March 06, 2026

COWRY WEEKLY FINANCIAL MARKETS REVIEW & OUTLOOK (CWR)

Cowry Research

DOMESTIC ECONOMY: Macro Tailwinds Strengthen as Nigeria Posts 3.87% GDP Growth in 2025 ….

The latest report published by the National Bureau of Statistics shows that Nigeria's real GDP expanded by 3.87% year-on-year in 2025, improving from 3.38% year-on-year in 2024 and marginally outperforming our 3.86% forecast for 2025. The stronger-than-expected outturn reflects a more supportive macroeconomic environment, underpinned by a gradual recovery in consumer demand as inflationary pressures eased, improved foreign exchange market stability, and a less aggressive monetary policy posture by the Central Bank of Nigeria during the year.

Growth in 2025 was broad-based, driven by solid real sector expansion across Industry (4.57%), Services (4.14%), and Agriculture (2.92%). Performance across oil refining, construction, transportation, financial services, mining and quarrying underscores the positive effects of lower input costs, relative FX stability, and post-harvest gains on productive activity.

In real terms, aggregate GDP rose to ₦221.55 trillion in 2025 from ₦213.29 trillion in 2024, with Q4'25 recording the strongest quarterly contribution at ₦63.97 trillion. Nominal GDP increased sharply to ₦431.18 trillion from ₦364.62 trillion a year earlier, reflecting the impact of the recent GDP rebasing using 2019 as the base year.

On a quarterly basis, real GDP growth accelerated to 4.07% year-on-year in Q4'25, from 3.98% year-on-year in Q3'25 and 3.76% year-on-year in Q4'24, highlighting improving growth momentum into year-end. The services sector remained the dominant growth driver, accounting for 55.9% of real GDP in Q4'25 (up from 53.0% in Q3'25). Although sectoral growth of 4.15% year-on-year was unchanged from Q3'25, it moderated from 4.75% year-on-year in Q4'24, with support coming mainly from information and communication, financial and insurance services, trade, and real estate.

In the oil sector, average daily crude oil production stood at 1.58 million barrels per day (mbpd) in Q4'25, slightly above 1.54 mbpd in Q4'24, but lower than 1.64 mbpd in Q3'25. Real oil sector growth accelerated to 6.79% year-on-year in Q4'25, compared with 2.08% year-on-year in Q4'24 and 5.84% year-on-year in Q3'25, although the sector contracted by 6.30% quarter-on-quarter. On a full-year basis, oil sector growth improved to 8.50% in 2025, up from 5.54% in 2024. The sector's contribution to real GDP stood at 2.87% in Q4'25, slightly higher than 2.80% in Q4'24, but lower than 3.44% in Q3'25, with full-year contribution at 3.53%, up from 3.38% in 2024.

The non-oil sector expanded by 3.99% year-on-year in Q4'25, exceeding growth of 3.80% in Q4'24 and 3.91% in Q3'25. Growth was driven by agriculture (crop production), telecommunications, real estate, trade, financial services, construction, transportation, and food and beverage manufacturing. The sector accounted for 97.13% of real GDP in Q4'25, marginally lower than 97.20% in Q4'24, but higher than 96.56% in Q3'25. On an annual basis, the non-oil sector contributed 96.47% in 2025, slightly below 96.62% in 2024.

Overall, Cowry Research notes the sustained improvement in national output on both a quarterly and annual basis, supported by continued momentum in economic activities, particularly from the external sector. This momentum is expected to positively impact foreign reserves, the trade balance, FX market stability, and support a continued dovish policy bias as inflationary pressures ease further.

Looking ahead into 2026, we forecast GDP growth of 4.12% year-on-year in 2026, up from 3.87% in 2025, supported by stronger domestic economic activity, easing inflationary pressures, improved FX market stability, and a more accommodative monetary policy environment…….

EQUITIES MARKET: ASI Rises 2.15% WoW as Market Capitalisation Climbs to ₦126.43trn, Investors See N2.67tn Profits……

The Nigerian equities market closed the week on a positive note, recovering part of the losses recorded in the previous week as the NGX All-Share Index (ASI) advanced by 2.15% week-on-week to settle at 196,968.15 points. In line with the benchmark's performance, total market capitalisation increased by the same margin to ₦126.43 trillion from ₦123.76 trillion in the preceding week, representing an estimated ₦2.67 trillion gain in market value. Consequently, the year-to-date return improved to 26.58%, reflecting the sustained positive momentum in the domestic equities market.

