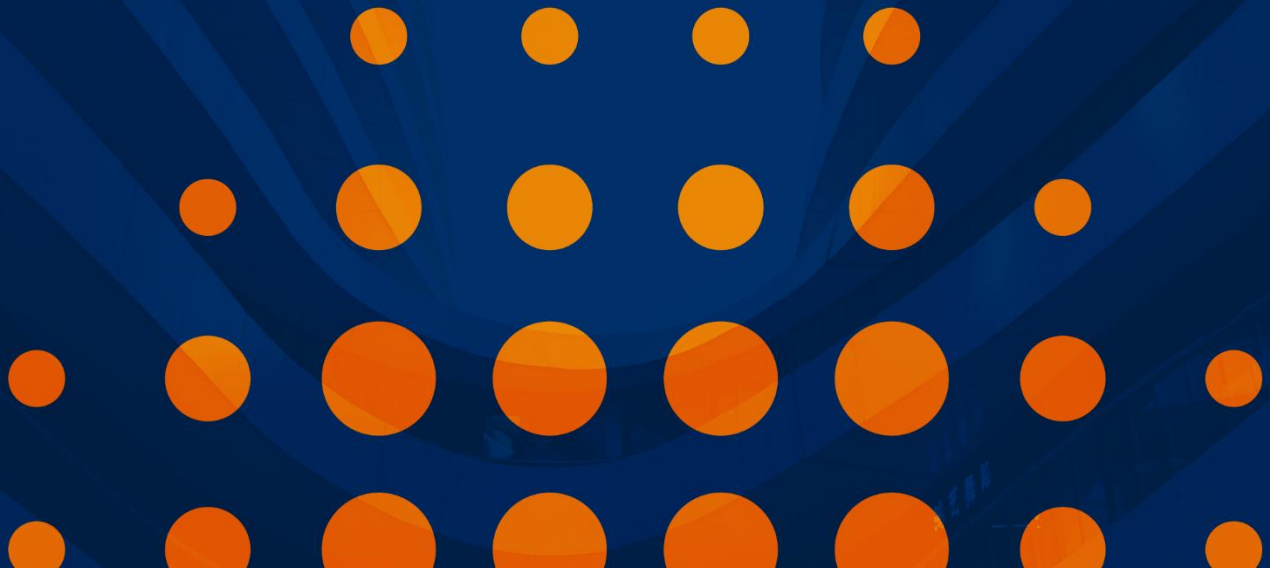




Market Insights | Pan-Africa | News & Analysis

IC FIXED INCOME & CURRENCY GUIDE

01 JUNE 2026



REPORT SUMMARY

COUNTRY	FIXED INCOME	CURRENCY
Ghana	<ul style="list-style-type: none"> • Tighter liquidity and inflation risk raise upside risk to yields. Ghana's T-bill primary market was well supported in May 2026, with most auctions oversubscribed and demand exceeding targets amid higher yields across the curve. While current bid levels should cover the larger maturities in June 2026, we believe the new CRR directive could divert liquidity from T-bills and lift yields further. • GRR Watch: We expect the Ghana Reference Rate for June 2026 to tick up by 14bps to 10.17% as higher CRR to 20% is only partly offset by marginally lower interbank interest rate and the 91-day yield. 	<ul style="list-style-type: none"> • Surging FX demand deepens pressure on the Cedi. The Ghanaian Cedi weakened 4.6% in May 2026 as corporate and portfolio-driven FX demand far exceeded the BOG's supply, with auction demand reaching nearly four times available liquidity. We expect pressure on the currency to persist in June 2026 as elevated energy prices continue to drive FX demand. The rapid pace of depreciation however leaves room for late-year correction.
Kenya	<ul style="list-style-type: none"> • Tighter refinancing conditions keep yields elevated. Investor demand for Kenyan T-bills improved in May 2026 but remained insufficient to fully cover maturities, while rising inflation expectations pushed yields higher. With maturities set to increase further in June, we expect continued auction pressure and elevated yields. 	<ul style="list-style-type: none"> • External pressures weigh mildly on the Shilling. The Kenyan Shilling eased 0.2% in May 2026 as renewed US dollar strength and external shocks offset April's gains. That said, resilient remittances, tourism receipts and agricultural exports continue to support stability, despite rising fuel costs weighing on reserves and trade balances.
Nigeria	<ul style="list-style-type: none"> • Supportive liquidity sustains demand despite softer bids. Favourable liquidity conditions continued to support Nigeria's T-bill market in May 2026, with demand comfortably covering the lower issuance targets despite weaker bids. Yield movements mirrored the prior month, as mid- to long-end rates eased while the front end remained broadly stable. 	<ul style="list-style-type: none"> • Stronger reserves continue to anchor the Naira. The Naira posted a modest 0.2% gain in May 2026 as higher oil earnings, improved investor participation and firmer FX reserves supported external liquidity. We expect relative stability to persist, although easing geopolitical tensions and weaker oil prices could temper FX inflows.

