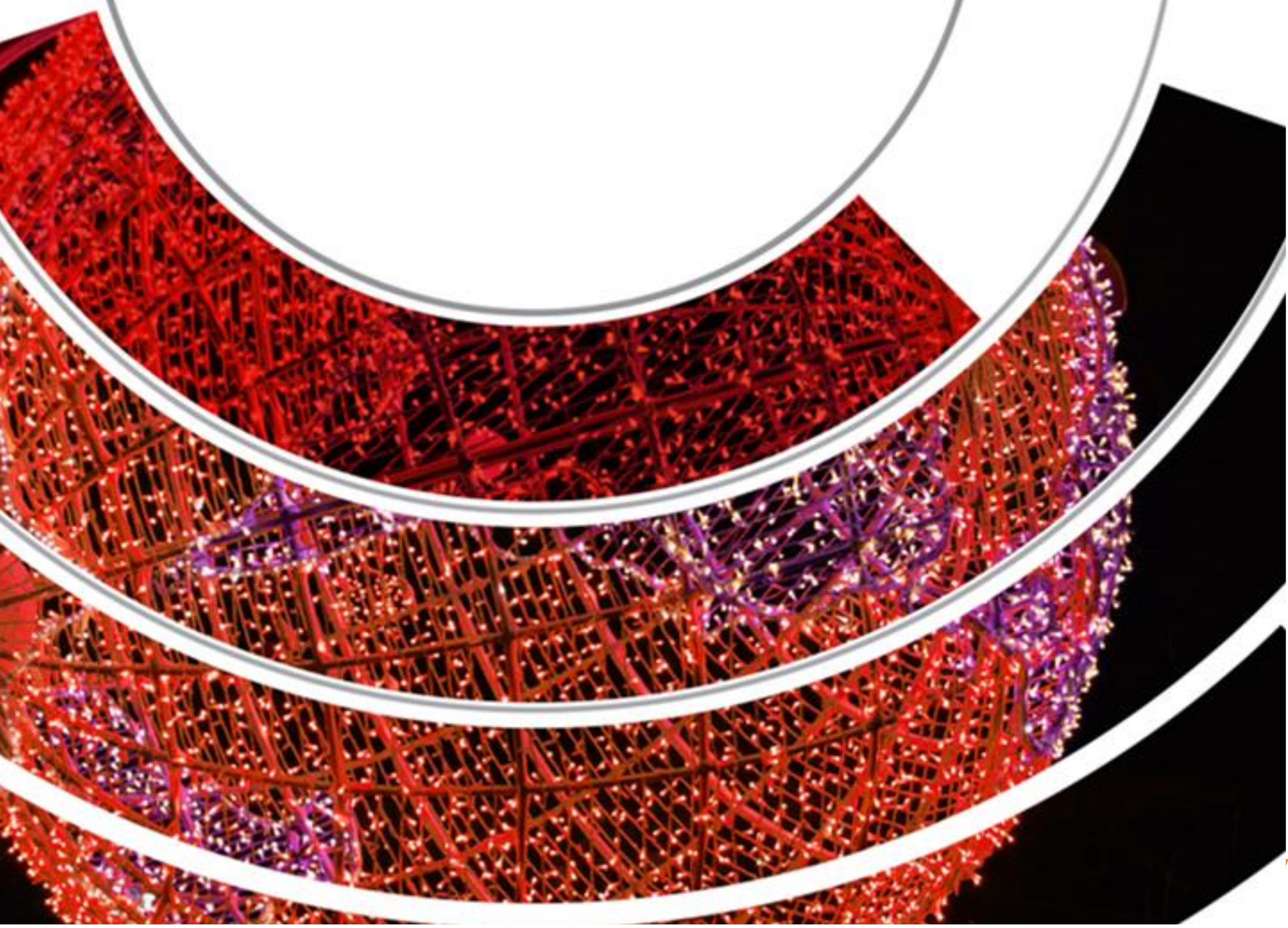
WEEKLY FINANCIAL MARKET REVIEW

6th – 10th October 2025



NIGERIA ECONOMIC DASHBOARD

		Current	Previous
01	Brent crude ($/pb)	$62.77	$65.43
02	NAFEM Rate (N/$)	$1,485.00	$1,469.00
03	Inflation	20.12%	21.88%
04	GDP growth	4.23%	3.13%
05	MPR	27.00%	27.50%
06	NGX cap (N'trn)	93.30	91.14
07	External Debt size ($'bn)	46.98	45.98
08	Ext. reserves ($'bn)	42.58	42.44
09	Unemployment	4.30%	5.30%

