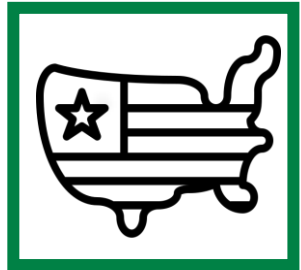


The Week-in-View

What moved the markets this week



Global Updates



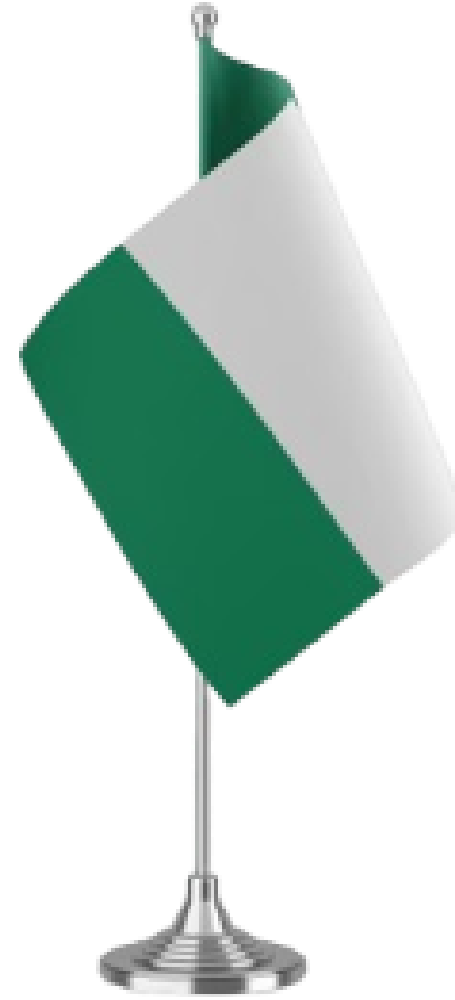
The U.S. Federal Reserve maintained its benchmark interest rate at 4.25%-4.50% during its March 2025 policy meeting. In addition to keeping rates unchanged, the Fed announced a further reduction in the pace of quantitative tightening (QT)—allowing only USD5.00 bn in Treasury maturities to roll off monthly (down from USD25.00bn) while maintaining the USD35.00bn cap on mortgage-backed securities. This aligns with the bank's policy accommodation strategy seeking to balance inflation control with sustaining economic growth. The decision was hinged on trade uncertainties, labor market softening, and sticky inflation, which have fueled concerns about economic resilience. We expect the Fed to sustain its cautious stance, holding rates steady while it carefully navigates the trade-off between inflation control and sustaining economic growth momentum.



At its March policy meeting, the Bank of England's Monetary Policy Committee (MPC) voted 8-1 to maintain the benchmark interest rate at 4.50%, opting for a cautious pause in its rate-cut cycle amid lingering inflationary pressures and global uncertainties. The decision reflects a cautious approach, as inflationary risks remain elevated despite signs of easing wage growth and domestic price pressures. The decision was further reinforced by geopolitical risks, trade uncertainties, and rising inflation expectations among businesses and households. We expect the BoE to maintain a cautious approach, balancing persistent inflationary pressures against the UK's sluggish economic growth.

Domestic Updates

The National Bureau of Statistics reported that the country's headline inflation eased for the second consecutive month to 23.18% in February 2025 (vs. 24.48% in January), primarily due to a slowdown in food inflation (23.51% vs. 26.08% in January), which offset the uptick in core inflation (23.01% vs. 22.59% in January). The moderation in food inflation was driven by lower prices of key staples, supported by improved supply volumes, a relatively stable exchange rate, and lower energy costs. Conversely, core inflation inched higher, reflecting increased costs in transportation, restaurant & accommodation services, and communication, with the latter impacted by a 50% hike in telecommunication tariffs. Looking ahead, inflationary pressures are expected to moderate further, aided by sustained FX stability and stable energy costs. However, seasonal demand pressures from the upcoming Eid-El-Fitr celebrations, the proposed hike in electricity tariffs, and increased demand from manufacturers could pose upside risks to the inflation outlook.



