

# COWRY WEEKLY FINANCIAL MARKETS

## REVIEW & OUTLOOK (CWR)



Cowry Research





## DOMESTIC ECONOMY: Nigeria's BoP Rebounds to \$4.60bn in Q3 2025, Signals Deeper External Sector Strengthening.....

We open the year with a closer examination of Nigeria's external sector performance so far in 2025, and the latest data released by the Central Bank of Nigeria (CBN) points to a notable strengthening in the country's external accounts. Nigeria's balance of payments position has shifted decisively into surplus territory, reflecting a combination of improved trade dynamics, resilient foreign inflows and the cumulative impact of recent macroeconomic reforms.

In the third quarter of 2025, Nigeria recorded an overall balance of payments surplus of \$4.60 billion, reversing the deficit position observed in the preceding quarter. This turnaround was underpinned by a sustained current account surplus of \$3.42 billion, supported by stronger export earnings, stable remittance inflows, improved financial account performance and continued accumulation of external reserves. The scale and breadth of these supports suggest that the improvement is not driven by a single factor, but rather by a broad-based strengthening across key components of the external sector.

A balance of payments surplus, in practical terms, indicates that foreign currency inflows from exports, remittances and investments exceeded outflows related to imports and external payments over the period. In Nigeria's case, the return to surplus points to improving competitiveness and a more balanced interaction with the global economy.

The report show that goods account remained firmly in surplus at \$4.94 billion, reflecting stronger export performance during the quarter. Crude oil exports rose to \$8.45 billion, reaffirming the continued importance of hydrocarbons to Nigeria's external earnings. More instructive, however, was the performance of refined petroleum exports, which increased by 44% to \$2.29 billion. This development highlights tangible progress in domestic refining capacity and reinforces Nigeria's gradual transition from a net importer to a net exporter of refined petroleum products. Total goods exports stood at \$15.24 billion, while imports of refined petroleum products declined by 12.7%, jointly contributing to a healthier trade balance and easing pressure on foreign exchange demand. Beyond trade, secondary income flows remained a critical stabilising factor. Workers' remittances stayed resilient, with the secondary income account recording a surplus of \$5.50 billion, including \$5.24 billion in remittance inflows from Nigerians in the diaspora. These inflows continue to provide a reliable source of foreign exchange, supporting household consumption and helping to smooth external financing needs in an environment of still-elevated global uncertainty.

Developments in the financial account further reinforced the positive balance of payments outcome. Nigeria posted a net lending position of \$0.32 billion, reflecting stronger capital inflows and improved investor appetite. Foreign direct investment inflows rose to \$0.72 billion, while portfolio investment inflows remained robust at \$2.51 billion, signalling renewed confidence among foreign investors and sustained participation in domestic financial instruments. These inflows, alongside improved trade and remittance dynamics, supported a rise in external reserves to \$42.77 billion at end-September 2025, up from \$37.81 billion at end-June, thereby strengthening Nigeria's external buffers and enhancing its ability to absorb shocks.

Accordingly, the Q3 2025 balance of payments outcome underscores strengthening external sector fundamentals, firmer investor confidence and the continued impact of reforms in the foreign exchange market, monetary policy implementation and the domestic energy sector. Notably, the shift from a deficit to a surplus, driven by a sustained current account surplus, highlights the growing contribution of exports relative to imports, improved remittance inflows and steady accretion of foreign exchange reserves. This suggests a more durable adjustment in the external accounts rather than a short-lived cyclical improvement.

Looking ahead into the final quarter of 2025, Cowry Research anticipates a further strengthening of the balance of payments position, with a projected 2025 surplus in the region of \$6.5 billion to \$8.1 billion as the impact of naira gains, stronger trade performance and increased financial flows becomes more evident. Such an outcome would surpass the \$6.83 billion surplus recorded in 2024 and stand well above the deficits posted in 2023 and 2022 of \$3.34 billion and \$3.32 billion respectively, reinforcing the view that Nigeria's external sector is entering a more stable and sustainable phase.....

