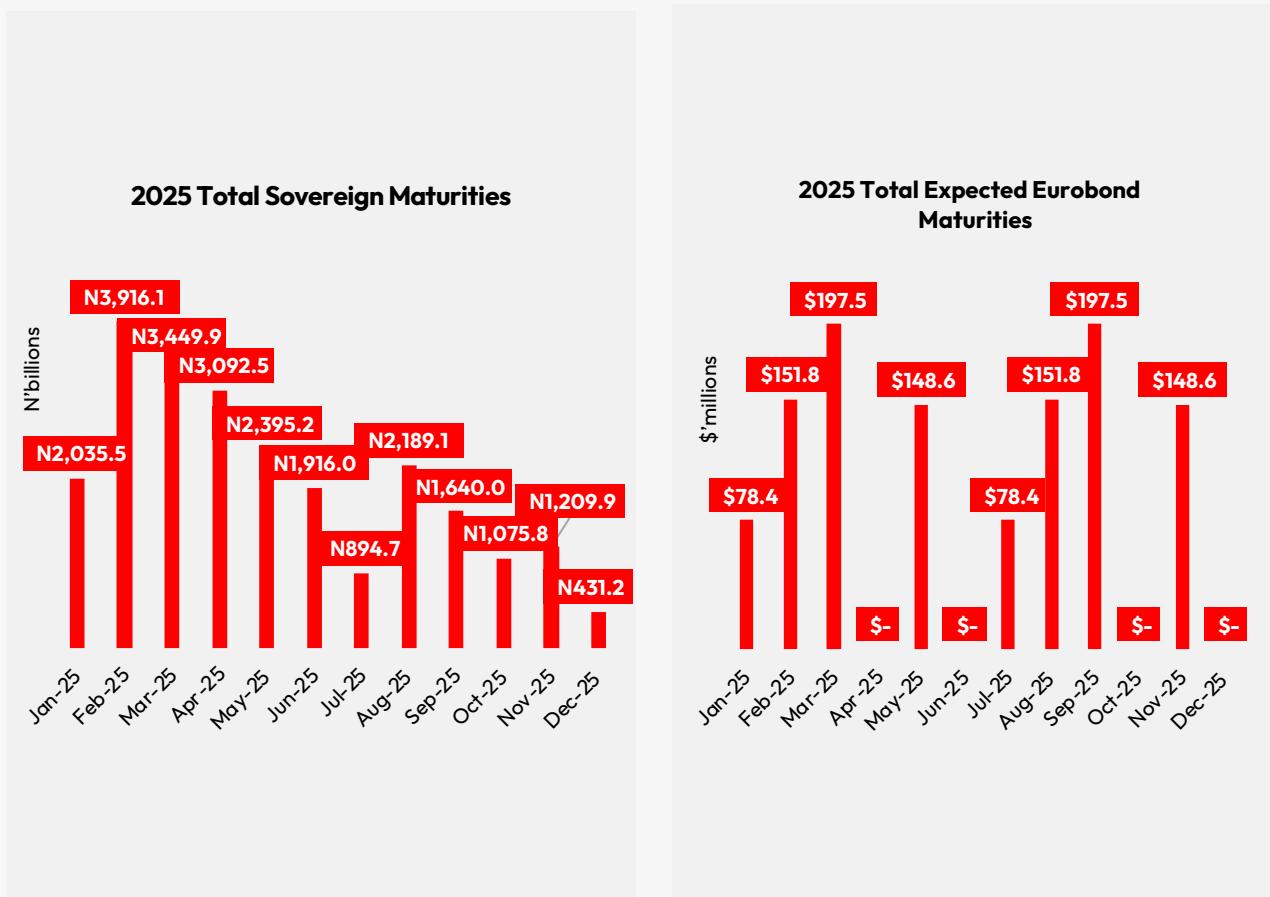




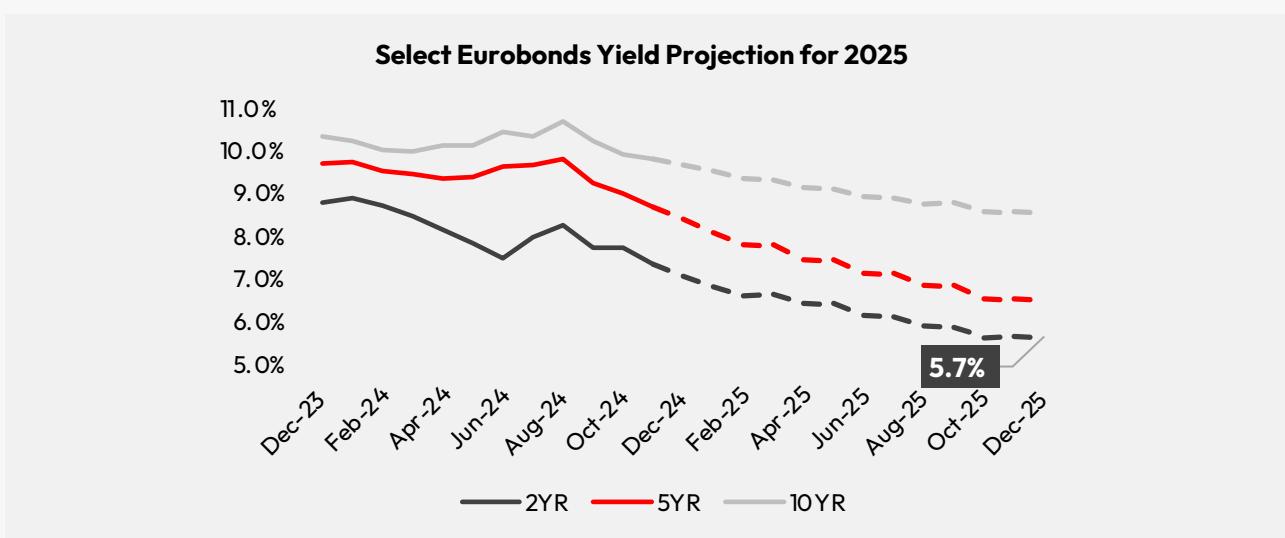
