



COWRY WEEKLY FINANCIAL MARKETS

REVIEW & OUTLOOK (CWR)



Cowry Research

DOMESTIC ECONOMY: Domestic Capital Powers 86% Jump in NGX Transactions to N4.15tn in Q1'26 as Foreign Flows Lag....

According to the NGX polled trading figures from market operators on their Domestic and Foreign Portfolio Investment (FPI) flows, the Nigerian equities market opened 2026 on a significantly stronger footing in terms of trading activity, but with a notable shift in the structure of participation. Total transactions in Q1 2026 rose sharply to ₦4.15 trillion, compared to ₦2.23 trillion in Q1 2025, representing an 86% year-on-year increase. This points to improved liquidity conditions and heightened market activity overall.

However, this expansion has been driven largely by domestic investors, whose dominance has become more pronounced. Domestic participation accounted for 86.9% of total transactions in Q1 2026, up from 63.5% in Q1 2025, while foreign participation declined significantly from 36.5% to just 13.1% over the same period.

In absolute terms, foreign transactions fell from ₦814 billion in Q1 2025 to ₦542 billion in Q1 2026, highlighting continued caution among offshore investors. In contrast, domestic flows surged from ₦1.42 trillion to ₦3.61 trillion, reinforcing the view that the market's current strength is being powered internally. This trend reflects lingering concerns among foreign investors around foreign exchange stability, repatriation risks, and broader macroeconomic uncertainty, despite the clear improvement in trading volumes. As a result, while the market is more active and liquid, it is less globally integrated than it was a year ago.

A closer look at domestic participation shows that institutional investors are leading this expansion. Of the ₦3.61 trillion recorded in domestic transactions, institutional investors accounted for ₦2.16 trillion, representing roughly 60%, while retail investors contributed ₦1.45 trillion. This indicates that the market's growth is being driven more by long-term, strategic capital rather than short-term speculative flows, which typically supports greater stability.

On a monthly basis, trading activity gathered momentum through the quarter, with March emerging as a key turning point. Total transactions increased from ₦0.86 trillion in January to ₦1.54 trillion in February, before rising further to ₦1.74 trillion in March. This represents a 13.1% increase from February and a substantial 56.4% rise compared to March 2025, underscoring the broader expansion in market participation.

The most notable development in March was the rebound in foreign participation. Foreign transactions rose from ₦114 billion in January, representing 13.2% of total activity, to ₦139 billion in February (9.0%), before surging to ₦289 billion in March, accounting for 16.6% of total transactions. This marks a 107.7% increase from February, suggesting the first meaningful sign of foreign re-entry into the market in 2026. The uptick appears to reflect tactical positioning by offshore investors, likely driven by attractive equity valuations, the search for yield in a high-interest-rate environment, and a degree of comfort with prevailing foreign exchange levels. Nonetheless, foreign participation remains structurally low compared to the previous year.

Domestic investors continued to anchor market activity in March, with transactions rising modestly from ₦1.40 trillion in February to ₦1.46 trillion, a 3.7% increase. However, the pace of growth has moderated compared to earlier in the quarter. Within this, institutional activity increased by 6.95%, while retail participation declined slightly by 1.3% and suggests that institutional investors are still actively building positions with a longer-term view, while retail investors may be taking profits or adopting a more cautious stance following recent market gains.

**DOMESTIC ECONOMY: Domestic Capital Powers 86% Jump in NGX Transactions to N4.15tn in Q1'26 as Foreign Flows Lag**

We think the market is deepening and becoming more liquid, but remains heavily reliant on domestic capital. While foreign investors are yet to fully return, the sharp rebound in March indicates early signs of selective re-engagement. The increasing dominance of institutional investors also suggests a more stable market structure, with less susceptibility to sharp volatility typically associated with retail-driven cycles.

Despite the strong growth in transaction volumes, the relatively weak foreign presence highlights a market that is expanding but has not yet fully regained external confidence. For now, the Nigerian equities market remains resilient, with momentum largely sustained by domestic institutional strength, even as foreign investors begin to cautiously test the waters.

EQUITIES MARKET: Risk-On Sentiment Powers NGX Above 225k Levels as Investors Reap ₦5.5tn Gain...

