Custodian ASSET MANAGEMENT LTD

Custodian Asset Management Ltd

Weekly Market Update

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

19th June 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	3.89%	4.07%
Inflation	15.93%	15.69%
MPR	26.50%	26.50%
Exchange rate (NAFEM)	₦1,370.45	₦1,363.82
Exchange rate (Parallel)	₦1,362.64	₦1,361.06
External reserves	$51.03 bn	$50.43 bn
Brent	$80.57/barrel	$87.33/barrel
Gold	$4,155.68/oz	$4,210.09/oz

The Nigerian naira lost 1.04% week-on-week to close at ₦1,370.46 per dollar at the official Nigerian Foreign Exchange Market (NFEM) on Friday, June 19, 2026, primarily due to slowing market liquidity and sustained foreign exchange demand from importers, manufacturers, and market participants. Despite Nigeria's external reserves reaching a 17-year high of $51.03 billion, the temporary dip in day-to-day dollar supply at the official window triggered a mild depreciation.

The Nigerian external reserves rose to a 17-year high of $51.03 billion on June 18, 2026, primarily due to substantial foreign exchange inflows from improved crude oil exports, rising diaspora remittances, and heightened interest from foreign portfolio investors. This aggressive accumulation—which marks a $13.3 billion year-on-year surge—was heavily driven by the Central Bank of Nigeria's (CBN) aggressive foreign exchange market reforms and tighter monetary policies, which restored global investor confidence and optimized liquidity.

Global crude oil prices fell sharply last week, with ICE Brent crude losing $8 per barrel to settle at $80, primarily driven by the announcement and signing of a historic U.S.-Iran peace deal that aims to permanently reopen the Strait of Hormuz. The breakthrough framework agreement effectively erased the geopolitical risk premium built into energy markets during the three-month maritime conflict by paving the way for trapped tankers to resume commercial shipping through the critical chokepoint.

Global gold prices dropped for a third consecutive week to settle near $4,155 per ounce by the Friday, June 19, 2026 close, primarily driven by a hawkish policy surprise from the U.S. Federal Reserve. Under the leadership of new Chair Kevin Warsh, the Fed held interest rates steady but shocked markets by signaling that nearly half of its policymakers now anticipate a rate hike later in 2026 due to sticky core inflation. This unexpected shift in monetary outlook sent the U.S. dollar surging to a one-year high and pushed Treasury yields higher, which severely diminished the appeal of non-yielding bullion.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
OVN	22.19%	22.04%

Nigeria's financial system liquidity dropped slightly to ₦3.98 trillion last week primarily due to the Central Bank of Nigeria's aggressive cash withdrawals through massive Open Market Operations (OMO) and treasury bill auctions aimed at tackling inflation, alongside significant settlement outflows for foreign exchange purchases at the official window. The overnight (OVN) lending rate rose to 22.19% last week because the contraction in financial system liquidity to ₦3.98 trillion forced commercial banks to aggressively bid up the cost of short-term interbank borrowing to meet their immediate funding and clearing obligations

Expectation

Financial system liquidity is expected to remain tight while the overnight (OVN) lending rate stays elevated near 22% this week as anticipated statutory allocations from the Federation Account are balanced out by continued Central Bank liquidity mop-ups and treasury bill settlements.

TREASURY BILLS MARKET

The average yield on Nigerian treasury bills rose last week primarily because the Debt Management Office (DMO) significantly increased the volume of securities on offer, forcing primary auction stop rates to clear much higher than market expectations as institutional investors demanded steeper risk premiums. This aggressive supply expansion triggered a heavy wave of sell-offs in the secondary market, where market participants rebalanced their portfolios to match the higher primary benchmarks amid a broader institutional flight toward maximum yields.

Summary of Auction

Tenor	Amount offered	Total subscriptions	Total allotted	Stop rate
91-Day	₦100.00 Billion	₦129.69 Billion	₦129.32 Billion	16.28%
182-Day	₦100.00 Billion	₦70.22 Billion	₦70.17 Billion	16.50%
364-Day	₦800.00 Billion	₦1.66 Trillion	₦1.29 Trillion	17.34%

SECURITY	BID DISC RATE	OFFER DISC RATE
23-Jul-26	17.20	16.50
6-Aug-26	16.75	16.05
20-Aug-26	16.75	16.25
3-Sep-26	16.45	15.95
17-Sep-26	16.45	15.95
22-Oct-26	16.45	15.95
5-Nov-26	16.50	16.00
19-Nov-26	16.55	16.15
10-Dec-26	17.20	16.90
21-Jan-27	17.20	16.70
18-Feb-27	17.25	16.85
11-Mar-27	17.25	16.85
18-Mar-27	17.20	16.80
25-Mar-27	17.20	16.80
8-Apr-27	17.00	16.60
22-Apr-27	16.60	16.20
6-May-27	17.05	16.65
20-May-27	17.00	16.70
3-Jun-27	17.20	16.90
17-Jun-27	17.20	16.95

Expectation

Average treasury bill yields are expected to rise or stay heavily elevated in the secondary market this week as investors continue to adjust to the sharply higher 17.34% primary market stop rates and ongoing Central Bank liquidity mop-ups.

BONDS MARKET

The average yield on FGN bonds rose last week because the Debt Management Office (DMO) sharply increased the volume of securities on offer for both the upcoming bond and recent treasury bill auctions, which triggered unexpected higher stop rates at the treasury bill window and prompted institutional investors to aggressively price in higher yields across the entire fixed-income ecosystem ahead of Monday's massive FGN bond auction.

