



PARTHIAN
SECURITIES

A Trading License Holder of the Nigerian Exchange Limited

Equity Market Wrap

27 June 2025

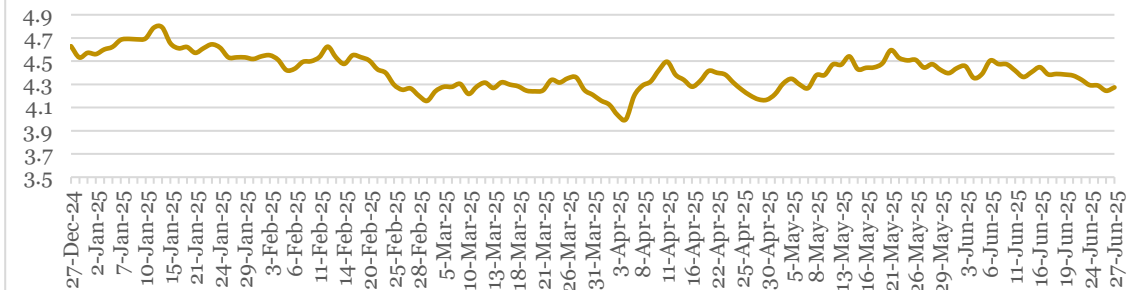
Global Update

- U.S. Personal Consumption Expenditures (PCE) rose by 2.3% (y-o-y) in May, slightly higher than the 2.2% recorded in April. This was largely driven by a rebound in goods prices. Durable goods rose 0.5%, while non-durables fell 0.2%. Services inflation held steady at 3.4%, reflecting persistent pressure in that category. Core PCE, which excludes food and energy, increased to 2.7%, up from 2.6% in April and above expectations. On a monthly basis, PCE rose 0.1%, unchanged from April.
- UK business activity picked up slightly in June, with the S&P Global Composite PMI rising to 50.7 points from 50.3 points in May. This is the highest reading so far in 2025. The improvement was mainly driven by a rebound in new orders and stronger performance in the services sector, which saw its fastest growth in three months and outperformed both Germany and France. Despite quicker job cuts amid concerns linked to tensions in the Middle East, there's growing optimism that the economy is starting to recover from the 0.3% GDP contraction in April.
- China and the European Union have begun detailed trade discussions focused on key concerns like electric vehicle tariffs, export restrictions, and barriers to market access. The goal is to build a more stable and mutually beneficial economic relationship, especially as global trade tensions particularly with the U.S. remain elevated. This renewed engagement reflects China's broader effort to expand its trade ties beyond the U.S. Last month, China struck a deal with several African countries to gradually phase out tariffs on a wide range of exports, highlighting its growing trade focus on the continent.
- President Donald Trump announced a temporary ceasefire last week in the conflict between Israel and Iran, halting nearly two weeks of rising tensions. The crisis was triggered by Israeli airstrikes on Iranian nuclear sites after diplomatic talks collapsed. The ceasefire came after Iran launched a strike on a U.S. base in Qatar, which caused no casualties. Trump confirmed that the truce is in place and expressed optimism that it could lead to renewed negotiations between the U.S., Israel, and Iran in the coming week.

