

DAILY MARKET INSIGHTS.



Thursday, 21 August 2025

MARKET COMMENTARY

System Liquidity

The CBN offered ₦600 billion in short-dated OMO bills today to curb excess liquidity. Total subscriptions reached ₦1,015.19 billion, with ₦897.19 billion allotted. Rates initially spiked to 32.5% due to auction funding pressure but eased after a ₦392.74 billion FGN bond coupon credit. The Overnight Policy Rate (OPR) and Overnight (O/N) rate held steady at 26.50% and 27.00%, respectively.

Outlook: Rates should hold near current levels tomorrow unless a major shock occurs.

	SYS. LIQ. (₦'BN)	Diff.
21-Aug-25	390.89	
20-Aug-25	1,015.57	↓ (624.68)

Source: CBN

Treasury Bills

The T-bills market traded quietly as focus shifted to the CBN's OMO auction, which offered ₦600 billion across 89-day and 124-day tenors. Subscription and allotment reached ₦1.015 trillion and ₦897.19 billion, respectively, with stop rates set at 25.50% and 25.99%. Secondary market activity was limited, with slight interest in the new 1-year bill (20-Aug) quoted at 17.25/17.15%, and few trades on the 14-Apr, 17-Feb, and 10-Mar OMO bills. Only a handful of deals were executed, leaving the average benchmark mid-rate unchanged at 16.97%.

Outlook: We expect the mixed to bearish sentiment to persist in tomorrow's session.

BENCHMARK T-BILLS DISCOUNT RATES

	21-Aug-25	20-Aug-25	Change in Rates
91 DAYS	16.21%	16.21%	→ 0.00%
182 DAYS	16.78%	16.85%	↓ -0.07%
350 DAYS	16.20%	16.20%	→ 0.00%

Source: FMDQ DQL for 21-Aug-2025

FGN Bonds

The FGN bonds market remained quiet as investors held back ahead of Monday's bond auction. Limited activity occurred at the mid-curve — Feb 2031s, Jun 2032s, and May 2033s saw a handful of trades. The average mid-yield rose 9bps to 17.07%.

Outlook: We expect sustained sentiment from investors in tomorrow's session.

BENCHMARK FGN BOND YIELDS

	21-Aug-25	20-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 21-Aug-2025

Eurobonds

African Eurobonds traded mixed to bullish, with oil-exposed nations like Nigeria and Angola gaining support from higher crude prices. Sentiment was partly offset by fading rate-cut expectations after the Fed's July minutes emphasized persistent inflation—not labor softness—as the primary concern. While broad agreement existed to hold rates steady, internal divisions at the Fed are widening. Jobless claims rose to 235,000 versus 225,000 expected, while continuing claims reached 1.97 million, slightly above forecasts. Despite these signs of cooling, Nigerian Eurobond yields fell 6bps to 8.12% on average.

Outlook: We expect a cautious market with players focused on Chair Powell's Friday speech. The event unfolds amid public pressure from President Trump, who recently called for Fed Governor Lisa Cook to resign — a move she has resisted, stating she won't be "bullied to step down."

BENCHMARK FGN EUROBOND YIELDS				
	21-Aug-25	20-Aug-25	Change in Yield	
5 YRS: NGERIA 8.375% 03/24/29	7.13%	7.17%	↓	-0.04%
10 YRS: NGERIA 7.375% 09/29/31	8.46%	8.52%	↓	-0.06%
15 YRS: NGERIA 7.696% 23/02/31	9.05%	9.08%	↓	-0.03%
30 YRS: NGERIA 8.25% 09/29/51	9.59%	9.65%	↓	-0.06%
8.75% ETI 06/17/31*	6.95%	7.13%	↓	-0.18%

Source: FBN UK Runs for 21-Aug-2025

Nigerian Equities

The Nigerian bourse closed bearish as the ASI declined 87bps to close at 140,332.44 points, trimming YTD gains to 36.34%. Market sentiment was broadly weak with 16 gainers against 45 losers. SFSREIT (+9.99%) led advancers, while VERITASKAP, UPL, INTENEGINS, and THOMASWY (-10% each) topped laggards. Fidelity Bank dominated activity, leading both the volume (96.07m) and value (₦1.99bn) charts. Sectoral performance was mixed: the Banking Index gained 47bps on GTCO (+2.88%) and ZENITHBANK (+0.44%), while Consumer (-4bps) and Oil & Gas (-6bps) declined. The Industrial Index plunged 404bps on BUACEMENT (-9.96%), weighing heavily on the benchmark. Value traded slipped 0.87% to \$8.31m, reflecting subdued market activity. Overall, negative pressure from heavyweight counters like MTNN (-2.25%) and BUACEMENT drove the day’s downturn.