## EQUITIES MARKET: 2026 Opens with Bullish Roar as ASI Gains by 1.92% w/w to Fresh Record Highs.....

After an impressively bullish 2025 where the benchmark index gained 8.43% in December and delivered a full-year return of 51.19%, the Nigerian equities market has carried that momentum straight into the new trading year. The bourse opened 2026 on a strong footing, reflecting early position-taking by investors targeting fundamentally sound stocks with solid earnings prospects and long-term value appeal.

On the first trading week of 2026, the market posted a robust 1.92% week-on-week gain, with the NGX All-Share Index surging to a new all-time high of 156,492.36 points. The rally underscores renewed investor confidence and broad-based optimism, as market participants made decisive bets on equities amid improving sentiment.

Market capitalisation followed suit, rising 2.09% week on week to N99.94 trillion, supported by the listing of additional shares by Chapel Hill Denham's Nigerian Real Estate Investment Trust alongside strong price appreciation across several counters. In absolute terms, this translated into equity investors gaining over N2.05 trillion in value. Consequently, the year-to-date return of the index now stands at 0.57%, with market breadth firmly positive as 72 gainers outweighed just 23 losers.

Trading activity was notably upbeat, driven by heightened participation across all four trading sessions during the week. This was clearly reflected in a strong market breadth reading of 3.13x, pointing to widespread accumulation and a clearly bullish undertone. Total deals jumped by 87.5% week on week to 150,517 transactions, while trading volume and value surged by 171.2% and 110.2% respectively to 7.79 billion units valued at N134.26 billion. The flow of funds into equities highlighted deliberate and strategic positioning rather than speculative trading.

Sector performance reinforced the bullish narrative, as all six sectors under coverage closed the week in positive territory. The Insurance and Consumer Goods indices led the rally with gains of 5.93% and 3.44%, respectively, supported by selective accumulation in stocks such as HONEYFLOUR, MCNICHOLS, REGALINS, and WAPIC.