Oando Clean Energy, in partnership with the Rural Electrification Agency (REA), has signed a Memorandum of Understanding (MoU) to develop a 1.2-gigawatt (GW) solar power project, marking a significant milestone in Nigeria's renewable energy sector. This project is expected to be the country's largest solar initiative, aiming to enhance electricity access, create jobs through local manufacturing, and support Nigeria's clean energy transition. The first phase, a 600MW rollout, is scheduled for completion in 2026. A key highlight of the initiative is Africa's first solar module assembly plant with a recycling line, designed to repurpose old solar panels into raw materials for further use. This move aligns with Oando's commitment to sustainable energy and Nigeria's broader energy diversification agenda. We expect the successful implementation of this project to significantly improve electricity access across Nigeria, particularly in underserved rural areas, while also strengthening local solar panel manufacturing and recycling capabilities.

Domestic Updates

Nigeria and Brazil have signed the commercial phase of the USD1.10bn Green Imperative Project (GIP), marking a significant step towards boosting agricultural productivity and private-sector investment in Nigeria. The initiative, which builds on agreements signed since 2018, is the largest agricultural program on the continent, focusing on sustainable, low-carbon farming practices. The agreement comes as Nigeria continues to grapple with low agricultural productivity, despite the sector's potential to drive economic diversification and job creation. The GIP is expected to integrate small-scale farmers into competitive agricultural value chains, facilitate the importation and local assembly of essential farming equipment, and enhance investor confidence. In our opinion, the GIP is poised to enhance mechanized farming, create employment opportunities, reduce the country's dependency on imports and improve overall food production efficiency in the medium to long term.



Equities Market Updates

The Nigerian equities market extended its losing streak for the second consecutive week, shedding **0.97%** WoW as bearish sentiment dominated four of the five trading sessions. This pullback dragged the year-to-date (YtD) return to 2.0%. However, investor sentiment showed signs of improvement, with market breadth rising to 0.78x from 0.44x in the prior week.

Sectoral performance was largely negative, with the **NGXBNK** (-2.55% WoW), **NGXOILGAS** (-1.08% WoW), **NGXINDUSTR** (-3.39% WoW), and **NGXINS** (-2.87% WoW) indices closing in the red. The **NGXCNSMRGDS** (+0.06% WoW) index was the sole gainer.

Meanwhile, trading activity reflected the overall market trend, as total volume and value traded declined by **11.59%** WoW and **32.38%** WoW, respectively, to 2.90bn units and NGN42.90bn (vs. 3.28bn units and NGN63.44bn in the previous week). **TANTALIZER** (+19.69% WoW) emerged the top gainer while **REDSTAREX** (-18.86% WoW) posted the largest decline

	This Week	Previous Week	% Δ
NGXASI	104,962.96	105,995.32	0.97%
Volume ('bn)	2.90	3.28	11.59%
Value ('bn)	42.90	3.44	32.38%
Mkt. Cap. ('trn)	63.73	64.33	0.94%
Market Breadth	0.78x	0.68x	14.95%

