Custodian ASSET MANAGEMENT LTD

Custodian Asset Management Ltd

Weekly Market Update

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

11th June 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	3.89%	4.07%
Inflation	15.69%	15.38%
MPR	26.50%	26.50%
Exchange rate (NAFEM)	₦1,363.82	₦1,362.21/$
Exchange rate (Parallel)	₦1,361.06	₦1,360.30/$
External reserves	$50.43 bn	$50.04 bn
Brent	$87.33/barrel	$93.09/barrel
Gold	$4,210.09/oz	$4,328.6/oz

The Naira was stable last week which was primarily driven by improved dollar liquidity in the official Nigerian Foreign Exchange Market (NFEM) window and a 17-year high in gross external reserves, which surpassed $50 billion. This robust external buffer significantly reinforced investor confidence and boosted the Central Bank of Nigeria's (CBN) capacity to defend the local currency.

Nigeria's gross external reserves rose to a 17-year high of $50.35 billion during the week ending June 12, 2026, driven primarily by a surge in foreign capital inflows and sustained crude oil export earnings. According to data from the Central Bank of Nigeria (CBN), this steady accretion was further bolstered by robust diaspora remittances and the formal implementation of the CBN's revised Foreign Exchange Manual, which dramatically improved autonomous dollar liquidity and market transparency.

Global crude oil prices dropped sharply during the week ending June 12, 2026, with Brent crude hitting a four-month low of $87.33 per barrel, primarily due to easing geopolitical risk premiums and progress toward a U.S.-Iran peace agreement. Market anxieties softened significantly after U.S. President Donald Trump cancelled planned airstrikes on Iran, signaling that a formal deal to reopen the blockaded Strait of Hormuz was entering its final stages. This diplomatic breakthrough was reinforced by statements from U.S. Energy Secretary Chris Wright confirming that tanker traffic through the vital Middle Eastern chokepoint is already rising meaningfully.

During the week ending June 12, 2026, global gold prices dropped sharply—breaking below the critical support level of $4,200 per ounce—primarily driven by intense geopolitical escalations early in the week that triggered aggressive profit-taking and margin-call liquidations across global financial markets. This initial downside momentum accelerated as investors rapidly unwound leveraged positions amidst highly volatile trading conditions and a temporary surge in the U.S. dollar.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
OVN	22.04%	22.10%

Nigeria's financial system liquidity dropped slightly to ₦4.7 trillion due to intense liquidity tightening operations by the Central Bank of Nigeria, which successfully mopped up ₦1.69 trillion from the banking system through its aggressive Open Market Operations (OMO) bill auctions.

Expectation

Expectations for system liquidity this week point to further compression and a potential drop below the ₦4.70 trillion mark as the Central Bank of Nigeria continues its aggressive liquidity tightening through scheduled treasury bill and OMO auctions.

TREASURY BILLS MARKET

The average yield on Nigerian Treasury Bills (NTBs) edged slightly higher last week as investor sentiment was heavily influenced by a massive upward revision in the Debt Management Office's (DMO) offer size from ₦400 billion to ₦1 trillion, a move that drastically increased the supply of short-term debt paper and gave institutional investors greater leverage to demand higher returns. This upward yield trajectory was further exacerbated by deeply entrenched expectations of rising headline inflation

SECURITY	BID DISC RATE	OFFER DISC RATE
21-May-26	17.30	16.30
4-Jun-26	17.00	16.00
23-Jul-26	16.20	15.50
6-Aug-26	16.35	15.65
17-Sep-26	16.65	15.95
22-Oct-26	16.20	15.70
5-Nov-26	16.45	15.75
3-Dec-26	16.80	16.10
10-Dec-26	16.75	16.05

17-Dec-26	16.75	16.05
7-Jan-27	16.70	16.20
21-Jan-27	16.60	16.10
18-Feb-27	16.55	16.20
11-Mar-27	16.45	16.10
18-Mar-27	16.40	16.05
25-Mar-27	16.40	16.15
8-Apr-27	16.35	16.10
22-Apr-27	16.10	15.95
6-May-27	15.90	15.70

Expectation

Nigerian Treasury Bill yields this week are projected to experience some volatility as the market balances a major liquidity injection from FAAC allocations against the dual pressures of a fresh headline inflation print and the highly anticipated stop rates determined at the upcoming primary market auction.

BONDS MARKET

The average yield on FGN bonds rose last week as persistent global inflationary pressures and an uncertain domestic monetary policy direction made investors skeptical of taking long positions, leaving the future trajectory of bond yields mixed and unclear.

