

Custodian Asset Management Ltd

Weekly Market Update

MONEY MARKET | TREASURY BILLS | BONDS | EURO BONDS | COMMODITIES | EQUITIES


Monday 19th January 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	3.98%	4.23%
Inflation	15.15% (Jan)	17.33% (Dec)
Exchange rate (NAFEM)	N1,417.95/\$	N1,423.17/\$
Exchange rate (Parallel)	N1,484.99/\$	N1,477.00/\$
External reserves	\$45.86 bn	\$45.67 bn
Brent	\$64.13/ barrel	\$63.41/ barrel
Gold	\$4,595.40	\$4,510.78

During the past week, the Naira strengthened in the official market to approximately N1,417.95/\$ while weakening in the parallel market to around N1,484.99/\$ causing the gap between the two rates to widen. The official market gained while the parallel market lost primarily because the CBN liquidity injections and rising external reserves supported the formal window whereas the parallel market suffered from unmet retail demand and speculative pressure.

Nigeria's foreign exchange reserves grew last week, reaching \$45.86 billion, primarily due to inflow from oil exports and increased portfolio investments.

Oil prices saw gains last week with Brent initially reaching over &66 per barrel primarily due to heightened geopolitical tensions, especially involving major oil producers or disrupted supply routes, which heightened fears of future supply constraints.

Gold prices have continued to rise, primarily driven by persistent geopolitical uncertainty and central bank buying. Escalating geopolitical tensions, such as events in Venezuela and political uncertainty related to U.S. domestic policy are prompting investors and central banks to seek gold as reliable safe haven asset and portfolio insurance. Global central banks have been purchasing gold at near-record pace for several years to diversify their reserves away from the U.S. Dollar, a trend that is expected to continue throughout 2026 and provides significant structural support for prices.

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MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.50%	22.50%
ON	22.78%	22.79%

System liquidity rose to a net long position of N2.1 trillion. The increase was primarily due to inflows matured Open Market Operations (OMO) bills and bond coupon payments, which injected funds into the system in the absence of a primary market auction. Consequently, the overnight policy rate closed at 22.50% while the overnight rate closed at 22.78%.

Expectation

We expect interbank rates to hover around similar levels this week.

TREASURY BILLS MARKET

Average yield on Treasury Bills continued to rise last week, a lingering effect of the higher stop rates set by the CBN and the DMO in recent primary market auctions.

SECURITY	BID DISC RATE	OFFER DISC RATE
26-Mar-26	17.30	16.70
23-Apr-26	16.70	16.10
07-May-26	16.90	16.40
04-Jun-26	16.90	16.40
09-Jul-26	16.75	16.25
06-Aug-26	17.29	16.79
03-Sept-26	17.35	16.85
08-Oct-26	17.50	17.00
05-Nov-26	17.40	16.95
03-Dec-26	17.55	17.10
10-Dec-26	17.55	17.10
17-Dec-26	17.50	17.05
7-Jan-27	17.85	17.65

Expectation

We expect Treasury Bills yields in the secondary market to be stable, but with high subscription rates at the primary auction, primarily for longer-dated tenors. The CBN is scheduled to auction approximately N1.15 trillion in new Treasury Bills across the 91-day, 182-day and 364-day maturities on Wednesday January 21, 2026. We anticipate this auction will be oversubscribed due to significant liquidity in the financial system.

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BONDS MARKET

Average yields on FGN bonds rose by 35bps. This reflects an upward pressure on interest rates in the fixed income market. Higher stop rates at recent Treasury Bill auctions signal tighter conditions at the short end of the curve which created a knock-on effect.

SECURITY	BID YIELD	OFFER YIELD
NIGB 19.3 29	17.15	16.90
NIGB 17.945 30	17.70	17.45
NIGB 18½ 31	17.80	17.50
NIGB 17.95 32	17.85	17.50
NIGB 19.89 33	17.80	17.55
NIGB 19 34	17.85	17.50
NIGB 22.6 35	17.20	16.75

