

A high-angle photograph showing the lower legs and feet of several people walking on a paved surface. The scene is backlit, creating long, dark shadows on the ground. The people are dressed in business attire.

# **FMDA Weekly Market Report**

**15<sup>th</sup> December  
2025**



# Executive Summary



# EXECUTIVE SUMMARY

- Global markets tilted further toward monetary easing this week, with the US cutting rates and several central banks either easing or signaling policy flexibility.
- This reinforces expectations that Nigeria could begin a gradual rate-cut cycle in 2026.
- Expectations that global oil supply will exceed demand by about 3.8 mbpd in 2026, according to EIA data, combined with optimism around Russia–Ukraine peace talks, have renewed pressure on crude oil prices as fears of supply disruptions ease.
- As expected last week, naira faced mild pressure from sliding oil prices, partly from maturing securities.
- This week, the naira is expected to face less pressure due to lower liquidity from maturities, and re-issuance of matured OMO.
- Projected N712.68 bn in maturity this week will provide moderate support for system liquidity, though significantly lower than last week’s N1.58trn.
- 10-year bond yields across major economies rose last week, including Nigeria. This appears to reflect expectations of stronger economic growth rather than concerns over fiscal sustainability.
- The equities market improved WoW, with the NGX-ASI up 1.63%, pushing year-to-date performance to 45.18%.



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# The Global & Macro Backdrop



# After a long run of rate cuts, big central banks are now shifting toward a wait-and-see stance



**U.S. Federal Reserve cut its key lending rate by 25bps to 3.50%–3.75%, extending its easing cycle.**



**Bank of Canada held its policy rate at 2.25%, in line with expectations.**



**Bank of England expected to cut rates on December 18, with another cut projected in Q1 2026 (Reuters poll).**



**Swiss National Bank kept its policy rate unchanged at 0%, maintaining its stable-rate stance.**



**Bank of Japan expected to hike rates to 0.75% in December and 1.0% by September 2026, according to economists.**





# Key Macroeconomic Indicators

Country	GDP Growth(%)	Inflation (%)	Interest Rates (%)	Unemployment rate (%)
United States	2.1	3.0	3.75	4.4
China	4.8	0.7	3	5.1
Japan	2.3	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	0.71	5.25	5.2
Brazil	0.1	4.68	15	5.6
South Africa	0.6	3.6	6.75	31.9
Egypt	5.3	12.5	21	6.4
Nigeria	3.98	16.05	27	4.3

## Africa & Nigeria-Specific Developments

- Kenya's central bank has cut its key rate to 9% to boost bank lending.
- Egypt's inflation eased to 12.3% in November, reinforcing a steady disinflation path.
- Ghana's economy expanded 5.5% in Q3 2025, reflecting stronger momentum in key sectors.
- South Africa's manufacturing output rose 0.2% y/y in October, showing mild industrial recovery.
- Nigeria's total trade expanded by \$1.54 billion in Q3, indicating improved external activity.
- CBN confirmed 82 Bureau De Change operators fully licensed, supporting retail FX supply.
- U.S. Navy intercepted a Nigerian-owned supertanker over alleged oil theft and piracy, adding security risk to regional shipping.

WHAT IS  
FOREX  
TRADING?



