



# **FMDA Weekly Market Report**

**November 24<sup>th</sup>  
2025**



# Executive Summary



- **Global inflation eased across major economies last week, prompting several central banks, including the Fed, BoE, South Africa, India, and Brazil, to lean toward monetary easing. This strengthens expectations that the CBN may deliver a 50bps rate cut at its 303rd MPC meeting this week.**
- **With CBN policy easing increasingly likely, market participants are already positioning for lower yields. This supports a gradual shift toward longer-term securities, as duration becomes more attractive in a falling-rate environment.**
- **Oil prices weakened further, closing the week at an average of \$63.71, amid lingering concerns around global demand from China and Japan. The softer oil market adds pressure to Nigeria's external earnings and FX supply.**
- **The naira may face renewed pressure this week, driven by expected \$1.11bn Eurobond repatriation flows and weaker crude oil prices.**
- **System liquidity is set to improve, with N1.16 trillion in maturities and coupon payments expected this week, providing additional support to short-term rates.**
- **Bond and treasury bill yields declined across most maturities, reflecting early pricing of monetary policy easing and stronger demand for fixed-income securities.**
- **The equities market extended its bearish trend, with the NGX-ASI down 2.24% WoW, pushing year-to-date performance lower to 39.64%.**



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**The Global & Macro Backdrop**

**Liquidity & FX Trading Conditions**

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# Inflation continues to decelerate among major economies



- Japan's economy contracts for the first time in six quarters, as U.S. tariffs weaken export demand and manufacturing output.
- Japan's core inflation accelerates, staying above the BOJ's 2% target.

- UK inflation moderates to 3.6%, increasing expectations of a Bank of England cut in December.
- Canada's inflation slows to 2.2%, helped by falling gasoline and food prices, strengthening the case for rate cuts.

- South African inflation accelerates slightly but remains within a manageable range.



# Monetary Policy & Central Bank Sentiment



- U.S. Fed minutes show strong support for ending Quantitative Tightening (QT), signalling a shift toward less restrictive policy.
- Bank of England expected to cut rates in December and again in Q1 2026, according to Economists.
- Egypt holds interest rates at 21%, balancing inflation and economic overheating pressures.
- South Africa cuts its key interest rate to 6.75% following adoption of a new inflation target.
- BOJ set to hike interest rates in December, but decision on knife-edge - Reuters poll



# Global Trade & Manufacturing



**U.S. trade deficit narrows, supported by a sharp decline in imports.**

**U.S. Trade deficit shrinks 23.8% to \$59.6 billion in August**

**U.S. becomes the biggest recipient of Chinese loans, according to a new study.**

**Cross-border crypto transactions come under scrutiny, with Brazil seeking to impose new taxes.**

**Japanese seafood exports face fresh restrictions as China escalates diplomatic tensions**



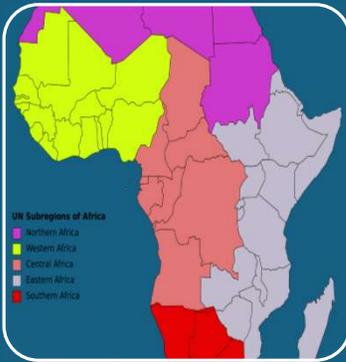
# Key Macroeconomic Indicators

Country	GDP Growth (%)		Inflation (%)		Interest rate (%)		Unemployment rate (%)	
United States	2.1	↑	3.0	↑	4	↓	4.4	↑
China	4.8	↓	0.2	↑	3	→	5.1	↓
Japan	1.1	↓	3.0	↑	0.5	→	2.6	→
Germany	0.3	→	2.3	↓	2.15	→	6.3	→
United Kingdom	1.3	↓	3.6	↓	4	→	5	↑
India	7.8	↑	0.25	↓	5.5	→	5.2	↓
Brazil	2.2	↓	4.68	↓	15	→	5.6	→
South Africa	0.6	↓	3.6	↑	6.75	↓	31.9	↓
Egypt	5	↑	12.5	↑	21	→	6.4	↑
<b>Nigeria</b>	<b>4.23</b>	<b>↑</b>	<b>16.05</b>	<b>↓</b>	<b>27</b>	<b>↓</b>	<b>4.3</b>	<b>↓</b>

Source: CBN, TradingEconomics & FMDA Research

Note: ↑ means Increase, ↓ Decrease, → Unchanged

# Africa & Nigeria-Specific Developments



- South Africa cuts its key interest rate (6.75%) following adoption of a new inflation target.
- Egypt holds interest rate at 21%, balancing inflation and economic overheating pressures.



