

WEEKLY ECONOMIC AND MARKET RECAP

NIGERIAN ECONOMY

According to the Debt Management Office (DMO), Nigeria’s public debt rose by 4.7% q/q to NGN166.79 trillion in Q2-26, compared with NGN159.35 trillion in Q1-26. We believe the increase was largely driven by additional borrowing to meet government expenditure requirements amid persistent revenue constraints. Domestic debt, representing 54.9% of total public debt, increased by 4.8% q/q to NGN91.59 trillion from NGN87.40 trillion in Q1-26, supported by increases in both Federal Government debt (+5.0% q/q) and state and FCT debt (+1.5% q/q).

Meanwhile, external debt rose by 4.5% q/q to NGN75.20 trillion, following a 3.3% q/q decline to NGN71.95 trillion in Q1-26. In US dollar terms, external debt increased by 5.0% q/q to USD54.52 billion from USD51.90 billion, reflecting higher disbursements from multilateral lenders (+3.8% q/q), including USD907.09 million from the World Bank Group. This was complemented by increases in bilateral (+0.3% q/q), commercial (+8.4% q/q) and syndicated loans (+6.8% q/q), largely directed towards capital projects. On a year-on-year basis, total public debt increased by 9.4%.

EQUITIES

The local bourse ended last week on a negative note as the All Share Index (NGX ASI) depreciated by -0.52% week-on-week to settle at 250,808.27 basis points with sell-off seen in stocks such as SOVRENINS (-0.30%), ETRANZACT (-1.50%), LEARNAFRCA (-0.90%) and PZ (-7.40%).

Consequently, the Month-To-Date (MTD) return depreciated by -0.16%. The Year-To-Date (YTD) return remained positive settling at to +61.17% for last week. Market Capitalization settled at 162.84trn Naira at the close of the trading session.

Sector performance, the Banking (-1.3%), Consumer Goods (-0.9%) and Industrial Goods (-0.3%) indices closed lower, while the Insurance (+0.6%) index closed higher. The Oil & Gas index closed flat.

GLOBAL ECONOMY

According to Eurostat estimates, headline inflation in the Eurozone rose to 3.8% y/y in September, from 3.2% y/y in August and above the market consensus of 3.6% y/y. The September figure represented the highest inflation rate since September 2023, driven by increases in food and services inflation, alongside a significant rise in energy prices amid continued tensions in the Middle East. In particular, energy inflation accelerated to 18.8% y/y in September, from 14.3% y/y in August, marking its highest level in over three years.

Food inflation also increased to 1.4% y/y from 1.1% y/y, supported by a rise in unprocessed food inflation to 4.0% y/y from 2.7% y/y, which more than offset the moderation in processed food inflation to 0.4% y/y from 0.5% y/y. Services inflation likewise accelerated to 3.2% y/y, compared with 3.0% y/y in August. Meanwhile, core inflation, which excludes food and energy components, edged up to 2.5% y/y from 2.4% y/y in August, indicating a modest increase in underlying price pressures.

ECONOMIC INDICATORS

Economic Indicators	Current	Previous
GDP Growth	4.43%	3.98%
Unemployment	4.3%	5.3%
MPR	23.00%	26.50%
External Reserve	\$54.93billion	\$54.92billion
Inflation	15.39%	15.43%

KEY METRICS

Metrics	Outcome
All-Share Index	250,808.27
WTD	-0.52%
MTD	-0.16%
YTD	61.17%
52-week High	102401.88
52-week Low	24,026.05
Market Capitalization (N’trn)	162.843

SECTOR PERFORMANCE

Index	Wk. Close 25-09-2026	Wk. Close 02-10-2026	% WTD	% YTD
NGX-Banking	2,721.83	2,685.71	-1.33	77.18
NGX-Industrial	10,467.63	10,440.24	-0.26	83.92
NGX Oil/Gas	6,243.84	6,246.75	2.91	133.94
NGX-Consumer Goods	4,094.36	4,057.09	-0.91	2.05

GLOBAL MARKET

Global equities closed the week largely lower, as higher US Treasury yields weakened investor sentiment and placed pressure on equity valuations. The 10-year Treasury yield rose to its highest level since 2002, driven by persistent inflationary pressures, elevated oil prices and the Federal Reserve’s continued hawkish policy stance.

US markets, S&P 500 and Nasdaq appreciated by (+0.51%) and (+1.38%) respectively. While Dow Jones declined by (-0.51%).

European equities FTSE 100 and CAC 40 depreciated by (-1.67%) and (-2.92%). The Euro Stoxx declined by (-1.00%).

