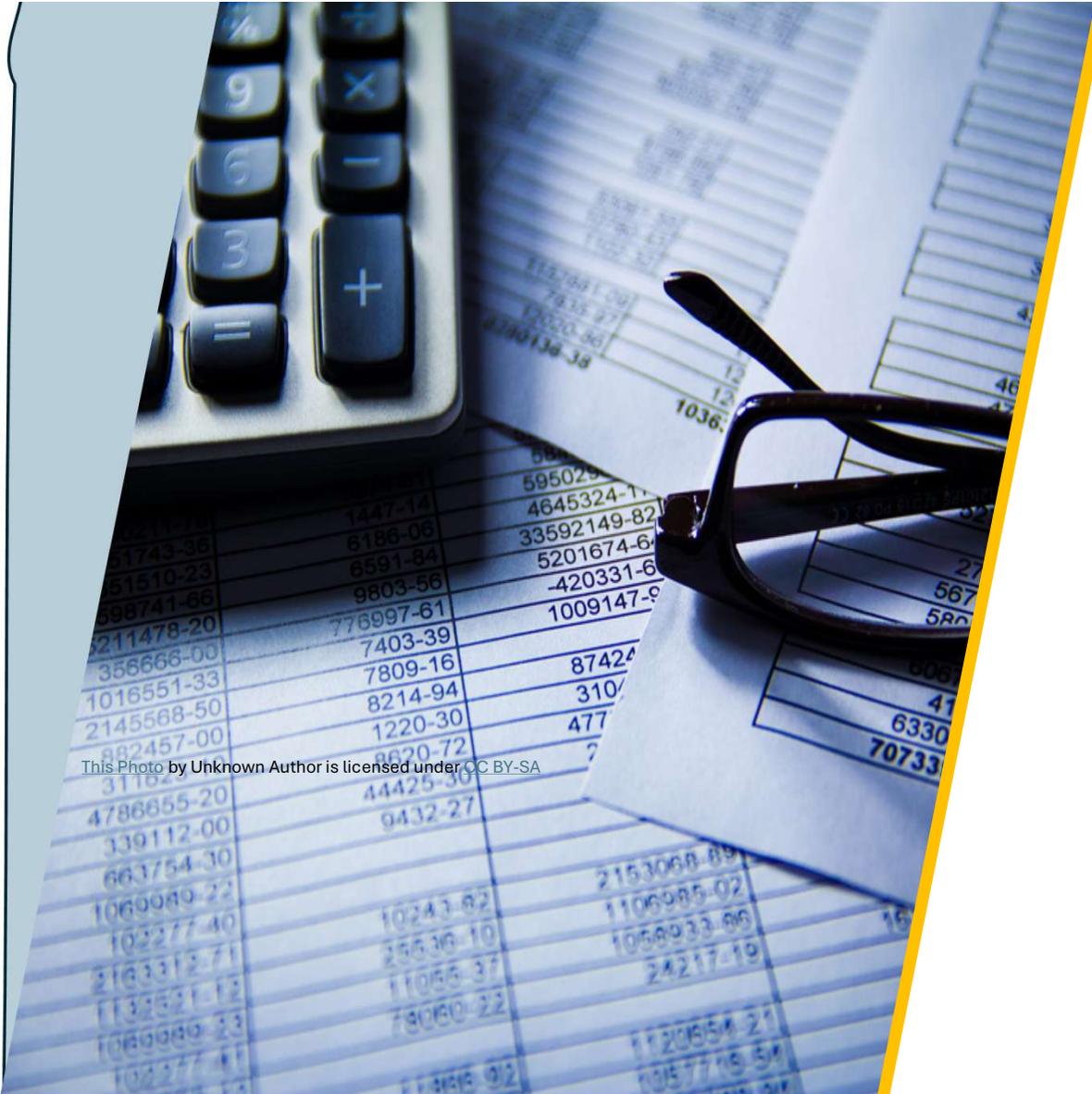




# FMDA Market Intelligence Report

## October 2025



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# Executive summary

- Nigeria's financial markets maintained mixed momentum in October.
- The Federal Government is expected to redeem a \$1.11 billion Eurobond at maturity in November, even as it reportedly plans to raise \$2.3 billion from the international debt market to refinance the maturing note and inject additional liquidity into the system.
- In the global oil market, OPEC+ members agreed to a modest production increase of 137,000 barrels per day for November, a move likely to exert mild downward pressure on crude prices.
- Meanwhile, in the United States, the Federal Reserve cut its benchmark interest rate for the second time in 2025, lowering the target range to 3.75–4.00%, while the U.S. Treasury warned that a potential government shutdown could cost the economy \$15 billion per week.
- On the domestic front, Nigeria's bond yields averaged steady through the month amid sustained investor demand for medium to long-dated instruments, while the equities market closed the month with a N97.83 trillion market capitalisation and a 42.81% year-to-date return, despite a late-month pullback.
- The naira is expected to remain relatively stable around current levels through year-end, supported by tighter monetary controls and improved foreign inflows.



