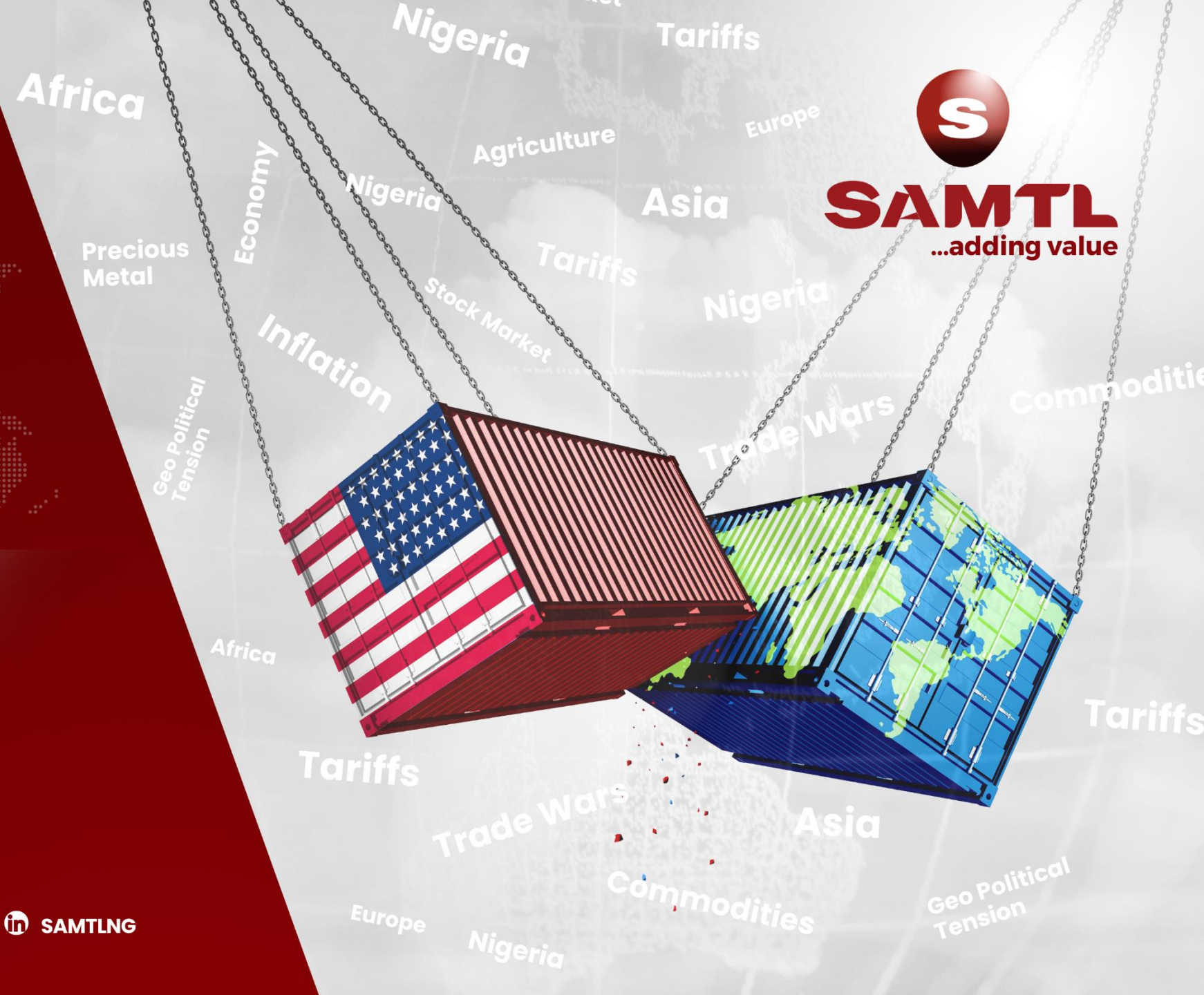


Global Trade War & Domestic Realities:

Inflation dynamics, Exchange Rate Management in Q1 2025

PREPARED BY SAMTL RESEARCH |  SAMTLNG



This report provides an analysis of economic and financial markets in Q1 2025. It focuses on key economies such as the United States, the United Kingdom, China, and the Eurozone, examining their macroeconomic environments with emphasis on policy rates, GDP, and inflation.

Additionally, the report explores African economies, analysing their macroeconomic conditions and investment prospects.

For Nigeria, the report evaluates key macroeconomic metrics and their potential impact, offering an outlook for Q2 2025.

Key Focus Areas

Macroeconomic Environment

- Global Economy with emphasis on selected countries
- African Economies
- Nigerian Economy

Financial Markets

- Exchange Rate Market
- Commodities Market
- Equities Market
- Fixed Income Market





Macroeconomic Environment



- Economic Growth Trends in Key economies in Q4 '24 GDP
- Inflation moderated in Key Economies in Q1 '25
- Monetary policy responses (US Fed, ECB, BoE, PBoC)



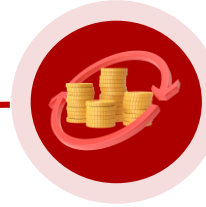
- Economic Growth performance across Africa in Q4 '24 GDP
- Inflation Pressure in Africa
- Interest rate Trends in Africa



- Snapshot of key Macroeconomic Metrics in Nigeria in Q1'25
- GDP Growth and Sectoral Contributions (Oil & Non-Oil Sectors)
- Inflation Dynamics in Q1 '25
- Central Bank policy responses (interest rates, money supply)
- Exchange rate Movement and its Determinants in Q1 '25
- Foreign Reserve management in Q1 2025
- Government revenue and drivers analysis
- Q2'24 Trade Data



Financial Market



Exchange Rate

- Performance of major currency



Commodity Market

- Crude Oil Price Trends and Implications for Nigeria and Africa
- Performance of major Agricultural crops in Q1 '2025
- Precious Metals (Gold, Silver) and Safe-Haven Assets



Equity Market

- Global Stock Market Trends and Performance of Major Indices
- Global Stock Market Trends and Performance of Major Indices Cont'd
- Global Stock Market Trends and Performance of Major Indices Cont'd
- Nigerian Stock Exchange (NGX) Performance and Sectoral Trends



Fixed Market

- Liquidity and Credit Market Conditions in Nigeria
- Impact of Inflation and Monetary Policy on Fixed Income Securities

The first quarter of 2025 commenced with renewed trade tensions as the Trump administration announced a fresh round of tariffs.

IMF revised global growth projections downward across regions and economies

Despite Trade war concern Inflation drops in Q1

Monetary policy reaction remains mixed in Q1'25 in spite of moderation in inflation.

Key economies released Q4'24 GDP data, revealing modest growth and mixed performance.

African economies exhibited varied GDP growth rates in Q4'24

Most African economies grew at a rate higher than the IMF forecast in 2024

YoY African countries experienced varied inflation trends in Q1'25

MoM Inflation generally showed a mixed trend in most African countries

Monetary policy responses to inflation varied among African nations.

Economy gears up for sustained growth

YoY Headline Inflation Growth Rate Turns Positive in March

Exchange rates although volatile maintained relative stability against the U.S Dollar in Q1'25

Money supply (M3) increased by 0.77% QoQ and 3.18% MoM to N114.22 Trillion.

The CBN MPC in its 299th Meeting maintained the benchmark interest rates.

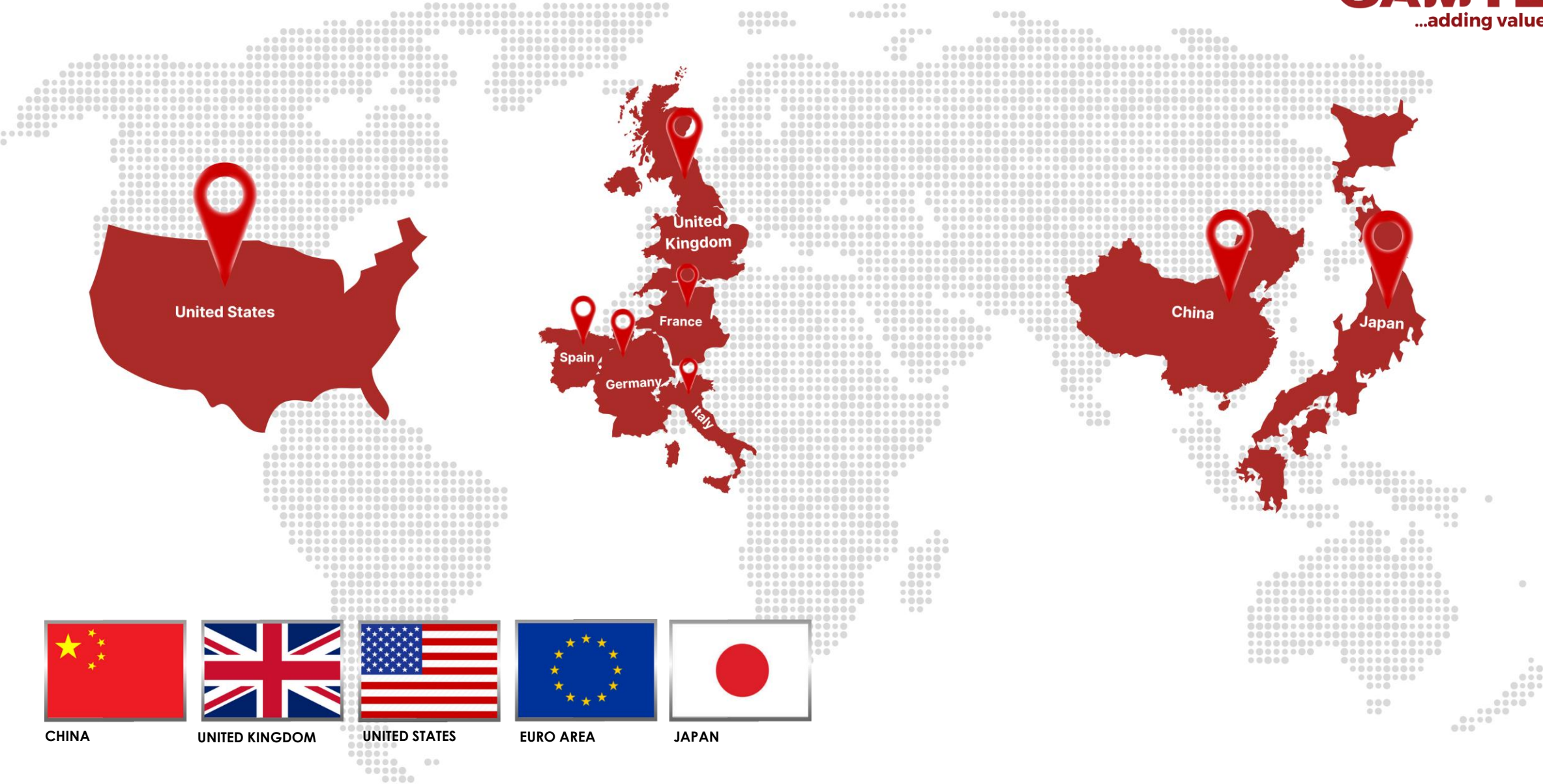
Average rates across various financial instrument remained elevated in double digit.

In Q1'25, foreign exchange reserves experienced a notable decline.

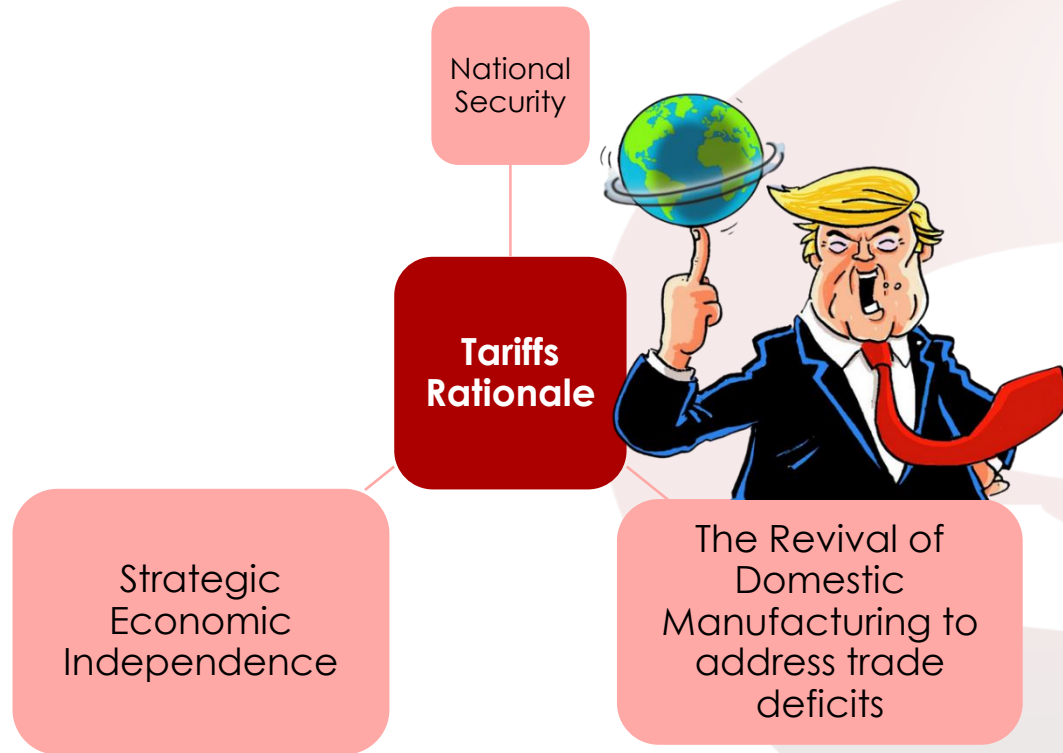
As of February 2025, government revenue stood at N2.34 trillion

Foreign trade edged up in Q4'24, propelled by a boost in imports

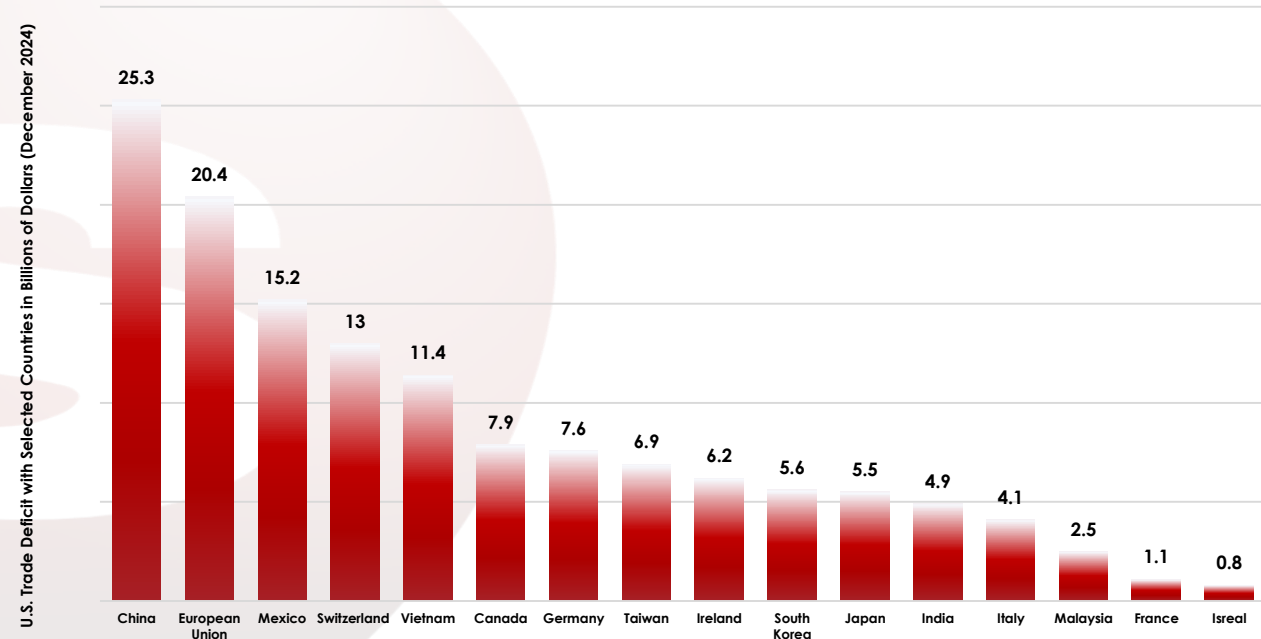
Key Economies



The first quarter of 2025 commenced with renewed trade tensions as the Trump administration announced a fresh round of tariffs.



Breakdown of the U.S. Trade Deficit with Selected Countries in Billions of Dollars (December 2024)
















The rationale for the tariff is anchored on key pillars of the administration's broader economic agenda, which centres on




The implementation of the tariffs was temporarily suspended to create room for bilateral trade negotiations. However, on April 2nd announced a fresh round of reciprocal tariffs in his liberation Day speech

The announced tariffs were scheduled to be implemented in two phases:

The classification of tariffs into their respective regions is shown below

Asia				
	Country	Tariff Rate	Sector/Goods Affected	Implementation Date
	China	34%	All Imports	April 9, 2025
	Vietnam	46%	All Import	April 9, 2025
	Taiwan	32%	All Import	April 9, 2025
	Indonesia	32%	All Import	April 9, 2025
	Cambodia	49%	All Import	April 9, 2025
	Japan	24%	All Import	April 9, 2025
	South Korea	25%	All Import	April 9, 2025
	India	26%	All Import	April 9, 2025
	Singapore	10%	All Import	April 9, 2025
	United Arab Emirates	10%	All Import	April 9, 2025
	Jordan	20%	All Import	April 9, 2025
	Saudi Arabia	10%	All Import	April 9, 2025
	Lebanon	10%	All Import	April 9, 2025

- **April 5, 2025:** A baseline tariff of 10% was to take effect on all imports.
- **April 9, 2025:** Higher tariffs, exceeding the baseline 10%, was to be applied to specific countries and sectors


Europe				
	Country	Tariff Rate	Sector/Goods Affected	Implementation Date
	European Union	20%	All Imports	April 9, 2025
	Switzerland	31%	All Import	April 9, 2025
	United Kingdom	10%	All Import	April 9, 2025

The classification of tariffs into their respective regions continued


America				
	Country	Tariff Rate	Sector/Goods Affected	Implementation Date
	Brazil	10%	All Imports	April 9, 2025
	Canada	25% (10% on energy resources)	All imports; Energy resources	April 9, 2025
	Mexico	25%	All Imports	April 9, 2025

Africa				
	Country	Tariff Rate	Sector/Goods Affected	Implementation Date
	South Africa	30%	All Imports	April 9, 2025
	Egypt	10%	All Imports	April 9, 2025
	Morocco	10%	All Imports	April 9, 2025
	Tunisia	28%	All Imports	April 9, 2025
	Nigeria	14%	All Imports	April 9, 2025

Implications of the trade war and the US government 14% tariffs on Nigeria

- 
- 1.** Exchange rate Crisis
 - 2.** Falling Government revenue due to decline oil Export
 - 3.** Decline reserve which will hinder the ability of the CBN to intervene in the FX market to support the Naira
 - 4.** Decline oil Export as Nigeria Nigerian oil becomes less competitive in the US

Country

- 
- 1.** Reduce cost of production since oil is an important cost element
 - 2.** Increase Profit
 - 3.** Increase supply of oil which result in a drop in oil Prices
 - 4.** Tariff may affect non-oil export by increasing cost of Nigerian goods entering the US

Business

Global Tariff Impact

- Reduced Trade
- Rebound of Inflation
- Slow Growth
- Decline Energy Prices



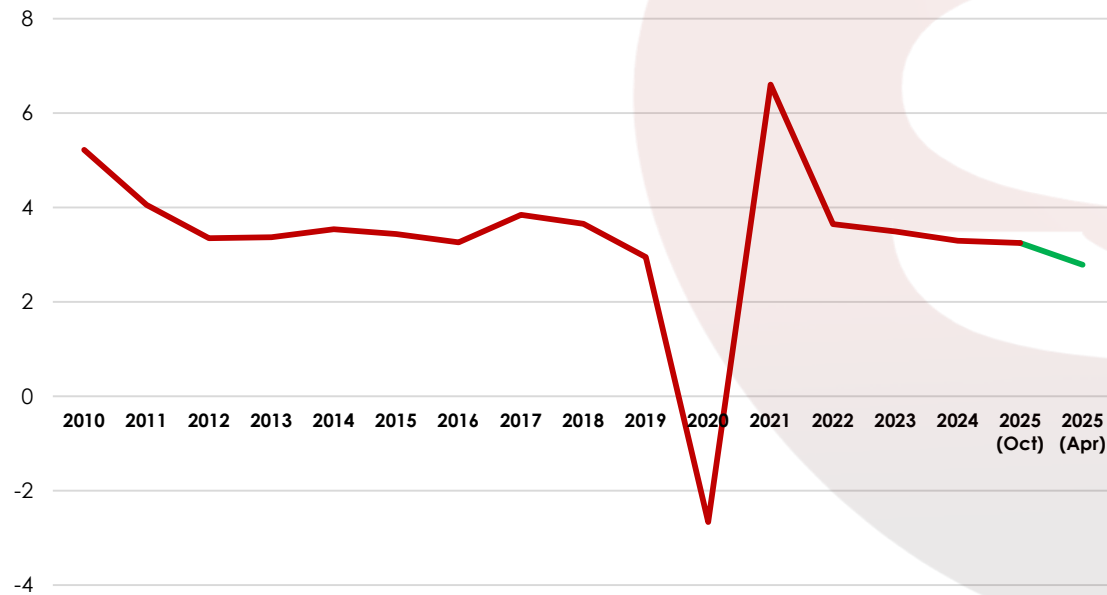
IMF revised global growth projections downward across regions and economies



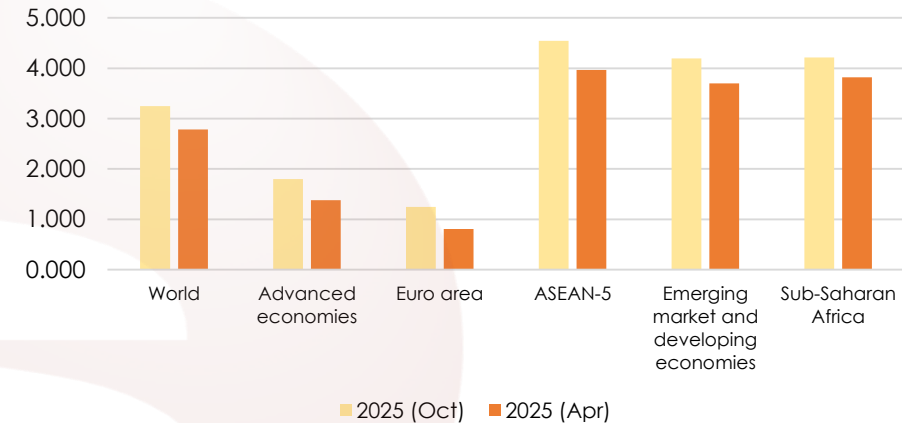
Since the pronouncement, there has been escalating trade tension, leading to a series of reactions and counter-reactions in the form of tariffs—particularly between the U.S. and China. Additionally, several ongoing trade negotiations between the U.S. and other countries are unfolding, with potential implications for the global economy.

The potential impacts are already at the forefront of discussions, as the IMF's April 2025 Spring Meeting is centered around trade tensions stemming from ongoing tariffs, the downgrade of global economic performance resulting from the trade war, and the need for institutional reforms

The IMF downgrades world growth rates to 2.8% in 2025 a drop from 3.3% forecasted in January



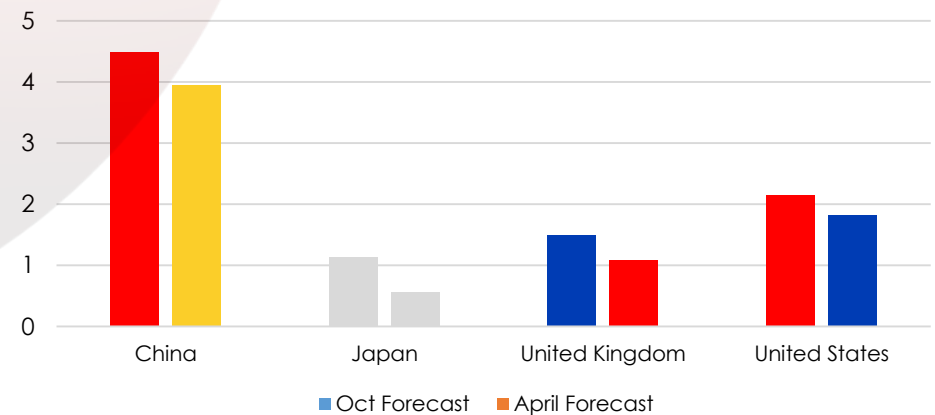
Among key regions, the ASEAN-5 is expected to be the most impacted, following a downward revision of its growth rate to 3.97%



Growth in advanced economies is projected to decline to 1.38%, from 1.78%. In the Euro Area, growth is projected to decline to 0.81%. Sub-Saharan Africa's growth rate was downgraded to 3.82%, from its earlier projection of 4.21%.

U.S. and U.K. growth was revised downward to 1.83% and 1.1%, respectively. In Japan, growth is projected to decline to 0.55% from 1.14%

China is projected to be the most affected, as its growth rate was revised downward by 0.53%



IMF revised global growth projections downward across regions and economies



The latest IMF report has revised economic growth projections downward for several African economies, including Nigeria, reflecting mounting macroeconomic vulnerabilities and global headwinds.

Without the implementation of cautious policy responses and structural reforms aimed at fostering resilience and inclusive growth, this downward revision could have far-reaching consequences.

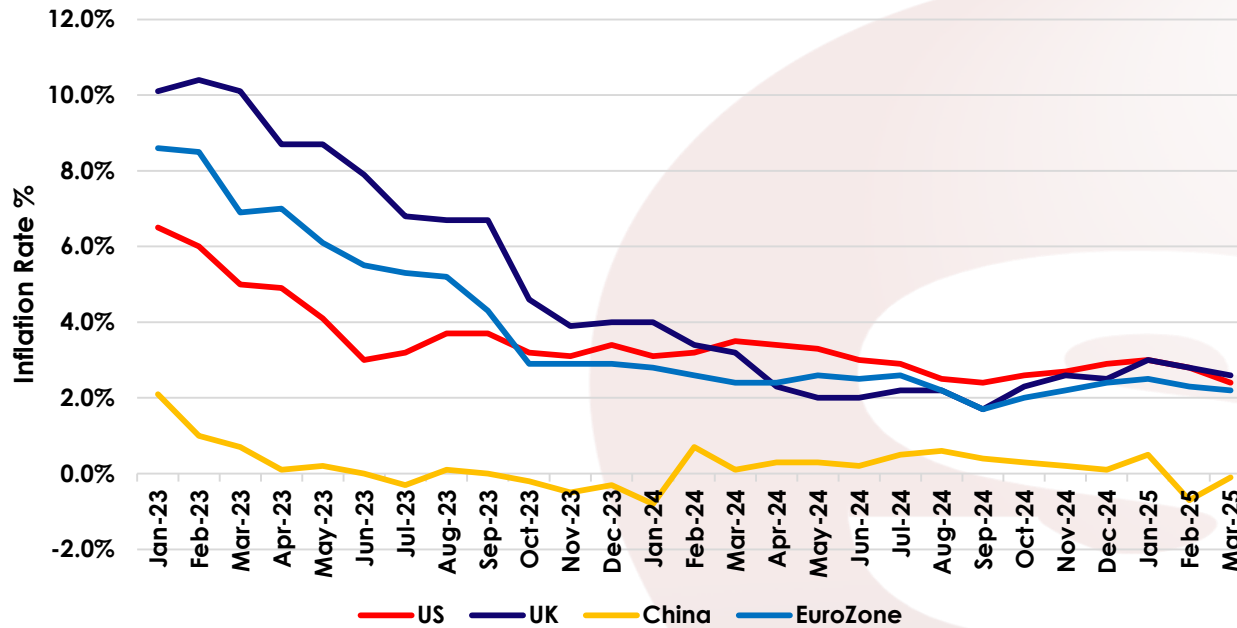
These include a decline in investor confidence and subdued financial market performance, reduced government revenue with a potential widening of fiscal deficits, increased reliance on debt, higher unemployment rates, and a possible downgrade in the country's sovereign credit rating.

Such outcomes could further constrain economic recovery and limit the fiscal space needed for development financing.

Country	October Forecast	April Forecast	Change
Libya	13.651	17.304	3.653
Guinea	5.658	7.086	1.428
Equatorial Guinea	-4.839	-4.204	0.635
Rwanda	6.523	7.109	0.586
Mali	4.355	4.9	0.545
Algeria	3.041	3.496	0.455
Cabo Verde	4.671	4.973	0.302
Morocco	3.603	3.905	0.302
Mauritania	4.237	4.445	0.208
Gambia	5.763	5.913	0.15
Gabon	2.637	2.774	0.137
Sierra Leone	4.537	4.659	0.122
Ethiopia	6.505	6.612	0.107
Guinea-Bissau	5	5.1	0.1
Tanzania	6.001	6.02	0.019
Djibouti	6.008	6.008	0
Somalia	4	4	0
Togo	5.3	5.3	0
Benin	6.512	6.511	-0.001
Central African Republic	2.949	2.938	-0.011
Zimbabwe	6.046	6.022	-0.024
Côte d'Ivoire	6.4	6.3	-0.1
Nigeria	3.162	3.039	-0.123
Tunisia	1.598	1.43	-0.168
São Tomé and Príncipe	3.3	3.125	-0.175
Kenya	5.019	4.81	-0.209

Country	October Forecast	April Forecast	Change
Comoros	4.027	3.776	-0.251
Egypt	4.081	3.757	-0.324
Ghana	4.368	4.026	-0.342
Democratic Republic of the Congo	5.037	4.692	-0.345
Republic of Congo	3.675	3.311	-0.364
Seychelles	3.897	3.526	-0.371
Namibia	4.177	3.783	-0.394
Angola	2.789	2.374	-0.415
Zambia	6.618	6.2	-0.418
Liberia	5.836	5.334	-0.502
South Africa	1.492	0.979	-0.513
Malawi	4.045	3.5	-0.545
Cameroon	4.205	3.611	-0.594
Madagascar	4.6	3.94	-0.66
Niger	7.326	6.587	-0.739
Lesotho	2.304	1.517	-0.787
Senegal	9.295	8.445	-0.85
Mauritius	4	3	-1
Uganda	7.454	6.119	-1.335
Burkina Faso	5.793	4.335	-1.458
Burundi	3.52	1.866	-1.654
Mozambique	4.292	2.524	-1.768
Chad	3.773	1.72	-2.053
Botswana	5.227	-0.364	-5.591
Sudan	8.305	-0.379	-8.684
South Sudan	27.202	-4.314	-31.516

Despite Trade war concern Inflation drops in Q1



In the U.S., inflation fell to **2.4% in March 2025**, from **2.9% in December 2024**.