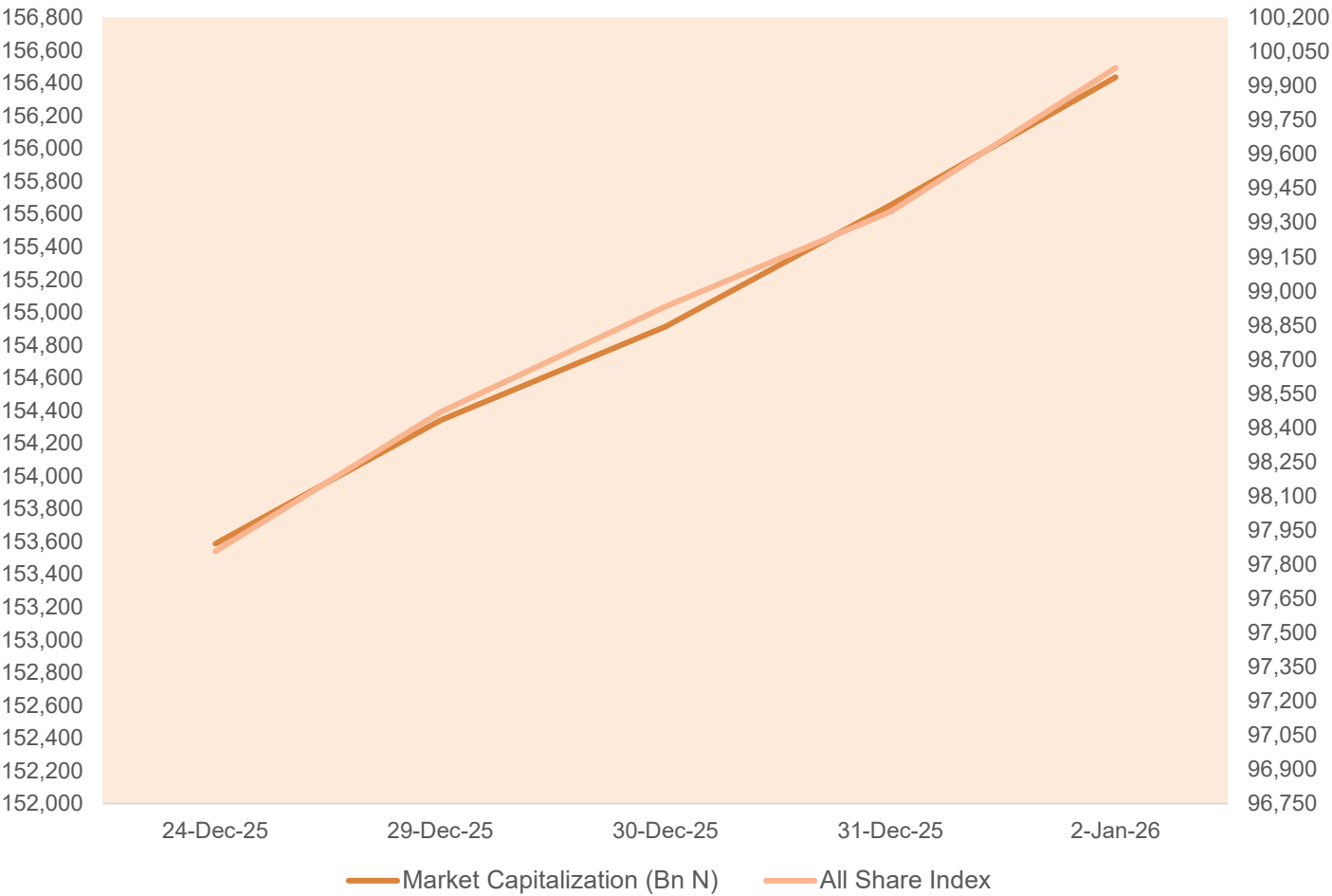
The Banking sector followed closely, advancing by 2.96% week on week on the back of strong demand for ACCESSCORP and ETI. The Oil and Gas sector also posted a solid performance, rising by 1.16%, driven by gains in ARADEL and OANDO. Meanwhile, the Industrial Goods and Commodity sectors recorded more modest gains of 0.82% and 0.41%, despite visible buying interest in names such as AUSTINLAZ and JBERGER.

On the performance table, AUSTINLAZ emerged as the week's top gainer with a 45.9% advance, closely followed by ALEX (+45.6%), EUNISELL (+43.3%), ABCTRANS (+37.9%), and HONEYFLOUR (+29.6%). On the flip side, the weakest performers were ETRANZACT (-9.9%), FIRSTHOLDCO (-7.9%), LIVINTRUST (-7.6%), CAP (-6.8%), and CHAMPION (-6.7%), largely reflecting profit-taking and portfolio rebalancing.

