

WEEKLY FINANCIAL MARKET REVIEW

5th – 9th January 2026

NIGERIA ECONOMIC DASHBOARD

Current

Previous

	Current	Previous	
01 Brent crude (\$/pb)	\$63.55	\$60.38	▲
02 NAFEM Rate (N/\$)	\$1,424.50	\$1,431.00	▼
03 Inflation	14.45%	16.05%	▼
04 GDP growth	3.98%	4.23%	▼
05 MPR	27.00%	27.50%	▼
06 NGX cap (N'trn)	103.78	99.94	▲
07 External Debt size (\$'bn)	46.98	45.98	▲
08 Ext. reserves (\$'bn)	45.67	45.57	▲
09 Unemployment	4.30%	5.30%	▼

GLOBAL ECONOMY & MARKETS



US: Labour market shows signs of strengthening

- The US unemployment rate edged lower to 4.4% in December 2025, down from a revised 4.5% in November and slightly below market expectations, signaling a modest improvement after recent softening in labor market conditions. The decline was supported by a reduction in the number of unemployed persons, which fell by 278,000 to 7.50 million, alongside an increase in employment of 232,000 to 163.99 million. However, labor force dynamics were mixed, as the labor force contracted marginally, pushing the participation rate down to 62.4%, suggesting that part of the improvement reflected lower labor market engagement. Encouragingly, broader measures of slacking improved, with the U-6 unemployment rate easing to 8.4% from 8.7%, pointing to fewer discouraged workers and a decline in involuntary part-time employment.
- Overall, the data suggest a labor market that is cooling gradually but remains relatively resilient, supporting expectations of a more measured policy outlook going into the new year.

Europe: Germany's trade weakens on reduced external demand

- Germany's external sector showed renewed signs of strain in November 2025, as exports fell by 2.5% month-on-month to €128.1 billion, the lowest level in over a year and well below expectations of flat growth, reflecting weaker demand from key markets including the EU and the United States. At the same time, imports rose by 0.8% to €115.1 billion, driven by higher purchases from China, the US, and the UK, resulting in a narrowing of the trade surplus to €13.1 billion from €17.2 billion in October.
- The divergence between softer exports and firmer imports points to persistent global trade headwinds and shifting demand patterns, even as domestic demand for foreign goods remains relatively resilient. Given Germany's central role in European manufacturing and supply chains, the latest data raise concerns about the external sector's contribution to euro area growth, underscoring external demand as a key downside risk for Europe's economic outlook heading into 2026.

Asia: Japan's consumer confidence weakens in December 2025

- Japan's consumer confidence index edged lower to 37.2 in December 2025, slipping from 37.5 in November, which had marked the highest level in 19 months, and coming in below market expectations. The pullback reflected a broad-based softening in sentiment, as assessments of overall livelihood, employment prospects, and willingness to purchase durable goods all weakened slightly, suggesting continued caution among households amid economic uncertainty. In contrast, perceptions of income growth improved marginally, offering a modest offset to the overall decline. While the drop signals a pause after recent gains in consumer sentiment, the data suggest that confidence remains fragile, with spending intentions still constrained despite some improvement in income expectations.

Africa: Ghana's inflation cools in December 2025

- Ghana's inflationary pressures eased further in December 2025, with the annual inflation rate falling to 5.4% from 6.3% in November, marking its lowest level since July 2022 and extending a 12-month disinflation trend. The sustained slowdown was largely driven by a stronger currency, which helped dampen imported price pressures, particularly in food items. Food inflation declined sharply to 4.9% from 6.6%, while non-food inflation also moderated to 5.8% from 6.1%, pointing to broad-based easing across the consumption basket.
- On a month-on-month basis, consumer prices rose by 0.9%, unchanged from November, suggesting stable short-term price momentum. Overall, the data reflect improving macroeconomic stability and strengthening price dynamics, reinforcing expectations of a more supportive environment for economic activity as inflation pressures continue to recede.

