

DAILY MARKET INSIGHTS.



Wednesday, 20 August 2025

MARKET COMMENTARY

System Liquidity

Liquidity surged in the interbank market following OMO maturities, driving rates notably lower. The Overnight Policy Rate (OPR) dropped 5.60% to 26.50%, while the Overnight (O/N) rate declined 5.40% to 27.00%.

Outlook: Tomorrow's expected FGN bond coupon inflow of ₦392.74 billion should bolster system liquidity and help sustain current rate levels, assuming no major funding pressures emerge.

SYS. LIQ. (₦'BN)	Diff.
20-Aug-25	1,015.57
15-Aug-25	(94.56)
	↑ 1,110.13

Source: CBN

Treasury Bills

The T-bills market saw subdued activity as investors adopted a cautious stance ahead of the NTB auction. Secondary trading remained light, with modest interest noted on short-dated NTBs (Nov/Dec) and a handful of OMO tenors (6-Jan, 17-Feb, 7-Apr). Only a few transactions cleared, keeping the average benchmark yield steady at 16.97%. The auction attracted ₦396.42 billion in total subscriptions, of which ₦303.79 billion was allotted. Stop rates rose marginally on two tenors: the 91-day paper closed at 15.35% (+35bps), while the 364-day paper settled at 17.44% (+94bps). The 182-day rate held firm at 15.50%.

Outlook: Tomorrow's session is likely to see mixed to slightly bearish trading as some investors exit lower-yielding papers following the higher stop rates, while others selectively target more attractive offerings.

BENCHMARK T-BILLS DISCOUNT RATES

	20-Aug-25	19-Aug-25	Change in Rates
92 DAYS	16.21%	16.45%	↓ -0.24%
183 DAYS	16.85%	16.85%	→ 0.00%
351 DAYS	16.20%	16.20%	→ 0.00%

Source: FMDQ DQL for 20-Aug-2025

NTB AUCTION RESULT - 20 August 2025

AUCTION DATE	20-Aug-25		
SETTLEMENT DATE	21-Aug-25		
TENOR	91-Day	182-Day	364-Day
MATURITY DATE	20-Nov-25	19-Feb-26	20-Aug-26
OFFER AMOUNT (₦'BN)	50.0000	30.0000	150.0000
SUBSCRIPTION AMOUNT (₦'BN)	10.8949	29.3504	356.1779
ALLOTMENT AMOUNT (₦'BN)	7.7034	27.7038	268.3827
RANGE OF BIDS	14.45% - 16.03%	15.00% - 16.50%	15.88% - 23.00%
CURRENT STOP RATE: DISCOUNT (YIELD)	15.350% (15.961%)	15.500% (16.798%)	17.440% (21.112%)
LAST STOP RATE: DISCOUNT (YIELD)	15.000% (15.583%)	15.500% (16.798%)	16.500% (19.750%)
CHANGE: DISCOUNT (YIELD)	+0.350% (+0.378%)	+0.000% (+0.000%)	+0.940% (+1.362%)

FGN Bonds

The FGN bonds market traded quietly with little movement across the curve. A few offers emerged on the May 2033s at 17.50% and February 2034s at 17.20%, but only isolated deals were completed. Activity remained subdued, and the benchmark yield curve edged 2bps lower to 16.98%.

Outlook: Market sentiment is likely to lean mixed to bearish as investors react to the higher 1-year NTB stop rate and position cautiously ahead of the FGN bond auction.

BENCHMARK FGN BOND YIELDS			
	20-Aug-25	19-Aug-25	Change in Yield
5 YRS: 19.30% 17-APR-2029	16.89%	16.89%	→ 0.00%
10 YRS: 22.60% 29-JAN-2035	15.66%	15.66%	→ 0.00%
13 YRS: 15.45% 21-JUN-2038	15.87%	15.87%	→ 0.00%
28 YRS: 15.70% 21-JUN-2053	16.07%	16.07%	→ 0.00%

Source: FMDQ DQL for 20-Aug-2025

Eurobonds

African Eurobonds extended losses on Wednesday as investors digested mixed retail earnings and Fed minutes for signals on rate cuts. The minutes revealed that the two dissenting voters against holding rates stood largely isolated. Nigerian paper yields rose 10bps on average, closing at 8.19%.

Outlook: The main event lands on Friday – the Jackson Hole speech by Fed Chair Powell, where investors hope to gauge the Fed's stance on rate cuts amid mixed signals from a softening labor market and persistent inflation.