Market breadth remained negative at 0.76x, with 44 gainers compared to 58 decliners, indicating that losses across a larger number of stocks moderated the broader market's gains. Trading activity softened during the week, as volume and turnover declined by 32.52% and 9.51% week-on-week, respectively. However, the number of deals edged higher by 0.35% over the same period. By the end of the week, investors had traded 3.70 billion shares valued at ₦177.76 billion across 371,317 deals, suggesting relatively weaker participation overall.

Sectoral performance closed the week on a broadly bullish note, with gains recorded across all major sectors under coverage except the Insurance sector. The Oil & Gas sector led the pack, advancing by 9.43% week-on-week, supported by strong buying interest in Aradel Holdings Plc and Oando Plc. Closely following was the Industrial Goods sector, which appreciated by 3.89% week-on-week, driven by improved investor confidence in Premier Paints Plc, Lafarge Africa Plc, and Dangote Cement Plc.

The Consumer Goods sector also rose by 1.12%, underpinned by buying activities in PZ Cussons Nigeria Plc and Cadbury Nigeria Plc, while the Banking sector edged up by 0.24% on the back of renewed interest in Stanbic IBTC Holdings Plc, Zenith Bank Plc, and Guaranty Trust Holding Company Plc. Meanwhile, the Insurance sector declined by 1.88%, reflecting sustained selling pressure in AXA Mansard Insurance Plc, Universal Insurance Plc, and Cornerstone Insurance Plc.

At the stock level, FTGINSURE led the gainers' chart with a 58.5% surge, followed by PREMPAINTS (+32.7%), ETERNA (+28.7%), NGX(+21.7%),and UACN (+20.6%), supported by strong buying interest. On the flip side, MCNICHOLS (-24.4%), MECURE (-18.9%), MULTIVERSE (-18.7%), JAIZBANK (-18.4%), an d OMATEK (-15.4%) topped the losers' chart, reflecting profit-taking and sustained selling pressure in those counters.

In the near term, we expect the domestic equities market to maintain a cautiously positive tone as investors continue to position in fundamentally sound and undervalued stocks following the recent rebound. Bargain hunting and selective accumulation particularly in large-capitalisation and fundamentally strong counters—could provide support to the benchmark NGX All-Share Index. However, intermittent profit-taking and relatively subdued trading activity may limit the pace of gains. Consequently, market performance in the coming week is expected to be driven largely by stock-specific developments and investor sentiment across key sectors.

FOREIX MARKET: Naira Weakens Amid Oil Prices Rally and Middle East Tensions……

This week, the naira weakened against the U.S. dollar across both markets, depreciating by 2.19% in the official market to close at ₦1,393.26/$ and by 2.14% in the parallel market to ₦1,390.82/$. Meanwhile, Nigeria's external reserves increased slightly by 0.75% to $49.88 billion, supported by improved foreign exchange inflows.

In the oil market, crude prices were on track to close the week with gains of over 16%, despite a slight dip on Thursday following signals from the U.S. government regarding potential intervention in the market aimed at stabilising prices.

At the time of writing, Brent crude was trading at $84.66 per barrel, while West Texas Intermediate (WTI) was priced at $79.94 per barrel and following an announcement by the U.S. Treasury Department that it would issue sanctions waivers to commodity trading firms, allowing them to sell Russian oil currently held on tankers. The move comes as Middle Eastern oil supply faces tightening conditions due to significant disruptions to tanker traffic in the Strait of Hormuz.

Locally, Bonny Light crude recorded a stronger performance, rising by 24.51% to $90.82 per barrel.

In the near term, the naira is likely to remain under pressure amid persistent demand for foreign exchange and lingering liquidity constraints in the FX market. However, the modest improvement in external reserves and continued foreign exchange inflows could provide some support to the currency. In the oil market, crude prices may remain volatile as geopolitical developments and potential policy interventions by the United States continue to influence supply expectations. Nonetheless, sustained strength in global oil prices could improve Nigeria's external position and support foreign exchange inflows over the medium term.

BOND MARKET: Tepid Trading Drags Nigerian Local and Eurobond Markets Lower….