US Market

- Equities traded positive week on week. The S&P 500 rose to new highs on Friday, notching a weekly gain, following the release of the latest jobs report.
- The S&P 500 gained 1.57%, ending the week at 6,966.29 points, the Dow Jones Industrial Average was up 2.32% to settle at 49,504.08 points, the tech focused Nasdaq Composite also gained 2.01% settling at 23,702.88 points, while the Russell 2000 index was also up by 4.62% ending the week at 2,624.22 points.
- The December jobs report showed nonfarm payrolls increasing by 50,000 last month, less than the 73,000 that economists polled by Dow Jones had estimated. That data, though slightly weaker than expected, showed a U.S. economy that's still trudging along, with investors anticipating that growth will ramp up. The unemployment rate inched down to 4.4%, while economists had forecast 4.5%. Traders took that as a sign that improvement in the economy would happen soon.
- The December report was the first month of jobs figures unaffected by the record-setting U.S. government shutdown. That stoppage posed data collection challenges for the Bureau of Labor Statistics with regards to October and November: The agency said that a full October jobs report wouldn't be released, and the November report was delayed.
- The dollar gained on Friday after data showed slower than expected U.S. jobs growth, suggesting the Federal Reserve could leave interest rates unchanged later this month. The dollar index rose around 0.3% to 99.18 and was set for the second consecutive week of gains.

European Market

- In the review week, Europe-listed shares finished higher, as investors assessed key economic data out of the U.S. that could influence the Federal Reserve's monetary policy decisions this year.
- U.K.'s FTSE rose by 1.74% to close at 10,124.60 points. Germany's DAX gained 2.94% to end the week at 25,261.64 points and France's CAC 40 was up 2.04% to 8,362.09 points. The pan-European Stoxx 600 gained 2.27% to 609.68 points.
- Data released by the U.S. Bureau of Labor Statistics on Friday showed nonfarm payrolls rose by 50,000 in December, lower than the downwardly revised 56,000 in November and short of the Dow Jones estimate of 73,000. European stocks tracked morning gains on Wall Street, as the figures spurred hopes that the softening labor market will prompt an interest rate cut from the Fed at its meeting toward the end of this month.
- Trump called for a 50% increase in U.S. military spending, eyeing a \$1.5 trillion budget in 2027, in a Truth Social post late Wednesday.
- It was confirmed Friday morning that British mining firm Rio Tinto is in preliminary talks to acquire Swiss firm Glencore, in what could create the world's largest mining company. Glencore shares closed 9.6% higher.

Asian Market

- Markets in the region traded mixed, as investors continued to monitor ongoing geopolitical tensions, following the U.S. operation that captured Venezuelan President Nicolás Maduro and President Donald Trump's renewed push to take over Greenland.
- Hong Kong's Hang Seng Index lost -0.41% to end the week at 26,231.80 points. China's mainland CSI gained 0.87% to settle at 4,758.92, Japan's Nikkei 225 gained 3.18% to 51,939.84, while the KOSPI index rose by 6.42% to close the week at 4,586.33 points.
- Shares of South Korean Hanwha Aerospace surged over 11%. Poongsan jumped more than 6% while Korea Aerospace advanced 4.9%. In Japan, shares of Kawasaki Heavy Industries rose 3.17%, while IHI added 3.32%.
- Data showed Japanese household spending, opens new tab unexpectedly grew in November from a year earlier, indicating that consumption accelerated before the Bank of Japan lifted its policy rate to a 30-year high in December.
- The Japanese yen weakened following a report that Prime Minister Sanae Takaichi is considering calling a snap election for parliament's lower house in the first half of February.

