

WEEKLY ECONOMIC AND MARKET RECAP

NIGERIAN ECONOMY

According to the National Bureau of Statistics (NBS), headline inflation declined for the fourth consecutive month, easing by 76bps to 14.63% y/y in September (August: 15.39% y/y), its lowest level since October 2020. The decline was driven by a sharper moderation in core inflation, which outweighed the slight increase in food inflation. Specifically, food inflation edged up by 2bps to 19.59% y/y (August: 19.57% y/y), despite a 1.55% m/m decline in food prices (September 2025: -1.57% m/m), indicating that underlying food price pressures remain high. Meanwhile, core inflation eased by 34bps to 12.95% y/y (August: 13.29% y/y), reflecting lower price pressures in furnishings & household equipment, health, and clothing & footwear.

On a month-on-month basis, headline inflation slowed for the sixth consecutive month to 0.06% in September (August: 0.71% m/m), its lowest reading since January 2026. This moderation was driven by sharp declines in farm produce (-2.86% m/m) and food prices (-1.55% m/m), likely reflecting increased seasonal harvest supplies, despite higher energy (+5.38% m/m) and core (+1.11% m/m) prices, with transport (+1.47% m/m) leading the latter.

EQUITIES

The local bourse ended last week on a negative note as the All Share Index (NGX ASI) depreciated by -0.33% week-on-week to settle at 247,539.73 basis points with sell-off seen in stocks such as UPDCREIT (-11.88%), ENAMELW (-9.95%), NASCON (-9.48%) and TRANSEXPR (-9.09%).

Consequently, the Month-To-Date (MTD) return depreciated by -1.46%. The Year-To-Date (YTD) return remained positive settling at to +59.07% for last week. Market Capitalization settled at 160.725trn Naira at the close of the trading session.

Sector performance, the Industrial Goods (+0.004%), Consumer Goods (+0.09%) and Oil & Gas (+3.13%) indices closed higher, while the Banking (-3.15%) index closed lower.

GLOBAL ECONOMY

According to the Bureau of Labor Statistics (BLS), US headline inflation increased by 30bps to 3.7% y/y in September (August: 3.4% y/y), exceeding market expectations of 3.6% y/y. The increase largely reflected rising energy prices linked to the ongoing Middle East conflict, which outweighed the moderation in food inflation. Specifically, the energy index rose by 20.4% y/y (August: 16.3% y/y), driven by higher gasoline (+34.2% y/y vs August: +27.4% y/y) and fuel oil (+74.2% y/y vs August: +52.0% y/y) prices.

However, food inflation continued its downward trend, easing to 2.5% y/y in September (August: 2.7% y/y), as slower price increases for food at home (+1.8% y/y vs August: +2.2% y/y) offset higher prices for food away from home (+3.5% y/y vs August: +3.4% y/y). Meanwhile, core inflation, excluding food and energy, rose by 20bps to 2.6% y/y (August: 2.4% y/y), driven by faster price increases in shelter and education & communication.

ECONOMIC INDICATORS

Economic Indicators	Current	Previous
GDP Growth	4.43%	3.98%
Unemployment	4.3%	5.3%
MPR	23.00%	26.50%
External Reserve	\$55.09billion	\$55.09billion
Inflation	14.63%	15.39%

KEY METRICS

Metrics	Outcome
All-Share Index	247,539.73
WTD	-0.33%
MTD	-1.46%
YTD	59.07%
52-week High	102401.88
52-week Low	24,026.05
Market Capitalization (N'trn)	160.725

SECTOR PERFORMANCE

Index	Wk. Close 09-10-2026	Wk. Close 16-10-2026	% WTD	% YTD
NGX-Banking	2,614.79	2,532.47	-3.15	67.07
NGX-Industrial	10,442.50	10,442.95	0.004	83.97
NGX Oil/Gas	6,005.98	6,194.00	3.13	131.96
NGX-Consumer Goods	4,033.36	4,036.97	0.09	1.55

On a month-on-month basis, consumer prices increased by 0.6% in September (August: 0.4% m/m), mainly due to higher gasoline prices.

GLOBAL MARKET

Global equities traded without a clear direction last week, as resilient corporate earnings and a shift towards non-technology sectors were offset by selloffs in semiconductor and AI-related stocks.

US markets, (DJIA: +0.9%; S&P 500: +1.2%; NASDAQ: +0.6%).

European equities FTSE 100 and CAC 40 appreciated by (+0.93%) and (+0.47%). The FT Euro Stoxx depreciated by (-1.08%).

Asian markets, the Hang Seng depreciated by (-0.50%). The Nikkei 225 and China A50 depreciated by (4.20%) and (-2.84%) respectively.