The Nigerian secondary bond market closed the week on a bearish note, reflecting subdued demand across most maturities. Trading activity remained relatively weak, highlighting soft investor sentiment and a cautious appetite for local fixed-income instruments amid prevailing market uncertainties. Consequently, yields moderated slightly, with the average yield declining by 21 basis points to 15.75%, indicating mild demand for government securities during the week.

Similarly, the Nigerian sovereign Eurobond market recorded a negative performance, pressured by increased selling activity across the yield curve. As a result, average yields rose by 19 basis points to 7.17%, signalling weaker investor sentiment and a reduced appetite for Nigeria's dollar-denominated debt.

We expect Investor sentiment in Nigeria's fixed-income markets to remain cautious in the near term. Persistent macroeconomic uncertainties, coupled with muted demand for both local and dollar-denominated debt, may continue to weigh on bond prices. Market participants are expected to adopt a selective approach, focusing on higher-yielding instruments and shorter-dated maturities, while yields could experience modest fluctuations depending on liquidity conditions and fiscal developments.

MONEY MARKET: Liquidity Flood Supports Market, but Treasury Bills Selloff Pushes Yields Higher……

System liquidity opened the week on a firmer footing, with net liquidity settling in surplus at ₦4.4 trillion. By the close of the week, funding conditions strengthened further, with system liquidity rising to ₦5.89 trillion. This was largely supported by inflows from OMO maturities worth ₦956 billion, which more than offset debits of ₦236 billion from OMO sales conducted during the week.

Despite the improved liquidity profile, the overnight funding rate edged up marginally by 4 basis points week-on-week to 22.21%, while the Open Buy Back (OBB) rate remained unchanged at 22.00%. Elsewhere, liquidity management dynamics remained active, as deposit money banks continued to place funds at the Central Bank's Standing Deposit Facility corridor, reflecting cautious liquidity positioning amid daily funding obligations.

Across the interbank market, the Nigerian Interbank Offered Rate (NIBOR) curve moved higher. The overnight NIBOR rose by 13 basis points week-on-week to 22.38%, while the 1-month, 3-month and 6-month tenors advanced by 4 basis points, 17 basis points and 21 basis points respectively, reflecting pockets of liquidity tightening and cautious interbank lending activity.

In the treasury yield space, the Nigerian Treasury Instruments True Yield (NITTY) curve trended upward across all maturities. Rates increased by 27 basis points, 3 basis points, 55 basis points and 137 basis points week-on-week to close at 16.37%, 16.25%, 17.64% and 19.75% for the 1-month, 3-month, 6-month and 12-month tenors respectively. The upward adjustment largely reflected investor focus on the primary market treasury bill auction, where rates were repriced higher for both short-dated and longer-dated instruments.