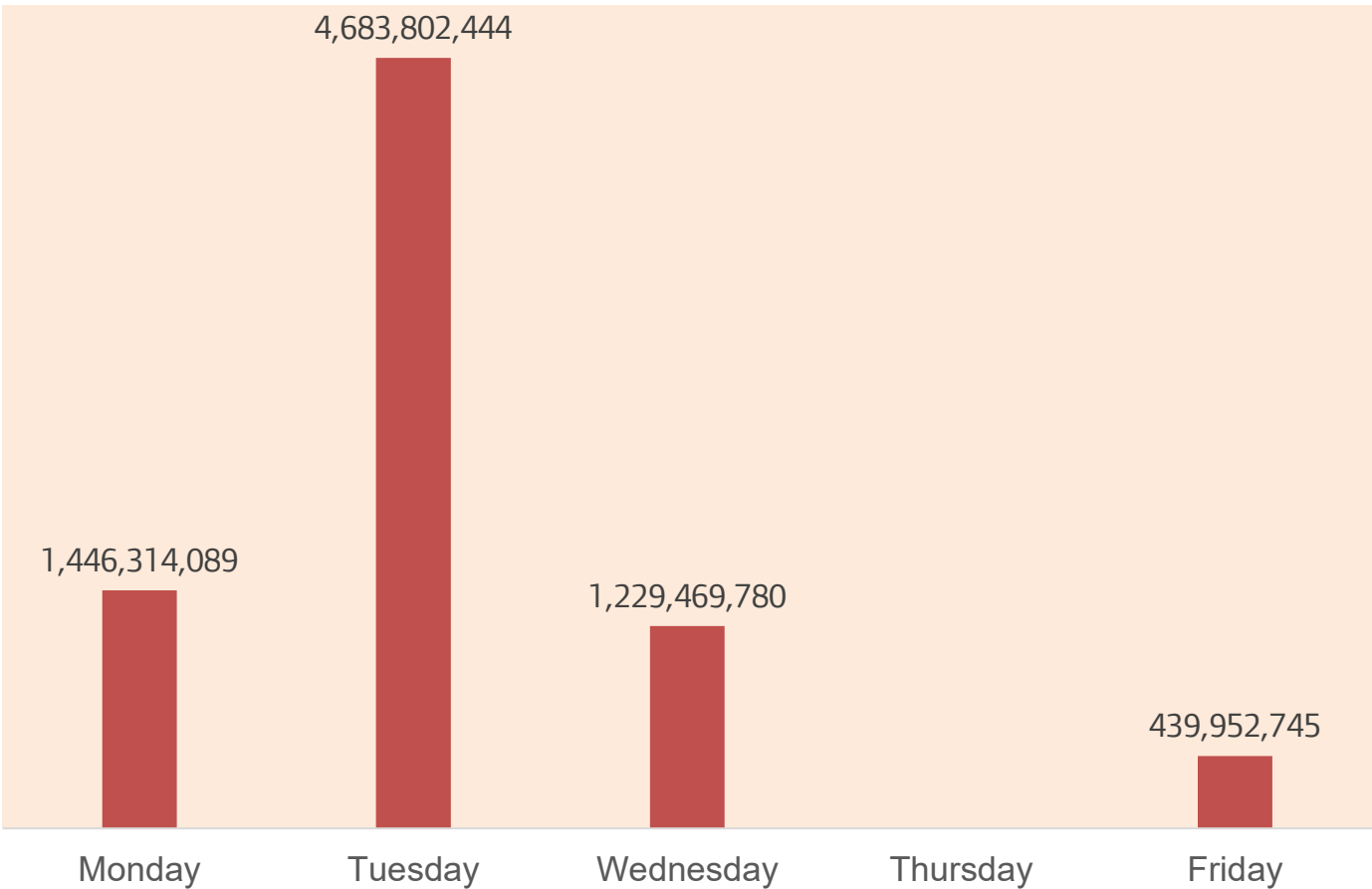
Looking ahead, we expect the bullish momentum to persist as full trading activity resumes on the exchange. The January calendar effect, usually characterised by portfolio rebalancing, fresh inflows, and new-year positioning, is likely to remain a key driver of market direction. While near-term volatility cannot be ruled out, the prevailing tone remains constructive, and we continue to advise investors to focus on stocks with strong fundamentals, clear earnings visibility, and sustainable growth prospects.



