

WEEKLY ECONOMIC AND MARKET RECAP

NIGERIAN ECONOMY

According to the Central Bank of Nigeria (CBN), Credit to the Private Sector (CPS) declined by 0.6% m/m to NGN83.93 trillion in September (August: NGN84.47 trillion). The decline likely reflects the lagged impact of tight monetary policy, as elevated borrowing costs continued to weigh on credit demand and lending activity. Meanwhile, credit to the government rose by 19.3% m/m to NGN39.40 trillion (August: NGN33.04 trillion), indicating increased domestic borrowing.

Currency in circulation grew by 1.5% m/m to NGN5.52 trillion (August: NGN5.44 trillion), reflecting a slight increase in cash outside the banking system. Overall, broad money supply (M3) increased by 5.4% m/m to NGN146.60 trillion (August: NGN139.09 trillion), supported by growth in quasi money (+1.0% m/m to NGN96.95 trillion) and narrow money (+2.2% m/m to NGN44.05 trillion). Year-on-year, credit to the private sector rose by 15.7% (September 2025: NGN72.53 trillion).

EQUITIES

The local bourse ended last week on a negative note as the All Share Index (NGX ASI) depreciated by -0.13% week-on-week to settle at 247,222.27 basis points with sell-off seen in stocks such as UPDCREIT (-17.26%), OMATEK (-12.50%), UPL (-12.12%) and REGALINS (-11.25%).

Consequently, the Month-To-Date (MTD) return depreciated by -1.46%. The Year-To-Date (YTD) return remained positive settling at to +58.87% for last week. Market Capitalization settled at 160.519trn Naira at the close of the trading session.

Sector performance, the Industrial Goods (+1.95%) index closed higher, while the Banking (-0.67%), Consumer Goods (-0.55%) and Oil & Gas (-2.55%) indices closed lower.

GLOBAL ECONOMY

According to the Office for National Statistics (ONS), UK headline inflation climbed to an eleven-month high of 3.5% y/y in September (August: 3.1%), exceeding market expectations of 3.4%. The increase was driven by higher energy costs and services inflation, while food inflation remained unchanged. Energy inflation accelerated to 17.9% y/y (August: 13.8%), reflecting the continued pass-through of elevated global energy prices amid persistent Middle East tensions. Services inflation, a key measure of domestic price pressures, rose to 3.7% y/y (August: 3.4%), as higher transport prices outweighed declines in health and education costs.

Food inflation remained at 1.3% y/y, as lower prices for beef, chocolate assortments and fizzy drinks offset increases in cakes, tarts and sweet pies. Core inflation, which excludes energy, food, alcohol and tobacco, increased to 2.8% y/y (August: 2.6%), indicating a modest rise in underlying price pressures. Month-on-month, consumer prices rose by 0.4% in September (August: 0.5%).

ECONOMIC INDICATORS

Economic Indicators	Current	Previous
GDP Growth	4.43%	3.98%
Unemployment	4.3%	5.3%
MPR	23.00%	26.50%
External Reserve	\$55.16billion	\$55.15billion
Inflation	14.63%	15.39%

KEY METRICS

Metrics	Outcome
All-Share Index	247,222.27
WTD	-0.13%
MTD	-1.46%
YTD	58.87%
52-week High	102401.88
52-week Low	24,026.05
Market Capitalization (N'trn)	160.519

SECTOR PERFORMANCE

Index	Wk. Close 16-10-2026	Wk. Close 23-10-2026	% WTD	% YTD
NGX-Banking	2,532.47	2,515.47	-0.67	65.94
NGX-Industrial	10,442.95	10,646.68	1.95	87.56
NGX Oil/Gas	6,194.00	6,035.77	-2.55	126.04
NGX-Consumer Goods	4,036.97	4,014.81	-0.55	0.99

GLOBAL MARKET

Global equities traded mixed during the week, as renewed concerns about the scale of AI-related spending triggered selloffs in technology and semiconductor stocks.

US markets, Dow Jones appreciated by (+0.48%). While the (S&P 500: -0.84%; NASDAQ: -1.80%) depreciated.

European equities depreciated (FTSE 100: -0.19%, CAC 40: -0.19%, and FT Euro Stoxx: -0.66%).

Asian markets, the Hang Seng depreciated by (-4.03%). The Nikkei 225 and China A50 depreciated by (-4.18%) and (-2.42%) respectively.

