

Segment Outlook:

Cowry Financial Markets Review, Outlook & Recommended Stocks

DOMESTIC ECONOMY: Current Account Remains in Surplus at \$3.73bn, but Capital Flight Drags Overall BOP into Deficit...

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DOMESTIC ECONOMY: Current Account Remains in Surplus at \$3.73bn, but Capital Flight Drags Overall BOP into Deficit...

The Central Bank of Nigeria’s provisional Balance of Payments (BoP) statistics for Q1 2025 show that Nigeria recorded a current account surplus of \$3.73 billion. While this marked a slight decline from the \$3.80 billion recorded in Q4 2024, it was marginally higher than the \$3.69 billion posted in the same period of the previous year.

The surplus was underpinned by improvements in key areas of the current account, particularly the goods account, which rose significantly from \$2.62 billion in Q4 2024 to \$4.16 billion in Q1 2025. This gain was largely attributed to a rise in export earnings and a moderation in imports. Export receipts grew by 9.79% to \$13.91 billion during the quarter, helped by higher oil and gas volumes as well as improved non-oil exports. The depreciation of the naira also played a role, making Nigerian goods more competitive in the international market. On the import side, total imports declined to \$9.75 billion from \$10.05 billion in the previous quarter, reflecting reduced demand for petroleum products and other non-oil goods.

Within exports, gas exports were particularly strong, increasing from \$2.10 billion to \$2.66 billion, representing a 26.7% quarter-on-quarter growth. Non-oil and electricity exports also performed well, rising by 30.39% to \$2.66 billion compared to \$2.04 billion in Q4 2024. Meanwhile, non-oil imports fell from \$7.37 billion to \$6.77 billion, further supporting the current account position. The secondary income account also remained in surplus at \$5.29 billion, though this represented a 17.86% decline from the previous quarter.

However, other components of the current account showed mixed trends. Net outpayments in the services account increased slightly to \$3.69 billion, up from \$3.48 billion in Q4, driven by higher spending on travel and business services. Financial services receipts were also weaker in the period. In the primary income account, the debit balance widened by

13.48% to \$2.02 billion, reflecting higher interest payments to foreign investors. Personal remittances from Nigerians abroad slowed to \$4.93 billion from \$5.08 billion, and inflows from foreign aid and grants declined—likely influenced by recent foreign policy shifts, including an executive order signed by the U.S. President.

