Custodian ASSET MANAGEMENT LTD

Custodian Asset Management Ltd

Weekly Market Update

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

13th March 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	4.07%	3.98%
Inflation	15.10%	15.15%
Exchange rate (NAFEM)	N1,366.23/$	N1,393.25/$
Exchange rate (Parallel)	N1,402.00/$	N1,402.88/$
External reserves	$50.03 bn	$49.93 bn
Brent	$103.14/barrel	$92.69/barrel
Gold	$5,020.00/oz	$5,171.92/oz

The Naira appreciated in the official market last week primarily due to surging foreign reserves, direct central Bank interventions and improved market liquidity.

Nigeria gross external reserves surpassed the $50 billion mark during the week ended March 13, 2026 mainly due to stronger FX inflows and policy changes that improved confidence in the FX market. The major drivers include higher oil production and export earnings, improved investor confidence and capital inflows and orthodox monetary policy and tight liquidity.

Oil prices rose last week, with Brent crude breaking above $100 per barrel. This surge was primarily driven by severe supply disruptions and escalating military conflict in the middle east. The main driver was the escalating war involving the U.S., Israel and Iran, which began in late February. Retaliatory attacks and the deployment of mines by Iran have effectively halted tanker traffic through the Strait of Hormuz. This narrow waterway is a critical chokepoint for roughly 20% of global oil supply.

Gold prices dropped last week, with spot gold sliding roughly 3% to settle near the critical $5,000 per ounce level. The decline was driven by a shift in market sentiment where safe-haven demand were overshadowed by other factors. For example, surging oil prices fueled fears of persistent inflation. This led investors to bet that the Federal reserve will keep interest rates higher for longer, reducing the appeal of non-yielding gold. Also, the U.S. Dollar Index (DXY) broke above 100.00 making gold more expensive for international buyers and triggering sell-offs.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
ON	22.15%	22.21%

System liquidity rose last week, surging to approximately N6.6 trillion. This jump from the previous week's levels was driven by a heavy concentration of fiscal and monetary inflows. The Federal Account Allocation Committee (FAAC) distributed a total of N1.894 trillion in revenue to the three tiers of government during its March meeting. Approximately N711.16 billion in Nigeria Treasury Bills matured during the week. This repayment injected fresh cash back into the banking system. Consequently, OPR and ON stood at 22.00% and 22.15% respectively.

Expectation

We expect the banking system to remain in a net surplus liquidity position, supported by the 22.0% Standing Deposit Facility (SDF) rate, which incentivizes banks to place excess funds with the CBN. Liquidity levels are also likely to reflect the residual effects of last week's substantial fiscal inflows.

TREASURY BILLS MARKET

The average yield on Nigerian Treasury Bills dropped slightly last week primarily due to exceptionally strong investor demand and excess system liquidity.

At the CBN primary market auction on Wednesday, March 11, total subscriptions hit N2.78 trillion which was over 227% higher than the N850 billion offered.

SECURITY	BID DISC RATE	OFFER DISC RATE
26-Mar-26	17.50	16.00
23-Apr-26	17.00	15.75
21-May-26	16.20	15.20
4-Jun-26	16.10	15.40
9-Jul-26	16.10	15.40
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	16.60	16.35

4-Mar-27	16.55	16.30
11-Mar-27	16.50	16.30

Expectation

Expectations for NTB yields this week lean towards a slight decline, driven by a massive glut of cash in the banking system. The NBS is expected to release February inflation data on Monday. If inflation continues its downward trend below the 15% mark, it will reinforce expectations that the CBN will continue its rate cut cycle, causing yields to soften.

BONDS MARKET

Average yield on FGN bonds rose to 16.13%. This upward movement was primarily driven by a combination of global risk aversion and local market adjustment. FGN bond activity dropped sharply, with traded volumes dropping 90% week-on-week. Many institutional investors stayed on the sidelines, leading to thin market activity that allowed yields to edge higher.

SECURITY	BID YIELD	OFFER YIELD
FGN 16.2884% MAR 2027	16.65	15.44
FGN 19.9400% MAR 2027	16.15	15.61
FGN 13.9800% FEB 2028	15.99	15.45
FGN 19.3000% APR 2029	16.11	15.57
FGN 14.5500% APR 2029	15.90	15.36
FGN 18.5000% FEB 2031	16.19	16.03
FGN 17.9500% JUN 2032	16.18	16.02
FGN 19.8900% MAY 2033	16.17	16.01
FGN 19.0000% FEB 2034	16.08	15.92
FGN 22.6000% JAN 2035	16.15	15.99
FGN 16.2499% APR 2037	15.90	15.11
FGN 15.45% JUN 2038	15.52	14.73
FGN 13.0000% JAN 2042	15.66	14.87
FGN 14.8000% APR 2049	14.78	13.94
FGN 12.9800% MAR 2050	14.72	13.88
FGN 15.7000% JUN 2053	15.15	14.31