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GLOBAL ECONOMY & MARKETS

US: US jobless claims ticks higher amid government shutdown

- US initial jobless claims rose to a seasonally adjusted 235,000 for the week ending October 4, up from 224,000 the previous week, according to estimates from JPMorgan and Goldman Sachs. The modest increase is an indication of the effect of the ongoing government shutdown weighing on the labor market. The uptick was attributed to the temporary layoffs among government contractions. Economists noted that affected government contractors filing for unemployment benefits are the driving factor behind the increase.
- The government shutdown, which has led to a delay in key economic data releases, has created uncertainty for the Federal Reserve as it monitors inflation and labor market performance. While jobless claims remain within their recent range, a continued increase could signal a slowdown in labor demand, particularly in sectors tied to federal contracts. However, the labor market remains resilient supported by steady private sector hiring and firm consumer spending, but economists warn that an extended shutdown could weaken business confidence and weaken the resistance in the short term.

Europe: Eurozone inflation rises above ECB target as economic sentiment edges up

- Germany has raised its 2025 growth forecast to 0.2%, supported by a €500 billion government spending plan aimed at revitalizing the economy. The plan focuses on infrastructure and defense investments to drive recovery after years of sluggish growth following the COVID-19 pandemic and political tensions. While extra spending is expected to support long-term growth and domestic demand, trade tensions, particularly stemming from U.S. tariffs and Chinese industrial overcapacity, continue to weigh on Germany's export-oriented industries which is traditionally the country's key growth driver as recent data showed 4.3% decline in industrial output in August, underscoring the continued strain on manufacturing.
- Further projections from the economic ministry growth is projected to improve to 1.3% in 2026 and 1.4% in 2027, driven largely by private and public consumption with less reliance on exports. Inflation is expected to fall in line with the European Central Bank's target of 2% averaging 2.1% in 2025, while unemployment, which recently exceeded 3 million, is set to ease gradually from 6.3% this year to 6.0% by 2027. Overall, while the plans laid out offers a path toward recovery, weakness in the industrial sector poses a risk to the projected growth in the economy.

Asia: Japan's production price levels hold steady in September

- Japan's producer prices rose 2.7% year-on-year in September 2025, matching the pace in August but surpassing market expectations of 2.5%, signalling persistent cost pressures across several industrial factors. The price pressures were broad-based with notable gains in beverages and food (4.7%), non-ferrous metals (9.6%), and general-purpose machinery (3.4%), while costs for transport equipment (2.0%) and metal products (2.6%) eased slightly. Meanwhile, declines deepened in iron and steel (-6.7%), chemicals (-3.9%), and petroleum and coal products (-1.8%), reflecting continued softening in global commodity prices.
- On a monthly basis, producer prices also picked up momentum as it rose 0.3%, reversing a 0.2% fall in August and outpacing expectations of a 0.1% uptick. This highlights ongoing supply chain cost adjustments amid a weaker yen and steady domestic demand. Although some industries are experiencing relief, constraints on the supply-side and weakened currency may keep price levels elevated, influencing product pricing going forward.