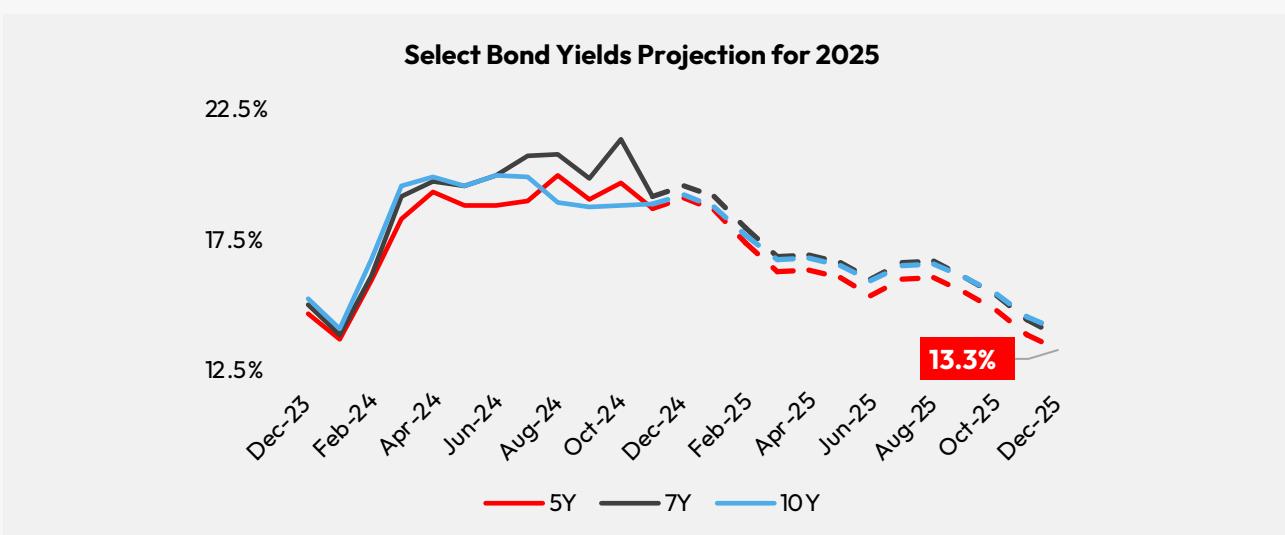
