

WEEKLY FINANCIAL MARKETS.



Friday, 11 July 2025

MARKET COMMENTARY

System Liquidity

The interbank market faced intense liquidity pressure throughout the week, driven by multiple CBN interventions. Rates opened at 28% following CRR debits and steadily climbed as liquidity conditions worsened. On Wednesday, the CBN conducted a massive OMO auction, allotting ₦1.25 trillion out of ₦2.17 trillion in bids, which tightened liquidity significantly. By week's end, rates soared to 32.5% after CBN FX settlements and additional outflows hit the market. FPI inflows and a ₦140 billion NTB redemption offered some midweek relief, temporarily easing rates to 29–30%. Nonetheless, the Overnight Policy Rate (OPR) rose 467bps w/w to 31.50%, while the Overnight Rate (O/N) jumped 475bps to 32.17%. Net liquidity fell by ₦393.69 billion, flipping the market from a ₦275.53 billion credit to a ₦118.17 billion debit.

Outlook: Market illiquidity will likely continue next week as DMBs meet AMCON obligations despite late FGN bond coupon inflows. Rates should stay high near 32.5% unless significant inflows occur.

SYS. LIQ. (₦BN)	Diff.
11-Jul-25	(118.11)
4-Jul-25	468.52
	↓ (586.63)

Source: CBN

Treasury Bills

The Treasury Bills market opened the week bullish as investors sought yields in the secondary space, especially on the 9 October bill, due to the absence of an NTB auction. This momentum carried through midweek, with robust demand across mid-to-long-dated NTBs and January–March OMO papers, driving yields lower.

The DMO's primary NTB auction drew ₦1.33 trillion in bids for ₦250 billion offered, though only ₦201.82 billion was allotted. Stop rates fell sharply to 15.74% (91-day), 16.20% (182-day), and 16.30% (364-day) from 17.80%, 18.35%, and 18.84% previously. Simultaneously, the CBN's OMO auction saw ₦1.25 trillion sold out of ₦2.17 trillion in bids, with the 363-day bill clearing at 21.99%. However, sentiment turned mildly bearish towards week's end, as mid-to-long tenors saw more offers than bids, pushing yields slightly higher. Overall, the average NTB mid-rate declined by 207bps w/w to 16.26%.

Outlook: We expect mixed-to-bullish market activity in the near term, tracking available liquidity levels.

BENCHMARK T-BILLS DISCOUNT RATES

	11-Jul-25	04-Jul-25	Change in Rates
90 DAYS	15.52%	17.62%	↓ -2.10%
181 DAYS	16.92%	18.32%	↓ -1.40%
342 DAYS	15.56%	17.40%	↓ -1.84%

Source: FMDQ DQL for 11-Jul-2025

NTB AUCTION RESULT - 09 July 2025			
AUCTION DATE	09-Jul-25		
SETTLEMENT DATE	10-Jul-25		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	9-Oct-25	8-Jan-26	9-Jul-26
OFFER AMOUNT (₦BN)	100.0000	20.0000	130.0000
SUBSCRIPTION AMOUNT (₦BN)	105.0698	44.2736	1,180.3456
ALLOTMENT AMOUNT (₦BN)	59.8414	15.6690	126.3073
RANGE OF BIDS	15.64% - 20.00%	16.08% - 18.53%	16.00% - 20.03%
CURRENT STOP RATE: DISCOUNT (YIELD)	15.740% (16.383%)	16.200% (17.624%)	16.300% (19.464%)
LAST STOP RATE: DISCOUNT (YIELD)	17.800% (18.627%)	18.350% (20.198%)	18.840% (23.199%)
CHANGE: DISCOUNT (YIELD)	-2.060% (-2.244%)	-2.150% (-2.574%)	-2.540% (-3.735%)

FGN Bonds

The FGN bonds market opened on a bullish note, driven by strong demand across key maturities. Yields on the Feb 2031s and May 2033s dropped by as much as 40bps. Sentiment was further supported by the release of the Q3 2025 bond issuance calendar, indicating re-openings of the 17 April 2029 and 25 June 2032 papers. Midweek, the rally extended with heightened interest in the Feb 2031s, Jun 2032s, and May 2033s, with yields dipping as low as 16.40%. However, sentiment turned mildly bearish towards week’s end, as trading became muted amid wide bid/ask spreads and selective interest on mid-to-long dated papers. Despite the slowdown, average bond yields across the curve fell 77bps w/w to close at 16.27%.