Asian markets, the Hang Seng depreciated by (-2.24%). The Nikkei 225 and China A50 appreciated by (+6.24%) and (+0.25%) respectively.

MONEY MARKET AND FIXED INCOME

MONEY MARKET

Money market rates remained relatively stable during the week following the CBN MPC’s recent adjustment to the MPR.

The Open Repo Rate (OPR) remained unchanged at 20.40%, while the Overnight (O/N) rate increased to 20.80%.

We expect money market conditions to remain subdued this week, with rates likely to remain around current levels.

FGN BONDS AND TREASURY BILLS

The FGN bond secondary market closed on a bearish note, with the average yield across instruments rising by 10bps to 15.8%, following profit-taking by local investors after the recent repricing of bonds in response to the rate cut.

Along the benchmark curve, average yields declined at the short end (-11bps), supported by demand for the MAR-2027 (-80bps) bond, while yields increased across the mid (+14bps) and long (+8bps) segments, reflecting selling pressure on the JUN-2032 (+61bps) and SEP-2036 (+20bps) bonds.

The Treasury bills secondary market maintained a bullish tone, with the average yield across all instruments declining by 25bps to 18.0%. By segment, average NTB secondary market yields fell by 8bps to 17.8%, reflecting modest buying interest across the curve.

Similarly, average OMO secondary market yields declined by 95bps to 18.8%, as investors continued to adjust to the lower interest rate environment, while unmet demand from the Wednesday, 30 September OMO auction supported activity in the secondary market.

At the OMO PMA, the CBN offered NGN2.50 trillion in bills, receiving NGN6.40 trillion in bids and ultimately allotting NGN4.69 trillion. Stop rates settled at 17.24%, 16.94% and 16.23% for the 147-, 182- and 266-day tenors, respectively.

TOP GAINERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
ABCTTRANS	5.10	7.40	2.30	▲ 45.10
CMFC	3.26	4.49	1.23	▲ 37.73
LIVINGTRUST	2.60	3.45	0.85	▲ 32.69

TOP LOSERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
SOVRENINS	2.40	2.10	-0.30	▼ -12.50
ETRANZACT	12.50	11.00	-1.50	▼ -12.00
LEARNAFRCA	8.60	7.65	-0.95	▼ -11.05

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%

FOREIGN EXCHANGE

The naira weakened by 0.1% w/w to NGN1,332.00/USD, as renewed demand for foreign currency outweighed the effect of the CBN’s USD100 million intervention.

Meanwhile, gross external reserves rose by USD62.17 million to USD54.93 billion as of 30 September 2026.

In the forwards market, the naira depreciated in the 1-month contract (-9bps to NGN1,350.62/USD), while it appreciated across the 3-month (+4bps to NGN1,385.61/USD), 6-month (+28bps to NGN1,434.30/USD), and 1-year (+78bps to NGN1,529.80/USD) contracts.

OIL PRICES AND COMMODITIES

Over the week, the West Texas Intermediate (WTI) Crude depreciated by -1.70% w/w to close at \$90.47 per barrel. Gold depreciated by -3.39% to close at \$4,137.26 from \$4,282.44.

Accordingly, the OPEC Basket price closed at \$108.76 per barrel for the week indicating a -0.23% weekly loss.

TOP BUSINESS HEADLINES FOR THE WEEK

- Nigeria faces crude supply constraints as refinery demand approaches 1.5m bpd.
- Free zones attract \$200bn in FDI and generate 500,000 jobs – FG.
- CBN records \$6.3bn portfolio inflows, strengthens dollar position.
- FG seeks fresh \$1.5bn World Bank loan.

INTERBANK OFFERED RATE

	25-Sept-2026	02-Oct-2026	Change(%)
OPR	20.40	20.4	0.00
O/N	20.77	20.80	0.14

OIL & COMMODITIES PRICES

Instrument	25-Sept-2026	02-Oct-2026	Change (%)
Brent Crude	103.75	101.1	-2.55
WTI Oil	92.03	90.47	-1.70
Gold	4,282.44	4,137.26	-3.39

FOREIGN EXCHANGE (Spot & Forward rate

Currency	Closing Rate (\$/N)
NAFEM Window	1,332.00
GBP	1,765.92
EUR	1496.19

For enquiries, please contact us at:
Phoenix Global Capital Markets Limited
9a, Sir Samuel Manuwa Street,
Victoria Island,
Lagos,
Nigeria.
Email: info@phoenixcapital.africa
Website: www.phoenixcapital.africa

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