

INTERNATIONAL NEWS

Oil prices fell on Monday due to concerns about the impact of U.S. import tariffs on global economic growth and fuel demand. Brent crude dropped 0.4% to \$70.11 a barrel, while U.S. West Texas Intermediate crude decreased by 0.4% to \$66.76 a barrel. Rising output from OPEC+ producers also contributed to the decline. Despite the negative factors, analysts expect support around \$65/\$62 for WTI before a potential recovery.

LOCAL NEWS

- Nigeria's petrol imports surged in 2024, doubling despite an increase in domestic refining capacity, highlighting the country's continued reliance on imported fuel, as it jumps by 105% to N15 trillion.
- The Federal Government raises N2.51tn through Treasury Bills, Open Market Operation auctions.
- Nigeria's Telecom Industry Records \$7.6bn revenue in 2024.
- Transnational Corporation Plc (Transcorp) reported a significant 107% increase in revenue for 2024, reaching ₦408 billion compared to ₦197 billion in 2023. The company's profit before tax rose by 132% to ₦136.7 billion, and profit after tax increased by 188% to ₦94.1 billion.

FINANCIAL MARKET UPDATE

| INDICATORS | CURRENT | PREVIOUS |
|---------------------------------|-----------|------------|
| INFLATIONRATE (YoY%) | 24.48 | 34.80 |
| OIL PRICE (BRENT) (US\$/BARREL) | 70.42 | 71.85 |
| OIL PRODUCTION (MBPD) | 1.5 | 1.32 |
| FX RESERVE(USD MILLION) | \$38.42BN | \$339.72BN |
| MONETARY POLICY RATE | 27.50% | 27.25% |

MACROS

NIGERIA'S FOREIGN RESERVES – FEBRUARY 2025

Nigeria's foreign exchange reserves fell by \$1.31bn in February 2025, reflecting sustained external pressures amid the recent appreciation of the naira.

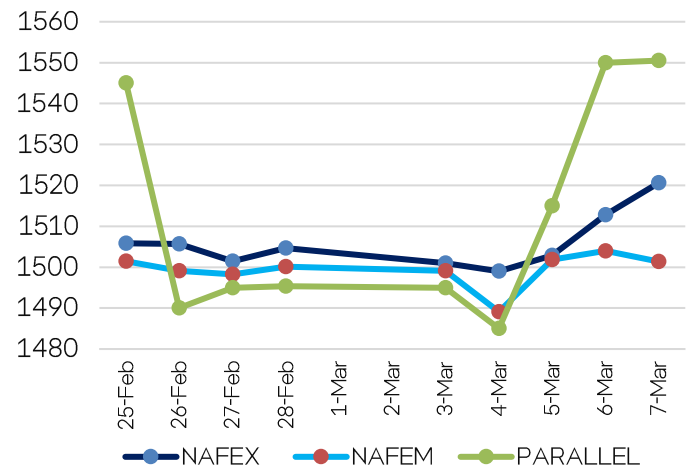
Data from the Central Bank of Nigeria (CBN) showed that reserves declined from \$39.72bn on January 31, 2025, to \$38.42bn on February 28, 2025, representing a 3.3 per cent drop within the month.

The decline in February was slightly higher than the \$1.16bn drop recorded in January, highlighting the continued strain on the country's external reserves.

The steady depletion of reserves has raised concerns amid rising speculations that the apex bank's sustained interventions in the foreign exchange market, aimed at bridging liquidity gaps and stabilizing the naira, have come at the cost of reducing external reserves.

FOREIGN EXCHANGE MARKET

At the NAFEX window, the naira closed at **1,520.60** and the NAFEM rate appreciated from **1,504 to 1,501.4**



MONEY MARKET

System liquidity opened with a positive balance of N345.69bn. (Opening balance was N266.56bn, Standing Deposit Facility was N218.28n, and Standing Lending Facility was N193.15bn).

| MONEY MARKET RATES | 07-MAR -25 | 06-MAR -25 |
|--------------------|---------------|---------------|
| Open Repo (OPR) | 27.08 | 28.14 |
| Overnight (O/N) | 27.67 | 28.50 |

T-BILLS

The Treasury bills market saw bullish activity yesterday due to unmet bids from the NTB auction. Demand was strong for the 91-, 182-, and 364-day papers, with rates declining throughout the day to 16.00%, 16.70%, and 17.50%, respectively. The OMO segment remained quiet following the OMO auction announcement.

| TYPE | SECURITY | DISCOUNT RATES (%) |
|------|-----------|--------------------|
| NTB | 27-Mar-25 | 20.13 |
| NTB | 24-Jul-25 | 16.80 |
| NTB | 11-Sep-25 | 16.86 |
| NTB | 6-Nov-25 | 17.13 |
| OMO | 19-Feb-26 | 17.85 |
| OMO | 20-May-25 | 21.50 |

BONDS

The FGN bond market experienced a bearish session due to the OMO auction announcement. There was a selloff in short- to mid-dated papers, particularly the 2031s, which saw yields rise to 19.00%. The 2035s also saw some activity, but wide bid-ask margins limited trades.

| COUPON RATE- % p.a. | FGN BONDS | CLOSING YIELD (%) |
|---------------------|-----------|-------------------|
| 13.53 | 23-Mar-25 | 17.46 |
| 21.00 | 20-Mar-28 | 19.10 |
| 14.55 | 26-Apr-29 | 18.97 |
| 18.50 | 21-Feb-31 | 19.05 |
| 12.15 | 18-Jul-34 | 18.32 |
| 15.70 | 21-Jun-53 | 16.74 |

COMMODITIES MARKETS

| COMMODITIES | CURRENT RATE | PREVIOUS RATE |
|------------------------|--------------|---------------|
| WHEAT (\$/BU.) | 540 | 542 |
| COCOA (\$/mt) | 8,057 | 8,890 |
| GOLD (\$/t. oz) | 2,913 | 2,667 |
| COTTON (\$/lb.) | 66.70 | 64.32 |
| SUGAR(\$/lb.) | 18.42 | 18.37 |
| PALM OIL(MYR/T) | 4,449 | 4,505 |
| SILVER (\$/t. oz) | 32.58 | 31.17 |
| NATURAL GAS (\$/MMBtu) | 4.6227 | 3.8119 |

Sources: IMF . CBN. NGX. NBS. PUNCH. Bloomberg. Trading Economics. NOVA Treasury. FMDQ. ,This Day, CNBC, Reuters , Business DAY, FMDQ

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