Outlook: Activity should start mixed-to-bearish next week amid weak liquidity and pending coupon inflows.

BENCHMARK FGN BOND YIELDS				
	11-Jul-25	04-Jul-25	Change in Yield	
5 YRS: 19.30% 17-APR-2029	16.97%	17.80%	↓	-0.83%
10 YRS: 22.60% 29-JAN-2035	16.67%	17.45%	↓	-0.78%
13 YRS: 15.45% 21-JUN-2038	15.93%	15.95%	↓	-0.01%
28 YRS: 15.70% 21-JUN-2053	15.70%	16.04%	↓	-0.35%

Source: FMDQ DQL for 11-Jul-2025

Eurobonds

It was a mixed and cautious week in the African Eurobond space as investors reacted to a flurry of global trade headlines. Market sentiment was initially rattled by President Trump’s fresh tariff threats, including plans for 25% duties on Japanese and South Korean goods and 10% levies on BRICS-aligned nations. Confusion deepened after Trump postponed the tariff start date and then reversed course, introducing new duties including 50% on copper. Despite the noise, African Eurobonds, especially Nigerian papers, held steady with brief gains seen midweek. Strong US jobless claims supported market confidence and lowered expectations of immediate rate cuts. By week’s end, gains tapered slightly as Trump added Canada to the tariff list. Overall, Nigerian Eurobond yields dropped by 6 bps to close at 8.55%.

Outlook: Market volatility should continue due to oil price fluctuations and U.S. tariff updates.

BENCHMARK FGN EUROBOND YIELDS				
	11-Jul-25	04-Jul-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	7.81%	7.97%	↓	-0.16%
10 YRS: NGERIA 7.375% 09/29/31	8.97%	9.03%	↓	-0.06%
15 YRS: NGERIA 7.696% 23/02/31	9.30%	9.41%	↓	-0.11%
30 YRS: NGERIA 8.25% 09/29/51	9.99%	9.95%	↑	0.04%
8.75% ETI 06/17/31*	9.31%	9.88%	↓	-0.57%

Source: FBN UK Runs for 11-Jul-2025

Nigerian Equities

This week’s breakout performance on the Nigerian bourse was powered by a robust surge in banking and consumer sectors. GTCO officially listed its additional 2.29 bn shares, completing a successful \$100 m LSE offer, making it the first Nigerian bank on the London Stock Exchange—sparking renewed offshore buying. The All-Share Index climbed 4.27% (427bps w/w), led by gains in ZENITHBANK, UBA, FIRSTHOLDCO, ACCESSCORP, ETI, and FIDELITYBK, while consumer names like BUAFOODS, WAPCO, MTNN, INTBREW, OKOMUOIL, PRESCO, and DANGSUGAR drove sentiment too. Friday’s intraday session saw sharp mid-cap rallies, including ZENITHBANK (+9.9%), UBA (+9.8%), and NGXGROUP (+10%). Offshore participation focused on GTCO, ACCESSCORP, ETI, and NB, while locals were heavy in GTCO, UBA, MTNN, WAPCO, Cadbury, and OKOMUOIL. GTCO reached an all-time high of ₦95 during the week.