Ghana Market Commentary

Fixed Income

Ghana's Treasury primary market exhibited mixed performance in May 2026 as strong over-subscription in three out of the four auctions helped to lift demand an uptake above target. However, yields closed higher across the T-bill to bond segments of the curve, reflecting the tighter conditions and pricing-in of future inflation risk.

Total throughput of investor bids in May 2026 was worth GHS 22.3bn, rising by 28.4% month-on-month and exceeding the gross target by 23.1%. The 91-day tenor accounted for 62.5% of bids submitted, indicating continued and strategic liquidity preference by banks and fund managers with low-risk appetite holders supporting demand. The Treasury accepted GHS 19.9bn, rejecting GHS 2.4bn but exceeding the gross target by 9.9% and the maturing T-bill by 18.7%

Yields went up for the second consecutive month despite the over-subscription but at a slower pace than the prior month, suggesting a short-term peak has been reached. The yield uptick averaged 11bps in May 2026 (vs +27bps in April) with the 364-day yield gaining the most (+25bps).

We estimate upcoming maturities in June 2026 at GHS 24.75bn, representing a 47.4% month-on-month increase in rollover obligation which requires an average weekly bid of GHS 4.95bn to cover. The average weekly bid of GHS 5.58bn recorded in May 2026 suggests a likely success in maturity coverage. However, the Bank of Ghana's directive for banks to now maintain cash reserves in domestic currency (irrespective of deposit currency) could weaken demand for T-bills as banks flip liquidity into CRR compliance and pose upside risk to yields. **For Credits**, we expect a 14bps uptick in the Ghana Reference Rate to 10.17% in June 2026, reflecting the uptick in the CRR to 20.0% partly offset by downticks in the 91-day yield and the interbank interest rate.

Currency Market

The Ghanaian Cedi endured intensified depreciation in May 2026, losing 4.6% against the US Dollar as a surge in FX demand (from corporates and portfolio calls) outweighed supply, including the BOG's weekly support. Total FX demand at the weekly BOG FX auction was USD 3.83bn, nearly 3.8x the BOG supply with the unmet demand exerting pressure on the local currency. We foresee continued pressure on the Cedi as elevated energy prices sustains FX demand. The rapid pace of depreciation however leaves room for late-year correction.

Local Currency "General Category" Bonds (GHS)				Ghana Restructured Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Feb-27	8.35%	98.43	10.61%	DISCO BOND		
Feb-28	8.50%	94.50	12.11%	Jul-29	5.00%	5.62%
Feb-29	8.65%	91.50	12.42%	Jul-35	5.00%	6.65%
Feb-30	8.80%	87.46	13.16%	PAR BOND		
Feb-31	8.95%	84.75	13.41%	Jan-37	1.50%	6.99%
Feb-32	9.10%	81.62	13.85%	DOWN PAYMENT BOND		
Feb-33	9.25%	80.06	13.91%	Jul-26	Zero-coupon	4.61%
Mar-33	12.50%	97.25	13.11%	PAST DUE INTEREST (PDI) BOND		
Feb-34	9.40%	78.41	14.07%	Jan-30	Zero-coupon	3.0%
Feb-35	9.55%	76.59	14.34%			
Feb-36	9.70%	75.72	14.42%			
Feb-37	9.85%	75.33	14.44%			
Feb-38	10.00%	75.24	14.44%			

	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	4.91%	-1	-618
182-day	7.04%	8	-548
364-day	10.37%	25	-257