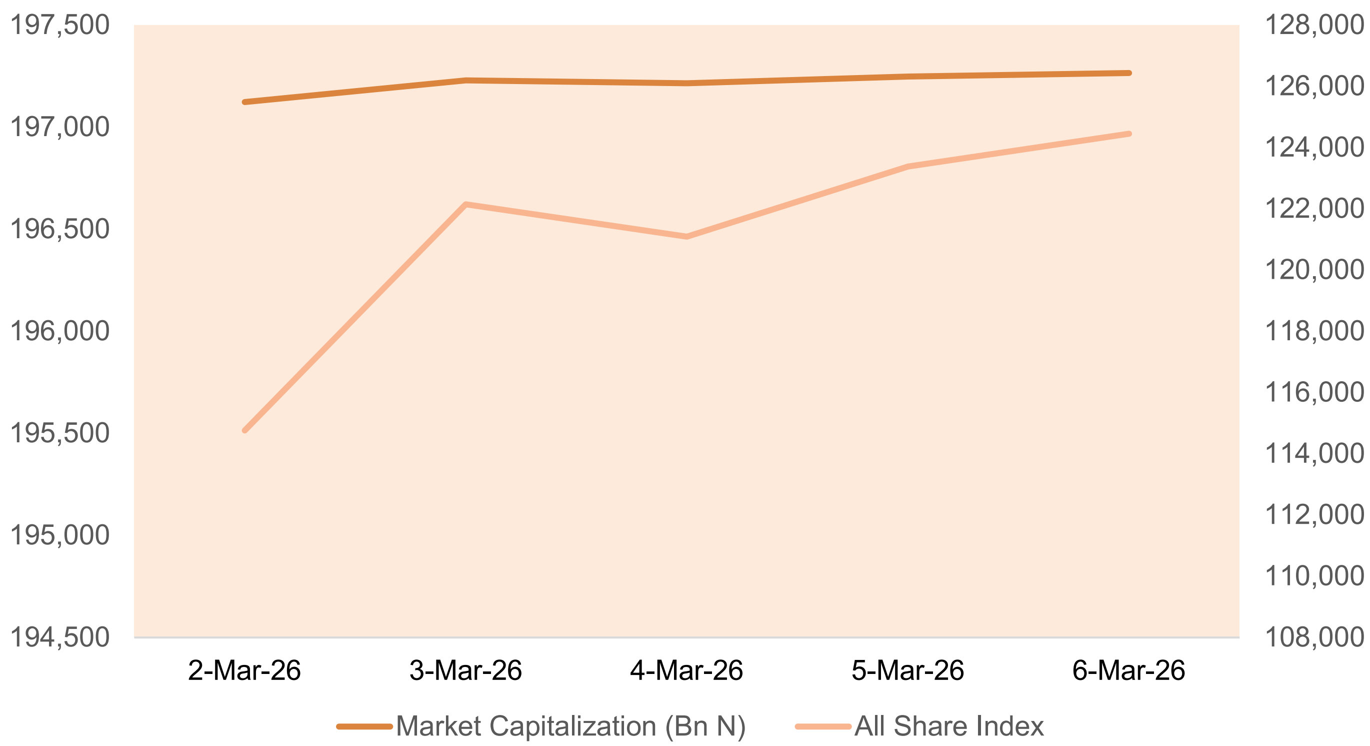
Meanwhile, bearish sentiment dominated the secondary Treasury bills market during the week. Selling pressure was concentrated around the belly of the curve, where yields rose by 5 basis points, and the long end, which expanded by 22 basis points. Consequently, the average treasury bills yield increased by 11 basis points week-on-week to settle at 17.46%.

At the Nigerian Treasury Bills (NTB) primary auction conducted by the Debt Management Office (DMO), a total of ₦1.1 trillion was offered across the standard maturities. Investor demand remained strong, with total subscriptions reaching ₦2.3 trillion, while final allotments settled at ₦1.0 trillion. Compared with the previous auction, stop rates on the 91-day and 364-day instruments increased to 15.95% and 19.73% respectively, from 15.80% and 15.90%. In contrast, the 182-day tenor remained unchanged at 16.65%.

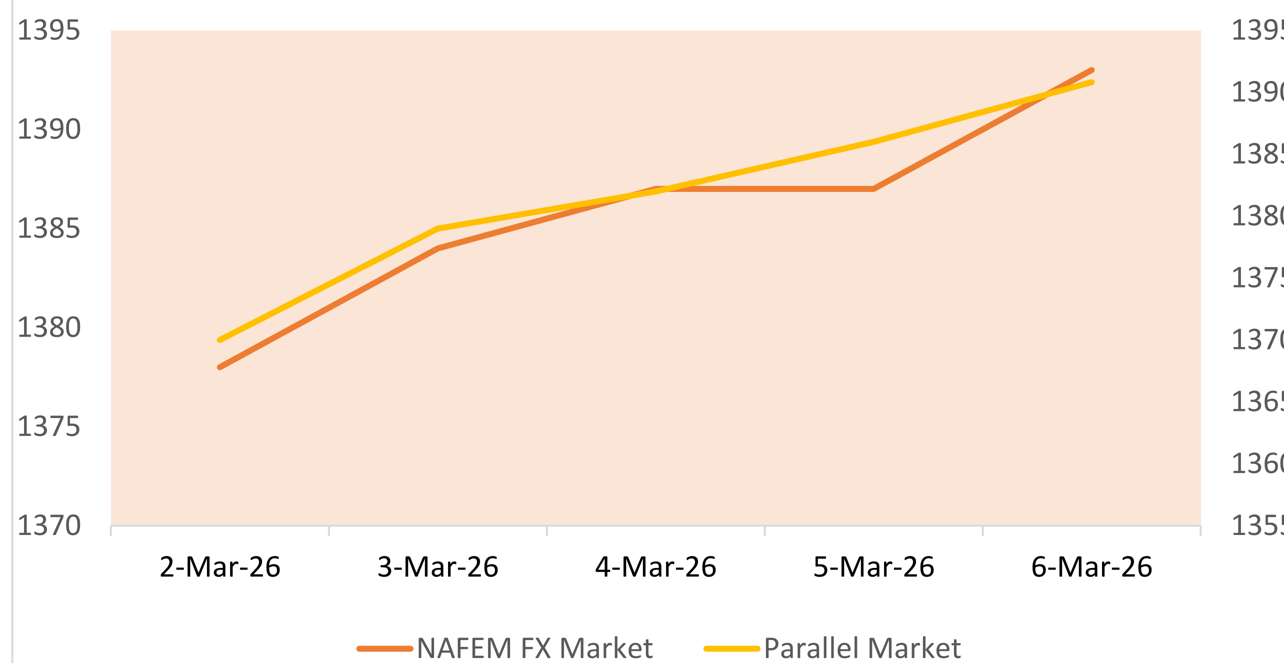
At the Central Bank's OMO auction, ₦600 billion was offered across the 7-day, 98-day and 105-day tenors. Total subscriptions reached ₦711.9 billion, although the Central Bank ultimately allotted a smaller ₦236 billion. Stop rates cleared at 19.35% for the 98-day instrument and 19.40% for the 105-day tenor.