Africa: Egypt's inflation eases to its lowest level in three years

- Egypt's annual inflation rate eased for the fourth consecutive month to 11.7% in September 2025, down from 12.0% in August, marking the lowest reading since March 2022. The moderation was largely driven by a sharp slowdown in food inflation, which fell to 1.4%, its weakest pace since April 2024. Price pressures also softened across key categories, including transport (26.1% vs 26.8%), restaurants and hotels (13.3% vs 13.8%), furnishings (12.9% vs 13.4%), and communications (12.0% vs 12.1%). However, housing (18.2% vs 16.2%) and clothing (14.9% vs 14.8%) saw slight upticks.
- On a monthly basis, however, the CPI accelerated from 0.4% in August the fastest pace in four months reflecting renewed price pressures in select segments. Meanwhile, core inflation stood at 11.3% year-on-year, continuing to trend lower after peaking above 40% in mid-2023. Whilst the latest data underscores a steady disinflation trend, price stability remains fragile in the coming months.

US Market

- For the week, the major U.S. indexes closed negative, the S&P 500 was down by -2.43% to close at 6,552.52, the blue-chip Dow Jones Industrial Average was down by -2.76% to close at 45,479.61, while the tech-heavy Nasdaq Composite dell by -2.27% to close the week at 24,221.75.
- Stocks settled decidedly lower for the week after a rapid decline on Friday following President Donald Trump's threat of higher tariffs on China, in which he accused the country of "becoming very hostile" with its restrictions on rare earth metals, a key resource for the tech and defence industries. Trump accused China of holding the globe "captive" using its rare earths metals resources. Earlier this week, China tightened their control on the market requiring foreign entities to get a license from Beijing to export anything that contains rare earths worth 0.1% or more of the value of the goods.
- The setback with China came as the U.S. government shutdown dragged into its 10th day on Friday, adding to the bearish sentiment to close out the week. The Senate failed for a seventh time Thursday to pass duelling stop-gap funding proposals that would have put an end to the stoppage. At this point, there have been no signs that Republicans and Democrats have made meaningful progress on negotiations.

European Market

- Stocks listed in Europe dropped week on week after U.S. President Donald Trump threatened China with a fresh wave of tariff increases. On a week-on-week basis, the U.K.'s FTSE 100 lost -0.67% to settle at 9,427.47, Germany's DAX fell by -0.56% to close at 24,241.46, France's CAC 40 lost -2.02% to close at 7,918.00 and the pan-European Stoxx 600 index also closed in the red by -1.10% to 564.17.
- Money markets are also weighing the fallout of China's fresh export controls on rare earth minerals, which are critical in the manufacturing of various defence technologies as well as other widely used consumer goods. Mining stocks in Europe lost ground on Friday amid the developments in Beijing, with the Stoxx Europe Basic Resources index shedding over 2.7%. It marked a reversal from gains seen earlier this week after the European Union announced plans to increase steel tariffs.
- Yields on 10-year German bunds, often considered a benchmark for the eurozone, fell 8 basis points to 2.635% while in the U.K., 10-year gilt yields dropped 8 basis points to 4.754%.

Asian Market

- Asian stocks closed mixed week on week. Hong Kong's Hang Seng Index fell by -3.13% and closed at 26,290.32, the Kospi index was up by 1.73% to close at 3,610.60 and Japan's Nikkei 225 gained 5.07% to settle at 48,088.75. The Topix rose by 2.19% to close at 3,197.59.
- Shares of South Korean chipmakers SK Hynix and Samsung Electronics hit record highs Friday, after a near-weeklong holiday, boosted by a series of artificial intelligence deals. Nvidia shares are also up 2.6% this week, after CEO Jensen Huang told CNBC that demand has risen in recent months. Huang also confirmed the company's involvement in funding Elon Musk's artificial intelligence startup, xAI, and said that he's "super excited about the financing opportunity they're doing."