Outlook: Positive momentum should continue as investors position for upcoming earnings and potential corporate actions.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↑ 1.37%	↑ 4.27%	↑ 5.14%	↑ 22.56%
NSE Banking Index	↑ 5.61%	↑ 12.49%	↑ 13.86%	↑ 34.43%
NSE Insurance Index	↑ 3.78%	↑ 13.83%	↑ 19.67%	↑ 25.92%
NSE Industrial Goods Index	↑ 1.69%	↑ 2.94%	↑ 1.18%	↑ 3.05%
NSE Consumer Goods Index	↓ -0.23%	↑ 2.18%	↑ 5.52%	↑ 60.62%
NSE Oil & Gas Index	↓ -0.49%	↓ -0.72%	↑ 0.34%	↓ -9.82%

Source:NGX, Bloomberg, AIICO Capital

Top 5 Equity Advancers W-o-W				
Ticker	Px	% Change	Points	% Mov
MTNN	395.00	↑ 10.49%	↑ 1,401.81	↑ 27.16%
ZENITHBANK	69.70	↑ 21.22%	↑ 703.46	↑ 13.63%
GTCO	94.10	↑ 13.10%	↑ 589.16	↑ 11.42%
UBA	43.55	↑ 19.64%	↑ 449.08	↑ 8.70%
WAPCO	106.00	↑ 14.59%	↑ 399.36	↑ 7.74%

Source: NGX, AIICO Capital

Top 5 Equity Decliners W-o-W				
Ticker	Px	% Change	Points	% Mov
OANDO	51.70	↓ -6.09%	↓ 76.48	↓ -1.48%
INTBREW	14.85	↓ -3.26%	↓ 24.67	↓ -0.48%
WEMABANK	16.00	↓ -3.03%	↓ 11.81	↓ -0.23%
TRANSCORP	49.30	↓ -0.20%	↓ 7.47	↓ -0.14%
CORNERST	4.29	↓ -4.67%	↓ 7.01	↓ -0.14%

Source: NGX, AIICO Capital

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Foreign Exchange

The Naira traded within a relatively stable range this week, opening calmly between ₦1525–₦1530/USD. Market sentiment turned slightly bullish midweek after the CBN broke its silence since June 20 by intervening with an estimated \$50 million sale at ₦1527–₦1531.52. This helped curb early-week demand pressure and stabilized market direction. The announcement of an OMO auction further boosted foreign investor interest, strengthening the Naira, with trades tightening to the ₦1520–₦1530 range. Although late-week sessions saw renewed bids from local and offshore players, the pair still closed well-supported around ₦1530. Improved liquidity, bolstered by CBN participation, kept volatility low. Week-on-week, the Naira slightly depreciated by 11.1bps to ₦1,530.26/USD, while Nigeria’s external reserves rose by \$174.28 million to \$37.355 billion (as of July 10, 2025).

Outlook: The Naira should hold steady near current levels, backed by CBN support and a stable macroeconomic environment.

NFEM RATE (\$/₦)		Diff.
11-Jul-25	1,530.2634	
4-Jul-25	1,528.5616	↑ 1.7018

Source: FMDQ

Commodities

Oil surged over 2% on Friday, buoyed by a report from the International Energy Agency signaling that the market is tighter than it appears amid peak summer demand, while risks around new U.S. tariffs and possible additional sanctions on Russia lent further support. Brent crude futures ended at \$70.36 a barrel, up \$1.72 (2.5%), and U.S. West Texas Intermediate rose \$1.88 (2.8%) to \$68.45. For the week, Brent gained about 3% and WTI rose around 2.2%. Gold rallied over 1% as investors flocked to safe-haven assets following surprises in U.S. tariff policy and the dollar’s retreat. Spot gold climbed to \$3,356.93, and U.S. futures gained 1.4%, hitting 13-year highs in silver and reinforcing bullish sentiment.

Outlook: OPEC+ is poised to rapidly increase oil production, which raises concerns about a substantial oversupply in the market. That said, we expect oil prices to stay supported in the near term.

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)	37.36 (-8.62% YTD as of 10-Jul-25)
MONETARY POLICY RATE (MAY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*70.36 (+2.06 w/w)

Source: NBS,CBN, AIICO Capital

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