Eurozone recorded a moderation to **2.2% in March** from **2.4%**

The **United Kingdom** also posted a decline to **2.6% from 3.0% in January 2025**

China's inflation fell from **0.5% in January** to **negative 0.1%**,

YoY Inflation Drivers

- Lag effect of central bank policies
- Pause of global tariff war

Global Inflation Outlook

In Q2, the implementation of the Trump Administration's new tariff policy is expected to trigger a resurgence in inflation, reversing the disinflationary momentum observed in Q1, as rising production costs and consumer prices intensify globally.

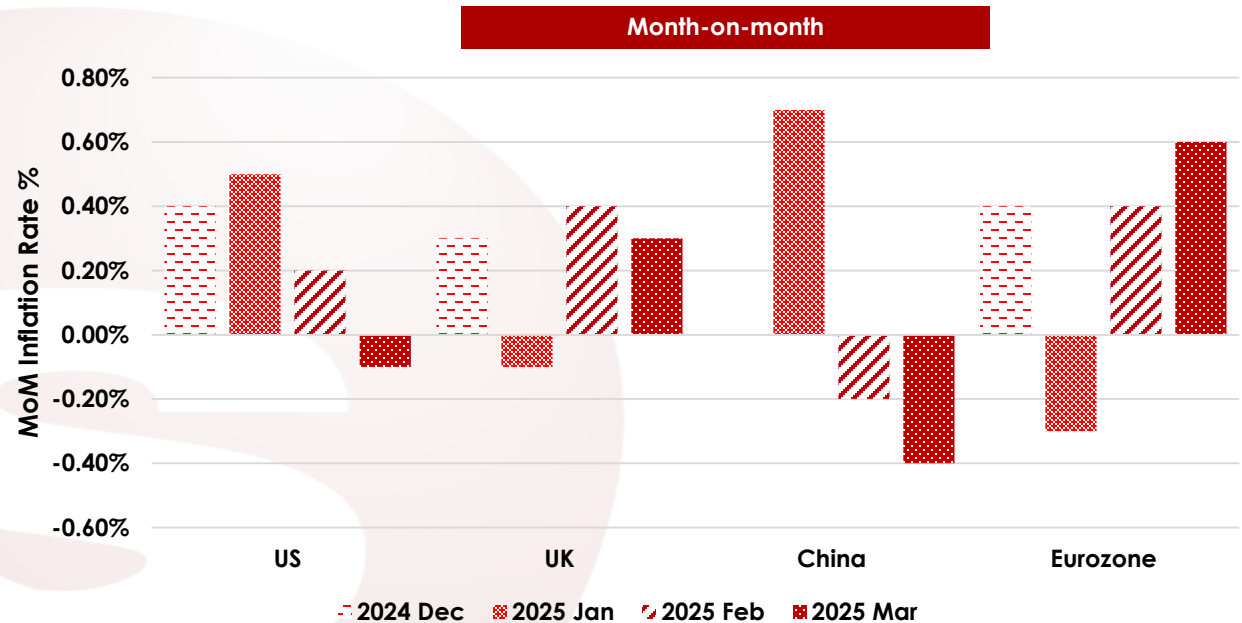
Food and Core Inflation YoY

In the U.S., core inflation eased to **2.8% in March 2025**, from **3.3% in January 2024** owing to drop in services prices and energy prices.

Eurozone recorded a moderation in core inflation to **2.4%** while food inflation rose to **2.2%** from **1.6%**.

The **United Kingdom** also posted a decline to **3.4%** with food prices and services prices dropping to **3%** and **4.7%** respectively.

In **China** both food inflation eased while core inflation rose.



Inflation drivers



Declined energy prices and slow increase in shelter prices



Energy prices and reduced prices for food and non-alcoholic beverages



High prices in the services sector, food, alcohol, tobacco, and non-energy industrial goods



The early occurrence of the Lunar New Year, reduced consumption, and lower food prices resulting from increased agricultural production.

Key Economies in Eurozone M-o-M Inflation			
	Jan.	Feb.	Mar.
Spain	0.2%	0.4%	0.1%
Italy	0.6%	0.2%	0.3%
France	0.2%	0.00%	0.2%
Germany	-0.2%	0.4%	0.3%

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Contribution

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Minimum Monthly
Contribution

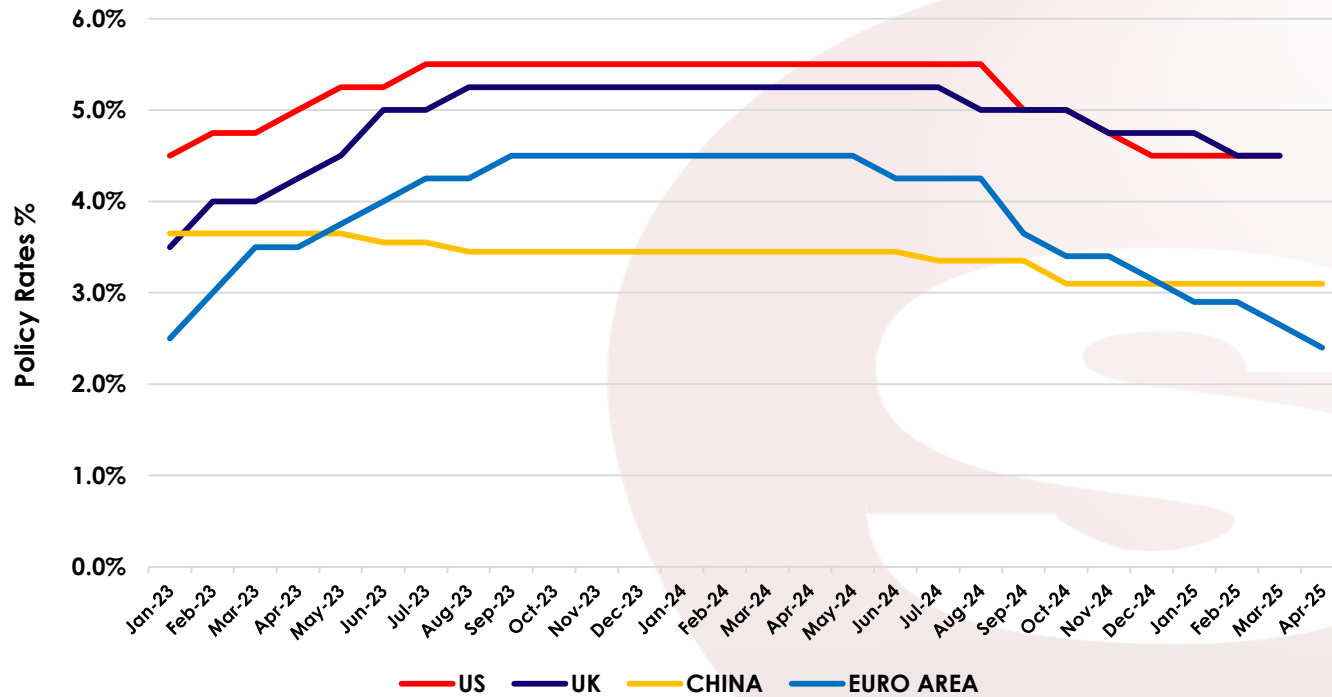
NGN 10,000

Minimum Scheme
Period

5 Years



Despite decline inflation, monetary policy reaction remains mixed in Q1 2025

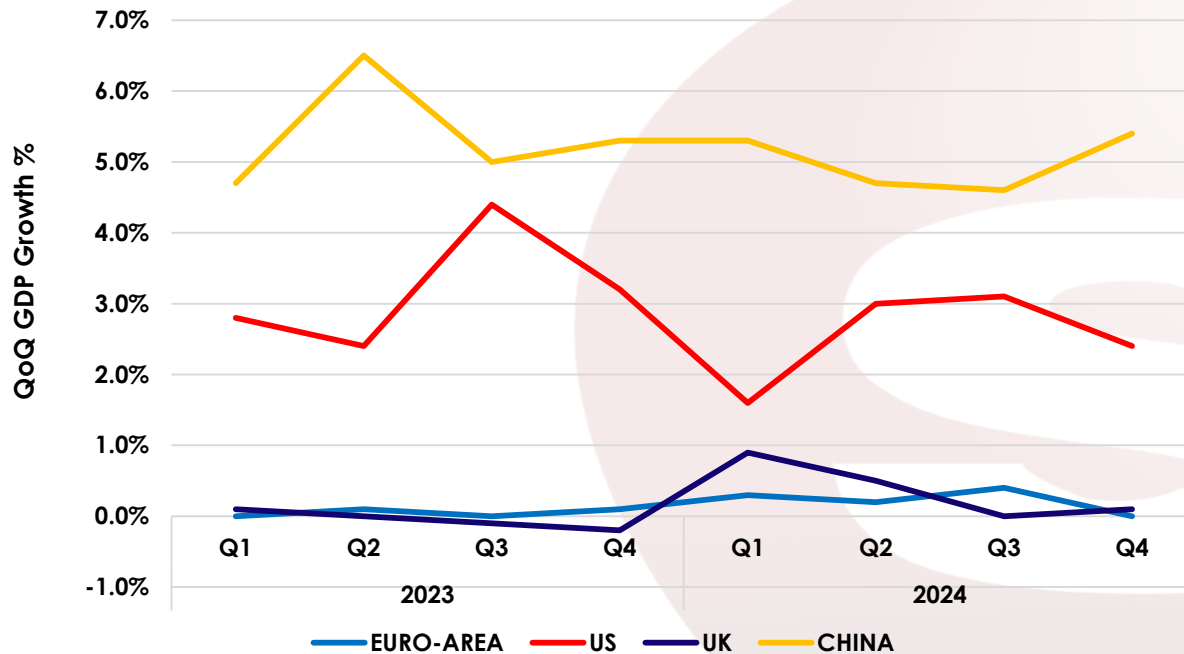


Central Banks in economies, anticipating inflationary pressures, paused rate hikes, while those of economies confronted with slowing growth with policy rate cuts

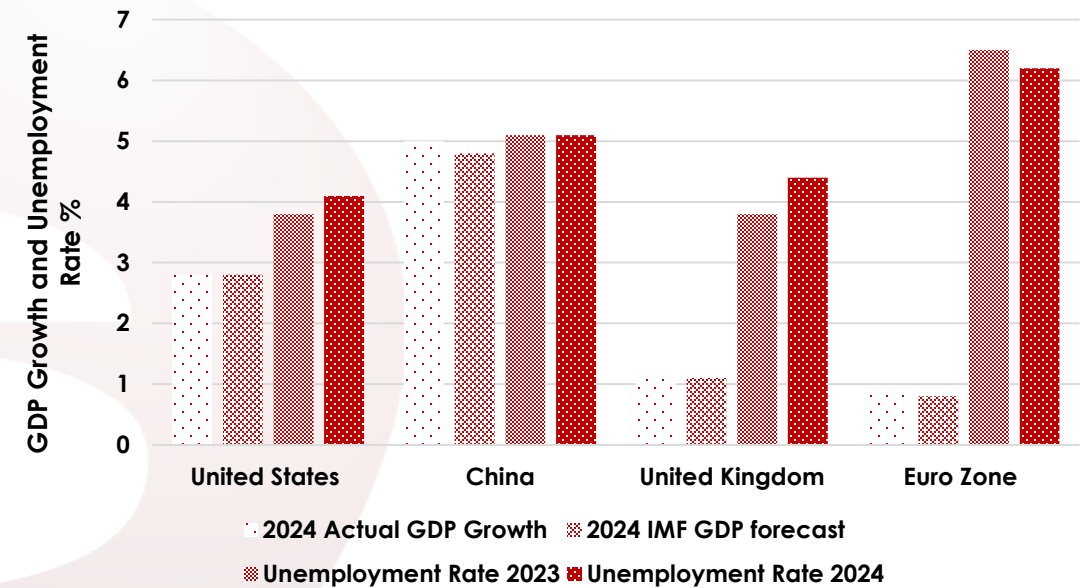
- In the **U.S.**, the Federal Reserve maintained its policy rate at **4.5%**, signalling caution despite softening inflation
- The Chinese economies followed similar path pausing rate to support economic activity.
- The **Bank of England** (BOE) and European Central Bank (ECB), opted for a cut in policy rate citing growth concerns and potential economic impacts from U.S. tariffs



In Q1'25, key economies released their Q4'24 GDP data, revealing modest growth and mixed performance



YOY Despite Q4 '24 the growth most economies had growth rate lower than the previous years and the projections for the year



Reason for slow growth

1. Trade Policies
2. High monetary policy stance
3. Sustain inflationary pressure above 2% target

Except for Spain, key economies in the Euro zone experienced negative growth.

Countries	GDP Growth 2024	
	Q3	Q4
Germany	0.1	-0.2
France	0.4	-0.1
Italy	0.1	0.0
Spain	0.8	0.8













Largest Economies in Africa by 2024 GDP



In the fourth
quarter of
2024,
Several African
economies exhibited
varied GDP growth
rates



African countries have experienced growth in Q4 '24 and FY '24.

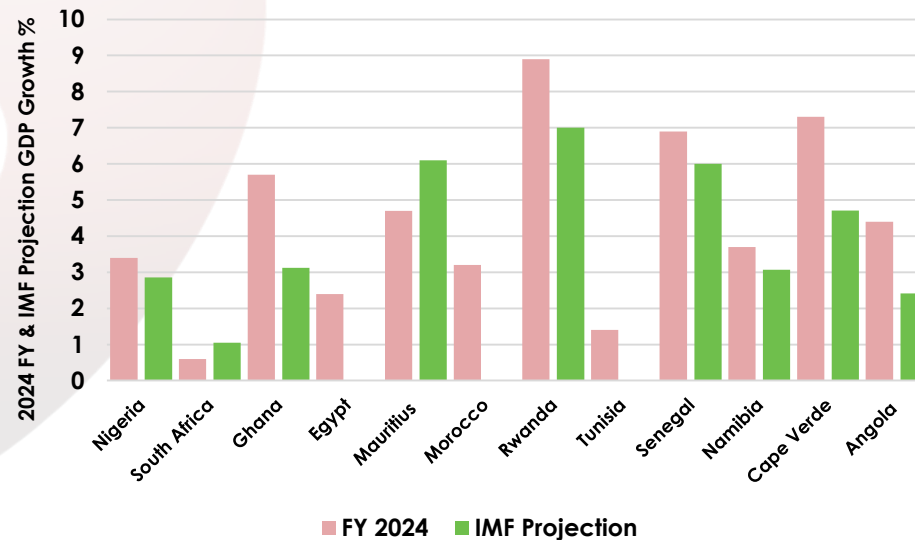
S/N	Country	Q3 2024	Q4 2024
	Nigeria	3.46	3.84
	South Africa	0.4	0.9
	Ghana	7.2	3.6
	Egypt	3.5	4.3
	Mauritius	5.2	4.8
	Morocco	4.3	3.7
	Rwanda	8.1	8
	Tunisia	1.8	2.4
	Senegal	10	11.6
	Namibia	3.2	3.1
	Cape Verde	3.3	6.7
	Angola	5.5	3.6

Growth Drivers

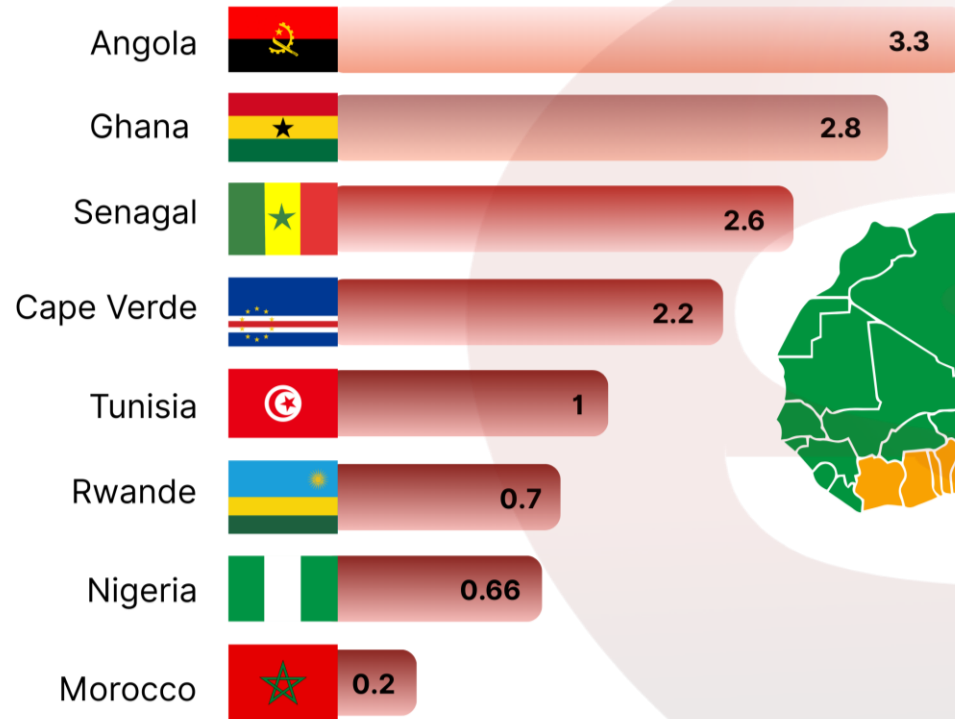
- Service sector expansion.
- Agricultural growth
- Increased consumer spending and private consumption.
- Trade and financial services growth.
 - Foreign direct investment (FDI) and infrastructure development.
- Easing of monetary policy and interest rate adjustments.
- Export performance and commodities market growth

With the exception of Senegal that had a double-digit growth in Q4 '24 growth rates are still low with service sector being the major growth driver in most countries

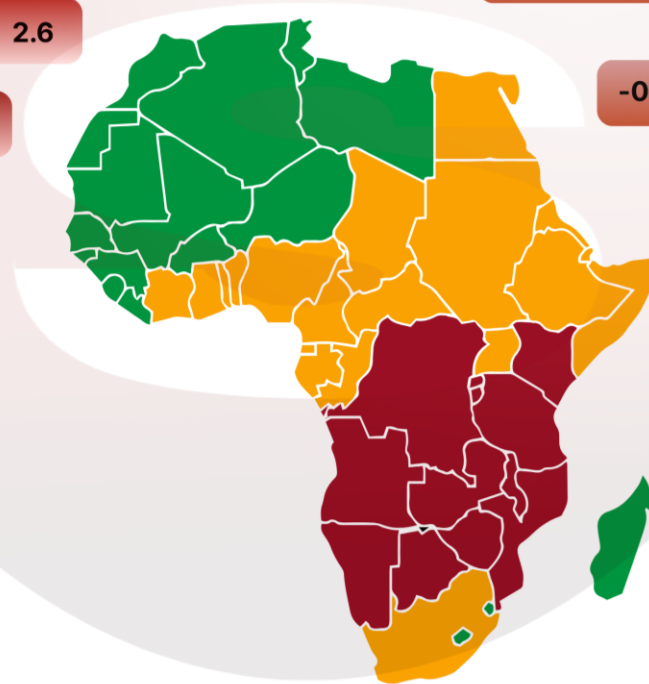
Most African economies grew at a rate higher than the IMF forecast in 2024



Fastest Growing Economies in Africa FY 24



Economies that Slowed in Africa FY 24



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YoY African countries experienced varied inflation trends in Q1'25

Countries	Dec-24	Mar-25	Change
Malawi	28.1	30.5	▲ 2.4
Benin	-0.4	0.7	▲ 1.1
Botswana	1.7	2.8	▲ 1.1
Morocco	0.7	1.6	▲ 0.9
Cape Verde	1.4	2.2	▲ 0.8
Namibia	3.4	4.2	▲ 0.8
Mozambique	4.15	4.77	▲ 0.62
Kenya	3	3.6	▲ 0.6
Togo	1.2	1.8	▲ 0.6
Tanzania	3.1	3.3	▲ 0.2
Uganda	3.3	3.4	▲ 0.1
Niger	4.66	4.67	▲ 0.01
Zambia	16.7	16.5	▼ -0.2
Tunisia	6.2	5.9	▼ -0.3
Senegal	0.3	-0.2	▼ -0.5
Mauritius	2.9	1.8	▼ -1.1
Ghana	23.8	22.4	▼ -1.4
Rwanda	6.4	4.9	▼ -1.5
Seychelles	1.71	-0.04	▼ -1.75
Ethiopia	17	13.6	▼ -3.4
Angola	27.5	23.85	▼ -3.65
Egypt	24.1	13.6	▼ -10.5
Nigeria	34.8	24.23	▼ -10.57

Key Highlights

Although most countries in the region still have double digit inflation, Inflation is beginning to ease in most countries in Africa.

Countries that reported rising inflation show that the growth rates are declining.

Nigeria stands among the African countries with a high decline in inflation, ranking next to Niger and Ethiopia in August.

Common factors that Influenced inflation



Food prices



Unstable exchange rates owing to type of goods consume and produce



Monetary Policy Adjustment



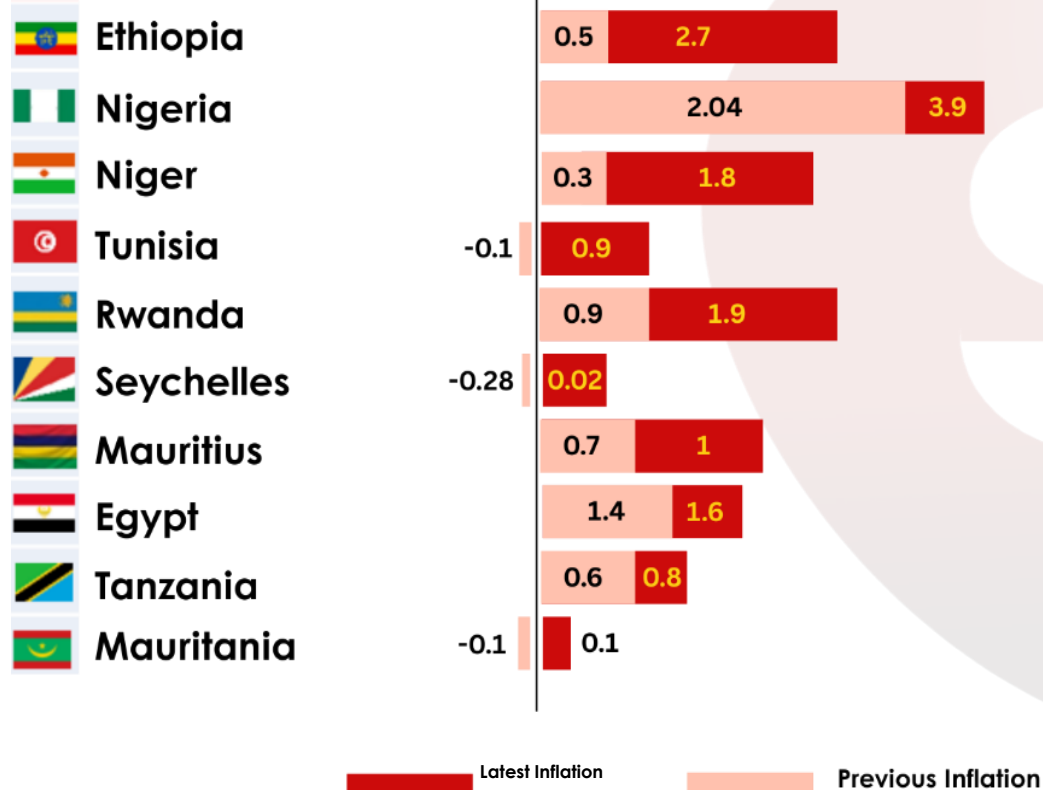
Supply Chain Disruption



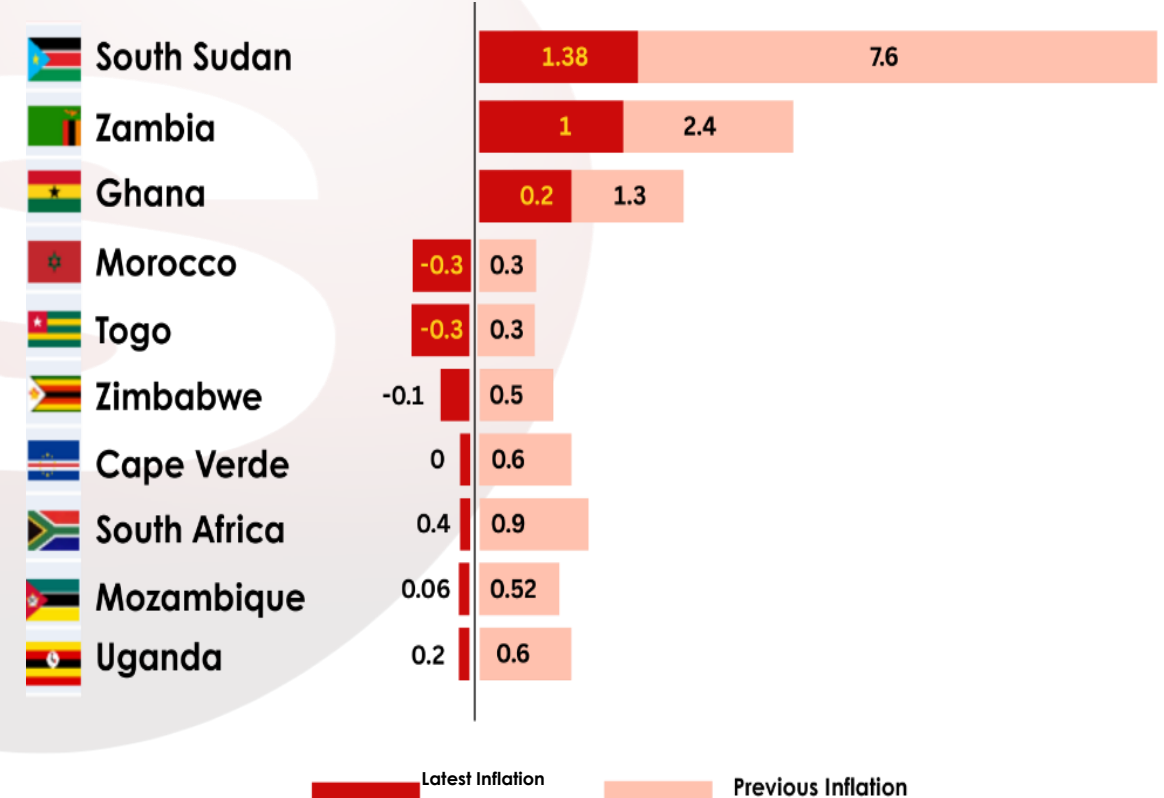
Energy Prices

MoM Inflation generally showed a mixed trend in most African countries

TOP 10 AFRICAN COUNTRIES WITH THE HIGHEST MOM INFLATION GROWTH



TOP 10 AFRICAN COUNTRIES WITH THE LARGEST MOM INFLATION DECLINE



Monetary policy responses to inflation varied among African nations.

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Algeria	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3
Angola	18	18	19	19	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5	19.5
Benin	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Burkina Faso	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Cape Verde	1.25	1.25	1.25	1.25	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	2.25	2.25	2.25
Egypt	19.25	21.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25	27.25
Ethiopia	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7
Ghana	29	29	29	29	29	29	29	29	27	27	27	27	27	27	28
Guinea Bissau	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Ivory Coast	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Mali	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Mozambique	16.5	16.5	15.75	15.75	15	15	14.25	14.25	13.5	13.5	12.75	12.75	12.25	12.25	11.75
Niger	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Senegal	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
South Africa	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8.25	8	8	7.75	7.75	7.5	7.5	7.5
Tanzania	5.5	5.5	5.5	6	6	6	6	6	6	6	6	6	6	6	6
Togo	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
Nigeria	18.75	22.75	24.75	24.75	26.25	26.25	26.25	26.75	27.25	27.25	27.5	27.5	27.5	27.5	27.5
Kenya	12.5	13	13	13	13	13	13	12.75	12.75	12	12	11.25	11.25	10.75	10.75

Except Mozambique which cut rate in March, countries with double digit inflation and anticipating inflationary pressures such as Angola, Egypt, Ghana, Mozambique paused rate hikes in Q1.

South Africa cut rate at the beginning of the year and has remained steady in anticipation of inflation

Kenya, facing weakened growth and currency pressures, opted for moderate rate cuts to stimulate economic activity.