DOMESTIC ECONOMY & MARKETS



Currency in circulation outside bank rises to 93% in November 2025

- In November 2025, a significant proportion of Nigeria’s physical currency continued to circulate outside the formal banking system, underscoring the persistence of a predominantly cash-driven economy. According to the latest money and credit statistics from the Central Bank of Nigeria (CBN), currency outside banks stood at ₦4.91 trillion out of a total ₦5.26 trillion in circulation for the month. Indicating that approximately 93.35% of all Nigerian banknotes were held outside commercial banks, with only a small share retained within bank vaults or deposits.
- The high level of currency outside banks reflects a combination of long-standing structural patterns and behavioural preferences among economic agents in Nigeria. Across 2025, the share of cash held outside banks remained consistently above 89%, indicating that this is not an isolated occurrence but rather a sustained trend. At the start of the year, in January 2025, about 90.49% of currency in circulation was outside the banking system, and the ratio stayed elevated throughout the year.
- The implications of such high levels of currency outside banks are significant for monetary and economic policy. When a large portion of money remains outside the formal financial system, it can weaken the effectiveness of monetary policy, reduce banks’ ability to mobilize deposits for lending, and constrain the depth of financial intermediation. The heavy reliance on cash also presents logistical challenges for cash management, increases the cost of currency production and distribution, and may encourage informal market activities.

Nigeria’s business expands for 12th consecutive month

- Nigeria’s business environment recorded continued growth in December 2025, marking the twelfth straight month of expansion in overall business activity. According to the latest Business Confidence Monitor released by the Nigerian Economic Summit Group (NESG) in partnership with Stanbic IBTC, business conditions remained firmly in expansionary territory, though the pace of growth eased compared with the previous month.
- The Current Business Performance Index, an indicator of business activity, fell slightly to 112.0 points in December from 113.3 in November but remained substantially above the 100-point threshold that separates expansion from contraction. This sustained positive reading underscores continued economic resilience despite mounting operational challenges.
- All five major sectors (Agriculture, Manufacturing, Trade, Non-Manufacturing, and Services) reported expansion during the month. Agriculture posted the strongest performance, driven largely by heightened seasonal demand and improved activity across crop production, livestock, and agro-allied sub-sectors. Manufacturing also strengthened modestly, supported by output gains in key product lines.
- Despite the overall expansion, several indicators pointed to caution among businesses. Sub-indices for production, supply orders, credit access, and cash flow showed moderate declines, while the cost of doing business rose, reflecting rising input prices and persistent structural constraints. Firms cited challenges such as unreliable power supply, insecurity, raw material shortages, and weakening consumer demand as factors tempering growth.

U.K dominates Nigeria’s foreign capital inflow in 2025

- Recent data from the Federal Ministry of Industry, Trade and Investment shows that investors from the United Kingdom accounted for about 65% of Nigeria’s foreign capital inflows over the past year. This strong contribution was evident in capital injections into sectors such as agriculture and manufacturing, with UK investors providing funds to firms like Babban Gona and Johnvent Industries.
- The ministry attributed this significant inflow to enhanced bilateral trade and investment engagements between Nigeria and the UK, including the activation of the UK–Nigeria Enhanced Trade and Investment Partnership and a series of economic reforms aimed at strengthening investor confidence and improving market access.
- According to the government, the surge in UK-sourced capital reflects Nigeria’s improved investment facilitation architecture, which has shifted toward a more proactive and systems-driven approach. This includes efforts to reduce information gaps, enhance project visibility, and de-risk investment pipelines, resulting in measurable outcomes across priority sectors.

Money Market

- In the first full trading week of the year, system liquidity moderated significantly, declining from N3.36 trillion to N1.4trillion on the final trading session of the week. This contraction was despite the liquidity injections from primary market and OMO maturities during the week. The Central Bank of Nigeria (CBN)'s refinancing OMO auction served as an effective cash mop-up for excess cash, offsetting the impact of the instrument maturity.
- Banking rates were relatively stable during the week, the Open Buy Back (OBB) rate closed the week flat at 22.50% (flat), while the Overnight (O/N) rate recorded a slight 4bps increase, closing at 22.79%
- The bears dominated the treasury bills secondary market, marking three consecutive weeks of sustained sell pressure. At the end of the week, average benchmark yield rose to 18.17%, a 50bps increase from 17.68% recorded in the previous week.
- The CBN conducted the first OMO auction for the year on Tuesday January 06, 2026, with a total of N600 billion instruments offered: N300 billion for 161-day and N300 billion for the 210-day bill. The auction was oversubscribed as subscription levels reached N2.7 trillion, translating to a bid to cover ratio of 4.5x. At the end of the auction, the apex bank allotted N1.71 trillion worth of bills at stop rates of 19.34% and 19.40% for 168-day and 210-day bill respectively.
- The OMO secondary market extended bullish momentum from the previous week, as yields continued to fall during the week. Consequently, the average benchmark yield closed at 20.99%, 21 bps lower than 21.19% recorded in the prior week.