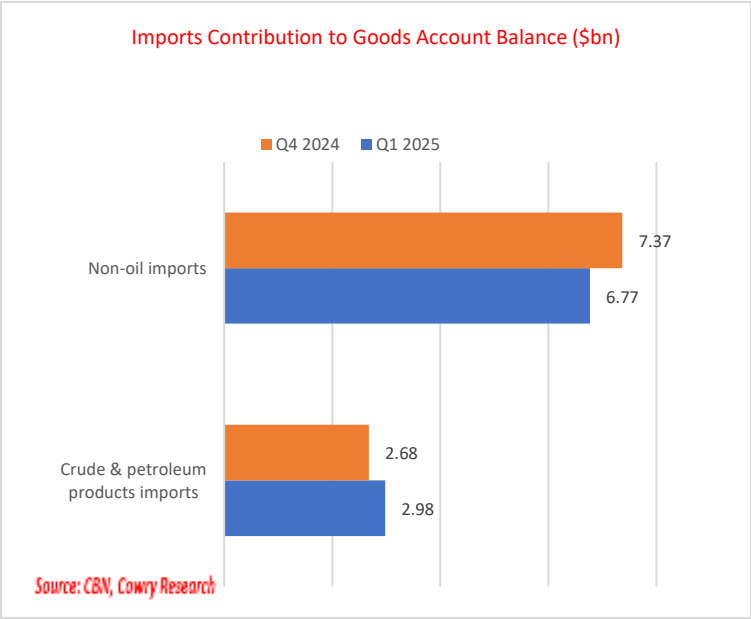
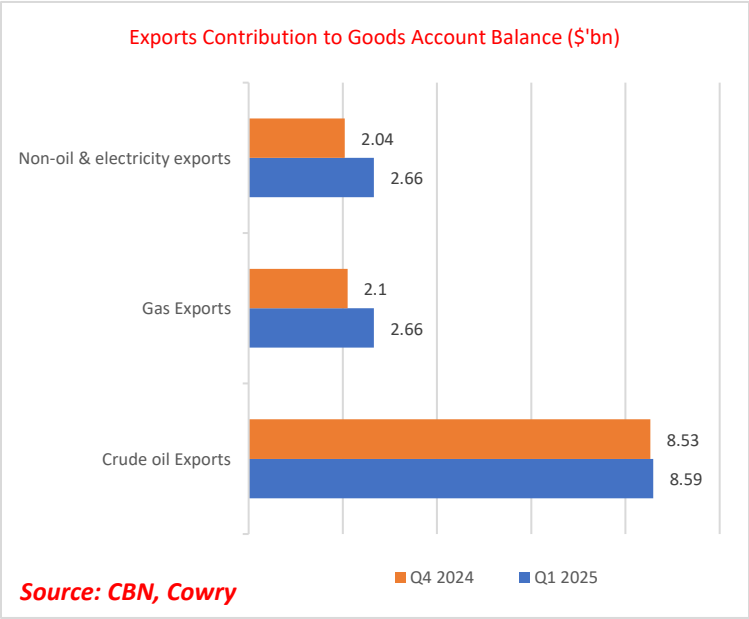
On the financial account, a balance of \$7.58 billion was recorded, slightly lower than the \$7.82 billion in Q4 2024. The headline figure masked significant shifts beneath the surface. Portfolio investment activity fell sharply, with a reversal of \$5.03 billion recorded—indicating strong capital flight or repositioning by foreign investors. Direct investment inflows also weakened slightly to \$0.25 billion, down from \$0.31 billion in the previous quarter.

In the other investment category, there was a net reversal amounting to \$4.32 billion. Within this, outflows in other investment assets stood at \$1.31 billion, compared to an inflow of \$1.54 billion previously. Direct and portfolio investment assets by Nigerians abroad reversed by \$0.55 billion, while portfolio assets alone saw an outflow of \$0.48 billion.

These movements were influenced by several factors including large-scale divestments by non-resident investors from CBN instruments, substantial government repayments on external debt, and a notable drop in foreign liabilities held by deposit money banks.

Meanwhile, net errors and omissions stood at \$3.85 billion in Q1 2025, slightly down from \$4.02 billion in the preceding quarter. The overall balance of payments, however, ended in a deficit of \$2.77 billion for the quarter. This contributed to a drawdown in the country’s external reserves, which fell from \$40.19 billion at the end of December 2024 to \$37.82 billion by the end of March 2025.

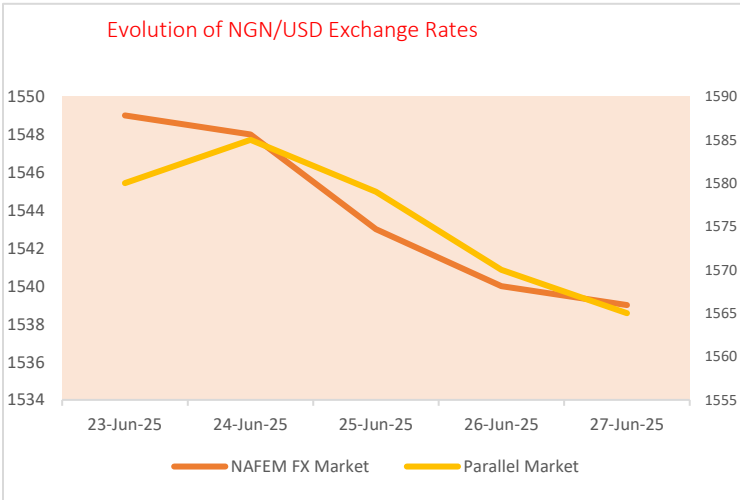
Nigeria’s Q1 2025 current account surplus reflects resilient export performance, helped by stronger oil and non-oil earnings and weaker import demand. However, rising capital reversals and a wider financial account deficit signal persistent investor caution. The overall BoP deficit and falling reserves suggest external pressures remain a key concern.