Gainers & Losers

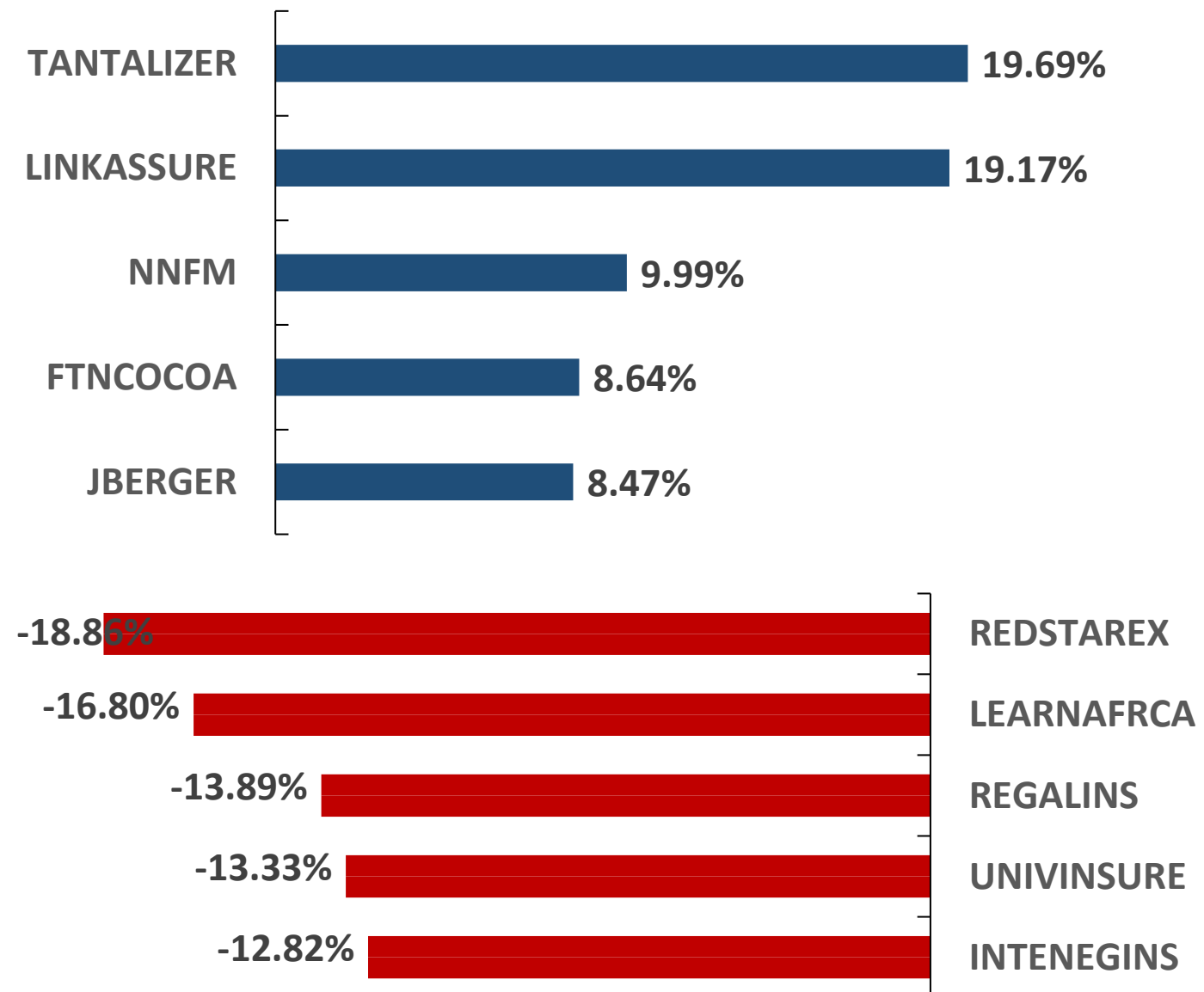


Top Gainers	% Δ	Top Losers	% Δ
TANTALIZER	19.69%	REDSTAREX	18.86%
LINKASSUR	19.17%	MULTIVERSE	16.80%
NNFM	9.99%	SCOA	13.89%
FTNCOCOA	8.64%	TRIPPLEG	13.33%
JBERGER	8.47%	MECURE	12.82%

