Custodian Asset Management Ltd

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Weekly Market Update

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

21 August 2026

MACROS

INDICATOR	CURRENT	PREVIOUS
GDP	3.89%	4.07%
Inflation	15.43%	15.91%
MPR	26.50%	26.50%
Exchange rate (NAFEM)	₦1,346.49/$	₦1,357.61/$
Exchange rate (Parallel)	₦1,349.18/$	₦1,359.26/$
External reserves	$52.66 bn	$52.26 bn
Brent	$94.39/barrel	$88.52/barrel
Gold	$4,603.30/oz	$4,376.62/oz

The Nigerian naira appreciated week-on-week to N1,346.49/$ primarily due to a surge in market liquidity as weekly foreign exchange turnover more than doubled, alongside Central Bank of Nigeria (CBN) policy shifts and growing external reserves which hit a 17-year high.

Nigeria's external reserves increased past $52.5 billion driven by sustained foreign capital inflows, elevated international crude oil earnings, increased diaspora remittances, and the Central Bank of Nigeria's aggressive monetary and foreign exchange market reforms.

Global crude oil prices rose to near four-week highs primarily due to fading hopes of a U.S.-Iran peace agreement following the expiration of their memorandum of understanding, alongside escalating supply fears sparked by President Trump’s threat of severe economic sanctions against Iran's trading partners.

Gold prices rose last week mainly on a weaker U.S. dollar, softer U.S. economic data and reduced expectations of further Fed rate hikes, which increased demand for the non-yielding safe-haven asset.

MONEY MARKET

Money Market	Current Week	Previous Week
OPR	22.00%	22.00%
OVN	22.14%	22.25%

System liquidity rose to about ₦4.4 trillion mainly due to large inflows from maturing government securities and other cash injections into the banking system, which outweighed the CBN's liquidity-sterilisation operations

Expectation

System liquidity is expected to remain elevated but moderate from last week's levels, as OMO and Treasury bill settlements could absorb part of the surplus, although maturities and other inflows should provide some support.

TREASURY BILLS MARKET

The average Treasury bill yield was broadly stable last week, rising by just 3bps, as strong system liquidity and investor demand provided support, while increased interest in OMO bills diverted some demand from NTBs and contributed to the slight upward pressure on Treasury bill yields.

SECURITY	BID DISC RATE	OFFER DISC RATE
3-Sep-26	17.50	16.75
24-Sep-26	17.50	16.50
8-Oct-26	17.50	16.50
15-Oct-26	17.45	16.45
5-Nov-26	17.50	16.50
19-Nov-26	17.45	16.45
10-Dec-26	17.65	17.15
7-Jan-27	17.60	17.10
21-Jan-27	17.65	17.15
18-Feb-27	17.70	17.20
11-Mar-27	17.70	17.20
18-Mar-27	17.70	17.20
25-Mar-27	17.60	17.10
8-Apr-27	17.55	17.05
6-May-27	17.60	17.10
3-Jun-27	17.75	17.25
17-Jun-27	17.65	17.15
8-Jul-27	17.50	17.15
15-Jul-27	17.80	17.45

29-Jul-27	17.75	17.40
12-Aug-27	17.50	17.25

Expectation

Treasury bill yields are expected to remain broadly stable to slightly higher this week, as elevated system liquidity supports demand but continued CBN liquidity sterilisation through OMO auctions could limit further yield compression

BONDS MARKET

The average FGN bond yield declined slightly last week, driven by strong investor demand and lower stop rates at the recent FGN bond auction, which reinforced positive sentiment and supported buying interest in the secondary market.

SECURITY	BID YIELD	OFFER YIELD
FGN 16.2884% MAR 2027	17.33	16.93
FGN 19.9400% MAR 2027	17.18	16.78
FGN 13.9800% FEB 2028	16.83	16.43
FGN 19.3000% APR 2029	17.10	16.70
FGN 14.5500% APR 2029	16.76	16.35
FGN 18.5000% FEB 2031	17.15	16.94
FGN 17.9500% JUN 2032	17.20	16.98
FGN 19.8900% MAY 2033	17.20	16.99
FGN 19.0000% FEB 2034	17.23	17.02
FGN 22.6000% JAN 2035	17.25	17.11
FGN 16.2499% APR 2037	17.25	17.11
FGN 15.45% JUN 2038	17.57	17.42
FGN 13.0000% JAN 2042	14.92	14.42
FGN 14.8000% APR 2049	14.87	14.37
FGN 12.9800% MAR 2050	14.92	14.41
FGN 15.7000% JUN 2053	14.90	14.40

Expectation

FGN bond yields are expected to remain relatively stable with a slight downward bias this week, supported by strong demand following the well-subscribed August auction and ample system liquidity, although elevated global bond yields could limit further compression.