BENCHMARK FGN EUROBOND YIELDS			
	20-Aug-25	19-Aug-25	Change in Yield
5 YRS: NGERIA 8.375% 03/24/29	7.17%	7.01%	↑ 0.16%
10 YRS: NGERIA 7.375% 09/29/31	8.52%	8.43%	↑ 0.09%
15 YRS: NGERIA 7.696% 23/02/31	9.08%	8.99%	↑ 0.09%
30 YRS: NGERIA 8.25% 09/29/51	9.65%	9.59%	↑ 0.06%
8.75% ETI 06/17/31*	7.13%	7.61%	↓ -0.48%

Source: FBN UK Runs for 20-Aug-2025

Nigerian Equities

The Nigerian equities market closed negative as the ASI dipped 73bps to close at 141,566.31 points, though the index remains up 37.54% YTD. Market breadth leaned bearish with 18 gainers against 50 losers. AUSTINLAZ (+10%) led gainers, while GUINNESS and CONOIL (-9.98% apiece) topped the losers' chart. CHAMPION drove volume with 54.52m units, while ZENITHBANK recorded the highest value turnover at ₦1.27bn. Sector performance was broadly weak. The NGX Banking Index fell 122bps, pressured by GTCO (-5.11%) and STANBIC (-2.46%), despite ZENITHBANK (+1.42%) providing some support. The NGX Consumer Index shed 190bps, weighed by GUINNESS (-9.98%) and DANGSUGAR (-4.68%). Oil & Gas gained a marginal 11bps on OANDO (+4.04%), partially offset by CONOIL (-9.98%). Industrials were relatively flat, losing just 1bp as AUSTINLAZ (+10%) provided a cushion. Value traded declined 26.8% to \$8.38m, reflecting quieter activity across the board. Sentiment remained cautious, with mild selloffs driving the overall bearish close.

Outlook: The market is likely to extend its bearish run tomorrow.

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.73%	↓ -2.95%	↑ 1.22%	↑ 37.54%
NSE BANKING INDEX	↓ -1.22%	↓ -4.65%	↓ -5.16%	↑ 40.83%
NSE INSURANCE INDEX	↓ -7.20%	↓ -21.38%	↑ 42.87%	↑ 77.00%
NSE INDUSTRIAL GOODS INDEX	↓ -0.01%	↓ -4.38%	↑ 6.58%	↑ 45.76%
NSE CONSUMER GOODS INDEX	↓ -1.90%	↓ -0.72%	↑ 8.76%	↑ 83.99%
NSE OIL & GAS INDEX	↑ 0.11%	↓ -1.65%	↓ -3.79%	↓ -12.04%

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
AUSTINLAZ	2.64	0.24	↑ 10.00%
CHAMPION	19.74	1.79	↑ 9.97%
NCR	9.55	0.85	↑ 9.77%
MULTIVERSE	11.10	0.90	↑ 8.82%
ENAMELWA	39.00	3.10	↑ 8.64%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
GUINNESS	140.20	-15.54	↓ -9.98%
CONOIL	211.10	-23.40	↓ -9.98%
CONHALLPLC	4.35	-0.48	↓ -9.94%
ROYALEX	2.27	-0.25	↓ -9.92%
ELLAHLAKES	14.90	-1.62	↓ -9.81%

Source: NGX, AIICO Capital

Foreign Exchange

The naira weakened against the dollar due to heightened FX demand and constrained supply. It traded between ₦1,534.00/\$ and ₦1,538.50/\$, ultimately depreciating by 12 bps to close at ₦1,536.7346/\$.

Outlook: The naira should hold near current levels against the dollar in the coming days.

NFEM RATE (\$/₦)		Diff.
20-Aug-25	1,536.7346	
19-Aug-25	1,534.9346	↑ 1.8000

Source: CBN

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Commodities

Oil prices rose nearly 2% on Wednesday after U.S. crude inventories posted a sharper-than-expected weekly decline, while investors kept watch on Ukraine peace talks with Russian sanctions still intact. Brent crude gained \$1.02 to \$66.81 per barrel, and U.S. West Texas Intermediate climbed 95 cents to \$63.30. Meanwhile, gold prices advanced as the dollar weakened and traders looked ahead to the Jackson Hole symposium. Fed minutes showed only a few members supported a July rate cut. Spot gold rose 0.9% to \$3,344.37 per ounce, while U.S. gold futures settled 0.9% higher at \$3,388.50.

Outlook: Oil prices are likely to stay elevated as Russia plans to continue supplying oil to India despite U.S. warnings. Russian officials in New Delhi confirmed this stance and expressed hope for trilateral talks with India and China soon.

MACRO INDICATORS	
GDP (Q1 2025)	+3.13% (Q4: 2024 +3.76% y/y)
INFLATION (JULY 2025)	21.88% (Jun'25: 22.22%)
EXTERNAL RESERVE (US\$BILLION)	41.00 (+0.30% YTD as of 19-Aug-25)
MONETARY POLICY RATE (JULY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*66.81 (+1.02 d/d)
Source: NBS,CBN, AIICO Capital	

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