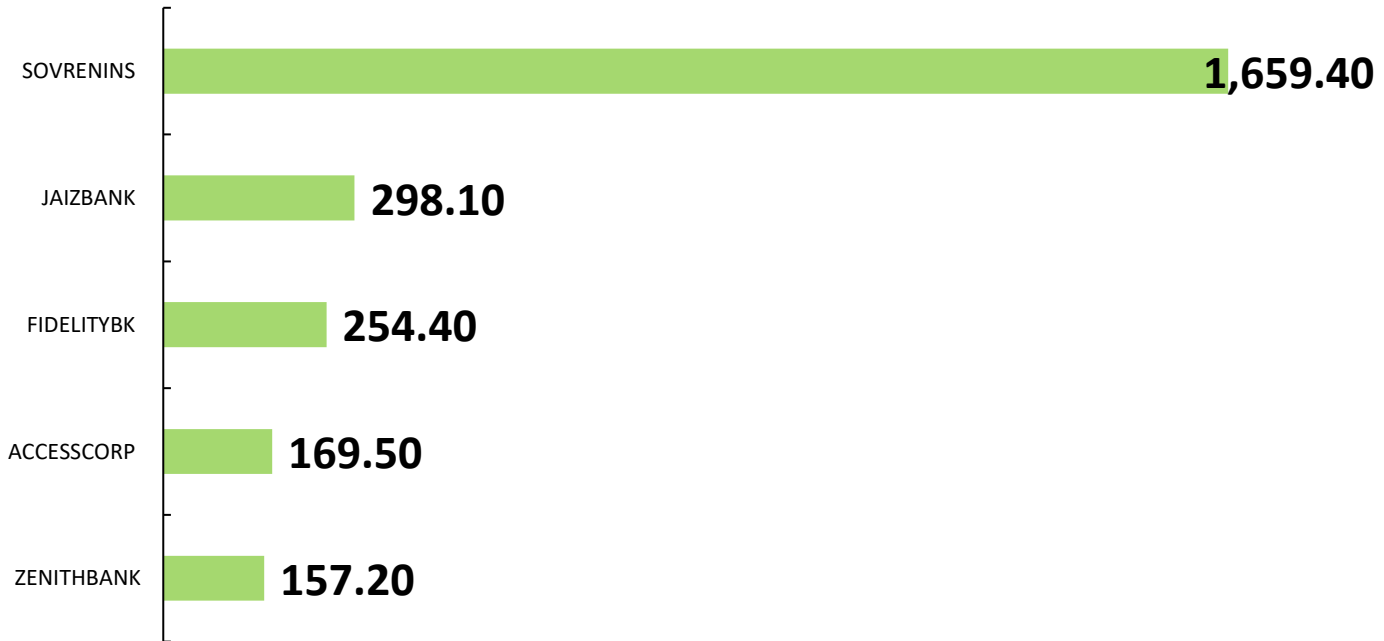
Equities Market Snapshot

Sectoral Performance	WtD (%)	MtD (%)	YtD (%)
NGXBNK	-2.55%	-5.78%	1.28%
NGXCNSMRGDS	0.06%	-1.63%	4.52%
NGXINDUSTR	-1.08%	-2.41%	-7.82%
NGXINS	-2.87%	-4.28%	-4.51%
NGXOILGAS	-3.39%	-3.60%	-2.31%
MERI-AGRIC	-0.97%	-2.65%	1.98%
MERI-TELCO	0.43%	0.43%	3.50%
Other Indices			
NGX-30	-0.89%	-2.75%	2.14%
NGX-PENSION	-1.07%	-3.42%	3.27%

