

COWRY WEEKLY FINANCIAL MARKETS

REVIEW & OUTLOOK (CWR)



DOMESTIC ECONOMY: Domestic Economy Strengthens as PMI Surpasses 50-Point Expansion Threshold

The Central Bank of Nigeria (CBN) reported a further strengthening of domestic economic activity in December 2025, as the Composite Purchasing Managers' Index (PMI) remained firmly above the 50-point expansion threshold. The December 2025 PMI Survey released by the Bank placed the Composite Index at 57.6 points, marking the strongest activity momentum recorded in nearly five years.

The sustained improvement reflects continued expansion across major employment-generating sectors. Sectoral PMI readings showed that agriculture remained robust at 58.5 points, industry stood at 57.0 points, while the services sector remained in expansionary territory at 51.9 points, indicating broad-based growth in output and business activity during the month.

The survey further revealed that 32 of the 36 monitored subsectors recorded expansions in key indicators, including production levels, new business orders, and employment. According to the CBN, this performance underscores a steady recovery in domestic demand and strengthening productive activities, particularly within the non-oil economy.

The Bank attributed the improved PMI performance to the positive impact of ongoing macroeconomic stabilisation measures aimed at improving the operating environment and boosting business confidence. These reforms continued to support job creation, enhance production efficiency, and reinforce optimism about economic prospects in the fourth quarter of 2025.

Overall, the December PMI reading reinforces expectations of a stable growth outlook as Nigeria enters the new year.

From Cowry Research, the December 2025 PMI reading signals continued expansion in Nigeria's domestic economy as the country enters 2026. Broad-based growth across agriculture, industry, and services, coupled with improvements in production, new business orders, and employment, underscores resilient domestic demand and strengthening productive capacity. Ongoing macroeconomic stabilisation measures and supportive reforms are expected to sustain business confidence, drive job creation, and reinforce economic momentum, pointing to a stable growth trajectory in the near term.



EQUITIES MARKET: Equities Rally Deepens as NGX Adds N3.84 Trillion in Market Value

The Nigerian equities market sustained its positive momentum in the second trading week of 2026, extending gains as investor sentiment improved markedly after several weeks of heightened profit-taking. The NGX All-Share Index closed the week at 162,298.08 points, representing a strong week-on-week appreciation of 3.71%, underscoring renewed confidence among market participants.

This bullish performance translated into a 3.84% expansion in total market capitalization, which rose to ₦103.78 trillion from ₦99.94 trillion in the preceding week. Consequently, the market added approximately ₦3.84 trillion in value, pushing the year-to-date return higher to 4.43%.

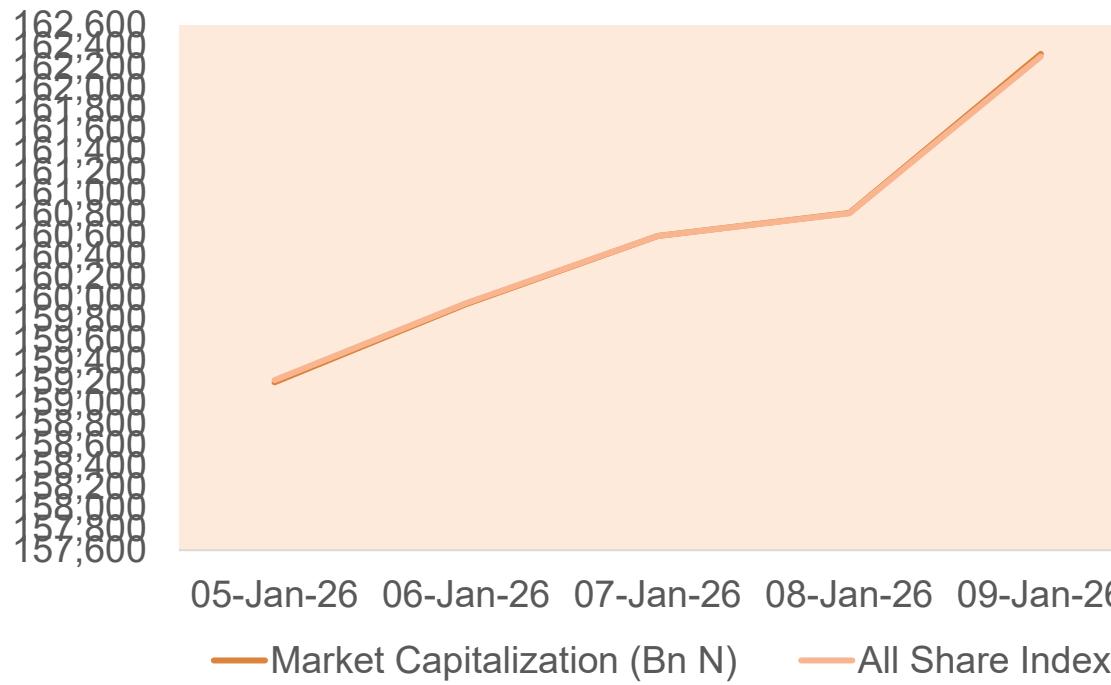
Market sentiment remained moderately positive, as reflected in a market breadth ratio of 3.82x, with 84 advancing stocks significantly outweighing 22 declining counters. Trading activity showed mixed dynamics during the week: total deals surged by 64.29%, indicating heightened investor participation, while trading value and volume declined by 47.02% and 30.55%, respectively. By week's end, a total of 4.13 billion shares valued at ₦93.24 billion were exchanged across 162,298 deals, highlighting a market characterized by active but selective positioning.