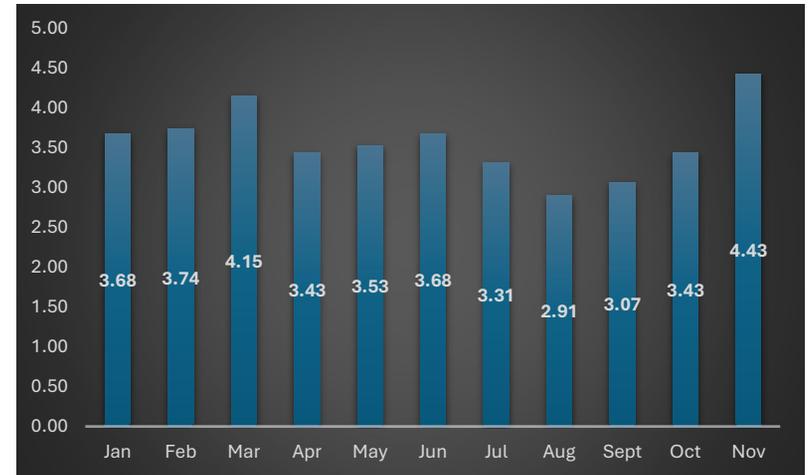
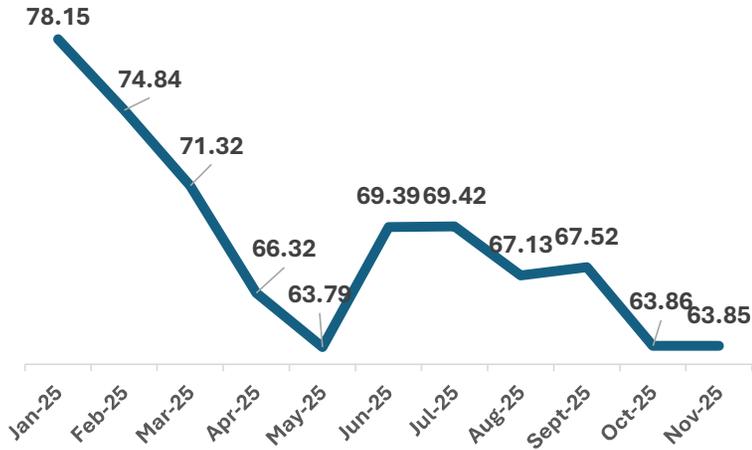
- Private equity firms warn Nigeria risks losing capital inflows due to the proposed 30% capital gains tax.
- Nigeria's inflation slowdown 16.5%, beats expectations, raising hopes of a meaningful rate cut.
- Internet banking overtakes ATM, PoS as transaction values surge to N542.98trn

# Crude oil and Natural Gas prices at close of week



**Crude oil price**  
**\$63.71** ↓0.25%  
 Crude oil price continues to slide, as WoW drops 0.25%.

**Natural gas price**  
**\$4.47** ↓1.32%  
 Natural gas also closes on bearish note with 1.32% drop.



- 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.



