



PARTHIAN  
SECURITIES

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# Equity Market Wrap

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25 April 2025

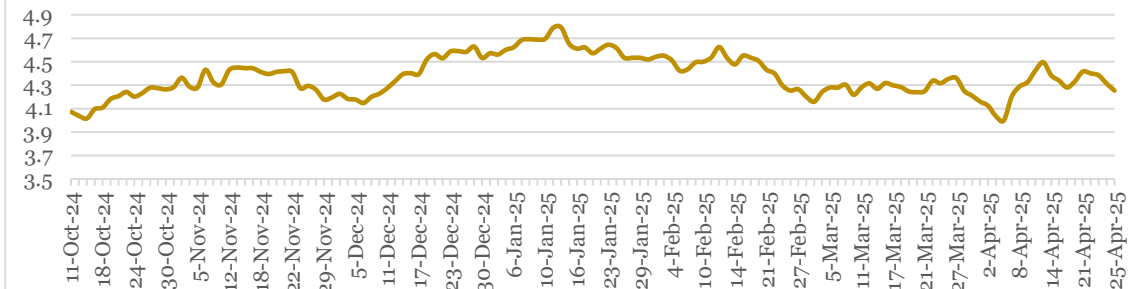
# Global Update

- At its recently concluded meeting, the People’s Bank of China left key interest rates unchanged, holding the one-year Loan Prime Rate at 3.1% and the five-year mortgage reference rate at 3.6%. The move suggests the central bank is trading carefully amid a complex economic landscape. While the economy posted a stronger-than-expected 5.4% growth in the first quarter of 2025, the recovery has been uneven—consumer spending remains sluggish, deflation risks persist, and the real estate sector is still under pressure. At the same time, the yuan’s recent decline has made it trickier for policymakers to loosen monetary conditions without risking capital flight or further weakening the currency. With these challenges in mind, the PBoC appears to be pausing to assess the impact of earlier stimulus steps while keeping an eye on escalating trade tensions with the U.S.
- Recent flash data from S&P Global pointed to a noticeable slowdown in U.S. business activity in April, with the Composite PMI slipping to 51.2 points from 53.5 points in March—the lowest level in over a year. The dip was mainly due to a sharp cooling in the services sector, which more than offset a slight pickup in manufacturing. The Services PMI dropped to 51.4 points, down from 54.4 points, as new business growth lost momentum amid growing uncertainty among clients, likely linked to ongoing tariff issues and a weaker global economic outlook. This more cautious environment also led many service firms to dial back on hiring. On the manufacturing front, things looked a bit more positive. The PMI for that sector inched up to 50.7 points from 50.2 points, hinting at a modest rebound in production and new orders. Still, export demand took a hit, with foreign sales declining sharply as trade barriers continued to hurt overseas markets, despite offering some protection to domestic producers.

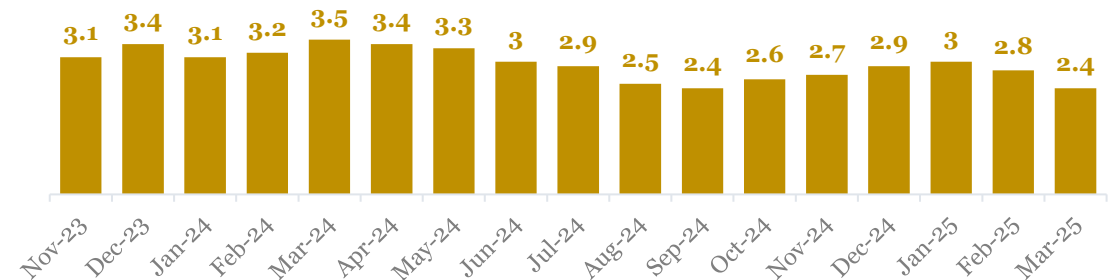
## Global Economic Data

	Current	Previous	Change
US GDP	<b>2.30%</b> (Q4-2024)	<b>3.10%</b> (Q3-2024)	<b>0.80%</b>
US Interest Rate	<b>4.25% - 4.50%</b> (Mar. 2025)	<b>4.25% - 4.50%</b> (Jan. 2025)	<b>0.00%</b>
US Inflation	<b>2.40%</b> (Mar. 2025)	<b>2.80%</b> (Feb. 2025)	<b>0.40%</b>
China GDP	<b>5.40%</b> (Q1-2025)	<b>5.40%</b> (Q4-2024)	<b>0.00%</b>
China Inflation	<b>-0.10%</b> (Mar. 2024)	<b>-0.70%</b> (Feb. 2024)	<b>0.60%</b>

