

WEEKLY ECONOMIC AND MARKET RECAP

NIGERIAN ECONOMY

According to data from FMDQ, total inflows into the Nigerian Foreign Exchange Market (NFEM) declined by 23.3% m/m to USD5.12 billion in September, from USD6.68 billion in August. The decline was driven by lower inflows from both domestic and foreign sources, which accounted for 40.2% and 59.8% of total inflows, respectively. Specifically, domestic FX inflows fell by 31.3% m/m to USD2.06 billion in September, from USD3.00 billion in August, marking the lowest level in three months. This reflected reduced inflows across the CBN (-52.2% m/m), Individuals (-45.8% m/m), non-bank corporates (-23.2% m/m) and exporters/importers (-18.6% m/m) segments.

Similarly, foreign FX inflows declined by 16.9% m/m to USD3.06 billion, from USD3.68 billion in August. Lower inflows from foreign portfolio investors (-18.1% m/m) and foreign direct investment (-58.3% m/m) outweighed the 43.0% m/m increase recorded in the other corporate segment.

EQUITIES

The local bourse ended last week on a negative note as the All Share Index (NGX ASI) depreciated by -0.97% week-on-week to settle at 248,363.55 basis points with sell-off seen in stocks such as CMFC (-20.27%), ABCTRANS (-18.24%), JAPAUFGOLD (-11.11%) and FIDELITYBK (-10.64%).

Consequently, the Month-To-Date (MTD) return depreciated by -1.13%. The Year-To-Date (YTD) return remained positive settling at to +59.60% for last week. Market Capitalization settled at 161.26trn Naira at the close of the trading session.

Sector performance, the Banking (-2.64%), Consumer Goods (-058%) and Oil & Gas (-3.85%) indices closed lower, while the Industrial Goods (+0.02%) index closed higher.

GLOBAL ECONOMY

According to the United States Department of Labor, initial jobless claims declined by 2,000 to 197,000 in the week ended 3 October, below market expectations of 200,000. This marked the lowest level since mid-July, when claims stood at 189,000. On a non-seasonally adjusted basis, the largest declines were recorded in Hawaii (-249), Michigan (-176) and Maryland (-118), while California (+4,578), Illinois (+1,154) and New York (+985) recorded the highest increases. Meanwhile, the four-week moving average fell by 2,500 to 198,000, from 200,500 in the previous week.

According to Eurostat, Euro Area retail sales grew by 0.8% y/y in August, compared with 0.4% y/y in July. The increase suggests a modest improvement in consumer spending. By category, sales of food, drinks and tobacco rose by 1.6% y/y (July: +1.2% y/y), while non-food sales increased by 1.7% y/y (July: +0.4% y/y). In contrast, automotive fuel sales declined by 3.7% y/y (July: -2.9% y/y). Across major economies, retail sales in France rose by 1.3% y/y (July: +2.6% y/y), while Germany and Spain recorded declines of 0.4% y/y and 0.6% y/y, respectively.

ECONOMIC INDICATORS

Economic Indicators	Current	Previous
GDP Growth	4.43%	3.98%
Unemployment	4.3%	5.3%
MPR	23.00%	26.50%
External Reserve	\$55.07billion	\$55.05billion
Inflation	15.39%	15.43%

KEY METRICS

Metrics	Outcome
All-Share Index	248,363.55
WTD	-0.97%
MTD	-1.13%
YTD	59.60%
52-week High	102401.88
52-week Low	24,026.05
Market Capitalization (N'trn)	161.260

SECTOR PERFORMANCE

Index	Wk. Close 02-10-2026	Wk. Close 02-10-2026	% WTD	% YTD
NGX-Banking	2,685.71	2,614.79	-2.64	72.50
NGX-Industrial	10,440.24	10,442.50	0.02	83.96
NGX Oil/Gas	6,246.75	6,005.98	-3.85	124.92
NGX-Consumer Goods	4,057.09	4,033.36	-0.58	1.46

On a m/m basis, retail sales increased by 0.1% in August, following a 0.6% decline in July. The growth was supported by non-food products (+0.5% m/m) and food sales (+0.1% m/m), offsetting a 1.9% m/m decline in automotive fuel sales.

GLOBAL MARKET

Global equities recorded mixed performance last week, as losses in semiconductor stocks towards the end of the week offset earlier gains in technology shares.

US markets, S&P 500 and Dow Jones appreciated by (+0.54%) and (+1.26%) respectively. While Nasdaq declined by (-0.59%).

European equities Euro Stoxx and CAC 40 depreciated by (-0.65%) and (-0.02%). The FTSE 100 appreciated by (+1.50%).