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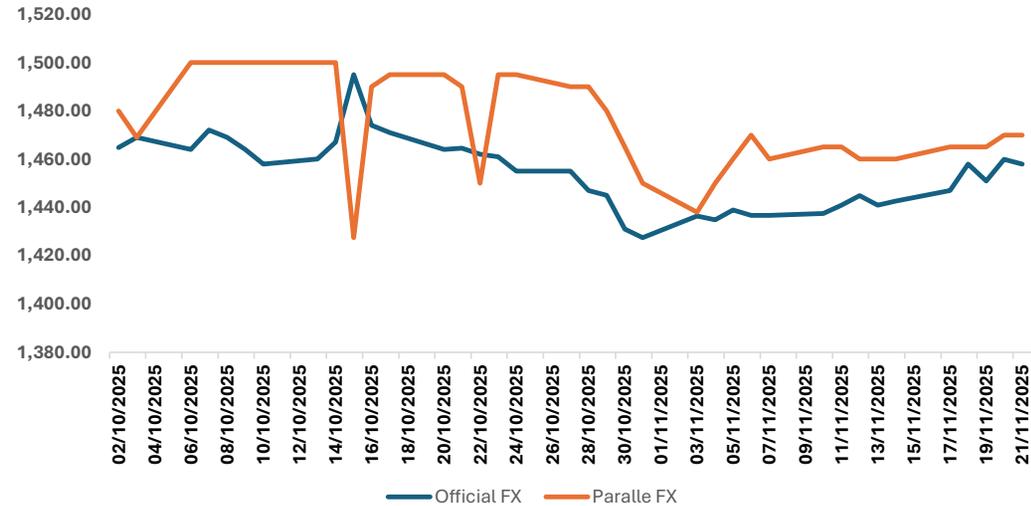
# Naira depreciated again by 0.93% WoW



## Exchange rate determinant factors

Variable	P. Week	Close of Week	Trend
Brent Oil Price (\$/bl)	63.87	63.71	↓
Crude Oil Production (mbd)	***	***	
Gross Foreign Reserves (\$bn)	43.47	44.05	↑

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	***	***	



- Despite robust external reserve, naira continue to slide.
- Declining in crude oil and natural gas prices might have contributed to the falling of the Naira.
- \$1.11 bn Eurobond maturing this month may have a moderate impact on the naira, but the new Eurobond issued will dampen the impact.

Source: CBN, TradingEconomics, investing.com, oilprice.com & FMDA Research

# Liquidity & Funding Conditions

Parameter	Value	
Average System Liquidity	N2.18 trn	↓
CBN Open Market Operations	N2.52 trn net withdrawal	↓
CBN Primary Market	145.42 bn net withdrawal	↓
OVN	25.91%	↑
OPR	24.52%	↑

Liquidity conditions worsened compared with the previous week.

Average system liquidity decreased from N5.09 trillion to N2.18 trillion, reflecting mop up of activities by the apex bank.

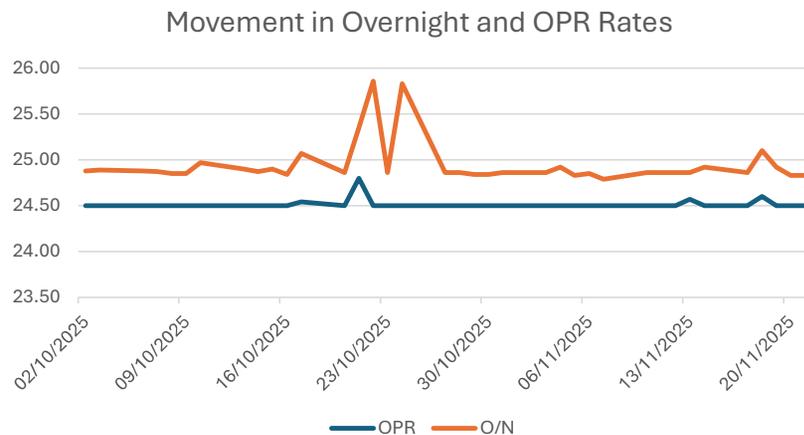
This decline was driven by much larger by CBN withdrawal:

- **CBN OMO activities moved from N3.63 trillion injections to N2.52 trillion withdrawal at the close of week.**
- **CBN's Primary Market activities also moved from N752.84 billion injections to N145.42 billion withdrawal last week.**

The liquidity tightening led to elevated funding conditions, as rates moves higher than the previous week:

- **OVN rate increased marginally from 24.87% to 25.91%.**
- **OPR rate held close to previous levels, moving from 24.51% to 24.52%.**

Overall, the system experienced weaker liquidity, which led to elevated funding costs.





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Bonds Yield	Close of Week	Previous Week	%  
1 YR	15.64	15.64	0.00
3 YR	15.48	15.55	-0.07
5 YR	15.50	15.41	0.09
7 YR	15.50	15.31	0.19
10 YR	15.30	15.20	0.10
30 YR	15.08	15.41	-0.33
Avg. Yield	15.48	15.57	-0.09

Source: Meristem, FMDQ, FMDA

## FGN Bonds

Bond yields were largely mixed at the close of week, but the overall direction was slightly downward.