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**Outline**

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**The Global & Macro Backdrop**

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**Fixed Income & Capital Market Highlights**

**Stock Market**

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# Trade Diplomacy Gains Ground as Trump moves to ease



## Tariffs



- Global output is projected to grow by 3.2% in 2025 an upward revision from 2.8% in April 2025
- Emerging Markets & Developing Economies is projected to grow at 4.2% from previous 3.7
- Global inflation is expected to ease to 4.2% in 2025 and to 3.7% in 2026, supported by tighter monetary policy and stabilising commodity prices
- World trade volume growth has been revised upward to 3.6%, from 2.5% in the April projection, aided by easing supply-chain constraints and a softer U.S. dollar.
- Global public debt is projected to rise above 100 percent of GDP by 2029.
- Trump announced new trade deals with China, cutting tariffs to 47% and expanding cooperation on rare earths, fentanyl, and soybeans.
- The U.S. and South Korea also agreed to lower reciprocal tariffs to 15%.

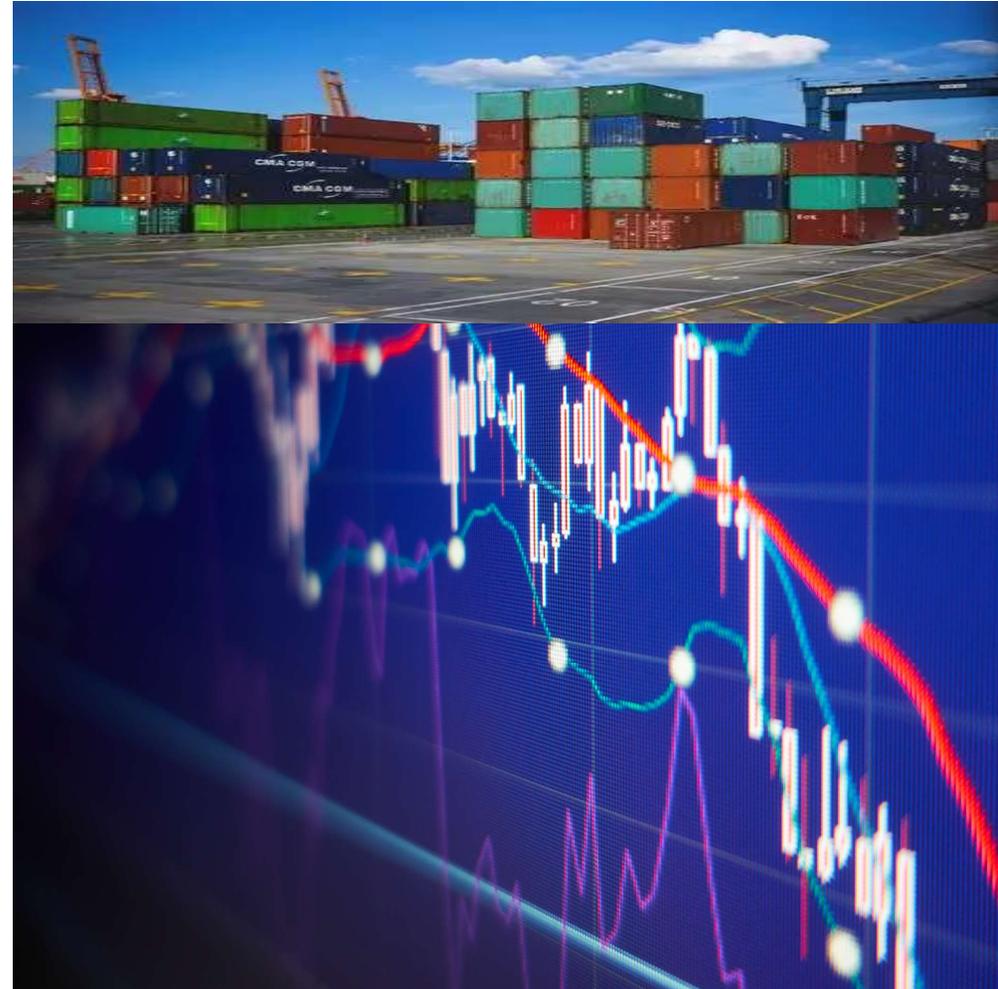
# Global rate update: U.S. rate cut continues