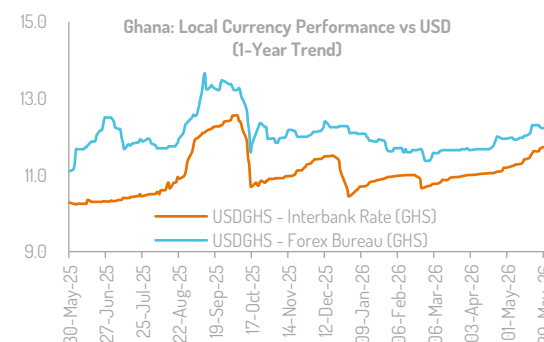
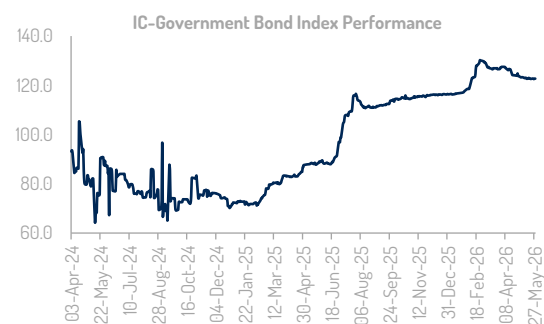
	Upcoming Maturities* (June-2026)	Upcoming Avg weekly Target*	M/M Change in Maturities
91-day	17,078.94		43.4%
182-day	6,947.30	5,442	173.8%
364-day	726.58		-69.0%

*GHS Million

Spot Exchange Rate (GHS)			
	Current Mid-Rate	Last Month	M/M Change*
USDGHS	11.74	11.19	-4.64%
GBP GHS	15.79	15.23	-3.55%
EUR GHS	13.68	13.13	-4.03%

*Negative change means Depreciation while Positive change means Appreciation

Performance of the IC Government Bond Index (IC-GBI)			
Month-End	Index Level (pts)	Yield-to-Maturity	YTD Return on Index
Feb-26	130.0	11.6%	11.7%
Mar-26	127.2	12.3%	9.3%
Apr-26	123.8	12.6%	6.3%
May-26	122.7	12.8%	5.4%



Kenya Market Commentary

Fixed Income

Demand conditions improved in May 2026 with investors submitting higher volume of bids at the weekly T-bill auctions compared to the prior month. However, the total bids remained insufficient to cover the T-bill maturities for the month with additional pressure of heightened inflation expectation pushing yields higher.

Investors tendered total bids worth KES 104.3bn (USD 805.4mn) across the three tenors, representing a 50.5% month-on-month increase in demand with bids almost evenly distributed across the 91-day to the 364-day tenor. Despite the improved demand, total bids fell short of the T-bill maturities for the month by 18.5%. The Treasury allotted KES 100.4bn (USD 774.6mn), slightly below total bids and was unable to cover the T-bill maturity obligation for the month. This resulted in a net redemption of KES 27.6bn, signalling elevated financing pressure for the Treasury amid spillover effects of the Middle East war.

Yields expectedly surged across the tenors as investors priced-in the elevated inflation risk amid the maturity redemptions. The 91-day recorded the steepest climb of 61bps to 8.39%, followed by the 182-day yield which gained 32bps to 8.21%. The 364-day yield also posted a 32bps gain to close at 8.59%. The relative pace of yield movements suggest that the Treasury and investors are pricing the energy-induced inflation shock as transitory.

Our estimate indicates a 10.5% m/m increase in T-bill maturities for June 2026 (KES 141.4bn) amid the generally tight demand conditions, which would sustain auction under-performance and elevated yields in the month ahead.

Currency Market

The Kenyan Shilling weakened marginally by 0.2% against the US Dollar in May 2026 largely due to spillovers from external events and US Dollar strength after posting moderate gains in April. That said, the Shilling remains broadly stable as diaspora remittances, tourism flow and agricultural exports continued to cushion against external financing pressure with FX reserve stable at USD 13.2bn (5.6 months of import over).

In the near-term, the weaker global backdrop with elevated fuel import costs will sustain the pressure on trade accounts with a drag on reserve build-up.

	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	8.39%	61	66
182-day	8.21%	32	41
364-day	8.59%	32	-62

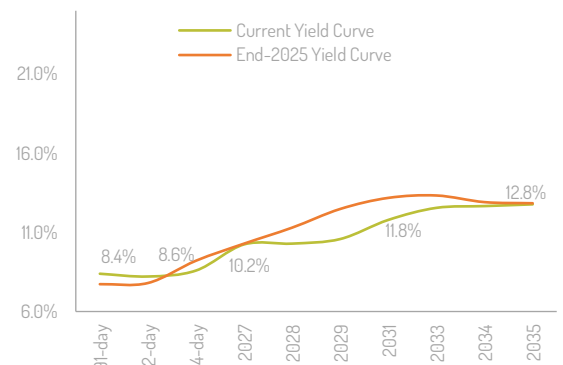
	Upcoming Maturities* (June-2026)	Upcoming Target* (This Week)	M/M Change in Maturities
91-day	35,187.47	24,000.00	-10.8%
182-day	18,851.61		56.1%
364-day	87,338.57		14.2%

