



Money Market

- System liquidity continued to decline at the close of trading, influenced by earlier factors. Despite the drop, the system closed with a surplus balance of ₦151.16 billion.
- The decline in system liquidity led to a further uptick in interbank funding rates by the end of the session. The Overnight rate rose by 110bps to 28.50%, while the Open Repo rate increased by 60bps to settle at 27.50%.
- The NTB market traded on a bullish sentiment on Tuesday as buyers showed interest, resulting in a lower discount rate at the belly of the curve. Overall, the average discount rate across the curve settled at 19.66%.

FX Market

- The Naira appreciated slightly on the NAFEM at the end of the session on Tuesday, closing at ₦1,600.03/\$ compared to its previous session's close of ₦1,600.44/\$. During the trading session, the spot rate fluctuated within a range of ₦1,597.00/\$ to ₦1,610.50/\$.

FGN Bonds Market

- The FGN bonds market traded quietly, with modest demand observed for the 2031 and 2033 maturities, which were settled at 20.1% and 20.2% respectively. Overall, the average yield climbed to 19.04%.

SSA Eurobonds Market

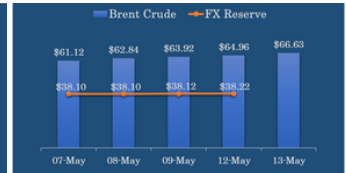
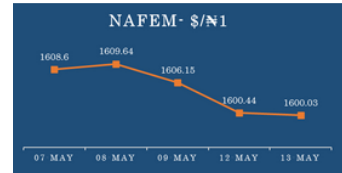
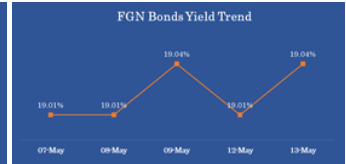
- SSA Eurobonds rallied with the bulls having the upper hand, following the release of U.S. CPI data, which came in lower than expected at 2.3% YoY versus the forecasted 2.4%. The momentum was further supported by the 90-day trade truce between the U.S. and China, raising hopes among other countries for more favourable trade negotiations with the U.S. Meanwhile, Brent crude rose above \$66pb, signalling improved fiscal revenue prospects for oil-exporting nations. In response, the average yield on Nigeria's Eurobonds declined further, closing at 9.8% in yesterday's session.

Foreign Equities Market

- Asian stocks were up on Tuesday as market players fully priced in the de-escalation of the bitter trade war between the US and China. This also spurred hopes of reduced trade tension with other countries. China, however, eked out minimal gains owing to some profit-taking activity and speculations of a delayed local stimulus package from Beijing. Overall, the Nikkei 225 added 1.1% while the CSI 300 rose 0.2%.
- The European stock market notched marginal gains as corporate earnings were in full view and only minimal attention on US soft inflation data print, as investors expect inflation to reflect trumps tariffs in coming months. the insurance sector had the biggest downer, as profit of major companies was cut owing to heavy claims from the Los Angeles wildfire. The EuroStoxx 600 was up 0.1% at the close of trading.
- The U.S. stock market sustained strong opening momentum over soft inflation data and an AI deal with Saudi Arabia. US CPI missed its 2.4% forecast, printing at 2.3% YoY, signalling a resilient economy. A single stock dragged down the price-weighted Dow Jones on an otherwise positive trading day. UnitedHealth Group shares plunged 18% after its CEO announced his resignation, and its growth forecast was cut, citing unexpectedly high pharma costs. At the close of the day, the Dow Jones was down 0.64%, while the S&P 500 and NASDAQ gained 0.72% and 1.61%, respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index improved by 46bps at the end of the trading session on Monday, closing the day with a point and market capitalisation of 108,762.6 and ₦68.36 trillion, respectively.
- The top 5 gainers for the day were CHELLARAM(+10.00%), OANDO(+10.00%), TRANSCORP(+9.99%), BETAGLAS(+9.96%) and CAVERTON(+9.95%), while the top losers were HMCALL(-9.85%), ACADEMY(-7.33%), UPDC(-6.25%), ABCTrans(-6.13%), and NPFMCFRBK(-5.14%).
- The market breadth was POSITIVE at 1.67x as 40 advancers outpaced 24 decliners.



Domestic Macro Indicators		
Inflation Rate (Y-o-Y)	24.23%	↑
GDP Growth Rate (Y-o-Y)	3.84%	↑
Monetary Policy Rate (Feb 2025)	27.50%	↔
Cash Reserve Ratio (Feb 2025)	50.00%	↔

EVENT WATCH: MAY	
13th May 2025	U.S. Core CPI (MoM) (Apr) (0.3% exp. vs 0.1 prev.)
15th May 2025	U.S. Core Retail Sales (MoM) (Apr) (0.3% exp. vs 0.5 prev.)
15th May 2025	U.S. Initial Jobless Claims MAY (220K exp vs 228K prev.)
15th May 2025	Fed Chair Powell Speech (1:40pm)
19th May 2025	Monetary Policy Committee Meeting

Macro News: Global and Domestic

- US consumer prices rise marginally; impact of tariffs awaited.
- US tariff pause on Beijing puts pressure on 'China-plus-one' countries.
- Foreign investors return to Asian equities in May, reversing prolonged outflows.
- German investor morale rebounds in May, surpassing expectations.
- Nigerian Eurobonds rebound as oil prices recover, trade tensions ease
- Nigeria's external reserves falls to 8-month low but pick-up in sight