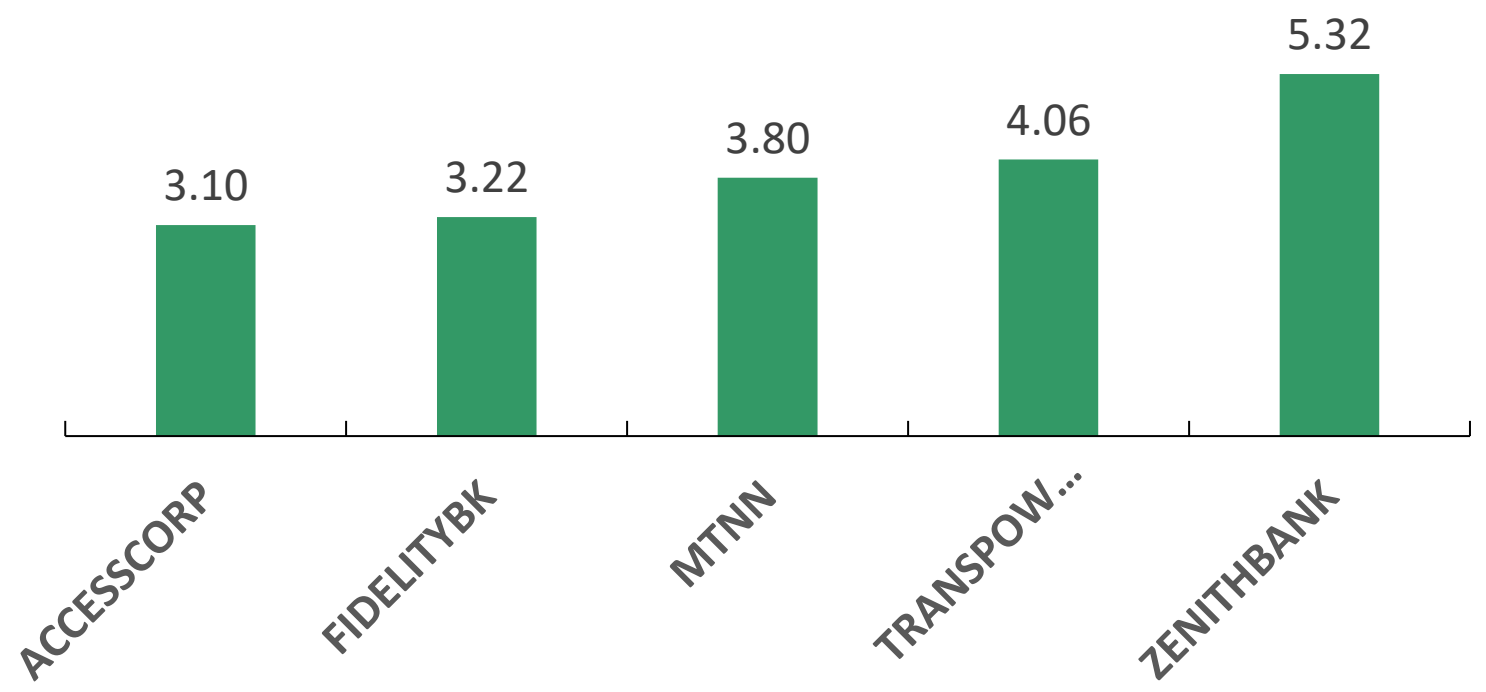
Top Gainers & Losers



Volume ('mn)



Value (NGN'bn)



Fixed Income

At this week's T-bills Primary Market Auction, the Central Bank of Nigeria (CBN) increased its total offer to NGN800.00bn (vs. NGN550.00bn at the previous auction) across the 91-day, 182-day, and 364-day tenors. However, investor demand weakened, as total subscriptions declined by 28.98% to NGN902.04bn. Consequently, allotments came in significantly below the offer size at NGN503.92bn, representing a 55.86% shortfall. Stop rates adjusted upwards across all tenors, reflecting tighter liquidity conditions and the market's higher yield expectations. The 91-day, 182-day, and 364-day instruments cleared at 18.00%, 18.50%, and 19.94%, respectively—rising from 17.00%, 17.79%, and 18.39% at the previous auction.