SECURITY	BID YIELD	OFFER YIELD
NIGB 16.28 27	17.49	16.55
NIGB 19.94 27	17.62	16.65
NIGB 13.98 28	17.00	16.40
NIGB 19.30 29	17.00	16.55
NIGB 14.55 29	16.95	16.30
NIGB 18.50 31	16.95	16.80
NIGB 17.95 32	16.95	16.75
NIGB 19.89 33	16.95	16.80
NIGB 19.00 34	16.80	16.60
NIGB 22.60 35	16.80	16.60
NIGB 16.25 37	16.35	15.65
NIGB 15.45 38	15.74	15.10
NIGB 13.00 42	15.61	14.86
NIGB 14.80 49	15.50	14.42
NIGB 12.98 50	15.50	14.41
NIGB 15.70 53	15.50	14.54

Expectation

FGN bond yields are expected to rise this week despite anticipated FAAC inflows, as a projected increase in the upcoming inflation print and the newly announced ₦1.2 trillion bond auction offer size prompt investors to take short positions in anticipation of higher stop rates.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.902	101.234	5.84	5.60
REPUBLIC OF NIGERIA SEP 2028	100.587	101.024	5.84	5.64
REPUBLIC OF NIGERIA MAR 2029	106.235	106.578	5.90	5.77
REPUBLIC OF NIGERIA FEB 2030	102.865	103.213	6.26	6.15
REPUBLIC OF NIGERIA JAN 2031	108.274	108.718	6.63	6.52
REPUBLIC OF NIGERIA JUN 2031	112.622	112.746	6.61	6.58
REPUBLIC OF NIGERIA FEB 2032	105.375	105.87	6.72	6.61
REPUBLIC OF NIGERIA SEP 2033	102.413	102.795	6.94	6.88
REPUBLIC OF NIGERIA DEC 2034	120.579	120.874	7.10	7.06
REPUBLIC OF NIGERIA JAN 2036	110.081	110.466	7.16	7.10
REPUBLIC OF NIGERIA FEB 2038	103.683	104.228	7.22	7.15
REPUBLIC OF NIGERIA JAN 2046	112.335	112.685	7.88	7.85
REPUBLIC OF NIGERIA NOV 2047	99.48	99.996	7.67	7.62
REPUBLIC OF NIGERIA JAN 2049	113.828	114.464	7.92	7.87
REPUBLIC OF NIGERIA SEP 2051	102.872	103.379	7.98	7.94

The average yield on Nigerian Eurobonds dropped slightly last week primarily due to a broad recovery in global risk sentiment and renewed buying interest from offshore investors, which was triggered by a sharp late-week pullback in U.S. Treasury yields. This international market relief, combined with positive structural feedback from the IMF's 2026 Article IV Consultation praising Nigeria's foreign exchange and banking reforms, helped bolster investor confidence in the country's sovereign debt instruments and drove bond prices up and yields down.

Expectation

Expectations for Nigerian Eurobond yields this week point to a period of consolidation, with yields likely to hold steady or drift lower if global risk sentiment remains positive and domestic oil production trends continue to stabilize.

EQUITY MARKET

The Nigerian equity market's year-to-date return improved to 57.27% last week due to aggressive bargain hunting and tactical portfolio repositioning by investors capitalizing on heavily discounted, fundamentally sound equities following a recent multi-week market correction. This bullish momentum was further amplified by a strong resurgence of interest in highly liquid banking, consumer goods, and industrial heavyweights, as positive corporate indicators and stabilized macroeconomic metrics encouraged market participants to lock in attractive entry points.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
ABCTRANS	6.21	7.8	25.60%
ABBEYBDS	9.35	11.4	21.93%
INFINITY	9.35	11.25	20.32%
AUSTINLAZ	3.76	4.33	15.16%
TIP	29.25	33.45	14.36%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
FIDSON	136.5	101.2	-25.86%
NEIMETH	10.6	8.55	-19.34%
UHOMREIT	84.7	70	-17.36%
SUNUASSUR	4.48	3.97	-11.38%
UNILEVER	156	140	-10.26%

Expectation

The outlook for the Nigerian equity market this week is cautiously optimistic, with expectations of continued cherry-picking of high-yield stocks and bank shares balanced by potential profit-taking from short-term investors.

TOP STORIES

GLOBAL NEWS

- The European Central Bank unexpectedly raised interest rates by 25 basis points.
- The Bank of Canada held its benchmark policy rate completely steady.
- Investors heavily adjusted portfolios ahead of the upcoming Federal Reserve meeting.

- The U.S. Consumer Price Index climbed to a notable 3-year high.
- The World Bank downgraded its 2026 global economic growth forecast to 2.5%.
- The United Kingdom economy contracted by 0.1% month-over-month for April.

DOMESTIC NEWS

- The IMF concluded its 2026 Article IV Consultation with the Nigerian government.
- The IMF projected Nigeria's annual economic growth to reach 4.1% in 2026.

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