- Fed cuts rates again, but Powell raises doubts about easing at next meeting
- Bank of Japan (BOJ) keeps policy rate steady at 0.5% as expected
- ECB keep rates at 2% as economy holds up despite trade strife
- Russian central bank cuts key rate by 'symbolic' 50 bps after new US oil sanctions
- The Bank of England's (BoE) Monetary Policy Committee (MPC) voted to keep the base rate steady at 4% last month, but analysts at Goldman Sachs expect a cut to 3.75% on November 6<sup>th</sup>, 2025.
- Ghana's central bank delivered a sharper-than-expected rate cut September, slashing its main policy rate by 350 basis points to 21.5%
- Kenya cut Kenya Central Bank cuts policy rate again to 9.25%



# Economies Are Feeling The Heat of Stagnated Export

- Germany's economy stagnates in third quarter as exports fall
- India to cut Russian oil purchases, U.S. to slash tariffs as they near trade deal
- China's economy slows as trade war, weak demand highlights structural risks
- Gold remains a haven as price surpasses \$4,000
- China factory activity stumbles as export orders dry up



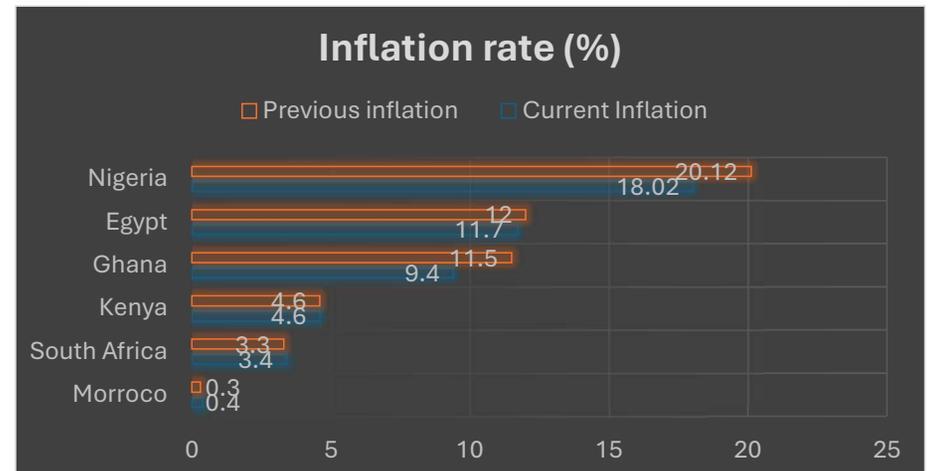
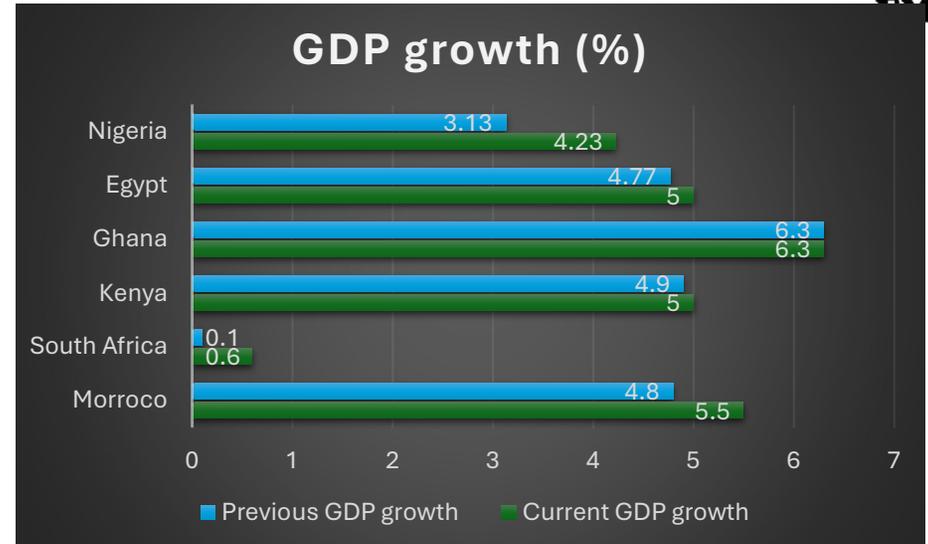
# Key Macroeconomic Indicators