The Nigerian equities market closed the week on a strong footing, sustaining its bullish run as gains in key large- and mid-cap stocks continued to lift overall market performance. The benchmark NGX All-Share Index (ASI) advanced by 3.96% week-on-week to settle at 225,724.33 points, while market capitalization rose by 3.94% to ₦145.34 trillion. This translates to a net gain of approximately ₦5.51 trillion in investor wealth over the week. Consequently, the year-to-date return strengthened to 45.05%, reflecting sustained optimism and strong risk appetite in the equities space.

Market breadth remained positive at 1.15x, with 53 gainers against 46 decliners, indicating that buying interest was relatively widespread across the market. In simple terms, more stocks gained than lost, suggesting that the rally was not limited to just a few names but supported by broader participation.

Trading activity also reflected heightened investor engagement. The total number of deals, volume traded, and value of transactions increased by 16.74%, 6.04%, and 9.58% week-on-week, respectively. In total, investors exchanged 3.81 billion shares worth ₦214.44 billion across 298,015 deals, highlighting improved liquidity and stronger conviction in market direction.

Sectoral performance was broadly positive, reinforcing the strength of the rally. The Industrial Goods sector led the charge with a 7.07% gain, driven by strong demand for bellwether stocks such as Dangote Cement Plc, Lafarge Africa Plc, CAP, and Berger. The Banking sector followed closely, advancing by 6.81% on renewed investor interest in FBN Holdings Plc, Ecobank Transnational Incorporated, and Wema Bank. Similarly, the Consumer Goods sector gained 5.56%, supported by sustained buying in NASCON Allied Industries Plc, PZ Cussons Nigeria Plc, and Union Dicon.

The Oil & Gas sector posted a modest gain of 0.86%, as buying interest remained relatively cautious despite declines in some counters. Meanwhile, the Insurance sector recorded the slowest growth at 0.40%, reflecting relatively weaker investor appetite compared to other sectors. In contrast, the commodity index dipped marginally by 0.41%, suggesting subdued sentiment despite earlier gains in stocks like Aradel.

On the performance chart, UACN led the gainers with a 42.0% surge, followed by Union Dicon (+32.7%), NASCON (+32.6%), Transcorp Express (+30.6%), and Zichis (+25.7%), largely driven by strong speculative and momentum-driven buying. On the flip side, Abbey Mortgage Bank (-33.3%), Guinea Insurance (-15.2%), Stanbic IBTC Holdings Plc (-13.8%), LivingTrust Mortgage Bank (-11.0%), and Sovereign Trust Insurance (-10.1%) topped the losers' chart, reflecting profit-taking and persistent sell pressure in those names.

Looking ahead, the market is likely to remain broadly positive, supported by strong liquidity and continued investor interest. However, the pace of gains may begin to moderate as investors increasingly lock in profits, particularly in stocks that have recorded significant price appreciation. This suggests a shift from broad-based buying to a more selective approach, where attention is focused on fundamentally strong and undervalued stocks.

Notably, while momentum indicators still point to continued upward movement, some are approaching overbought levels as an early signal that the market may be nearing a short-term peak. This raises the likelihood of a consolidation phase or mild pullback in the near term. In addition, subtle signs such as easing trading volumes and less consistent breadth suggest that participation may be thinning beneath the surface.



FOREX MARKET: : Naira Weakens Amid Reserve Pressures as Global Oil Prices Rally Despite Bonny Light Decline.....

This week, the naira weakened against the U.S. dollar, falling by 1.09% in the official market to close at ₦1,358.44, while also depreciating marginally by 1 basis point in the parallel market to ₦1,369.12. Meanwhile, foreign reserves declined by 0.29% to \$48.48bn, reflecting continued CBN interventions to support the currency, ongoing debt service obligations, weaker oil revenue inflows, and capital outflows driven by foreign investor exits.

In the oil market, crude prices extended their gains for a fifth consecutive session, with Brent crude trading at \$105.40 per barrel and WTI at \$95.31 per barrel at the time of writing. However, Nigeria's Bonny Light crude recorded a decline of 3.99%, settling at \$113.31 per barrel.