FOREX MARKET: Brent Slides Below \$70 as Market Awaits OPEC+ Clarity, Naira Posts Weekly Gain...

Crude oil prices are heading for a weekly loss, weighed down by easing geopolitical tensions in the Middle East, which have reduced fears of supply disruptions. Despite U.S. inventory draws, market sentiment remains cautious, shaped by upcoming OPEC+ decisions, global ceasefire talks, and tariff speculation. Brent crude fell to around \$68 per barrel, while WTI hovered just above \$65, both down significantly from last week’s highs. Nigeria’s Bonny Light showed resilience, inching to \$81 per barrel, according to CBN data.

Meanwhile, the naira strengthened across both the official and parallel markets, appreciating to N1,539/\$ and N1,565/\$ respectively, supported by improving market sentiment and FX inflows.



Looking ahead, We expect the naira to remain relatively stable, supported by continued CBN interventions and improving foreign exchange inflows as reforms gain traction....

MONEY MARKET: Liquidity Improves as NTB Maturities Drive Down Interbank Rates.....

Money market conditions improved slightly this week, helped by a liquidity injection of N283.79 billion from maturing Nigerian Treasury Bills (NTBs). These maturities were spread across N38.65 billion in 91-day bills, N25.47 billion in 182-day bills, and a significant N219.67 billion in 364-day bills. However, there were no Open Market Operation (OMO) maturities during the week.

The improved liquidity led to a notable drop in interbank lending rates. The Overnight Nigerian Interbank Offered Rate (NIBOR) dropped sharply by 279 basis points to 26.71%, while the 3-month and 6-month NIBOR tenors eased to 27.25% and 27.58%, reflecting declines of 22bps and 53bps respectively. Interestingly, the 1-month tenor moved slightly higher, rising by 2 basis points to 26.92%.

Elsewhere in the market, the Overnight (OVN) and Open Buy Back (OPR) rates both declined significantly, falling by 506bps and 510bps to settle at 26.99% and 26.50%, respectively. These movements reflected the boost in liquidity and a somewhat calmer funding environment.

Yields on Nigerian Interbank Treasury True Yield (NITTY) instruments were mostly lower during the week. The 1-month, 3-month, and 12-month tenors declined by 104bps, 47bps, and 148bps to close at 17.45%, 18.52%, and 22.00%, respectively. However, the 6-month tenor bucked the trend, rising modestly by 7bps to 20.44%.

Looking ahead, an OMO maturity of N150 billion is expected in the coming week. This will likely provide further liquidity support to the system and exert additional downward pressure on short-term rates.

BOND MARKET: Fixed Income Market Sees Strong Bids, Yield Compression Amid Dovish Sentiment.....

The fixed income market maintained a bullish tone throughout the week, with investors reacting to both global market cues and domestic macroeconomic shifts. In Nigeria’s secondary bond market, investor sentiment was notably positive, particularly across the short- and mid-tenor segments. This renewed demand led to an appreciation in the value of FGN bonds, as average yields declined by 13 basis points to settle at 18.30% by the end of the week.

At the start of the week, the Debt Management Office (DMO) conducted its monthly FGN bond auction, offering a total of N100 billion—significantly lower than the N300 billion on offer at the previous auction. The amount was evenly split between

the April 2029 and June 2032 maturities. Despite the reduced offer, investor appetite surged. Total bids amounted to N602.9 billion, sharply up from N436.3 billion recorded last month.

Interestingly, while the April 2029 bond received muted attention with total bids of just N41.7 billion—falling short of the N50 billion offer—it still saw a minimal allotment of N1.1 billion. This resulted in a bid-to-cover ratio of 6.03x, suggesting an overly cautious interest in the shorter tenor. On the other hand, demand for the June 2032 bond was overwhelming. It attracted a staggering N561.2 billion in bids, over 11 times the N50 billion on offer. This strong preference for the longer-

dated paper reflected investors' strategy to lock in attractive yields ahead of further disinflation.

