



Money Market

- System liquidity closed positively on Tuesday, ending the day with a surplus balance of ₦773.52 billion, up from ₦331.06 billion, driven by OMO maturities.
- At the end of the day, the interbank funding rate declined slightly, with the Overnight rate dipping by **2bps** to settle at 26.92% and the Open repo rate by **8bps** to 26.42%.
- The NTB market traded quietly ahead of the forthcoming primary auction. Moderate interest was observed in the mid-tenor bills, particularly the Dec 2025 and Jan 2026 maturities. The DMO will offer a total of ₦450 million across the standard tenors. Consequently, the average yield held steady at 19.54%.

FX Market

- The Naira on the NAFEM appreciated at the beginning of the week, closing at ₦1,579.28/\$, compared to the previous session rate of ₦1,581.59/\$. Throughout the session, the spot rate fluctuated within a range of ₦1,577.01/\$ to ₦1,582.00/\$.

FGN Bonds Market

- The FGN bond market traded the week with a mild bearish sentiment, with trading around the 2031 paper quoted at 19.55%/19.3% from the previous. The average yield held steady at 18.84%.

SSA Eurobonds Market

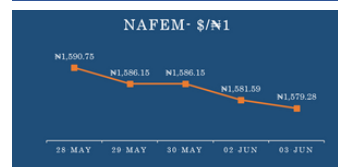
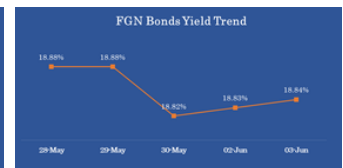
- The Sub-Saharan Africa (SSA) Eurobonds market maintained its strong bullish momentum, receiving major support from the US jobs data, which saw an increase in job openings to 7.391 million. The US trade negotiators have also asked all negotiating partners to provide their best offer by Wednesday, in a move to reach concessions in the aggravated Trump tariffs. Nigeria outperformed its peers, with the average yield slipping by 13bps to 9.31%.

Foreign Equities Market

- Asian equity markets traded in a flat to mildly positive range, supported by gains in U.S. technology stocks. Chipmakers continued to attract sustained interest, bolstered by optimism over artificial intelligence and rising semiconductor demand. However, sentiment in China remained subdued as the Caixin Manufacturing PMI fell to 48.3 in May, reflecting the impact of ongoing trade tariffs. President Trump and Xi are scheduled to hold talks this week, easing broader concerns over trade tensions and recession risks. The Nikkei 225 edged up 0.3%, while the CSI 300 closed flat.
- In Europe, regional bourses rallied on varied sentiments, shrugging off global trade uncertainties. Eurozone's inflation was at 1.9%, comfortably below the ECB's 2% target and reinforcing hopes of a 25bps rate cut at the meeting on Thursday. Defence and energy stocks led gains in the UK after the prime minister pledged more defence spending, and an oil price rally over OPEC+'s less-than-expected oil output increase. Overall, the DAX and FTSE 100 were up 0.7% and 0.2%.
- U.S. equities maintained bullish momentum, led by optimism over the ongoing trade negotiations between the US and a number of its trading partners. Despite the overall uncertainty, with higher tariffs on Steel and China's curb on rare minerals exports taking effect on Wednesday, markets believe the negotiations will prevent a recession. JOLTS data revealed an increase in job openings to 7.391 million, beating expectations of 7.110 million. Overall, the Dow Jones, S&P 500 and Nasdaq were up 0.51%, 0.58% and 0.81% respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index improved by 37bps at the end of the trading session, closing the day with a point and market capitalisation of 112,427.48 and ₦70.89 trillion, respectively.
- The top 5 gainers for the day were HONYFLOUR(+10.00%), SFSREIT(+10.00%), SCAO(+10.00%), IMG(+9.96%) and INTENEGINS(+9.82%), while the top losers were CONOIL(-10.00%), LEARNAFRCA(-9.98%), TRANSCOHOT(-9.97%), JBERGER(-9.94%), and CHELLARAM(-9.92%).
- The market breadth was POSITIVE at 1.13x as 36 advancers outpaced 32 decliners.



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	U.S. 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	U.S. 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

- US labor market easing in the face of tariff uncertainty.
- Trump signs order raising steel, aluminum tariffs to 50%.
- Dollar pulls back from six-week low but tariff tensions persist.
- Presidency moves to settle Nztm power debt.
- Shell loads first crude from new Nigerian terminal