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# IC FIXED INCOME & CURRENCY GUIDE

02 JANUARY 2026

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## REPORT SUMMARY

COUNTRY	FIXED INCOME	CURRENCY
Ghana	<ul style="list-style-type: none"> <li>Money market liquidity improved in December 2025 after the Bank of Ghana reintroduced the 14-day OMO and priced it 400bps below the policy rate, reducing the attractiveness of OMO, fixed deposits and repo instruments. This shift redirected demand to T-bills and drove a modest curve rally, with yields falling by an average of 11bps in December, partly reversing the 29bps uptick in November 2025. We estimate 1Q2026 maturities at GHS 82.8bn (+32.0% q/q), requiring continued accommodative monetary conditions to support refinancing and stabilise yields.</li> </ul>	<ul style="list-style-type: none"> <li>The Cedi staged a late-month rally, rising 10.0% in the final two weeks to deliver an 8.1% net gain in December 2025 and a rare 40.4% appreciation for FY2025 with corporate FX demand easing amid a boost in FX supply. We expect the Cedi to trade broadly range-bound in 2026, with upside risk toward 12.4–12.9/USD from firmer import demand and repricing.</li> </ul>
Kenya	<ul style="list-style-type: none"> <li>Demand for Kenyan T-bills stayed strong in December 2025, with all tenors exceeding targets and maturities. This drove a mild curve flattening as front- and back-end yields edged lower while the belly remained stable.</li> </ul>	<ul style="list-style-type: none"> <li>The Kenyan Shilling appreciated 0.5% m/m in December 2025, supported by low inflation, attractive real rates and a strong reserve buffer, while softer year-end FX demand cut interbank trade volumes by 12.7%. We expect the USDKES to remain stable within the 129–130/USD range in January 2026 as policy settings continue to anchor the currency.</li> </ul>
Nigeria	<ul style="list-style-type: none"> <li>Nigeria's primary T-bill market delivered mixed signals in December 2025 as investor demand exceeded higher offers yet yields rose across the curve. The late-month shortfalls in demand, despite easing inflation, likely reflected festive-driven liquidity needs which, in our view, tempered bids at the final auction.</li> </ul>	<ul style="list-style-type: none"> <li>The Naira gained 0.2% m/m in December 2025 amid renewed crude oil weakness, despite gaining 6.9% in FY2025 as policy and FX reforms bolstered confidence. While reforms underpin stability, we view softening oil price as a downside risk to the currency in the near term.</li> </ul>

## Ghana Market Commentary

### Fixed Income

Money market liquidity improved markedly in December 2025 after the Bank of Ghana's MPC implemented a strategic tweak to its liquidity management tool kit in late November 2025. The authorities reintroduced the 14-day OMO tenor and more significantly lowered the OMO yield 400bps below the policy rate. We believe this yield compression reduced the appeal of OMOs, fixed deposits and REPO securities and revived demand for Ghanaian Treasury bills with a modest downshift in the yield curve in December 2025.

Investors tendered total bids worth GHS 32.9bn, representing an 82.2% m/m surge in demand for Ghanaian T-bills and reflecting the impact of the BOG's strategic shift in liquidity management operations. The bids outpaced the gross target by 27.1% and enabled the Treasury's allotment of GHS 30.5bn, exceeding its gross target for the month by 18.0%. Overall, our estimate showed that the Treasury received total bids worth GHS 376.8bn in FY2025, above the full year gross target by 23.5%, but accepted GHS 294.5bn, which is 3.5% less than the target. However, the allotted amount exceeded the total maturities of GHS 277.6bn by 6.1%, representing new borrowing of GHS 17.0bn via T-bills in 2025.

Yields expectedly shifted lower across the T-bill curve as lower inflation print and the BOG's liquidity softening greased market conditions, allowing average decline of 11bps in Dec-2025 to partly reverse the 29bps uptick in Nov-2025. The 91-day yield shaved off 4bps m/m to 11.09%, the 182-day trimmed the most to 12.52% (-16bps m/m) while the 364-day yield closed 12bps lower to 12.94%.