Despite the record interest, the DMO held firm on its initial offer size, allotting N99 billion for the June 2032 bond. Stop rates were revised lower, clearing at 17.75% for the April 2029 and 17.95% for the June 2032 bond—both down from the previous levels. These rate adjustments align with Nigeria's improving inflation trend, as the annual headline inflation eased for the second month in a row, dropping to 22.79% in May from 23.71% in April.

The bullish mood was not limited to the local market. In the Eurobond space, investor appetite remained strong across all tenor buckets. Buy interest was particularly pronounced in both the short- and long-end of the curve, leading to a broad-based decline in yields. As a result, average yields on Nigeria's Eurobonds fell by 0.36% week-on-week to close at 8.61%.

Looking ahead, we expect the bullish trend to persist into the new week, supported by easing inflation, positive global cues, and sustained local demand. Market dynamics suggest there is room for further yield compression as investors continue to seek opportunities in high-yield instruments amid an improving macroeconomic backdrop..

EQUITIES MARKET: NGX Brushes 121,000 Mark as Investor Confidence Lifts Market by N1.43 Trillion.....

This past week, trading activity on the Nigerian Exchange continued on a strong note, with the market briefly crossing the 121,000 psychological mark for the first time. This was largely driven by significant buying interest across several large, mid, and small-cap stocks, particularly within the Banking, Consumer Goods, Commodities, and Agriculture sectors. In the end, the benchmark All-Share Index rose by 1.57% week-on-week, closing at 119,995.76 points, after touching a historic intraday high of 121,257.69 points during the week.

Across the key sectors under review, performance was largely bullish, except in the Oil and Gas space. The NGX Oil & Gas Index dipped by 2.23% week-on-week, with pressure stemming mainly from declines in OANDO and ARADEL. In contrast, the Industrial Goods sector led the gains, rising by 3.92%, followed by the Consumer Goods sector which advanced by 3.73%. The Insurance sector also performed well, up 3.67%, while the Banking index gained 2.59%. The Commodities index had a quieter but positive week, improving by 1.46%.

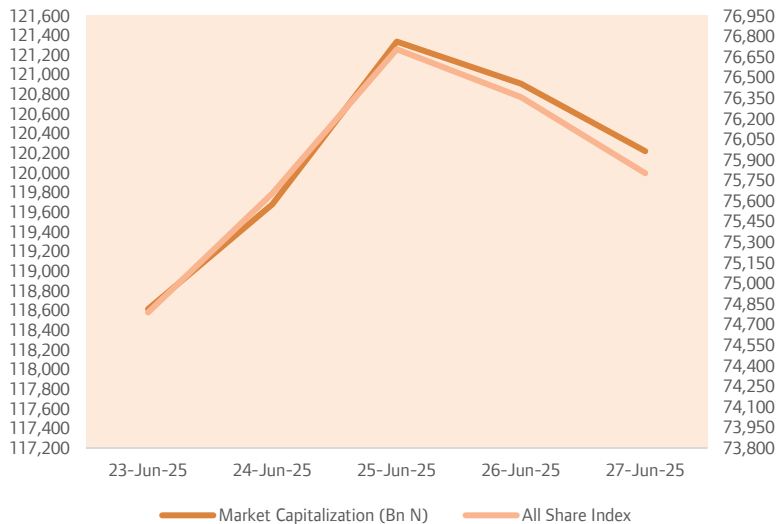
Market capitalisation followed suit, climbing by 1.92% week-on-week to close at N75.96 trillion. This was supported in part by the listing of an additional 2,944,772,083 ordinary shares by Stanbic IBTC Holdings Plc, which increased its total issued and fully paid-up shares. With this performance, the year-to-date return of the NGX advanced to 16.58%, and investors saw a net wealth gain of N1.43 trillion during the week.