Expectation

We expect the market to remain largely bearish due to the continuing effect of the higher stop rates from the recent T-Bill auction and weak investor appetite. The market's attention will be on the upcoming T-Bill auction this week, which will set the short-term rate benchmark. The outcome of this auction will largely influence movements in the longer dated FGN bond segment.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.982	101.495	5.93	5.63
REPUBLIC OF NIGERIA SEP 2028	100.145	100.659	6.06	5.85
REPUBLIC OF NIGERIA MAR 2029	105.941	106.349	6.28	6.14
REPUBLIC OF NIGERIA FEB 2030	102.831	103.172	6.34	6.25
REPUBLIC OF NIGERIA JAN 2031	108.522	108.859	6.71	6.64
REPUBLIC OF NIGERIA JUN 2031	113.017	113.354	6.70	6.63
REPUBLIC OF NIGERIA FEB 2032	103.931	104.339	7.07	6.98
REPUBLIC OF NIGERIA SEP 2033	100.61	101.108	7.27	7.18
REPUBLIC OF NIGERIA DEC 2034	117.491	117.913	7.63	7.57
REPUBLIC OF NIGERIA JAN 2036	106.457	106.765	7.68	7.64
REPUBLIC OF NIGERIA FEB 2038	98.752	99.36	7.86	7.78
REPUBLIC OF NIGERIA JAN 2046	106.364	106.688	8.46	8.43
REPUBLIC OF NIGERIA NOV 2047	92.743	93.291	8.35	8.29
REPUBLIC OF NIGERIA JAN 2049	107.964	108.615	8.46	8.40
REPUBLIC OF NIGERIA SEP 2051	97.031	97.518	8.54	8.49

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Nigerian Eurobond yields softened last week, primarily as investors took advantage of the attractive entry points created by the previous week's broad sell-off. Yields had pushed higher globally and for Nigerian sovereign bonds amid risk aversion and high US Treasury Yields. The elevated yields made the Eurobonds look undervalued to long-term investors who stepped in to "buy the dip", driving up demand.

Expectation

We expect Eurobond yields to remain range-bound with a slight downward bias this week, supported by renewed investor interest amid relatively stable global monetary policy expectations.

EQUITY MARKET

The equities market extended its positive start to the year, with the All-Share Index and market capitalization surging by 6.76% to close at a record 166,298.08 points. The market capitalization surged to N106.35 trillion, adding approximately N2.58 trillion in value within a single week. The rally was broad based with the NGX Growth index delivering an exceptional 17.93% weekly gain. The Oil and Gas sector also remained a key driver, rising 5.71% over the same period.

The ASI reached an intra week all time high of 167,118.06 points on January 14, before settling at 166,129.50 to close the week. Investor interest was bolstered by the listing of 3.16 billion ordinary shares from UBA's Rights Issue on January 12 and Morison's private placement on January 13. Market participants are actively positioning themselves ahead of the anticipated release of Q4 2025 earnings reports.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
NCR	79.95	128.55	60.79%
SCOA	9.35	14.9	59.36%
DEAPCAP	3	4.46	48.67%
JAIZBANK	5.62	8.19	45.73%
OMATEK	1.28	1.77	38.28%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
IKEJAHOTEL	40	35.05	-12.38%
AUSTINLAZ	4.13	3.75	-9.20%
ETERNA	35	32.3	-7.71%
UNIVINSURE	1.3	1.2	-7.69%
LASACO	2.68	2.5	-6.72%

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Expectation

For the week of January 19–23, 2026, the Nigerian equity market is expected to remain predominantly bullish, though investors should anticipate increased volatility and periodic profit-taking following the recent record-breaking rally. Market activity will be heavily driven by investors positioning ahead of the Full-Year 2025 audited financial results. High expectations for dividend announcements, particularly from the "Tier-1" banking sector and major consumer goods firms, will likely sustain buying interest.

TOP STORIES

GLOBAL NEWS

- U.S. Headline inflation rose 0.3% month-on-month, while core inflation (excluding food and energy) rose 0.2%. The annualized inflation rate reached 2.7%.
- Major banks reported mixed results. While JPMorgan Chase saw a 15% quarterly profit dip due to special fees, Goldman Sachs and Morgan Stanley surged 4.6% and 5.8% respectively on strong investment banking activity.
- Gold hit multiple fresh all-time record peaks, reaching \$4,650.68/oz mid-week before a slight retreat to close around \$4,595–\$4,600/oz.
- The world bank projected 2026 growth at 2.6% (up from earlier June forecasts), noting the U.S. is driving most of the resilience.

DOMESTIC NEWS

- The NBS announced that headline inflation fell to 15.15% in December 2025, down from the revised 17.33% the previous month.
- Nigeria's gross external reserves reached \$45.86 billion
- The Nigerian All-Share-Index continued its record breaking run, closing the week at 166,129.50 points
- The gap between the official and parallel exchange rates hit an 11-month high last week.
- During the NESG 2026 Macroeconomic outlook event, the government and CBN unveiled key targets for the year:
 1. GDP growth projected at 4.49% to 4.68%.
 2. Exchange rate targeted to stabilize around N1,400/\$.
 3. 2026 budget proposed at N58.18 trillion with N26 trillion (44%) dedicated to capital expenditure.

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