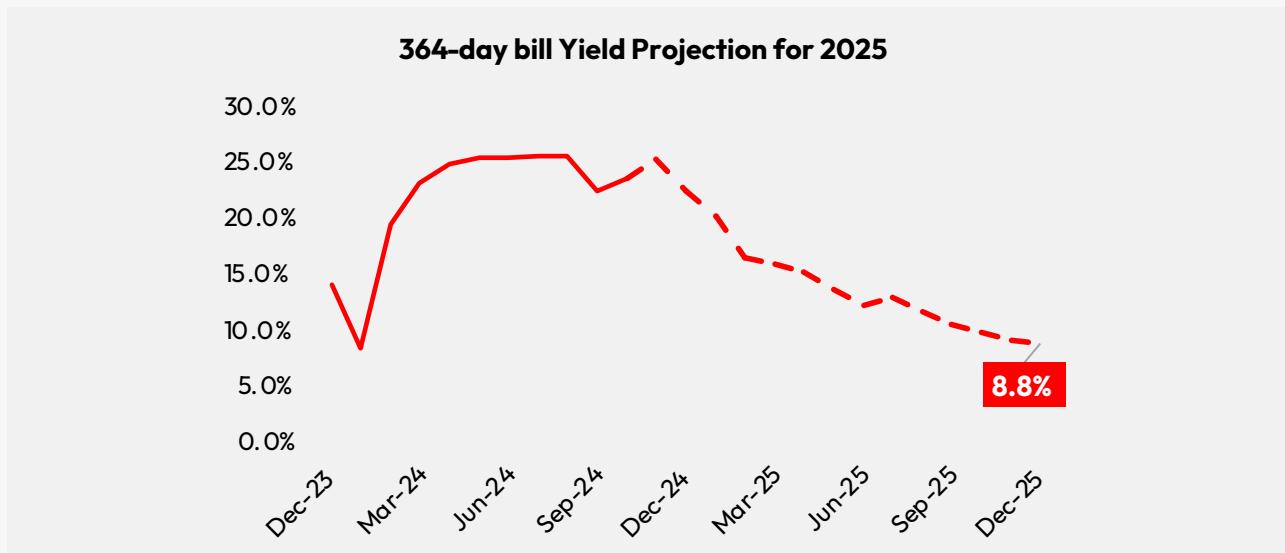
2025 OUTLOOK: FIXED INCOME MARKET