DOMESTIC ECONOMY & MARKETS

Nigeria's public debt hits N152.4 trillion by June 2025

- Nigeria's total public debt has climbed to N152.40 trillion as of June 30, 2025, up from N149.39 trillion at the end of March. This is according to the latest figures from the Debt Management Office (DMO). The figure represents a quarterly increase of N3.01 trillion, equivalent to 2.01%, while in dollar terms the debt stock rose from $97.24 billion to $99.66 billion, reflecting a 2.49% increase.
- Nigeria's external debt stood at $46.98 billion (N71.85 trillion) in June, up from $45.98 billion (N70.63 trillion) in March. The DMO report shows that multilateral lenders remain the largest creditors, accounting for 49.4% of external obligations. On the domestic side, total obligations reached N80.55 trillion by June, an increase of N1.79 trillion from N78.76 trillion in March. Federal Government bonds dominated the portfolio with N60.65 trillion, representing 79.2% of total domestic debt.
- Of the N152.40 trillion debt stock, the Federal Government was responsible for N141.08 trillion, which amounts to 92.6% of the total. This was made up of N64.49 trillion in external obligations and N76.59 trillion in domestic debt.

Nigeria's PMI climbs to 54.0 in September 2025

- Nigeria's economy sustained its upward momentum in September 2025, evidenced by an increase in the Purchasing Managers' Index (PMI) to 54.0 points. This rise indicates a stronger expansion in business activity across key sectors. According to the latest PMI report published by the Central Bank of Nigeria (CBN), the index climbed from 51.7 points recorded in August, marking the tenth consecutive month of expansion.
- This improvement reflects broad-based growth across the Industry, Services, and Agriculture sectors, highlighting the resilience of the Nigerian economy during the third quarter of 2025. The Composite PMI growth in September, along with gains in its three major sectoral indices (Industry, Services, and Agriculture), signals a solid upturn in overall economic activity. The data points to increased production, stronger demand, and improved supply chain performance, suggesting enhanced operational efficiency among businesses.
- The PMI is a key indicator of economic health, as readings above 50 signify expansion. Nigeria's 54.0 reading in September indicates continued improvement in output, new orders, and employment. This sustained expansion is a positive sign for investors and policymakers, pointing to growing business confidence, improved supply chain efficiency, and a stable macroeconomic environment as the country heads into the final quarter of 2025.

Fitch affirms Nigeria's 'B' rating

- Fitch Ratings has affirmed Nigeria's Long-Term Foreign-Currency Issuer Default Rating (IDR) at 'B' with a Stable Outlook, citing improved foreign exchange liquidity and ongoing monetary and fiscal reforms, while warning that weak governance and high inflation remain key credit challenges. According to the global rating agency's latest review, Nigeria's rating is supported by its large economy, a liquid domestic debt market, and substantial oil and gas reserves. However, it noted that persistent inflation, revenue weakness, and security issues continue to weigh on the country's credit profile.
- Fitch observed that recent reforms by the Central Bank of Nigeria (CBN) have strengthened foreign exchange market operations, resulting in better liquidity and relative naira stability. However, the agency cautioned that data transparency and quality concerns continue to pose risks to policy credibility. According to Fitch, Nigeria's inflation rate remains one of the highest among 'B'-rated peers, despite signs of moderation. Inflation stood at 20% in August 2025, down from an average of 33% in 2024, and is projected to fall to 17% by 2027. The report said the CBN's decision to cut its policy rate by 50 basis points to 27% in September, the first cut since 2020, reflects efforts to balance monetary easing with naira stability and disinflation goals. Fitch maintained Nigeria's Environmental, Social and Governance (ESG) Relevance Score at '5' for political stability, institutional quality, and control of corruption, citing persistent institutional weaknesses and uneven rule of law enforcement.