We estimate upcoming maturities in 1Q2026 at GHS 82.8bn (+32.0% q/q). This will require continued strategic favourable monetary conditions to support the Treasury's refinancing obligations and anchor stable yields in 1Q2026.

### Currency Market

The Ghanaian Cedi embarked on a late-month rally with a 10.0% appreciation in the final 2-weeks to outweigh the 2.1% depreciation in the first 2-weeks. This culminated in an 8.1% net appreciation in December 2025 as a fitting close to the year with a rare annual appreciation (40.4%). Corporate FX demand ebbed in the month under review as year-end approached while the BOG intermediated USD 721.3mn. Having reset the USDGHS rate in 2025 on the back of enhanced source of FX supply and tighter policy, we expect the Cedi to trade rangebound in 2026 with a likely increase to between 12.4 – 12.9/USD on the interbank market. We foresee a firmer import demand as an upside risk.

Local Currency "General Category" Bonds (GHS)				Ghana Restructured Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Feb-27	8.35%	93.44	14.87%	DISCO BOND		
Feb-28	8.50%	88.69	14.90%	Jul-29	5.00%	5.77%
Feb-29	8.65%	84.41	15.09%	Jul-35	5.00%	6.87%
Feb-30	8.80%	80.90	15.20%	PAR BOND		
Feb-31	8.95%	78.00	15.30%	Jan-37	1.50%	7.34%
Feb-32	9.10%	75.04	15.57%	DOWN PAYMENT BOND		
Feb-33	9.25%	72.65	15.78%	Jul-26	Zero-coupon	3.25%
Feb-34	9.40%	71.43	15.76%	PAST DUE INTEREST (PDI) BOND		
Feb-35	9.55%	69.66	15.98%	Jan-30	Zero-coupon	3.03%
Feb-36	9.70%	69.29	15.90%			
Feb-37	9.85%	68.51	16.00%			
Feb-38	10.00%	68.45	15.96%			

	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	11.09%	-4	-1,827
182-day	12.52%	-16	-1,942
364-day	12.94%	-12	-1,955

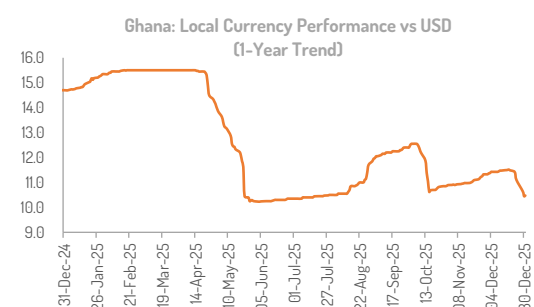
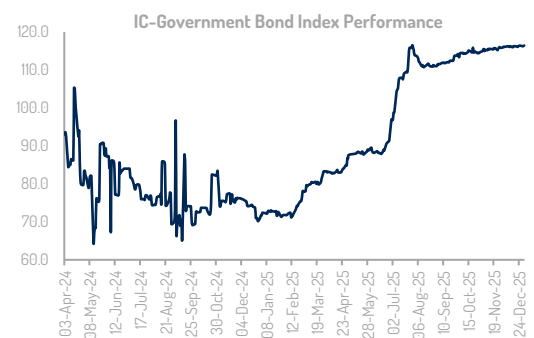
	Upcoming Maturities* (Jan-2026)	Upcoming Avg weekly Target*	M/M Change in Maturities
91-day	13,000.71		-19.3%
182-day	10,140.26	3,991.0	140.7%
364-day	6,192.69		249.4%

\*GHS Million

Spot Exchange Rate (GHS)			
	Current Mid-Rate	Last Month	M/M Change*
USDGHS	10.47	11.33	8.12%
GBPGHS	14.11	14.49	2.66%
EURGHS	12.31	13.13	6.73%