EUROBONDS

FGN EUROBONDS	Bid Px	Ask px	BID YIELD	OFFER YIELD

REPUBLIC OF NIGERIA NOV 2027	100.75	101	5.86	5.66
REPUBLIC OF NIGERIA SEP 2028	100	100.375	6.12	5.93
REPUBLIC OF NIGERIA MAR 2029	105.5	105.875	6.04	5.88
REPUBLIC OF NIGERIA FEB 2030	102.5	103	6.33	6.18
REPUBLIC OF NIGERIA JAN 2031	107.75	108.25	6.68	6.56
REPUBLIC OF NIGERIA JUN 2031	112	112.5	6.65	6.54
REPUBLIC OF NIGERIA FEB 2032	105	105.5	6.77	6.66
REPUBLIC OF NIGERIA SEP 2033	102	102.5	7.01	6.92
REPUBLIC OF NIGERIA DEC 2034	119	119.5	7.28	7.21
REPUBLIC OF NIGERIA JAN 2036	108.5	109	7.36	7.29
REPUBLIC OF NIGERIA FEB 2038	101.5	102	7.50	7.43
REPUBLIC OF NIGERIA JAN 2046	109.75	110.375	8.12	8.06
REPUBLIC OF NIGERIA NOV 2047	96.875	97.5	7.93	7.87
REPUBLIC OF NIGERIA JAN 2049	111.375	112	8.14	8.08
REPUBLIC OF NIGERIA SEP 2051	100.25	100.875	8.23	8.17

The average yield on Nigerian Eurobonds rose last week because a global fixed-income selloff, triggered by U.S. benchmark interest rates surging to a 20-year high amid worsening American fiscal deficit concerns, forced offshore investors to demand higher risk premiums from riskier frontier-market assets.

Expectation

Nigerian Eurobond yields are expected to remain broadly stable with a slight upward bias this week, as elevated U.S. Treasury yields and recent profit-taking could limit demand, although Nigeria's improving external position and relatively strong investor appetite should provide some support.

EQUITY MARKET

The Nigerian equities market's YTD return moderated to 54.36% last week as widespread profit-taking and intensive sell-offs in large-cap tickers halted a prolonged market rally. Concurrently, structural adjustments to the Central Bank of Nigeria's Open Market Operations (OMO) participant framework successfully redirected institutional capital away from equities and into these high-yielding debt instruments.

Top Gainers

STOCK	PREVIOUS	CURRENT	CHANGE
HMCALL	2.99	3.85	28.76%
CADBURY	58.1	64.9	11.70%
CWG	19.5	21.4	9.74%
AIRTELAFRI	5801.4	6300	8.59%
NAHCO	140	150.2	7.29%

Top Losers

STOCK	PREVIOUS	CURRENT	CHANGE
INTENEGINS	5.32	3.87	-27.26%
UNILEVER	145.95	114	-21.89%
ROYALEX	1.21	0.97	-19.83%
CHELLARAM	11.9	9.7	-18.49%
REDSTAREX	18	14.7	-18.33%

Expectation

The Nigerian equity market is expected to remain under pressure this week as institutional investors continue rebalancing portfolios toward high-yielding fixed-income assets, though selective bargain-hunting on fundamentally sound, discounted large-cap tickers could spark a late-week recovery.

TOP STORIES

GLOBAL NEWS

- Trump announces 'most crushing economic operation' against Iran
- German Producer Inflation Hits Over 3-Year High
- US retail giant receives $1bn boost from tariff refunds
- US-Canada trade talks broke down completely, triggering a 50% US tariff on Canadian goods and immediate threats of retaliation
- UK headline inflation climbed to 2.9%
- The US Treasury doubled long-term bond buybacks

DOMESTIC NEWS

- US lifts 12-year security restriction on Nigerian vessels
- Dangote Refinery secures $1bn backing ahead of planned IPO
- Headline inflation slowed down to 15.43%
- Food inflation bucked the trend and climbed to 20.31%

Contact us:

customerexperience@custodianassetmanagement.com