Custodian
ASSET MANAGEMENT LTD

Custodian Asset Management Ltd

Weekly Market Update

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

6th March 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	4.07%	3.98%
Inflation	15.10%	15.15%
Exchange rate (NAFEM)	N1,393.25/$	N1,363.39/$
Exchange rate (Parallel)	N1,402.88/$	N1,370.66/$
External reserves	$49.93 bn	$49.51 bn
Brent	$92.69/barrel	$72.48/barrel
Gold	$5,171.92/oz	$5,267.20/oz

The Naira depreciated last week closing at N1,393.25 per dollar. The depreciation was driven by some overlapping factors. One is the global safe-haven demand. Escalating geopolitical tensions involving the United States, Isreal and Iran caused global investors to seek safety in the U.S Dollar. This risk-off sentiment strengthened the dollar against emerging market currencies like the Naira. Also, despite rising external reserves, the immediate supply of dollars in the official market remains weak.

As of March 5, 2026, Nigeria's gross external reserves have climbed to approximately $49.93 billion, the highest in 13 years. Higher crude oil prices, recently trading around $92 per barrel due to middle east tensions and increased domestic production have significantly boosted foreign exchange inflows.

Oil prices experienced an historic surge last week, with Brent crude jumping over 28% to settle above $92 per barrel by Friday. This rally was triggered by the rapid escalation of a full-scale military conflict in the Middle East involving the United States, Isreal and Iran. The price spike followed joint U.S and Isreal strikes on Iranian territory on March 1, which targeted infrastructure and top leadership. Iran responded by effectively closing the Strait of Hormuz, a vital checkpoint through which approximately 20% of global oil supply (20 million barrels per day) and significant liquefied natural gas volumes pass.

Last week, gold prices experienced a dramatic 5% correction. While the week began with a sharp spike to $5,417 per ounce due to the U.S.-Iran conflict, the metal depreciated to end the week near at $5,171.92 per ounce. The U.S. Dollar Index (DXY) hit a nine-month high. Because gold is priced in dollars, a stronger greenback makes it more expensive for international buyers, triggering sell-offs. In addition, U.S. bond yields climbed sharply, reaching 4.10%. Higher yields increase the opportunity cost of holding gold, which pays no interest, leading investors to favor bonds instead.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
ON	22.21%	22.25%

System liquidity rose sharply in the first week of March 2026, with the banking system's net long position climbing to an estimated N5.88 trillion by Friday. This surplus represents a significant jump from the N3.04 trillion recorded at the start of the week. The financial system received an injection from maturing government securities. Specifically, N799.13 billion in Treasury Bills matured during the week. OPR and ON stood at 22.00% and 22.21% respectively.

Expectation

We expect system liquidity to remain high as projections for the full month of March suggest total inflows could reach N10.55 trillion, driven by N5.24 trillion in OMO maturities and N2.84 trillion in Treasury Bills.

TREASURY BILLS MARKET

Average yield on NTBs rose 23 bps last week, settling at 17.26%. This increase was due to the lingering effect of the lower than expected MPR cut. Another factor was the decision by the CBN to hike stop rates at the midweek primary market auction to manage liquidity and attract investors. At the March 4 auction, the CBN significantly adjusted stop rates upward to reflect market demand for higher compression. The stop rate on the 364 day Bill surged by 83 bps, rising from 15.90% to 16.73%.

SECURITY	BID DISC RATE	OFFER DISC RATE
26-Mar-26	17.50	16.00
23-Apr-26	17.00	15.75
21-May-26	16.50	15.80
4-Jun-26	16.35	15.65

9-Jul-26	16.30	15.60
6-Aug-26	16.30	15.60
3-Sep-26	16.55	15.85
8-Oct-26	16.75	16.05
5-Nov-26	16.80	16.30
3-Dec-26	16.80	16.30
10-Dec-26	16.85	16.15
17-Dec-26	16.85	16.15
7-Jan-27	16.85	16.35
21-Jan-27	16.80	16.40
18-Feb-27	16.75	16.45

Expectation

Expectations for NTB yields for this week point toward a continued upward trajectory in stop rates, particularly at the longer end of the curve. While high liquidity typically pushes yields down, the CBN is expected to maintain its tightening stance to combat inflation and defend the Naira. A new auction is scheduled for March 11, 2026, with N850 billion on offer. Stop rates are expected to remain elevated or rise further from its current 16.73%.

BONDS MARKET

The average benchmark yield for FGN bonds rose during the first week of March 2026, expanding to 15.75%. This bearish trend in the secondary market was driven by a combination of domestic supply pressures and global risk aversion. Bond yields moved upward in reaction to a sharp uptick in marginal rates at the latest NTB auction. The escalation of the U.S. – Iran conflict also triggered a risk off mood. This led to mild sell offs in longer dated FGN bonds as investors moved more toward more liquid or defensive assets amid heightened geopolitical uncertainty.

