

Money Market

- System liquidity opened the week with a surplus balance of ₦4.571trn, reflecting a decline of ₦1.440trn from the previous session's balance, owing to OMO auction settlement last Friday.
- At the close of the session, the overnight rate increased by 5bps to 22.24%, while the Open Repo Rate and the Nigerian Overnight Financing Rate (NOFR) closed flat at 22.00%.
- The NTB secondary market opened the session on an active note, with significant trading activity concentrated at the long end of the curve, particularly on the May-2027 bill, which traded at an average yield of 16.17%. Overall, the average benchmark yield remained unchanged at 16.30%.

FX Market

- The Naira on the NAFEM window appreciated to close the session on Monday at ₦1,366.80/\$1, compared with the previous session's ₦1,373.25/\$1. During the session, the spot rate traded within a range of ₦1,360.00/\$ to ₦1,373.50/\$. Meanwhile, the parallel market depreciated to ₦1,390/\$ from ₦1,385/\$.

FGN Bond Market

- The FGN bond market traded on a bullish note, as investors focused on the short-to-mid segment of the curve, particularly the Mar-2027 bond, where trades were executed at an average yield of 16.69%. As a result, the average yield across the curve eased to 16.40%.

SSA Eurobonds Market

- The SSA Eurobond market traded predominantly in negative territory as escalating geopolitical tensions weighed on investor sentiment. Concerns intensified following Israel's attack on Lebanon, which reportedly prompted Iran to suspend negotiations with the U.S., dampening optimism surrounding a potential ceasefire agreement. Consequently, Nigeria's average Eurobond yield rose to 6.89%.

Foreign Equities Market

- Asian equities traded on a mixed note, led by gains in Japanese technology stocks amid optimism surrounding artificial intelligence development. Sentiment was further supported by reports that Nvidia is seeking to strengthen partnerships, reinforcing expectations of sustained AI-driven demand for semiconductors. Consequently, the Nikkei 225 advanced by 1.0%, while the CSI 300 declined by 1.0%.
- European equities ended Monday's session in negative territory amid rising geopolitical tensions in the Middle East. Investor sentiment was pressured by reports that Iran had halted communications with the U.S. through Pakistan following Israel's attack on Lebanon, raising concerns over the prospects for a broader ceasefire agreement. Consequently, the STOXX Europe 600 fell by 0.8%.
- U.S. equities closed in positive territory, supported by President Trump's remarks that negotiations with Iran remain ongoing, despite reports that Iran had suspended talks with the U.S. following Israel's attack on Lebanon. Gains in technology stocks further bolstered investor sentiment after Nvidia unveiled a new "superchip" for personal computers, reinforcing optimism around AI-driven growth. Consequently, the S&P 500, Dow Jones Industrial Average, and Nasdaq Composite advanced by 0.3%, 0.1%, and 0.4%, respectively.

Domestic Equities Market

- The Nigerian Stock Exchange All-Share Index declined by 113bps at the end of the trading session, closing the day with points and a market capitalisation of 247,560.66 and ₦158.69 trillion, respectively.
- The top 5 gainers for the day were INTENEGINS (+9.96%), CONHALLPLC (+9.92%), TIP (+9.86%), RTBRISCOE (+9.16%), and IKEJAHOTEL (+8.71%), while the top losers were BUACEMENT (-10.00%), TRANSEXPR (-9.85%), JOHNHOLT (-9.73%), REDSTAREX (-9.71%), and DEAPCAP (-9.15%).
- The market breadth was **NEGATIVE** at 1.13x as 34 decliners outpaced 30 advancers.



Domestic Macro Indicators

Inflation Rate (Y-o-Y) (Apr 2026)	15.69%	↑
GDP Growth Rate (Y-o-Y) (Q1 2026)	3.89%	↓
Monetary Policy Rate (May 2026)	26.50%	↔
Cash Reserve Ratio (May 2026)	45.00%	↔

EVENT WATCH: JUNE

2nd June	Eurozone Inflation Rate YoY Flash (May) (3.2% exp. vs. 3% prev.)
3rd June	Japan S&P Global Composite PMI (May) (51.1 exp. vs. 52.2 prev.)
3rd June	China Composite PMI (May) (52.8 exp. vs. 53.1 prev.)
3rd June	Germany S&P Global Composite PMI (May) (48.6 exp. vs. 48.4 prev.)
3rd June	US ADP Employment Change (May) (110k exp. vs. 109k prev.)
3rd June	Eurozone PPI MOM (Apr) (0.4% exp. vs. 3.4% prev.)
4th June	Initial Jobless Claims (May/30) (213k exp. vs. 215k prev.)
5th June	US Unemployment Rate (May) (4.3% exp. vs. 4.3% prev.)

Macro News: Global and Domestic

- Bank of England is watching public-sector pay for inflation risk, governor says.
- Warsh may face delay on rate cuts as AI build-out fuels inflation, Apollo's chief economist says.
- Global subsidies rebound, especially in China, OECD says.
- NNPC profit jumps 74% as revenue nears ₦5trn, crude oil output hits 2026 high.
- Nigeria's crude petroleum sector grows 16.4%, exits contraction despite lower production.