Money Market

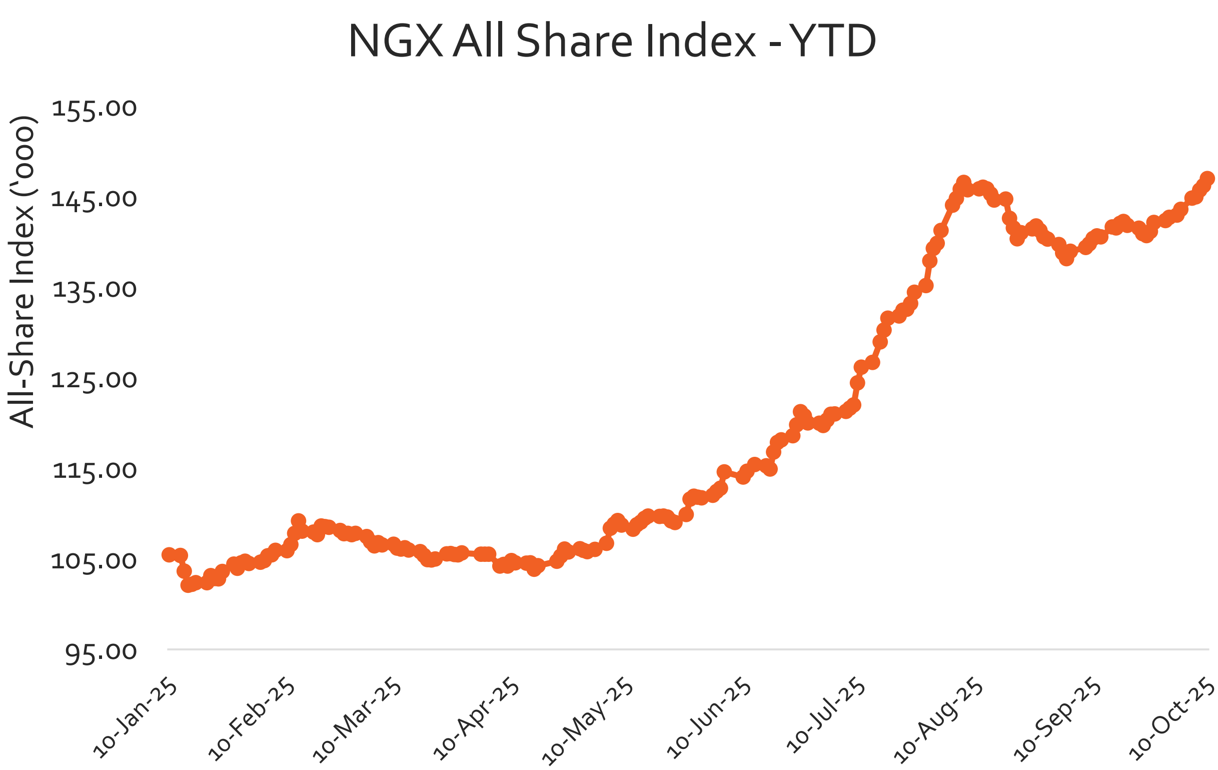
- Liquidity in Nigeria's financial market kicked off the week with a net positive balance of ₦5.1 trillion, highlighting the heightened level of liquidity in the system. Liquidity was further buoyed with OMO and Treasury Bills maturities hitting the system over the week. In a bid to combat the excess liquidity, the CBN executed liquidity management initiatives. Series of OMO auction was held during the week, additionally, a Treasury Bill auction was held to mop up the excess cash. Despite the mop-up actions, the Standing Deposit Facility (SDF) utilization still averaged higher than the Standing Lending Facility (SLF), as banks parked cash with the CBN. On the last trading day of the week, liquidity within the system closed at ₦3.39 trillion, reflecting the mop-up efforts of the apex bank. Banking rates were relatively stable over the week. The Open Buy Back (OBB) rate remained unchanged at 24.50% (flat), marking the third week of being flat. The Overnight (O/N) rate on the other hand rose by 8 basis points to settle at 24.97% for the week.
- At the Treasury Bills Primary Market Auction held on Wednesday, October 8, 2025, the CBN offered and allotted ₦570 billion worth of bills, with total subscriptions reaching ₦1.06 trillion, highlighting investors strong demand for near term liquidity instruments. Consequently, the bid-to-cover ratio settled at 1.87. Stop rates recorded a cut across the 182- and 364-day bill, while the 91-day bill printed flat. The 91-day cleared at 15.00% (flat), while the 182-day and 364-day closed at 15.25% (-5 basis points) and 15.77% (-101 basis points) respectively.
- The Treasury Bills secondary market closed on a bearish note during the review week, reflecting increased investor interest in the market. The downward movement in yields caused the average benchmark yield to settle at 17.39%, losing 56.76 basis points, compared to 17.96% recorded in the previous week.
- The CBN conducted three OMO auctions during the week, with a total offering of ₦1.8 trillion (₦600, ₦600 and ₦600 billion respectively), while investors subscriptions totaled ₦10.64 trillion (₦4.1, ₦4.4, and ₦2.08 trillion respectively), reflecting strong investor interest. However, the CBN only allotted ₦5.3 trillion (₦998 billion, ₦3.05 and 1.28 trillion respectively) despite liquidity in the market, suggesting a cautions liquidity management system.
- In the OMO secondary market, bullish sentiment persisted throughout the week, as yields trended downward at the close of every trading session. The sustained buy interest is attributed to the OMO auctions conducted during the week. Consequently, the average benchmark yield dipped by 12.86 basis points to 20.46% from 20.59% recorded in the prior week.