Domestic Economy



GDP Growth *FY 2025*
3.4%



Total Imports *Q4 2025*
N16.59 Trn



Total Exports *Q4 2025*
N20.01 Trn



Total Capital Importation *Q3 2024*
\$1.25Bn



Inflation *Mar 2024*
24.23%



Unemployment Rate *Q2 2024*
4.3%

Oil Production
1.4 Mbpd



Mar 2025

Total Debt *Dec 2024*
N144.67 Trn



External Reserves *April 2025*
N37.93 Bn



Govt. Revenue *Feb 2025*
N2.34 Trn



Exchange Rate *April 2025*
N1,598.9548 /\$1



M3 Money Supply *Mar 2025*
N114.2 Trn



MPR
27.5%

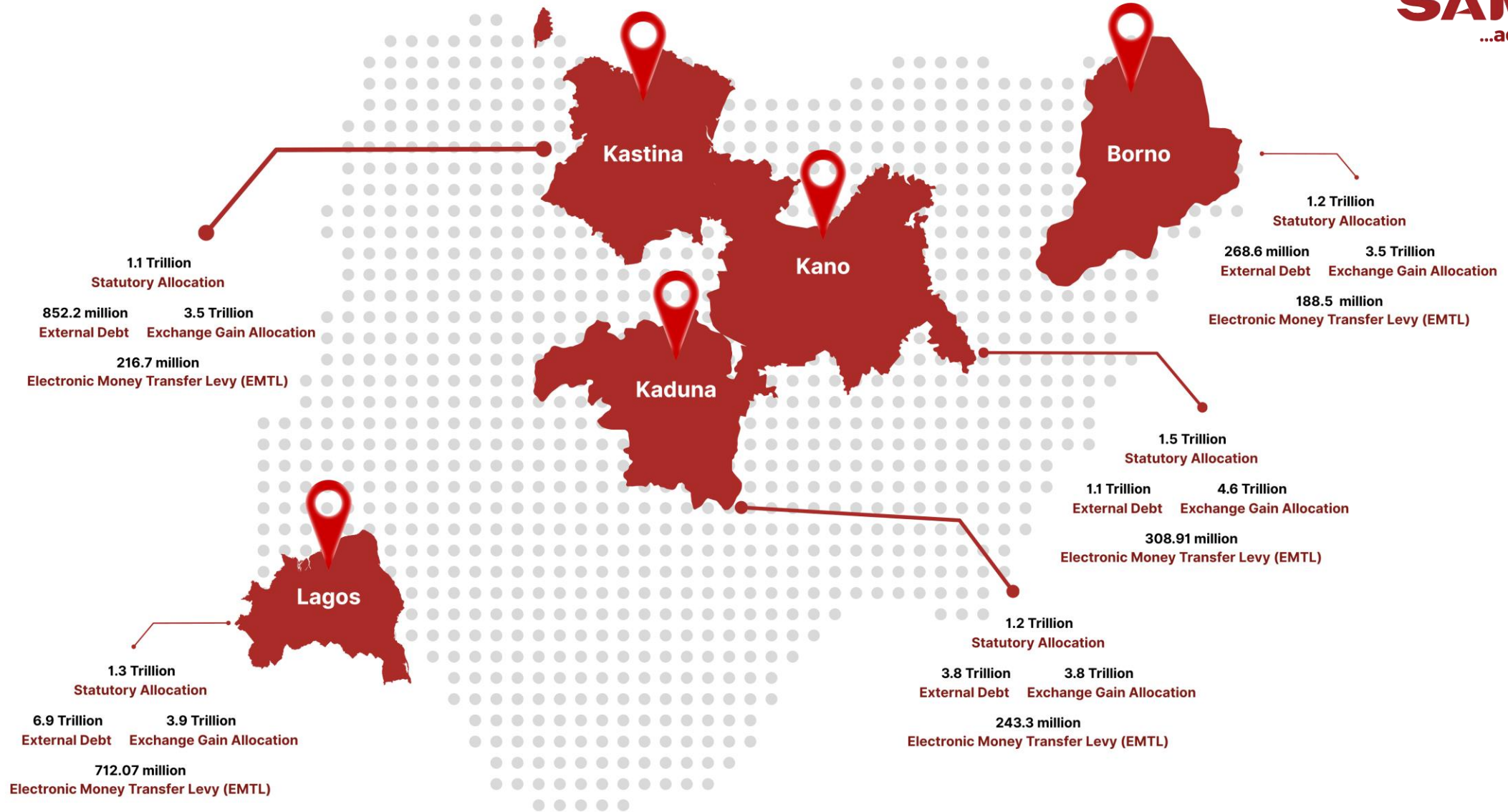
Mar 2025

TREASURY BILLS

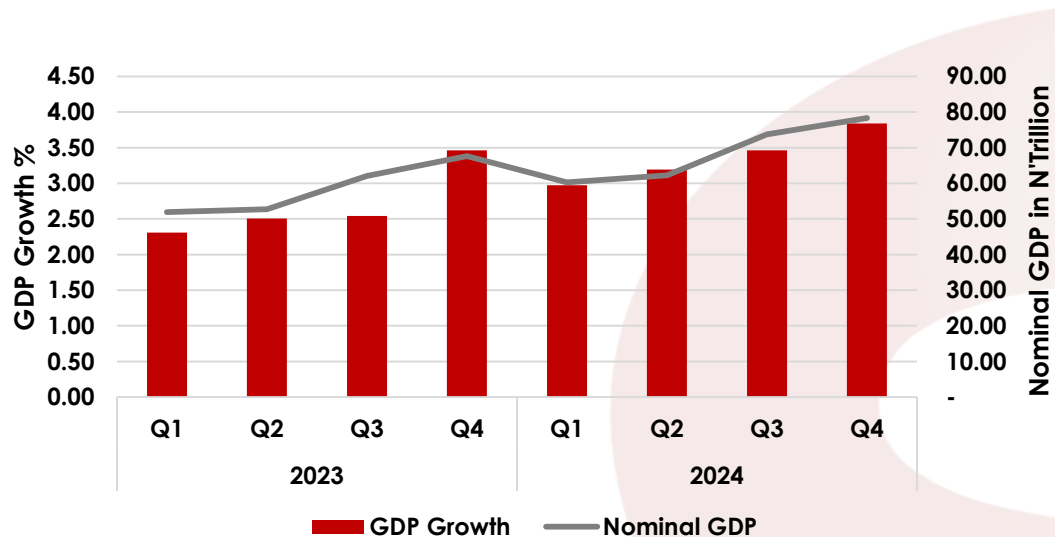


91 Days - 18.0%
182 Days - 18.05%
364 Days - 19.63% } **April 2025**

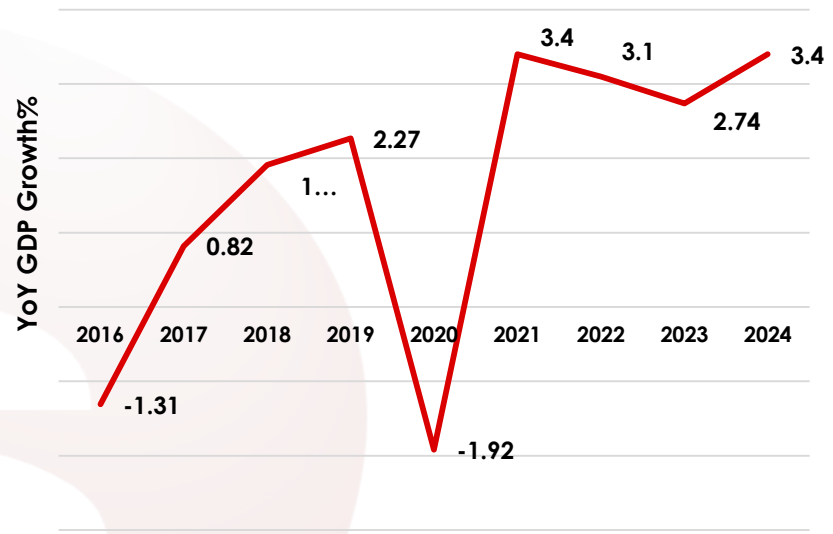
States with highest FAAC as at September 2024



Q4 2024 GDP Surge: Nigeria economy gears up for sustained growth



Nigeria economy experienced stronger growth QoQ with a growth rate of 3.84% and a nominal GDP of N78.37 Trillion



With the Q4 GDP, the average growth rate hits approximately 3.40%. This marks the fastest growth rate in since 2021

QoQ, Oil Sector contracted by 0.97% from 5.57% in Q3 2024 influenced by fluctuating global oil prices and production constraints

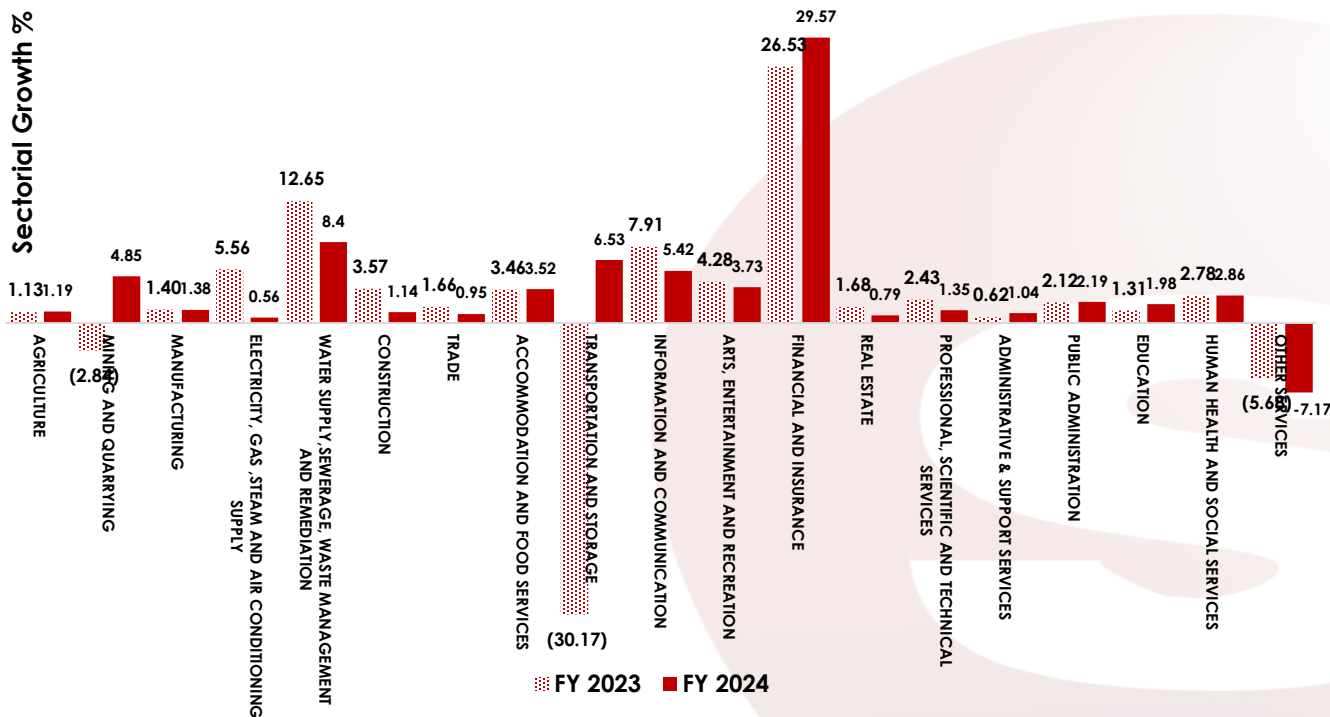
Non-oil expanded by 0.97% from 94.43% in Q 2024



GDP Growth and Sectoral Contributions (Oil & Non-Oil Sectors)



Q4 2024 GDP Surge: Nigeria economy gears up for sustained growth cont'd



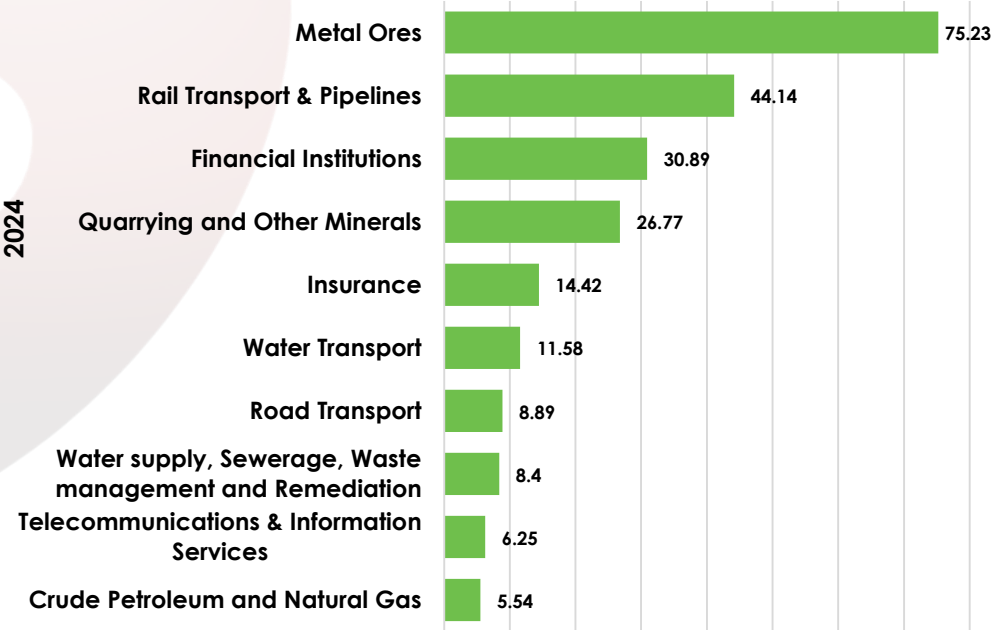
FY 2024 growth was driven by services sector with financial and insurance sector toping the chart growing by 29.57% The growth of the sector is driven by the banking sub-sector that grew by 30.89%

Agriculture sector contracted/grew due to decline in Livestock, Forestry and Fishing

Industry sector declined affected by poor macroeconomic environment.

Other notable sectors that drove growth in 2024 are Metal ores, Quarrying and other minerals, Rail transport and Water transport

Top 10 Contributing Sectors to GDP in 2024

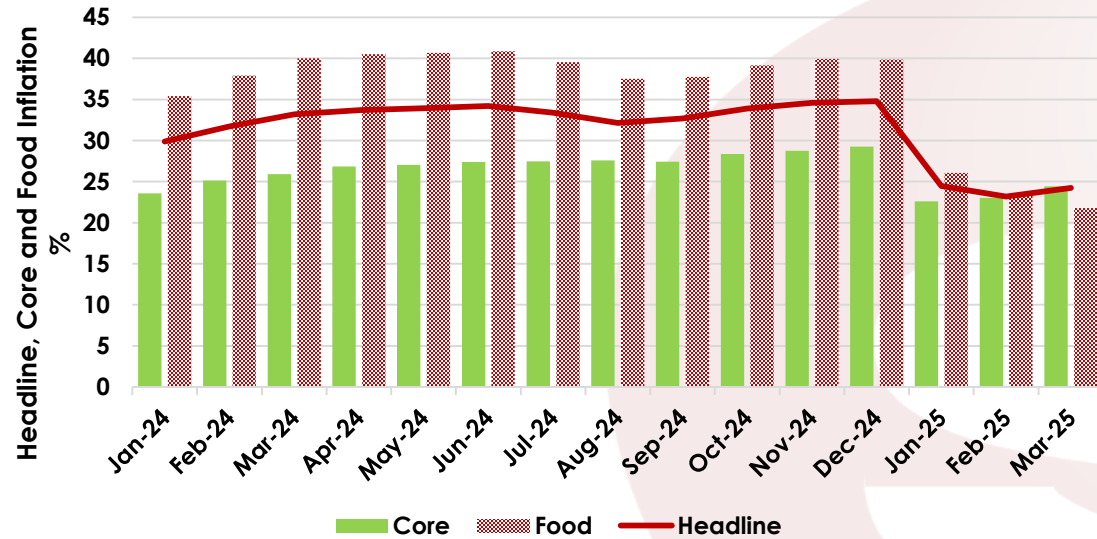


Outlook

In Q1 2025, the Nigerian economy is expected to remain resilient, supported by moderating inflation, relative exchange rate stability, increased foreign portfolio inflows (FPI), higher oil production, and a temporary pause in tariff adjustments for most of the quarter.

In terms of sectorial performance, the banking sector is likely to benefit from sustained high interest rates, while the manufacturing sector may continue to face headwinds from exchange rate volatility and double-digit lending rates.

YoY Headline Inflation Growth Rate Turns Positive in March



After peaking at 34.80% in December 2024, inflation eased steadily to 23.18% by February 2025 —marking a cumulative drop of 11.62 percentage points in two months.

However, in March, the trend reversed, with inflation growth returning to positive territory increasing to **24.23%**.

Inflation Determinants in Q1 2025

- Re-basing reshapes inflation which was necessary to
 - Ensure that economic realities since the implementation of exchange rate unification and fuel subsidy removal are reflected in the computation of the CPI
 - Cocapture changes in consumption patterns that has occurred since the last NBS survey
 - Provide reliable data that aid decision making for policymakers
- Efforts of government to boost food supply
- Monetary Policy and Money Supply
- Rise in core inflation driven by
 - Exchange rate instability.
 - Middle Men activities
 - Transport and Logistic Cost

Food inflation has shown a downward trend, while core inflation has trended upward since the post-rebasing period

Food inflation



Mar.
21.79%

Feb.
23.51%

Rebasing and government efforts to boost food supply yielded positive results in Q1 2025, as food inflation showed a downward trend. However, core inflation has trended upward since the post-rebasing period, recording its highest increase in March, thereby becoming the dominant inflation driver."

Core inflation

Mar.
24.43%

Feb.
23.01%



Although prices rose in both urban and rural areas in March, inflation remained higher in urban areas, increasing by 0.97% to 26.12%. This may be linked to:

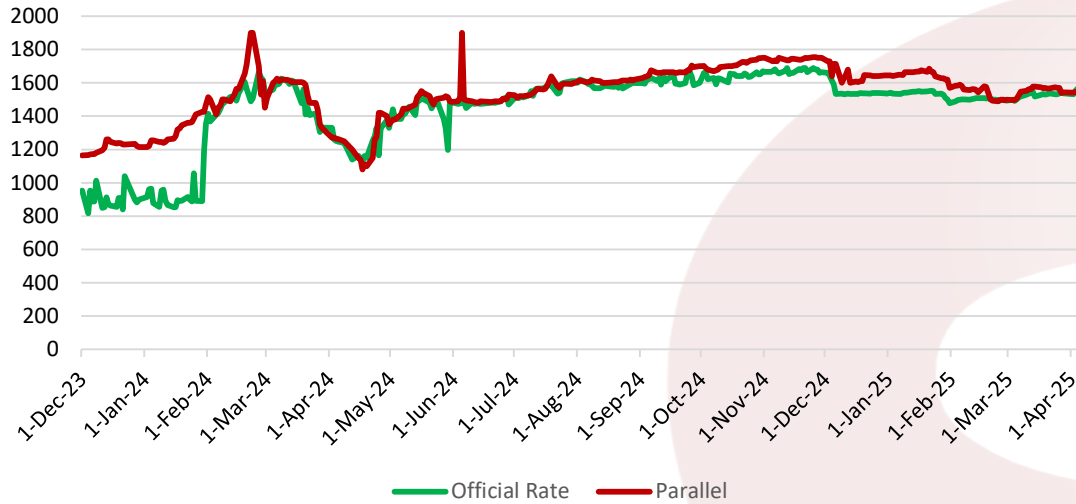
- ❑ changing consumption patterns
- ❑ activities of middlemen in urban supply chains.

Rural inflation, while lower in absolute terms, recorded the highest year-on-year growth rate, rising by 1% from 19.89%.

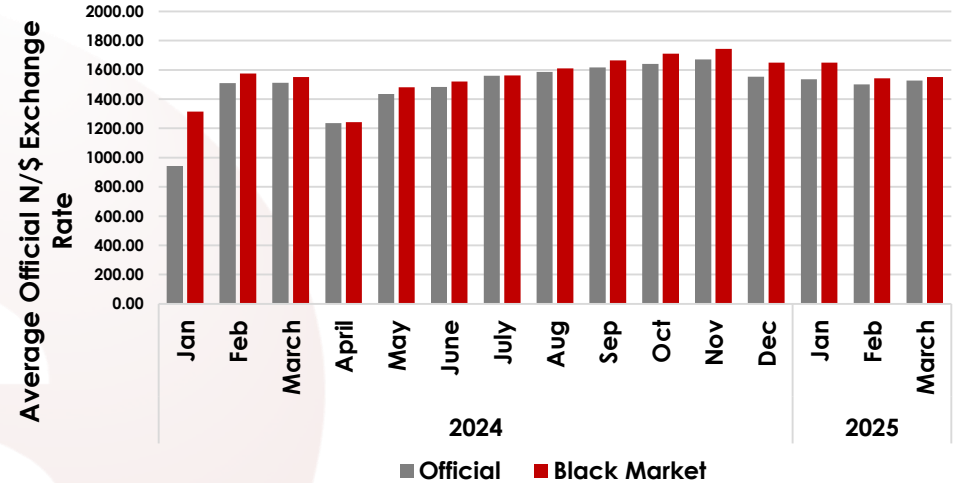
Outlook

In Q2, although the CBN's efforts may help Moderate inflation, supply chain disruptions and potential exchange rate pass-through effects stemming from the trade war are likely to remain concerns

Exchange rates although volatile maintained relative stability against the U.S Dollar in Q1 2025



On a monthly basis, the Naira has appreciated against the dollar in the Official market as it moved from 1553.73 in Q4 '24 to 1526 at the end of Q1 '25. Similarly, the parallel market appreciated from 1649.49 to 1552.11. However, YoY both the Official Exchange rate and Parallel market showed marginal Depreciation due to the base effect



As of December, exchange rate stood at around N1535.82, and N1644.97 to 1\$ but at the end of March, it stood at N1536.82, and N1543.01 to 1\$ respectively indicating a depreciation of 0.07% in the official market and an appreciation of 6.20% in the parallel market with a closing official-parallel market gap of N6.19

Year to date as of April 15th the rates in the official market stood at N1598.95/\$ and N1616.50 in the parallel market with a MtD value of 4.04% and 4.76% respectively.

	Official	Parallel
YTD	4.11%	-1.73%
Q1 '25	0.07%	-6.20%



The Naira stability in Q1 2025 is due to the CBN's short-term stabilization measures and economic factors

Foreign Exchange Reserves that provide ability for the CBN capacity to intervene in forex market and support the naira

Reduced Import Dependency as result of the commencement of operation of domestic refinery - the Dangote refinery which alleviated pressure on the Naira by decreasing the need for foreign exchange to import petroleum products.

Increase liquidity control measures through the sales of FX to BDCs

The CBN's tight monetary policy position including adjusting T-bills rates to increasing foreign exchange inflows by attracting foreign portfolio investments.

The introduction of the Electronic Foreign Exchange Matching System (EFEMS) in November 2024 enhanced transparency and efficiency in the foreign exchange market, bolstering investor confidence.

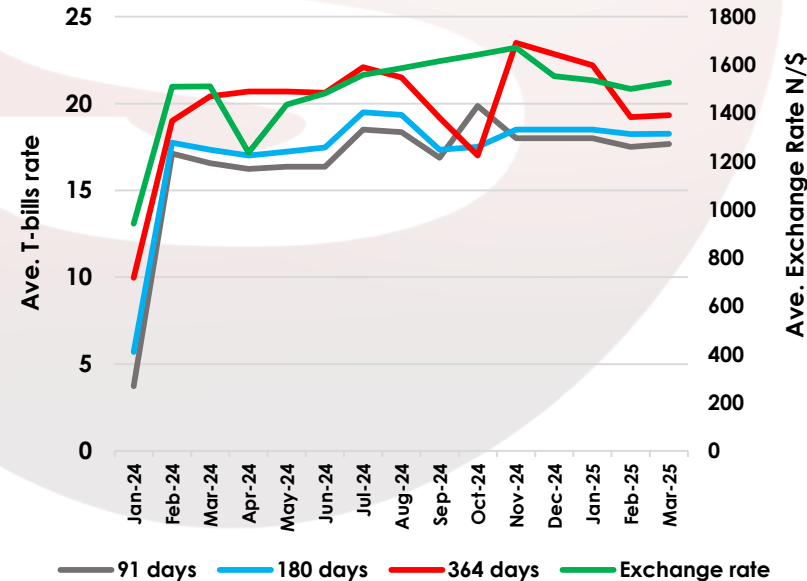
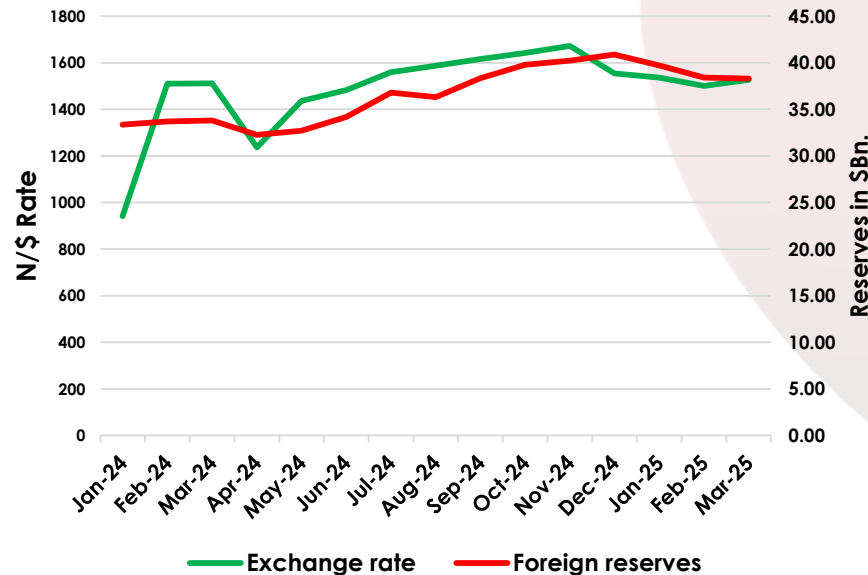
To stabilise the naira the CBN MPC continually adjust the T-bills rate in line with economic realities.

Outlook

In the coming quarter, the Naira is expected to remain relatively stable, driven by the following factors:

- Continued CBN intervention, supported by the 2025 national budget, which is benchmarked at ₦1,500/US\$1.
- Economic recovery, as the economy showed notable growth in Q4 2024—a trend expected to continue, particularly with the ongoing GDP rebasing.
- Increased oil production and exports, although this may be **challenged by the imposition of U.S. tariffs on Nigerian oil and potential weakening demand due to the trade war.**

However, this outlook could be undermined by the ongoing global trade war, particularly the impact of U.S. tariffs.



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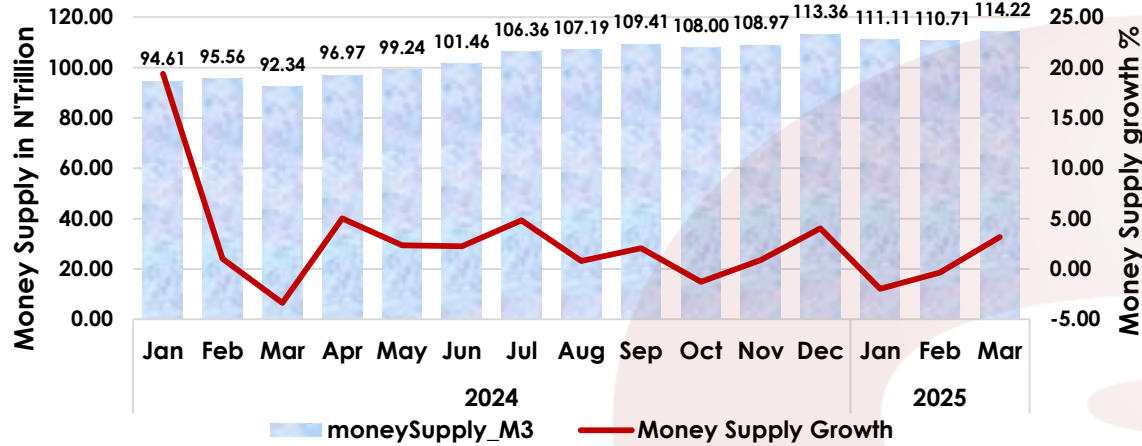
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Money supply (M3) increased by 0.77% QoQ and 3.18% MoM to N114.22 Trillion.