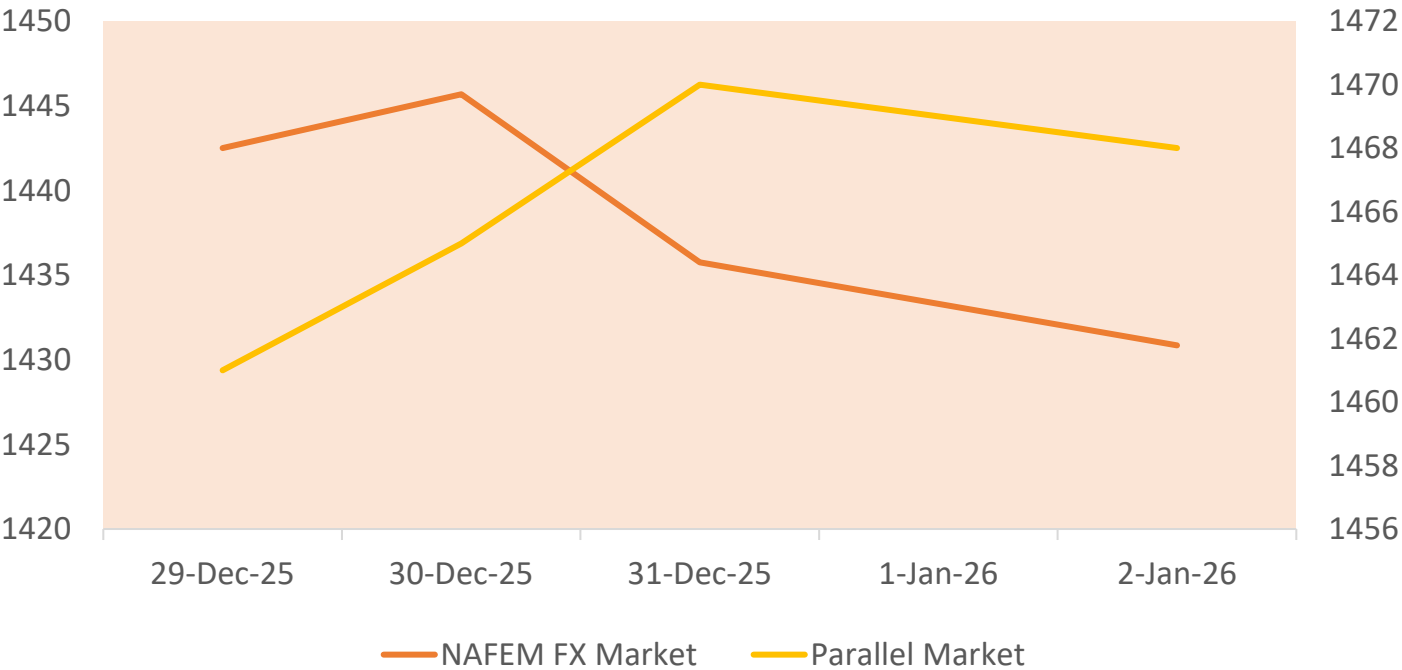
Evolution of Equities Performance Gauges