The average bond yield declined marginally to 15.48% (-9bps) from 15.57% in previous week.

Most maturities saw small movements.

### Implication

*The decline in the 30-year yield suggests investors are beginning to take more interest in longer-term bonds as they anticipate lower interest rates in the future.*

Treasury Bill Yield	Close of Week	Previous Week	%  
1 MTH	16.66	16.71	-0.05
3 MTH	16.17	16.10	0.07
6 MTH	16.79	16.87	-0.08
9 MTH	17.52	17.97	-0.39
12 MTH	17.92	17.98	-0.06
Avg. Yield	16.94	16.98	-0.03

Source: Meristem, FMDQ, FMDA

## Treasury Bills

T-bill yields also moderated slightly last week.

The average T-bill yield fell by 4bps to 16.94%, from 16.98% in the previous week.

Changes across maturities were mild.

### Implication

*The decline in T-bill yields reflects increased demand for short-term securities, as investors move to lock in current rates amid expectations that short-term interest rates may soften in the near term.*

# Global 10-Year Bond Yields — Weekly Movement Analysis



Bonds Yield	Close of Week	Previous Week	%  
US 10 YR	4.11	4.10	0.01
JPY 10 YR	1.77	1.70	0.07
UK 10 YR	4.57	4.45	0.12
ZAF10YR	8.64	8.70	-0.06
KEN10 YR	13.13	13.13	0
CHN10YR	1.82	1.82	0
NIG 10YR	15.30	15.20	0.10

Source: Meristem, FMDQ, FMDA

Global bond yields were mixed this week, with notable increases in the US, UK, Japan, and Nigeria, while South Africa's yield declined on improving sentiment. China and Kenya remained stable amid muted policy signals.

# Total of N1.159 trillion in maturities and coupon inflows expected this week

## Corporate Bonds and Commercial Papers

Label (2025)	Corporate Coupon payment	Matured Corporate Bond	Commercial paper maturity
Last Week	N12.35 bn		N 236.61 bn
This Week	N11.52 bn		N7.30 bn

## FGN Bond

Label (2025)	Semi annual coupon payment (N) FG Bonds
Last Week	264.19 bn
This Week	30.64 bn

## Money Market Securities

Label (2025)	Matured NTB	Matured OMO	Total (N)
Last Week	689.55 bn	165.60 bn	855.15 bn
This Week		1.11 trn	1.11trn



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## ASI Declines 2.24% WoW



Key Market Indicators	Close	P. Close	%  
Index (points)	143,722.62	147,013.59	-2.24%
Market Cap. (N'trn)	91.41	93.5	-2.24%
Trade Volume (bn)	0.656	4.89	-86.59%
Trade Value (N' bn)	25.62	42.25	-39.37%
No. of Deals	18,842	24,152	-21.99%

Top Gainers for the Week			
Tickers	Close Price (N)	Previous Price (N)	% 
NCR	41.1	23.35	76.02%
PRESTIGE	1.47	1.22	20.49%
UPL	6	5.1	17.65%
UACN	70	60	16.67%
IKEJAHOTEL	20.85	18	15.83%
EUNISELL	79	68.9	14.66%

The Nigerian equities market closed the week on a bearish note, with the NGX-ASI falling by 2.24% WoW to settle at 143,722.62 points.

Market capitalisation declined by N20.9 trillion to N91.41 trillion, driven primarily by sustained selloffs in large-cap names such as DANGCEM (-10.00%), MTNN (-2.11%) and ZENITHBANK (-6.64%).

Consequently, the market's year-to-date return moderated to 39.64%, from 42.93%, in the prior week.