Sectoral performance broadly mirrored the upbeat market mood. The Insurance sector emerged as the top performer, advancing by 6.82% week-on-week. This was followed by gains in the Industrial Goods sector (+4.74%), Oil and Gas (+4.70%), and Commodities (+4.58%). The Banking and Consumer Goods sectors also closed the week higher, posting gains of 3.07% and 2.76%, respectively.

On the stock level, several equities recorded impressive rallies during the week. MULTIVERSE led the gainers' chart with a remarkable 59.7% appreciation, followed by MCNICHOLS (+53.2%), MAYBAKER (+51.6%), DEAPCAP (+43.5%), and NEIMETH (+43.5%), largely driven by strong accumulation interest. On the downside, stocks such as ALEX (-19.7%), AUSTINLAZ (-11.6%), SOVRENINS (-11.3%), IKEJAHOTEL (-10.9%), and JULI (-9.9%) recorded the steepest losses, reflecting sustained selling pressure in those counters.

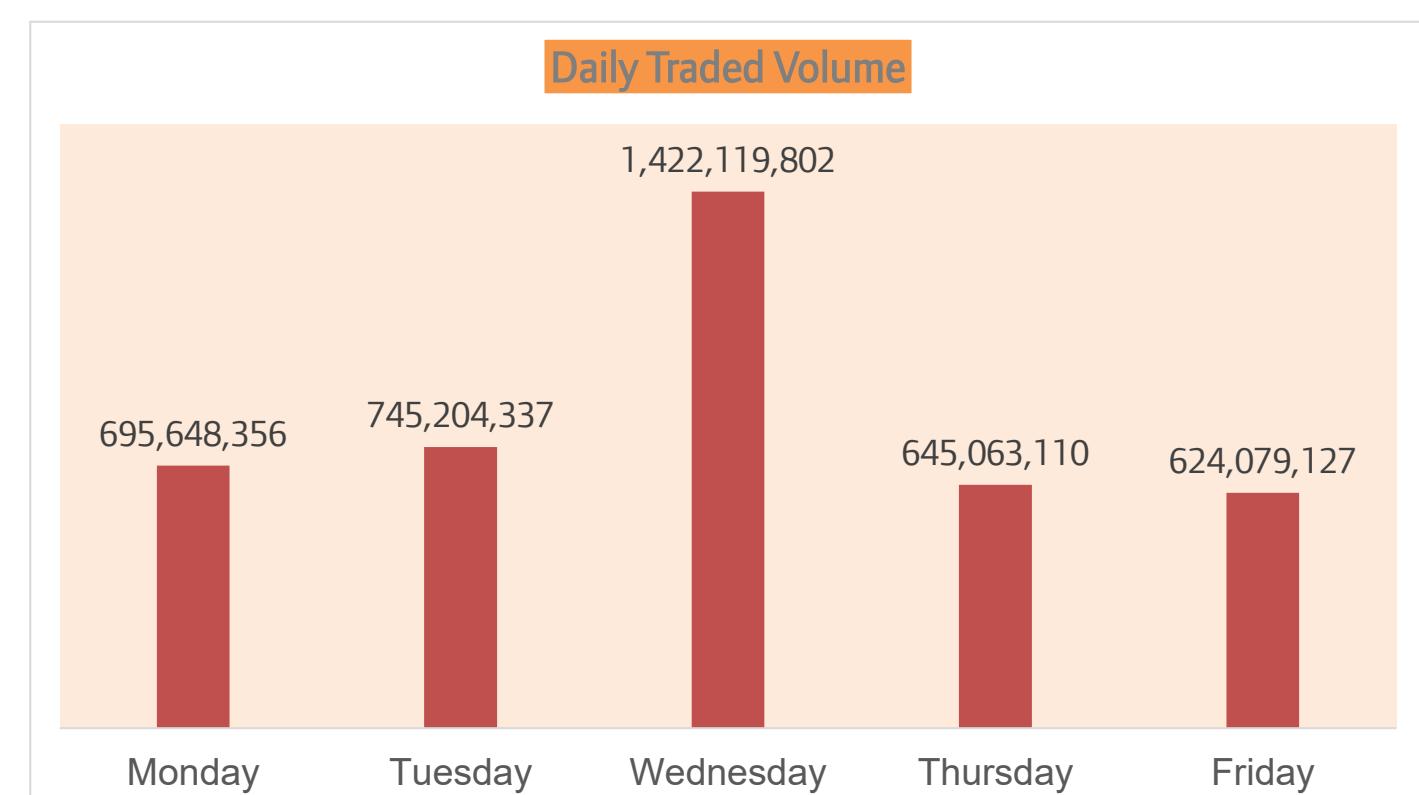
Looking ahead to the coming week, the equities market is expected to remain cautiously positive, supported by improving investor sentiment and selective accumulation in fundamentally strong stocks. While mild profit-taking may persist, market direction will largely depend on earnings releases, dividend expectations, and macroeconomic developments. Overall, trading is likely to be driven by value-focused positioning across key sectors.