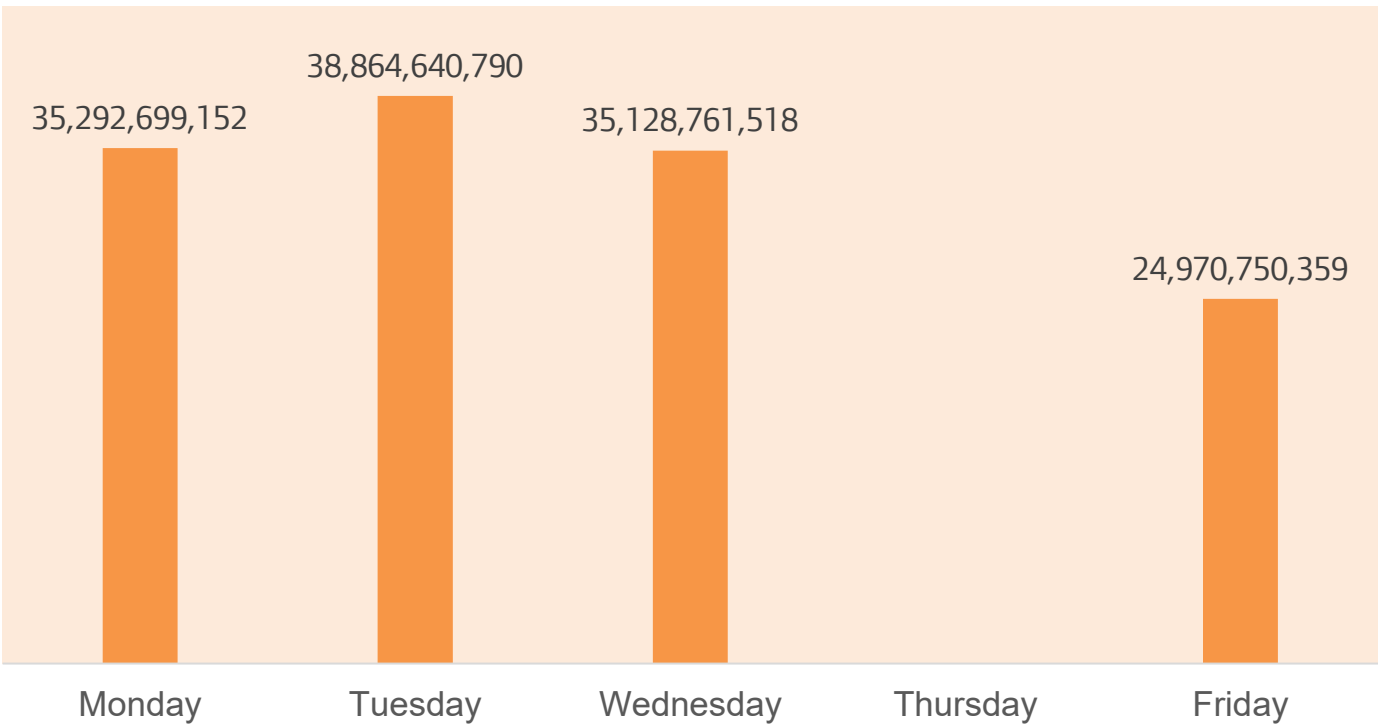
Daily Traded Volume



Evolution of NGN/USD Exchange Rates



Daily Traded Value



## Weekly Top Gainers and Losers as at Friday, January 2, 2026

Top Ten Gainers				Bottom Ten Losers			
Symbol	2-Jan-26	24-Dec-25	% Change	Symbol	2-Jan-26	24-Dec-25	% Change
AUSTINLAZ	4.67	3.20	45.9%	ETRANZACT	11.35	12.60	-9.9%
ALEX	23.80	16.35	45.6%	FIRSTHOLDCO	48.8	53	-7.9%
EUNISELL	126.00	87.95	43.3%	LIVINGTRUST	3.40	3.68	-7.6%
ABCTTRANS	4.51	3.27	37.9%	CAP	69.00	74.00	-6.8%
HONYFLOUR	23.00	17.75	29.6%	CHAMPION	14.00	15.00	-6.7%
FIDSON	55.00	43.90	25.3%	ABBEYBDS	6	6.4	-6.3%
DEAPCAP	2.09	1.70	22.9%	NB	74.8	79.35	-5.7%
MCNICHOLS	3.59	2.95	21.7%	SOVRENINS	3.81	4.02	-5.2%
IKEJAHOTEL	44.90	36.95	21.5%	PZ	45.00	47.10	-4.5%
CILEASING	7.50	6.20	21.0%	SEPLAT	5,610.00	5,809.00	-3.4%

