

NOVA Weekly Economic Report

News / T-Bills / Bonds / Money Market / FX Market / Economic Indicators / Commodities

29th July – 4th August 2025

INTERNATIONAL NEWS

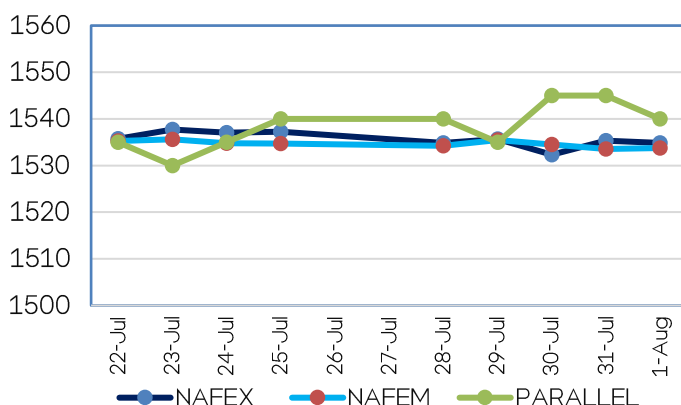
Smaller Chinese oil firms are rapidly expanding in Iraq, aiming to double output to 500,000 barrels per day by 2030. Attracted by profit-sharing deals and lower competition from Western majors, they offer fast, low-cost project delivery. Companies like Geo-Jade and Zhongman are investing billions in oilfields, refineries, and power plants.

LOCAL NEWS

- Nigeria's insurance sector has been urged to strengthen its risk management strategies and product offerings as the United States imposes a 15 per cent tariff on Nigerian exports, effective August 2025.
- Nigeria's hospitality industry is projected to reach \$2.61bn by 2029, driven by rising domestic tourism and increased investment, according to a 2025 Nigeria real estate report by Ubosi Eleh & Co.
- Fuel imports surge to 71% as marketers ditch local refineries, data from the downstream regulator of the oil sector has revealed that marketers have resumed large-scale importation of refined petroleum products, choosing not to patronize local refineries.
- Nigeria's drive to deepen the adoption of Compressed Natural Gas as an alternative transport fuel has taken a further step, with the Federal Government attracting over \$791.49m in investments between May and June 2025

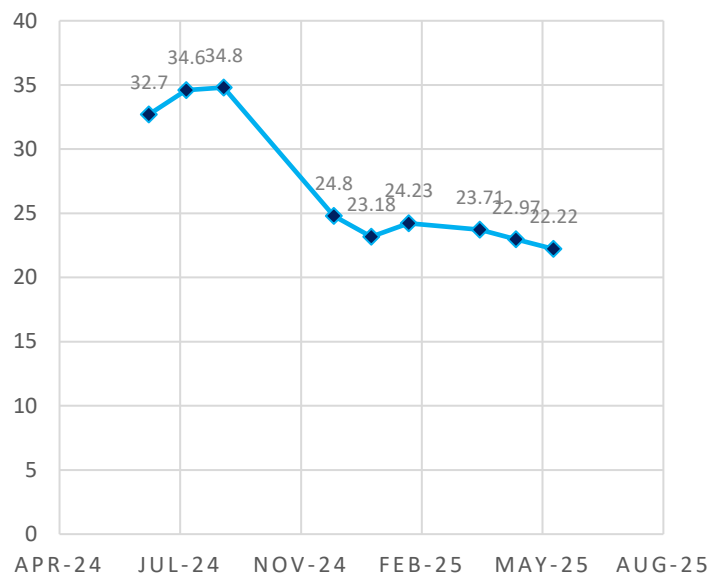
FOREIGN EXCHANGE MARKET

At the NAFEX window, the naira closed at **1,534.83** and the NAFEM rate depreciated from **1,533.55 to 1,533.75**



MACROS

INFLATION RATE (YoY%)



ECONOMIC INDICATORS

INDICATORS	CURRENT	PREVIOUS
INFLATIONRATE (YoY%)	22.22	22.97
OIL PRICE (BRENT) (US\$/BARREL)	68.88	71.79
OIL PRODUCTION (MBPD)	1.7	1.47
FX RESERVE(USD MILLION)	\$39.36BN	\$38.38BN
MONETARY POLICY RATE	27.50	27.50

BONDS

Bond yields increased by 10 basis points to 16.21%, driven by a larger-than-anticipated allotment by the Debt Management Office (DMO) at the most recent primary auction. The higher supply of bonds put upward pressure on yields, as investors demanded greater returns to absorb the additional issuance. The uptick in yields also signals a recalibration of investor expectations around future interest rates and fiscal dynamics, contributing to a slightly more bearish sentiment in the bond market.

COUPON RATE- % p.a.	FGN BONDS	CLOSING YIELD (%)
16.29	17-Mar-27	16.47
19.30	17-Apr-29	16.05
18.50	21-Feb-31	16.04
19.00	21-Feb-34	16.17
13.00	21-Jan-42	15.58
15.70	21-Jun-53	15.67

MONEY MARKET

System liquidity opened with a positive balance of N1.61Trn. (Opening balance was 260.5bn, Standing Deposit Facility was N1.35Trn, and Standing Lending Facility was at Zero).

MONEY MARKET RATES	01-AUG-25	31-JULY-25
Open Repo (OPR)	26.50	26.40
Overnight (O/N)	26.90	26.98

Sources: FMDQ

T-BILL

In the fixed income market, performance was mixed during the period. Yields on Nigerian Treasury Bills (NTBs) rose by 20 basis points to 17.79%, reflecting a cautious investor sentiment. This uptick occurred despite robust system liquidity, suggesting that market participants remained wary. The rise in yields indicates a shift in risk appetite, with investors demanding higher returns to compensate for perceived risks in the near term.

TYPE	SECURITY	DISCOUNT RATES (%)
NTB	7-Aug-25	16.25
NTB	21-Aug-25	16.29
NTB	18-Sept-25	16.38
NTB	9-Oct-25	15.68
OMO	19-Aug-25	26.94
OMO	23-Sept-25	24.46
OMO	6-Jan-26	21.68

COMMODITIES

COMMODITIES	CURRENT RATE	PREVIOUS RATE
WHEAT (\$/BU.)	514	535
COCOA (\$/mt)	8,064	8,239
GOLD (\$/t. oz)	3,358	3,337
COTTON (\$/lb.)	64.90	66.90
SUGAR(\$/lb.)	16.26	16.35
PALM OIL(MYR/T)	4,245	4,276
NATURAL GAS (\$/MMBtu)	3.0789	3.0956

Sources: FMDQ

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