Asian markets, the Hang Seng appreciated by (+0.96%). The Nikkei 225 and China A50 depreciated by (-1.31%) and (-1.29%) respectively.

MONEY MARKET AND FIXED INCOME

MONEY MARKET

System liquidity weakened during the week, with balances declining to N3.71 trillion from N4.86 trillion in the previous week.

Despite the tighter liquidity position, the Open Repo Rate (OPR) remained unchanged at 20.40%, while the overnight (O/N) rate increased by 5bps to 20.85%, indicating only a marginal adjustment in short-term funding costs.

We expect further declines in system liquidity to exert upward pressure on money market rates.

FGN BONDS AND TREASURY BILLS

The FGN bond secondary market closed the week on a bearish note, with the average yield rising by 25bps to 16.1%, as profit-taking by domestic investors outweighed demand from offshore investors.

Across the benchmark curve, yields increased by 31bps in the short-term segment, 29bps in the mid-term segment and 14bps in the long-term segment. The movement was driven by selloffs in the MAR-2027 (+138bps), MAR-2036 (+48bps) and APR-2037 (+50bps) bonds, respectively.

We expect bond yields to trade within a narrow range in the near term as investors reassess valuations in response to prevailing economic conditions.

The Treasury bills secondary market recorded mixed movements during the week, with the average benchmark yield on Nigerian Treasury Bills (NTBs) increasing by 11bps to 17.98%, while OMO bills' average yield declined by 5bps to 18.51%. The increase in NTB yields reflected tighter system liquidity, whereas OMO yields edged lower.

Nigerian Treasury Bill (NTB) Auction - The October 7 NTB auction recorded selective investor demand, with N1.77trn in subscriptions against N900bn offered, resulting in a bid-to-cover ratio of 1.97x.

TOP GAINERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
LIVESTOCK	8.90	13.15	4.25	▲ 47.75
TRIPPLEG	2.33	3.09	0.76	▲ 32.62
GUINEAINS	0.72	0.93	0.21	▲ 29.17

TOP LOSERS

COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
CMFC	4.49	3.58	-0.91	▼ -20.27
ABCTRANS	7.40	6.05	-1.35	▼ -18.24
JAPAULGOLD	2.88	2.56	-0.32	▼ -11.11

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%

The 364-day tenor attracted N1.68trn in subscriptions, with a bid-to-cover ratio of 2.40x, while the 91-day and 182-day bills were undersubscribed at 0.39x and 0.47x, respectively. The stop rate on the 364-day bill declined by 4bps to 15.85%, while rates on the 91-day and 182-day bills remained unchanged at 15.50% and 15.80%, respectively. The results indicate continued investor preference for longer-dated bills.

FOREIGN EXCHANGE

The naira strengthened by 3bps w/w to NGN1,331.56/USD, supported by the CBN's USD300.00 million intervention to meet domestic FX demand. Gross external reserves also increased by USD140.41 million to USD55.07 billion as of 8 October 2026.

In the forwards market, the naira weakened across all tenors, depreciating by 18bps to NGN1,353.04/USD in the 1-month contract, 24bps to NGN1,389.00/USD in the 3-month contract, 39bps to NGN1,439.86/USD in the 6-month contract, and 72bps to NGN1,540.95/USD in the 1-year contract.

OIL PRICES AND COMMODITIES

Over the week, the West Texas Intermediate (WTI) Crude appreciated by +1.40% w/w to close at \$91.74 per barrel. Gold appreciated by +1.29% to close at \$4,190.71 from \$4,137.26.

Accordingly, the OPEC Basket price closed at \$104.36 per barrel for the week indicating a +1.29% weekly gain.

TOP BUSINESS HEADLINES FOR THE WEEK

- Pension assets increase by N480 billion in four months to reach N31.8 trillion.
- FG reclaims 50 oil fields from defaulting awardees, reinforces the ‘Drill-or-Drop’ policy.
- NNPC Pushes Sustained Drilling To Meet Crude Production Target.

INTERBANK OFFERED RATE

	02-Oct-2026	09-Oct-2026	Change(%)
OPR	20.4	20.40	0.00
O/N	20.80	20.85	0.05

OIL & COMMODITIES PRICES

Instrument	02-Oct-2026	09-Oct-2026	Change (%)
Brent Crude	101.1	104.36	3.22
WTI Oil	90.47	91.74	1.40
Gold	4,137.26	4,190.71	1.29

FOREIGN EXCHANGE (Spot & Forward rate

Currency	Closing Rate (\$/N)
NAFEM Window	1,331.19
GBP	1,758.50
EUR	1,490.23

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