Several equities contributed meaningfully to the week's gains, including NEIMETH Pharmaceuticals, ELLAH LAKES, CHAMPION Breweries, BETAGLASS, GUINEA INSURANCE, UPDC, SOVEREIGN INSURANCE, ZENITH BANK, OKOMU OIL, PRESCO, NNFM, WEMA BANK, and BUA CEMENT. These stocks saw strong price appreciation as investor interest grew. Among the top-performing names during the week were NEIMETH, which rallied by 60.5%, ELLAH LAKES with a gain of 31.3%, INTERNATIONAL BREWERIES which appreciated by 26.4%, CWG which rose by 25%, and CHAMPION which climbed 22%. On the flip side, the worst-performing stocks were MULTIVERSE and ABCTRANS, both down by 9.3%, followed by OANDO which dropped by 7.4%, BUAFODS by 6.5%, and DAAR Communications which declined by 6.2%.

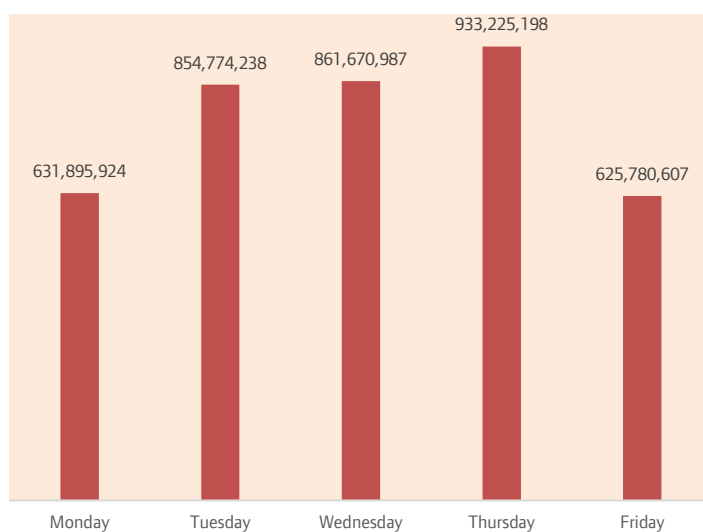
Investor sentiment remained positive, reflected in the market breadth which stood at 3.27x—indicating 72 stocks posted gains while 22 recorded losses. Trading activity showed mixed performance. Total volumes traded for the week grew by 13.83% to 3.87 billion units. However, the total value of transactions fell marginally by 6.55% to N101.59 billion. These trades were executed across a total of 113,953 deals, suggesting that while investor participation remained active, there was a slight pullback in capital flow.

Looking ahead, we expect the coming week to be somewhat cautious. With the market appearing to be in overbought territory, there could be mild profit-taking, particularly in some of the large-cap stocks. This pullback, however, may be a healthy one, as it could help the market consolidate recent gains and build strength for a possible further breakout. As the end of the second quarter approaches, we are also seeing signs of quarter-end window dressing and bargain hunting, especially as investors begin to anticipate earnings reports and policy signals from the Central Bank of Nigeria's upcoming July meeting. Nevertheless, we continue to advise investors to focus on fundamentally sound stocks that offer long-term value and earnings resilience, especially amid the evolving macroeconomic environment.

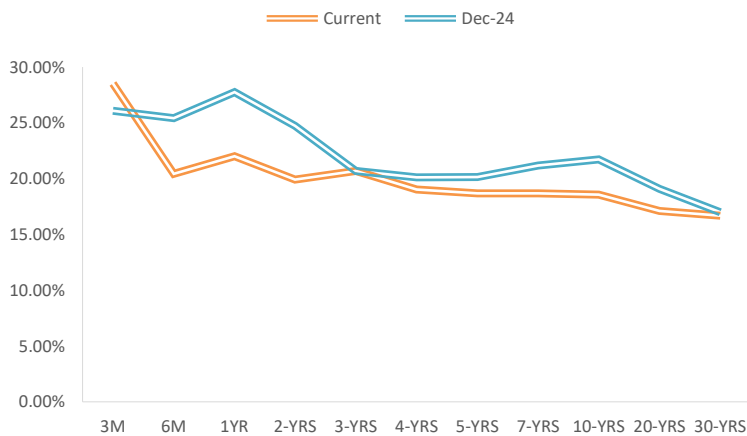
Evolution of Equities Performance Gauges



