Custodian
ASSET MANAGEMENT LTD

Custodian Asset Management Ltd

Weekly Market Update

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

9th February 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	3.98%	4.23%
Inflation	15.15%	17.33%
Exchange rate (NAFEM)	N1,366.19	N1,396.99
Exchange rate (Parallel)	N1,446.49	N1,478.00
External reserves	$46.91 bn	$46.11 bn
Brent	$68.05	$70.42/barrel
Gold	$4,966.26	$5,040.4

The Naira ended last week strong at N1,366.19/$1 in the official window. While a gap remains, the parallel market is also seeing gains. This comeback is being driven by effective CBN policies and stable oil revenues

Nigeria external reserves have risen to $46.91 billion, making a steady gain of approximately $736 million since the first week of February alone. Elevated yields in fixed income yields have attracted offshore investment. A rally in global oil prices, partly due to geopolitical tensions involving the U.S. and Iran, has boosted dollar inflow from exports.

Oil prices retreated slightly but remained elevated around $68 per barrel for Brent crude. The pricing reflects a delicate balance between deescalating immediate military fears and unresolved long-term geopolitical risks. The minor drop was primarily driven by cooling off immediate conflict expectations. The start of Omani-mediated indirect military strike or an immediate supply disruption in the Middle East.

Gold fell from record highs near $5,600 to as low as $4,400 was driven by a combination of speculative profit-taking, a strengthening U.S. dollar and shifts in U.S. monetary policy expectations. Gold prices had gone parabolic, reaching record highs in January. Analysts noted the market was due for a correction, and once profit taking began, it triggered a snowball effect as speculative traders were forced to liquidate positions.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.50%	26.07%
ON	22.81%	26.36%

Banking system liquidity in Nigeria dropped to N85 billion last week. This was primarily driven by the CBN's aggressive mop-up operations intended to curb inflation and support the Naira. The CBN conducted a NTB auction that saw massive oversubscription (nearly N4.59 trillion bids against an N1.15 trillion offer and an allocation of N951 billion). Consequently, the overnight policy rate closed at 22.50% while the overnight rate closed at 22.81%.

Expectation

For the week of Feb 9 – Feb 13, 2026, expectations for the OPR and OVN rates are geared toward upward pressure and volatility.

TREASURY BILLS MARKET

Maturity Date	7-May-2026	6-Aug-2026	4-Feb-2027
Tenor	91-day	182-day	364-day
Offer (N)	150,000,000,000	200,000,000,000	800,000,000,000
Subscription (N)	66,050,846,000	123,407,708,000	4,386,832,675,000
Allotment (N)	63,213,846,000	80,609,707,000	808,784,109,000
Stop rate	15.84%	16.65%	16.987%

At the DMO'S auction, N1.15 trillion was offered against a demand of N4.59 trillion with N951 billion allotted across the 91, 182 and 364-day papers at stop rates of 15.84%, 16.65% and 16.987% respectively.

The NTB secondary market saw a 60 bps decline in average yields last week, driven by a hunt for yield following the DMO's auction. The massive N4.59 trillion oversubscription signaled a liquidity glut, forcing bidders into the secondary market. This surge in demand, coupled with a lower than expected stop rates, has placed significant downward pressure on yields across all tenors.

SECURITY	BID DISC RATE	OFFER DISC RATE
23-Mar-26	17.00	16.25
23-Apr-26	16.80	16.00
07-May-26	16.80	16.00
04-Jun-26	16.90	16.05
09-Jul-26	16.90	16.05
06-Aug-26	16.95	16.05
03-Sept-26	16.95	16.05
17-Sept-26	16.90	16.00
08-Oct-26	16.70	16.00

22-Oct-26	16.70	16.00
05-Nov-26	16.80	15.90
19-Nov-26	16.80	15.90
03-Dec-26	16.70	16.00
10-Dec-26	16.70	16.00
17-Dec-26	16.70	16.00
07-Jan-27	16.80	16.00
21-Jan-27	16.50	16.00
04-Feb-27	16.15	15.85

Expectation

The outlook for NTBs is bullish, with yields expected to continue their downward trajectory in the secondary market. This trend is driven by the unmet demand from last week's record breaking primary auction.

BONDS MARKET

Average yields on FGN bonds have continued their downward trend, compressing by approximately 40 bps across the benchmark curve. This bullish movement reflects robust investor demand as participants move to lock in currently elevated yields before anticipated interest rate cuts. Market sentiment is increasingly dovish ahead of the MPC meeting scheduled for February 23-24, 2026.