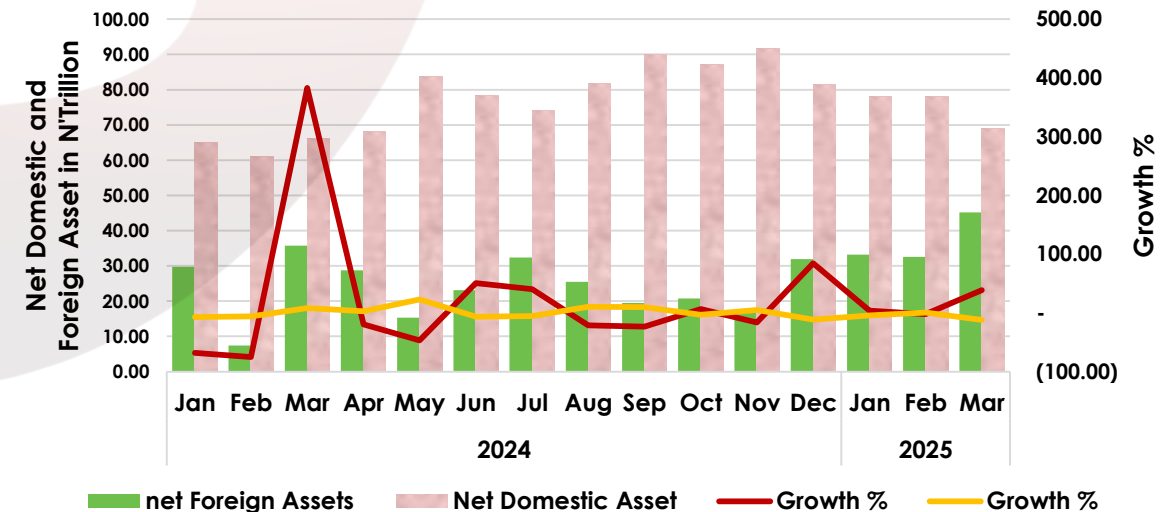
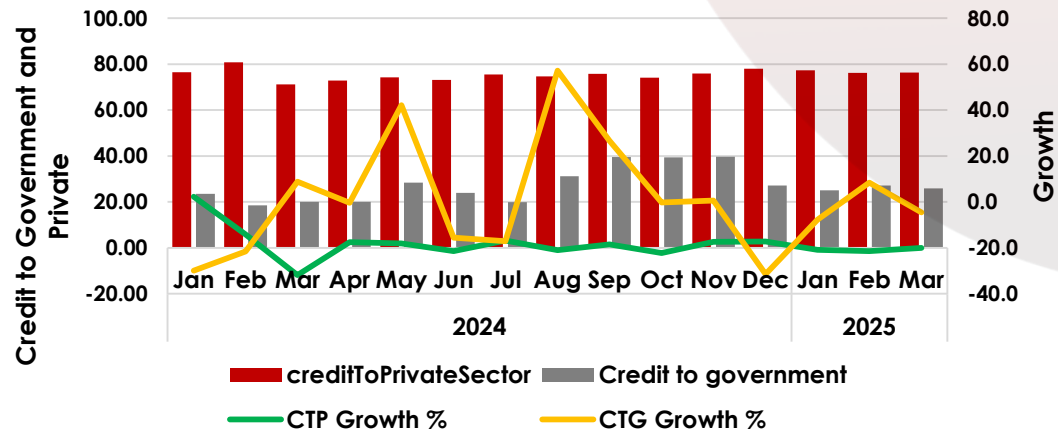


MoM Money supply Drivers

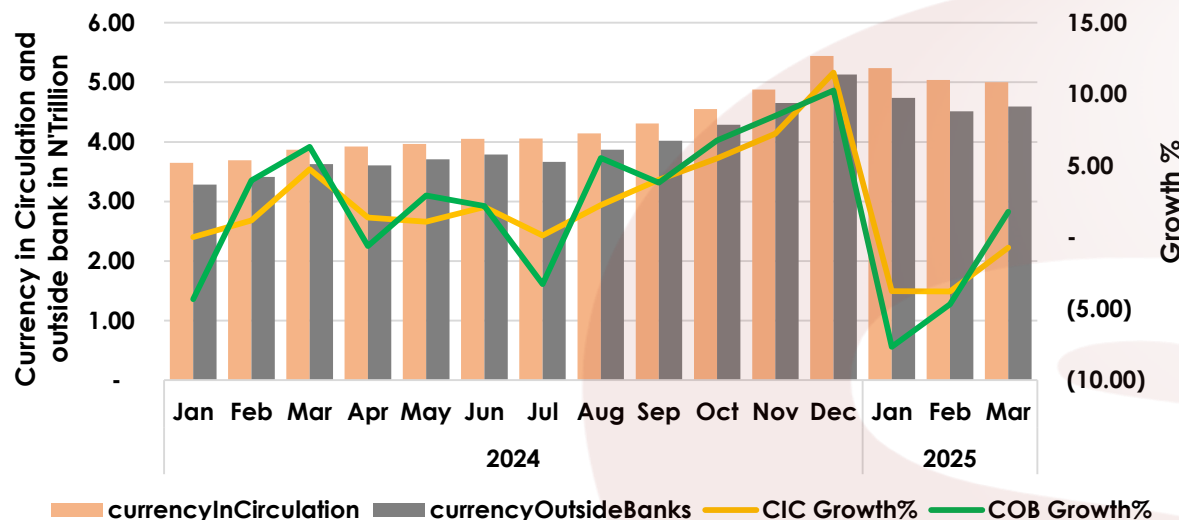
- Increase net foreign asset by approximately 36% from 33.19 trillion in January suggesting improved capital inflows. It initially fell to N32.53 trillion in February.
- Decrease Net Domestic Asset by about 11.4% from 77.9 trillion in January, the decline is due to
 - Liquidity tightening policy of the CBN to stabilise exchange rate (T-bill rate Adjustment).
 - Increase engagement of the CBN in Open Market Operation (OMO) to mop up excess liquidity resulting in contraction in money supply
 - Lag effect of monetary policy

Money supply that has been declining since the beginning of the quarter reverted to positive in March

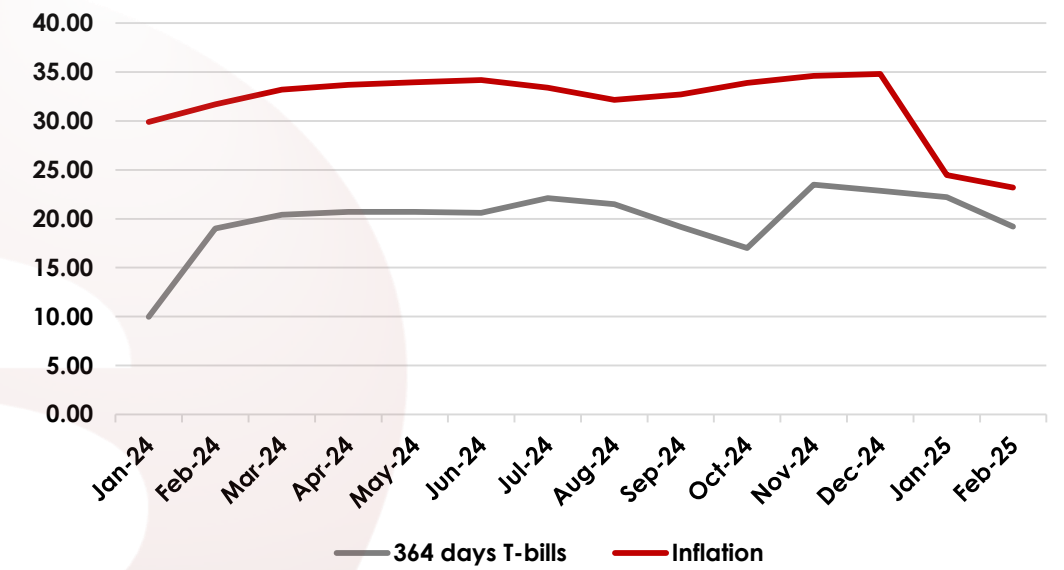
- Credit to private sector declined by 1.38% QoQ but increased by 0.01% MoM. On the contrary, credit to government increased by 3.31% QoQ but declined by 4.63% MoM



Despite increase in money supply, both the total currency in circulation and currency outside bank Declined in Q1 '25



Notable relationship was found between Inflation, and T-bill rate



- Currency in circulation dropped by 4.50% to N5.00 trillion due to
 - High cash reserve ratio
 - Increase CBN participation in Open Market Operation
- Currency outside bank declined by about 3% to N4.60 from 5.13 trillion in January owing to
 - Increase demand deposit by 5.48% to N33.96 trillion motivated by high interest rates

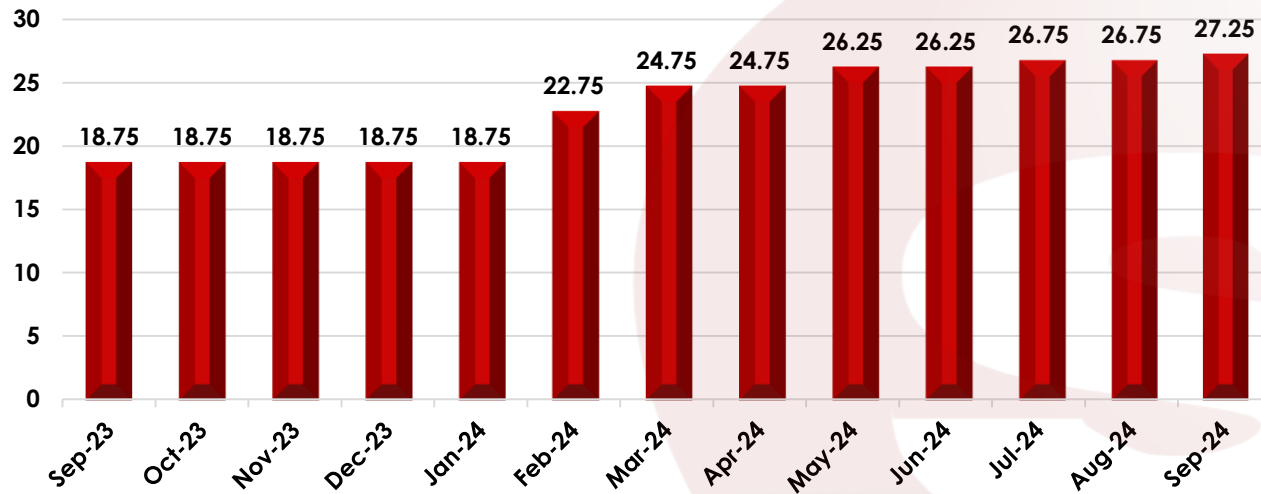
Although T-bill rates were mixed the fact that it remain high and in double digits are still considered attractive by investors as the CBN auction attracted investors interest as over subscription of almost 200% was recorded in Q1 2025 as total subscription increased by N7.25 trillion quarter-on-quarter making rates to respond to monetary policy adjustment

The resurgence of increase money supply (M3) in March suggests that the monetary tightening was insufficient to thwart the factors contributing to money supply expansion,

Despite the decline, COB accounts for 91.9% of total currency in circulation in March pointing to persistent challenges in financial inclusion and continued cash transactions despite efforts to promote digital payments which is a constraints to the effectiveness of monetary policy

In Q1 2025, the CBN MPC in its first 299th Meeting maintained the benchmark interest rates.

Monetary Policy Rates Held steady at 27.50%



Rationale behind the decision

- Downward trend of inflation from 34.80% in December to 23.18% in February
- Relative stability in the exchange rate hovering around an average of N1500 since the last meeting
- Growth in GDP as reported by the NBS with both the oil (production) and non-oil sectors contributing to the GDP expansion.
- Decline money supply by 0.56% in the month of February

Asymmetric corridor maintained at +500/-100 basis point around the MPR

Cash Reserve Ratio retained at 50.0% for Deposit Money Banks and 16% for Merchant Banks

Liquidity ratio Unchanged at 30%



Domestic Economy – Average Rates

Month	Inter Bank Call Rate	MPR	Treasury Bill	Savings Deposit	One Month Deposit	3 Months Deposit	6 Months Deposit	12 Months Deposit	Prime Lending	Max Lending
Oct-24	27.83	27.25	17.00	7.56	10.06	11.65	13.26	13.57	17.36	30.28
Nov-24	28.88	27.50	18.00	6.56	8.48	9.53	12.13	14.22	18.39	31.06
Dec-24	28.71	27.50	18.00	7.51	10.40	11.59	13.18	13.33	18.56	29.71
Jan-25	28.58	27.50	18.00	7.50	10.31	11.99	14.44	14.00	18.49	29.79
Feb-25	31.03	27.50	17.48	7.51	10.10	11.54	13.59	9.73	18.35	30.50
Mar-25	28.09	27.50	17.41	7.50	10.34	11.19	14.30	11.39	17.96	30.19

In Q1 2025, average rates across various financial instrument (Lending and Deposit rates) remained elevated in double digit reflecting the CBN efforts to manage inflation and stabilise the financial system

Outlook

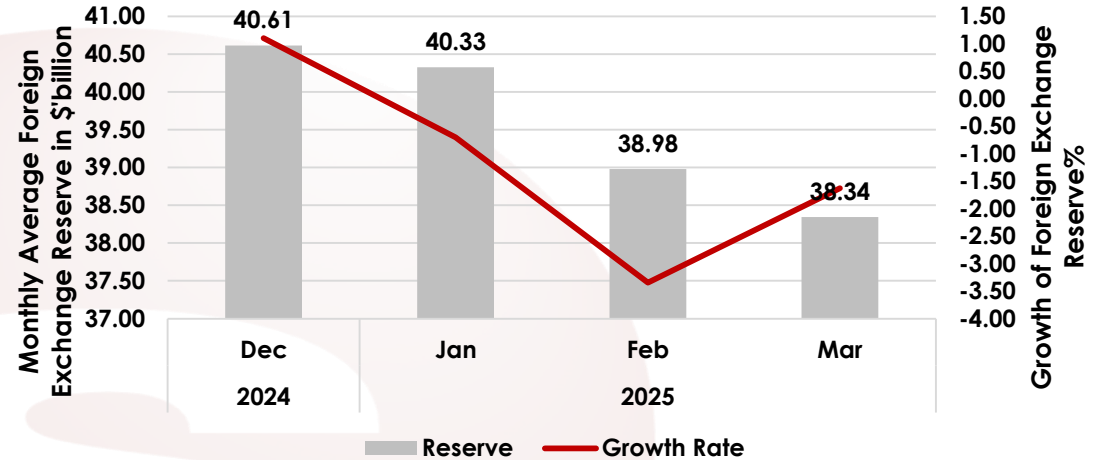
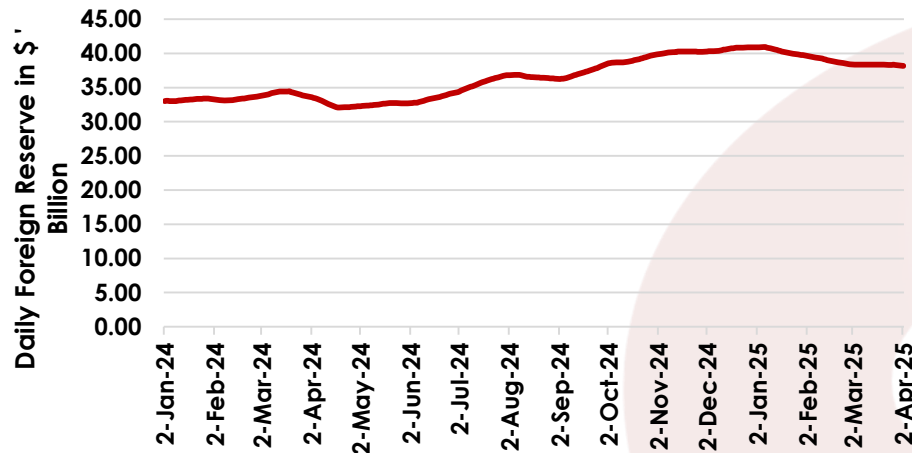
In Q2 the CBN MPC is likely to pause MPR rate as they gather information on what plays out in the global economy due to trade war unfold. However, other rates are expected to reflect happenings in the economy especially as the CBN works towards bringing inflation to its 15% target and stabilize the exchange rate



Foreign Reserve management in Q1 2025



In Q1 '25, foreign exchange reserves in Nigeria experienced a notable decline.



As of January, reserve stood at around \$40.88 billion but by the end of March, it has declined to \$38.30 billion indicating a decline of 6.31% In Q1 '25,

Year to date as of April 15th reserves has declined by 7.24% at \$37.91 billion with a MtD value of -1.02%

YTD	-7.24%	↓
Q1'25	-6.31%	↓

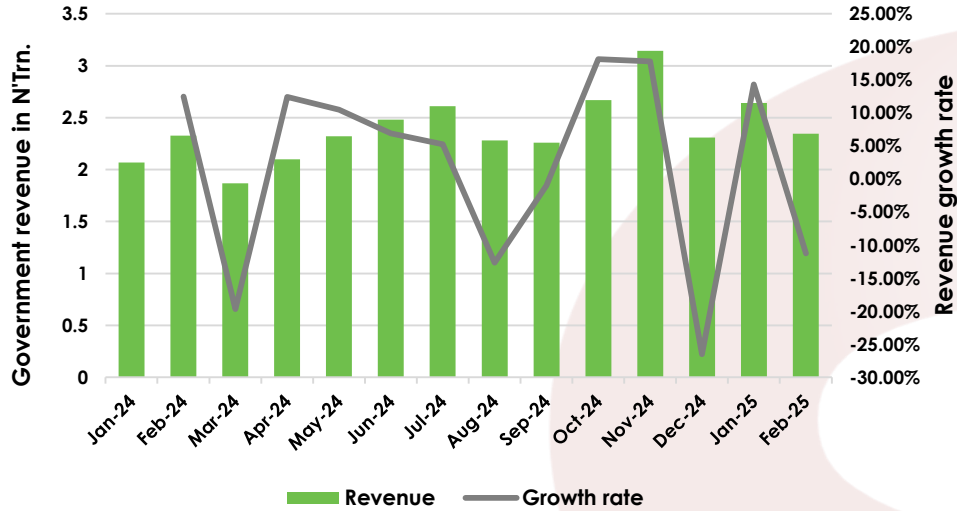
Although gross reserve declined in Q1 '25, Net foreign reserve rose to \$23.11 billion in 2024 representing the highest in three years

MoM

On a monthly basis, reserve which stood at an average of \$40.61 billion in December 2024, dropped to \$38.34 billion in March indicating 5.59% decline with the highest decline of 3.34% in February

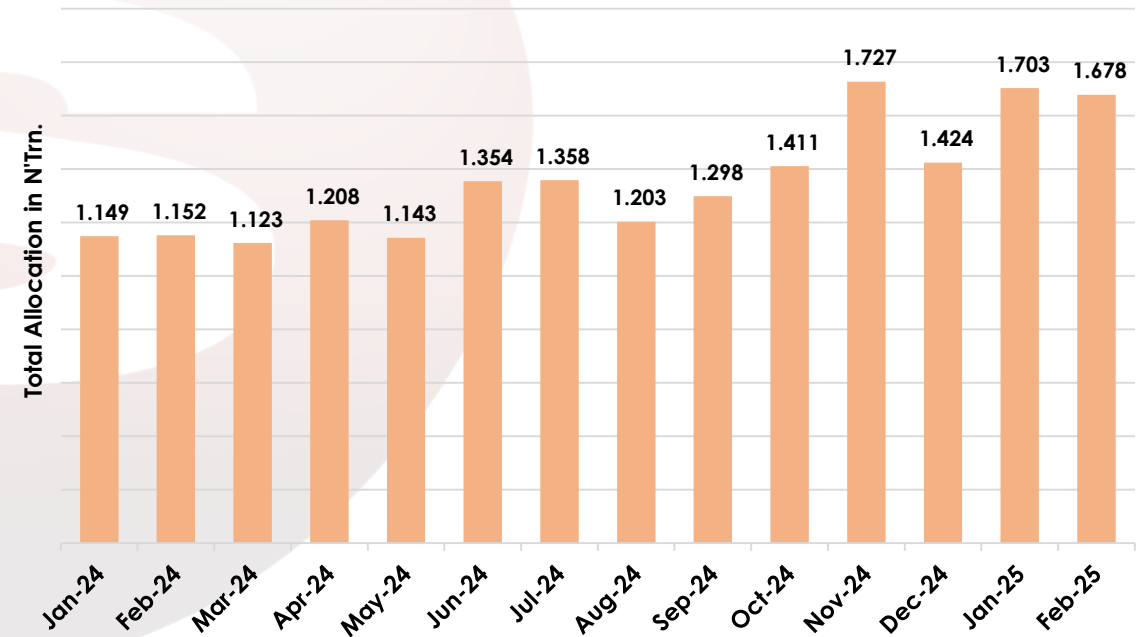
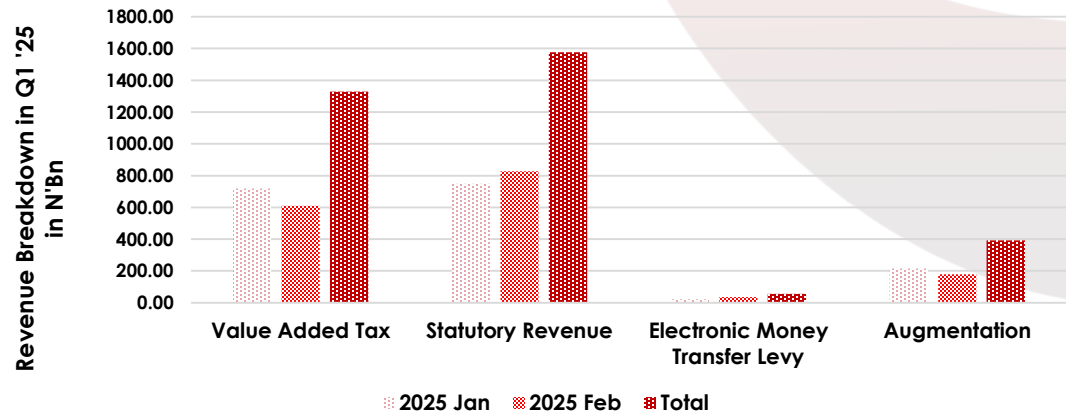


As of February 2025, government revenue stood at N2.34 trillion



Owing to the decrease, the Federation Account Allocation Committee (FAAC) disbursed revenue to the **tiers of government in February decreased by 1.47%**

The month-on-month decline is attributed to the possible decline in revenue from value added tax and solid mineral and augmentation as well as zero revenue from exchange rate difference.



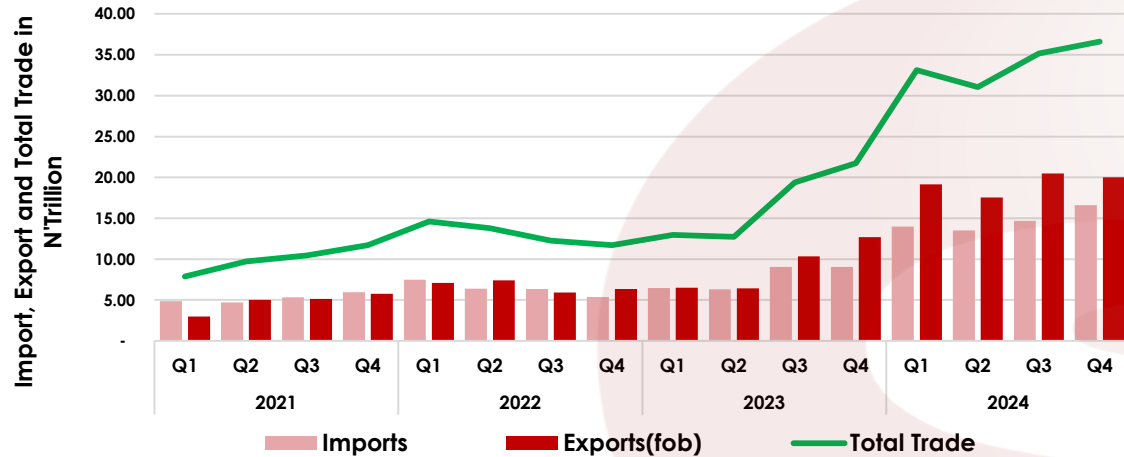
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- No Withholding Tax

Nigeria's foreign trade edged up in Q4 2024, propelled by a boost in imports



In the fourth quarter of 2024, Nigeria's foreign trade experienced notable growth, with total merchandise trade reaching ₦36.6 trillion driven mainly by currency depreciation.

YoY, total trade increased by 68.32% from ₦21.7 trillion in 2023.

QoQ, trade went up by 2.20% rise from ₦35.8 trillion in the previous quarter. Although Nigeria maintained a trade surplus of ₦3.4 trillion, the value is lower compared to previous quarter.

Import and Export

Period	Exports (₦billion)	Imports (₦billion)	Exports		Imports	
			YoY Growth (%)	QoQ Growth (%)	YoY Growth (%)	QoQ Growth (%)
Q4 2024	20.01	16.59	57.67%	-2.55%	83.24	13.06
Q4 2023	12.69	9.05			83.24	13.06

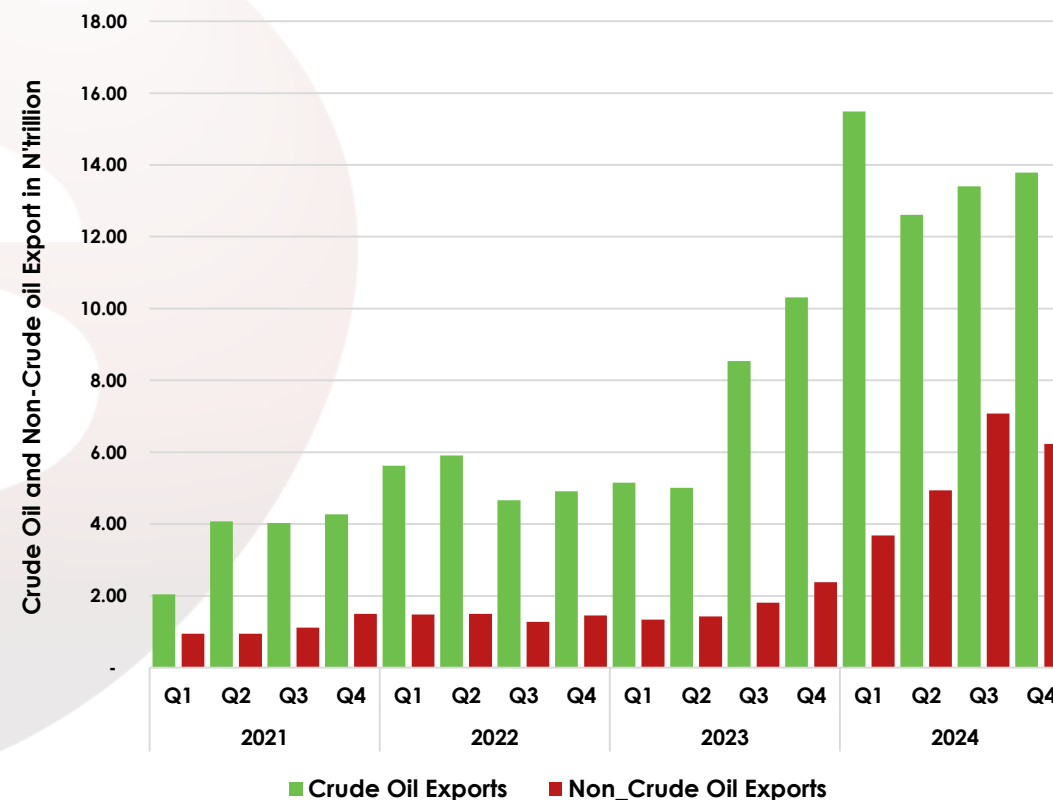


Structure of Imports and Exports

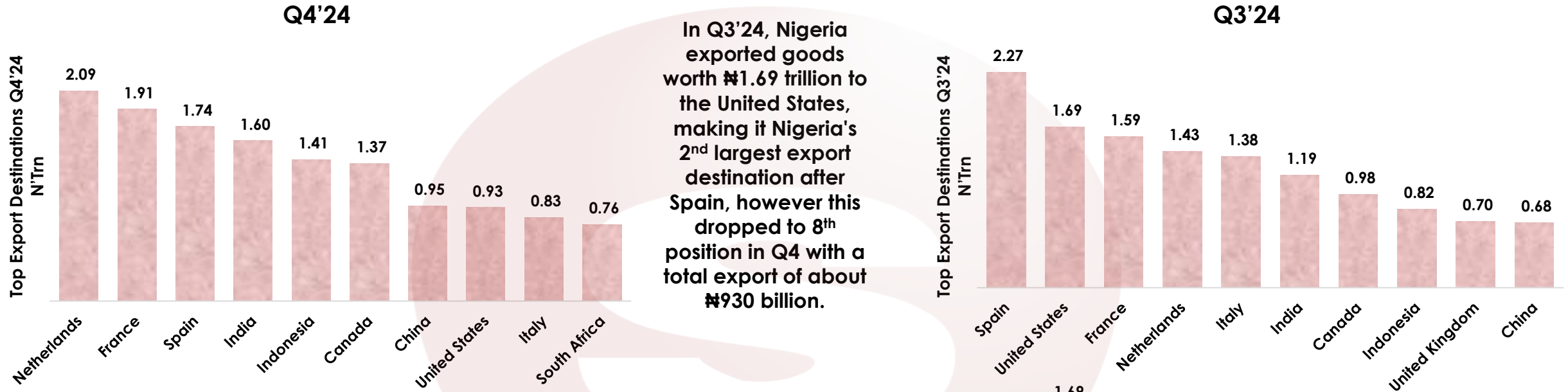
	Exports			Imports		
	Product Description	Value(N'Bn.)	Q-o-Q Chg.%	Product Description	Value(N'Bn.)	Q-o-Q Chg.%
Agricultural Goods	Superior Quality Cocoa	836.23	134.19	Durum wheat	128.07	-54.69
	Standard Quality Cocoa	269.34	73.08			
	Sesamum Seeds	202.94	317.68	Jack and horse mackerel meat, frozen	66.18	3.36
	Natural Cocoa Butter	104.59	19.87			
	Cashew Nuts	30.76				
Solid Minerals Products	Cement clinkers	15.78	36.75	Plasters	32.81	5.12
	Tin ores and concentrates	9.95	-58.90			
Manufactured Goods	Unwrought aluminum alloys	72.37	-38.70	Other parts of aero planes, helicopters or unmanned aircraft	147.12	
	Dredgers	46.29		Photovoltaic cells not assembled in modules or made up into panels	232.22	
	Cathodes and sections of cathodes	33.15		Polypropylene	83.24	
				Used Vehicles	194.1	126.27
Raw Materials	Urea whether or not in aqueous solution	347.47	24.61	Cane sugar meant for sugar refinery	332.52	112.13
				Other lubrication oils meant to be mixed further	78.06	
	Non-monetary Gold	70.39	52.95	Veneer sheets and sheets for plywood and other wood	9.27	-80.89

Oil and non-oil

Crude oil continued to dominate Nigeria's exports, accounting for 68.87% of total exports, despite the commencement of operations at the Dangote Refinery, which is expected to gradually impact crude oil exports and refined product imports.