Expectation

The outlook for FGN bonds this week is bullish with yields expected to decline as market participants reacts to positive inflation data and high system liquidity.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.873	101.341	5.94	5.65
REPUBLIC OF NIGERIA SEP 2028	99.773	100.246	6.22	6.02
REPUBLIC OF NIGERIA MAR 2029	105.62	106.328	6.30	6.05
REPUBLIC OF NIGERIA FEB 2030	101.762	101.938	6.62	6.57
REPUBLIC OF NIGERIA JAN 2031	107.004	107.663	7.01	6.86
REPUBLIC OF NIGERIA JUN 2031	111.081	111.148	7.05	7.03
REPUBLIC OF NIGERIA FEB 2032	102.852	103.107	7.27	7.22
REPUBLIC OF NIGERIA SEP 2033	99.435	99.981	7.47	7.38
REPUBLIC OF NIGERIA DEC 2034	116.784	117.093	7.70	7.65
REPUBLIC OF NIGERIA JAN 2036	105.672	106.094	7.79	7.73
REPUBLIC OF NIGERIA FEB 2038	98.044	98.577	7.95	05/
REPUBLIC OF NIGERIA JAN 2046	106.12	106.291	8.48	8.46
REPUBLIC OF NIGERIA NOV 2047	93.048	93.339	8.32	8.29
REPUBLIC OF NIGERIA JAN 2049	108.23	108.349	8.43	8.42
REPUBLIC OF NIGERIA SEP 2051	97.594	97.975	8.48	8.44

Average yield on Nigerian Eurobonds spiked last week, rising from 6.98% to approximately 7.25% as the market experienced a significant sell-off. A major escalation in the Middle East triggered a global flight to safety. Investors pivoted away from emerging market debt like Nigerian Eurobonds toward traditional safe-haven assets like U.S. Treasuries.

Expectation

Expectations for Nigeria's Eurobond yields for this week are for continued volatility with a slight upward bias, as the market balances strong domestic fundamentals against high global geopolitical risk. Yields are expected to remain under pressure as the middle east conflict continues to drive risk-off sentiment globally.

While Brent Crude trading near $100 per barrel improves Nigeria's fiscal revenue and reserve outlook, it also heightens global inflation concerns. This typically keeps global benchmark rates high, which acts as a headwind for emerging markets bonds like Nigeria's.

EQUITY MARKET

The YTD return of the Nigerian equity market improved to 27.%0% during the week ended March 13, 2026. Despite a mid-week dip, the market rebounded Thursday and Friday as buyers took advantage of lower entry points. The NGX ASI climbed to a record high of 198,407.3 points gaining 0.74% over the week. Companies like NGX

Group reported a 14.26% rise in profit before tax and declared a N2 dividend, triggering a massive YTD rally in its share price.

Investors engaged in bargain hunting and portfolio rebalancing, positioning themselves in fundamentally strong stocks ahead of full release of 2025 audited financial results. High liquidity from institutional investors and local pension funds continued to drive demand for large cap equities like Zenith Bank, GTCO and MTN Nigeria.

The Industrial Goods sector led the way with a 3.06% daily gain on Friday, supported by price upticks in major cement and manufacturing stocks.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
CONOIL	169	204.4	20.95%
BUACEMENT	225	270	20.00%
FIDSON	88.5	105.35	19.04%
OMATEK	2.2	2.6	18.18%
NGXGROUP	150.95	176.5	16.93%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
SCOA	34.35	22.65	-34.06%
SOVRENINS	2.66	2.11	-20.68%
ALEX	15.5	12.6	-18.71%
LIVINGTRUST	5.87	4.85	-17.38%
LEARNAFRCA	9.8	8.25	-15.82%

Expectation

The expectation for the Nigerian equity market this week is neutral-to-bullish, with analysts expecting a phase of healthy consolidation following the recent rally to record highs.

The market is currently navigating a period of selective buying and profit-taking as investors recalibrate their portfolios ahead of the full release of 2025 audited financial results. This is expected to persist.

TOP STORIES

GLOBAL NEWS

- Gulf producers have cut output by over 10 million barrels per day due to a lack of export outlets and safety risks
- Attacks on oil facilities in the Middle East have further constrained global fuel availability
- Oil prices spiked to nearly $120/bbl before easing to around $100/barrel.
- In an unprecedented move on March 11, IEA member countries agreed to release 400 million barrels of oil from emergency reserves to address supply gap
- U.S. Consumer Price Index held steady at 2.4% annually, in line with expectations

DOMESTIC NEWS

- Nigeria's gross external reserves officially crossed $50.45 billion last week, reaching a 13-year high.
- The CBN announced that 30 out of 33 banks have now met the new minimum capital requirements ahead of the March 31 deadline.
- Fresh data from the NBS showed Nigeria maintained a strong trade surplus.

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