



FMDA Monthly Market Report

**November
2025**



Executive Summary



EXECUTIVE SUMMARY

- Global inflation eased broadly in November, prompting several central banks, including the Fed, South Africa, New Zealand, and Mexico to shift toward monetary easing. This reinforces expectations that domestic rates in Nigeria may gradually move lower in early 2026, despite the CBN holding MPR at 27% at its November meeting.
- Economic activity across major markets weakened, with Japan slipping into contraction and China recording its softest factory and retail growth in over a year. This contributed to a continued drop in crude oil prices, which averaged around \$63–64/bbl through the month. The softer oil environment weighed on Nigeria’s external earnings and FX supply, even as the country prepared for a December oil bloc auction aimed at attracting fresh exploration capital.
- Seasonal FX inflows from “Detty December” tourism and diaspora travel are expected to provide short-term support for the naira in December.
- System liquidity is expected to improve significantly in December, with a substantial N13.72 trillion in maturities and coupon payments scheduled for release. This sizeable liquidity injection will provide strong support for short-term interest rates and may have informed the CBN’s decision to hold the MPR for now.
- Yields on both bonds and treasury bills declined across maturities in November versus October, underscoring growing expectations of rate easing among investors.
- The equities market declined MoM, with the NGX-ASI down 6.88%, pushing year-to-date performance lower to 39.4%.



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The Global & Macro Backdrop



Inflation declines in most Economies

 Japan's core inflation accelerates, staying above the BOJ's 2% target.

 Canada's inflation slows to 2.2%, helped by falling gasoline and food prices, strengthening the case for rate cuts.

 UK inflation moderates to 3.6%, increasing expectations of a Bank of England cut in December.

 China's factory-gate deflation eases in October, consumer prices rise

 India's inflation tanks to record low (0.25%), boosting December rate-cut hopes

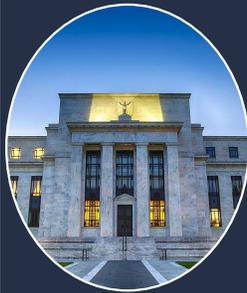
 Brazil's inflation slows to 4.68% in October, paves way for early 2026 rate cut

 Ghana inflation slows for 10th straight month in October to 8%

 South African inflation accelerates slightly to 3.6% but remains within a manageable range.



Monetary Policy & Central Bank Sentiment

						
<p>Fed to cut rates again in December on weakening job market, say most economists: Reuters poll</p>	<p>Bank of England expected to cut rates in December and again in Q1 2026, according to Economists</p>	<p>NZ central bank signals end to easing cycle after cutting rates to over 3-year low</p>	<p>South Africa cuts its key interest rate to 6.75% following adoption of a new inflation target</p>	<p>BOJ set to hike interest rates in December, but on knife-edge decision Reuters poll</p>	<p>Australia's central bank holds rates steady, might be done easing</p>	<p>Bank of Mexico cuts interest rate, tone turns more cautious</p>





Global GDP growth is mixed



German economy stagnated in Q3, official data confirms

UK economic growth disappoints in Q3 as JLR cyberattack hits

India's economy surges to 8.2% in Q3 ahead of full US tariff hit

Canada's third-quarter annualized GDP surprises with growth of 2.6%

Japan's economy contracts for first time in six quarters on tariff hit

Indonesia Q3 GDP growth slows slightly to 5.04% ahead of end-year stimulus measures

Key Macroeconomic Indicators



Country	GDP Growth(%)	Inflation (%)	Interest Rates (%)	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	8.2	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	5.3	12.5	21	6.4
Nigeria	4.23	16.05	27	4.3



Africa & Nigeria-Specific Developments

- Ghana central bank delivers third big rate cut to 18% as inflation tumbles
- Egypt's GDP grew by 5.3% in first quarter of 2025/2026
- South Africa cuts its key interest rate to 6.75% following adoption of a new inflation target.
- Egypt holds interest rate at 21%, balancing inflation and economic overheating pressures.
- Nigeria's inflation slowdown 16.01%, beats expectations
- Credit to private sector rebounds in Nigeria after September rate cut.
- CBN surprises markets by holding rates steady at 27% to sustain inflation gains



Liquidity & FX Trading Conditions

Crude oil and Natural Gas prices at close of November



Crude oil price

\$63.67 ↓ 0.77%

Crude oil price continues to slide, as MoM drops 0.71%.