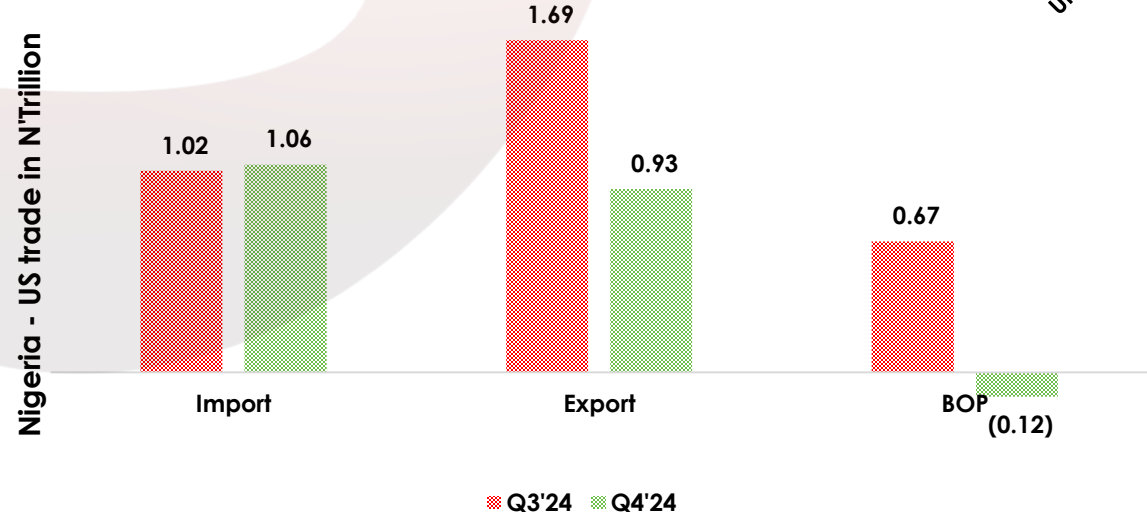
The United States remain among Nigeria's top ten export destination countries



In Q3'24, Nigeria exported goods worth ₦1.69 trillion to the United States, making it Nigeria's 2nd largest export destination after Spain, however this dropped to 8th position in Q4 with a total export of about ₦930 billion.

The total value of trade between Nigeria and the United States stood at ₦2.71 trillion in Q3 2024, with exports accounting for 62.25%, resulting in a trade surplus

The narrative shifted to a deficit in Q4 2024, as total trade dropped to ₦1.99 trillion with exports accounting for approximately 46.87% of the total.



Domestic Economy: Penitential Impact of the US 14% Tariff on Nigeria's Export to the US



Structure of Nigeria's Export to the US

		Q3'24 N'Mn	Q4'24 N'Mn	Share of Total Export	Change. N'Mn
Crude oil		1,494,497.37	820,724.97	88.14%	-673,772.4
Agriculture	Superior Quality Cocoa Beans	14,476.21	29,923.52	3.21%	15,447.31
Manufactured	Unwrought Aluminium Alloys	-	4,093.02	0.44%	4,093.02
	Cathodes and sections of Cathodes	-	4,099.88	0.44%	4,099.88
Raw Material	Technically specified natural Rubber	4,990.19	4,372.46	0.47%	-617.73
	Other food preparations not specified or included	-	61.49	0.01%	61.49
Total Exports in N'Mn		1,689,483.17	931,193.04		-758,290.13

The 14% tariff on Nigerian exports is under the African Growth and Opportunity Act (AGOA), which previously allowed duty-free access for numerous Nigerian products.

The tariff may reduce the competitiveness of Nigerian goods in the U.S. market, potentially leading to decreased export volumes and a deterioration in Nigeria's terms of trade with the United States

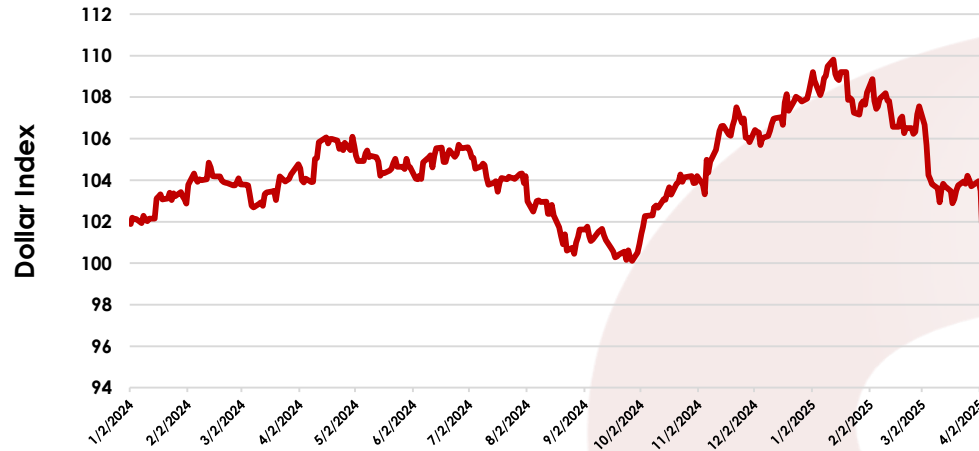
The tariff may strain trade relations between Nigeria and the United States, potentially prompting Nigerian authorities to pursue negotiations aimed at restoring favourable trade terms.

Crude oil remained Nigeria's dominant export, accounting for 88.46% and 88.14% of total exports to the USA in Q3 and Q4 2024, valued at N1.5 trillion and N820.7 billion, respectively. Other significant exports included agricultural products, manufactured goods, and raw materials

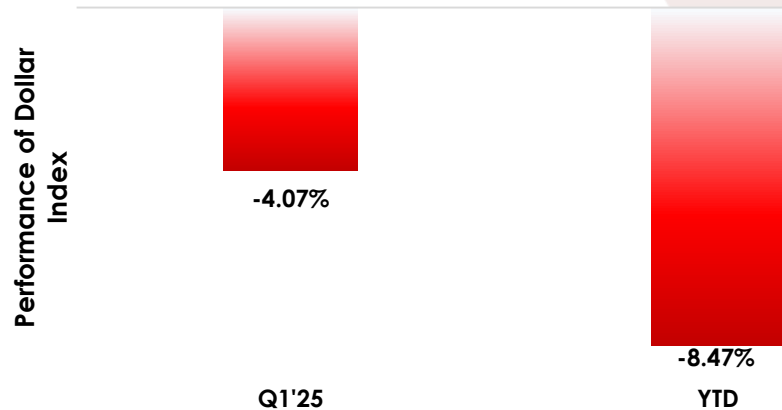
Financial Market



The U.S. dollar depreciated against a basket of major currencies in Q1



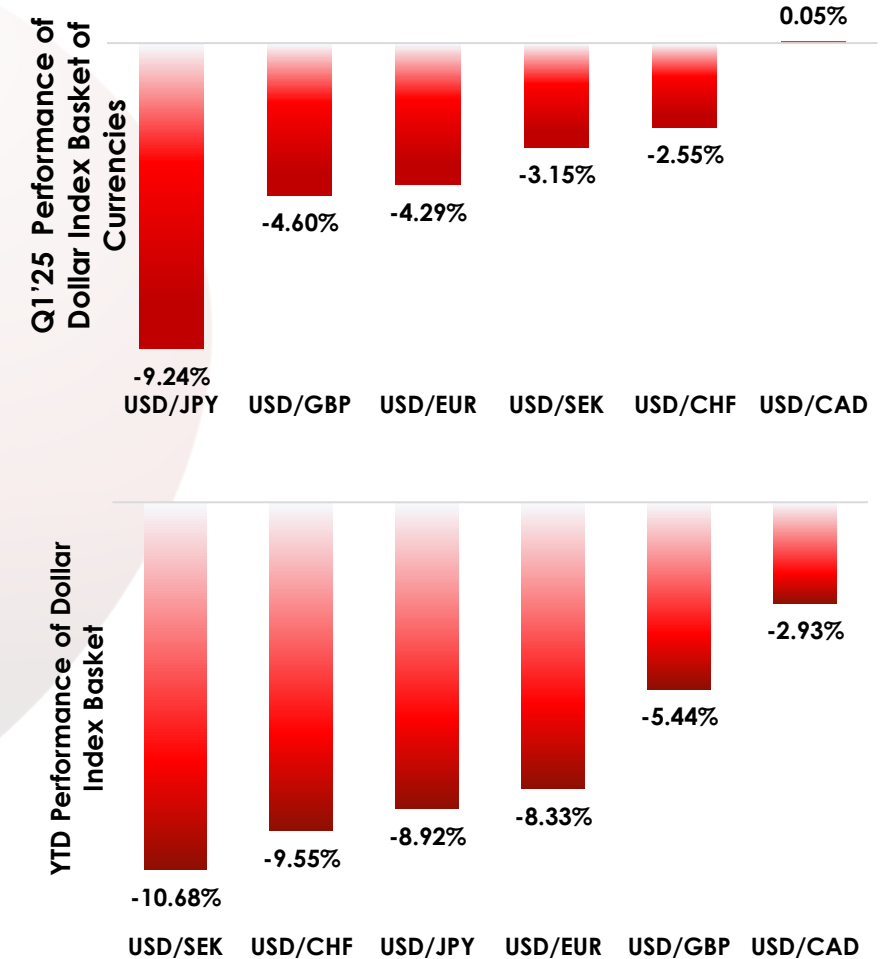
The index commenced the year at 109.29 but at the end of Q1 the index stood at 108.883 indicating a depreciation of 4.07% with a YtD performance of -8.47% as of 15th of April



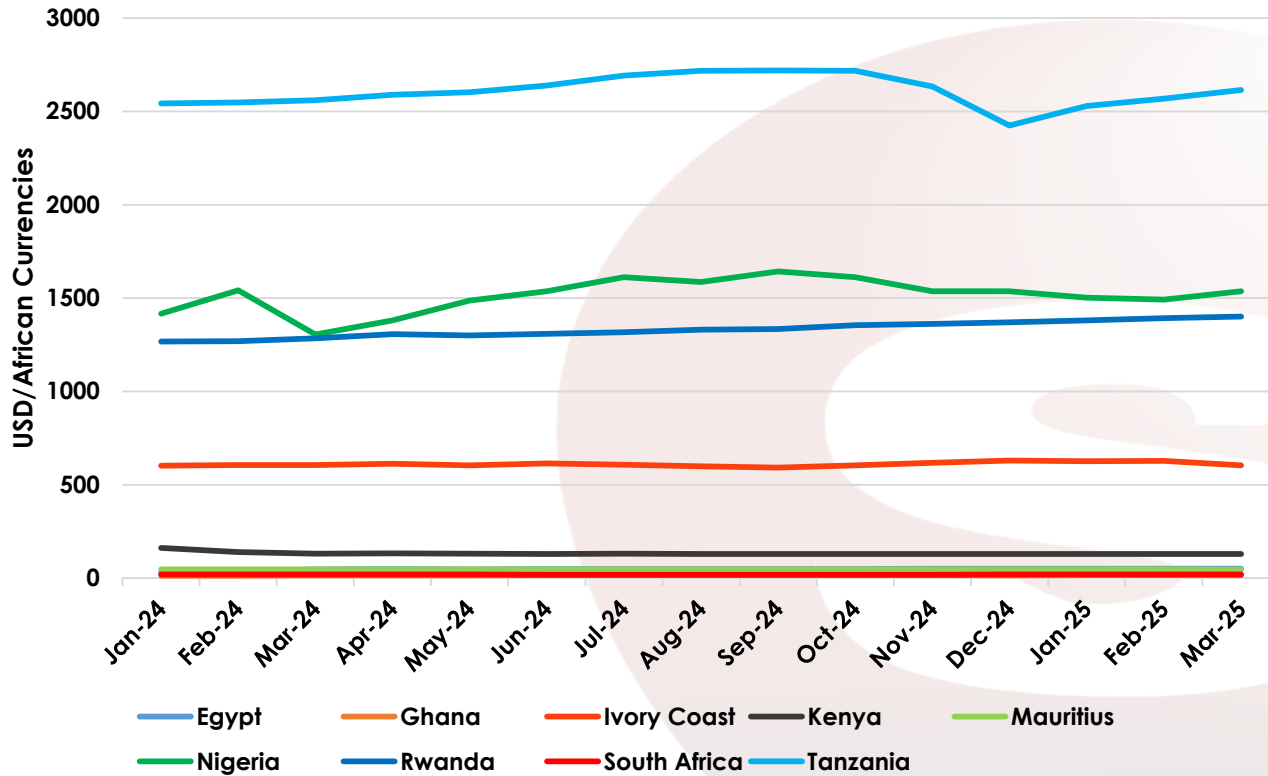
Drivers

- Trade Policy Uncertainty leading to increased market volatility and diminished investor confidence in U.S. assets
- Shift in Safe-Haven Assets in favour of other currencies like the Japanese yen and Swiss franc, as well as commodities such as gold
- Global Economic shift to stronger economic performances in Europe and Asia have attracted investment flows away from the U.S., weakening the dollar
- In the short term, the US dollar may depreciate however, the dollar is expected to be strengthened against key currencies in the long term

U.S. Dollar Underperforms Across the Currency Basket: Q1 and YTD 2025



In Q1 '25 African currencies has shown mixed outcomes

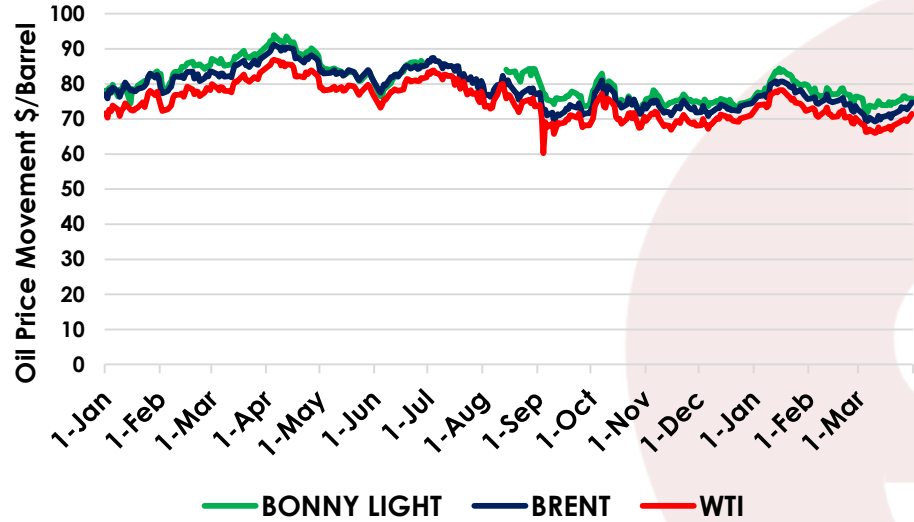


Common factors that influenced African currencies

- Macroeconomic
- Fiscal and
- External factors.



In the first quarter of 2025, crude oil prices exhibited significant volatility downward



The world may see a repeat of the oil price dynamics observed in 2017, when prices declined significantly due to increased U.S. shale production and weakened global demand—factors that could resurface amid the ongoing trade war.

As of December, WTI, Brent and Bonny Light stood at \$70.99, \$74.64 and \$75.48 per barrel respectively. By the end of Q1 '25, oil prices has increased slightly to \$71.28, \$74.77 and \$75.9 per barrel.

MoM

On a monthly basis, WTI, Brent and Bonny light which stood at an average price of \$69.95, \$73.02 and \$74.66 per barrel in December 2024, dropped to \$67.96, \$71.30 and \$74.55 per barrel in March indicating 2.84%, 2.35% and 0.15% decline with the highest decline in the month of March.

Year to date as of April 15th, oil prices stood at \$61.70, \$64.97 and \$68.60 per barrel for WTI, Brent and Bonny light respectively with a MtD value of -13.68%, -13.11%, and -9.62%

Oil Prices Determinants in Q1'25



Geopolitical Tension

U.S. Sanctions on Iran and Russia



Economic Growth Concerns

Fear of global economic slowdown especially in China



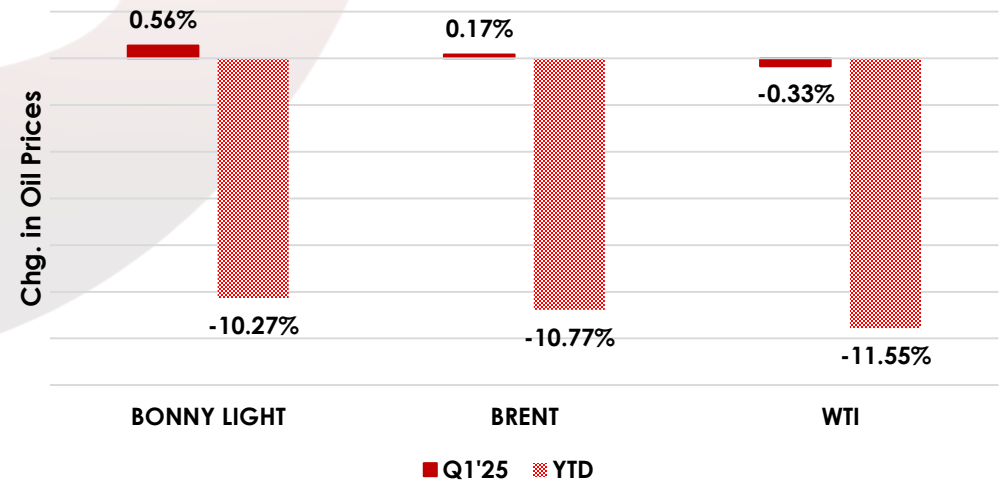
Trade

Imposition of new tariffs by the U.S.

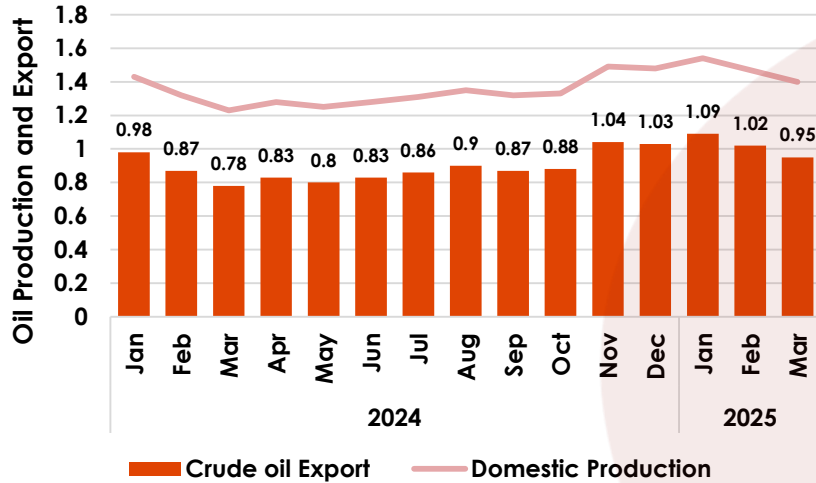


OPEC+ Production Adjustments

Announced plans to increase oil output in May



Nigeria crude oil production remain volatile in Q1 '25.



Domestic oil production hits 1.54 barrel in January, but dropped to 1.40 barrel in March below the production capacity and benchmark of OPEC

Decline oil production resulted in declined oil export with oil export falling by 12.84% from 1.09 mbpd in January to 0.95 mbpd.

Drivers

Oil theft and pipeline vandalization

OPEC+ production quotas adjustments

Decayed infrastructure and operational concerns

Low investment and funding

Geopolitical tension that fuel weak demand

While Nigeria benefited from high oil prices, the country continue to remain vulnerable to oil prices volatility and supply disruption

Implication of the trade war and the US government 14% tariffs on Nigeria

S/N	Country	Business
1.	Decline oil Export as Nigeria Nigerian oil becomes less competitive in the US	Increase supply of oil which result in a drop in oil Prices
2.	Falling Government revenue due to decline oil Export	Reduce cost of production since oil is an important cost element
3.	Decline reserve which will hinder the ability of the CBN to intervene in the FX market to support the Naira	Increase Profit
4.	Exchange rate Crisis	Tariff may affect non-oil export by increasing cost of Nigerian goods entering the US

Nigeria needs to explore alternative markets for her crude oil and needs to diversify it economy to reduce reliance on oil export

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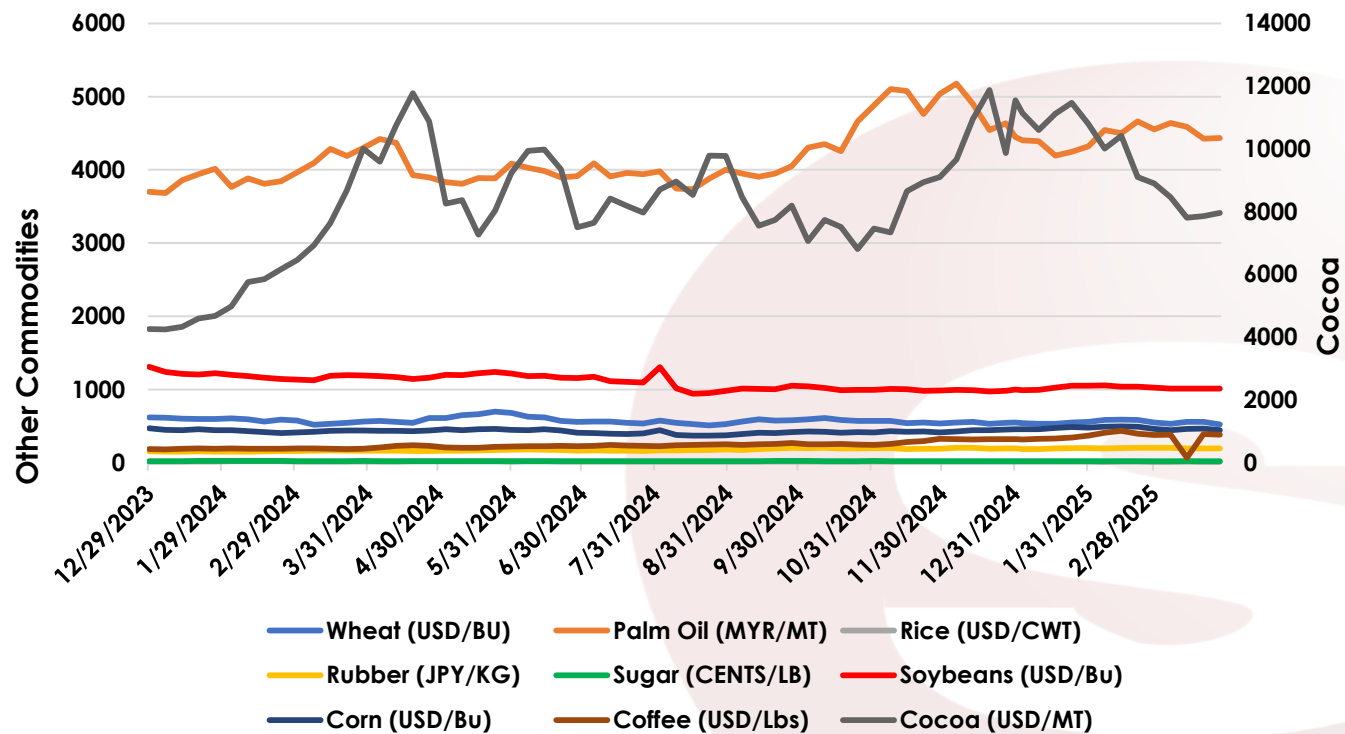
**Start
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Today**



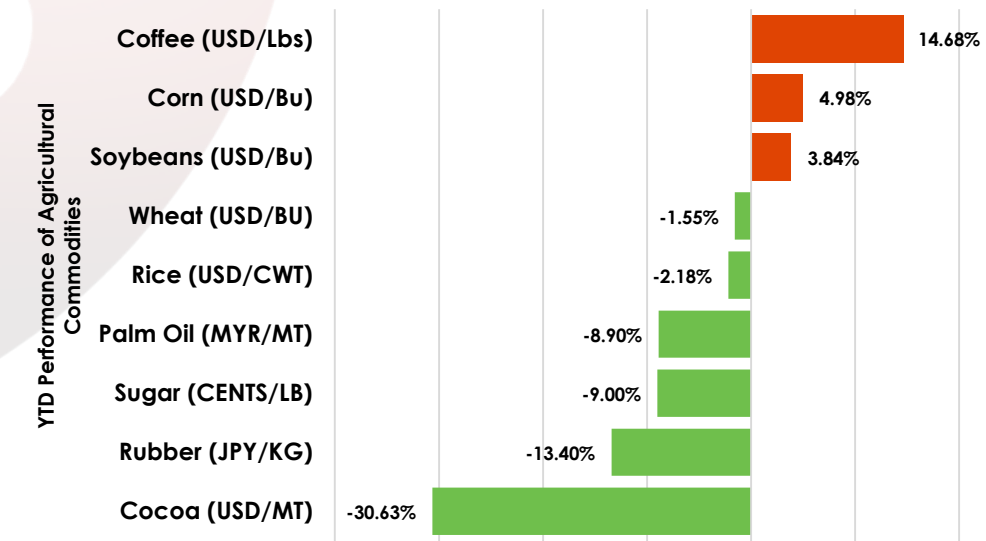
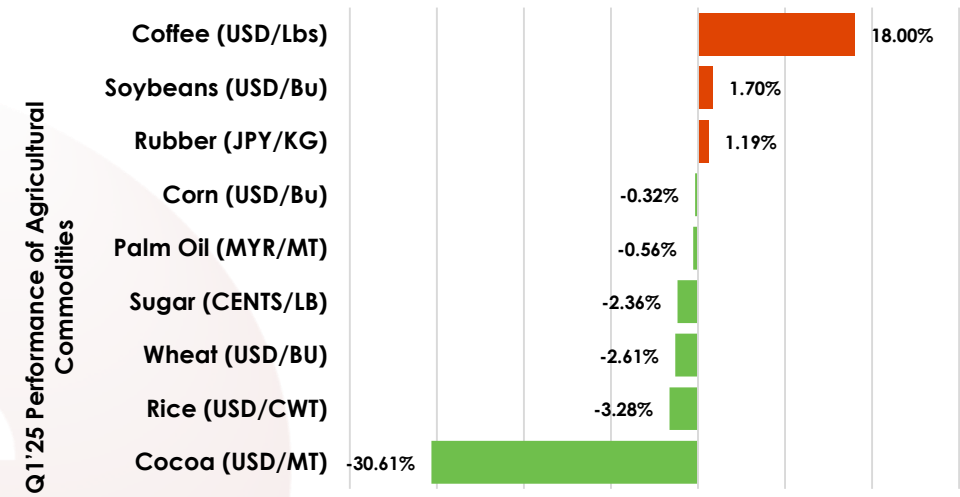
Performance of major Agricultural crops in Q1 '2025



Agricultural Commodities prices saw mixed performance



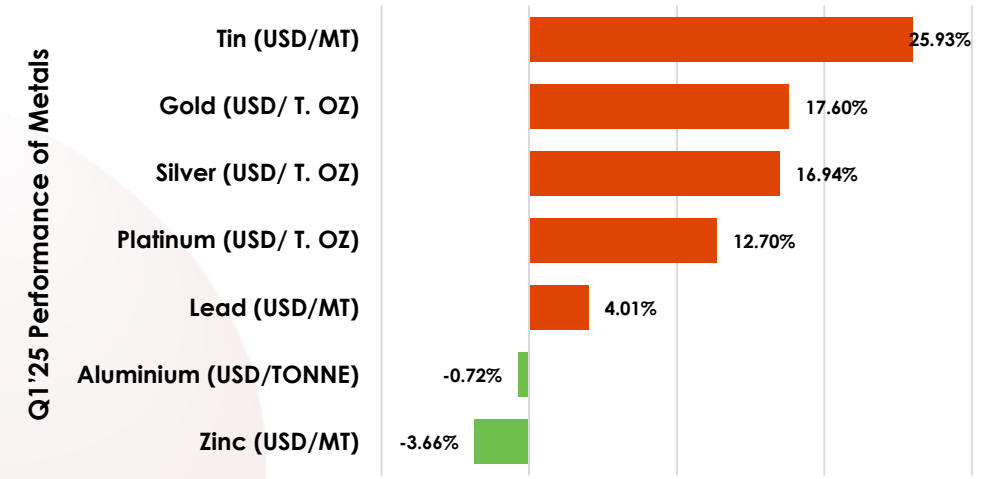
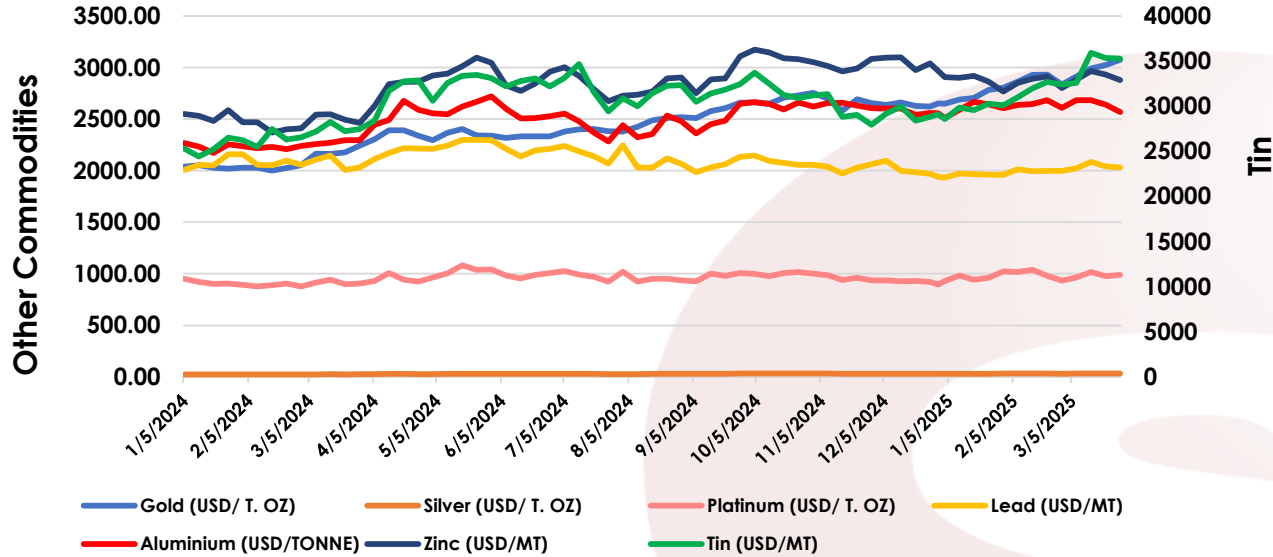
- 1 Supply chain issues
- 2 Climate Weather conditions
- 3 Trade policies and Tariffs
- 4 Weak demand



Precious Metals (Gold, Silver) and Safe-Haven Assets

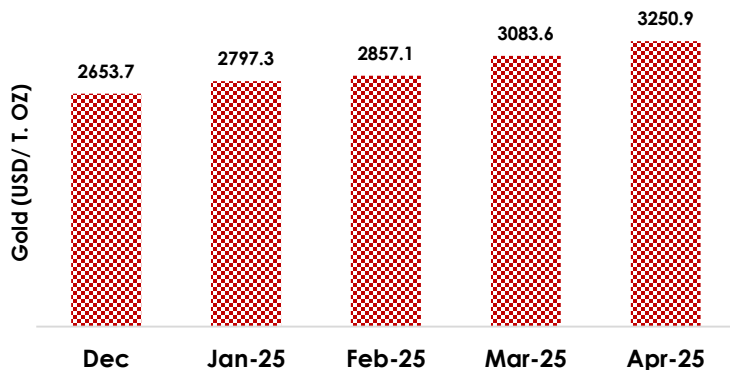


Precious and industrial metals experienced significant price movements in Q1 '25



Is Gold a Safe Haven Asset?