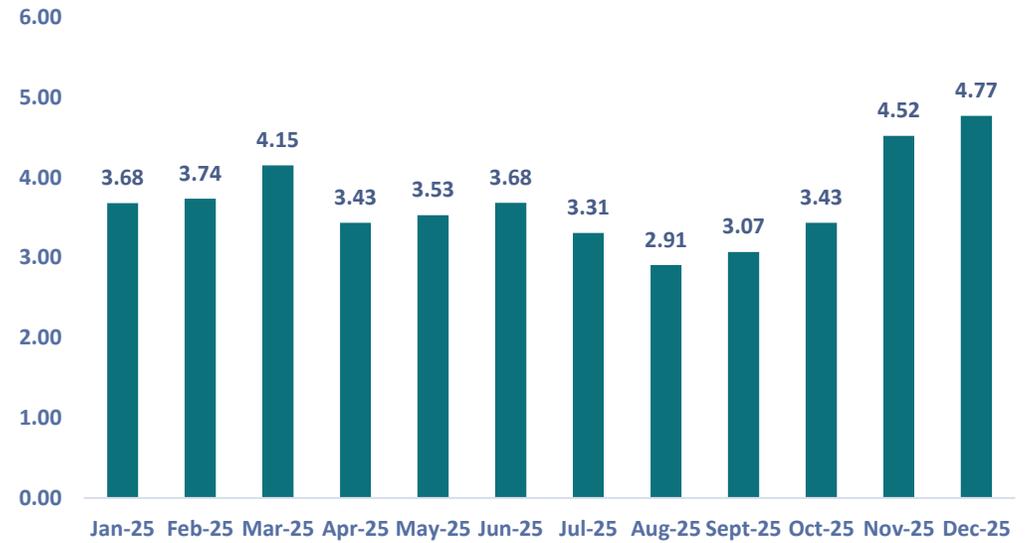
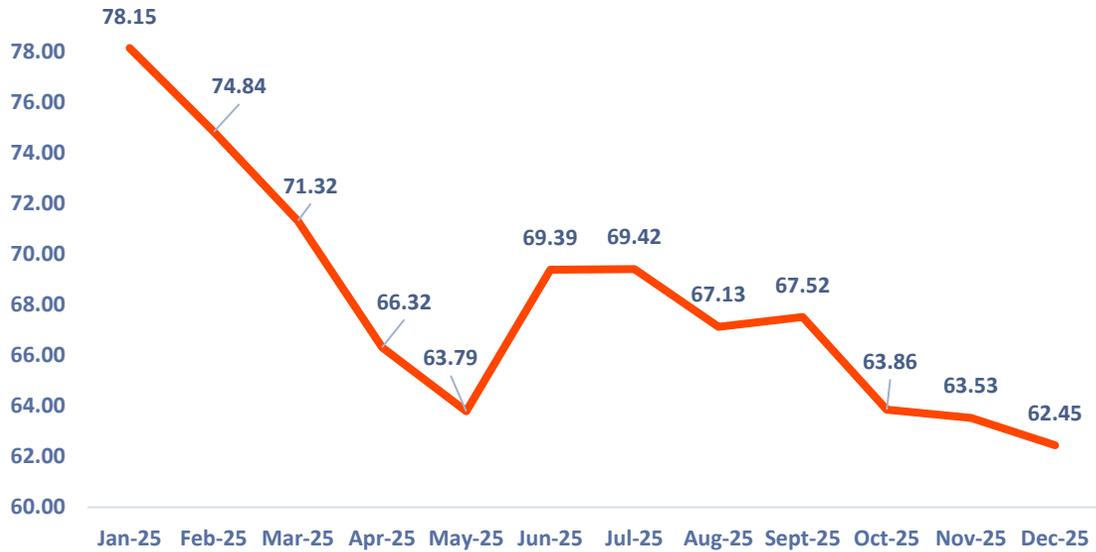
# Liquidity & FX Trading Conditions

# Natural gas fell to \$4.77 after reaching a 52-week high of \$5.06 two weeks ago on colder weather.



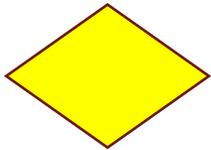
**Crude oil price**  
**\$62.45** ↓ 2.01%  
 Crude oil price continues to slide, as WoW drops 2.01%.

