03%
8.75% ETI 06/17/31*	9.58%	9.86%	⬇️	-0.28%

Source: FBN UK Runs for 01-Jul-2025

Nigerian Equities

The Nigerian equities market closed in the red, as the All-Share Index (ASI) dipped 20bps to 119,741.23 points to start the month, trimming YTD gains to 16.34%. Despite the negative close, market breadth remained strong with 47 gainers versus 23 losers. MBENEFIT, RTBRISCOE, MCNICHOLS, and HONYFLOUR all gained 10%, while UPL (-10%) led the losers' chart. Sector performance was mixed. The NGX Banking Index declined 12bps due to losses in ZENITHBANK and GTCO, though ACCESSCORP (+3.62%) and FCMB (+1.08%) provided some support. The Consumer Goods Index gained 47bps, driven by strength in NESTLE, HONYFLOUR, and NB. The Industrial Index dropped 163bps, weighed by a 3.41% fall in DANGCEM. The Oil and Gas Index inched up 3bps. Value traded declined sharply by 74.56% to \$7.36m, with most activity seen in block trades such as 24.3m NB at ₦60.60 and 500k NESTLE at ₦1,500. The index was mostly positive during the session but dipped on late pressure in DANGCEM.

Outlook: Tomorrow's session is likely to see a mixed tone.

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
HONYFLOUR	23.65	2.15	⬆️ 10.00%
MBENEFIT	1.21	0.11	⬆️ 10.00%
RTBRISCOE	2.75	0.25	⬆️ 10.00%
MCNICHOLS	2.53	0.23	⬆️ 10.00%
LASACO	2.98	0.27	⬆️ 9.96%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
UPL	5.04	-0.56	⬇️ -10.00%
SCOA	4.86	-0.53	⬇️ -9.83%
THOMASWY	1.70	-0.18	⬇️ -9.57%
PZ	35.00	-3.00	⬇️ -7.89%
CHAMS	2.20	-0.15	⬇️ -6.38%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	⬇️ -0.20%	⬇️ -0.04%	⬇️ -0.20%	⬆️ 16.34%
NSE BANKING INDEX	⬇️ -0.12%	⬇️ -0.21%	⬇️ -0.12%	⬆️ 17.92%
NSE INSURANCE INDEX	⬆️ 0.21%	⬆️ 2.60%	⬆️ 0.21%	⬆️ 5.45%
NSE INDUSTRIAL GOODS INDEX	⬇️ -1.63%	⬇️ -1.46%	⬇️ -1.63%	⬆️ 0.19%
NSE CONSUMER GOODS INDEX	⬆️ 0.47%	⬆️ 2.23%	⬆️ 0.47%	⬆️ 52.94%
NSE OIL & GAS INDEX	⬆️ 0.03%	⬇️ -1.41%	⬆️ 0.03%	⬇️ -10.10%

Foreign Exchange

The interbank NFEM remained stable, with the Naira continuing its upward trend on the back of improved dollar supply. Market activity was strong, as the USD/NGN pair traded within a range of \$/₦1,521.00 to \$/₦1,531.50. As a result, the Naira appreciated slightly by 1 bp to close at \$/₦1,529.5795. As of June 30, 2025, gross FX reserves stood at c.\$37.21 billion, marking a day-on-day decline of about \$108.95 million.

Outlook: The Naira is expected to strengthen further as dollar availability continues to improve.

NFEM RATE (\$/₦)		Diff.
1-Jul-25	1,529.5795	
30-Jun-25	1,529.7105	⬇️ (0.1310)

Source: FMDQ

Commodities

Oil prices inched up on Tuesday as investors weighed encouraging demand signals while remaining cautious ahead of an OPEC+ meeting to determine August production levels. Brent crude rose 37 cents, or 0.6%, to settle at \$67.11 per barrel, while U.S. West Texas Intermediate (WTI) gained 34 cents, or 0.5%, to \$65.45 per barrel. Meanwhile, gold prices climbed over 1% as investors turned to safe-haven assets following the U.S. Senate's passage of President Donald Trump's "big, beautiful bill" ahead of the July 9 trade tariff deadline. Spot gold rose 1.1% to \$3,338.24 per ounce by 2:25 p.m. EDT, while U.S. gold futures closed 1.3% higher at \$3,349.80.

Outlook: Investors are closely watching OPEC+'s upcoming meeting, where the group may increase output by 411,000 barrels per day. This move aims to strengthen their market position against US shale producers.

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)	37.21 (-8.97% YTD as of 30-Jun-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*67.11 (-0.53 d/d)

Source: NBS,CBN, AIICO Capital

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