Country	GDP Growth (%)	Inflation (%)	Interest rate (%)	Unemployment rate (%)
United States	2.1	3.0	4	4.3
China	4.8	-0.3	3	5.2
Japan	1.2	2.9	0.5	2.6
Germany	0.3	2.3	2.15	6.3
United Kingdom	1.4	3.8	4	4.8
India	7.8	1.54	5.5	5.2
Brazil	2.2	5.17	15	5.6
South Africa	0.6	3.4	7	33.2
Egypt	5	1.8	21	6.1
<b>Nigeria</b>	<b>4.23</b>	<b>18.02</b>	<b>27</b>	<b>4.3</b>

**Source:** CBN, TradingEconomics & FMDA Research

# Regional Spotlight: Africa

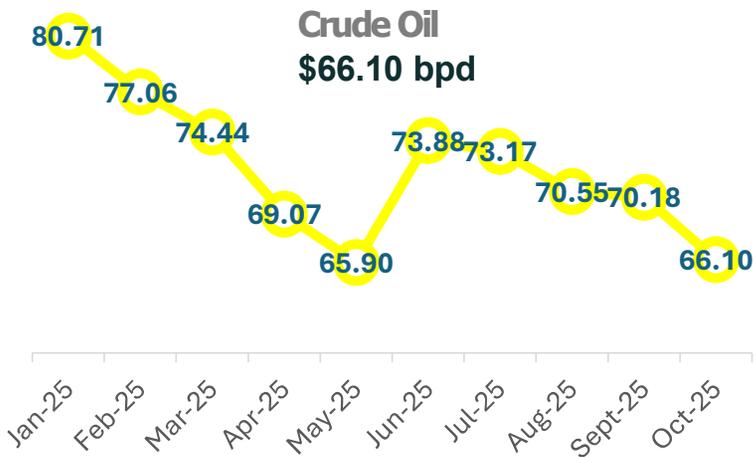
- IMF raised Sub-Saharan Africa’s growth forecast from 3.8% to 4.1%, reflecting modest recovery.
- Inflation pressures are easing, but external balances remain fragile.
- **Growth:** Most economies outperform 2023 levels, validating IMF’s upward revision.
- **Inflation:** Easing trend across board except Nigeria where prices are still elevated.
- **External Accounts:** Divergent outcomes, surpluses for commodity exporters, deficits for import-heavy economies.
- **Policy Focus:** Fiscal discipline, trade competitiveness, and stable FX policies remain critical to sustain gains.



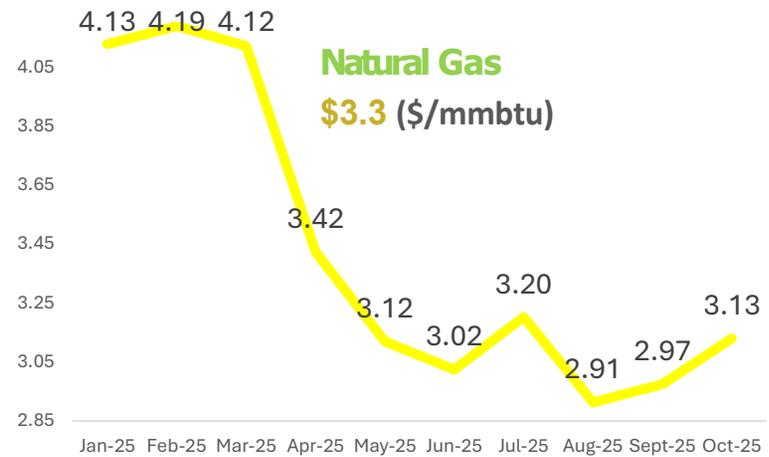
Source: CBN, TradingEconomics & FMDA Research

# Crude oil and Natural Gas prices

## Current Price



- EIA forecasts Brent crude oil price to fall to an average of \$62 per barrel in the fourth quarter of 2025.