Evolution of Equities Performance Gauges

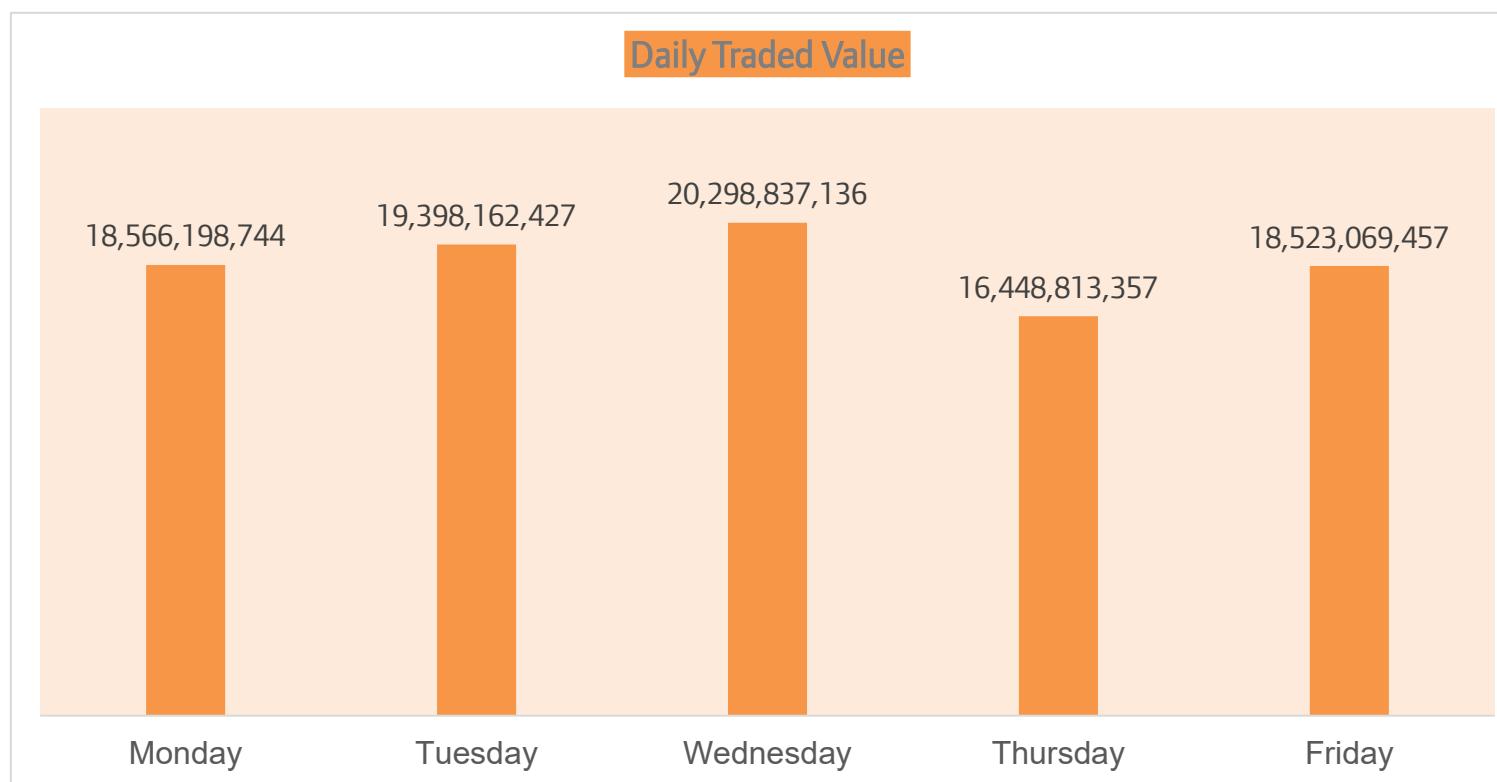


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Daily Traded Volume



Daily Traded Value



Weekly Top Gainers and Losers as at Friday, January 09, 2025

Top Ten Gainers				Bottom Ten Losers			
Symbol	9-Jan-25	31-Dec-24	% Change	Symbol	9-Jan-25	31-Dec-24	% Change
MULTIVERSE	23.40	14.65	59.7%	ALEX	19.10	23.80	-19.7%
MCNICHOLS	5.50	3.59	53.2%	AUSTINLAZ	4.13	4.67	-11.6%
MAYBAKER	28.80	19.00	51.6%	SOVRENINS	3.38	3.81	-11.3%
DEAPCAP	3.00	2.09	43.5%	IKEJAHOTEL	40.00	44.90	-10.9%
NEIMETH	8.45	5.90	43.2%	JULI	7.26	8.06	-9.9%
EUNISELL	169.80	126.00	34.8%	CONOIL	169	187.2	-9.7%
FIDSON	73.10	55.00	32.9%	LEARNAFRCA	5.95	6.55	-9.2%
ETRANZACT	15	11.35	32.2%	SUNUASSUR	5.05	5.50	-8.2%
SCOA	9.35	7.10	31.7%	UPDC	5.00	5.35	-6.5%

Weekly Stock Recommendations as at Friday, January 09, 2025

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
HONEYWELL	0.20	0.28	4.95	4.55	110.21x	30.20	3.97	22.50	31.1	19.1	25.9	38.00	Buy
NIGERIAN BREWERIES	2.71	3.43	17.64	4.53	29.54x	82.4	27.15	80	101.3	68.0	92.0	26.67	Buy
LAFARGE	12.90	16.60	39.07	3.84	11.63x	154.30	35.60	150.00	193.0	127.5	172.5	28.67	Buy
UBA	13.56	18.99	113.62	0.39	3.24x	50.55	22.95	44.00	61.6	37.4	50.6	40.00	Buy
ZENITH	5.64	7.13	115.17	0.58	11.88x	78.50	35.10	67.00	84.7	57.0	77.1	26.40	Buy

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