Natural gas price

\$4.52 ↑ 31.78%

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..

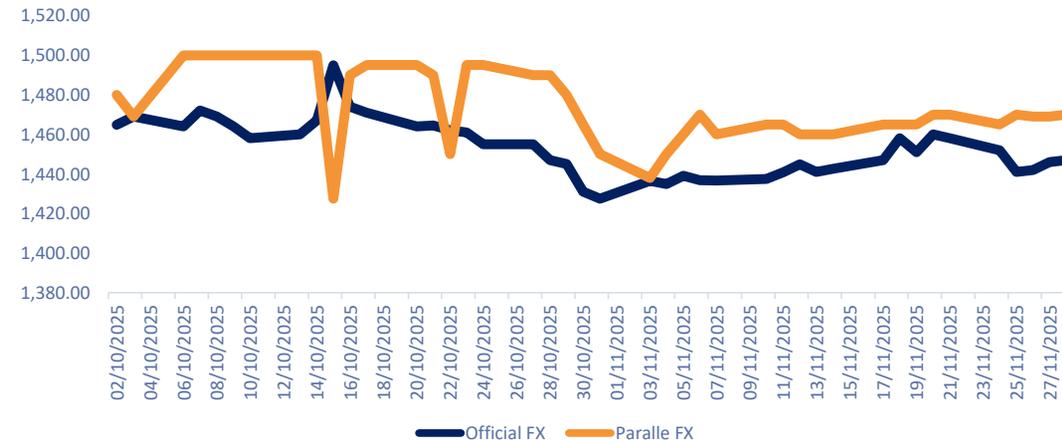
EIA projects the Henry Hub natural gas price to rise from below \$3.00/MMBtu in September 2025 to \$4.10/MMBtu in January 2026.

Naira depreciated by 0.07% in November

Exchange rate determinant factors

Variable	Sept.	Oct.	Nov.	Trend
Brent Oil Price (\$/bl)	67.52	63.86	63.37	↓
Crude Oil Production (mbd)	1.581	1.597	***	↑
Gross Foreign Reserves (\$bn)	41.88	42.76	43.82	↑

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	***	***	



- Nigeria's external reserves continued to edge higher in November, reflecting improving FX inflows despite the relatively weak oil market.
- As the festive Dettu December season intensifies, inbound travel, tourism spending, and diaspora inflows are expected to provide moderate support for FX liquidity.
- Consequently, the naira may experience mild appreciation pressure, driven by seasonal inflows associated with holiday activities.

Liquidity & Funding Conditions

Parameter	Value	
Average System Liquidity	N3.34 trn	↑
CBN Open Market Operations	N2.24 trn net injection	↑
CBN Primary Market	566.92 bn net withdrawal	↓
OVN	24.11%	↓
OPR	24.45%	↓

Average system liquidity increased from N2.90 trillion in October to N3.34 trillion in November. Though, this is a marginal increase.

This increase was driven by much larger by CBN injection:

- **CBN OMO activities moved from N6.88 trillion net withdrawal in October to N2.24 trillion net injection in November.**
- **CBN's Primary Market activities also moved from N706.01 billion net withdrawal in October to N566.92 billion net withdrawal in November.**

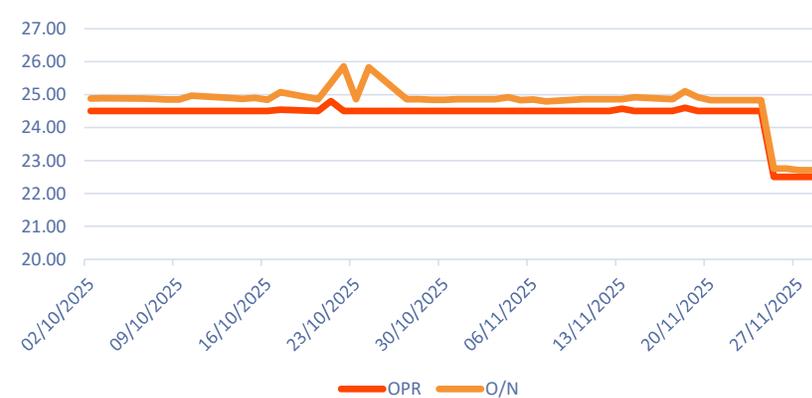
The liquidity easing led to decline in the funding conditions, as rates moves lower than the previous month:

- **OVN rate decreased marginally from 24.99% in October to 24.45%.**
- **OPR rate also decline, moving from 24.52% to 24.11%.**

Following the CBN's downward adjustment of the asymmetric corridor in late November, interbank liquidity conditions eased noticeably, leading to a sharp decline in short-term interbank rates. This confirms our earlier expectations of immediate transmission within the interbank market.

With the easing already evident in interbank lending, we expect the effect to filter through to customer lending rates in December and into early 2026.

Movement in Overnight and OPR Rates



Fixed Income Highlights



Bonds Yield	October	November	%  
1 YR	17.96%	16.74%	-1.22%
3 YR	16.13%	15.61%	-0.52%
5 YR	15.97%	15.58%	-0.39%
7 YR	15.81%	15.61%	-0.20%
10 YR	15.77%	15.41%	-0.36%
30 YR	15.40%	15.28%	-0.12%
Avg. Yield	16.17%	15.70%	-0.47%

Source: Meristem, FMDQ, FMDA

FGN Bonds

Bond yields declined across all maturities in November, showing a mild downward shift in the curve.

The average bond yield fell to 15.70% (–47bps) from 16.17% in October.

Movements across maturities were modest, with the largest declines seen at the 1-year and 3-year tenors.

Implication

Even though bond yields declined across all maturities, investors appear to be taking a cautious stance by concentrating more on the shorter end of the curve, where yields fell more noticeably.

This pattern suggests that the market is positioning for lower interest rates ahead, but investors remain reluctant to commit heavily to longer-dated bonds until there is greater clarity on the policy outlook.

Treasury Bill Yield	October	November	%  
1 MTH	16.51%	16.06%	-0.45%
3 MTH	16.88%	16.34%	-0.54%
6 MTH	17.57%	17.00%	-0.57%
9 MTH	20.19%	17.68%	-2.51%
12 MTH	18.56%	18.33%	-0.23%
Avg. Yield	17.94%	17.08%	-0.86%

Source: Meristem, FMDQ, FMDA

Treasury Bills

T-bill yields also moderated slightly in November.

The average T-bill yield dropped to 17.08%, an 86bps decline from 17.94% recorded in October.

The largest adjustment occurred at the 9-month tenor, which fell by –2.51%.

Implication

The decline in T-bill yields reflects renewed demand for short-term securities, as investors seek to capture existing rates before any further moderation.

This suggests expectations that short-term interest rates may soften, supported by improving market liquidity and the outlook for a less restrictive monetary stance

Global 10-Year Bond Yields — Monthly Movement Analysis

Bonds Yield	October	November	%  
US 10 YR	4.08	4.08	0
JPY 10 YR	1.66	1.73	0.07
UK 10 YR	4.55	4.48	-0.07
ZAF10YR	9.02	8.68	-0.34
KEN10 YR	13.35	13.04	-0.31
CHN10YR	1.79	1.80	0.01
NIG 10YR	15.45	15.35	-0.1

- The decline in South African, Kenyan, and Nigerian yields signals improving demand for emerging-market debt as investors position for global monetary easing in 2026.
- Stable US yields mean reduced upward pressure on global borrowing costs, which helps limit capital outflow risks for frontier markets like Nigeria.
- Slight upticks in Japan and China yields reflect region-specific economic adjustments, but do not shift the global easing trend.
- For Nigeria, the mild drop in the 10-year yield aligns with expectations of softer domestic rates, supporting improved bond market liquidity into December.