\*Negative change means Depreciation while Positive change means Appreciation

Performance of the IC Government Bond Index (IC-GBI)			
Month-End	Index Level	Yield-to-Maturity	YTD Return on Index
Sep-25	114.2	15.9%	59.3%
Oct-25	114.7	15.7%	60.1%
Nov-25	115.8	15.4%	61.6%
Dec-25	116.4	15.4%	62.4%



# Kenya Market Commentary

## Fixed Income

Investor appetite for Kenyan Treasury bills remained strong in December 2025 with all three tenors attracting higher bids than the prior month and exceeding both the auction target and maturing T-bills for the month. Resultantly, the yield curve witnessed a slight flattening as both extremes tilted downward with a stable mid-segment.

Total bids tendered were valued at KES 151.8bn (USD 1.2bn), representing a 9.9% m/m increase with the 364-day tenor as the point of attraction for investors while the 182-day tenor remained less attractive. In our view, the relatively low investor bid for the 182-day tenor is due to its less attractive tenor premium of 7bps over the 91-day yield. The Treasury allotted KES 138.4bn, exceeding the T-bill maturities for the month by 12.5%

The yield curve showed a downward bias in December 2025 with an average decline of 5bps (vs -3bps in November), partly helped by the 25bps cut in the policy rate to 9.0% and the favourable demand conditions. The 91-day yield inched down by 5bps to 7.73% while the 364-day yield shaved off 17bps to 9.21%. The 182-day yield however stayed unchanged at 7.8% through the 5-week auctions.

Our estimate suggests a decline in the upcoming T-bill maturities in January 2026 to KES 81.8bn (-33.5% m/m), sustaining the downward pressure on yields, albeit with a general stability as most likely.

## Currency Market

The Kenyan Shilling strengthened by 0.5% m/m against the US Dollar on the interbank market in Dec-2025, mainly due to recent losses for the greenback supported by the favourable domestic economic conditions of low inflation, attractive real interest rates and strong reserve buffer. Total volume traded on the interbank market declined by 12.7% m/m to USD 127.6mn as FX demand softened amid the year-end festivities.

We expect the KES to remain stable within the restricted band of 129 - 130/USD range in January 2026 as the policy stance continues to favour stable USDKES amid restrained US Dollar strength.

Local Currency Bonds (KES)				Kenya Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Mar-25	10.25%	104.70	9.60%	May-27	7.00%	5.58%
May-25	11.67%	102.58	9.85%	Feb-28	7.25%	5.83%
Nov-26	11.28%	105.20	10.35%	Feb-31	9.75%	7.41%
Jul-27	12.97%	105.46	10.29%	May-32	8.00%	7.73%
Feb-28	11.25%	106.09	10.10%	Jan-34	6.30%	7.70%
Aug-28	12.69%	93.92	11.55%	Mar-36	9.50%	8.42%
Dec-28	12.50%	98.84	12.25%	Feb-48	8.25%	8.79%
Feb-29	12.44%	100.76	12.48%			
May-31	10.00%	98.43	13.18%			
Nov-32	12.00%	113.03	13.33%			
Jan-34	12.86%	97.10	12.91%			
Jul-34	12.34%	91.45	12.84%			

