



Money Market

- System liquidity improved at the close of trading on Thursday, driven by inflow from bond coupon payment, totalling ₦175.60bn. At the end of the session, system liquidity climbed by ₦314.32 billion to close at ₦391.40 billion
- Following the rise in system liquidity, interbank funding rates broke their three-day increasing trend at Thursday's close, with the Open Repo and Overnight rates settling at 27.40% and 26.85%, respectively
- The Nigerian Treasury Bill market was quiet, with mild trading activities similar to the previous session. The bid rate for the June 2025 maturity closed at 20.30%, while the average yield across the NTB curve held steady at 19.66%.

FX Market

- The Naira on the NAFEM on Thursday weakened, depreciating by ₦2.63 to close at ₦1,599.33/\$, compared to the previous session's close of ₦1,596.70/\$. Throughout the session, the spot rate fluctuated within a range of ₦1,597.01/\$ to ₦1,599.99/\$.

FGN Bonds Market

- FGN bonds trading was subdued on Thursday following the release of April's inflation data, which showed a decline to 23.71% from 24.23% in the previous month. With inflation easing, investors anticipate a potential drop in yields, resulting in limited selling activity. Modest demand was seen in the 2031 and 2033 maturities, while the average yield across the curve settled at 19.14%.

SSA Eurobonds Market

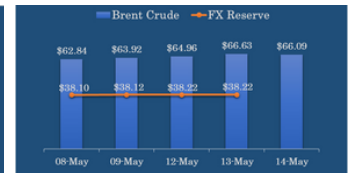
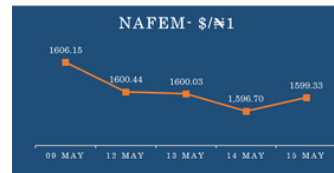
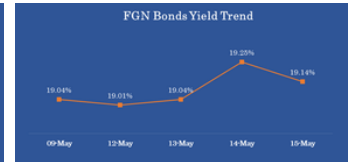
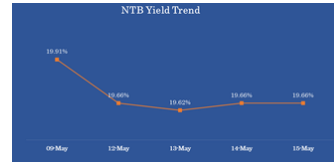
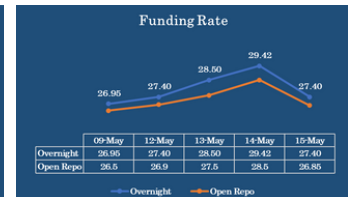
- SSA Eurobonds were mixed with Nigeria and Egypt receiving some demand on select maturities whilst Angola and Egypt were largely on sell-offs. The US economic data release showed a decline in PPI and retail sales, lifting hopes of a rate cut from the Fed. Oil prices fell as US and Iran seem to be reaching a nuclear deal, which will likely lift supply. Overall, the average yield on Nigeria's papers declined marginally to 9.858%.

Foreign Equities Market

- Asian stocks declined on Thursday as the recent tech-driven rally lost steam. Investors are awaiting Japan's Q1 GDP data, expected to show a contraction due to weaker consumer spending and earnings from Chinese tech giant Alibaba. Optimism around the US-China trade deal has faded, with tariffs still high and new negotiations expected with other Asian countries. The CSI 300 and Nikkei 225 closed down 0.2% and 1.1%, respectively.
- European markets rebounded, aiming for weekly gains amid rising expectations of a U.S. rate cut following soft economic data. In geopolitical news, peace talks between Russia and Ukraine in Turkey stalled as the Russian president failed to attend, briefly boosting defence stocks. Meanwhile, the UK's Q1 GDP grew 0.7% (vs. 0.6% expected), lifting the FTSE. The Euro Stoxx 600 closed up 0.6%.
- U.S. markets closed mixed as softer economic data raised expectations of a Fed rate cut. The Producer Price Index fell 0.5%, while retail sales declined 1.0%—both below forecasts—suggesting cooling inflation and weaker consumer demand. This reinforced hopes that the Fed may ease monetary policy soon. The Dow gained 0.65%, the S&P 500 rose 0.41%, while the NASDAQ edged down 0.18% amid a slight pullback in tech stocks.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index improved by 37bps at the end of the trading session on Thursday, closing the day with a point and market capitalisation of 109,467.64 and ₦68.80 trillion, respectively.
- The top 5 gainers for the day were HONYFLOUR(+10.00%), NESTLE(+10.00%), BETAGLAS(+9.98%), NPFMCRFBK(+9.81%) and NEIMETH(+9.77%), while the top losers were MULTIVERSE(-9.64%), WAPIC(-4.74%), LASACO(-4.53%), MAYBAKER(-3.82%), and AIICO(-3.61%).
- The market breadth was POSITIVE at 1.57x as 36 advancers outpaced 23 decliners.



Domestic Macro Indicators		
Inflation Rate (Y-o-Y)	23.71%	↑
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 (229k 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 retail sales rise slightly as tariffs start to curb demand.
- German wholesale prices rise 0.8% in April.
- Nigeria averages 1.486mbpd in April 2025 according to OPEC
- Nigeria's Inflation Rate Eases to 23.71% in April 2025 Amid Slowing Price Growth.