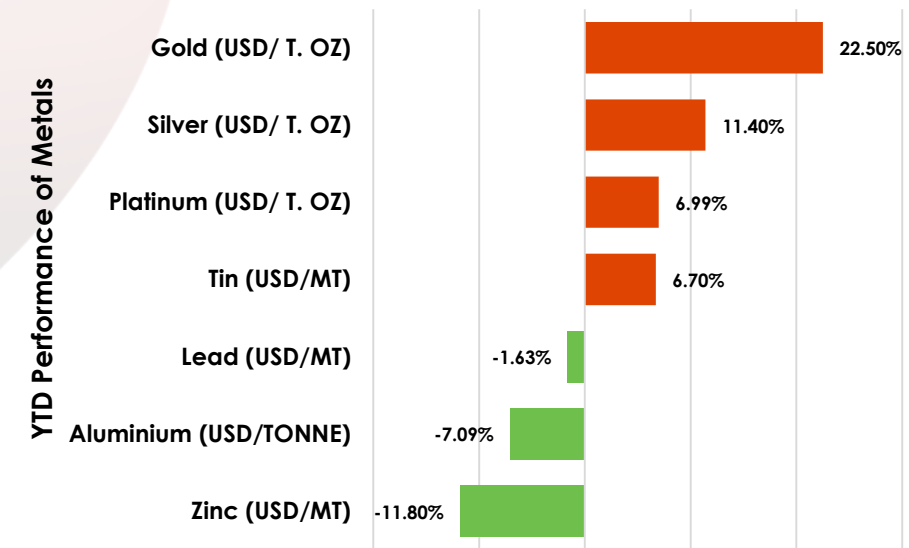
Precious metal such as Gold prices surge in Q1 '25 hitting \$3121.9 Per ounce as investors sought safe-haven asset due to fears of global trade war.



Drivers



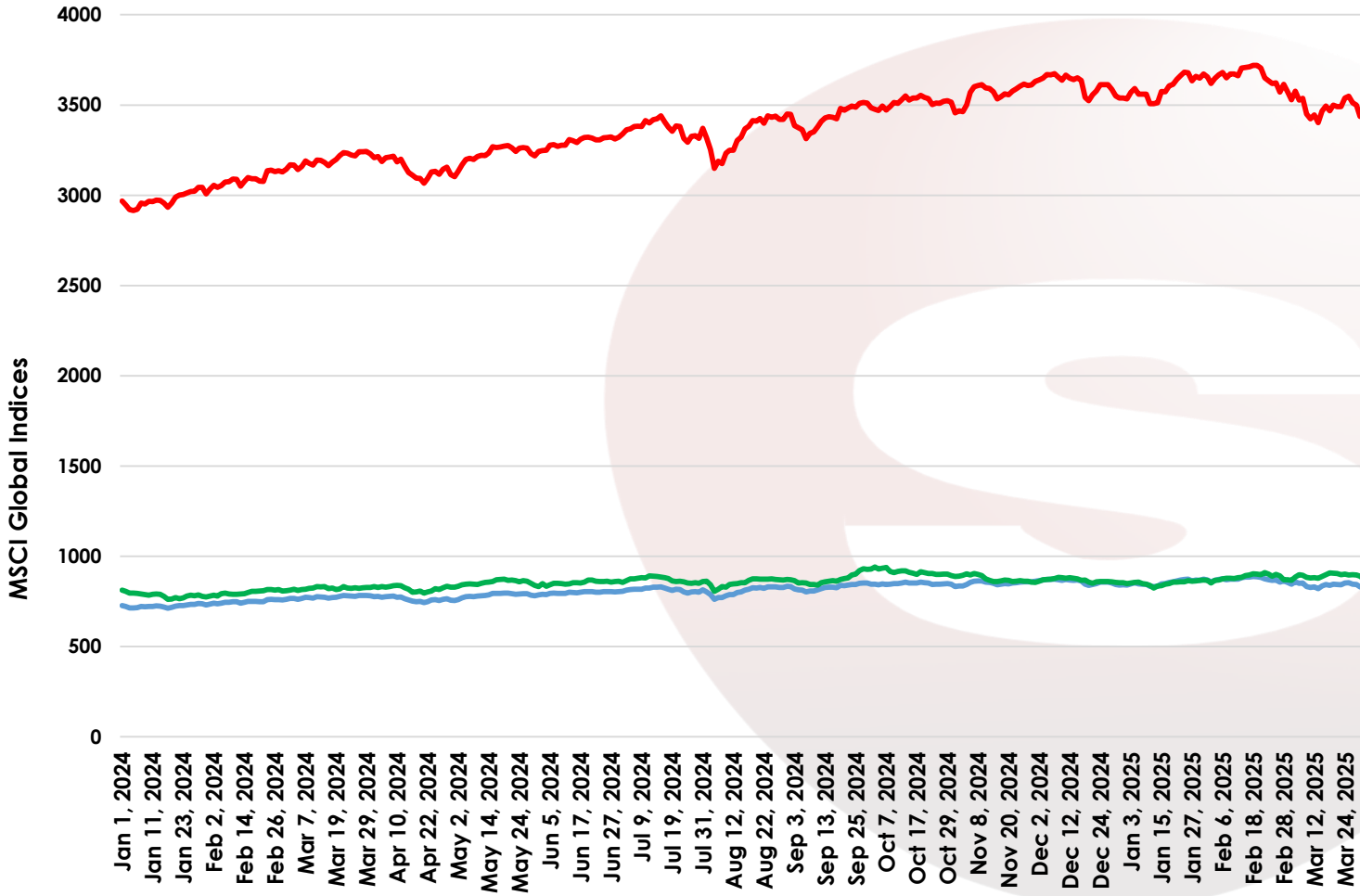
Prices of industrial metals remain volatile with Tin prices surging fuelled by supply disruptions while Zinc and Aluminium prices fell.



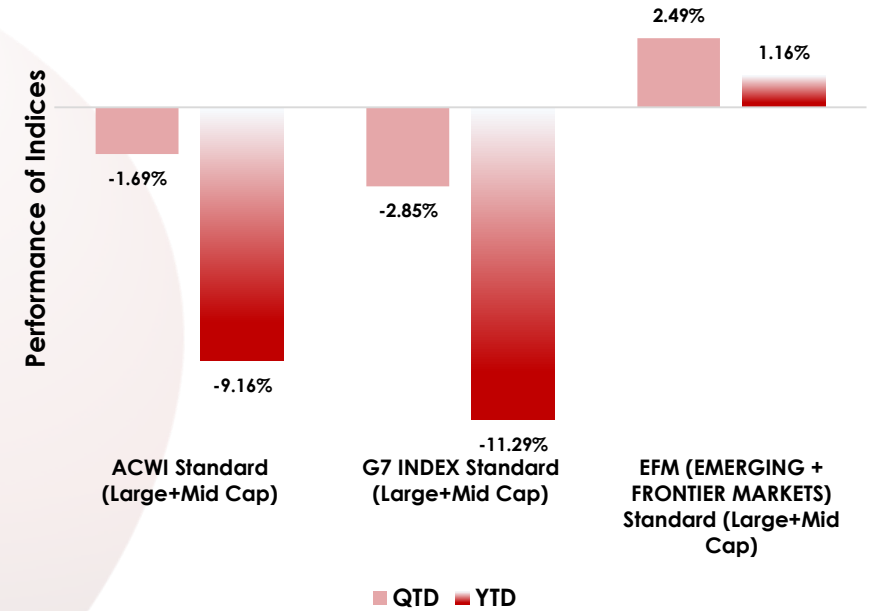
Global Stock Market Trends and Performance of Major Indices



Global stock market continue to be volatile affected by trade war and geopolitical tension



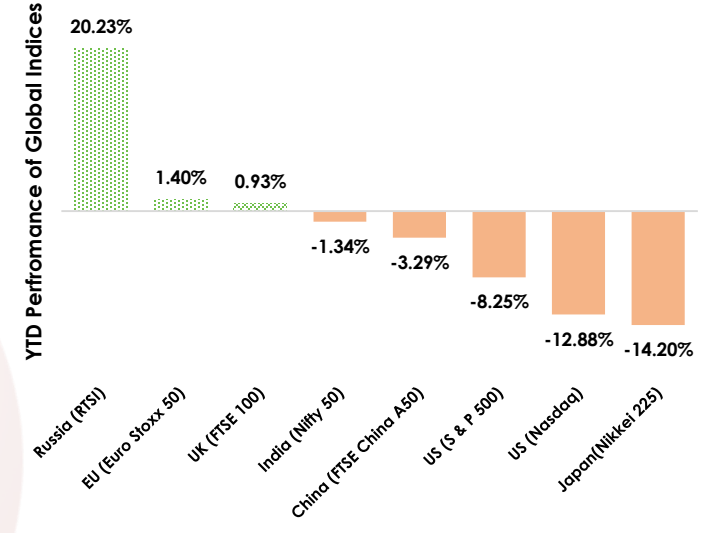
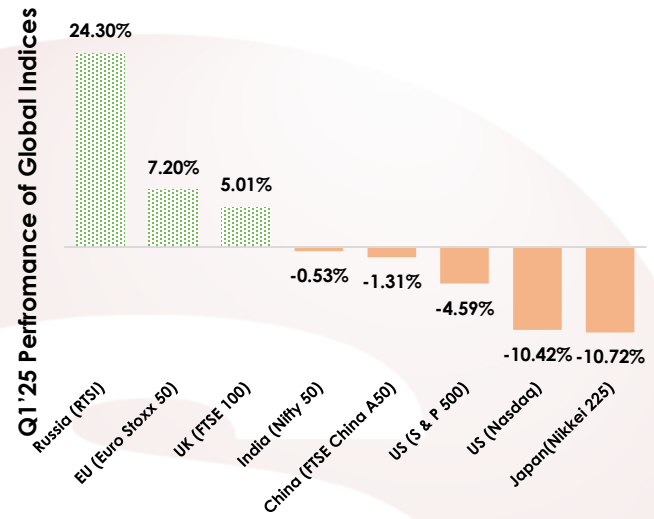
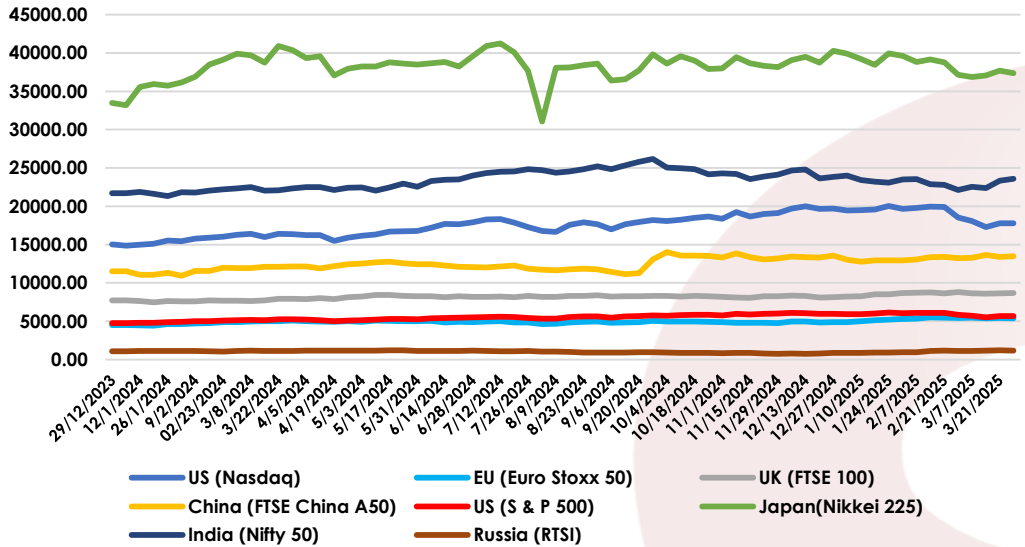
- ACWI Standard (Large+Mid Cap)
- G7 INDEX Standard (Large+Mid Cap)
- EFM (EMERGING + FRONTIER MARKETS) Standard (Large+Mid Cap)



Global Stock Market Trends and Performance of Major Indices Cont'd



Stock market indices in major economies in Q1 2025 experienced mixed performance, with significant volatility driven by macroeconomic factors, geopolitical developments, and sector-specific dynamics."



Top 5 Gainers YTD (S&P 500)

Company	Price	EPS	% Gain
CVS Health Corp	\$ 68.92	3.66	53.53%
Newmont Goldcorp	\$ 54.58	2.86	46.64%
Philip Morris	\$ 160.09	4.53	33.02%
Palantir	\$ 98.40	0.21	30.11%
Cencora Inc	\$ 284.54	7.09	26.64%

Top 5 Gainers YTD (China A50)

Company	Price	EPS	% Gain
Industrial Bank	CNY 21.20	3.51	10.65%
China Merchants Bank	CNY 42.42	5.66	7.94%
Anhui Conch Cement	CNY 25.50	1.46	6.94%
Jiangsu Hengrui	CNY 48.90	1	4.67%
S.F. Holding Co	CNY 42.39	2.11	5.19%

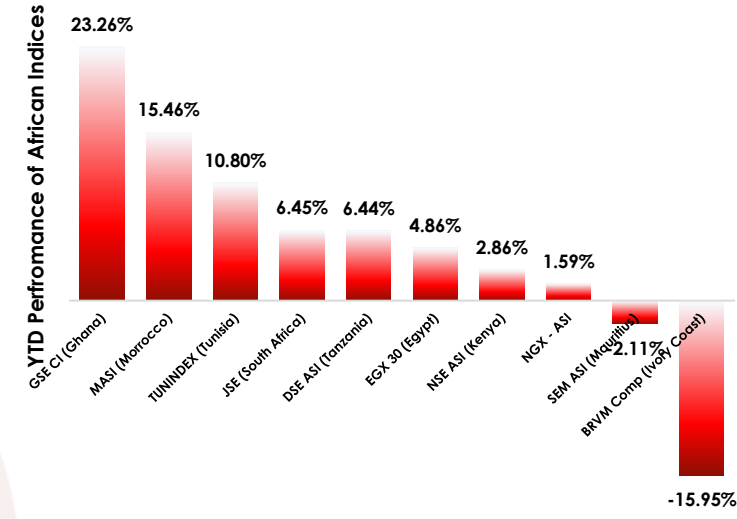
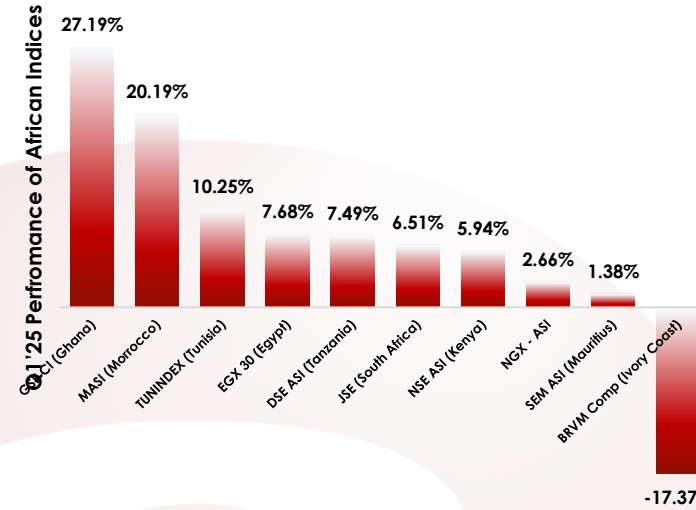
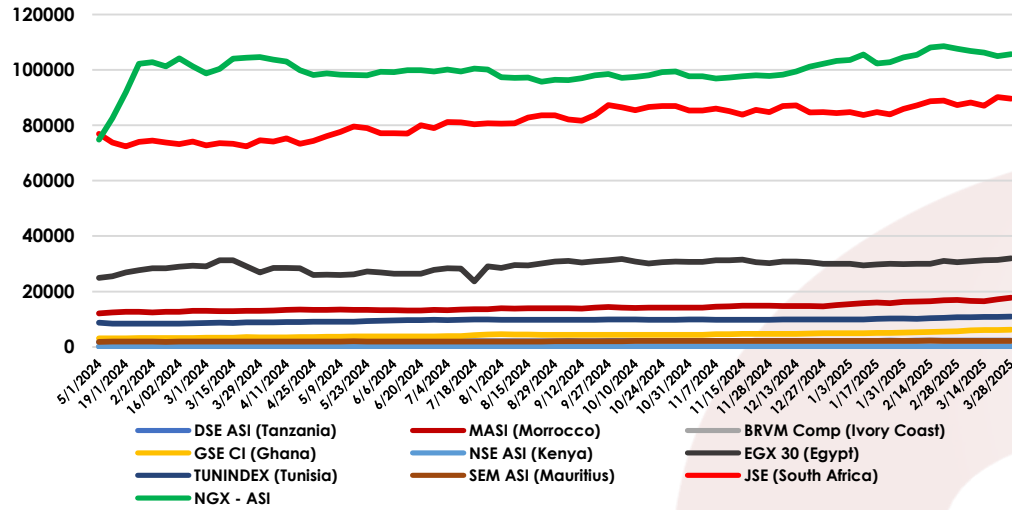
Top 5 Gainers YTD (Euro Stoxx 50)

Company	Price	EPS	% Gain
Santander (Spain)	EUR 5.967	0.77	34.24%
BBVA (Spain)	EUR 11.705	1.68	24.05%
Munich Re Group (Germany)	EUR 591.30	42.78	20.84%
Deutsche Boerse (Germany)	EUR 269.05	10.60	20.73%
Vinci (France)	EUR 119.30	8.53	20.01%

African Stock Market Trends and Performance of Major Indices Cont'd



Stock markets in African economies experienced varying levels of growth, influenced by macroeconomic factors, investor sentiment, and sector-specific developments.



Top 5 Gainers YTD (EGX 30)

Company	Price	Change (%)	EPS
Egypt Aluminum	EGP 161	39.7%	32.10
EFG Hermes Holdings	EGP 28.64	35.99%	2.96
GB AUTO	EGP 23	31.93%	2.61
Ibsina Pharma	EGP 9.40	30.57%	0.49
Tenth of Ramadan	EGP 4.51	30.24%	0.24

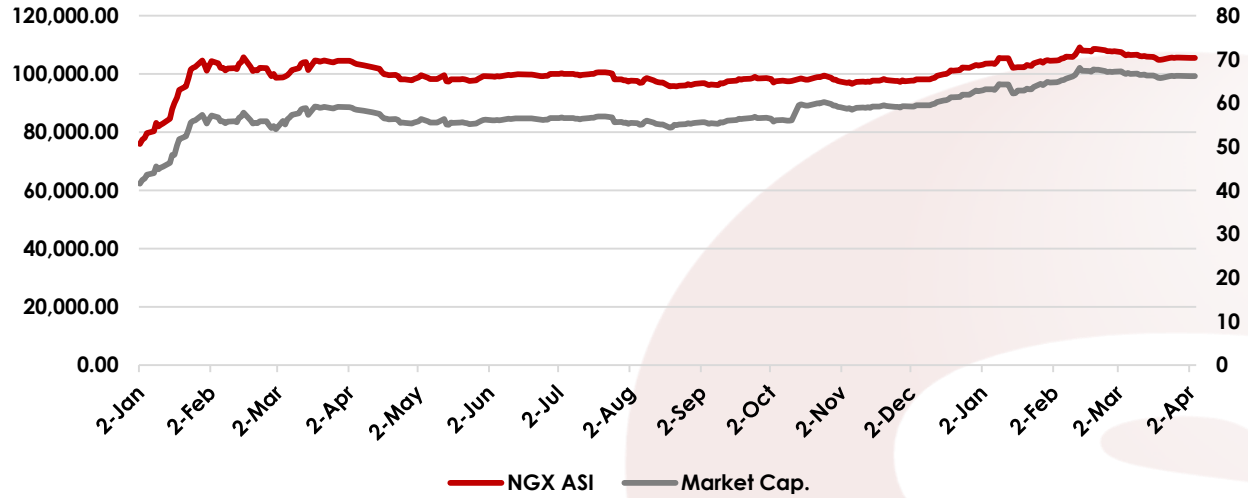
Top 5 Gainers YTD (NSE ASI)

Company	Price	Change (%)	EPS
Trans-Century	KES 1.34	243.59%	-0.90
Uchumi	KES 0.38	123.53%	-5.56
Home Afrika	KES 0.76	105.41%	-0.72
Sanlam	KES 10.15	105.05%	-1.12
EA Cables	KES 2.08	92.59%	-0.809

Top 5 Gainers YTD (GSE ASI)

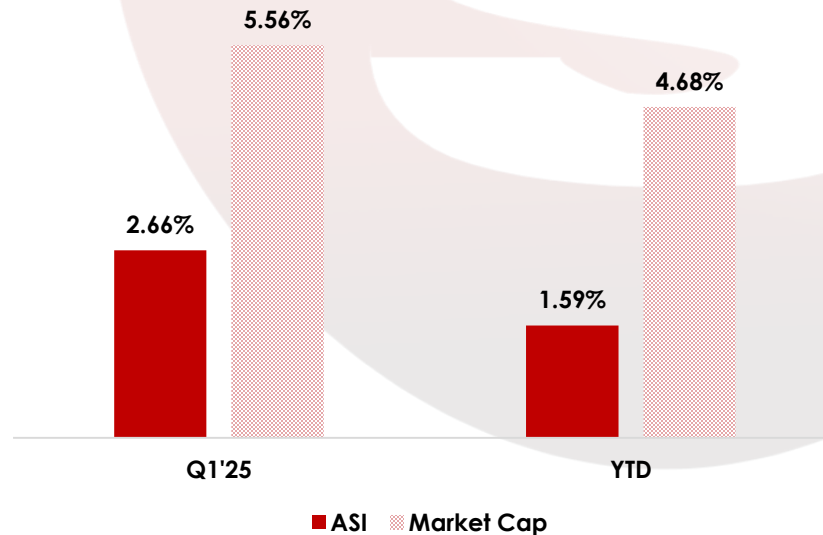
Company	Price	Change (%)	EPS
Ecobank Trans.	GHC 0.85	174.19%	3.66
Clydestone	GHC 0.08	166.67%	2.86
SIC Insurance	GHC 0.6	122.22%	4.53
CAL Bank	GHC 0.69	97.14%	0.21
Total	GHC 24.08	83.54%	7.09

Nigerian stock market experienced modest growth in Q1 '25



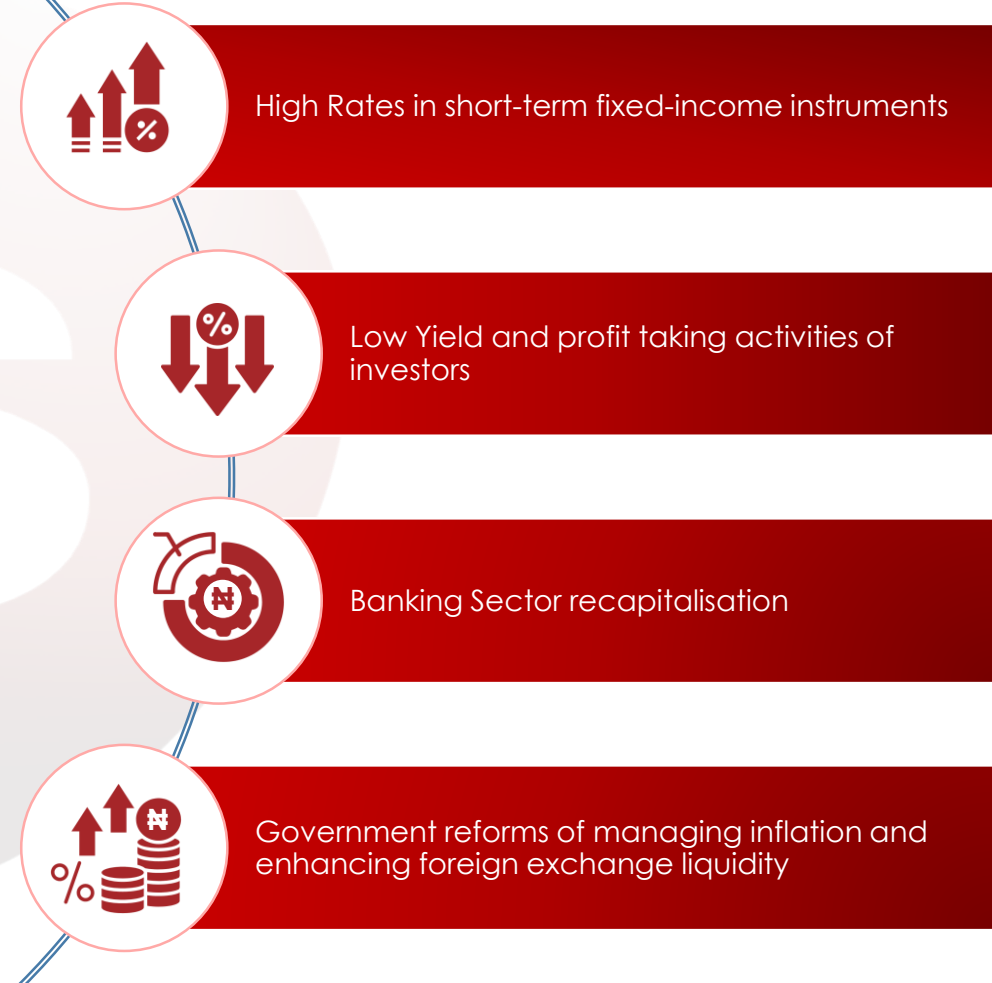
The market began the quarter with the All-share index at 102,926.40 basis points and a market capitalisation at N62.76 trillion, it grew to 105,660.64 basis points with market capitalisation hitting N66.25 trillion at the end of march,

Year to date as of the end of Q1, the market gained 2.66% which is below the gain of 39.84% achieved in Q1 '24



By this time last year, the market was moved by stock repricing, recapitalisation and macroeconomic factors

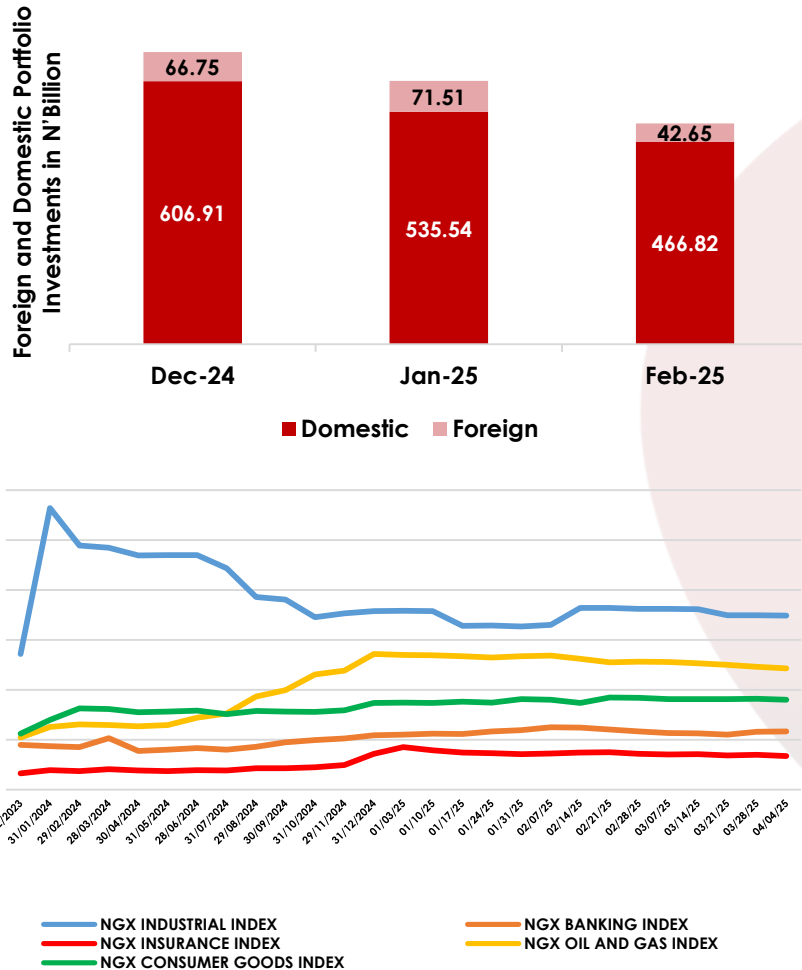
Q1 '25 Market Driver



Nigerian Stock Exchange (NGX) Performance and Sectoral Trends



Foreign Investment into Nigeria remains at low level but improvements were recorded in the Q4 2023

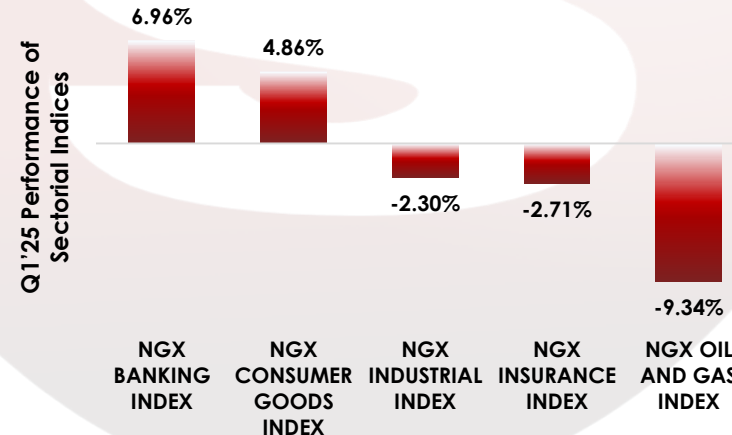


Banking

- **Strong unaudited FY2024 earnings** from banks such as Stanbic IBTC, Wema FCMB that boosted investor sentiment.
- **Favourable macroeconomic indicators** such as the relative FX stability and declining inflation in the first two months
- **High interest rate environment** that resulted in increased net interest margins benefiting banks' profitability.