- EIA projects the Henry Hub natural gas price to rise from below \$3.00/MMBtu in September 2025 to \$4.10/MMBtu in January 2026.

**Outline**

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**LIQUIDITY, YIELD CURVE & FX TRADING CONDITIONS**

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# Naira appreciated by 2.46% in October and 4.89% year to date

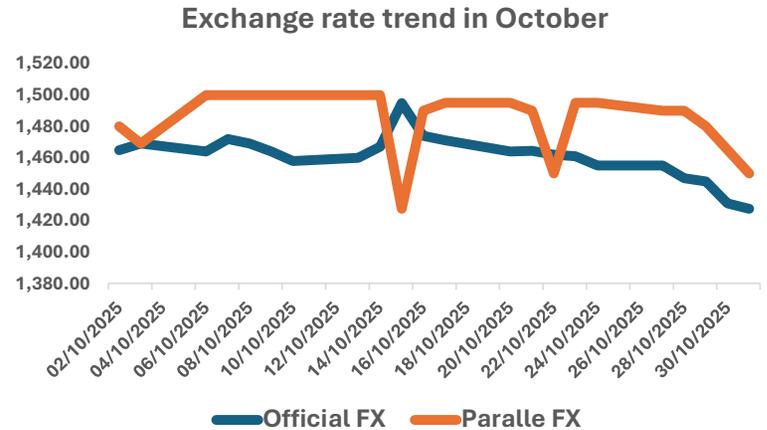


## Exchange rate determinant factors

Variable	Aug' 25	Sep' 25	Oct' 25	Trend
Brent Oil Price (\$/bl)	70.55	70.18	66.10	↓
Crude Oil Production (mbd)	1.43	1.39	***	↓
Gross Foreign Reserves (\$bn)	40.70	41.88	42.76	↑

Variable	Q1' 25	Q2' 25	Q3' 25	Trend
Trade Balance (\$bn)	3.41	4.74	***	↑
Current Account Balance (\$bn)	3.73	***	***	
Remittances (\$bn)	4.93	***	***	

Source: CBN, TradingEconomics & FMDA Research



- Analyst expect Naira to remain relatively stable around current levels for the rest of the year
- The plans by Nigeria to raise \$2.3 billion from the Eurobond market to refinance its \$1.11 billion maturing bond, will inject additional liquidity into the economy
- Crude oil prices could decline further as OPEC+ members agreed to raise output by an additional 137,000 barrels per day in November.

# Liquidity & Funding Conditions in October

Parameter	Value
Average System Liquidity	N2.99 Trillion
CBN Open Market Operations	N6.88 Trillion net withdrawal
CBN Primary Market	706.01 Billion net withdrawal
OVN	25.99%
OPR	24.52%

# Liquidity & Funding Conditions in October

System liquidity averaged N2.99 trillion in October, slightly above September levels (N2.71 trillion) but still constrained by aggressive liquidity mop-up by the Central Bank of Nigeria (CBN).

The CBN recorded a N6.88 trillion net liquidity withdrawal through Open Market Operations (OMO) and an additional N706.01 billion from the Primary Market, signalling continued monetary tightening.

As a result, funding rates remained elevated, with the Overnight (OVN) and Open Repo (OPR) rates averaging 25.99% and 24.52%, respectively, despite intermittent inflows from government securities maturities.

The trend reflects the CBN's effort to sterilise excess liquidity and contain inflationary pressures.

## Summary

- Average system liquidity: N2.99 trillion (tight)
- OMO operations: N6.88 trillion net withdrawal
- Primary market: N706.01 billion net withdrawal
- Funding rates: OVN – 25.99%, OPR – 24.52%
- Liquidity remained tight despite periodic inflows from maturing securities.

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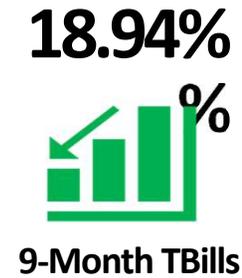
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# Fixed Income Market & Strategy

Yield-to-Maturity (%) across the Treasury Bills



The Treasury Bills market in October reflected persistent liquidity tightening, with yields averaging 18.36% at the 1-year segment, the highest among all short-term tenors.

The temporary yield spike mid-month points to heightened demand pressure, likely from CBN's liquidity control measures.