SECURITY	BID YIELD	OFFER YIELD
NIGB 16.288 27	18.23	17.83
NIGB 19.94 27	18.14	17.76
NIGB 13.98 28	17.80	17.40
NIGB 19.30 29	17.65	17.25
NIGB 14.55 29	17.51	17.11
NIGB 18.50 31	18.02	17.81
NIGB 17.95 32	18.11	17.90
NIGB 19.89 33	18.07	17.86
NIGB 19.00 34	18.13	17.92
NIGB 22.60 35	18.12	17.91
NIGB 16.25 37	18.15	17.94
NIGB 15.45 38	16.75	16.25
NIGB 13.00 42	16.00	15.50
NIGB 14.80 49	15.93	15.43
NIGB 12.98 50	15.91	15.41
NIGB 15.70 53	15.90	15.40

Expectation

Average FGN bond yields are expected to rise or remain elevated this week as the secondary market adjusts to the higher stop rates anticipated from Monday's large-scale DMO bond auction and the recent treasury bill spikes.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD
REPUBLIC OF NIGERIA NOV 2027	100.757	101.107	5.94	5.68
REPUBLIC OF NIGERIA SEP 2028	100.207	100.575	6.02	5.84
REPUBLIC OF NIGERIA MAR 2029	105.646	106.018	6.11	5.97
REPUBLIC OF NIGERIA FEB 2030	102.315	102.524	6.42	6.36
REPUBLIC OF NIGERIA JAN 2031	107.565	107.977	6.79	6.69
REPUBLIC OF NIGERIA JUN 2031	111.845	112.031	6.77	6.73
REPUBLIC OF NIGERIA FEB 2032	104.383	105.006	6.92	6.79
REPUBLIC OF NIGERIA SEP 2033	101.479	101.936	7.11	7.03
REPUBLIC OF NIGERIA DEC 2034	119.575	119.942	7.24	7.19
REPUBLIC OF NIGERIA JAN 2036	108.933	109.366	7.31	7.25
REPUBLIC OF NIGERIA FEB 2038	102.456	102.972	7.38	7.31
REPUBLIC OF NIGERIA JAN 2046	111.529	111.849	7.96	7.93
REPUBLIC OF NIGERIA NOV 2047	98.744	99.243	7.75	7.70
REPUBLIC OF NIGERIA JAN 2049	113.076	113.574	7.99	7.94
REPUBLIC OF NIGERIA SEP 2051	102.368	102.823	8.03	7.99

The average yield on Nigerian Eurobonds rose across all tenors last week primarily because the U.S. Federal Reserve's hawkish policy surprise and signals of a potential rate hike later in 2026 drove global investors to dump emerging market debt in favor of safer, higher-yielding U.S. Treasuries. This foreign capital flight was further aggravated by domestic macroeconomic pressures, including Nigeria's headline inflation quickening to 15.93% and a brutal ₦5.64 trillion local stock market crash, which heightened risk perceptions

Expectation

The average yield on Nigerian Eurobonds is expected to remain elevated this week as persistent global risk aversion and the U.S. Federal Reserve's hawkish stance continue to suppress emerging market debt prices, though a stabilizing naira and rising domestic foreign reserves could cap further significant increases.

EQUITY MARKET

The Nigerian stock market's year-to-date (YTD) return moderated to 51.62% during the third week of June 2026, dropping from higher levels earlier in the month due to a brutal six-session losing streak that wiped out ₦5.64 trillion in investor wealth. This heavy correction on the Nigerian Exchange (NGX) was primarily driven by widespread profit-taking and aggressive panic selling in major banking, consumer goods, and industrial heavyweight stocks like Aradel Holdings, BUA Cement, and First HoldCo. Investor sentiment was further dampened by institutional portfolio shifts toward lower-risk, highly attractive fixed-income assets—such as CBN OMO bills offering yields as high as 21.7%—alongside lingering market anxieties over the upcoming 25% capital gains tax and recent geopolitical uncertainties.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
CORNERST	5.45	6.05	11.01%
ACADEMY	7.45	8.1	8.72%
CONOIL	194	210	8.25%
NEIMETH	8.55	8.95	4.68%
IKEJAHOTEL	43.15	44.6	3.36%

Top Losers

STOCK	PREVIOUS	CURRENT	CHANGE
INTENEGINS	7.11	5.06	-28.83%
FIRSTHOLDCO	69	55	-20.29%

JOHNHOLT	13.6	11.2	-17.65%
NAHCO	179.5	148.5	-17.27%
TRIPPLEG	4	3.36	-16.00%

Expectation

The Nigerian equity market is expected to face continued bearish pressures early this week as investors sustain profit-taking and rebalance portfolios toward high-yielding fixed-income assets, though bargain hunting on heavily discounted blue-chip stocks could trigger a late-week technical rebound.

TOP STORIES

GLOBAL NEWS

- US agrees peace deal with Iran as global oil prices crash.
- Producer prices in Germany increased 2.2% year-on-year in May 2026, after a 1.7% rise in April.
- Japan's annual inflation rate edged higher to 1.5% in May 2026 from 1.4% in the previous month.
- Japan Raises Policy Rate to Highest Since 1995

DOMESTIC NEWS

- IMF urges Nigeria to introduce telecom tax, VAT on fuel products.
- Nigeria's Inflation rises to 15.93% in May 2026.
- The Nigerian stock market crashed brutally, shedding ₦5.64 trillion in investor wealth as a six-session losing streak deepened.
- The Federal Government announced that five-month tax revenue jumped 49% to ₦15.8 trillion.
- Nigeria expanded its AfCFTA cargo corridor, driving air freight costs to East and Southern Africa down by up to 80%.

Contact us:

communications@custodianassetmanagement.com