## US 10 Year Bond Yields (%)

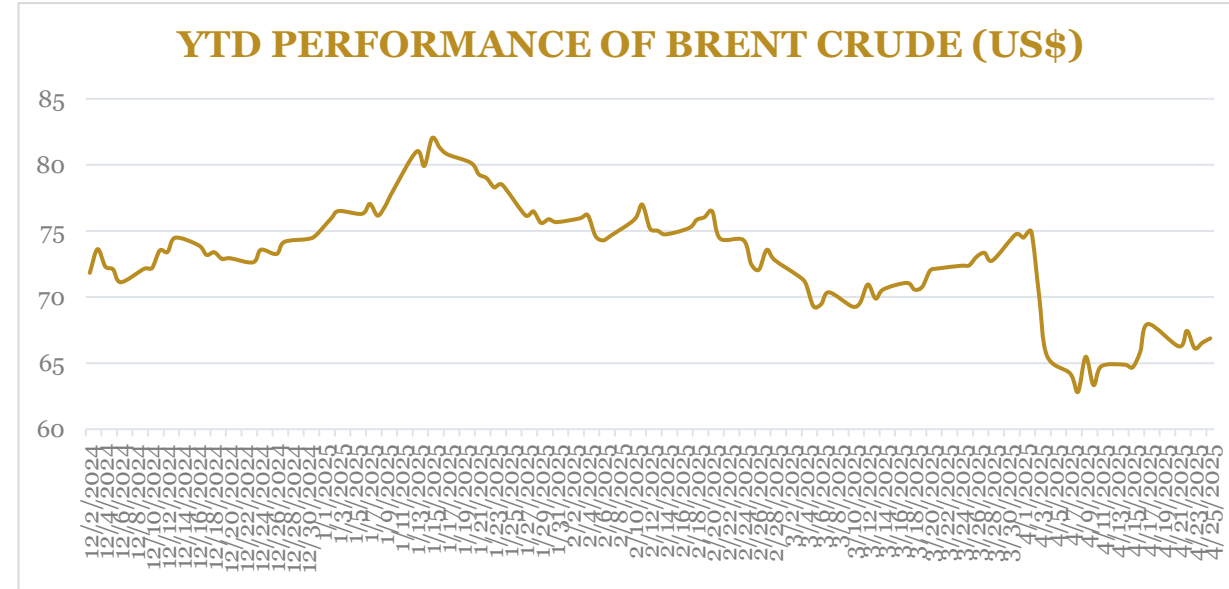


## US Inflation %



# Crude Oil Price Update

- Crude oil prices slipped last week, dragged lower by rising fears of oversupply and lingering doubts over the progress of U.S.-China tariff discussions, which added to the market's cautious tone.
- China announced tariff exemptions on select U.S. imports on Friday, hinting at a possible thaw in trade tensions between the two largest economies. However, Beijing was quick to dismiss President Trump's claim that formal negotiations had resumed, signaling that a broader breakthrough remains uncertain.
- On a week-on-week basis, Brent crude prices declined by **1.60%**, closing at \$66.87 per barrel, while WTI depreciated by **2.57%**, settling at \$63.02 per barrel.



Source: Investing.com, PSL Research

## Crude Oil Prices

	Current	Previous	Change
Brent Crude Oil(\$)	66.87	67.96	<b>1.60%</b>
WTI Crude Price (\$)	63.02	64.68	<b>2.57%</b>