SECURITY	BID YIELD	OFFER YIELD
FGN 16.2884% MAR 2027	15.92	15.20
FGN 19.9400% MAR 2027	16.07	15.35
FGN 13.9800% FEB 2028	15.93	15.21
FGN 19.3000% APR 2029	16.04	15.32
FGN 14.5500% APR 2029	15.84	15.12
FGN 18.5000% FEB 2031	16.11	15.99
FGN 17.9500% JUN 2032	16.10	15.98
FGN 19.8900% MAY 2033	16.09	15.97
FGN 19.0000% FEB 2034	16.03	15.91
FGN 22.6000% JAN 2035	16.10	15.98
FGN 16.2499% APR 2037	15.94	15.12
FGN 15.45% JUN 2038	15.60	14.78
FGN 13.0000% JAN 2042	15.72	14.90

FGN 14.8000% APR 2049	14.81	13.94
FGN 12.9800% MAR 2050	14.76	13.89
FGN 15.7000% JUN 2053	15.10	14.23

Expectation

Expectations for FGN bond yields are mixed. While investors may take advantage of the current levels and the high system liquidity. On the other hand, yields may continue to climb due to the fallout of Operation Epic Fury and the likely impact on inflation.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.899	101.448	5.93	5.60
REPUBLIC OF NIGERIA SEP 2028	99.894	100.603	6.17	5.87
REPUBLIC OF NIGERIA MAR 2029	105.732	106.22	6.27	6.10
REPUBLIC OF NIGERIA FEB 2030	101.864	102.326	6.60	6.47
REPUBLIC OF NIGERIA JAN 2031	107.228	107.83	6.97	6.82
REPUBLIC OF NIGERIA JUN 2031	111.594	112.038	6.95	6.85
REPUBLIC OF NIGERIA FEB 2032	103.106	103.418	7.22	7.16
REPUBLIC OF NIGERIA SEP 2033	99.619	100.181	7.44	7.34
REPUBLIC OF NIGERIA DEC 2034	117.143	117.524	7.65	7.59
REPUBLIC OF NIGERIA JAN 2036	106.023	106.32	7.74	7.70
REPUBLIC OF NIGERIA FEB 2038	97.87	98.456	7.97	05/
REPUBLIC OF NIGERIA JAN 2046	106.712	106.933	8.42	8.40
REPUBLIC OF NIGERIA NOV 2047	93.116	93.601	8.31	8.26
REPUBLIC OF NIGERIA JAN 2049	108.218	108.565	8.43	8.40
REPUBLIC OF NIGERIA SEP 2051	97.606	97.974	8.48	8.44

Last week, Nigeria's Eurobonds initially faced a sharp sell off before finding some stability. This upward trend was primarily driven by a global shift in investor sentiment following a major geopolitical escalation. The joint U.S. – Israeli strikes on Iran (Operation Epic Fury) on March 1 triggered an immediate risk off sentiment. Investors rotated out of emerging debt like Nigeria's Eurobonds into traditional safe havens like U.S. Treasuries.

Expectation

Expectations for Nigeria's Eurobond yields for this week, lean toward continued volatility with a bearish bias, as market remains sensitive to Operation Epic Fury conflict in the Middle East.

EQUITY MARKET

The Nigeria equity markets YTD return reached 26.58% as of Friday. This growth reflects a resilient recovery following a bearish end to February, with the market adding approximately N2.67 trillion in value last week alone. The Oil and Gas sector was the standout performer, climbing 9.43% during the week. Rising global crude oil prices, fueled by the U.S. – Iran conflict and supply disruptions in the Strait of Hormuz, drove strong buying interest in major energy equities like Aradel Holdings and Oando.

Strong corporate earnings have also been a factor. Positive full-year 2025 results expectations and recent corporate actions, such as the listing of additional shares of Fidson Healthcare, sustained investor confidence.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
ETERNA	32.9	42.35	28.72%
NGXGROUP	124	150.95	21.73%
UACN	96	115.8	20.63%
CUSTODIAN	68	81.9	20.44%
SOVRENINS	2.21	2.66	20.36%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
MCNICHOLS	8.47	6.4	-24.44%
MECURE	75.85	61.5	-18.92%
MULTIVERSE	22.7	18.45	-18.72%
JAIZBANK	12.63	10.3	-18.45%
OMATEK	2.6	2.2	-15.38%

Expectation

Expectations for the equity market this week lean towards cautious but stable performance. Analysts anticipate a mixed bag of activities as investors balance recent gains with the wait for major corporate earnings.

Investors are currently awaiting the earning reports of four major Tier-1 banks and other large-cap companies. These results are expected to be the primary direction of trade in the near term

TOP STORIES

GLOBAL NEWS

- Brent crude soared by 28% last week, crossing $92/barrel and spiking towards $116/barrel in early Monday trading.
- Iran has effectively closed the vital Strait of Hormuz checkpoint, through which 20% of global oil and LNG transits.
- Major producers like Iraq, Kuwait, and the UAE have begun cutting production due to limited storage as shipping grinds to a halt.
- Over 4,000 daily flights were cancelled in the Gulf; insurers have withdrawn war-risk coverage, making commercial transit through the region unviable.
- The U.S. unexpectedly shed 92,000 jobs in February, with the unemployment rate ticking to 4.4%

DOMESTIC NEWS

- Dangote Refinery raised its gantry price twice in four days, from N774 TO N995 per litre.
- NNPCL outlets hiked pump prices twice in 24 hours, jumping from N960 to N1,082 per litre in Abuja and Lagos.
- CBN Directs Banks To Conduct Stress Tests Ahead Of Recapitalisation Deadline

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