SECURITY	BID YIELD	OFFER YIELD
NIGB 16.2884% MAR 27	17.25%	16.90%
NIGB 19.94% MAR 27	17.30%	16.85%
NIGB 13.98% FEB 28	17.00%	16.20%
NIGB 14.55% APR 29	17.40%	16.15%
NIGB 19.30% APR 29	17.40%	16.40%
NIGB 19.945% AUG 30	17.70%	16.50%
NIGB 18.50% FEB 31	16.70%	16.50%
NIGB 12.50% APR 32	17.40%	16.95%
NIGB 17.95% JUN 32	16.90%	16.60%
NIGB 19.89% MAY 33	17.25%	16.95%
NIGB 19.00% FEB 34	16.95%	16.55%
NIGB 12.149% JUL 34	17.40%	16.95%
NIGB 22.60% JAN 35	17.00%	16.60%
NIGB 12.50% MAR 35	16.95%	16.40%
NIGB 12.40% MAR 36	16.60%	15.65%
NIGB 16.25% APR 37	16.70%	15.65%
NIGB 15.45% JUN 38	16.80%	15.60%
NIGB 13.00% JAN 42	16.70%	15.60%
NIGB 14.80% APR 49	15.70%	14.98%
NIGB 12.98% MAR 50	15.55%	14.50%
NIGB 15.70% JUN 53	15.55%	14.55%

Expectation

Expectation for FGN bond yields is continuation in the drop, driven by massive liquidity glut and strong investor positioning ahead of the upcoming MPC meeting

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	101.384	101.949	5.67	5.34
REPUBLIC OF NIGERIA SEP 2028	100.621	101.108	5.86	5.66
REPUBLIC OF NIGERIA MAR 2029	106.248	106.741	6.14	5.97
REPUBLIC OF NIGERIA FEB 2030	103.073	103.138	6.27	6.25
REPUBLIC OF NIGERIA JAN 2031	108.529	109.016	6.69	6.58
REPUBLIC OF NIGERIA JUN 2031	113.05	113.212	6.67	6.64
REPUBLIC OF NIGERIA FEB 2032	104.147	104.479	7.02	6.95
REPUBLIC OF NIGERIA SEP 2033	100.871	101.433	7.22	7.13
REPUBLIC OF NIGERIA DEC 2034	118.194	118.545	7.52	7.47
REPUBLIC OF NIGERIA JAN 2036	106.642	107.036	7.66	7.60
REPUBLIC OF NIGERIA FEB 2038	98.767	99.147	7.86	7.81
REPUBLIC OF NIGERIA JAN 2046	107.225	107.43	8.37	8.35
REPUBLIC OF NIGERIA NOV 2047	93.331	93.795	8.29	8.24
REPUBLIC OF NIGERIA JAN 2049	108.695	109.33	8.39	8.33
REPUBLIC OF NIGERIA SEP 2051	98.028	98.542	8.44	8.39

Average yield on Nigeria's FGN Eurobonds remained relatively range-bound last week. The horizontal movement reflects a wait and see approach by international investors, balancing the cooling of immediate US-Iran military tensions against a stronger Dollar. While the FED maintained interest rates at its recent meeting, the nomination of Kevin Warsh as the next Fed chair has introduced a hawkish undertone, capping the potential for a significant rally in emerging debt markets.

Expectation

The outlook for FGN Eurobond yields is cautiously stable with a slight bearish bias.

EQUITY MARKET

The Nigerian equity market closed on a strongly positive note for the week ended February 6, 2026, with the ASI surging by 3.84% to reach an all-time high of 171,727.49 points. This rally added approximately N4.08 trillion to the total market capitalization, which ended the week at N110.23 trillion. Investor sentiment was bolstered by impressive unaudited full-year 2025 results. For instance, Sterling Bank reported an 80% YoY increase in Profit After Tax to N78.6 billion, while other heavyweights showed significant resilience.

The NGX Oil and Gas Index led sectoral gains with a 10.88% week-on-week return, driven by renewed interest in upstream stocks like Seplat Energy (+10.0%). The rally was further sustained by significant price appreciation in large-cap stocks, including MTN Nigeria (+8.4%), Dangote Cement (+7.1%), and Lafarge Africa (+6.4%).

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
RTBRISCOE	7.86	12.63	60.69%
ABBEYBDS	9.4	14.95	59.04%
UNIONDICON	8.75	13.05	49.14%
AUSTINLAZ	3.9	5.4	38.46%
DAARCOMM	1.41	1.9	34.75%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
DEAPCAP	9.39	6.82	-27.37%
UHOMREIT	94.85	69.25	-26.99%
REDSTAREX	20.8	17.15	-17.55%
UPDCREIT	8.95	7.85	-12.29%
CORNERST	6.21	5.45	-12.24%

Expectation

The Nigerian equity market is expected to maintain its bullish bias, following a historic surge last week that saw the NGX breach the 171,000 point mark. We expect continued upward momentum driven by the peak of the earnings and dividend season.

TOP STORIES

GLOBAL NEWS

- Omani mediators confirmed a "significant step forward" in indirect talks between Washington and Tehran regarding nuclear enrichment and regional stability.
- Major U.S. software and AI companies saw a 7.5% drop as investors questioned if the "AI hype" had peaked without enough immediate profit
- Australia raised rates to 3.85%, while the European and UK central banks held steady, highlighting a lack of synchronized global recovery.

DOMESTIC NEWS

- In its February update, the IMF upgraded Nigeria's 2026 GDP growth forecast to 4.4%.

- The Naira showed significant stability last week, closing at ₦1,366.19/$1 in the official window

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