Custodian Asset Management Ltd

Weekly Market Update

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

17th April 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	4.07%	3.98%
Inflation	15.38%	15.06%
Exchange rate (NAFEM)	N1,343.64/$	N1,356.89/$
Exchange rate (Parallel)	N1,345.78/$	N1,358.68/$
External reserves	$48.65 bn	$48.85 bn
Brent	$91.7/barrel	$95.2/barrel
Gold	$4,831.23/oz	$4,748.73/oz

Nigeria external reserves dropped to $48.65 billion last week, representing a cumulative decline of roughly $1.38 billion over a 5-week period. A significant part of the drawdown was fueled by external debt payment service repayments on Eurobonds and other financial obligations. The CBN has also been actively defending the Naira and providing liquidity to the official market foreign exchange window, which helps keep the currency stable.

The Naira appreciated last week to N1,342.5/$ last week supported by market confidence and global trends. A broad-based decline in the U.S. Dollar Index made other currencies, including the Naira, appear stronger by comparison. New systems like the Electronic Foreign Exchange Matching System (EFEMS) have improved price discovery and transparency, discouraging the hoarding of dollars for speculative gain.

Oil prices plunged sharply last week with Brent Crude falling to close at $91.7 per barrel. The most direct cause was Iran's announcement on Friday that it was reopening the Strait of Hormuz to commercial shipping.

Last week, gold prices appreciated to$4,831.23 in response to a softening U.S. dollar, which has become highly sensitive to geopolitical shifts in the Middle East. Typically, escalations in the region drive safe-haven demand for the dollar, while de-escalations lead to a decline. This direct correlation was evident last week, as a tenuous ceasefire triggered a dollar sell-off, subsequently lifting the price of gold.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
ON	22.31%	22.35%

System liquidity declined last week, with opening balances dropping N3.84 trillion. The drop was primarily caused by aggressive monetary tightening by the CBN. The CBN held an OMO auction on Tuesday, April 14, mopping up over N1 trillion in a single day. OPR and ON rates closed at 22.00% and 22.31% respectively.

Expectation

The CBN is expected to maintain its aggressive mop-up strategy to control inflation and support the Naira.

TREASURY BILLS MARKET

Average Treasury bill yields saw a marginal decline, underpinned by relatively healthy system liquidity. This stability was further reinforced as the market continued to price in the lower stop rates from the previous NTB auction.

SECURITY	BID DISC RATE	OFFER DISC RATE
23-Apr-26	17.00	15.75
21-May-26	16.55	15.85
4-Jun-26	16.50	15.80
9-Jul-26	16.35	15.65
6-Aug-26	16.35	15.65
17-Sep-26	16.65	15.95
8-Oct-26	16.40	15.70
5-Nov-26	16.45	15.75
3-Dec-26	16.65	15.95
10-Dec-26	16.65	15.95
17-Dec-26	16.60	15.90
7-Jan-27	16.55	16.15
21-Jan-27	16.45	16.05
18-Feb-27	16.35	16.00
4-Mar-27	16.30	15.95
11-Mar-27	16.25	15.90
18-Mar-27	16.20	15.85
25-Mar-27	16.10	15.85
8-Apr-27	15.90	15.65

Expectation

Expectations for Treasury bill yields this week are mixed. While an estimated N1.6 trillion in inflows from maturities is set to keep system liquidity relatively high, the recent spike in March inflation to 15.38% has introduced a layer of investor caution. Despite these inflationary pressures, we anticipate the downward trend in yields to persist as strong demand for naira-denominated assets remains resilient.

Market eyes are on Wednesday's N750 billion NTB auction, where heavy oversubscription is expected. If the Central Bank further cuts stop rates to manage borrowing costs, this will likely drag secondary market yields even lower.

BONDS MARKET

Despite broader economic pressures, the bond market saw mild buying interest, causing yields to soften as investors utilized excess liquidity to lock in favorable returns. The drop in yields was also influenced by the DMO's recent bond auction results, where strong oversubscription signaled that demand is still outstripping supply. Most of the buying activity was concentrated in the short-to-medium tenors, as investors remained wary of committing to very long-dated bonds given the recent uptick in inflation.