Consumer goods

The growth of the consumer goods sector was driven by an improved economic outlook and strong earnings report which boosted investor confidence.



Insurance

The insurance sector decline is attributed to profit-taking of investors and weak earnings releases of firms in the sector.

Industrial goods

The negative growth of the industrial index in Q1 is attributed to

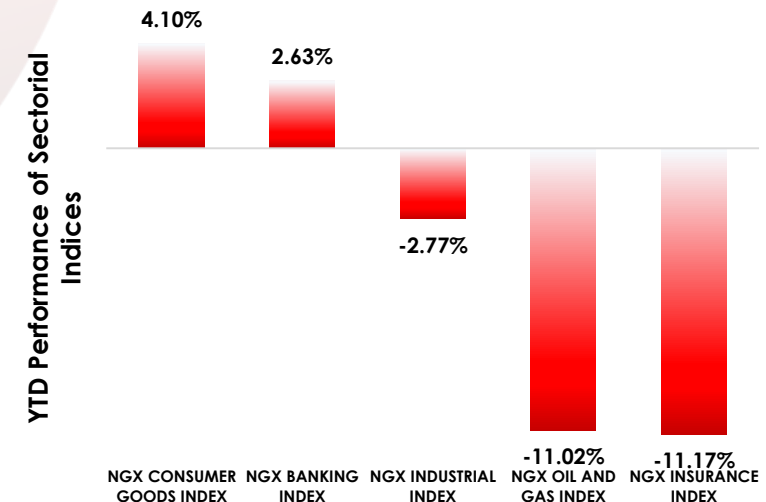
- Profit-taking on earlier gains, especially from Dangote Cement, which had surged in previous months.
- High production and expansion costs due to exchange rate volatility and high interest rate

Oil and gas











The oil and gas index saw a significant decline in Q1 2025, primarily due to

Negative investor reaction to poor unaudited FY2024 financials and unattractive dividend declarations

FX volatility and high operating costs dented profitability.

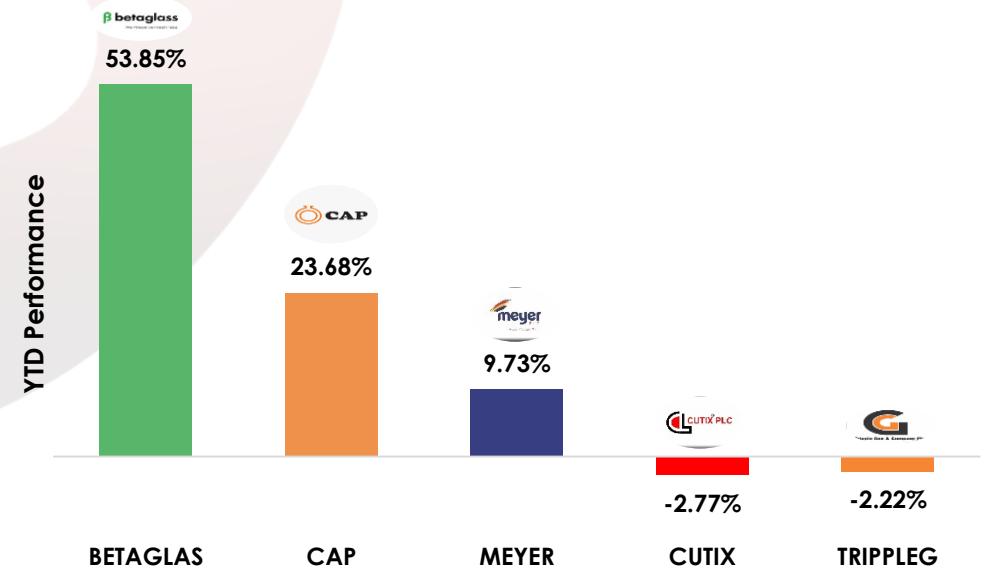
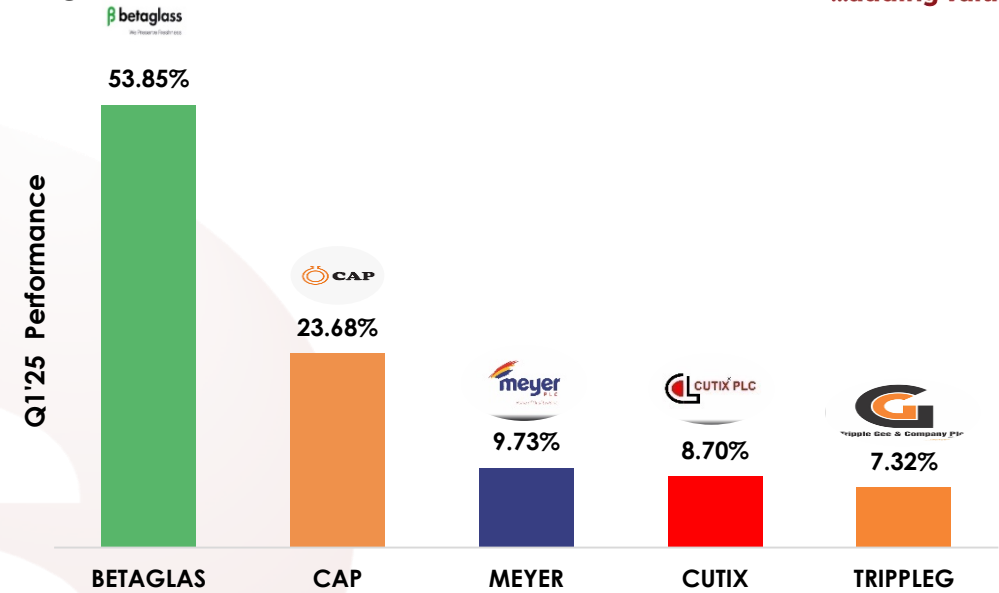
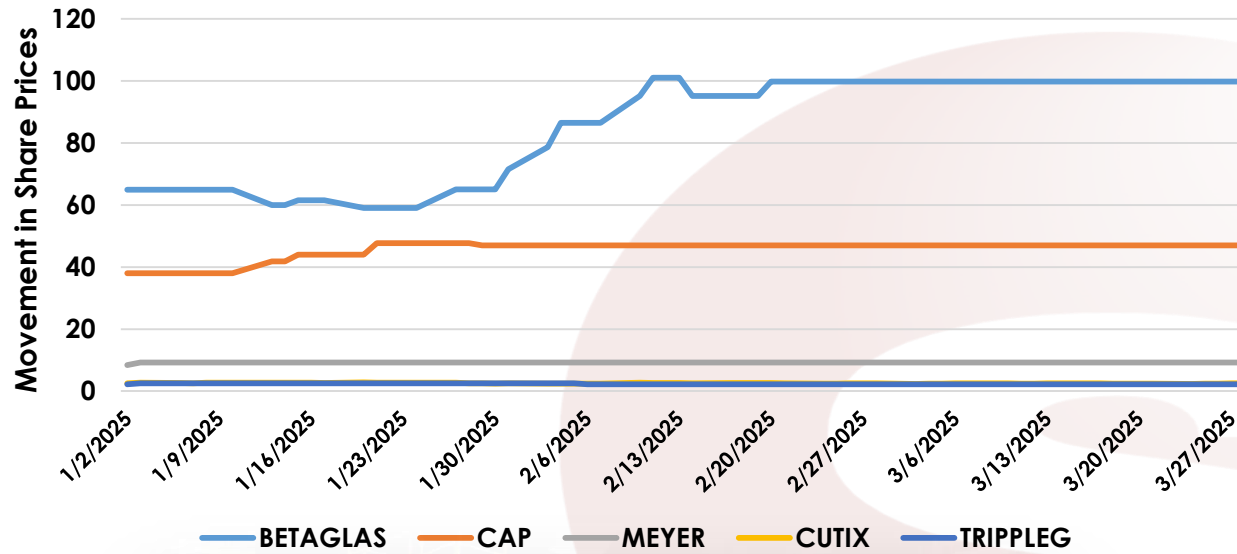


Potential impact of the US 14% Tariff on Sectors performance in Nigeria

Sector	Potential Impact	Implication on Firms
Oil and Gas 	Moderate-High 	<ul style="list-style-type: none"> Oil price reduction due to Increase oil production and low demand Decline oil prices may result in drop in Revenue and margins. Drop in capital expenditure and dividend payouts
Banking 	Moderate 	<ul style="list-style-type: none"> Decline trade finance volumes leading to drop in FX flows Increase Credit risk for FX-exposed firms. Reduce FX liquidity and pressure on NPL ratios
Consumer Goods 	High 	<ul style="list-style-type: none"> Increase input costs from imported raw materials decline Consumer demand due to inflationary pressures. Drop in Profit margins, with possible price adjustments
Industrial Goods 	High 	<ul style="list-style-type: none"> Increase Machinery and input costs drop in Infrastructure project. Decline in Profitability due to higher capex and cost pressures.
Insurance 	Moderate 	<ul style="list-style-type: none"> Drop in Investment income due to market volatility. Increase Potential claims from corporate clients facing losses.

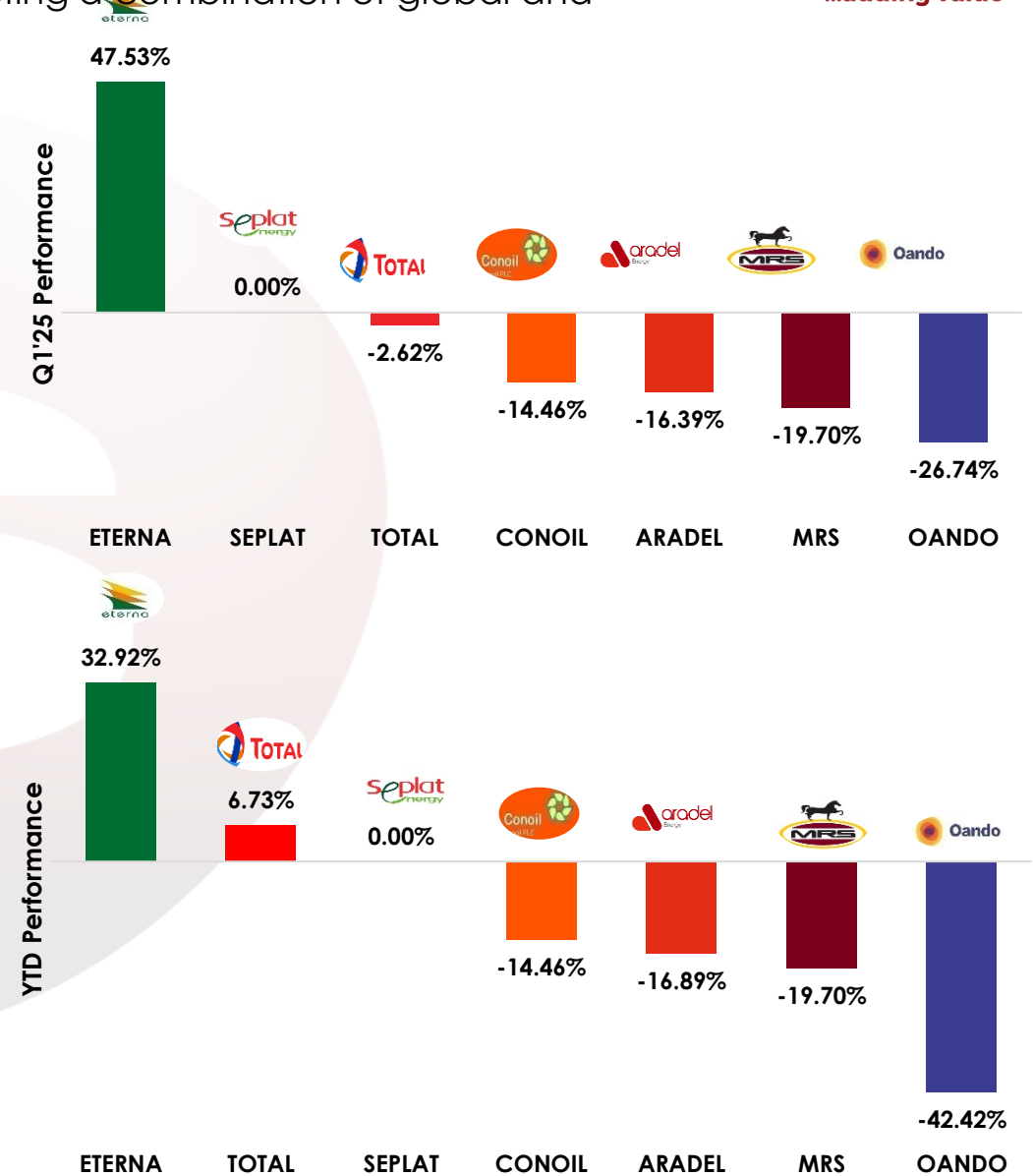
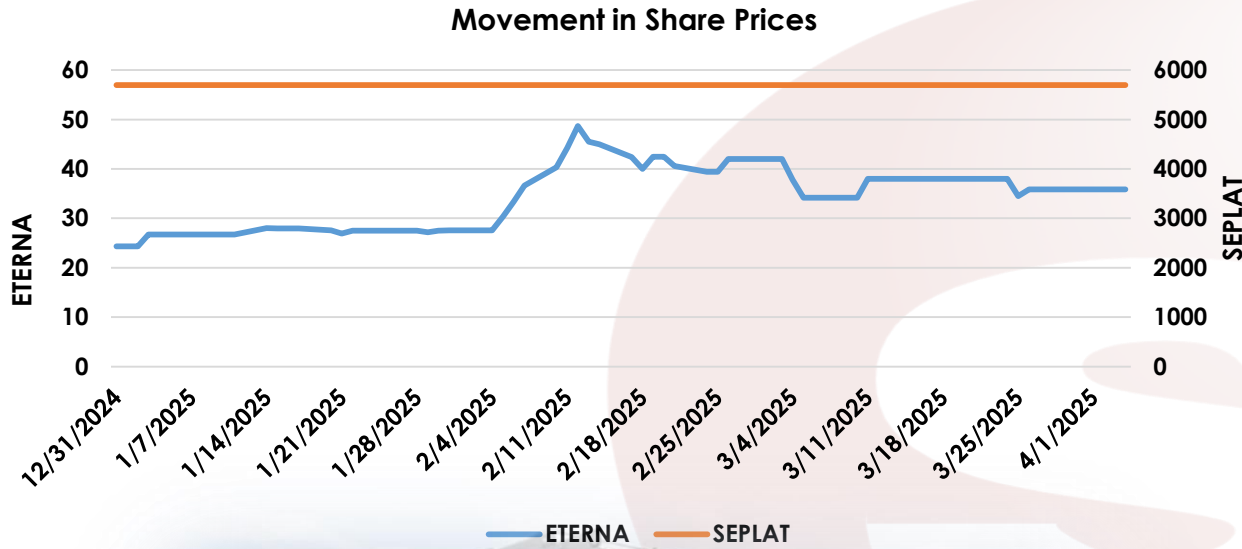
Nigerian Stock Exchange (NGX) Performance and Sectoral Trends (Industrial Sector)

Industrial firm stock prices faced a challenging environment in Q1 2025, reflecting a mix of domestic economic conditions, global market trends, and sector-specific factors



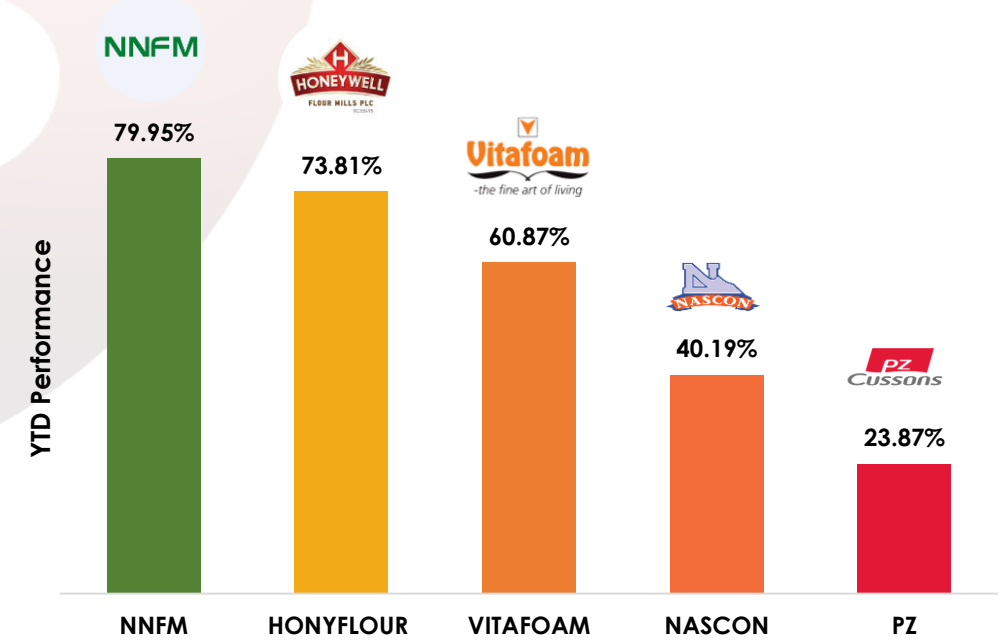
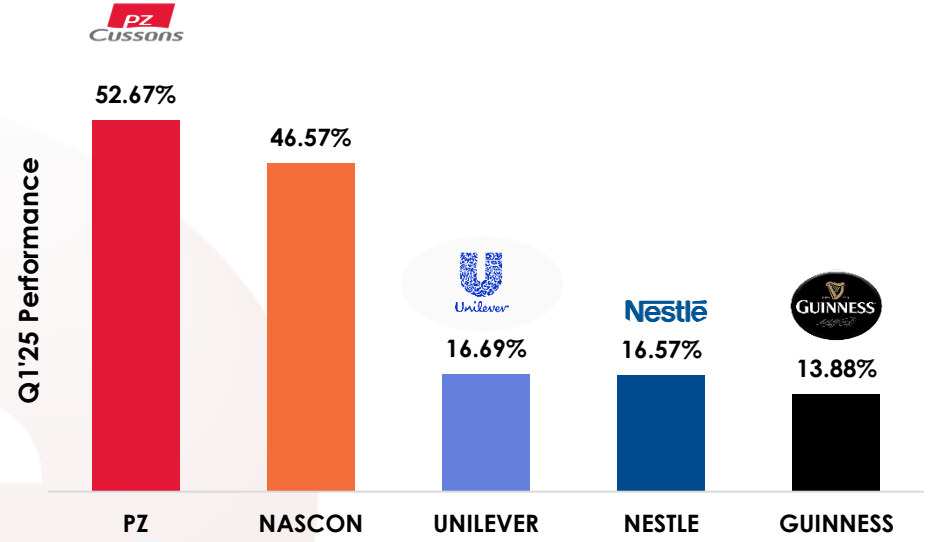
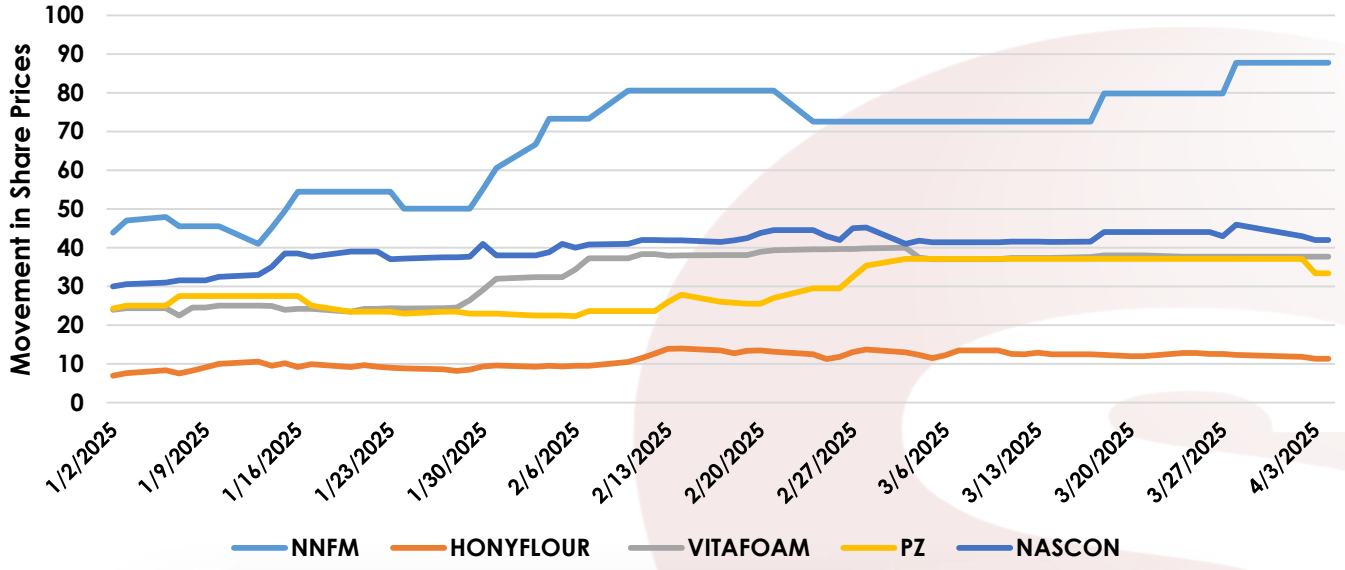
Nigerian Stock Exchange (NGX) Performance and Sectoral Trends (Oil and Gas)

Oil and gas firm stock prices displayed mixed performance in Q1 2025, reflecting a combination of global and domestic factors that influenced investor sentiment.



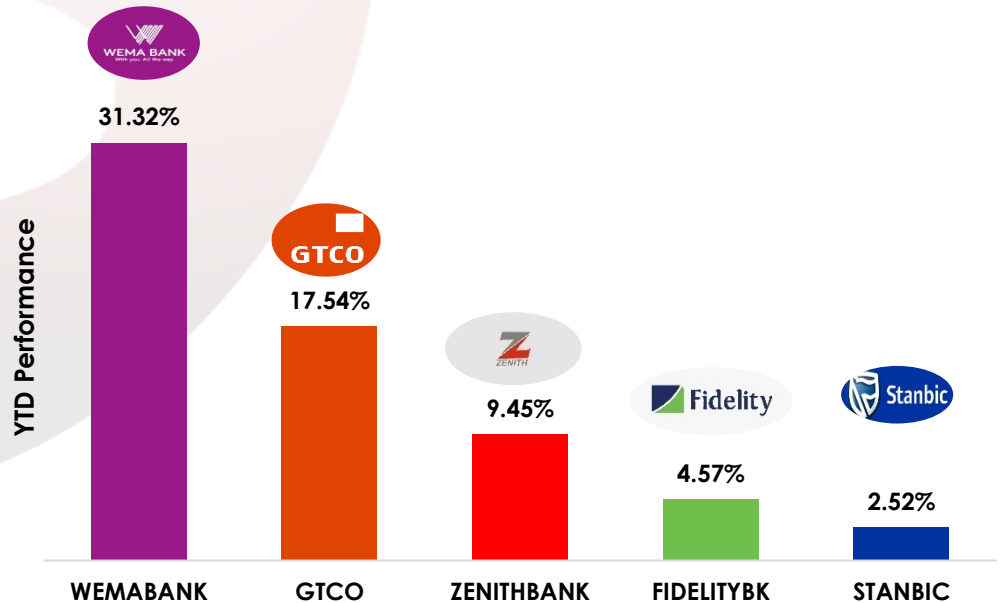
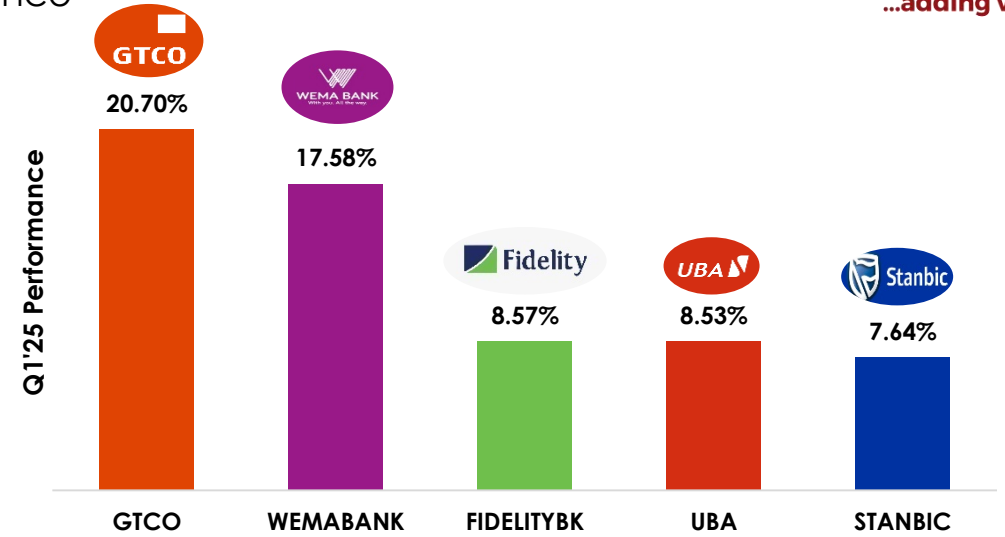
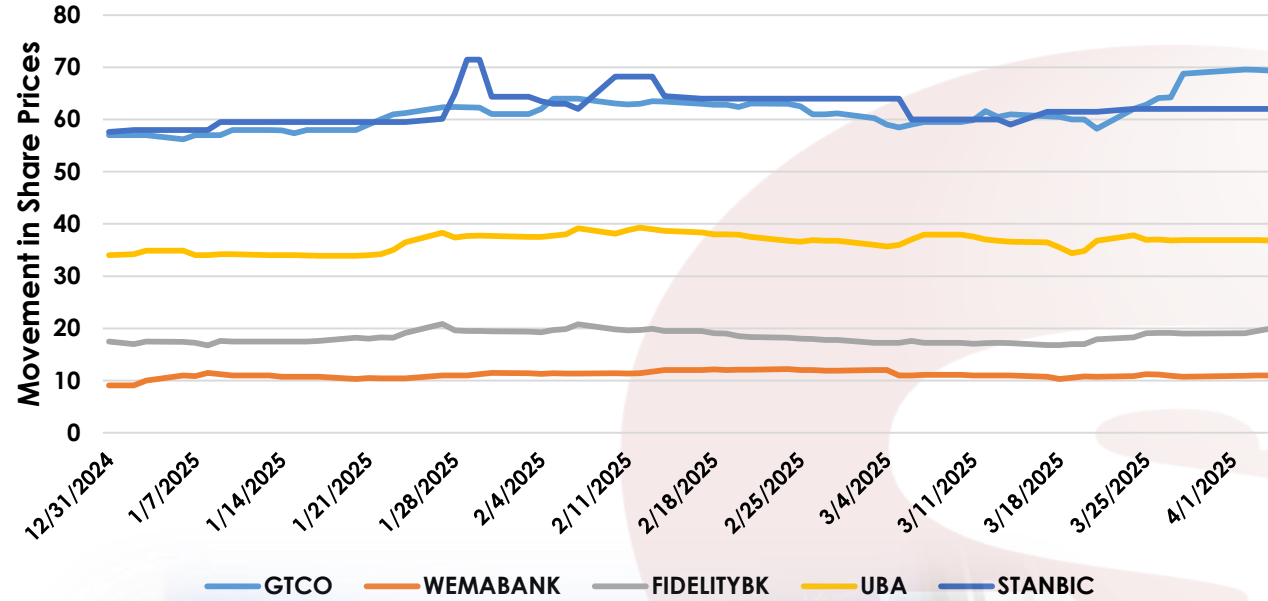
Nigerian Stock Exchange (NGX) Performance and Sectoral Trends (Consumer Goods)