Source: Central Bank of Kenya, Bloomberg, IC Insights

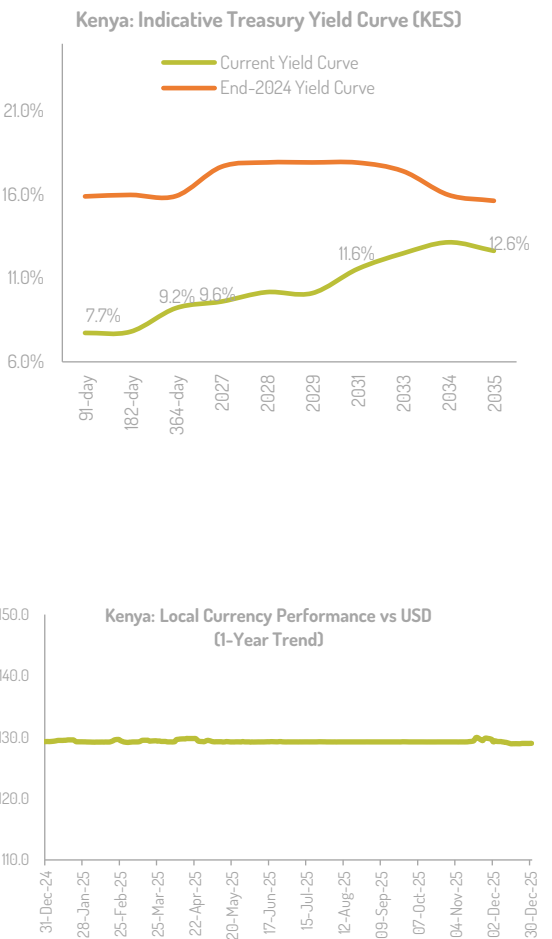
	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	7.73%	-5	-816
182-day	7.80%	NO CHNG	-817
364-day	9.21%	-17	-669

	Upcoming Maturities* (Jan-2026)	Upcoming Target* (This Week)	M/M Change in Maturities
91-day	45,822.63	24,000.00	147.2%
182-day	25,607.25		-26.7%
364-day	51,600.22		-36.2%

\*KES Million

Spot Exchange Rate (KES)			
	Current Mid-Rate	Last Month	M/M Change*
USDKES	128.99	129.65	0.51%
GBPKES	173.55	171.32	-1.28%
EURKES	151.34	150.13	-0.80%

\*Negative change means Depreciation while Positive change means Appreciation



# Nigeria Market Commentary

## Fixed Income

Activity in Nigeria’s primary T-bills market was mixed in the final month of 2025 as investor demand firmed up to outpace the Treasury’s modest upscale in offers but closed with an upshift in yields across the T-bill curve.

Investors submitted total bids worth NGN 3.2 trillion (USD 2.2bn) across the T-bills, representing a 29.5% m/m increase in demand for the money market Treasury securities. The 364-day tenor remained the sweetest spot for money market investors, accounting for 92.1% of bids submitted, ostensibly due to its attractive carry both in nominal and inflation-adjusted terms. The Treasury allotted NGN 1.5 trillion (USD 1.0bn), slightly exceeding the target by 2.9% but declining from the November 2025 uptake by 8.8%.

Yields surprisingly went up across the T-bill curve in December 2025, averaging +96bps, despite the lower inflation print for November. The 91-day true yield gained 22bps m/m to 16.1%, the 182-day advanced by 53bps to 17.3% while the 364-day true yield posted the steepest rise (212bps m/m) to close at 21.2%. The broad-based increase in yields defied the improved demand across tenors and the 160bps fall in headline inflation to 14.45% in November 2025. We observed that the yield upturn was recorded at the final auction for the month as bid sizes weakened, ostensibly due to the festivities-related preference for higher cash balances to meet customer withdrawals.

We foresee a moderation in the upward pressure in January 2026 as demand for T-bill normalises after the festivities, although an unexpected uptick in inflation may spook investors.

## Currency Market

The Nigerian Naira stabilised with a slight appreciation in Dec-2025, gaining 0.2% m/m despite renewed downward pressure on crude oil price – Nigeria’s largest FX earner – which seemed to weaken the scope for Central Bank’s support. The FY2025 outturn showed a 12-month net appreciation of 6.9% as policy and FX market reforms anchored investor confidence.

While the reformed policy and market landscape support Naira stability, we view the recent volatility in crude oil price as a risk to continued Naira stability.