**Natural gas price**  
**\$4.77** ↓ 11.42%  
 Natural gas dipped with 11.42% WoW.



**Crude oil price will slip further to \$59 in 2026, according to average forecast from Bank of America Corp, Citigroup inc., Goldman Sachs Group inc., JPMorgan Chase & Co. and Morgan Stanley**

**Colder weather and heavy gas consumption by U.S. LNG export terminals pushed natural gas prices to a 52-week high two weeks ago.**



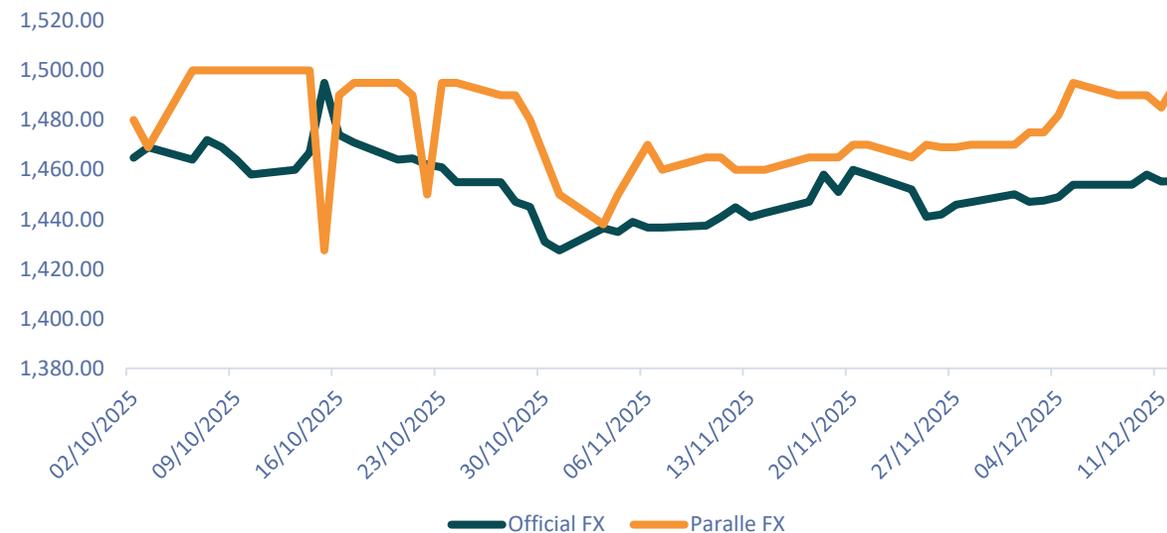
# Naira depreciated by 0.40% WoW

## Exchange rate determinant factors

Variable	Oct.	Nov.	Dec.	Trend
Brent Oil Price (\$/bl)	63.86	63.37	63.09	↓
Crude Oil Production (mbd)	1.401	1.436	***	↑
Gross Foreign Reserves (\$bn)	42.78	43.86	45.16	↑

Variable	Q1' 25	Q2' 25	Q3' 25	Trend
Trade Balance (\$bn)	3.41	4.74	4.40	↓
Current Account Balance (\$bn)	3.73	***	***	
Remittances (\$bn)	4.93	***	***	



- Nigeria's external reserves continued an upward trajectory in the second week of December, reflecting consistent FX inflows even though oil price continue to dip.
- The naira depreciated for two consecutive weeks, mainly due to volatility in oil prices.
- Although OMO maturities occurred, net system liquidity actually increased, as N1.84 trillion matured against N1.32 trillion issued, limiting the impact of OMO on FX pressure.

Parameter	Value	
Average System Liquidity	N3.28 trn	↑
CBN Open Market Operations	N772.93 bn net injection	↑
CBN Primary Market	106.43 bn net injection	↑
OVN	22.77%	↓
OPR	22.5%	↓