This week, the secondary fixed-income market maintained its bearish performance, with both the bond and T-bills segments experiencing significant sell-offs, compared to previous weeks. The bond market saw a notable downturn, driven by a sharp sell-off in the MAR-25 paper, which surged by 344bps WoW, as investors exited their positions ahead of its March 23, 2025 maturity. Similarly, the MAY-33 paper faced heightened selling pressure, pushing its yield up by 164 bps WoW to 20.24% by this week's close compared to 18.60% the previous week. Consequently, average bond yield climbed by 29bps WoW to close at 18.75% from 18.46% the previous week.

The T-bills market also traded on a bearish tone, largely driven by heavy sell-offs in the APR-25 and JAN-26 maturities, which inched up by 222 bps WoW and 219 bps WoW to close at 19.03% and 22.91% respectively, from 16.81% and 20.72% at the previous week's close. As a result, average T-bills drove northwards by 11bps to 19.28% from 19.17% the prior week.

The Eurobond market remained bearish this week, with sell-offs recorded across the yield curve. Mid-curve bonds continued to experience selling pressure, though it eased slightly to 13bps, compared to 19bps in the previous week. The downturn was primarily driven by sustained risk-off sentiment toward African assets and the Federal Reserve's decision to maintain interest rates, which could have triggered capital flight to safer assets. As a result, the average Eurobond yield rose by 9bps WoW, settling at 9.51%, from 9.42% in the previous week.

	This Week	Previous Week	% Δ
Avg Bond Yield	19.11%	18.95%	0.20%
1YR	22.24%	21.95%	0.28%
3YR	19.09%	19.10%	-0.01%
5YR	19.39%	18.86%	0.53%
7YR	18.70%	18.56%	0.14%
10YR	18.51%	18.47%	0.04%
30YR	16.74%	16.74%	0.00%

	This Week	Previous Week	% Δ
1MTH	18.05%	17.85%	0.20%
3MTH	18.43%	17.89%	0.53%
6MTH	19.99%	19.13%	0.86%
9MTH	21.49%	20.39%	1.10%
12MTH	22.90%	21.25%	1.65%
Average	20.17%	19.30%	0.87%

Exchange Rate	This Week (NGN/USD)	Previous Week (NGN/USD)	% Δ
NAFEM	1,536.89	1,501.80	-2.28%

Money Market	This Week	Previous Week	% Δ
OBB	32.40%	32.33%	0.07%
OVN	32.90%	32.83%	0.07%

Alternative Assets



Crude oil prices posted moderate gains this week, with Brent crude rising by 1.03% to USD71.75 per barrel by Friday, from USD71.02 on Monday. The market was influenced by a combination of supply-side constraints and improving demand outlooks, particularly from China and the United States, both of which contributed to upward price pressures. On the supply side, reports indicate that OPEC+ has scheduled additional output cuts for seven member nations, including Russia, Kazakhstan, and Iraq, to compensate for exceeding agreed production levels. These cuts, ranging between 189,000 and 435,000 barrels per day (bpd), will remain in effect until June 2026. Additionally, fresh U.S. sanctions on Iranian crude exports have further tightened supply, with the U.S. Treasury announcing measures that could reduce Iran's oil exports by up to 1 million bpd. On the demand side, China's refinery throughput averaged 14.74 million bpd in the first two months of 2025, reflecting a 2.10% YoY increase and signaling modest growth in domestic demand. In the United States, however, crude oil inventories unexpectedly rose by 1.70mn barrels to 437 million barrels, according to the Energy Information Administration (EIA).



Bitcoin had a mixed performance this week. Investors started the week trading cautiously ahead of the FOMC meeting, awaiting signals on the monetary policy authorities. When the Fed announced it would maintain its key interest rate while hinting at potential rate cuts later this year, market sentiment turned optimistic. This drove Bitcoin to an intraday high of USD86,841 by Wednesday from USD84,019.10 on Monday. However, the rally was short-lived due to profit-taking activities, as investors capitalized on short term gains. The stronger U.S. dollar likely triggered this sell off as a rising dollar often signals investor preference for safer assets, leading to lower appetite for speculative investments like Bitcoin. By Friday, BTC had dropped to USD83,800.

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