Fixed Income Market

- The secondary bond market sustained its bullish momentum this week, as investors continued to take positions across maturities. Market activity was broad-based in the review week, reflecting improved confidence in the fixed income space.
- At the end of the week, the average benchmark yield dipped by 32.68 basis points to settle at 15.84% in contrast to 16.17% in the preceding week.
- Buy interest was notable across the curve, as short-term bonds closed at 16.07% (-57.50 bps). Mid-term instruments closed at 15.92% (-23.67 bps) and long-term instruments closed at 15.56% (-29.67 bps).

The Equities Market

- The Nigerian equities market maintained its bullish momentum this week, as the NGX All-Share Index advanced by 2.37% to close at 146,988.04 points, in the same vein market capitalization rose to ₦93.30 trillion. This positive sentiment reflects sustained investor interest across key sectors in the market.
- Market breadth closed positively as fifty-one (51) equities appreciated in price during the week, lower than fifty-three (53) equities in the previous week. On the other hand, forty-one (41) equities depreciated in price, lower than forty-three (43) equities in the previous week, while fifty-five (55) equities remained unchanged, higher than fifty-one (51) recorded in the previous week.
- A total turnover of 2.286 billion shares worth N90.280 billion in 138,177 deals was traded this week by investors on the floor of the Exchange, in contrast to a total of 8.403 billion shares valued at N115.501 billion that exchanged hands last week in 115,801 deals.
- Sectoral performance was largely positive with Industrial Goods (+4.23%) topping the list, followed by Insurance (+3.69%), Oil and Gas (+2.90%) and Consumer Goods (+0.83%). The banking sector was the only laggard for the week, shedding -0.41%.
- On the price performance chart, SOVERENINS led the gainers' table with an impressive +16.73% rally, followed by OMATEK (+12.30%) and MASARD (+11.81%), as investors took positions in fundamentally sound mid-tier stocks. On the flip side, LIVINGTRUST topped the losers' list, declining by -14.61%, while NEIMETH (-10.96%) and UHOMREIT (-9.98%) also witnessed notable selloffs.



Source: NGX, Norrenberger Research

ISLAMIC FINANCE

Malaysia to modernize Islamic finance, strengthen halal ecosystem

- Malaysia is striving to solidify its position as a global leader in both areas by modernising Islamic finance and bolstering its halal ecosystem. The Twelfth Malaysia Plan (12MP) aims to tap into the USD 7.7 trillion global halal market by increasing exports to RM 56 billion by 2025 and increasing the halal industry's GDP contribution to 8.1%.
- Using ethical, Shariah-compliant products to finance halal-certified enterprises, Islamic finance is being marketed as a major force behind the growth of the halal industry. Value-based intermediation, or VBI, is being promoted by the government. VBI incorporates environmental, ethical, and social values into financial products.
- Through digitisation and initiatives like "Greening Halal Businesses," which promote environmentally friendly methods, a significant emphasis is placed on innovation and sustainability. SMEs are also crucial, and programs like MIDF's HATI fund and SME Bank's RM 2.41 billion Halal Roadmap assist businesses in upgrading their technology and obtaining certification.
- There are initiatives to increase human capital and regulation, such as strengthening Shariah governance, educating halal auditors, and expediting certification. But issues like restricted access to capital and innovation for smaller businesses continue to exist.