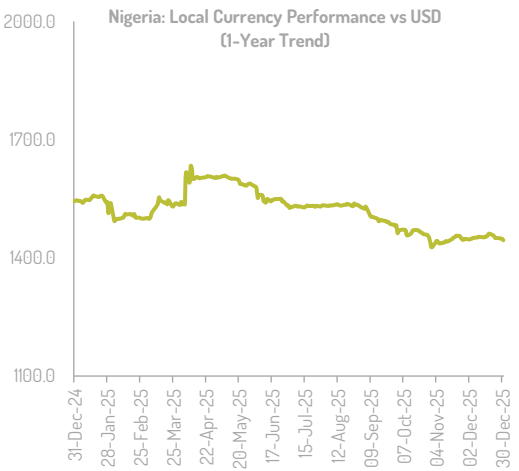
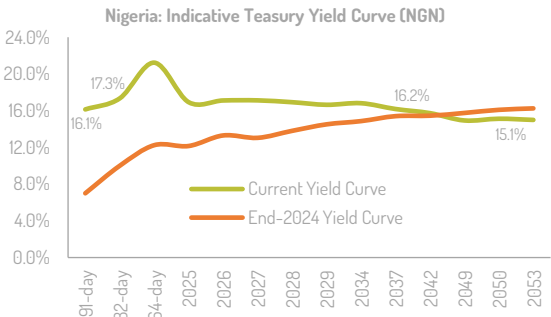
	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	16.14%	22	914
182-day	17.34%	53	734
364-day	21.23%	198	899

Selected Macroeconomic Indicators			
	Latest Available	Same Period Last Year	Y/y Change (bps)
Inflation*	14.45%	34.60%	-20.15%
GDP growth**	3.98%	3.86%	0.12%
MPR	27.00%	27.25%	-0.25%

\*November 2025 | \*\*3Q2025

Official Spot Exchange Rate (NGN)			
	Current Mid-Rate	Last Month	M/M Change
USDNGN	1444.29	1426.38	-1.24%
GBPNGN	1943.87	1896.79	-2.42%
EURNGN	1696.24	1645.47	-2.99%