Near-term pressure on the naira is likely to persist amid continued FX demand pressures, sustained CBN market interventions, and weakening reserve buffers driven by debt servicing and softer external inflows. However, elevated global crude oil prices could provide some support to Nigeria's external position if translated into improved export earnings. Market stability will largely depend on the pace of FX inflows, oil revenue performance, and the extent of capital flow normalization in the coming weeks.

BOND MARKET: Local Bonds Weaken on Selloffs as Eurobonds Gain on Renewed Offshore Demand.....

The Nigerian secondary bond market closed the week on a bearish note, as weak demand conditions and sustained sell-side pressures across most maturities weighed on overall market performance relative to the previous week. Trading activity remained largely subdued, underscoring cautious investor positioning amid prevailing liquidity constraints and uncertainty around near-term rate direction. Consequently, average yields expanded by 20 basis points week-on-week to settle at 16.04%, reflecting a broad-based repricing of risk across the local fixed income curve.

In contrast, the Nigerian sovereign Eurobond market recorded a modest bullish performance, underpinned by improved investor demand across the curve. This renewed buying interest drove a 6 basis points decline in average yields to 6.89%, signaling a gradual recovery in external investor sentiment and sustained appetite for Nigeria's dollar-denominated instruments, particularly in the context of relatively attractive emerging market yields.

Looking ahead, the domestic bond market is expected to trade with a mild bearish bias in the near term, as constrained system liquidity and cautious investor sentiment continue to dampen demand dynamics. Nonetheless, attention is likely to shift to the Debt Management Office's upcoming primary market auction, where a sizeable ₦700 billion FGN bond issuance is scheduled. Demand at the auction could prove relatively resilient, as investors seek to lock in current elevated yield levels, particularly across attractive tenors.

Conversely, the Eurobond market may sustain its positive trajectory, supported by improving global risk appetite and continued search for yield in emerging markets. However, this outlook remains contingent on external macro drivers, particularly the trajectory of U.S. interest rates and broader global financial conditions, which will continue to shape capital flows and pricing dynamics in the near term.



MONEY MARKET: Liquidity Stays Resilient Amid Heavy OMO, NTB Drains as Rates Show Mixed Signals....

System liquidity opened the week on a positive note, but this early strength was gradually eroded by significant debits from Treasury Bills (NTB) and Open Market Operations (OMO) auctions. Notwithstanding the sizable liquidity drain of ₦894 billion from NTB sales, overall funding conditions remained robust, closing at ₦4.06 trillion, largely underpinned by NTB maturities worth ₦758 billion. This liquidity backdrop supported a marginal easing in short-term rates, with the overnight (OVN) rate declining by 4 basis points to 22.20%, while the funding rate held steady at 22.00%. However, midweek pressures emerged following a substantial ₦1.9 trillion OMO debit, which tempered system liquidity.

Money market benchmarks reflected this mixed liquidity dynamic. Overnight NIBOR declined by 7 basis points week-on-week to 22.32%, driven by improved liquidity conditions earlier in the week. More notably, the 1-month, 3-month, and 6-month NIBOR tenors recorded sharp contractions of 36bps, 68bps, and 71bps respectively, indicating strong liquidity-driven repricing at the short end of the curve. In contrast, the Nigerian Interbank Treasury True Yield (NITTY) curve trended upward across most maturities, suggesting cautious sentiment and demand for higher yields. The exception was the 3-month tenor, which dipped slightly by 2bps to 16.26%, while the 1-month, 6-month, and 12-month tenors advanced by 29bps, 13bps, and 12bps to 16.37%, 17.24%, and 18.97% respectively.