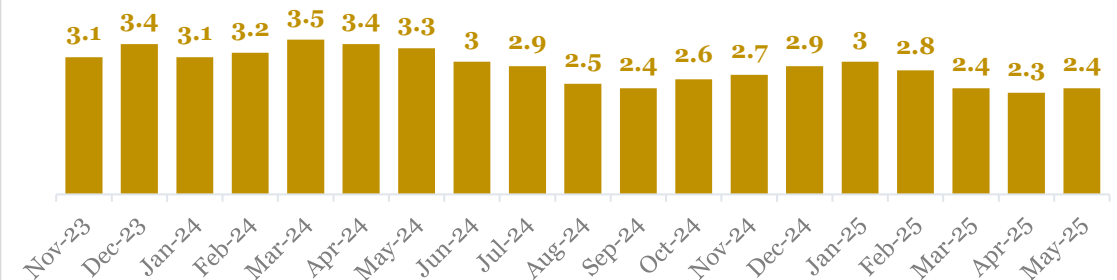
Global Economic Data

	Current	Previous	Change
US GDP	2.00% (Q1-2025)	2.40% (Q4-2024)	0.40%
US Interest Rate	4.25% - 4.50% (Jun. 2025)	4.25% - 4.50% (May. 2025)	0.00%
US Inflation	2.40% (May. 2025)	2.30% (Apr. 2025)	0.10%
China GDP	5.40% (Q1-2025)	5.40% (Q4-2024)	0.00%
China Inflation	-0.10% (May. 2024)	-0.10% (Apr. 2024)	0.00%

US 10 Year Bond Yields (%)

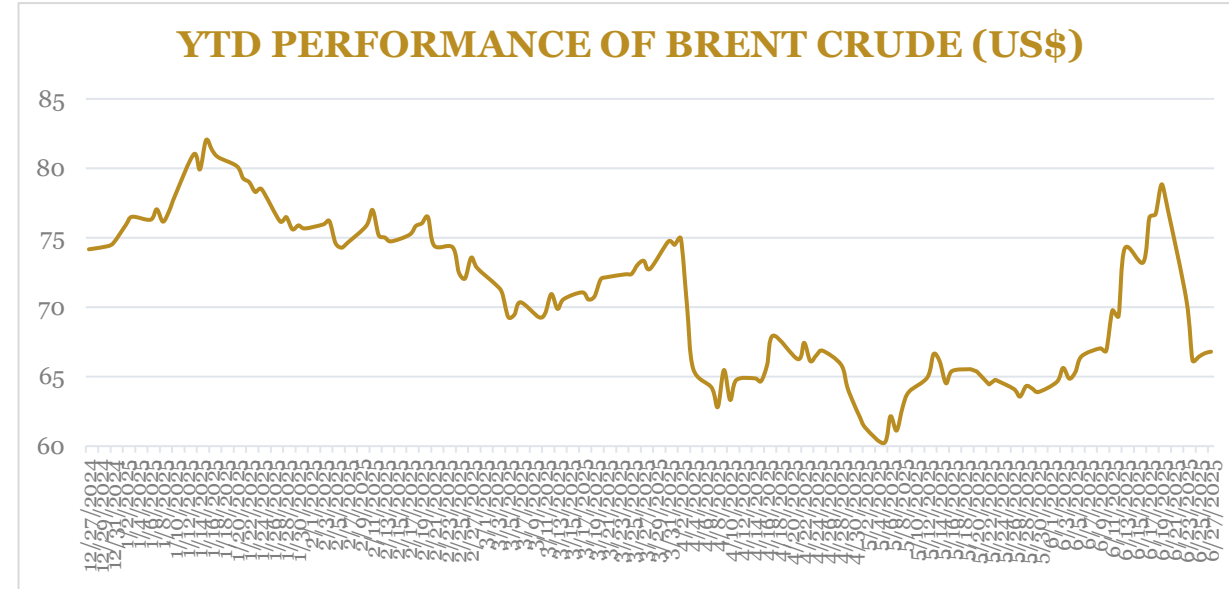


US Inflation %



Crude Oil Price Update

- Global oil prices fell last week amid rising speculation that OPEC+ could decide to raise output at its July meeting. Additionally, a reduction in geopolitical tensions in the Middle East added to the downward pressure on prices.
- On a week-on-week basis, Brent crude prices declined by **11.50%**, closing at \$66.80 per barrel, while WTI dropped by **12.56%**, settling at \$65.52 per barrel.