*KES Million

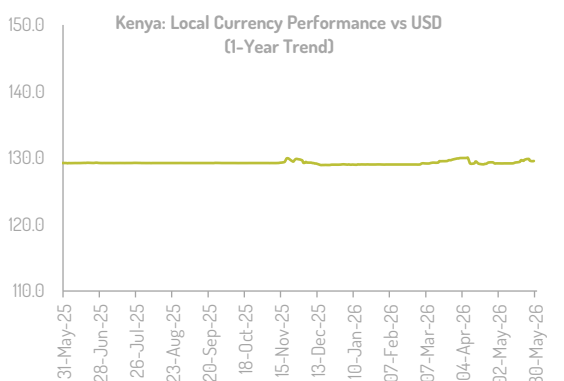
Spot Exchange Rate (KES)			
	Current Mid-Rate	Last Month	M/M Change*
USDKES	129.45	129.20	-0.19%
GBPKES	173.78	175.58	1.03%
EURKES	150.80	151.58	0.52%

*Negative change means Depreciation while Positive change means Appreciation

Kenya: Indicative Treasury Yield Curve (KES)



Local Currency Bonds (KES)				Kenya Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Jul-27	12.97%	103.86	10.24%	May-27	7.00%	6.49%
Feb-28	11.25%	101.89	9.99%	Feb-28	7.25%	6.86%
Aug-28	12.69%	104.61	10.28%	Feb-31	9.75%	7.65%
Dec-28	12.50%	104.09	10.60%	Apr-32	8.25%	7.63%
Feb-29	12.44%	104.23	10.58%	May-32	8.00%	7.64%
May-31	10.00%	93.44	11.79%	Oct-33	7.88%	7.97%
Nov-32	12.00%	98.10	12.43%	Jan-34	6.30%	7.95%
May-33	12.65%	100.45	12.55%	Feb-34	7.88%	8.28%
Jan-34	12.86%	100.70	12.70%	Mar-36	9.50%	8.78%
Mar-34	16.00%	115.79	12.74%	Feb-48	8.25%	8.82%
Jul-34	12.34%	98.81	12.54%			
May-35	11.25%	93.89	12.39%			



Source: Central Bank of Kenya, Bloomberg, IC Insights

Nigeria Market Commentary

Fixed Income

Money market conditions remained largely favourable in May 2026, supporting Nigeria’s Treasury bill issuances. We observed a sharp decline in investor bids across the tenor spectrum but overall demand was more than enough to cover the slightly lower auction target for the month. Yields moved in the same shape and direction as observed in the prior month, with middle to back-end of the T-bill curve rotating downwards while the front-end acted as the fulcrum.

Investors submitted total bids worth NGN 4.4 trillion (USD 3.2bn) across the 91-day to the 364-day tenors, representing a 17.3% month-on-month decline in total bids. The 182-day and 364-day tenors suffered the sharpest demand softening in value terms but attracted more than enough cover for each target size, underpinning the lower yields along this segment. However, bids for the 91-day came in below the offer size, constraining the Treasury’s capacity to suppress yield for this tenor, especially as near-term inflation uncertainty rises. The Treasury accepted NGN 1.56 trillion (USD 1.14bn) across all tenors with 82.2% allotted on the 364-day paper.

Yields ticked lower for the 182-day (17.57% | -6bps) and the 364-day (19.26% | -7bps) but remained unchanged for the second consecutive month for the 91-day tenor. In the near-term, we foresee continued stability in yields, especially at the front-end as inflation risk offsets Treasury’s yield compression.

Currency Market

The Naira continued its appreciation trend, albeit slower, in May 2026 with a 0.2% m/m advance against the US Dollar (YTD: +5.2%). This reflects stronger reserve dynamics helped by export earnings from elevated crude oil prices, improved foreign investor participation, and reduced pressure on official FX support. Gross FX reserves rebounded by over USD 550mn in the first 3-weeks of May 2026 to USD 48.9bn (on 30-day moving average), underscoring Nigeria’s improving external liquidity position after a sharp drop in April 2026.

We expect the Naira to remain relatively stable in June 2026 on the back of strong policy anchor, resilient FX reserve and elevated earnings from crude oil exports. However, a peace deal in the ongoing Middle East conflict would trigger a pullback in crude oil price and potentially slow export receipts.