\*Negative change means Depreciation while Positive change means Appreciation

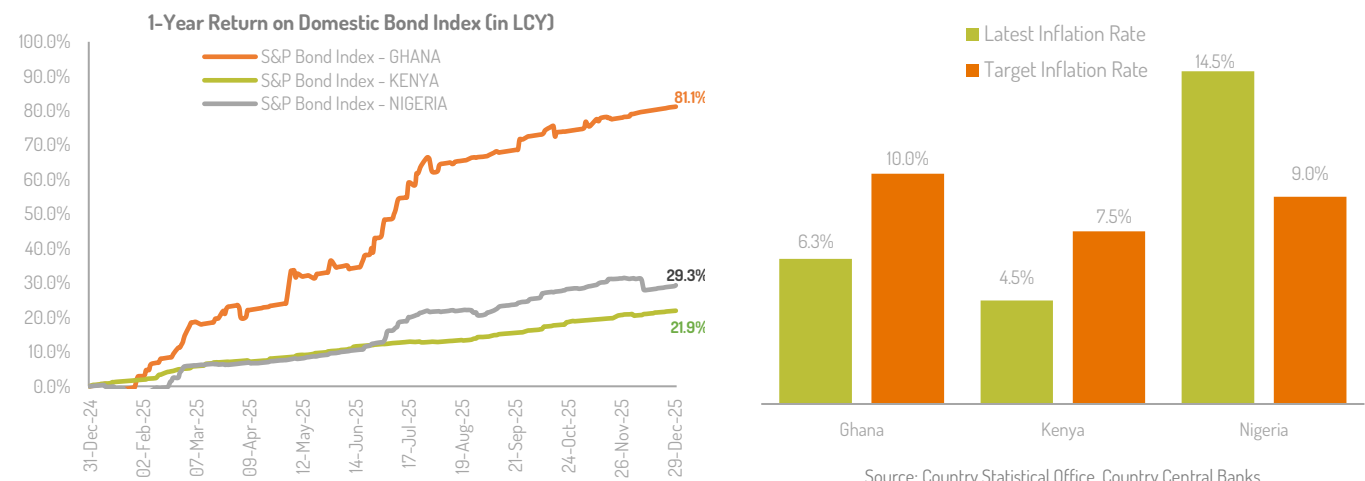


Local Currency Bonds (NGN)				Nigeria Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Apr-29	14.55%	94.10	16.92%	Nov-27	6.50%	5.67%
Feb-31	18.50%	104.54	17.11%	Sep-28	6.13%	5.86%
Apr-32	12.50%	82.50	17.12%	Mar-29	8.38%	6.07%
Feb-34	19.00%	108.92	16.92%	Feb-30	7.14%	6.10%
Jul-34	12.15%	79.87	16.64%	Jan-31	8.75%	6.55%
Mar-35	12.50%	80.08	16.81%	Feb-32	7.88%	6.86%
Mar-36	12.40%	79.51	16.62%	Sep-33	7.38%	7.02%
Apr-37	16.25%	99.11	16.41%	Feb-38	7.70%	7.59%
Jun-38	15.45%	96.10	16.18%	Nov-47	7.63%	8.14%
Jan-42	13.00%	84.14	15.73%	Jan-49	9.25%	8.32%
Apr-49	14.80%	99.09	14.93%	Sep-51	8.25%	8.41%
Mar-50	12.98%	86.21	15.12%			
Jun-53	15.70%	104.65	14.99%			

Source: FMDQ, Bloomberg, Central Bank of Nigeria, National Bureau of Statistics, IC Insights

Comparative Yields for Domestic Treasury Bonds in LCY and USD-adjusted Rates						
Ghana		Kenya		Nigeria		
	GHS Yield	USD-adjusted Yield	KES Yield	USD-adjusted Yield	NGN Yield	USD-adjusted Yield
2027	14.87%	7.62%	9.60%	3.71%	17.12%	3.15%
2028	14.90%	7.65%	10.16%	4.25%	16.92%	2.97%
2029	15.09%	7.83%	10.10%	4.19%	16.64%	2.73%
2030	15.20%	7.94%	10.83%	4.87%	16.96%	3.01%
2031	15.30%	8.03%	11.55%	5.56%	16.87%	2.92%
2032	15.57%	8.28%	12.25%	6.22%	16.63%	2.72%
2033	15.78%	8.48%	12.48%	6.44%	16.41%	2.52%

