WEEKLY ECONOMIC AND MARKET RECAP

NIGERIAN ECONOMY

According to the National Bureau of Statistics (NBS), headline inflation eased slightly by 2bps to 15.91% y/y in June from 15.93% y/y in May, marking the first decline after two consecutive months of increases. The moderation was driven by slower core inflation, which offset the rise in food inflation. Specifically, the food index increased by 56bps to 17.52% y/y from 16.96% y/y in May, mainly due to supply constraints caused by the lean season and persistent insecurity in major food-producing regions. In contrast, core inflation slowed by 90bps to 15.92% y/y from 16.82% y/y in May, reflecting weaker price pressures across insurance and financial services, recreation, sport and culture, alcoholic beverages, tobacco and narcotics, and restaurants and accommodation services.

On a month-on-month basis, headline inflation declined for the third consecutive month to 1.66% from 1.75% in May, largely supported by lower energy prices and a relatively stable exchange rate, which helped ease price pressures.

We expect consumer prices to rise modestly on a month-on-month basis, driven by elevated energy costs, slight naira depreciation, and lean-season pressures on food supply.

EQUITIES

The local bourse ended last week on a negative note as the All Share Index (NGX ASI) depreciated by -0.14% week-on-week to settle at 243,462.13 basis points with selloff seen in stocks such as BUACEMENT (-18.99%), REDSTAREX (-18.53%), INTENEGINS (-15.27%) and CILEASING (-13.28%).

Consequently, the Month-To-Date (MTD) return appreciated by +6.12%. The Year-To-Date (YTD) return remained positive settling at to +56.45% for the week. Market Capitalization settled at 157,057trn Naira at the close of the trading session.

Sector performance was negative last week as the NGX-Banking Index appreciated by (+9.30%). While NGX-Industrial Index and NGX-Consumer Goods Index depreciated by (-6.26%) and (-0.15%) respectively. NGX-Oil/Gas depreciated by (-0.11%).

GLOBAL ECONOMY

According to the Bureau of Labour Statistics (BLS), US headline inflation slowed for the first time in five months to 3.5% y/y in June from 4.2% y/y in May, coming in below market expectations of 3.8% y/y. The slowdown was mainly attributed to lower energy prices following the easing of the US-Iran conflict in June. In particular, energy price growth moderated to 15.7% y/y from 23.5% y/y in May, reflecting lower gasoline prices of 26.7% y/y compared with 40.5% y/y in May, and fuel oil prices of 42.9% y/y compared with 58.9% y/y previously. Food inflation also eased to 3.0% y/y in June from 3.1% y/y in May, supported by slower price increases for food away from home at 3.4% y/y versus 3.5% y/y in May, while food at home remained unchanged at 2.7% y/y.

ECONOMIC INDICATORS

Economic Indicators	Current	Previous
GDP Growth	3.89%	3.98%
Unemployment	4.3%	5.3%
MPR	26.50%	27.50%
External Reserve	$51.92billion	$51.89billion
Inflation	15.91%	15.93%

KEY METRICS

Metrics	Outcome
All-Share Index	243,462.13
WTD	-0.14%
MTD	6.12%
YTD	56.45%
52-week High	102401.88
52-week Low	24,026.05
Market Capitalization (N'trn)	157.057

SECTOR PERFORMANCE

Index	Wk. Close 10-07-2026	Wk. Close 17-07-2026	% WTD	% YTD
NGX-Banking	243,798.76	2,348.99	9.30	54.96
NGX-Industrial	10,713.01	10,042.21	-6.26	76.91
NGX Oil/Gas	5,255.03	5,249.44	-0.11	96.59
NGX-Consumer Goods	4,691.90	4,684.75	-0.15	17.84

Meanwhile, core inflation, which excludes volatile components, declined by 30bps to 2.6% y/y from 2.9% y/y in May, reflecting softer price increases across shelter, airline fares, apparel, medical care, and household furnishings and operations. On a month-on-month basis, consumer prices recorded a 0.4% decline in June, compared with a 0.5% increase in May, marking the first monthly decline since May 2020, mainly due to lower energy prices.

GLOBAL MARKET

Global equities traded mostly lower during the week as an extended selloff in semiconductor and AI-related stocks weighed on major markets, offsetting the positive impact of a softer-than-expected US inflation reading. Investors also monitored renewed US-Iran tensions, which pushed oil prices higher, while assessing the latest macroeconomic data and corporate earnings releases across major economies.

US markets closed bearish as the S&P 500 and Nasdaq depreciated by (-0.67%) and (-1.36%) respectively. Likewise S&P 500 declined by (-0.77%).

European equities FTSE 100 and CAC 40 appreciated by (+0.83%) and (+0.23%). While The Euro Stoxx depreciated by (-0.23%).