Fixed Income Market

- In a trend reversal, the FGN Bond secondary market closed bearish for the week after three straight weeks of consistent buy pressures. As a result, the average benchmark yield settled at 16.63% (+18 bps) from last week's 16.44%. Yield rose across all tenors, indicating a broad sell-off along the curve. Specifically, short term instruments closed at 17.00% (+25bps), mid and long term dated instruments also closed higher at 17.11% (+19bps) and 15.63% (+11bps) respectively.

Eurobond Market

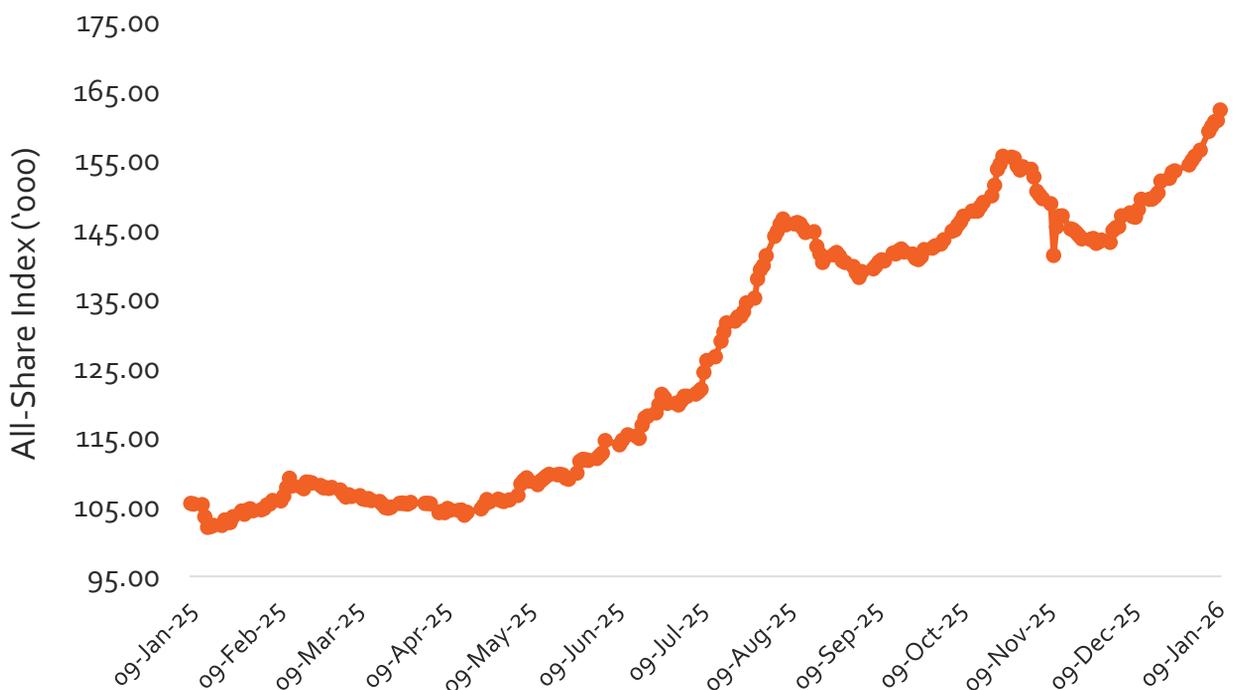
- The Nigerian Eurobond market experienced a bearish trend as investors sold off their holdings to secure profits following the bullish performance observed in late 2025, along with cautiousness ahead of the jobs data scheduled for release on Friday.

The Norrenberger NSEI yield increased by 25 bps to close out the week at 7.30%.