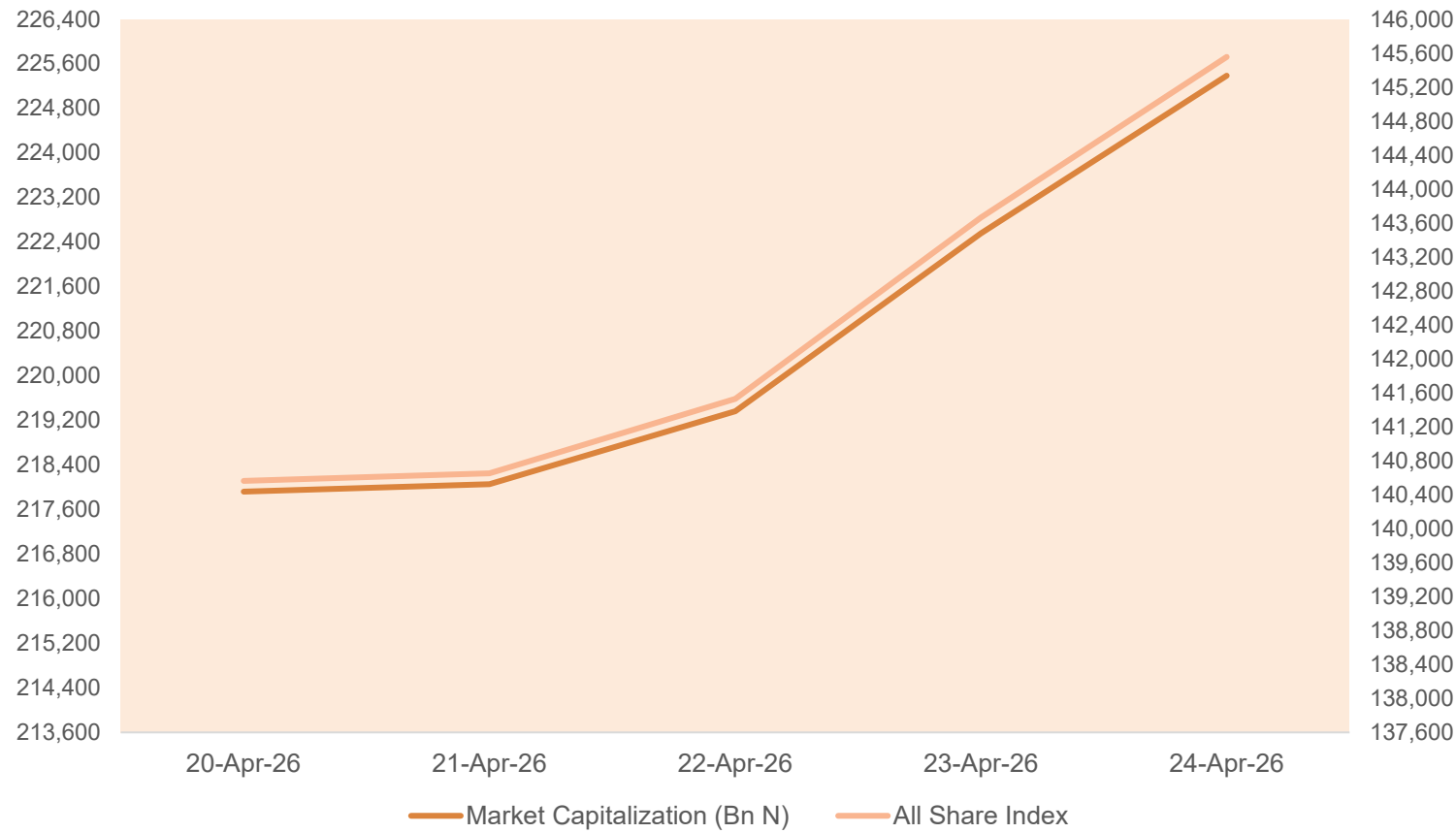
Activity in the secondary Treasury bills market remained mildly bullish, supported by sustained buy-side interest, which drove a modest 3bps decline in average yields to 17.47% week-on-week. At the primary market, the NTB auction recorded strong investor appetite, with total subscriptions of ₦2.4 trillion against an offer of ₦700 billion, primarily skewed toward the 364-day instrument. The Central Bank of Nigeria (CBN) eventually allotted ₦894.2 billion, with stop rates unchanged across tenors at 15.95% (91-day), 16.19% (182-day), and 16.20% (364-day), reflecting a deliberate effort to anchor rates despite robust demand.

Similarly, the OMO auction saw heightened demand, with subscriptions reaching ₦2.2 trillion compared to an offer of ₦600 billion. The CBN allotted ₦1.9 trillion, with stop rates clearing at 21.90% (7-day), 19.87% (91-day), and 19.91% (140-day). These elevated OMO rates underscore the apex bank's continued liquidity sterilization stance and its intent to maintain tight monetary conditions.