	Nominal Yield	M/M Change (bps)	YTD Change (bps)
91-day	16.62%	NO CHNG	49
182-day	17.57%	-6	22
364-day	19.26%	-7	-197

Selected Macroeconomic Indicators

	Latest Available	Same Period Last Year	Y/y Change (bps)
Inflation*	15.69%	26.80%	-111%
GDP growth**	3.89%	3.13%	0.76%
MPR	26.50%	27.50%	-1.00%

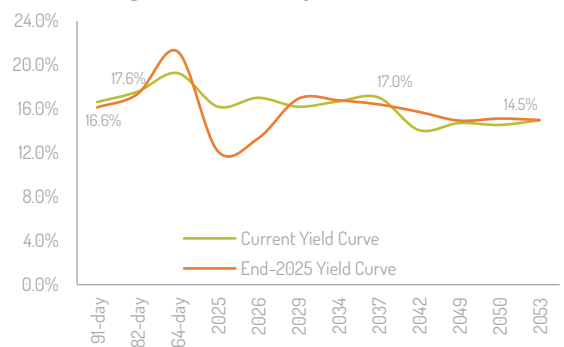
*April 2026 | **1Q2026

Official Spot Exchange Rate (NGN)

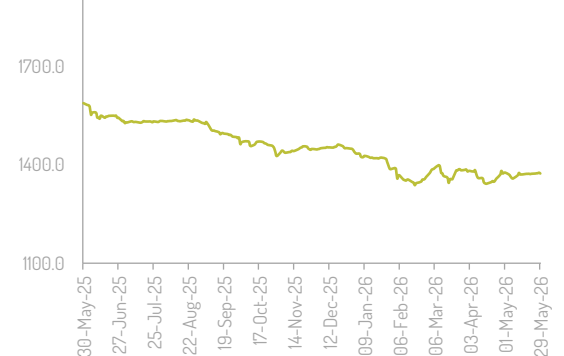
	Current Mid-Rate	Last Month	M/M Change
USDNGN	1373.22	1375.40	0.16%
GBPNGN	1847.87	1870.89	1.25%
EURNGN	1601.24	1613.76	0.78%

*Negative change means Depreciation while Positive change means Appreciation

Nigeria: Indicative Treasury Yield Curve (NGN)



Nigeria: Local Currency Performance vs USD (1-Year Trend)