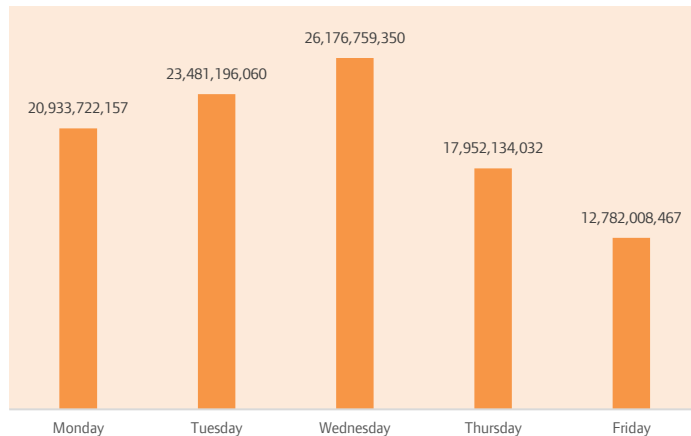
Daily Traded Volume



NAIRA YIELD CURVE



Daily Traded Value



Weekly Top Gainers and Losers as at Friday, June 27, 2025

Top Ten Gainers				Bottom Ten Losers			
Symbol	27-Jun-25	19-Jun-25	% Change	Symbol	27-Jun-25	19-Jun-25	% Change
NEIMETH	5.94	3.7	60.5%	MULTIVERSE	8.75	9.65	-9.3%
ELLAHLAKES	7.00	5.33	31.3%	ABCTRANS	2.45	2.70	-9.3%
INTBREW	13.90	11.00	26.4%	OANDO	56.50	61.00	-7.4%
CWG	11.50	9.20	25.0%	BUAFOODS	449.00	480.00	-6.5%
CHAMPION	10.00	8.20	22.0%	DAARCOMM	0.61	0.65	-6.2%
LEARNAFRCA	5.1	4.19	21.7%	MCNICHOLS	2.17	2.28	-4.8%
BETAGLAS	333.95	276	21.0%	MEYER	9.15	9.6	-4.7%
GUINEAINS	0.9	0.75	20.0%	IMG	33.40	34.90	-4.3%
CAVERTON	5.22	4.36	19.7%	ARADEL	514.50	536.80	-4.2%
JOHNHOLT	7.4	6.2	19.4%	FCMB	9.50	9.85	-3.6%

FGN Eurobonds Trading Above 7% Yield as at Friday, June 27, 2025

FGN Eurobonds	Issue Date	TTM (years)	27-Jun-25 Price (N)	Weekly USD Δ	27-Jun-25 Yield	Weekly PPT Δ
7.625 21-NOV-2025	21-Nov-18	0.40	100.82	0.05	5.4%	-0.24
6.50 NOV 28, 2027	28-Nov-17	2.42	98.96	0.64	7.0%	-0.29
6.125 SEP 28, 2028	28-Sep-21	3.26	95.45	1.09	7.7%	-0.39
8.375 MAR 24, 2029	24-Mar-22	3.74	100.78	1.04	8.1%	-0.33
7.143 FEB 23, 2030	23-Feb-18	4.66	94.99	1.38	8.5%	-0.37
8.747 JAN 21, 2031	21-Nov-18	5.57	100.36	1.63	8.7%	-0.38
7.875 16-FEB-2032	16-Feb-17	6.64	94.56	2.10	9.0%	-0.44
7.375 SEP 28, 2033	28-Sep-21	8.26	89.26	2.36	9.3%	-0.45
7.696 FEB 23, 2038	23-Feb-18	12.67	86.44	2.46	9.6%	-0.37
7.625 NOV 28, 2047	28-Nov-17	22.44	79.43	2.71	9.9%	-0.37
9.248 JAN 21, 2049	21-Nov-18	23.59	92.71	2.64	10.1%	-0.32
8.25 SEP 28, 2051	28-Sep-21	26.27	82.58	2.54	10.2%	-0.34