Source: CBN, TradingEconomics & FMDA Research

# Fixed Income Market & Strategy

Yield-to-Maturity (%) across the FGN bond curve

**17.89%**



1-Year FGN Bond

**16.14%**



3-Year FGN Bond

**15.98%**



5-Year FGN Bond

**15.82%**



7-Year FGN Bond

**15.71%**



10-Year FGN Bond

**15.4%**



30-Year FGN Bond

The bond market traded within a narrow yield range in October, as market participants maintained a cautious outlook.

Average yields were steady around 15–16%, showing muted reaction to short-term liquidity pressures.

This suggests continued confidence in the medium- to long-term stability of the fixed income market.

# Bond's Auction Calendar for Q4 2025

17.945% FGN  
AUG 2030  
**Oct 27**  
Tenor: 5 Year  
Re-opening

17.95% FGN JUNE  
2032  
**Oct 27**  
Tenor: 7 Year  
Re-opening

17.945% FGN  
AUG 2030  
**Nov 24**  
Tenor: 5 Year  
Re-opening

17.95% FGN JUNE  
2032  
**Nov 24**  
Tenor: 7 Year  
Re-opening

17.945% FGN  
AUG 2030  
**Dec 15**  
Tenor: 5 Year  
Re-opening

17.95% FGN JUNE  
2032  
**Dec 15**  
Tenor: 7 Year  
Re-opening

# N5.84 trillion liquidity to flood the system in Nov



*Eurobond Payment of \$1.11bn Adds to Major Domestic Maturities in November*

## Corporate Bonds and Commercial Papers

Label (2025)	Corporate Coupon payment	Matured Corporate Bond	Commercial paper maturity
October	19.92 bn	50.58 bn	42.74 bn
November	42.80 bn	25.00 bn	311.30 bn

## FGN Bond

Label (2025)	Semi annual coupon payment (N) FG Bonds
October	285.82 bn
November	304.47 bn

## Money Market Securities

Label (2025)	Matured NTB	Matured OMO	Total (N)	Eurobond
October	621.66 bn	1.39 trn	2.01 trn	
November	1.35 trn	3.81 trn	5.16 trn	\$1.11 bn

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## NGX-ASI up 8% MoM amid broad-based gains

### Equities Market

The Nigerian Exchange (NGX) closed October on a positive note despite a bearish turn in the final week of trading. The NGX All-Share Index (NGX-ASI) gained 8.0% month-on-month, settling at 154,126.45 points, while market capitalisation increased to N97.83 trillion from N90.58 trillion in September.

The strong monthly performance was supported by sustained demand for large-cap stocks across the banking and industrial goods sectors earlier in the month, coupled with improved market activity as trade volume and value rose 319.3% and 51.4%, respectively.

However, the market lost momentum in the last week of October, snapping a seven-week bullish streak and declining 0.98% week-on-week on profit-taking across major sectors. The downturn was driven by selloffs in tier-1 banking names, notably ZENITHBANK (-6.25%) and GTCO (-3.24%), and consumer goods counters such as INTBREW (-12.80%) and NB (-4.03%). Nonetheless, mild recoveries in MTNN (+0.99%), STANBIC (+4.48%), and BUACEMENT (+2.86%) helped limit losses.

Sectoral performance was broadly negative, with the insurance (-3.74%), consumer goods (-2.73%), banking (-2.11%), and industrial goods (-1.02%) indices posting declines, while the oil and gas (+0.30%) index was the sole gainer. Market breadth weakened to 0.48x, signalling cautious investor sentiment. Despite the late pullback, the market maintained a robust year-to-date return of 42.81%, reflecting continued investor appetite amid improved liquidity and corporate earnings releases.

Key Market Indicators	Close	P. Close	△ %
Index (points)	154,126.45	142,710.48	8.00%
Market Cap. (N'trn)	97.83	90.58	8.00%
Trade Volume (bn)	52.02	12.41	319.31%
Trade Value (N' bn)	45.16	29.82	51.40%
No. of Deals	30,598	28,009	9.24%