Total of N13.72 trillion in maturities and coupon inflows expected in December



Corporate Bonds and Commercial Papers

Label (2025)	Corporate Coupon payment (N)	Matured Corporate Bond (N)	Commercial paper maturity (N)
November	42.80 bn	25.00 bn	311.30 bn
December	34.25 bn	14.16 bn	302.13 bn

FGN Bond

Label (2025)	Semi annual coupon payment (N) FG Bonds
November	304.47 bn
December	8.17 trn

Money Market Securities

Label (2025)	Matured NTB	Matured OMO	Total (N)
November	1.35 trn	3.81 trn	5.16 bn
December	1.67 trn	3.53 trn	5.20 trn

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



Stock Market

ASI Declines 6.88% MoM

Key Market Indicators	October	November	%  
Index (points)	154,126.45	143,520.53	-6.88%
Market Cap. (N'trn)	97.83	91.29	-6.68%
Trade Volume (bn)	5.20	1.83	-64.88%
Trade Value (N' bn)	45.16	20.03	-55.64%
No. of Deals	30,598	20,645	-32.53%

Top Gainers in November			
Tickers	October	November	% 
SOVRENINS	2.7	3.9	44.44%
INTENEGINS	2.25	2.94	30.67%
MULTIVERSE	10.05	13	29.35%
CILEASING	4.96	6.3	27.02%
MBENEFIT	3.27	4.09	25.08%
OANDO	38.85	48.05	23.68%

The Nigerian equities market closed the month on a bearish note, with the NGX-ASI falling by 6.88% MoM to settle at 143,520.53 points.

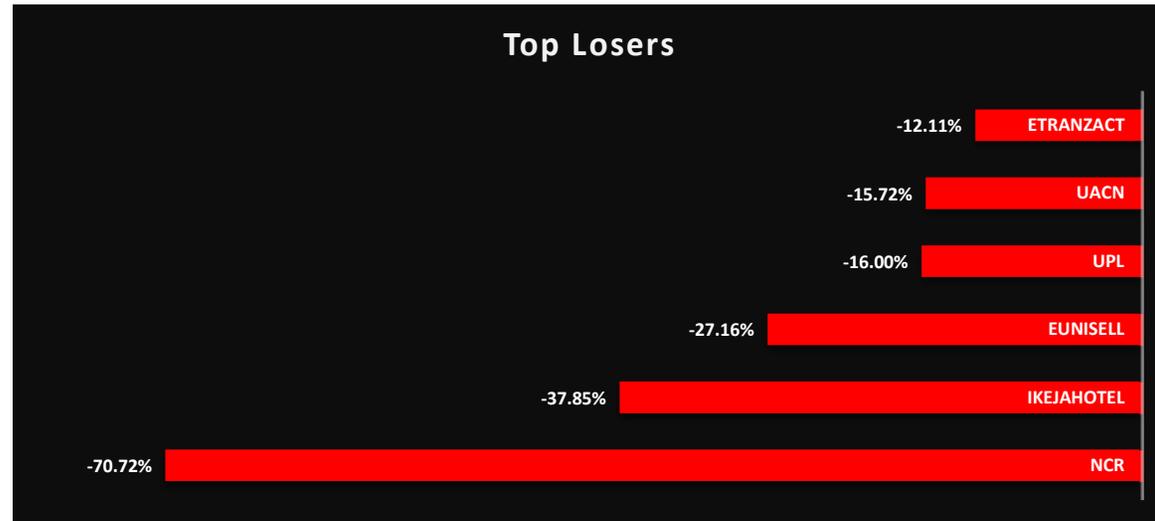
Market capitalisation declined by N6.54 trillion to N91.29 trillion, driven primarily by sustained selloffs in large-cap names. Consequently, the market's year-to-date return moderated to 39.4%.

Market activity weakened significantly. Total traded volume declined by 64.88% to 1.83 billion units (MoM). Total value traded also decreased by 55.64% to N20.03 billion, with ACCESSCORP leading the volume charts (103.3 million units), also topped the value board (N2.17 billion).