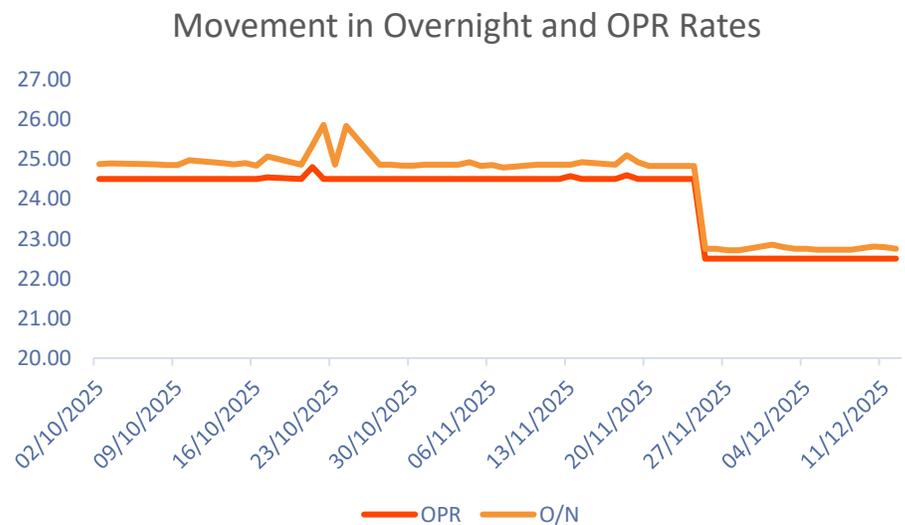
# System liquidity improved by 51.81% WoW

As predicted, average system liquidity improved on average from N2.93 trillion two weeks ago, to N3.28 trillion last week. However, CBN mopped up excess liquidity through OMO and Treasury bills sales.

- **OMO operations:** N253.62 billion net withdrawal
- **Primary market activities:** N276.10 billion net withdrawal

The liquidity boost eased funding pressures, pushing short-term rates lower:

- **OVN rate** fell from 22.77% to 22.76%
- **OPR rate** was flat at 22.50%



# Fixed Income Highlights



# Investors are demanding higher returns amid policy uncertainty

Bonds Yield	Two Weeks Ago	Last Week	% 
1YR	16.29%	16.85%	0.56%
3YR	15.87%	17.10%	1.23%
5YR	16.49%	17.33%	0.84%
7YR	15.54%	17.05%	1.51%
10YR	15.27%	16.45%	1.18%
30YR	15.08%	15.08%	0.00%
Avg Yield	15.76%	16.64%	0.89

Treasury Bill Yield	Two Weeks Ago	Last Week	% 
1 MTH	16.60%	16.90%	0.30%
3 MTH	15.92%	16.30%	0.38%
6 MTH	16.22%	17.06%	0.84%
9 MTH	17.07%	17.98%	0.91%
12 MTH	20.78%	20.31%	-0.47%
Avg. Yield	17.32%	17.71%	0.39%

## Bonds and Treasury Bills

- Yields rose sharply across most bond and treasury bill tenors, signalling a clear repricing of risk.
- The broad-based selloff suggests investors are demanding higher returns amid policy uncertainty and tightening liquidity expectations.
- The only relief came at the long end (30YR) and the 12-month bill, indicating selective positioning rather than broad confidence in a sustained easing cycle.

# Global 10-year bonds edged up

Bonds Yield	Two Weeks ago	Last Week	% 
US 10 YR	4.10	4.17	0.07
JPY 10 YR	1.90	1.96	0.06
UK 10 YR	4.46	4.51	0.05
ZAF10YR	8.40	8.46	0.06
KEN10 YR	12.74	12.80	0.06
CHN10YR	1.85	1.86	0.01
NIG 10YR	15.27	16.45	1.18%

- Despite the Fed's rate cut during the week, global bond yields moved higher, suggesting markets remain cautious about the pace and depth of future easing.
- Nigeria's sharper yield increase reflects domestic repricing and supply-liquidity dynamics, rather than global rate policy alone.
- The surge in bond yield in most economies appears to reflect expectations of stronger economic growth rather than concerns over fiscal sustainability.