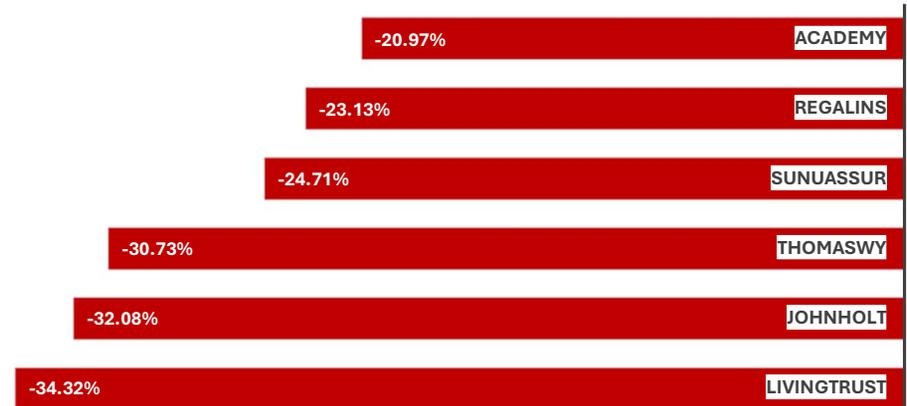
### Top Gainers for the Month

Tickers	Close Price (N)	Previous Price (N)	△ %
EUNISELL	59	39.5	49.37%
SOVRENINS	3.9	3	30.00%
ARADEL	782	615	27.15%
DANGCEM	660	525.1	25.69%
MTNN	520.1	423	22.96%
WEMABANK	20.45	17	20.29%

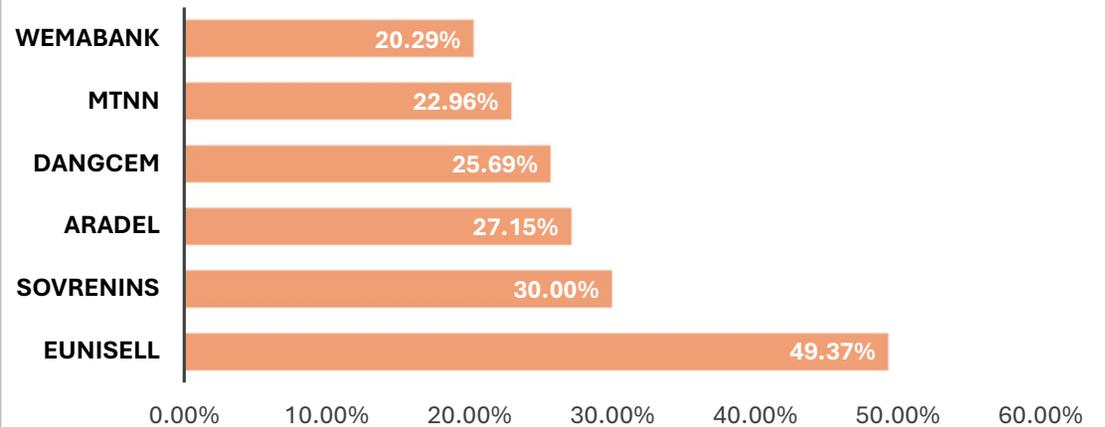
### Top Losers for the Month

Tickers	Close Price (N)	Previous Price (N)	%
LIVINGTRUST	4	6.09	-34.32%
JOHNHOLT	5.4	7.95	-32.08%
THOMASWY	2.75	3.97	-30.73%
SUNUASSUR	4.51	5.99	-24.71%
REGALINS	1.23	1.6	-23.13%
ACADEMY	7.5	9.49	-20.97%

### Top Losers in October



### Top Gainers in October



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# Forward outlook–Impact of global highlight on Nigeria



- **Oil Market:** The modest OPEC+ production increase of 137,000 barrels per day for November, combined with a softer demand outlook from China and India's reduced purchases of Russian oil, could place downward pressure on crude prices, limiting Nigeria's oil revenue gains in the short term.
- **External Financing:** The U.S. rate cuts and expectations of further monetary easing among advanced economies are likely to ease global financing conditions, supporting Nigeria's planned \$2.3 billion
- **Eurobond issuance** to refinance its \$1.11 billion maturing bond. Lower global yields may help reduce borrowing costs and attract renewed investor interest in Nigerian sovereign debt.
- **Foreign Exchange Stability:** A softer dollar and improving global liquidity could support naira stability, particularly if external inflows strengthen through Eurobond proceeds, portfolio investments, and improved remittance flows.
- **Trade and Inflation:** Slower growth in China and Europe may reduce external demand for commodities, but also ease import-driven inflation, helping domestic price stability.
- **Investor Sentiment:** The surge in gold prices signals lingering global uncertainty; however, Nigeria's strong equity market performance (N97.83 trillion market capitalisation, 42.81% YTD return) suggests that domestic investors remain confident, even amid global volatility.

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