SECURITY	BID YIELD	OFFER YIELD
NIGB 16.288 27	16.85	16.30
NIGB 19.94 27	16.85	16.30
NIGB 13.98 28	16.70	16.00
NIGB 19.30 29	16.50	16.15
NIGB 14.55 29	16.70	16.20
NIGB 18.50 31	16.55	16.40
NIGB 17.95 32	16.55	16.40
NIGB 19.89 33	16.55	16.40
NIGB 19.00 34	16.45	16.30
NIGB 22.60 35	16.40	16.10
NIGB 16.25 37	15.84	15.03
NIGB 15.45 38	15.52	14.71
NIGB 13.00 42	15.55	14.74
NIGB 14.80 49	14.94	14.13
NIGB 12.98 50	14.93	14.12
NIGB 15.70 53	15.50	14.69

Expectation

Looking ahead, yields are expected to remain stable or decline further.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.879	101.364	5.91	5.59
REPUBLIC OF NIGERIA SEP 2028	100.61	101.093	5.85	5.64
REPUBLIC OF NIGERIA MAR 2029	106.739	107.277	5.83	5.64
REPUBLIC OF NIGERIA FEB 2030	102.867	103.056	6.29	6.23
REPUBLIC OF NIGERIA JAN 2031	107.607	108.004	6.84	6.75
REPUBLIC OF NIGERIA JUN 2031	111.956	112.166	6.82	6.78
REPUBLIC OF NIGERIA FEB 2032	104.642	104.982	6.89	6.82
REPUBLIC OF NIGERIA SEP 2033	101.299	101.921	7.15	7.04
REPUBLIC OF NIGERIA DEC 2034	118.381	118.717	7.45	7.40
REPUBLIC OF NIGERIA JAN 2036	108.273	108.725	7.42	7.35
REPUBLIC OF NIGERIA FEB 2038	101.294	101.737	7.53	7.47
REPUBLIC OF NIGERIA JAN 2046	109.257	109.794	8.17	8.12
REPUBLIC OF NIGERIA NOV 2047	96.319	96.932	7.98	7.92
REPUBLIC OF NIGERIA JAN 2049	111.36	111.846	8.14	8.10
REPUBLIC OF NIGERIA SEP 2051	100.621	101.196	8.19	8.14

Nigeria Eurobond yields dropped last week, reflecting a broader rally in emerging market debt. The most significant driver was the reported progress in ceasefire discussions between the United States, Israel and Iran. The potential deescalation of the conflict in the Middle East, specifically the reopening of the Strait of Hormuz, led to 'risk-on' sentiment among global investors.

Expectation

The trajectory of Eurobond yields remains tethered to the fragile stability of the Middle East. While the reopening of the Strait of Hormuz has provided some immediate relief, the sustainability of this market rally hinges on one pivotal question: Will the delicate ceasefire between the US, Israel, and Iran hold?

If the truce holds, we can expect a continued "risk-on" appetite, driving yields lower as the war premium evaporates. However, any breach in the agreement would likely reignite safe-haven demand, sending yields back up as investors flee emerging market debt for the safety of the US Dollar.

EQUITY MARKET

The YTD return of the Nigerian equity market surged to 39.56% last week as the NGX ASI hit a record high above 217,000 points. A massive catalyst was the decision by FTSE Russell to upgrade Nigeria back to Frontier Market status from unclassified. This move triggered a buy signal for both local and institutional investors, who flooded the market with liquidity.

Substantial gains in large cap stocks provided the index with heavy support. Key advances included Access Holdings, MTN Nigeria, Ecobank (ETI), and First Holdco, with some stocks appreciating by the maximum daily limit of 10%.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
ETI	46	67.3	46.30%
STANBIC	138	188.55	36.63%
ROYALEX	1.43	1.85	29.37%
ARADEL	1279	1649	28.93%
FIRSTHOLDCO	52.05	64	22.96%

Top losers

STOCK	PREVIOUS	CURRENT	CHANGE
WAPIC	2.92	2.5	-14.38%
IKEJAHOTEL	39	33.4	-14.36%
INTENEGINS	3.55	3.06	-13.80%
ACADEMY	8.75	7.65	-12.57%
HONYFLOUR	21.35	19	-11.01%

Expectation

We expect continued momentum following last week's historic 6.57% surge. The market is riding a massive buy signal following FTSE Russel recent classification of Nigeria as a frontier market. Analysts expect sustained inflows from international funds. Strong interest remains focused on large-cap stocks like Zenith Bank, GTCO, and MTN Nigeria.

TOP STORIES

GLOBAL NEWS

- The Dollar hit a two-month low.
- Iran opened the shipping strait, causing oil prices to reduce.
- The IMF lowered the 2026 global growth forecast to 3.1% due to war risks.
- China reported a strong 5% GDP growth, lifting hopes for global trade.
- A fragile ceasefire between Israel and Lebanon cooled global inflation fears.

DOMESTIC NEWS

- March inflation hit 15.38% ending an 11-month downward trend.
- Nigeria officially declined a new IMF bailout, favouring internal reforms
- IMF cuts Nigeria's 2026 growth outlook to 4.1%
- OPEC reports Nigeria's crude oil output rises to 1.38mbpd in March

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