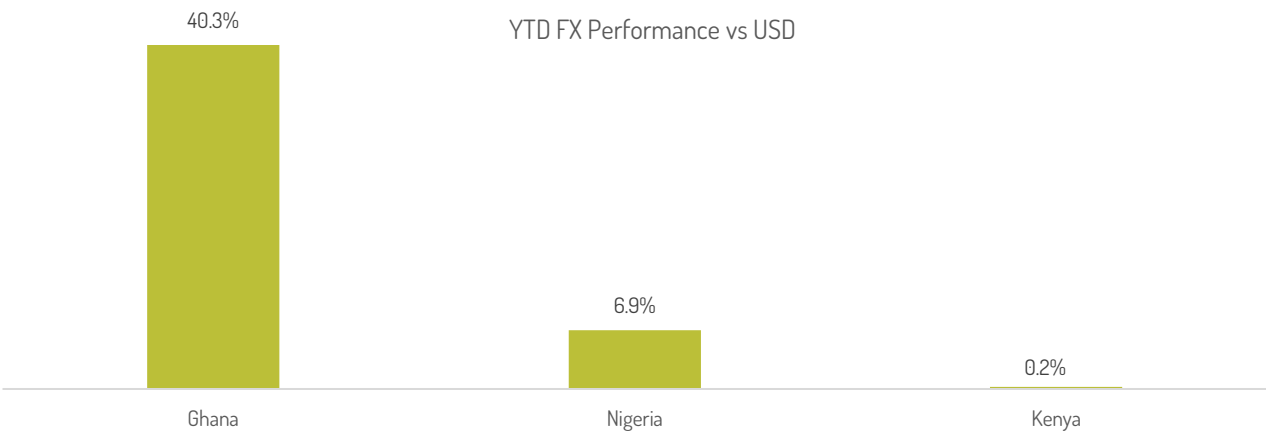
Source: Bloomberg, IC Insights



Source: S&P Global

Source: Country Statistical Office, Country Central Banks

	Comparative Currency Performance Dashboard								
	USD	m/m Change	YTD Change	GBP	m/m Change	YTD Change	EUR	m/m Change	YTD Change
Ghana	10.47	8.1%	40.3%	14.11	2.7%	30.4%	12.31	6.7%	23.7%
Kenya	128.99	0.5%	0.2%	173.55	-1.3%	-6.8%	151.34	-0.8%	-11.5%
Nigeria	1444.29	-1.2%	6.9%	1943.87	-2.4%	-0.6%	1696.24	-3.0%	-5.8%



Source: Bloomberg, IC Insights



## DEFINITION OF KEY CONCEPTS

Amortized cost (book value)	Valuation of bonds using the face value (par value) plus the interest spread over the bond's life
Appreciation	A gain in the value of a currency against another currency
Basis Points (bps)	Used to describe percentage change in the value of financial instruments. 0.01% equals 1bps
Bid	The demand or buy-side in a transaction
Bid-to-Cover Ratio	The amount of demand for a security against the amount accepted. It indicates demand condition
BOG	Bank of Ghana
CBK	Central Bank of Kenya
CBN	Central Bank of Nigeria
Coupon Rate	Interest rate paid on the face value of the bond purchased
Depreciation	A loss in the value of a currency against another currency
Exit bonds	New Treasury bonds created or restructured from the old bonds under the DDEP
Face Value (Par Value)	The amount repaid by the issuer of a bond when the bond matures
Fixed income security	A debt instrument that pays a fixed amount (interest) on a fixed (pre-determined) schedule until maturity
Liquidity	Volume of money supply or volume of trade executed in a particular bond. Use within a context
Mark-to-Market	Valuation of bonds using the current or prevailing market prices for the bonds
Maturity	When a security (bills/bonds) is due for repayment by the issuer to investors
Month-on-Month (m/m)	A change measured over a one-month period
Net-bid position	When the volume of securities demanded (bid) is greater than the volume offered for sale. Excess demand
Net-offered position	When the volume of securities offered for sale is greater than the volume demanded. Excess supply
Offer	The sell-side in a transaction
Old bonds	All pre-existing Treasury bonds not restructured under the domestic debt exchange programme (DDEP)
Subscription/Subscribe	The size of investor bids or demand at an auction
Tenor	The period from issuing a security (bills/bonds) to the repayment date (maturity)
Term-to-Maturity	The remaining life of a bond security until it matures. Can be measured in Days, Months, or Years
Treasury bills (T-bills)	Debt securities issued by the Government ("the Treasury") with maturity of 1-year or less
Treasury bonds & Notes	Debt securities issued by the Government with maturity of 2-year or longer
Uptake/Allotment	The amount of bid accepted in a bond or T-bills auction
Week-on-Week (w/w)	A change measured over a one-week period
Year-on-Year (y/y)	A change measured over a one-year (or 12-months) period
Year-to-Date (YTD)	The period from the last trading day of the previous year to the date of the report
Yield Curve	A graph which shows the interest rates for T-bills and bonds plotted against their respective maturities
Yield-to-Maturity (YTM)	The total return earned on a fixed income security (bills/bonds) if the security is held to maturity



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