# Total of N712.68 bn in maturities and coupon inflows expected this week



*This points to moderate liquidity support this week, though significantly lower than last week's N1.58trn*

## Corporate Bonds and Commercial Papers

Label (2025)	Corporate Coupon payment (N)	Matured Corporate Bond (N)	Commercial paper maturity (N)
Last week	-	-	39.44 bn
This Week	2.98 bn	4.9 bn	21.94 bn

## FGN Bond

Label (2025)	Semi annual coupon payment (N) FG Bonds
Last week	47.74 bn
This Week	74.25 bn

## Money Market Securities

Label (2025)	Matured NTB	Matured OMO	Total (N)
Last week	512.004 bn	1.07 trn	1.58 trn
This Week	70.86 bn	537.75 bn	608.61 bn

# 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

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# Stock Market

# ASI increased by 1.63% WoW

Key Market Indicators	Two weeks ago close	Last week close	%  
Index (points)	<b>147,040.26</b>	<b>149,433.25</b>	<b>1.63%</b>
Market Cap. (N'trn)	<b>93.72</b>	<b>95.26</b>	<b>1.65%</b>
Trade Volume (mn)	<b>361.60</b>	<b>571.69</b>	<b>58.10%</b>
Trade Value (N' bn)	<b>14.84</b>	<b>29.04</b>	<b>95.78%</b>
No. of Deals	<b>21,051.00</b>	<b>20,418</b>	<b>-3.01%</b>

Top Gainers in November			
Tickers	Two weeks ago close	Last week close	% 
<b>MECURE</b>	<b>29.8</b>	<b>37.95</b>	<b>27.35%</b>
<b>JAPAULGOLD</b>	<b>2.1</b>	<b>2.66</b>	<b>26.67%</b>
<b>SOVRENINS</b>	<b>2.9</b>	<b>3.4</b>	<b>17.24%</b>
<b>PZ</b>	<b>40.45</b>	<b>47</b>	<b>16.19%</b>
<b>TIP</b>	<b>11.1</b>	<b>12.75</b>	<b>14.86%</b>
<b>MCNICHOLS</b>	<b>2.6</b>	<b>2.95</b>	<b>13.46%</b>

The Nigerian equities market closed the week on a bullish note. NGX-ASI increased by 1.63% WoW to settle at 149,433.25 points.

Market capitalisation increased by N1.54 trillion to N95.26 trillion, driven primarily by renewed interest in MTNN, NB, INTBREW, etc. Consequently, the market's year-to-date return increased to 45.18%.

Total traded volume improved by 58.10% to 571.69 million units (WoW). Total value traded also increased by 95.78% to N29.04 billion, with ACCESSCORP leading the volume charts (106.07 million units), while TRANSPower topped the value board (N13.13 billion).