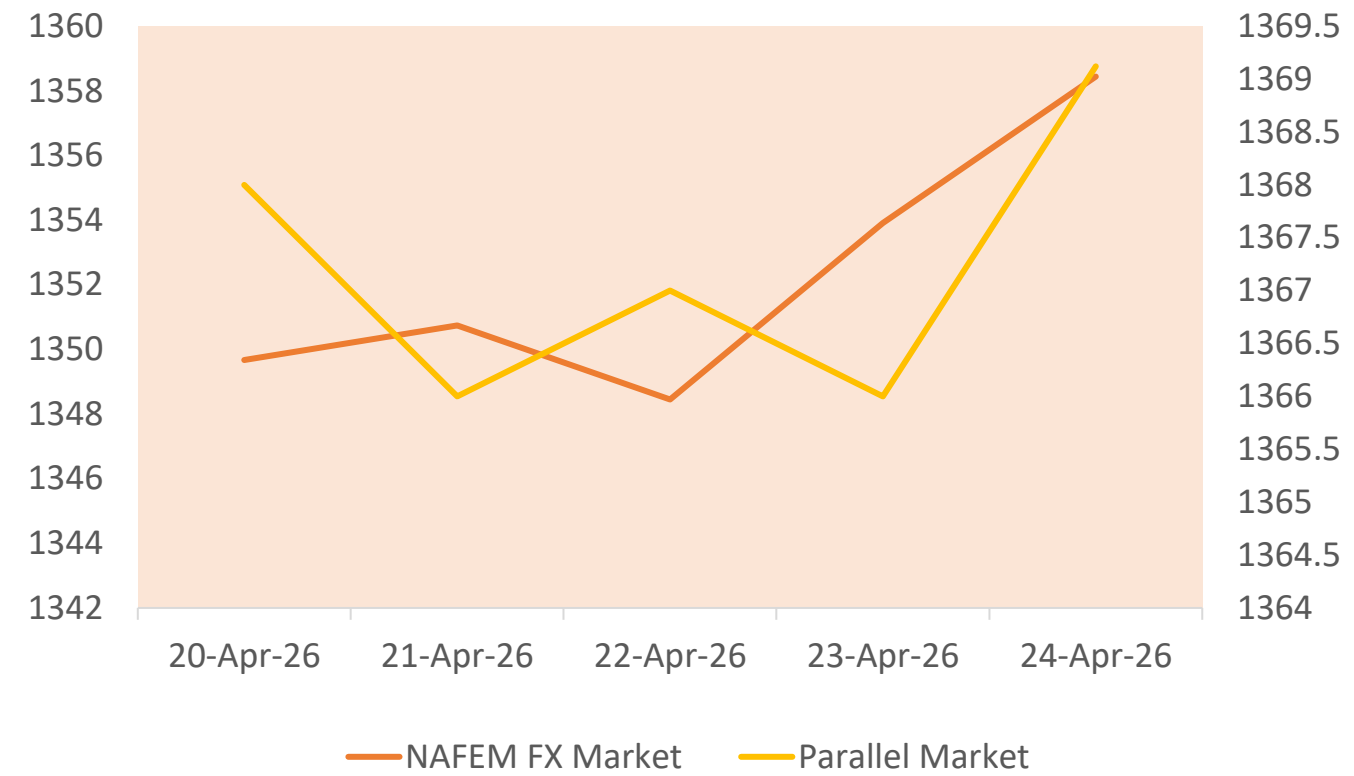
Looking ahead, money market dynamics are expected to be shaped by the interplay of liquidity injections and anticipated debits. While maturing OMO bills estimated at ₦700 billion and FAAC inflows should provide some liquidity support, system liquidity may remain constrained due to expected outflows from forthcoming FGN bond auctions. Consequently, funding rates could experience upward pressure in the near term, reflecting tighter system conditions despite intermittent liquidity inflows.