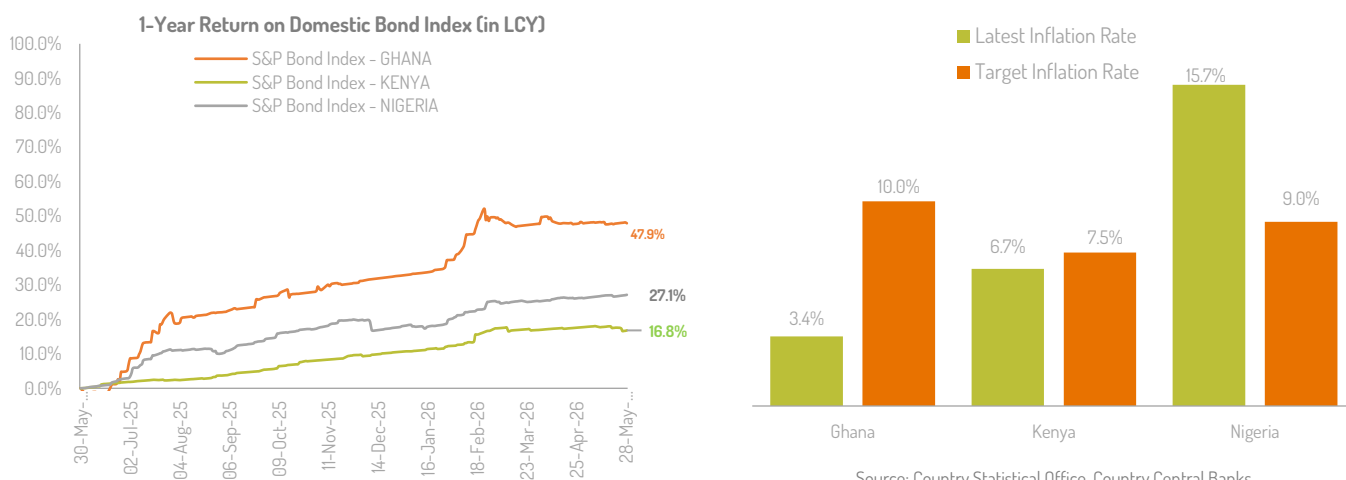


Local Currency Bonds (NGN)				Nigeria Eurobonds (USD)		
Maturity	Coupon	Price	Yield	Maturity	Coupon	Yield
Apr-29	14.55%	96.25	16.20%	Nov-27	6.50%	5.68%
Feb-31	18.50%	104.62	17.01%	Sep-28	6.13%	5.67%
Apr-32	12.50%	83.94	16.89%	Mar-29	8.38%	5.85%
Feb-34	19.00%	108.34	17.00%	Feb-30	7.14%	6.13%
Jul-34	12.15%	81.37	16.36%	Jan-31	8.75%	6.48%
Mar-35	12.50%	83.68	16.00%	Feb-32	7.88%	6.58%
Mar-36	12.40%	86.99	14.96%	Sep-33	7.38%	6.85%
Apr-37	16.25%	96.10	17.04%	Feb-38	7.70%	7.21%
Jun-38	15.45%	99.54	15.53%	Nov-47	7.63%	7.65%
Jan-42	13.00%	93.24	14.07%	Jan-49	9.25%	7.92%
Apr-49	14.80%	100.56	14.71%	Sep-51	8.25%	7.97%
Mar-50	12.98%	89.59	14.54%			
Jun-53	15.70%	104.88	14.95%			

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	10.61%	7.54%	10.24%	4.11%	16.89%	5.39%
2028	12.11%	9.00%	10.29%	4.16%	17.00%	5.49%
2029	12.42%	9.30%	10.58%	4.43%	16.36%	4.91%
2030	13.16%	10.02%	11.19%	5.00%	16.51%	5.04%
2031	13.41%	10.26%	11.79%	5.58%	16.50%	5.04%
2032	13.85%	10.69%	12.43%	6.18%	15.66%	4.28%
2033	13.91%	10.75%	12.55%	6.29%	15.95%	4.53%

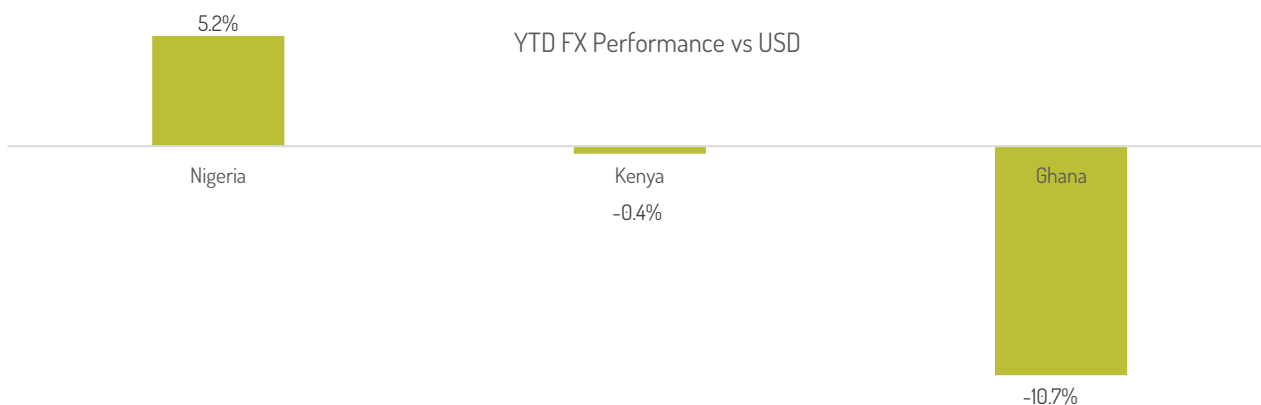
Source: Bloomberg, IC Insights



Source: S&P Global

Source: Country Statistical Office, Country Central Banks

Comparative Currency Performance Dashboard									
	USD			GBP	EUR				
	USD	m/m Change	YTD Change		m/m Change	YTD Change			
Ghana	11.74	-4.6%	-10.7%	15.79	-3.5%	-10.6%	13.68	-4.0%	-10.1%
Kenya	129.45	-0.2%	-0.4%	173.78	1.0%	-0.1%	150.80	0.5%	0.4%
Nigeria	1373.22	0.2%	5.2%	1847.87	1.2%	5.2%	1601.24	0.8%	5.9%



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
GHS	Ghanaian Cedi
KES	Kenyan Shilling
NGN	Nigerian Naira

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