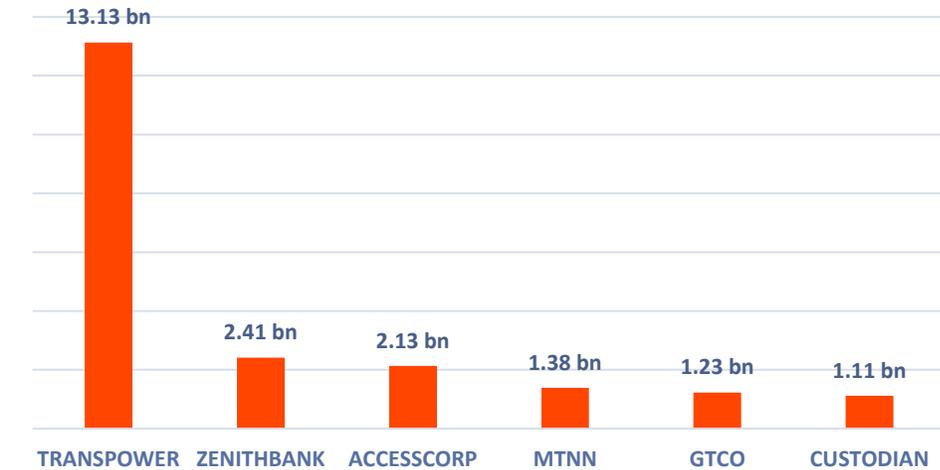
# ASI increased by 1.63% WoW

## Top Losers

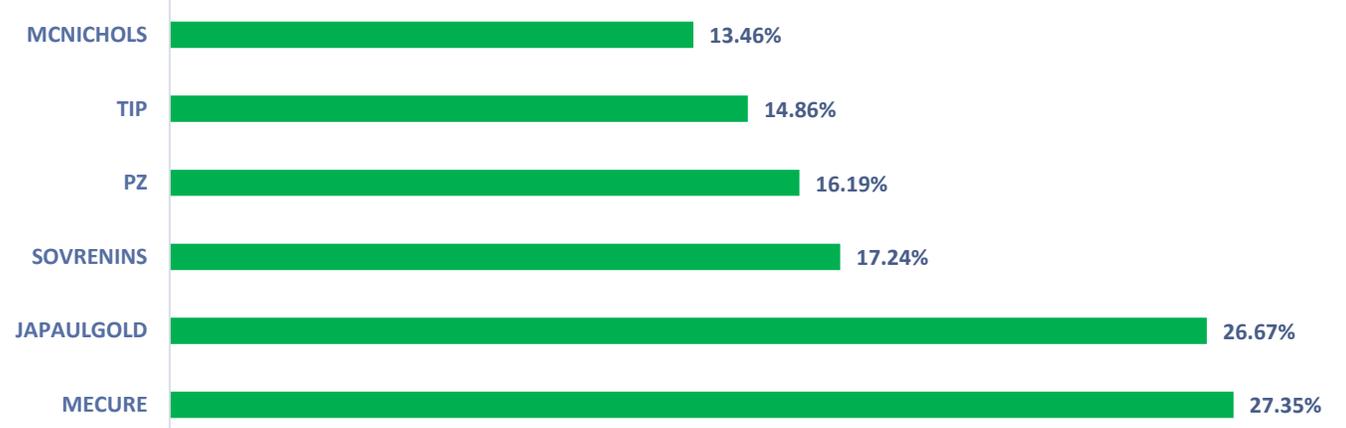
Tickers	Two weeks ago close	Last week close	% ▼
ETERNA	35.5	30.2	-14.93%
UACN	96.8	83	-14.26%
ETRANZACT	14	12.6	-10.00%
TRANSCO HOT	172.8	155.6	-9.95%
CHELLARAM	14.65	13.2	-9.90%
JOHNHOLT	5.4	4.9	-9.26%



## Top Companies by Value



## Top gainers





# Forward Outlook

# Forward outlook–Impact of global highlight on Nigeria

1

**Global rate-cut momentum continue to strengthen, with US fed cutting rate, while Bank of England is expected to ease in December and early 2026. Although Japan is leaning toward a rate hike, the broader global trend still favours monetary easing. This reinforces expectations that the CBN may begin trimming rates in early 2026, easing domestic borrowing costs.**

2

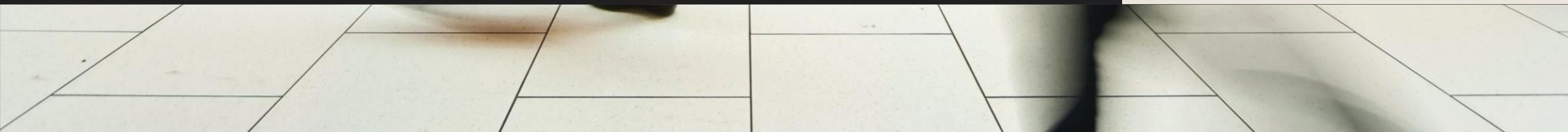
**As predicted last week, the naira came under pressure due to the continued decline in oil prices and partly due to maturing securities, especially those held by FPIs. This week, the naira is expected to face less pressure due to lower liquidity from maturities, and if the CBN conducts an OMO auction during the week, the naira could gain support.**

3

**As expected, oil prices continue to slide on optimism around Russia–Ukraine peace talks, easing supply concerns. EIA data indicate that global oil supply is expected to exceed demand by about 3.8 mbpd in 2026, roughly 4% of projected global demand. This surplus keeps oil prices under pressure, implying weaker oil revenues for Nigeria and reduced FX inflows from crude exports.**



**Thank you**



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