Evolution of Equities Performance Gauges



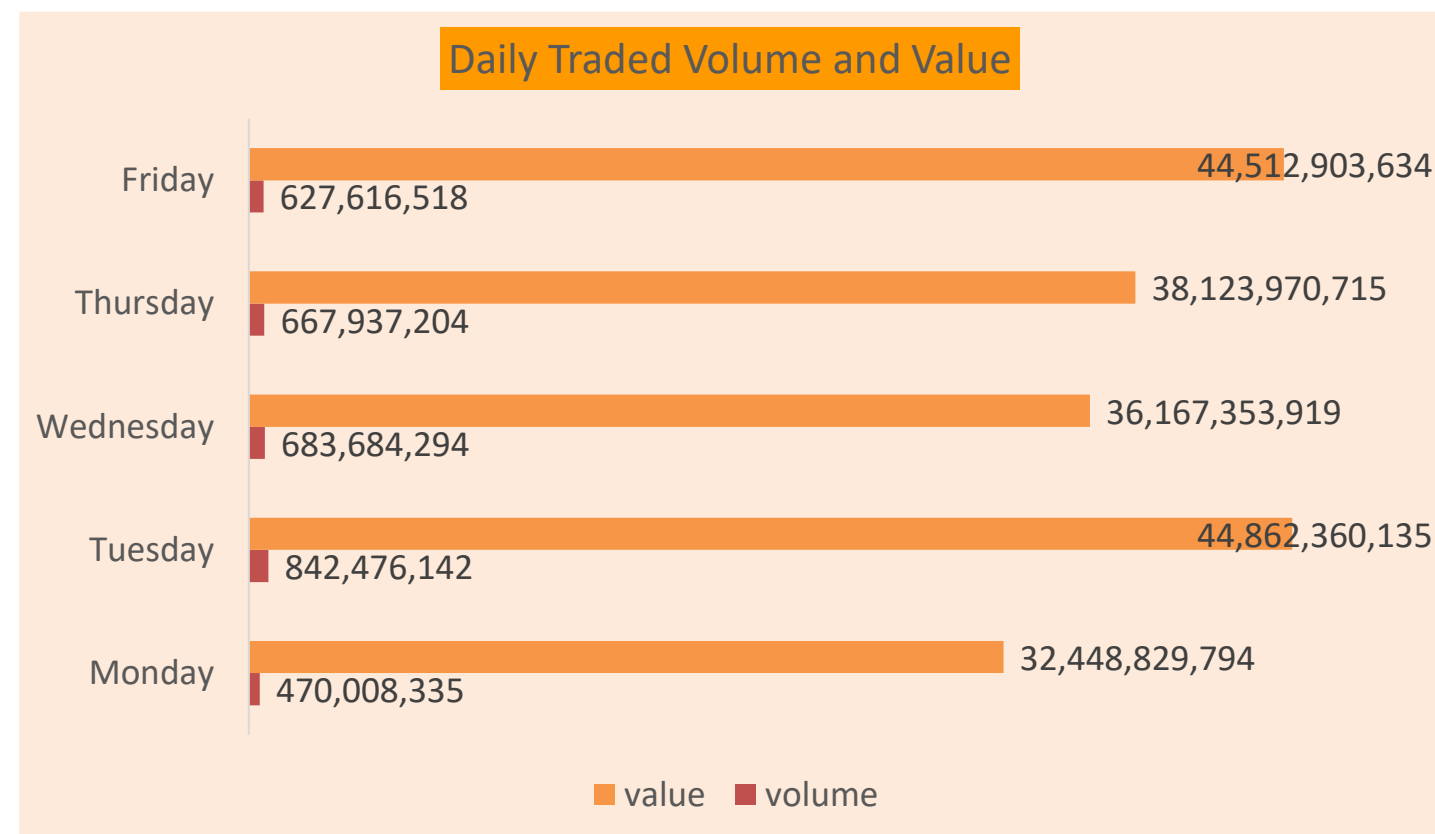
Evolution of NGN/USD Exchange Rates



FGN Eurobonds Yields as at Friday , April 24, 2026

FGN Eurobonds	Issue Date	TTM (years)	17-Apr-26 Price (N)	Weekly USD Δ	10-Apr-26 Yield	Weekly PPT Δ
6.50 NOV 28, 2027	28-Nov-17	1.60	100.95	0.01	5.9%	-0.01
6.125 SEP 28, 2028	28-Sep-21	2.43	100.57	-0.05	5.9%	0.02
8.375 MAR 24, 2029	24-Mar-22	2.92	106.80	0.05	5.8%	-0.04
7.143 FEB 23, 2030	23-Feb-18	3.84	102.96	0.24	6.3%	-0.07
8.747 JAN 21, 2031	21-Nov-18	4.75	108.24	0.57	6.7%	-0.14
7.875 16-FEB-2032	16-Feb-17	5.82	105.03	0.57	6.8%	-0.12
7.375 SEP 28, 2033	28-Sep-21	7.44	102.01	0.64	7.0%	-0.11
7.696 FEB 23, 2038	23-Feb-18	11.84	102.20	0.87	7.4%	-0.11
7.625 NOV 28, 2047	28-Nov-17	21.61	97.40	0.52	7.9%	-0.05
9.248 JAN 21, 2049	21-Nov-18	22.76	111.90	0.48	8.1%	-0.05
8.25 SEP 28, 2051	28-Sep-21	25.45	101.14	0.20	8.1%	-0.02
					6.89%	

Daily Traded Volume and Value



Weekly Top Gainers and Losers as at Friday, April 24, 2026

Top Ten Gainers				Bottom Ten Losers			
Symbol	24-Apr-26	17-Apr-26	% Change	Symbol	24-Apr-26	17-Apr-26	% Change
UACN	142.00	100.00	42.0%	ABBEYBDS	5.40	8.10	-33.3%
UNIONDICON	21.90	16.50	32.7%	GUINEAINS	1.06	1.25	-15.2%
NASCON	206.90	156.00	32.6%	STANBIC	162.50	188.55	-13.8%
TRANSEXPR	7.90	6.05	30.6%	LIVINGTRUST	3.65	4.10	-11.0%
ZICHIS	15.60	12.41	25.7%	SOVRENINS	1.95	2.17	-10.1%