Source: Investing.com, PSL Research

Crude Oil Prices

	Current	Previous	Change
Brent Crude Oil(\$)	66.80	75.48	11.50%
WTI Crude Price (\$)	65.52	74.93	12.56%



Domestic Update

- President Bola Tinubu has signed a set of tax reform bills into law to overhaul Nigeria's complex fiscal system. The reforms consolidate over 60 overlapping tax laws into four key bills, aiming to streamline tax collection, reduce multiple levies, and improve coordination among revenue agencies. The initiative is expected to lower production costs and ease the tax burden, particularly for MSMEs and exempted sectors.
- The Nigerian National Petroleum Company Limited (NNPCL) has increased the pump price of Premium Motor Spirit (PMS) by 5.17%, raising it to ₦915.00 per litre in Abuja and Lagos. This aligns with similar hikes by Dangote-affiliated stations and appears aimed at improving margins. Since the 2023 subsidy removal, fuel prices have been market-driven, influenced by global oil prices and exchange rates, leading to price volatility and rising inflation.
- Nigeria and Brazil have signed a \$1 billion agreement to boost collaboration in agriculture, food security, energy, and defense. The deal includes deploying mechanized farming equipment, training, and service centers across Nigeria to modernize agriculture. With agriculture already driving growth, contributing 53.4 to June's composite PMI of 52.1, the initiative is expected to further strengthen the sector. If well-implemented, it could help reduce food prices, ease inflation, and influence future monetary policy.

Foreign Exchange Update

- Naira strengthened by 0.53% over the past week, closing at ₦1,541.00 per dollar. This was largely supported by improved foreign portfolio inflows as the CBN did not intervene in the FX market during the period.
- However, the country's gross foreign exchange reserves continued its downward trend for the sixth straight week, falling by \$298.83 million to \$37.41 billion as of June 25.

Fixed Income Market

- The Treasury bills secondary market saw a bullish performance last week, fueled by renewed demand from both local and foreign investors. As a result, the average yield across all maturities dropped by 29 basis points to 23.3%.
- Similarly, the FGN bond secondary market recorded a bullish trend last week, driven by investors seeking to cover unmet demand from the recent primary market auction. Market sentiment was further supported by improved liquidity, largely due to coupon inflows. As a result, the average yield across the curve declined by 19 basis points to 18.4%.
- At the primary market auction, the Debt Management Office (DMO) offered ₦100 billion worth of FGN bonds through a re-opening of the 19.30% FGN APR 2029 and the introduction of a new 17.95% FGN JUN 2032 bond. Investor appetite was strong, with total bids reaching ₦602.86 billion, up from ₦436.40 billion at the previous auction. The DMO eventually allotted the full ₦100 billion as initially offered across both maturities. In the end, the CBN set the stop rates at 17.75% for the APR 2029 bond and 17.95% for the newly issued JUN 2032 bond.

Equity Market

- The Nigerian equities market closed last week on a positive note, marking its fifth straight week of gains. Although the All-Share Index briefly crossed the 120,000-point threshold on Wednesday, it slipped below that level after two consecutive days of decline. The market's overall momentum was largely supported by heightened investor activity in the industrial, insurance, consumer goods, and banking sectors.
- Week-on-week, the NGX All-Share Index and Market Capitalization appreciated by **1.57%** and **1.92%** to close the week at 119,995.76 points and ₦75.962 trillion, respectively. Top-performing stocks for the week were led by NEIMETH (**+60.54%**), followed by ELLAH LAKES (**+31.33%**), INTERNATIONAL BREWERIES (**+26.36%**), ZENITHBANK (**+16.23%**), BUACEMENT (**+8.53%**), TRANSCORP (**+2.77%**), and MTNN (**+0.45%**). These gains outweighed losses in major decliners such as OANDO (**-7.38%**), BUA FOODS (**-6.46%**), IMG (**-4.30%**), and ARADEL (**-4.15%**).
- Sectoral performance was largely positive last week, with the Industrial Goods, Consumer Goods, Insurance, and Banking sectors posting gains of **3.92%**, **3.73%**, **3.67%**, and **2.59%**, respectively. The Oil & Gas sector was the sole laggard, declining by **2.23%** over the course of the week.
- Last week's trading activity presented a mixed picture, with volume rising 9.39% week-on-week, even as the value of trades fell by 11.76% over the same period.
- This week, we expect mixed trading activity, with profit-taking in recently strong performers balanced by ongoing bargain hunting in undervalued stocks. Market trends may also be influenced by portfolio rebalancing ahead of half-year earnings releases and shifts in the fixed income market.