

### Fixed Income and Money Market

#### FGN Bond Market

Yesterday, the FGN bond market continued its bearish trend from last week with aggressive selloffs seen on 22 January 2026 and 17 March 2027 instruments. The average benchmark yield increased by 15bps (basis points) to 12.76%.

#### Nigerian Treasury Bill (NTB)

The treasury bills market was relatively bearish yesterday with buying interests seen on few short-term and mid-term maturities. The average benchmark yield reduced fractionally by 1bps to 7.48%.

#### FGN Eurobond Market

FGN Eurobond market closed bullish yesterday with buying interests seen across board. The average benchmark yield declined by 18bps to 12.82%.

#### Money Market

In the absence of any material inflow yesterday, the banks seek additional repurchase agreement (repo) and Standing Lending Facility (SLF) to bolster their liquidity causing the interbank rates to remain elevated. Thus, the rates on Open Buy back (OBB) increased by 25bps to 14.75% while Overnight (O/N) transaction maintained a constant value at 15.00%.

#### Foreign Exchange Market

At the CBN Investors & Exporters Window yesterday, the value of naira depreciated by NGN2.87 against the US dollar as the exchange rate closed higher at NGN431.00/\$1. Nigeria's foreign reserve settled at \$39.085 billion on Thursday last week.

#### Oil Market

- Reuters: Oil prices pulled back slightly this morning on the latest progress in last-ditch talks to revive the 2015 Iran nuclear accord, which would clear the way to boost its crude exports in a tight market. However, as of 7.15am this morning, Brent Crude futures gained 11 cents to trade at \$96.76 per barrel.
- Reuters: Russia's ESPO crude blend shipped to Asia has recently seen spot deals at parity with Middle Eastern benchmarks in a sign that the export grade Russia is shipping out of its Far East port Kozmino is recovering in pricing amid high demand from Russia's top buyers China and India. At least two cargoes loading over the next two months have been sold with ESPO prices at par with the Dubai benchmark, trading sources told Reuters yesterday. In the early weeks of the Russian invasion of Ukraine, ESPO slumped to a discount of as much as \$20 per barrel to regional benchmarks as traders and companies were confused about potential sanctions on Russian oil shipments. Prices have rebounded from those lows, at least for some cargoes, as India and China continue to buy Russian oil.
- Moreover, the EU has recently decided to add exemptions to the sanctions on Russia, which would allow countries from outside the bloc to deal with sanctioned Russian entities, including banks and state companies such as Rosneft. While ESPO is being sold below or close to benchmarks, Middle Eastern producers are selling their crude to Asia at record or near-record premiums for contracted term supply, while spot prices are also at premiums to Dubai/Oman.

#### FGN Bond Yields

Tenor	Open	Close	Change
^12.75 27-APR-2023	7.67%	7.60%	-0.07
^16.29 17-MAR-2027	11.90%	12.50%	+0.60
^12.15 18-JUL-2034	13.26%	13.26%	0.00

#### Nigerian Treasury Bills Yields

10-NOV-2022 (94 days)	3.94%	3.94%	0.00
26-JAN-2023 (171 days)	7.78%	7.77%	-0.01
08-JUN-2023 (304 days)	6.82%	6.82%	0.00

#### Nigerian Eurobond Yields

6.375 JUL 12, 2023	7.98%	7.82%	-0.16
6.50 NOV 28, 2027	11.07%	11.03%	-0.04
7.875 16-FEB-2032	12.51%	12.31%	-0.20

#### Forex Spot rates

I&E Market	428.13	431.00	+2.87
SMIS Market	430.00	430.00	0.00
Parallel Market	649.00	665.00	+6.00

#### Forex Forward rates

1 month	429.31	430.45	+1.14
6 months	461.49	454.79	-6.70
12 months	479.17	479.45	+0.28

#### Other Key Indices

Indicators	Current	Change
OBB	14.75%	+25bps
O/N	15.00%	00bps
System liquidity( <i>op. bal</i> )	N90.76bn	-116.78bn
Foreign reserve	\$39.085bn	0.00mn
OPEC Quota	1.826m bpd	+26,000bpd
Nig. Crude output	1.158m bpd	+134,000bpd
Brent Crude	\$96.76	+\$0.11
FAAC Allocation	N802.407bn	+N145.805bn

#### Major Business Headlines

- Trans Saharan Gas Pipeline: A Turning Point For Nigeria's Gas Export:** The recent Memorandum of Understanding, MoU, signed by Nigeria, Algeria and Niger Republic, to facilitate [a 4,000-kilometer \(2,500-mile\) Trans-Saharan Gas Pipeline \(TSGP\) has rekindled hope for export of Nigeria's huge gas potentials](#). It is estimated that, once the \$13 billion (€12.75 billion) pipeline is complete, it will transport up to 30 billion cubic meters (1 trillion cubic feet) of gas annually from Nigeria, through Niger and on to Algeria, across the Sahara desert. From there, it would be pumped through the undersea Trans-Mediterranean Pipeline to Europe or loaded onto Liquefied Natural Gas tankers for export. The idea was first proposed over 40 years ago, but progress stalled and the new momentum comes as the European Union seeks to wean itself off Russia's gas during the war in Ukraine.
- Buhari Intervenes, Approves Seplat Energy's Acquisition Of Exxon Mobil Shares:** President Muhammadu Buhari has intervened in the case between Seplat Energy Plc and the Nigerian National Petroleum Company Limited (NNPCL) and [consented to the acquisition of Exxon Mobil shares in the United States of America by Seplat Energy Offshore Ltd](#). The president made this intervention in his capacity as minister of Petroleum Resources, and in consonance with the country's drive for Foreign Direct Investment in the energy sector. Meanwhile, the Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission, NUPRC, Engr Gbenga Komolafe, has insisted that the decision to decline assent to the transfer of ExxonMobil shares to Seplat Energy Offshore Limited remained.
- Diaspora Nigerians remit \$60.22bn in three years:** The Nigerian population in the Diaspora [remitted \\$60.22bn in the three years to boost economic activities and the nation's external reserves](#). This is according to data from the World Bank and Budget Office of the Federation. The World Bank revealed that Diaspora remittances into Nigeria were estimated at \$23.81bn in 2019. In its 2023 – 2025 Medium Term Expenditure Framework and Fiscal Strategy Paper, the Ministry of Finance, Budget and National Planning, disclosed that Diaspora remittances were \$17.21bn in 2020 and \$19.2bn in 2021. According to the budget office, Diaspora remittances were among top sources of non-oil foreign exchange for the nation. It explained that a string of policies from the Central Bank of Nigeria was responsible for increased inflows of Diaspora remittances into the nation in 2021.