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

TOP 5 EQUITY ADVANCERS			
NAME (SYMBOL)	CLOSING PRICE	GAIN(N)	% CHANGE
JAIZBANK	4.39	0.39	↑ 9.75%
NSLTECH	1.05	0.09	↑ 9.38%
OMATEK	1.44	0.08	↑ 5.88%
CHAMS	2.73	0.13	↑ 5.00%
CUSTODIAN	39.90	1.85	↑ 4.86%

Source: NGX, AIICO Capital

TOP 5 EQUITY DECLINERS			
NAME (SYMBOL)	CLOSING PRICE	LOSS(N)	% CHANGE
VERITASKAP	1.80	-0.20	↓ -10.00%
UPL	6.30	-0.70	↓ -10.00%
INTENEGINS	3.24	-0.36	↓ -10.00%
THOMASWY	3.33	-0.37	↓ -10.00%
JBERGER	132.90	-14.70	↓ -9.96%

Source: NGX, AIICO Capital

	D-o-D	W-o-W	MTD	YTD
NGX ASI	↓ -0.87%	↓ -3.42%	↑ 0.34%	↑ 36.34%
NSE BANKING INDEX	↑ 0.47%	↓ -3.73%	↓ -4.71%	↑ 41.50%
NSE INSURANCE INDEX	↓ -4.69%	↓ -18.31%	↑ 36.17%	↑ 68.70%
NSE INDUSTRIAL GOODS INDEX	↓ -4.04%	↓ -8.35%	↑ 2.28%	↑ 39.87%
NSE CONSUMER GOODS INDEX	↓ -0.04%	↓ -0.57%	↑ 8.72%	↑ 83.91%
NSE OIL & GAS INDEX	↓ -0.06%	↓ -0.96%	↓ -3.84%	↓ -12.09%

Foreign Exchange

Dollar liquidity improved following CBN intervention, with the naira trading between ₦1,535.25/\$ and ₦1,538.00/\$. It appreciated by 6bps to close at ₦1,535.78/\$. Nigeria’s gross reserves rose to \$41.04 billion as of 21 August 2025, up \$44.87 million from the previous day.

Outlook: We anticipate rate moderation around similar level amidst growing external reserve.

NFEM RATE (\$/₦)		Diff.
21-Aug-25	1,535.7833	
20-Aug-25	1,536.7346	↓ (0.9513)

Source: CBN

Commodities

Oil prices gained nearly a dollar per barrel on Thursday as peace talks between Russia and Ukraine stalled, with both sides trading blame, while U.S. data pointed to stronger demand in the world’s top oil consumer. Brent crude rose 83 cents, or 1.2%, to settle at \$67.67, its highest in two weeks, while U.S. West Texas Intermediate added 81 cents, or 1.3%, to close at \$63.52. Meanwhile, gold prices slipped as the dollar firmed, and investors looked ahead to Federal Reserve Chair Jerome Powell’s Jackson Hole speech. Spot gold fell 0.3% to \$3,337.95, while U.S. futures ended 0.2% lower at \$3,386.50.

Outlook: Oil traders remain cautious as hopes for a near-term diplomatic resolution in Ukraine fades, reversing the selloff driven by earlier optimism over U.S.-led negotiations. Meanwhile, markets are closely watching the Jackson Hole symposium, where Fed Chair Powell’s Friday speech may offer clues on potential rate cuts.

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)	41.05 (+0.41% YTD as of 20-Aug-25)
MONETARY POLICY RATE (JULY'2025)	27.50%
CASH RESERVE REQUIREMENT (CRR)	50.00%
BRENT CRUDE PRICE US\$/BBL	*67.67 (+0.86 d/d)

Source: NBS,CBN, AIICO Capital

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