The Equities Market

- The Nigerian equity market recorded a strong performance during the week, extending the bullish run from prior weeks. The NGX All-Share Index rose by 3.71% to close at 162,298.08 points, while total market capitalization increased by 3.84% to ₦103.78 trillion, reflecting improved investor sentiment.
- Market breadth was positive, indicating widespread buying interest. A total of 84 stocks advanced during the week, up from 73 in the previous week. Meanwhile, 22 stocks declined, compared to 23 previously, and 42 stocks closed unchanged, lower than the 51 recorded in the prior week.
- A total turnover of 4.164 billion shares worth N94.026 billion in 248,254 deals was traded this week by investors on the floor of the Exchange, in contrast to a total of 7.821 billion shares valued at N134.471 billion that exchanged hands last week in 150,799 deals.
- A review of trading activity showed moderation compared to the previous week. Investors traded 4.16 billion shares valued at ₦94.03 billion across 248,254 transactions, compared with 7.82 billion shares worth ₦134.47 billion traded in 150,799 deals in the preceding week. The higher number of deals suggests more active participation, albeit with smaller trade sizes on average.
- Performance across sectoral indices was largely positive. The Insurance index led the gains for the second straight week, rising by 6.82%. This was followed by Industrial Goods (+4.74%), Oil and Gas (+4.70%), Banking (+3.07%), and Consumer Goods (+2.76%), all of which closed the week in positive territory.
- In terms of individual stock performance, MULTIVERSE (+59.73%), MCNICHOLS (+53.20%), and MAYBAKER (+51.58%) emerged as the top gainers, driven by strong demand and positive price momentum. On the losing side, ALEX (-19.75%), AUSTINLAZ (-11.56%), and SOVRENINS (-11.29%) recorded the sharpest price declines during the week.

NGX All Share Index - YTD



Source: NGX, Norrenberger Research

ISLAMIC FINANCE



Emirates Islamic provides \$500m structured financing to Mass Group Holding

Emirates Islamic, one of the leading Islamic financial institutions in the UAE, has announced a landmark structured funding transaction valued at USD 500 million to Mass Group Holding.

The funding will be used to construct a natural gas fired power plant with an impressive capacity of 1.7GWh, in Romania, set to be the largest of its kind in Europe. With a total project value estimated at EUR 1.2 billion, this facility is poised to become a cornerstone of Europe's energy security and a significant driver of economic growth for Romania.

The new power plant, located in the northwest of Romania, will play a pivotal role in strengthening the energy infrastructure of Romania and its neighbouring countries. Romania's power grid is already interconnected with Hungary, Ukraine, Moldova, Bulgaria and Serbia, which is crucial for ensuring a robust and reliable power supply across the European region. Romania's gas grid connections with Hungary and Ukraine guarantee a steady supply of natural gas, essential for the plant's operations. The project is anticipated to commence electricity generation by the first quarter of 2026, and to be under full operation by the end of 2026.

CBB Sukuk Al-Salam securities oversubscribed

The Central Bank of Bahrain (CBB) announces that the monthly issue of the Sukuk Al-Salam Islamic securities, has been oversubscribed by 126%. Subscriptions worth BD 62.806 million were received for the BD 50 million issue, which carries a maturity of 91 days. The expected return on the issue, which begins on 7th January 2026 and matures on 8th April 2026, is 4.84% compared to 4.90% of the previous issue on 10th December 2025. The Sukuk Al-Salam are issued by the CBB on behalf of the Government of the Kingdom of Bahrain.

NGX Lotus Index advanced 6.11%

The NGX Lotus Index closed off the week with a 6.11% performance as the points moved from 13,648.95 to 14,483,16 on the back of weekly gains in the stocks like MTNN (+7.6%), DANGCEM (+4.3%), and WAPCO (+11.5%).

Sukuk trading report for the week

- Overall activity in the sukuk market jumped despite decline in total deals to 12 from 14 in the preceding week, total volume and value almost doubled and printed at 67,853 units and N68.7 million respectively.
- FGSUK2033S6 was the most actively traded instrument during the week, accounting for seven deals, 45,113 units exchanged, and a total transaction value of N47.75 million.