## Domestic Update

- In its April World Economic Outlook, released during the IMF/World Bank Spring Meetings, the International Monetary Fund lowered Nigeria's growth forecast for 2025 to 3%, down from 3.2% in January. This adjustment reflects growing global instability, along with weaker commodity and oil prices. Nigeria's revised forecast is also below the federal government's target of 4.6% and the World Bank's projection of 3.6%. On a global scale, the IMF cut its growth outlook to 2.8% from 3.3%, while Sub-Saharan Africa's forecast was trimmed to 4.0% from 4.2%. The IMF reiterated its backing for Nigeria's economic reforms and emphasized the need for stronger fiscal buffers, more targeted monetary policies, and enhanced regional cooperation to shield economies from global shocks and stimulate growth.
- The Central Bank of Nigeria's (CBN) monthly economic report revealed a sharp drop of 69.2% in the Federal Government of Nigeria's (FGN) retained revenue (m/m) to ₦483.47 billion in January, down from ₦1.57 trillion in December 2024. This drop was largely due to a significant 96.7% decrease in the FGN's independent revenue, reflecting inefficiencies within Government-Owned Enterprises (GOEs), Ministries, Departments, and Agencies. Furthermore, the FGN's share of exchange gains also declined by 40.5%, as the naira remained relatively stable during the period. The FGN's allocation from the Federation Account also saw a decline of 4.6%, driven by lower oil revenues (-45.5% m/m) and reduced non-oil tax receipts (-22.2% m/m). On the expenditure side, aggregate spending fell by 15.5% m/m to ₦1.62 trillion, primarily due to delays in capital releases and lower recurrent spending, which was down 13.9% year-on-year. As a result, the overall fiscal deficit widened by 228.8% m/m to ₦1.13 trillion, significantly surpassing the pro-rated budget deficit of ₦764.91 billion and the previous month's figure of ₦344.79 billion, highlighting the impact of the sharp revenue shortfall.

## Foreign Exchange Update

- The naira strengthened slightly against the US dollar for the second week. It appreciated by 0.02% to close at ₦1,599.55 per dollar at the Nigerian Autonomous Foreign Exchange Market (NAFEM), up from ₦1,603.94 the previous week.
- Nigeria's foreign exchange reserves extended its decline for the sixth consecutive week, dropping by \$77.78 million to \$37.81 billion as of April 24.

## Fixed Income Market

- Activity in the Nigerian Treasury bill market was subdued last week, with investor focus shifting to the NTB Primary Market Auction (PMA). This resulted in a modest wave of selloffs, causing the average benchmark yield to rise slightly to 20.76% last Friday, up from 20.70% the previous week. On the other hand, the OMO Bill market saw increased activity, with more offers driving the average benchmark yield up by 316 basis points week-on-week, reaching 29.43%.
- At the NTB auction, the Debt Management Office (DMO) offered ₦400 billion worth of bills and received a total subscription of ₦1.54 trillion, surpassing the previous auction's ₦1.13 trillion. The demand was heavily skewed towards the 91-day and 364-day papers. However, the DMO allotted ₦714.37 billion, which was 79% higher than the amount initially offered. The stop rates for all maturities saw a decline, with the 91-day, 182-day, and 364-day papers settling at 18.00%, 18.50%, and 19.60%, respectively, compared to the previous rates of 18.50%, 19.50%, and 19.63%.
- The FGN bond market saw subdued activity last week, with limited demand concentrated in the shorter and mid-range maturities. Consequently, the average benchmark yield remained unchanged at 18.60% by the close of trading on Friday.

## Equity Market

- Last week, the Nigerian equities market rebounded from earlier losses, buoyed by strong Q1 2025 earnings results, which bolstered investor confidence, coupled with the ongoing dividend announcements. Consequently, the NGX All-Share Index and Market Capitalization appreciated by 1.46% and 1.47% to close the week at 105,752.61 points and ₦66.465 trillion respectively, driven by strong buying interest in financial and consumer goods stocks.
- The key gainers last week were INTBREW, which surged 40.00%, NASCON rising by 26.22%, VITAFOAM up 21.22%, ETERNA increasing by 20.91%, LAFARGE gaining 13.29%, GTCO advancing 6.78%, and MTNN up by 5.58%. On the flip side, major decliners included VFD, which plummeted by 82.19%, JOHNHOLT, which dropped by 18.60%, DANCEM down by 10.00%, and TOTALENERGIES falling by 5.37%.
- Market activity improved, with both trading volume and value rising by 21.7% and 30.3%, respectively. Sectoral performance was mostly bullish, with the Consumer Goods, Insurance and the Banking sectors closing positive 8.65%, 7.30% and 5.06%, respectively. On flip side, the Industrial Goods and the Oil & Gas sectors declined by 3.44% and 0.07%, respectively. The highest trading volumes for the week were recorded by FIDELITY (505.1 million units), ACCESSCORP (158.2 million units), and GTCO (134.5 million units). In terms of value, the leading stocks were MTNN (₦12.2 billion), FIDELITY (₦10.0 billion), and GTCO (₦8.3 billion).
- Legend Internet PLC, an internet service provider, officially entered the NGX on Thursday through a listing by introduction. The company made available 2.0 billion ordinary shares, each priced at ₦5.64, resulting in an initial market capitalization of ₦11.3 billion.
- This week, we expect the market to sustain its upward momentum, supported by improving investor sentiment and the release of Q1 earnings reports.