Despite macroeconomic pressures, companies with strong brands, robust distribution networks, and export potential managed to demonstrate resilience in Q1



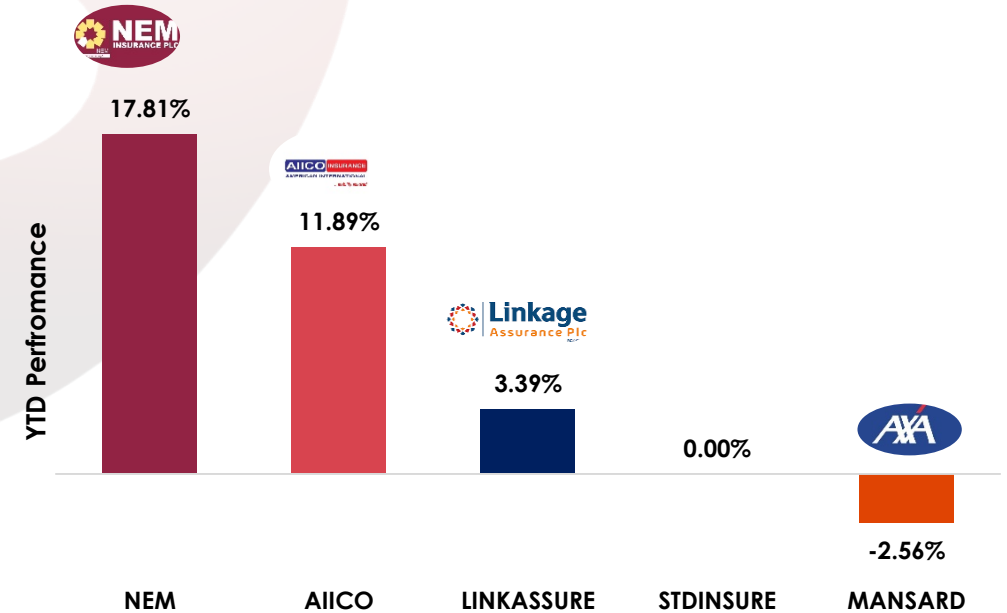
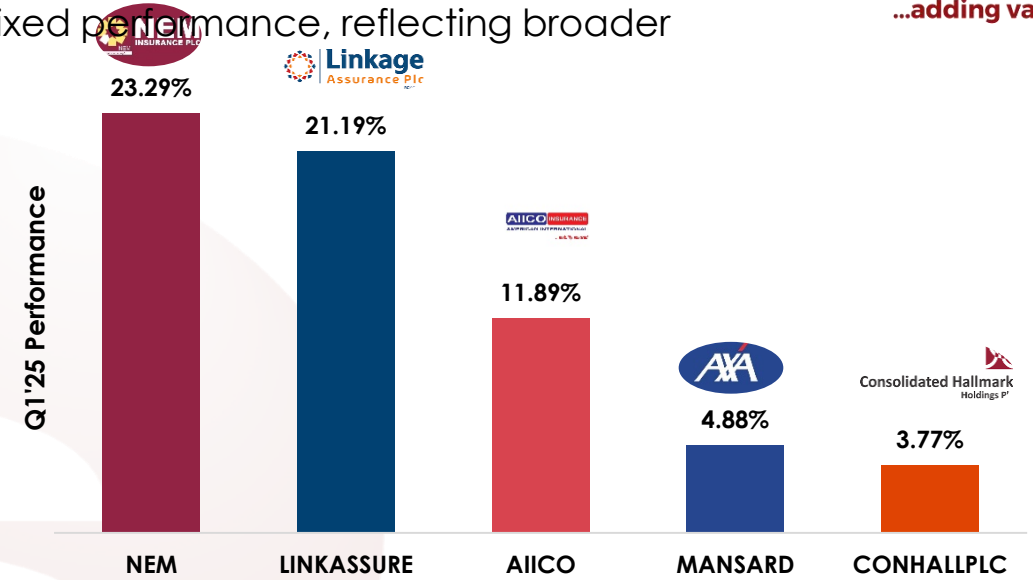
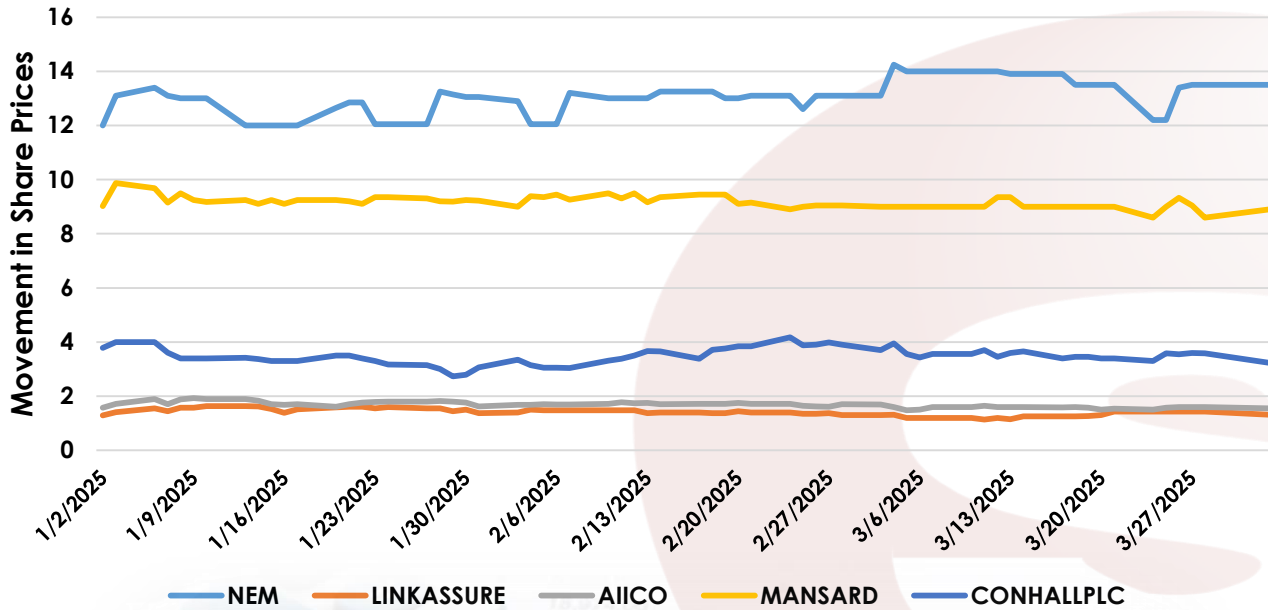
Nigerian Stock Exchange (NGX) Performance and Sectoral Trends (Banking Sector)

Despite challenging macroeconomic environment, bank stocks showed resilience



Nigerian Stock Exchange (NGX) Performance and Sectoral Trends (Insurance Sector)

In Q1 2025, insurance stocks on the Nigerian Exchange (NGX) experienced mixed performance, reflecting broader market volatility and sector-specific challenges



Nigerian Stock Exchange (NGX) Performance and Sectoral Trends



Top gainers and losers in Q1 '25

Top 10 Gainers

Company	Mar 28 2025	Dec 31 2024	QTD%	Sector
SCOA	4.47	2.06	116.99%	Conglomerates
CHELLARAM	7.89	3.7	113.24%	Conglomerates
LIVESTOCK	8.7	4.12	111.17%	Agriculture
NNFM	87.75	43.9	99.89%	Consumer goods
HONYFLOUR	12.35	6.3	96.03%	Consumer goods
SMURFIT	0.39	0.2	95.00%	Construction/Real estate
UPDC	2.97	1.59	86.79%	Construction/Real estate
MBENEFIT	1.05	0.61	72.13%	Financial services
TIP	4.2	2.5	68.00%	Services
PRESCO	785	475	65.26%	Agriculture

Top 10 Losers

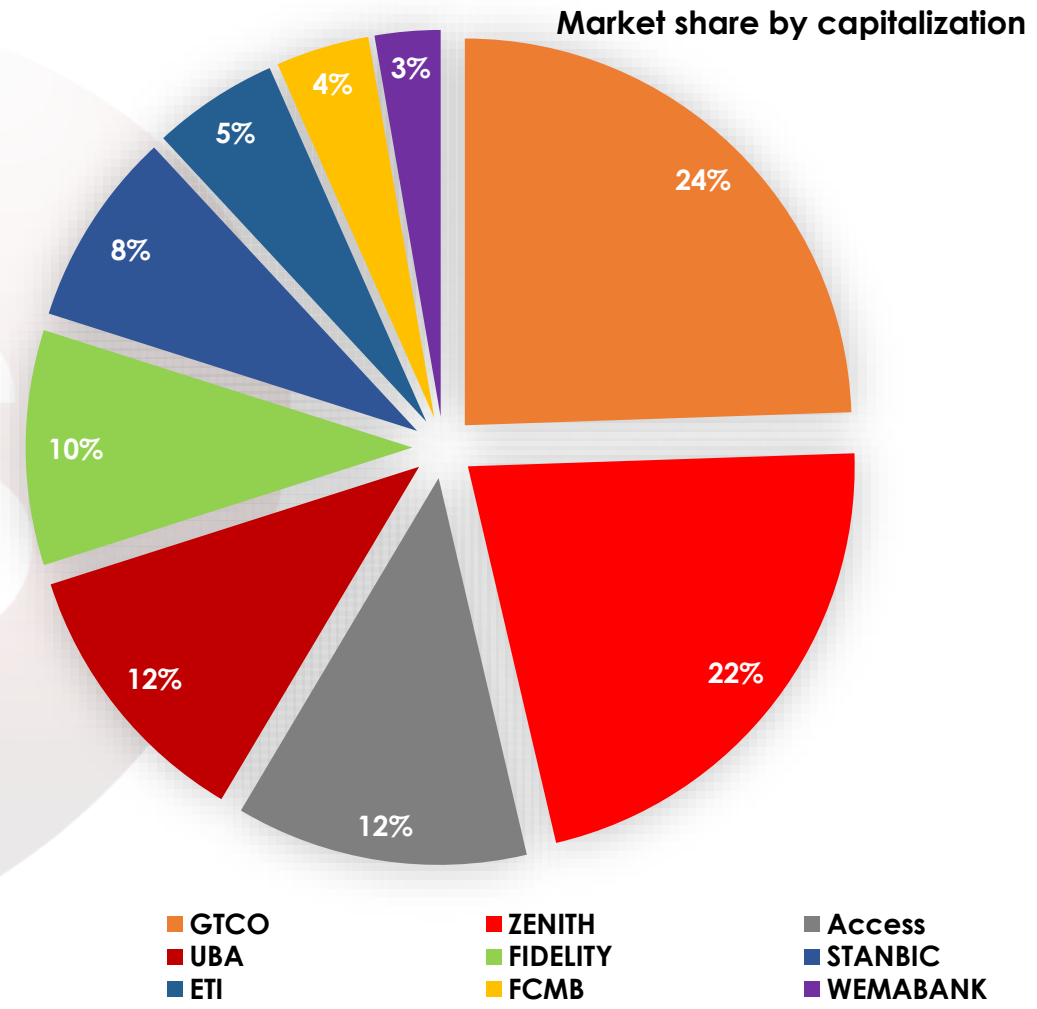
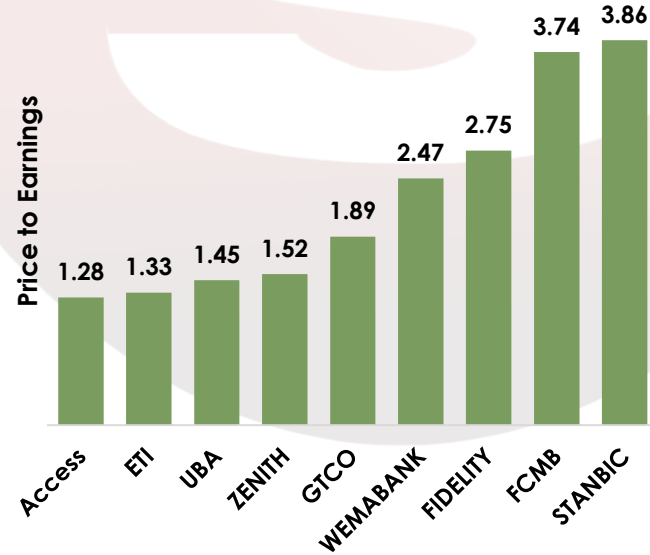
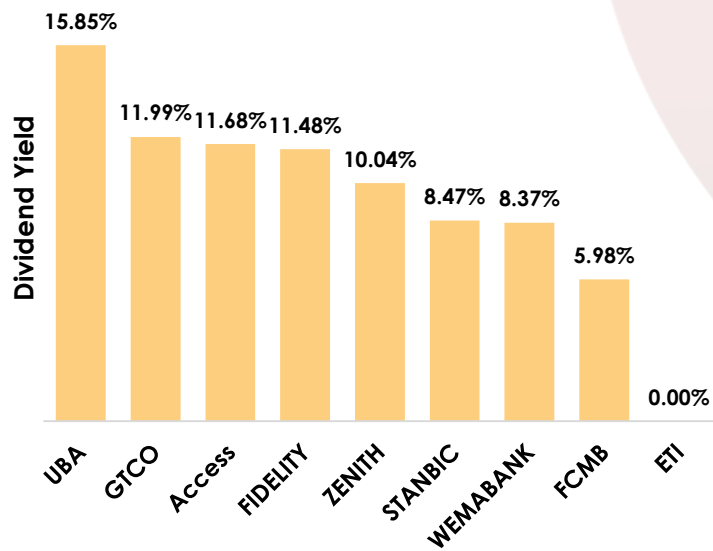
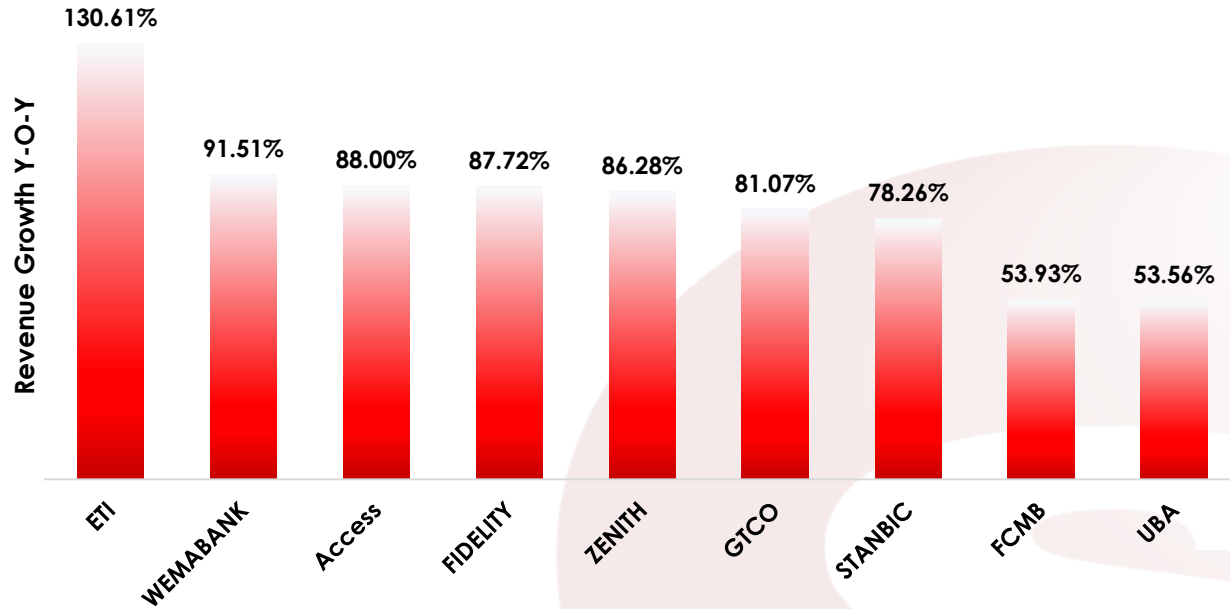
Company	Mar 28 2025	Dec 31 2024	QTD%	Sector
EUNISELL	10.75	19.27	-44.21%	Services
SUNUASSUR	6.65	10.75	-38.14%	Financial services
AFRIPRUD	13.05	20.55	-36.50%	Financial services
UNIONDICON	4.85	7.2	-32.64%	Consumer goods
OANDO	48.35	66	-26.74%	Oil and gas
LEARNAFRCA	3.32	4.5	-26.22%	Services
MRS	174.9	217.8	-19.70%	Oil and gas
UCAP	16.5	20.4	-19.12%	Financial services
MECURE	11.25	13.9	-19.06%	Healthcare
MORISON	3.25	4.01	-18.95%	Healthcare



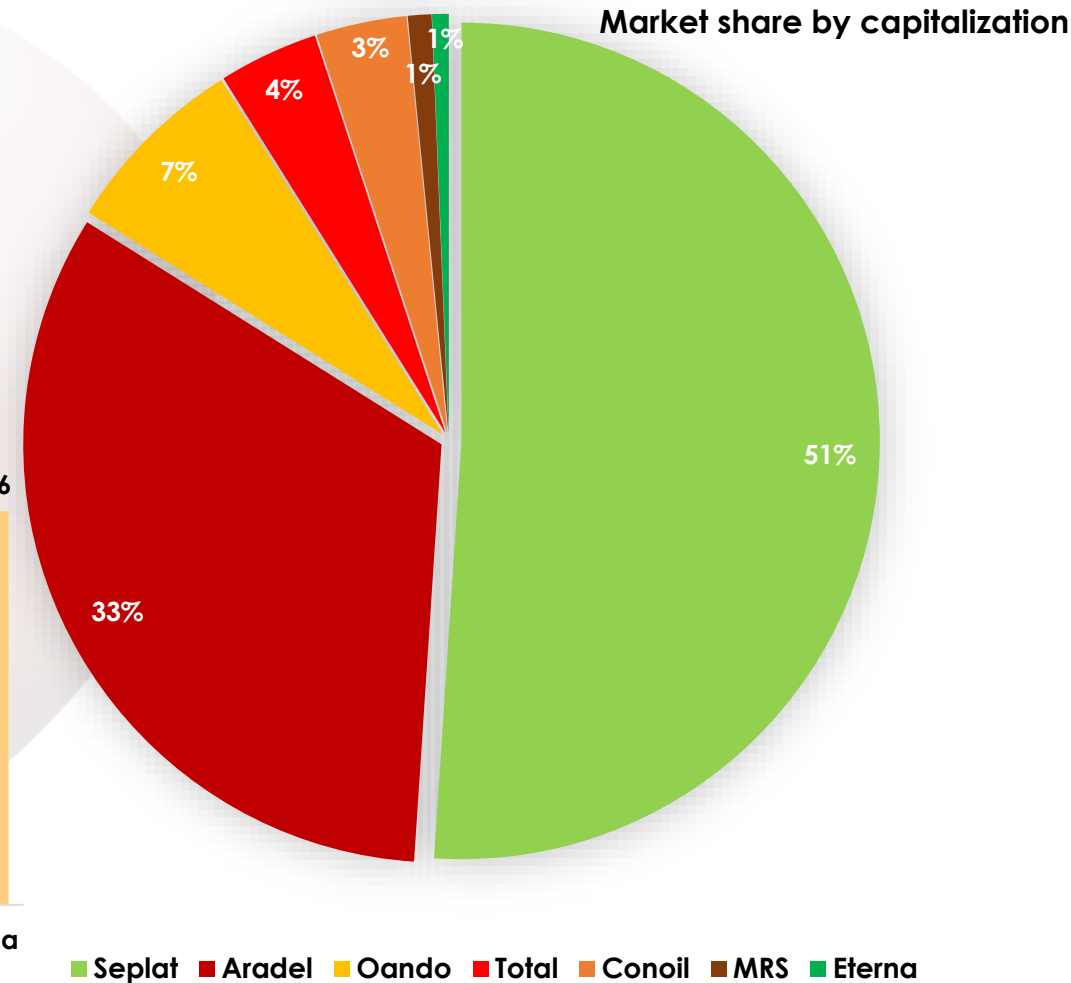
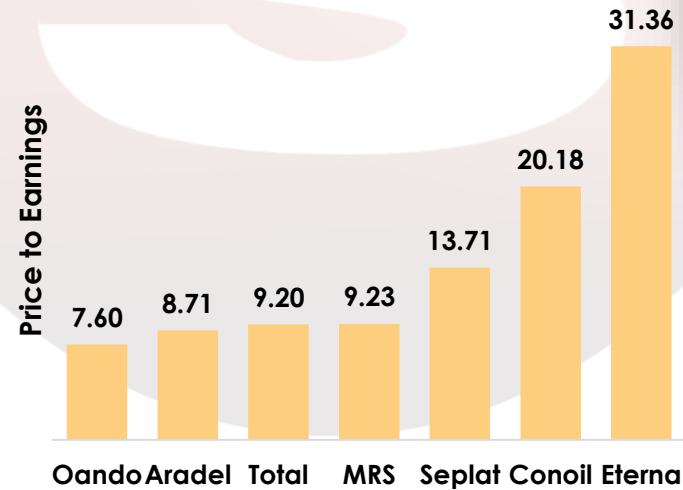
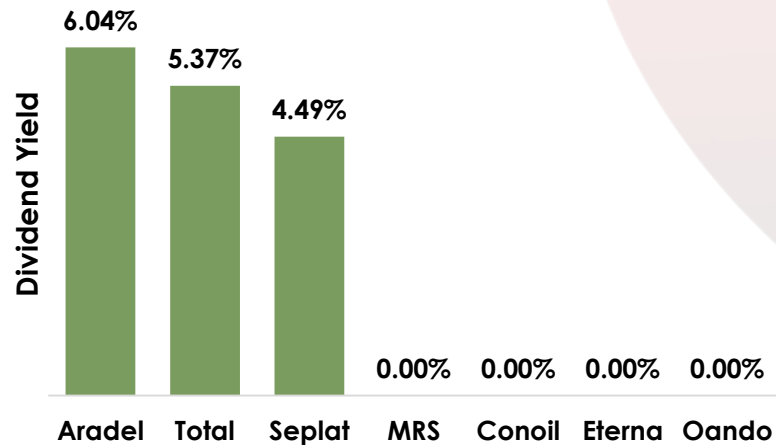
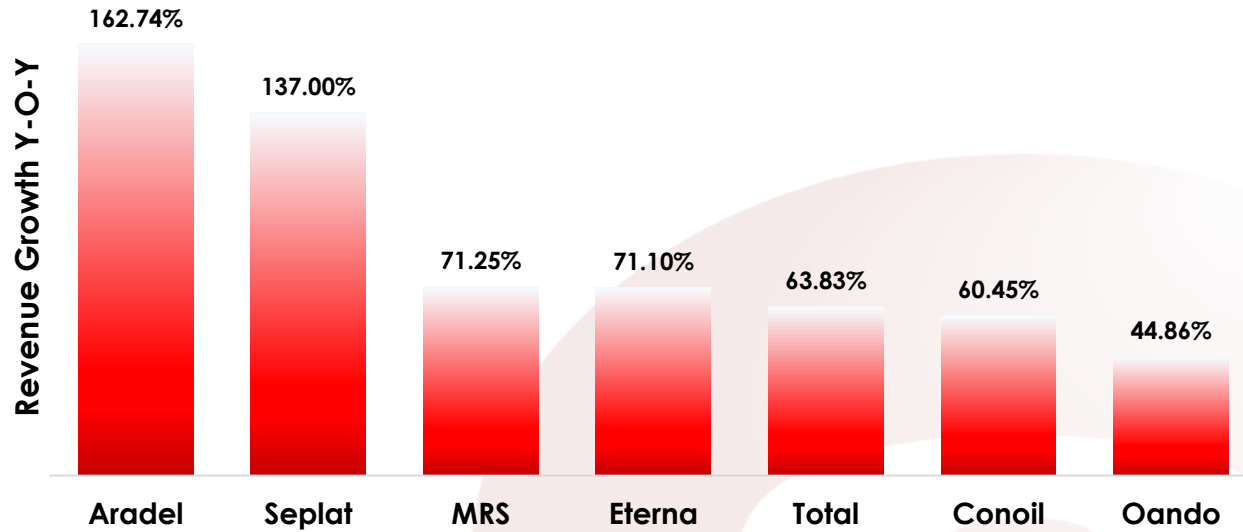
Outlook

In Q2, the Nigerian capital market is expected to remain volatile, driven by Q1 earnings releases, global tensions arising from trade wars, profit-taking, and a low investor risk appetite—evident in the increased demand for fixed-income instruments amid high interest rates.

FY 2024 results highlights – Banking sector



FY 2024 results highlights – Oil and gas sector





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Contribution

NGN 50,000

Minimum Monthly
Contribution

NGN 10,000

Minimum Scheme
Period

5 Years

No Withholding Tax ◀
No management fees ◀

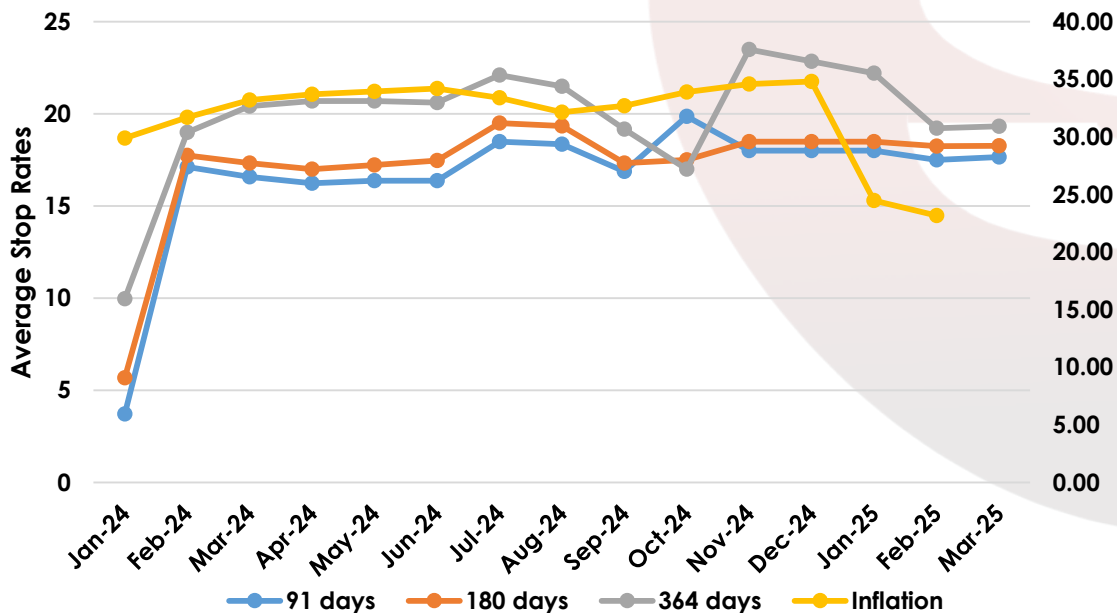
Impact of Inflation and Monetary Policy on Fixed Income Securities



FGN Savings Bond			
Mar-25		Dec-24	
Maturity	Rate%	Maturity	Rate%
Mar-27	16.635	Dec-26	17.483
Mar-28	17.635	Dec-27	18.483

FGN Bond			
Mar-25		Dec-24	
Maturity	Rate%	Maturity	Rate%
Apr-29 (Re-issue)	19.30	Apr-29 (Re-issue)	19.30
May-33 (Re-issue)	19.89	Feb-31 (Re-issue)	18.50

Nigerian Treasury Bills								
Q1 2025					Q4 2024			
Tenor	Avg. Rate%	Offer (N'Bn)	Subscp. (N'Bn)	Allot. (N'Bn)	Avg. Rate%	Offer (N'Bn)	Subscp. (N'Bn)	Allot. (N'Bn)
91 day	17.89	480	256.46	215.031	17.67	129.555	90.766	98.157
182 day	18.42	800	217.36	191.769	18.17	120.198	94.407	75.935
364 day	21.47	3,185	12,815.14	4,299.74	22.21	2,009.11	5,857.78	2,605.60
		4,465	13,288.95	4,706.54		2,258.86	6,042.96	2,779.69



In Q1 2025, the T-bill market demonstrated significant dynamism, with mixed stop rates across tenors. Specifically, the average stop rates for the 91-day, 182-day bills increased marginally to 17.85%, 18.42% while the 364-day bill dropped to 21.47%, from 17.67%, 18.17%, and 22.21% respectively in the previous quarter.

Despite the changes in rates, the total number of subscriptions and allotments increased quarter-on-quarter (QoQ) with the 91-day, 182-day and 364-day growing by 182.55%, 130.24% and 118.77% respectively.

In Q1 2025, the 364-day instrument recorded the highest offer to subscription rate of 402%, with an offer of ₦3.19 trillion, indicating an oversubscription. The 91-day and 182-day instruments were undersubscribed with an offer to subscription rate of 53% and 27% respectively, against an offer of ₦480 billion and ₦800 billion

The performance of the T-bill market in Q1 2025 was largely influenced by:

- Monetary policy actions
- Inflation and exchange rate trends
- Investor demand
- Liquidity conditions

The increase in demand suggests that investors continue to prefer safer fixed-income securities over riskier assets like equities, given the prevailing macroeconomic uncertainties.

DISCLAIMER

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