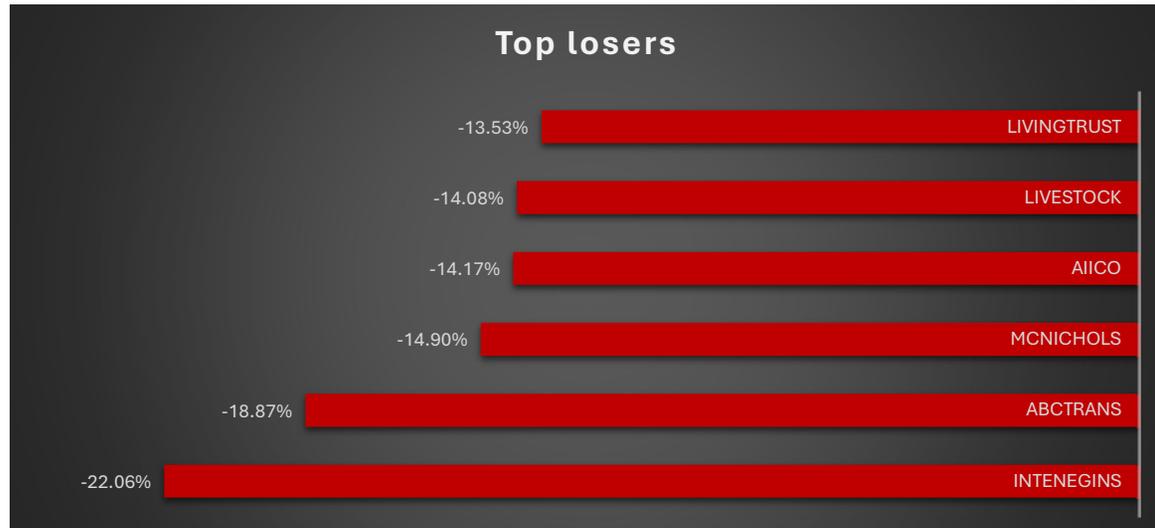
Market activity weakened significantly. Total traded volume declined by 86.59% to 656.9 million units (WoW). Total value traded also decreased by 39.37% to N25.62 billion, with ACCESSCORP leading the volume charts (128.7 million units), while ZENITH topped the value board (N5.45 billion).

# ASI Declines 2.24% WoW

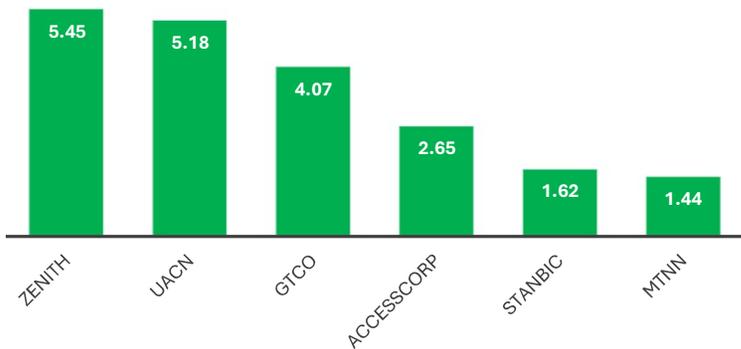


## Top Losers for the Week

Tickers	Close Price (N)	Previous Price (N)	% ▼
INTENEGINS	2.12	2.72	-22.06%
ABCTRANS	3.44	4.24	-18.87%
MCNICHOLS	2.57	3.02	-14.90%
AIICO	3.15	3.67	-14.17%
LIVESTOCK	6.1	7.1	-14.08%
LIVINGTRUST	3.58	4.14	-13.53%



## Top Companies by Value (N'billion)



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# Forward outlook–Impact of global highlight on Nigeria



## 1 Global rate-cut momentum supports Nigeria's easing outlook

With the Fed, BoE, South Africa, India, and Brazil all moving toward rate cuts, global monetary conditions are shifting toward easing. This strengthens the case for a less aggressive CBN in 2026 and supports another rate cuts this week.

## 2 Fed's planned QT halt reduces external pressure on Nigeria's FX market

Stopping QT slows US liquidity tightening, which helps ease upward pressure on US yields. This lowers the risk of capital flight from emerging markets like Nigeria, offering mild support for naira stability and reserves.

3

Weak factory output in China and a contraction in Japan raise concerns about global demand. Combined with oil's decline to \$63.71, Nigeria may face lower external earnings, putting cautious pressure on fiscal planning and FX inflows.

**Global growth softness (China, Japan, UK) signals headwinds for oil revenue**

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