Asian markets, the Hang Seng appreciated by (+3.84%). While Nikkei 225 and China A50 depreciated0 by (-4.61%) and (-0.35%) respectively.

MONEY MARKET AND FIXED INCOME

MONEY MARKET

The Nigerian money market recorded improved funding conditions during the week, with the Open Repo (OPR) rate remaining unchanged at 22.00%, while the Overnight (O/N) rate declined to 22.13% from 22.23%, reflecting improved liquidity conditions in the interbank market.

This was supported by stronger system liquidity, which increased from N4.13trn in the previous week to N4.64trn, providing banks with sufficient funds and reducing short-term borrowing costs.

FGN BONDS AND TREASURY BILLS

The FGN bond market recorded mixed performance during the week, with yields declining across the short- and mid-term segments but increasing at the long end, reflecting selective investor positioning along the yield curve.

Average short-term bond yields fell by 14bps to 17.49%, while mid-term bond yields eased by 4bps to 18.07%, indicating sustained demand for these maturities. In contrast, long-term bond yields rose by 14bps to 16.43%, suggesting mild profit-taking or weaker demand for longer-duration instruments.

The Nigerian fixed income market maintained a bullish trend during the week as benchmark yields declined across both the Treasury bills and OMO bills segments. Average Treasury Bills yields fell by 13bps to 18.44% from 18.57%, while OMO Bills yields declined by 7bps to 21.32% from 21.39%, reflecting sustained investor demand for short-term fixed income instruments.

TOP GAINERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
FIRSTHOLDCO	69.20	95.95	26.75 ▲	38.66
THOMASWY	2.43	3.09	0.66 ▲	27.16
FIDELITYBK	19.00	21.85	2.85 ▲	15.00

TOP LOSERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANG E
BUACEMENT	340.20	275.60	-64.60 ▼	-18.99
REDSTAREX	24.55	20.00	-4.55 ▼	-18.53
INTENEGINS	5.50	4.66	-0.84 ▼	-15.27

FGN BOND

Maturity	Bid Yield	Offer Yield
NIGB 19.30% APR 29	18.00%	17.55%
NIGB 18.50% FEB 31	18.10%	17.75%
NIGB 17.95% JUN 32	18.30%	18.00%
NIGB 19.89% MAY 33	18.30%	18.00%
NIGB 19.00% FEB 34	18.30%	18.05%
NIGB 22.60% JAN 35	18.50%	18.20%
NIGB 16.25% APR 37	18.50%	18.00%
NIGB 15.70% JUN 53	15.20%	14.80%

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Nigerian Treasury Bill (NTB) Auction

The Central Bank of Nigeria conducted its second NTB auction for July on July 15, 2026, offering a total of N600bn. The auction recorded strong investor demand, with total subscriptions reaching N3.03trn, representing a bid-to-cover ratio of 5.06x. Demand was concentrated on the 364-day bill, which attracted N2.87trn in subscriptions, equivalent to a bid-to-cover ratio of 7.18x, prompting the CBN to allot N1.06trn. The stop rate declined by 4bps to 17.66%, reflecting strong investor appetite for longer-tenor instruments.

FOREIGN EXCHANGE

The naira weakened by 0.4% week-on-week to USD/NGN1,385.00, as stronger demand pressures outweighed the CBN's USD350.00 million intervention. Meanwhile, gross external reserves rose by USD146.50 million to USD51.92 billion as of 17 July 2026, extending their growth streak to ten consecutive weeks.

OIL PRICES AND COMMODITIES

Over the week, the West Texas Intermediate (WTI) Crude appreciated by +15.16% w/w to close at $68.67 per barrel. Gold depreciated by -2.50% to close at $4017.39 from $4,176.00.

Accordingly, the OPEC Basket price closed at $87.32 per barrel for the week indicating a +15.21% weekly gain.

TOP BUSINESS HEADLINES FOR THE WEEK

- Nigeria's crude oil production reached a 74-month high, surpassing the OPEC quota.
- Business confidence weakened as rising costs continued to pressure business operations.
- The Federal Government targets a GDP of N530tn by December and foreign reserves of $58bn.
- The CBN introduced a centralised system to monitor BDC transactions.

INTERBANK OFFERED RATE

	10-Jul-2026	17-Jul-2026	Change(%)
OBB	22.00	22.00	0.00
OVN	22.30	23.13	-0.10

OIL & COMMODITIES PRICES

Instrument	17-Jul-2026	10-Jul-2026	Change (%)
Brent Crude	87.32	72.00	+15.21
WTI Oil	82.06	68.67	+15.16
Gold	4017.39	4176.00	-2.50

FOREIGN EXCHANGE (Spot & Forward rate

Currency	Closing Rate ($/N)
NAFEM Window	1,380.18
GBP	1,918.95
EUR	1,626.06
CAD	1,030

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