



Money Market

- Funding liquidity moderated to open the week, supported by inflow from coupon payments. However, it was still a deficit as the SLF window of c. N1.2trn outstripped the coupon inflow, bringing the closing figure to **NGN-700.29bn**.
- Interbank funding rates increased as a result, bringing the Overnight and open repo rates up by 3bps and 2bps to close at 32.80% and 32.40%, respectively.
- The NTB secondary market remained subdued with a bearish bias, as liquidity constraints led to sell-offs. Following the release of inflation data, which declined to 23.18% from 24.48%, rates softened slightly. However, by the end of the session, the average yield climbed to 18.99%.

FX Market

- The Naira depreciated on the NAFEM, closing at N1,528.73/\$, down from N1,517.93/\$ in the previous session. The spot rate trended between N1,512.00/\$ and N1552.00/\$.

FGN Bonds Market

- The FGN Bonds market was cautious amid the persistent liquidity squeeze. Trades were mostly consummated across the belly of the curve. Meanwhile, the circular for next Monday's bond auction was released towards the trading day close, revealing the removal of the 2031 paper, replaced with the Apr 2029; with NGN200bn and NGN100bn on offer, respectively. The session ended with yields up by 6bps at 18.69%

SSA Eurobonds Market

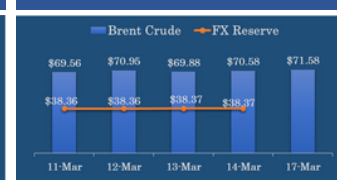
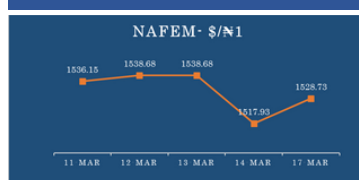
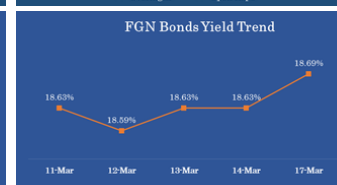
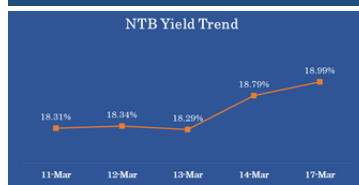
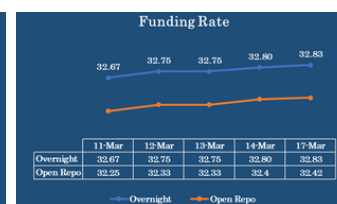
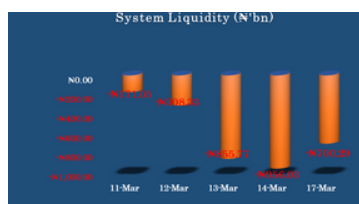
- The SSA Eurobonds market sustained the bearish sentiment from its previous session. In the US, retail sales data came in below forecast, rising by 0.2%, but a rise from -0.9% which it was at previously. The fed is expected to hold its key rate steady at the FOMC meeting this week, which we expect would rive trade direction. Overall, the average yield on Nigerias papers closed up at 9.87%

Foreign Equities Market

- Asia-Pacific markets advanced following the People's Bank of China's (PBOC) reaffirmed commitment to stimulus measures aimed at bolstering domestic consumer demand. Market sentiment was further lifted by stronger-than-expected retail sales data, which rose 4.0% versus the 3.8% forecast. Meanwhile, the Bank of Japan (BOJ) is expected to maintain its benchmark interest rate at 0.5% in its upcoming meeting. These developments drove gains in the Nikkei 225 and CSI 300, which climbed 1.1% and 0.1%, respectively.
- The European bourse traded higher on Monday, with energy and defence stocks leading the charts. Germany's fiscal spending plan has sent positive recourse through markets, with the economy set to boom because of this. Separately, U.S. President Trump is set to meet with Putin on Tuesday to discuss a ceasefire in the Russia-Ukraine war. This would alleviate steep energy costs in Europe. Overall, the Eurostoxx advanced by 0.8%
- The U.S. stock market sustained its rebound from the previous session as investors returned to pick stocks with beaten-down prices. This buy sentiment was supported by retail sales data that rose 0.2%, showing continued consumer spending. We expect the Fed's interest rate decision this week to keep the market cautious. At the end of the session, the Dow Jones, S&P 500 and Nasdaq were up by 0.85%, 0.64% and 0.31% respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index contracted by 15bps at the end of the trading session to close at 105,799.17 points, with market capitalization closing at N66.34trn.
- The top 5 gainers for the day were ACADEMY(+9.92%), NEIMETH(+8.43%), TANTALIZER(+6.83%), DANGSUGAR(+4.71%) and STANBIC(+4.24%), while the top losers were ETRANZACT(-1%), SUNUASSUR(-9.92%), PRESTIGE(-8.26%), SOVRENINS(-7.77%), and REDSTAREX(-7.76%).
- The market breadth was NEGATIVE at 0.51x as 34 decliners outpaced 18 advancers



Indicator	Value	Trend
Inflation Rate (Y-o-Y)	23.18%	↓
GDP Growth Rate (Y-o-Y)	3.84%	↑
Monetary Policy Rate (Sept 2024)	27.50%	↔
Cash Reserve Ratio (Sept 2024)	50.00%	↔

Date	Event
18th March 2025	BOJ interest rate decision(0.5% vs 0.5% prev)
18th March 2025	Fed interest rate decision(4.5% vs 4.5% prev.)
19th March 2025	EA inflation rate YoY(2.4% vs 2.5% prev.)
19th March 2025	NTB auction

Macro News: Global and Domestic

- HSBC raises forecast for China's 2025 GDP growth to 4.8%
- U.S. retail sales see a modest rise, fall short of forecasts
- Nigeria's inflation rate drops to 23.18% in February
- Imported petrol landing cost drops to N797.66/litr