



Money Market

- System liquidity opened with a surplus balance this week, declining slightly from previous week balance. At the end of the day, system liquidity closed the session with a surplus balance of ₦1.90 trillion.
- At the end of the day, the interbank funding rate declined slightly, with the Overnight rate dipping by **1bps** to settle at 26.94% and Open repo rate maintaining the same rate at 26.50%.
- The NTB market commenced the week on a quiet note, with mild demand observed for the May '26 bill. The CBN conducted an OMO auction on Monday with ₦600 billion on offer across the 106 and 232-day paper. Total bid surged to ₦1.53 trillion, as ₦1.51 trillion was issued across the tenors with a stop rate of 24.20% and 24.64% on the 106 and 232-day bill respectively. Investor sentiment remained cautious ahead of the NTB auction scheduled for Wednesday, where ₦450 million will be offered across the three maturity tenors. Consequently, the average yield settled at 19.54%

FX Market

- The Naira on the NAFEM appreciated at the beginning of the week, closing at ₦1,581.59/\$, compared to the previous session rate of ₦1,586.15/\$. Throughout the session, the spot rate fluctuated within a range of ₦1,579.00/\$ to ₦1,584.00/\$.

FGN Bonds Market

- The FGN bond market opened the week on a calm note with limited trading activities on the 2033 and 2035 papers. With demand around the 2035 paper, trading was consummated at 18.65/18.25. The average yield held steady at 18.83%.

SSA Eurobonds Market

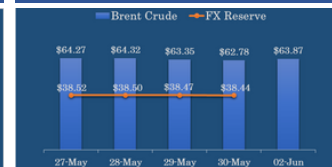
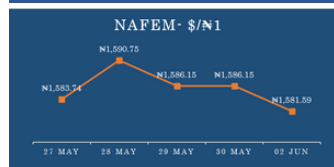
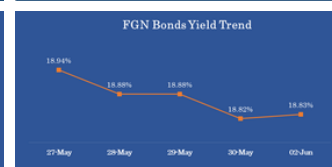
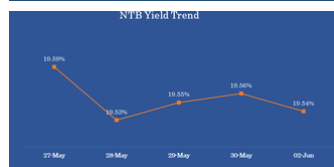
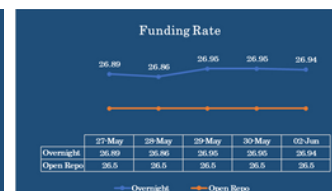
- The Sub-Saharan Africa (SSA) Eurobonds market was off to a strong start for the month for the oilers. Egypt, however, traded inversely with its peers while Ghana closed flat. Oil prices rose on Monday when OPEC+ decided to maintain the same production output quota for July at 411,000 bpd. Moody's upgraded Nigeria's credit rating a notch to B3 from Caa1, citing domestic fiscal reforms. The average yield on Nigeria's papers slipped further to 9.45%

Foreign Equities Market

- Asia's equity markets were rattled on a potential escalation of the US-China war. President Trump on Friday, accused China of breaching the Geneva trade deal, which was supposed to see a softening on the curb of rare earth minerals export to the US. Beijing refuted this, accusing the US of breaching the deal instead and reaffirmed its commitment to safeguarding the interests of China. Separately, China's manufacturing PMI contracted at 49.5 for the 3rd straight month, reflecting tariff pressures. Overall, the Nikkei 225 slid 1.5% while China's market was closed for a holiday.
- European equities were flat to low, on news that Trump plans to raise tariffs on steel and aluminium to 50%, in what stands to increase trade tensions. The EU responded that it was prepared to retaliate appropriately. The Eurostoxx slipped 0.1% at the end of the session.
- U.S. equities opened the week and month on a strong note, despite the Trump administration's tariff rhetoric and trade uncertainty. Trump is poised to raise tariffs on steel and aluminium from 25% to 50%. However, reports from the white house show the trade negotiators have asked negotiating partners to bring forth their best offers by Wednesday, ahead of the July 9 deadline, which is 5 weeks out. As a result, the Dow Jones, S&P 500 and the NASDAQ were up 0.08%, 0.41% and 0.67% respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index improved by 25bps at the end of the trading session, closing the day with a point and market capitalisation of 112,015.95 and ₦70.64 trillion, respectively.
- The top 5 gainers for the day were MULTIVERSE(+9.87%), LIVESTOCK(+9.57%), LASACO(+8.11%), NEIMETH(+8.06%) and ROYALEX(+7.50%), while the top losers were LEGENDINT(-9.90%), NSLTECH(-9.84%), ETRANZACT(-9.56%), UPL(-9.32%), and MNICHOLS(-7.31%).
- The market breadth was **NEGATIVE** at **1.43x** as **33** decliners outpaced 23 advancers.



Domestic Macro Indicators		
Inflation Rate (Y-o-Y)	23.71%	↑
GDP Growth Rate (Y-o-Y)	3.84%	↑
Monetary Policy Rate (May 2025)	27.50%	↔
Cash Reserve Ratio (May 2025)	50.00%	↔

EVENT WATCH: JUNE	
2nd June 2025	US. S&P Global Manufacturing PMI (May) (52.3% exp. vs. 50.2% prev.)
2nd June 2025	Fed Chair Powell Speaks (13:00)
4th June 2025	US. S&P Global Services PMI (May) (52.3% exp. vs. 50.8% prev.)
4th June 2025	Nigerian Treasury Bills Auction
5th June 2025	Initial Jobless Claims (232k exp. vs. 240k prev.)

Macro News: Global and Domestic

- Russia and Ukraine set to Restart talks - Bloomberg.
- European factory production stabilizes but U.S. activity contracted for a third straight month.
- Oil gains on supply concerns as wildfires disrupt Canada supply, OPEC+ keeps output plans unchanged.
- Nigeria's petrol price 55% below West African average - Dangote.
- Inflation, others may undermine CBN gains - Moody's.
- Fiscal deficit surges 75% under Tinubu despite revenue gains.