MONEY MARKET AND FIXED INCOME

MONEY MARKET

Money market liquidity improved significantly during the week, with system liquidity increasing to N6.28trn from N3.71trn in the previous week, supported by primary-market repayments and high placements at the Standing Deposit Facility (SDF), which stood at N6.08trn on Friday.

In response to the improved liquidity conditions, the Open Repo Rate (OPR) declined by 40bps to 20.00%, while the overnight (O/N) rate fell by 47bps to 20.38%, reflecting lower short-term funding pressure (see Table 7 below).

We expect money market rates to remain close to the 20% floor of the policy corridor.

FGN BONDS AND TREASURY BILLS

The FGN bond secondary market traded bearishly, with the average yield across instruments rising by 26bps to 16.4%, as investors continued to reprice the yield curve following the rate cut and ahead of substantial issuances in Q4-26.

Across the benchmark curve, average yields increased in the short (+16bps), mid (+32bps) and long (+19bps) segments, reflecting selloffs in the MAR-2027 (+103bps), MAY-2033 (+68bps) and SEP-2036 (+56bps) bonds, respectively.

The secondary bills market remained largely stable during the week, with average NTB benchmark yields declining by 1bp to 17.97%, while OMO bill yields increased by 2bps to 18.53%. These marginal changes indicate limited repricing across the short-term fixed-income market, as investors maintained their positions amid prevailing monetary policy conditions and liquidity trends.

We expect yields to remain range-bound, with movements influenced by system liquidity.

Nigerian Treasury Bill (NTB) Auction- The October 14, 2026, NTB auction recorded selective investor interest, with total subscriptions reaching N1.03trn against the N450bn offered, resulting in an overall bid-to-cover ratio of 2.29x.

TOP GAINERS				
COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
LIVESTOCK	13.15	19.00	5.85	▲ 44.49
ETRANZACT	12.10	17.30	5.20	▲ 42.98
MULTITREX	0.42	0.60	0.18	▲ 42.86

TOP LOSERS				
COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
UPDCREIT	24.00	21.15	-2.85	▼ -11.88
ENAMELW	40.70	36.65	-4.05	▼ -9.95
NASCON	188.90	171.00	-17.90	▼ -9.48

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%

Demand was concentrated in the 364-day tenor, which attracted N982.21bn in subscriptions and recorded a bid-to-cover ratio of 2.81x, while the 91-day and 182-day bills were undersubscribed at 0.40x and 0.60x, respectively. The stop rate for the 364-day bill rose by 5bps to 15.90%, while rates for the shorter tenors remained unchanged at 15.50% and 15.80%, respectively.

We expect demand to remain concentrated in the 364-day tenor, with stop rates staying around current levels.

FOREIGN EXCHANGE

The naira depreciated by 0.1% w/w to NGN1,333.09/USD, as renewed domestic demand outweighed the impact of the CBN’s USD430.60 million intervention. Meanwhile, gross external reserves increased by USD27.75 million to USD55.09 billion as of 15th October 2026. In the forwards market, the naira appreciated across the 1-month (+1bp to NGN1,352.89/USD), 3-month (+8bps to NGN1,370.80/USD), 6-month (+22bps to NGN1,436.75/USD) and 1-year (+65bps to NGN1,531.01/USD) contracts.

We expect the naira to remain broadly stable around current levels in the near term, supported by strong external reserves and a continued current account surplus.

OIL PRICES AND COMMODITIES

Over the week, the West Texas Intermediate (WTI) Crude appreciated by +5.85% w/w to close at \$97.11 per barrel. Gold depreciated by -0.61% to close at \$4,165.15 from \$4,190.71.

Accordingly, the OPEC Basket price closed at \$107.9 per barrel for the week indicating a +3.48% weekly gain.

TOP BUSINESS HEADLINES FOR THE WEEK

- Fitch revises Nigeria’s outlook to positive, affirms ‘B’ rating.
- FG seeks more World Bank funding for infrastructure.
- Nigeria’s oil output surges to 1.72m barrels in September.
- FG approves new grid to curb collapses.

INTERBANK OFFERED RATE

	09-Oct-2026	16-Oct-2026	Change(%)
OPR	20.40	20.00	-0.40
O/N	20.85	20.38	-0.47

OIL & COMMODITIES PRICES

Instrument	09-Oct-2026	16-Oct-2026	Change (%)
Brent Crude	104.36	107.9	3.48
WTI Oil	91.74	97.11	5.85
Gold	4,190.71	4,165.15	-0.61

FOREIGN EXCHANGE (Spot & Forward rate

Currency	Closing Rate (\$/N)
NAFEM Window	1,334.20
GBP	1764.44
EUR	1490.63

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