MONEY MARKET AND FIXED INCOME

MONEY MARKET

The OVN rate declined by 2bps w/w to 20.3%, as inflows from OMO maturities (NGN2.07 trillion) and NTB maturities (NGN698.05 billion) were outweighed by OMO outflows (NGN2.63 trillion) and FGN bond debits (NGN2.02 trillion).

Meanwhile, average system liquidity increased to a net long position of NGN6.66 trillion from NGN5.83 trillion, largely supported by persistently high balances at the Standing Deposit Facility window.

We expect money market rates to remain stable around the lower end of the policy corridor.

FGN BONDS AND TREASURY BILLS

The FGN bond secondary market closed bearish, with average yields rising by 1bp w/w to 16.4%, as investors remained cautious ahead of the bond auction. Along the benchmark curve, average yields rose at the short (+13bps) and long (+6bps) ends, driven by selloffs in the MAR-2028 (+42bps) and JUL-2042 (+65bps) bonds, respectively, while the mid-segment yield declined by 5bps following demand for the MAY-2029 bond (-18bps).

On Monday, the DMO reopened the FEB-2034, SEP-2036 and JUN-2038 bonds, offering NGN1.75 trillion. Demand reached NGN1.75 trillion, while competitive allotments amounted to NGN1.21 trillion. Stop rates on the SEP-2036 and JUN-2038 bonds rose by 50bps and 34bps to 17.29% and 17.19%, respectively, while the FEB-2034 bond settled at 16.99%.

Government borrowing may keep yields elevated, while monetary policy, foreign inflows and disinflation could limit further increases.

The Treasury bills secondary market traded bullish, with average yields declining by 4bps to 18.2%. Average NTB yields, however, rose by 5bps to 17.9% amid selective selling, while OMO yields fell by 21bps to 18.5% on strong reinvestment demand and ample liquidity. At the OMO PMA, the CBN offered NGN2.00 trillion, attracting NGN2.73 trillion in bids and allotting NGN2.63 trillion. Stop rates settled at 17.63% for the 138-day tenor and 17.14% for the 180-day tenor.

We expect mixed trading, with OMO bills likely to attract stronger demand due to higher yields.

TOP GAINERS				
COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
ABCTRAN	6.05	7.30	1.25	▲ 20.66
AVACAP	6.20	7.30	1.10	▲ 17.74
CAVERTON	4.10	4.80	0.70	▲ 17.07

TOP LOSERS				
COMPANY	OPEN	CLOSE	GAIN (N)	% CHANGE
UPDCREIT	21.15	17.50	-3.65	▼ -17.26
OMATEK	1.60	1.40	-0.20	▼ -12.50
UPL	4.95	4.35	-0.	▼ -12.12

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 depreciated by 3.8% w/w to NGN1,385.05/USD, as domestic demand outweighed the CBN’s USD200.00 million intervention. Meanwhile, gross external reserves rose by USD52.90 million to USD55.15 billion as of 21 October 2026. In the forwards market, the naira weakened across the 1-month (-3.2% to NGN1,397.04/USD), 3-month (-3.1% to NGN1,432.31/USD), 6-month (-3.2% to NGN1,484.84/USD) and 1-year (-3.2% to NGN1,581.68/USD) contracts.

We expect the naira to remain broadly stable near current levels, supported by foreign reserves and a sustained current account surplus.

OIL PRICES AND COMMODITIES

Over the week, the West Texas Intermediate (WTI) Crude appreciated by +6.52% w/w to close at \$103.44 per barrel. Gold depreciated by -3.72% to close at \$4,010 from \$4,165.15.

Accordingly, the OPEC Basket price closed at \$117.13 per barrel for the week indicating a +8.46% weekly gain.

TOP BUSINESS HEADLINES FOR THE WEEK

- SEC to unveil 10-year capital market master plan.
- FG targets 20 million investors, 250 listed companies by 2036.
- FG targets 250,000 bpd from 22 oil blocks, to withdraw idle licences Oct 31.
- Nigeria’s money supply rises to N147tn in September.

INTERBANK OFFERED RATE

	16-Oct-2026	23-Oct-2026	Change(%)
OPR	20.00	20.00	0.00
O/N	20.38	20.36	-0.02

OIL & COMMODITIES PRICES

Instrument	16-Oct-2026	23-Oct-2026	Change (%)
Brent Crude	107.9	117.13	8.46
WTI Oil	97.11	103.44	6.52
Gold	4,165.15	4,010	-3.72

FOREIGN EXCHANGE (Spot & Forward rate

Currency	Closing Rate (\$/N)
NAFEM Window	1,361.84
GBP	1820.79
EUR	1,524.56

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