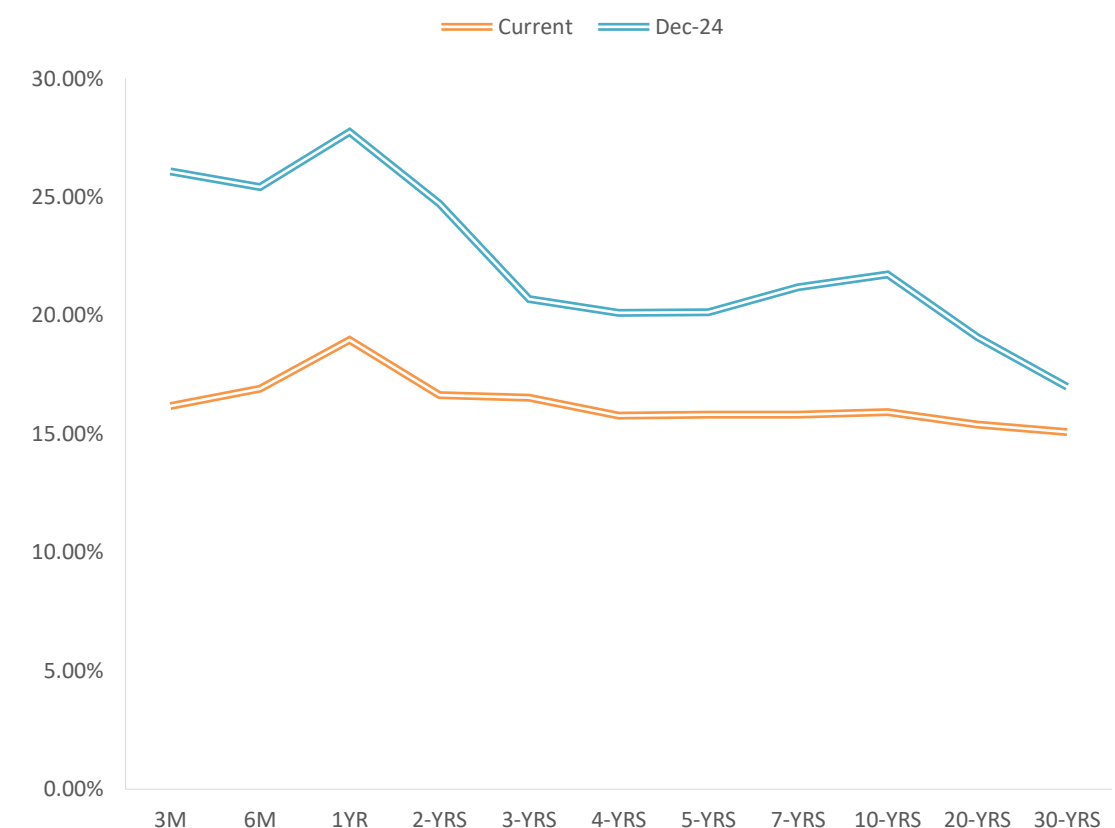
## FGN Eurobonds Yields as at Friday , January 2, 2026

FGN Eurobonds	2-Jan-26		Weekly		2-Jan-26		Weekly	
	Issue Date	TTM (years)	Price (N)	USD Δ	Yield	PPT Δ		
6.50 NOV 28, 2027	28-Nov-17	1.90	101.22	(0.08)	5.8%	0.04		
6.125 SEP 28, 2028	28-Sep-21	2.74	100.41	(0.01)	6.0%	0.01		
8.375 MAR 24, 2029	24-Mar-22	3.22	106.39	0.05	6.2%	(0.03)		
7.143 FEB 23, 2030	23-Feb-18	4.15	103.54	0.16	6.2%	(0.04)		
8.747 JAN 21, 2031	21-Nov-18	5.05	109.09	(0.16)	6.6%	0.03		
7.875 16-FEB-2032	16-Feb-17	6.13	104.47	0.01	7.0%	(0.01)		
7.375 SEP 28, 2033	28-Sep-21	7.74	101.85	0.10	7.1%	(0.02)		
7.696 FEB 23, 2038	23-Feb-18	12.15	100.37	0.12	7.6%	(0.01)		
7.625 NOV 28, 2047	28-Nov-17	21.92	94.44	0.17	8.2%	(0.02)		
9.248 JAN 21, 2049	21-Nov-18	23.07	108.69	(0.10)	8.4%	0.01		
8.25 SEP 28, 2051	28-Sep-21	25.75	98.17	0.15	8.4%	(0.02)		