Weekly Stock Recommendations as at Friday, June 27, 2025

Stock	Current EPS	Forecast EPS	BV/S	P/B Ratio	P/E Ratio	52 Wks' High	52 Wks' Low	Current Price	Price Target	Short term Stop Loss	Short term Take Profit	Potenti al Upside	Reco mmen dation
LAFARGE AFRICA PLC	3.02	4.47	34.35	2.62	29.77x	90.00	29.00	89.90	133.1	76.4	103.4	48.00	Buy
MTN NIGERIA	6.37	9.17	-15.46	-23.13	56.15x	358.0	178	357.50	514.8	303.9	411.1	44.00	Buy
INIGERIAN BREWERIES PLC	1.44	2.07	14.97	3.95	41.17x	59.7	22.6	59.2	85.2	50.3	68.1	44.00	Buy
TRANSCORP PLC	1.92	2.61	29.22	1.65	25.15x	61.95	10.40	48.30	65.7	41.1	55.5	36.00	Buy
ZENITH BANK PLC	7.59	10.93	108.18	0.54	7.64x	59.00	31.95	58.00	83.5	49.3	66.7	44.00	Buy

U.S.-dollar foreign-exchange rates as at 4:30 PM GMT+1, Friday, June 27, 2025

MAJOR	27-Jun-25	Previous	Δ from Last	Weekly	Monthly	Yearly
EURUSD	1.1722	1.1694	0.24%	1.71%	3.79%	9.42%
GBPUSD	1.3712	1.3725	-0.10%	1.89%	1.80%	8.42%
USDCHF	0.8001	0.8008	-0.09%	-2.18%	-3.29%	-10.94%
USDRUB	78.9283	78.7472	0.23%	0.55%	-1.19%	-7.95%
USDNGN	17.8152	17.8295	-0.08%	-0.42%	-2.74%	0.53%
USDZAR	17.8152	17.8295	-0.08%	-1.05%	-0.55%	-2.08%
USDEGP	49.9000	49.9000	0.00%	-1.52%	0.20%	4.00%
USDCAD	18.87	18.8790	-0.07%	-0.57%	-1.30%	-0.16%
USDMXN	18.87	18.8790	-0.07%	-1.66%	-2.73%	3.07%
USDBRL	5.50	5.4891	0.19%	-0.37%	-3.43%	-1.80%
AUDUSD	0.6058	0.6059	-0.02%	1.15%	1.57%	-2.14%
NZDUSD	0.6058	-0.0600	-0.02%	1.42%	1.61%	-0.55%
USDJPY	7.1733	7.1647	0.12%	-0.96%	-0.10%	-10.03%
USDCNY	7.1733	7.1647	0.12%	-0.10%	-0.27%	-1.73%
USDINR	85.4800	85.6513	-0.20%	-1.28%	0.12%	2.53%



Global Commodity Prices as at 3:30 PM GMT+1, Friday, June 27, 2025

Commodity		27-Jun-25	Previous	Δ from Last	Weekly	Monthly	Yearly
CRUDE OIL	USD/Bbl	66.0	65.2	1.15%	-10.65%	6.69%	-19.09%
BRENT	USD/Bbl	68.2	67.7	0.69%	-11.46%	6.01%	-19.78%
NATURAL GAS	USD/MMBtu	3.7	9.8	4.81%	-4.07%	3.75%	41.89%
GASOLINE	USD/Gal	2.1	2.1	-0.79%	-10.43%	-0.28%	-16.74%
COAL	USD/T	106.2	106.6	-0.42%	-0.79%	5.20%	-19.95%
GOLD	USD/t.oz	3,270.5	3,328.4	-1.74%	-2.83%	-0.38%	40.72%
SILVER	USD/t.oz	36.1	36.7	-1.50%	0.24%	9.45%	23.86%
WHEAT	USD/Bu	523.7	521.0	0.52%	-7.67%	-1.14%	-8.59%
PALM-OIL	MYR/T	4,020.0	4,012.0	0.20%	-2.31%	3.10%	2.66%
COCOA	USD/T	4,020.0	4,012.0	0.20%	-2.31%	3.10%	2.66%

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