Looking ahead, money market conditions are expected to remain broadly liquid in the coming week, supported by sizeable inflows from scheduled maturities. OMO maturities worth ₦1.69 trillion, alongside NTB maturities totalling ₦711.16 billion, are expected to inject significant liquidity into the system. These inflows should help sustain elevated system liquidity levels and keep interbank funding rates trading around current levels.

Evolution of Equities Performance Gauges



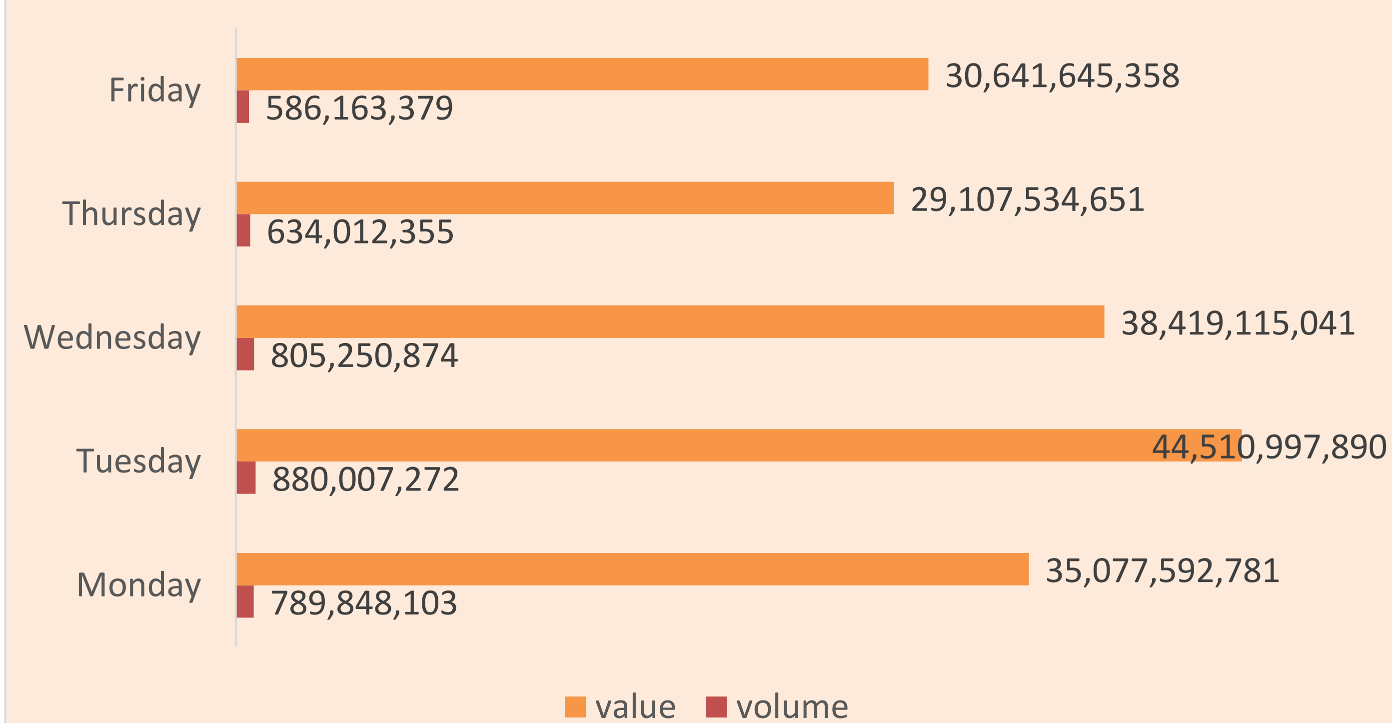
Evolution of NGN/USD Exchange Rates



FGN Eurobonds Yields as at Friday , March 06, 2026

FGN Eurobonds	Issue Date	TTM (years)	06-Mar-26 Price (N)	Weekly USD Δ	06-Mar-26 Yield	Weekly PPT Δ
6.50 NOV 28, 2027	28-Nov-17	1.73	101.03	-0.49	5.9%	0.30
6.125 SEP 28, 2028	28-Sep-21	2.57	100.55	-0.33	5.9%	0.14
8.375 MAR 24, 2029	24-Mar-22	3.05	106.08	-0.42	6.2%	0.13
7.143 FEB 23, 2030	23-Feb-18	3.97	102.13	-0.62	6.5%	0.17
8.747 JAN 21, 2031	21-Nov-18	4.88	107.59	-1.06	6.9%	0.24
7.875 16-FEB-2032	16-Feb-17	5.95	103.57	-1.18	7.1%	0.23
7.375 SEP 28, 2033	28-Sep-21	7.57	99.92	-1.65	7.4%	0.29
7.696 FEB 23, 2038	23-Feb-18	11.98	98.24	-1.59	7.9%	0.21
7.625 NOV 28, 2047	28-Nov-17	21.75	93.31	-1.38	8.3%	0.14
9.248 JAN 21, 2049	21-Nov-18	22.90	108.47	-1.47	8.4%	0.14
8.25 SEP 28, 2051	28-Sep-21	25.58	97.88	-1.40	8.5%	0.13

