

DAILY MARKET INSIGHTS.



Monday, 4 August 2025

MARKET COMMENTARY

System Liquidity

The system liquidity opened at ₦1.21tn surplus, representing a ₦397.6bn lower than the previous session, following the ₦339.5bn dip in DBM's participation at the CBN's SDF window. As such, funding rates relatively higher as the Overnight Policy Rate (OPR) remained flat at 26.5%, while the Overnight (O/N) rate increased by 10bps to 27.00%.

Outlook: Rates are expected remain at similar level, except for any significant funding activity.

| SYS. LIQ. (₦BN) | | Diff. |
|-----------------|----------|------------|
| 4-Aug-25 | 1,209.25 | |
| 1-Aug-25 | 1,606.80 | ↓ (397.56) |

Source: CBN

Treasury Bills

The NTB secondary market opened the week on a mixed note. Although ample system liquidity provided some support, moderate yield increases were observed across the mid- to long-dated maturities. Consequently, the average benchmark yield advanced by 5bps to close at 17.91%.

Outlook: Investors to trade cautiously ahead of Wednesday auctions.

| Benchmark FGN Bond Yields | | | | |
|----------------------------|-----------|-----------|-----------------|-------|
| | 04-Aug-25 | 01-Aug-25 | Change in Yield | |
| 5 yrs: 19.30% 17-Apr-2029 | 17.00% | 15.90% | ↑ | 1.10% |
| 10 yrs: 22.60% 29-Jan-2035 | 15.35% | 15.35% | → | 0.00% |
| 13 yrs: 15.45% 21-Jun-2038 | 15.00% | 15.00% | → | 0.00% |
| 28 yrs: 15.70% 21-Jun-2053 | 15.75% | 15.50% | ↑ | 0.25% |

Source: FMDQ DQL for 04-Aug-2025

FGN Bonds

The FGN bond market opened the week on a bearish note, with selling pressure concentrated at the short- to mid-end of the curve. Significant upward repricing was observed in the FGN 2029, FGN 2032, and FGN 2034 papers, as yields advanced to 16.87%, 16.90%, and 16.74%, respectively. Conversely, the FGN 2034 defied the trend, with yield declining by 65bps to 15.60%. Overall, the average benchmark yield rose by 5bps to 16.26%.

Outlook: We expect sustained sentiment from investors.

| BENCHMARK FGN BOND YIELDS | | | | |
|----------------------------|-----------|-----------|-----------------|-------|
| | 04-Aug-25 | 01-Aug-25 | Change in Yield | |
| 5 YRS: 19.30% 17-APR-2029 | 17.00% | 15.90% | ↑ | 1.10% |
| 10 YRS: 22.60% 29-JAN-2035 | 15.35% | 15.35% | → | 0.00% |
| 13 YRS: 15.45% 21-JUN-2038 | 15.00% | 15.00% | → | 0.00% |
| 28 YRS: 15.70% 21-JUN-2053 | 15.75% | 15.50% | ↑ | 0.25% |

Source: FMDQ DQL for 04-Aug-2025

Eurobonds

African Eurobonds opened the week on a bullish note, even as oil prices slipped to a one-week low following OPEC+'s decision to implement another large output increase in September. However, Nigerian Eurobonds saw average yields edge up by 10bps to 8.14%.

Outlook: Focus to be on oil price volatility amid OPEC+ supply increase and possible U.S. sanction on Russia's oil buyers

| BENCHMARK FGN EUROBOND YIELDS | | | | |
|--------------------------------|-----------|-----------|-----------------|--------|
| | 04-Aug-25 | 01-Aug-25 | Change in Yield | |
| 5 YRS: NGERIA 8.375% 03/24/29 | 7.41% | 7.49% | ↓ | -0.08% |
| 10 YRS: NGERIA 7.375% 09/29/33 | 8.58% | 8.70% | ↓ | -0.12% |
| 15 YRS: NGERIA 7.696% 23/02/38 | 9.10% | 9.17% | ↓ | -0.07% |
| 30 YRS: NGERIA 8.25% 09/29/51 | 9.73% | 9.81% | ↓ | -0.08% |
| 8.75% ETI 06/17/31* | 7.82% | 7.97% | ↓ | -0.15% |

Source: FBN UK Runs for 04-Aug-2025

Nigerian Equities

The Nigerian equities market opened the new week on a high note as the NGX All-Share Index (NGX-ASI) rose by 199bps to settle at 144,071.78 points. The uptrend was driven by sustained buying interest in large and moderately priced, fundamentally strong stocks such as BUAFOODS, DANGCEM, CHAMPIONS, and 44 others across major market sectors. Investor sentiment remained upbeat, buoyed by the ongoing release of Q2 corporate earnings and a continued decline in fixed-income yields, which prompted a rotation into equities. Sectoral performance was largely positive, with four of the five major sectors posting gains. The Industrial Goods sector led with a +5.72% increase, followed by Consumer Goods (+4.93%), Insurance (+3.44%), and Banking (+0.08%). The Oil & Gas sector was the lone decliner, shedding -1.12%. However, market activity slowed, as total volume and value of trades declined by 24.84% and 27.48%, respectively. Major deals includes 10m units of GTCO at ₦100.75, 1.8m units of DANGCEM at ₦540.0, 37m units of FIDELITYBK at ₦21. and 23m units of JAPAULGOLD at ₦2.80.