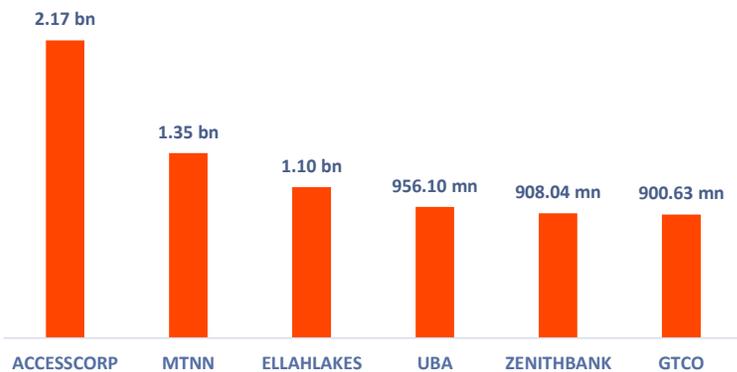
ASI Declines 6.88% MoM

Top Losers in November

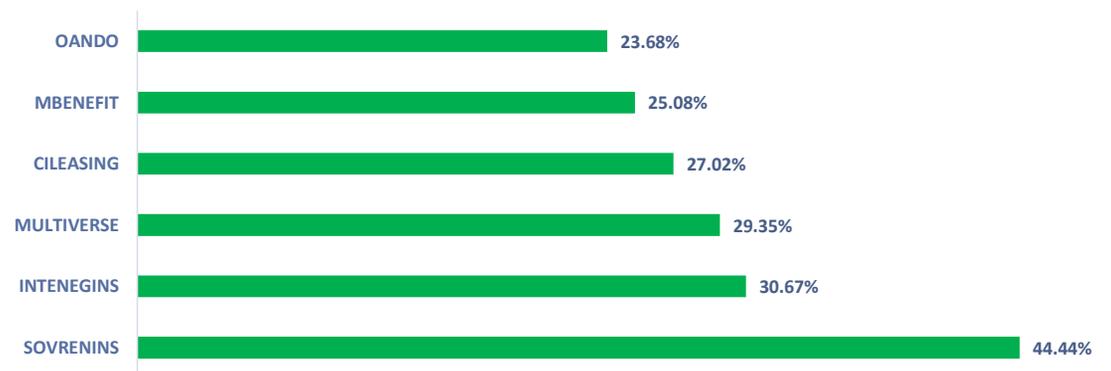
Tickers	October	November	% ▼
NCR	54.65	16	-70.72%
IKEJAHOTEL	30.25	18.8	-37.85%
EUNISELL	81	59	-27.16%
UPL	6	5.04	-16.00%
UACN	78.9	66.5	-15.72%
ETRANZACT	14.45	12.7	-12.11%



Top Companies by Value



Top Gainers





Forward Outlook

Forward outlook—Impact of global highlight on Nigeria

1

Even though, the CBN retains MPR at 27%, all indications supported by the global rate easing, and deceleration in Nigeria's fixed income market yields, shows the market is moving toward lower rate.

2

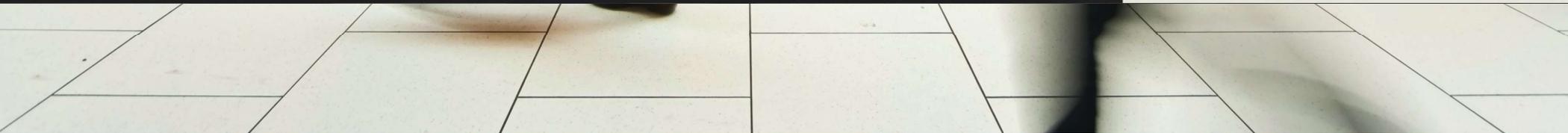
Oil prices remain directionless, with no strong upward or downward trend. The U.S. is attempting to broker a new initiative to end the Ukraine war, while OPEC+ has decided to keep its 2026 group-wide output targets unchanged. Together, these factors suggest that oil prices may stay relatively range-bound in the near term.

3

Seasonal FX inflows from "Detty December" tourism and diaspora travel are expected to provide short-term support for the naira, as increased spending on hospitality, entertainment, and remittances boosts market liquidity.



Thank you



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