CURRENCY & ENERGY MARKETS



Currency Market

	09-Jan-26	02-Jan-26	W-o-W%
NAFEM (N/\$)	1,424.50	1,431.00	+0.46%
Parallel Market (N/\$)	1,477.00	1,474.00	-0.20%

- The local currency posted a mixed performance on the first full week of 2026. At the official window, the Naira appreciated slightly by 0.46% week-on-week to ₦1,424.50/USD as of January 9, 2026, from ₦1,431.00/USD a week earlier, supported by improved liquidity and demand-supply conditions. Conversely, the parallel market saw a marginal depreciation of 0.20% to ₦1,477/USD from ₦1,474/USD highlighting continued speculation and a continuing gap between official and parallel market rates. The stronger close in the official market was bolstered by stable market conditions, a modest rise in external reserves, and positive medium-term outlooks from the central bank. While the parallel market weakened marginally, the general market outlook remains resilient due to improved confidence and favorable projections.

Commodities & Energy Market

Items	Gold (\$/t.oz)	Silver (\$/t.oz)	Coal (\$/T)	Cocoa (\$/T)	Soybeans (\$/Bu)
Weekly Performance (%)	+3.83%	+10.63%	-0.09%	-8.72%	+2.13%

Oil rises as concerns about supply disruptions in Venezuela, Iran increase

- Oil prices rose for a second consecutive day on Friday, gaining more than 1% and heading for a third straight weekly increase, as concerns mounted over potential supply disruptions from Venezuela and escalating unrest in Iran. Brent crude futures climbed 83 cents, or 1.3%, to \$62.82 per barrel by 07:30 GMT, while U.S. West Texas Intermediate (WTI) crude rose 76 cents, or 1.3%, to \$58.52 per barrel. Both benchmarks had surged more than 3% on Thursday after two days of declines. On a weekly basis, Brent gained about 4%, while WTI rose approximately 3%.
- Market sentiment was supported by uncertainty surrounding Venezuelan oil exports after U.S. President Donald Trump demanded full U.S. access to the country's oil sector following the capture of Venezuela's leader, Nicolas Maduro. U.S. officials have indicated that Washington will control Venezuelan oil sales and revenues indefinitely.
- Meanwhile, U.S. oil major Chevron, along with global trading houses Vitol and Trafigura, are reportedly competing for U.S. government contracts to market up to 50 million barrels of oil accumulated by Venezuela's state-owned oil company, PDVSA, amid a prolonged oil embargo. Rising tensions in Iran have also added to supply-side risks, further supporting crude prices.



nörrenberger



Head Office

11 Volta Street,
Off Thames Street,
Ministers Hill, Maitama,
Abuja, Nigeria.



+234 700 066 7736



research@norrenberger.com



Lagos Office

2B, Bayo Kuku Road,
Off Alfred Rewane Road,
Ikoyi,
Lagos, Nigeria.

+234 916 032 4627



www.norrenberger.com



Port Harcourt Office

10, Evo Road,
GRA II, Port Harcourt,
Rivers State, Nigeria.

+234 700 066 7736



@norrenberger



Kano Office

17, Magajin Rumfa Road,
Nassarawa GRA,
Kano State,
Nigeria.

+234 700 066 7736

RESEARCH TEAM

Samuel Oyekanmi

samuel.oyekanmi@norrenberger.com

Victor Matthews

victor.matthews@norrenberger.com

Abigael Kazeem

abigael.kazeem@norrenberger.com

Damilola Oshinowo

damilola.oshinowo@norrenberger.com

Salaudeen Salaudeen

salaudeen.salaudeen@norrenberger.com

Precious Osang

precious.osang@norrenberger.com

Damilola Odesanya

damilola.odesanya@norrenberger.com

Uyomi Eya

uyomi.eya@norrenberger.com

Disclaimer: Whilst proper and reasonable care has been taken in preparation and accuracy of the facts and figures presented in this report, no responsibility or liability is accepted by Norrenberger Financial Group or its employees for any error, omission or opinion expressed herein. This report is not an investment research or a research recommendation and should not be regarded as such. The information provided herein is by no means intended to provide sufficient basis on which to make an investment decision.