■ 2025 YIELDS PROJECTION



Month	Total Maturities (N'Mn)	Total Auctions (N'Mn)	Surplus/Deficit
Jan-25	1,724,021	311,483	1,412,538
Feb-25	1,716,613	2,199,464	(482,851)
Mar-25	844,401	2,605,459	(1,761,059)
Apr-25	1,843,221	1,249,287	593,934
May-25	1,589,355	805,870	783,484
Jun-25	1,656,261	259,755	1,396,505
Jul-25	466,621	428,058	38,563
Aug-25	1,829,218	359,857	1,469,362
Sep-25	1,267,989	371,983	896,006
Oct-25	658,624	417,203	241,420
Nov-25	600,992	608,933	(7,941)
Dec-25	431,232	-	431,232
Note: Data excludes potential OMO auctions			$\Sigma: 5,011,194$

■ 2025 YIELDS PROJECTION



■ ESTIMATED BALANCE OF PAYMENT (BOP) OF THE FINANCIAL SYSTEM IN 2025

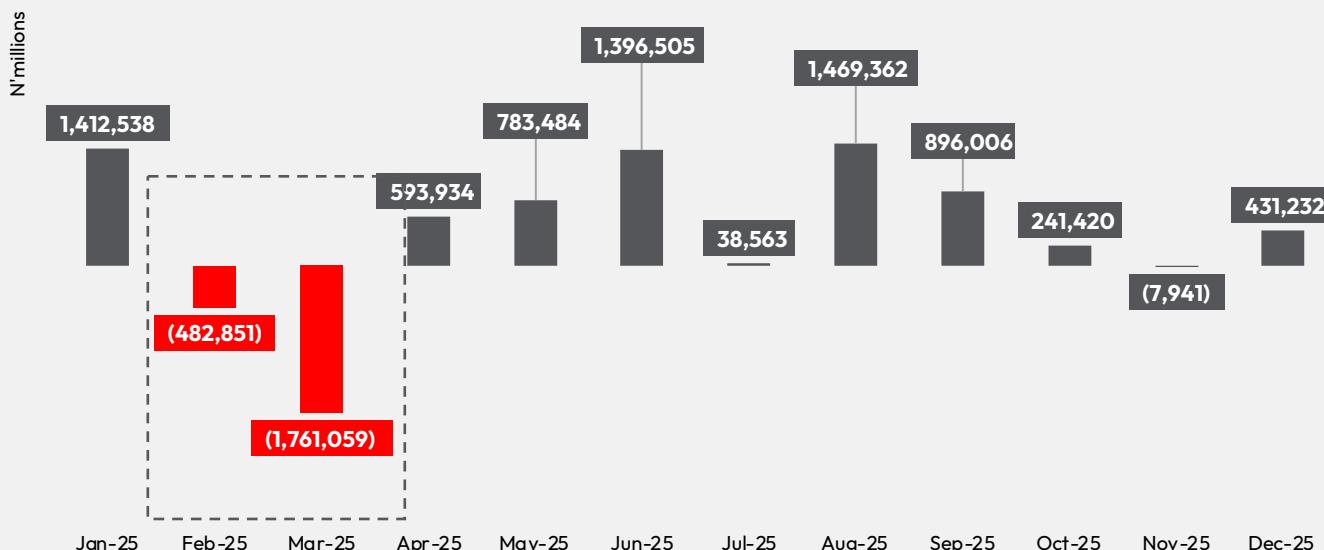
Estimated Financial System Balance of Payment (BoP) in 2025 Surplus/Deficit (N'Mn)

Σ 5,011,194

* We note that the data used in computing this estimated BoP does not include potential OMO auctions, which is the CBN's preferred mop-up mechanism.

* Also, when we factor in FAAC payments, we reckon the financial system will be mostly liquid in 2025.

* The CBN will likely employ OMO auctions to mop-up this excess liquidity expected in 2025.



Key Drivers of Yields in 2025

Looking into 2025, we expect the following factors to influence yields in the Nigerian Financial Markets:

1. Southward Trajectory of Headline Inflation Rate
2. Anticipated Neutral/Dovish Monetary Policy Stance
3. Normalisation of the Yield Curve: An inverted yield curve reflects an environment where growth expectations are weak, and financial dynamics discourage economic expansion. FG and CBN will likely intervene in 2025 through fiscal stimulus or monetary easing to counteract negative effects on economic growth and credit availability.

4. Fiscal Sustainability Drive: This will most likely reduce borrowing pressures in local market, further compressing bond yields (following a normalisation of the yield curve).
5. Sovereign Maturities
6. Inflows from FAAC payments
7. Open Market Operations (OMO)
8. Global Ease in Financial Conditions

Overall, we expect 2025 to be mostly liquid. The progress of Inflation in H1-2025 will play the most significant role in determining the accuracy of all projections of yields (across all segments) in 2025.