Outlook: Positive sentiment to persist amidst investors’ appetite on high capped stocks.

| TOP 5 EQUITY ADVANCERS | | | |
|------------------------|---------------|---------|----------|
| NAME (SYMBOL) | CLOSING PRICE | GAIN(N) | % CHANGE |
| UPDC | 5.94 | 0.54 | ↑ 10.00% |
| LASACO | 2.86 | 0.26 | ↑ 10.00% |
| ROYALEX | 1.65 | 0.15 | ↑ 10.00% |
| UACN | 97.10 | 8.80 | ↑ 9.97% |
| SOVRENINS | 1.88 | 0.17 | ↑ 9.94% |

Source: NGX, AIICO Capital

| TOP 5 EQUITY DECLINERS | | | |
|------------------------|---------------|---------|-----------|
| NAME (SYMBOL) | CLOSING PRICE | LOSS(N) | % CHANGE |
| ACADEMY | 9.90 | -1.10 | ↓ -10.00% |
| TRANSPOWER | 288.00 | -32.00 | ↓ -10.00% |
| JOHNHOLT | 6.60 | -0.70 | ↓ -9.59% |
| TOTAL | 640.00 | -65.00 | ↓ -9.22% |
| ETI | 34.00 | -3.45 | ↓ -9.21% |

Source: NGX, AIICO Capital

| | D-o-D | W-o-W | MTD | YTD |
|----------------------------|----------|----------|----------|-----------|
| NGX ASI | ↑ 1.99% | ↑ 6.59% | ↑ 3.01% | ↑ 39.98% |
| NSE BANKING INDEX | ↑ 0.08% | ↑ 4.30% | ↑ 0.60% | ↑ 49.40% |
| NSE INSURANCE INDEX | ↑ 3.44% | ↓ -0.36% | ↑ 3.14% | ↑ 27.78% |
| NSE INDUSTRIAL GOODS INDEX | ↑ 5.72% | ↑ 15.68% | ↑ 9.41% | ↑ 49.63% |
| NSE CONSUMER GOODS INDEX | ↑ 4.93% | ↑ 6.42% | ↑ 6.62% | ↑ 80.37% |
| NSE OIL & GAS INDEX | ↓ -1.12% | ↓ -1.81% | ↓ -2.83% | ↓ -11.16% |

Foreign Exchange

The Naira traded positive at the Nigerian interbank NFEM, with the USD/NGN rate ranging between ₦1,529.51 and ₦1,534.50. The Naira gained slightly, appreciating by 11bps to close at an average of ₦1,533.85 to the dollar. As of August 1, 2025, Nigeria’s gross foreign reserves rose to about \$39.54 billion, representing a gain of about \$184.1 million, compared to the previous session.

Outlook: We anticipate sustain rate moderation around similar level.

| NFEM RATE (\$/N) | | Diff. |
|------------------|------------|------------|
| 4-Aug-25 | 1,533.8500 | |
| 1-Aug-25 | 1,535.5000 | ↓ (1.6500) |

Source: CBN

Commodities

Global oil fell to their lowest levels in a week after OPEC+ agreed to another large output increase in September, adding to oversupply concerns as U.S. data showed lacklustre fuel demand in the top consuming nation. Brent crude shed 105 cents to \$68.62 per barrel, while U.S. West Texas Intermediate depreciates by 121 cents to \$66.12. However, gold rose for a third straight session after last week's economic data fueled expectations of interest rate cuts by the U.S. Federal Reserve. Spot gold gained by 0.42% to \$3,376.89 per ounce, while U.S. gold futures closed \$14.37 higher at \$3,429.37.

Outlook: Commodities price to trade cautiously tomorrow as investors digest latest U.S. tariffs and further U.S. sanction on Russia.

| MACRO INDICATORS | |
|----------------------------------|------------------------------------|
| GDP (Q1 2025) | +3.13% (Q4: 2024 +3.76% y/y) |
| INFLATION (JUNE 2025) | 22.22% (May'25: 22.97%) |
| EXTERNAL RESERVE (US\$BILLION) | 39.54 (-3.26% YTD as of 01-Aug-25) |
| MONETARY POLICY RATE (JULY'2025) | 27.50% |
| CASH RESERVE REQUIREMENT (CRR) | 50.00% |
| BRENT CRUDE PRICE US\$/BBL | *68.62 (-1.05 d/d) |

Source: NBS,CBN, AIICO Capital

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