



Money Market

- System liquidity further improved marginally by ₦59.73 billion, ending the day with a surplus balance of ₦833.25 billion.
- At the end of the day, the interbank funding rate showed a mixed movement, with the Overnight rate dipping by **4bps** to settle at 26.88% and the Open repo rate climbing by **8bps** to 26.50%.
- The NTB market remained quiet on Wednesday as market players focused on the auction and awaited its outcome. The DMO offered a total of ₦450 billion across the standard tenors, attracting strong interest with total subscriptions reaching ₦1.31 trillion. Despite the high demand, the DMO maintained its initial offer, allotting only ₦450 billion. The stop rate on the 364-day bill declined by **21bps** to 19.35%, while the 182-day rate remained unchanged at 18.50%. As a result, the average yield held steady at 19.54%.

FX Market

- The Naira on the NAFEM further appreciated at the end of the session, closing at ₦1,565.46/\$, compared to the previous session rate of ₦1,579.28/\$. Throughout the session, the spot rate fluctuated within a range of ₦1,556.50/\$ to ₦1,577.00/\$.

FGN Bonds Market

- The FGN bond market traded with a mixed sentiment, with investors' interest in the April '29 paper. More sell-off was seen at the long end of the yield curve. Consequently, the average yield inched up to 19.09%.

SSA Eurobonds Market

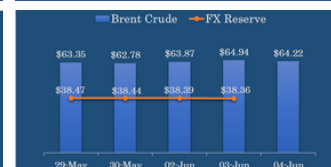
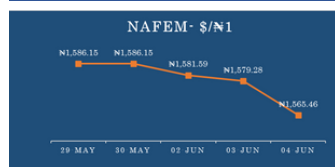
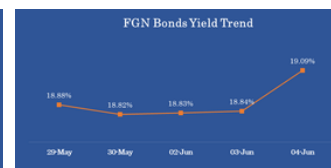
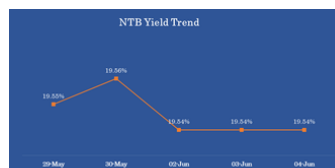
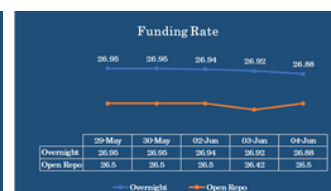
- The Sub-Saharan Africa (SSA) Eurobonds market maintained its strong bullish momentum, shrugging off trade-related concerns. The rally, which began in the previous session, was supported by stronger-than-expected U.S. job openings data and optimism surrounding a potential meeting between the U.S. and China to advance trade negotiations. Nigeria's Eurobonds attracted strong demand, with the average yield falling by 13 basis points to 9.18%.

Foreign Equities Market

- Asian equity markets advanced on optimism over a potential positive outcome from the anticipated meeting between Presidents Trump and Xi. Although earlier White House reports indicated stalled negotiations, raising concerns over strained trade relations, investors remained hopeful. Additional domestic support is also expected from Beijing. The Nikkei 225 and CSI 300 edged up by 1% and 0.5% respectively.
- European equities rose on Wednesday, shrugging off concerns over the recent hike in steel import tariffs. The rally was driven by the announcement of a \$53 billion tax relief package by the new German government, aimed at bolstering the economy and averting further contractions. Investors are now focused on the European Central Bank's (ECB) meeting on Thursday, with markets broadly anticipating a 25bps rate cut amid weakening inflation across the eurozone. The Eurostoxx 600 closed 0.5% higher.
- U.S. equities ended mixed on Wednesday, as renewed trade uncertainty and lingering fears of stagflation weighed on sentiment. The U.S. services sector contracted to 42.9, reflecting the dampening effects of tariffs, while the ADP private employment report showed a modest gain of just 37,000 jobs—the smallest increase in two years. Market attention remains on the upcoming Trump-Xi meeting, expected later this week. At the close, the Dow Jones slipped 0.22%, while the S&P 500 and Nasdaq rose by 0.01% and 0.32%, respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share index improved by 32bps at the end of the trading session, closing the day with a point and market capitalisation of 112,781.73 and ₦71.12 trillion, respectively.
- The top 5 gainers for the day were OANDO(+10.00%), UHOMREIT(+9.96%), ROYALEX(+8.64%), LEGENDINT(+7.27%) and LASACO(+6.67%), while the top losers were NCR(-9.89%), ABCTRANS(-9.83%), MEYER(-9.63%), ACADEMY(-9.58%), and LIVESTOCK(-6.77%).
- The market breadth was **POSITIVE** at **1.52x** as 32 advancers outpaced 21 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

- Trump says Fed's Powell must lower interest rate as job creation slowed in May.
- 50% U.S. tariffs on most imported steel and aluminum kicked in on Wednesday morning.
- Dollar to decline further on U.S. fiscal, growth and trade risks: Reuters poll.
- EU to spend €10.4m on sustainable energy in Nigeria.
- 50% crude output now produced by local Nigerian firms - Report.