Daily Traded Volume and Value



Weekly Top Gainers and Losers as at Friday, March 06, 2026

Top Ten Gainers				Bottom Ten Losers			
Symbol	6-Mar-26	27-Feb-26	% Change	Symbol	6-Mar-26	27-Feb-26	% Change
FTGINSURE	1.49	0.94	58.5%	MCNICHOLS	6.40	8.47	-24.4%
PREMPAINTS	14.60	11.00	32.7%	MECURE	61.5	75.85	-18.9%
ETERNA	42.35	32.90	28.7%	MULTIVERSE	18.45	22.70	-18.7%
NGXGROUP	150.95	124.00	21.7%	JAIZBANK	10.30	12.63	-18.4%
UACN	115.80	96.00	20.6%	OMATEK	2.20	2.60	-15.4%
CUSTODIAN	81.90	68.00	20.4%	AFRIPRUD	15.2	17.95	-15.3%
SOVRENINS	2.66	2.21	20.4%	CUTIX	3.3	3.81	-13.4%
ARADEL	1300.4	1084	20.0%	DANGSUGAR	72.45	82.95	-12.7%
OANDO	49.70	41.80	18.9%	MANSARD	16.50	18.40	-10.3%
UHOMREIT	76.15	69.25	10.0%	CHAMS	4.05	4.50	-10.0%

Weekly Stock Recommendations as at Friday, March 06, 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
ETERNA	1.75	2.19	5.47	7.74	24.19x	49.95	27.9	42.35	52.9	36.0	48.7	25.00	Buy
STANBIC IBTC	23.68	29.59	70.68	1.88	5.62x	133.00	59.00	133.00	173.8	113.1	153.0	30.68	Buy
LAFARGE AFRICA	16.96	21.19	43.08	4.87	12.39x	214.00	65.90	210.00	262.5	178.5	241.5	25.00	Buy
NIGERIAN BREWERIES	3.20	4.00	18.08	4.54	25.64x	82.4	31	82	102.5	69.7	94.3	25.00	Buy
ZENITH BANK	5.64	7.13	115.17	0.81	16.49x	94.00	43.00	93.00	117.6	79.1	107.0	26.40	Buy

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