## Weekly Stock Recommendations as at Friday, January 2, 2026

Stock	Current EPS	Forecast EPS	BV/S	P/B Ratio	P/E Ratio	52 WKS' High	52 WKS' Low	Current Price	Price Target	Short term Stop Loss	Short term Take Profit	Potential Upside	Recommendation
ARADEL HOLDINGS PLC	55.90	70.80	344.9	2.09	12.89x	850.1	401.1	720.3	912.4	612.26	828.345	26.67	Buy
GTCO PLC	20.16	24.19	98.60	0.94	4.58x	103.20	43.20	92.30	115.8	78.5	106.1	25.46	Buy
UNITED BANK FOR AFRICA	6.84	9.16	70.37	0.75	7.75x	55.3	23.55	53.00	71.0	45.1	61.0	34.00	Buy
LAFARGE AFRICA PLC	12.90	16.60	39.07	3.44	10.43x	154.30	35.60	134.50	173.1	114.3	154.7	28.67	Buy
MTN NIGERIA PLC	35.73	47.16	13.96	37	14.30x	520.1	169	511.00	674.5	434.4	587.7	32.00	Buy

## NAIRA YIELD CURVE



*U.S.-Dollar Foreign Exchange Rates as at 4:30 PM GMT+1, Friday, January 2, 2026*

MAJOR	2-Jan-26	Previous	Δ from Last	Weekly	Monthly	Yearly
EURUSD	1.1726	1.1741	-0.13%.	-0.39%.	0.47%	-0.12%.
GBPUSD	1.3447	1.3459	-0.09%.	-0.42%.	0.72%	-0.09%.
USDCHF	0.7922	0.7929	-0.09%.	0.35%	-0.92%.	-0.08%.
USDRUB	80.3000	78.7487	1.97%	3.53%	3.47%	1.97%
USDNGN	16.4903	16.5068	-0.10%.	-1.10%.	-0.89%.	-0.72%.
USDZAR	16.4903	16.5068	-0.10%.	-0.95%.	-3.16%.	-0.41%.
USDEGP	47.7000	47.7000	0.00%	0.21%	0.32%	0.00%
USDCAD	17.89	18.0194	-0.70%.	0.55%	-1.47%.	0.17%
USDMXN	17.89	18.0194	-0.70%.	-0.10%.	-2.14%.	-0.70%.
USDBRL	5.43	5.5190	-1.64%.	-2.10%.	2.25%	-1.61%.
AUDUSD	0.5765	0.5760	0.09%	-0.52%.	1.22%	0.13%
NZDUSD	0.5765	-0.0600	0.09%	-1.28%.	-0.15%.	0.13%
USDJPY	6.9691	6.9767	-0.11%.	0.20%	1.05%	0.07%
USDCNY	6.9691	6.9767	-0.11%.	-0.50%.	-1.26%.	-0.11%.
USDINR	90.0110	89.9660	0.05%	0.25%	-0.18%.	0.16%

*Global Commodity Prices as at 3:30 PM GMT+1, Friday, January 2, 2026*

Commodity		2-Jan-26	Previous	Δ from Last	Weekly	Monthly	Yearly
CRUDE OIL	USD/Bbl	56.9	57.4	-0.88%.	0.37%	-3.39%.	-0.81%.
BRENT	USD/Bbl	60.2	60.8	-1.03%.	0.12%	-3.76%.	-0.88%.
NATURAL GAS	USD/MMBtu	3.7	9.8	1.23%	-4.92%.	-26.20%.	0.01%
GASOLINE	USD/Gal	1.7	1.7	-0.89%.	-0.88%.	-7.20%.	-1.09%.
COAL	USD/T	107.5	106.6	0.80%	-1.38%.	-0.78%.	-14.17%.
GOLD	USD/t.oz	4,401.0	4,319.7	1.88%	-2.94%.	4.64%	1.82%
SILVER	USD/t.oz	71.6	71.3	0.42%	-9.65%.	22.21%	0.30%
WHEAT	USD/Bu	505.9	506.5	-0.12%.	-2.52%.	-5.92%.	-0.21%.
PALM-OIL	MYR/T	3,990.0	4,049.9	-1.48%.	-2.37%.	-3.99%.	-1.48%.
COCOA	USD/T	6,000.1	6,043.0	-0.71%.	1.08%	10.34%	-0.79%.



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