NGX Lotus Islamic Index gains 3.12%

- The NGX Lotus Islamic Index posted a notable weekly gain of 3.12%, having opened at 11,981.46 points and closed at 12,355.16 points. The positive performance was primarily driven by significant gains in key constituents, notably MTNN (+0.11%), DANGCEM (+0.10%), NAHCO (+0.06%), JAIZBANK (+0.05%), NASCON (+0.04%) and WAPCO (+0.03%).

Sukuk trading report for the week

- A total of 21 deals were executed in the sukuk market via the floor of the exchange this week, in comparison to the 9 deals that were reported last week. A total of 965,618 units were traded, with a total value of N863.82 million, in contrast to the 15,806 units valued at N16.90 million transacted last week.
- The FGSUK2033S4 emerged as the most traded sukuk, having 9 deals executed, a volume of 516,913 units traded and a value of N447.92 million.

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CURRENCY & ENERGY MARKETS

Currency Market

	10-Oct-25	03-Oct-25	W-o-W%
NAFEM (N/$)	1,458.00	1,469.00	+0.75%
Parallel Market (N/$)	1,485.00	1,454.00	-2.09%

- The local currency posted a mixed performance across markets this week. At the official market, the naira appreciated by 0.75% week-on-week, closing at ₦1,458/$1 on October 10, 2025, compared to ₦1,469/$1 in the previous week. Conversely, the parallel market, the naira weakened by 2.09%, trading at ₦1,485/$1 versus ₦1,454/$1 the previous Friday. The shift in momentum indicates the familiar difference in market dynamics.
- The strengthening in the official market reflects the effect of ongoing interventions from the Central Bank, improved FX inflows leading to increased foreign reserves, and tighter curbs on speculative activity. Meanwhile, increased demand for foreign currency has likely added pressure to the parallel market as businesses gear up for the festive season. Overall, the currency remains relatively stable, however sustained stability will depend on continued policy support, continued FX inflows, and stronger market confidence in the coming period.

Commodities & Energy Market

Items	Gold ($/t.oz)	Silver ($/t.oz)	Coal ($/T)	Cocoa ($/T)	Soybeans ($/Bu)
Weekly Performance (%)	+2.78%	+4.55%	-0.33%	-5.36%	+1.65

Silver prices surge to four-decade high, outpacing gold's record run

- Silver prices have rallied aggressively, reaching $51.235 per ounce over the week, marking the highest level in over forty years and reigniting investor enthusiasm across commodity markets. The metal's surge has even outpaced gold's historic run, as traders shift attention to silver's dual role as both a precious and industrial metal.
- The backdrop to this meteoric rise is a mix of macroeconomic and market dynamics. Inflationary pressures, concerns about fiscal stability in major economies (notably the U.S.), and growing doubts about the long-term strength of financial systems have renewed interest in hard assets. Against that backdrop, silver has benefitted from heightened safe-haven demand even as it retains its industrial appeal.

Bonny Light holds $68 a barrel despite Israel-Hamas deal

- Nigeria's Bonny Light crude held steady at $68 per barrel this week, defying mild weakness in the broader oil market that followed the ceasefire agreement between Israel and Hamas. While global benchmarks like Brent crude and West Texas Intermediate (WTI) edged lower amid easing geopolitical tensions, Bonny Light maintained resilience, reflecting steady export demand and Nigeria's improving production outlook.
- Global oil prices softened slightly as markets responded to the peace accord in Gaza. Brent crude slipped by about 0.5% to $64.89 per barrel, while WTI shed 0.4% to trade near $61 per barrel. The moderation was largely driven by expectations that the OPEC+ alliance might consider unwinding some of its production cuts, raising concerns about potential oversupply in the months ahead. Despite this, Bonny Light continued to command a premium, supported by structural factors such as improved upstream performance and renewed investor confidence in Nigeria's oil sector.

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