CAP	118.50	95.00	24.7%	TRANSPOWER	272.7	302.9	-10.0%
WAPCO	294.90	243.00	21.4%	MEYER	16.8	18.65	-9.9%
PZ	92.2	77.6	18.8%	LEGENDINT	5.65	6.25	-9.6%
FIRSTHOLDCO	75.00	64.00	17.2%	NPFMCRFBK	5.25	5.80	-9.5%
UACN	142.00	100.00	42.0%	ABBEYBDS	5.40	8.10	-33.3%

Weekly Stock Recommendations as at Friday, April 24, 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
MTN NIGERIA PLC	53.00	66.25	26.13	31.38	15.47x	825.0	239	820.00	1050.0	697.0	943.0	28.05	BUY
BUA CEMENT	10.51	13.56	17.98	18.63	31.86x	335	83.7	335	431.9	284.8	385.3	28.93	BUY
HONEYWELL FLOUR	0.78	0.99	5.50	3.45	24.29x	31.75	7.85	19.00	24.0	16.2	21.9	26.25	BUY
UBA	13.56	18.99	113.62	0.48	4.06x	55.00	31.65	55.00	77.0	46.8	63.3	40.00	BUY
ZENITH BANK	5.64	7.13	115.17	1.17	23.93x	136.10	43.00	135.00	170.6	114.8	155.3	26.40	BUY



CONTACT US

HEAD OFFICE

Plot 1319, Karimu Kotun Street,
Victoria Island
Lagos
Website: www.cowryasset.com
Email: research@cowryasset.com

ABUJA OFFICE

Statement Suites Hotel D03 (3rd Floor), Plot 1002,
1st Avenue, Off Ahmadu Bello Way
Central Business District,
Abuja
Website: www.cowryasset.com
Email: research@cowryasset.com

PORT HARCOURT OFFICE

UPDC Complex, 26 Aba Road,
Port-Harcourt
River State
Website: www.cowryasset.com
Email: research@cowryasset.com

RESEARCH TEAM

CHARLES ABUEDE

Cabuede@cowryasset.com

TAIWO LUPO

Tlupo@cowryasset.com

TOMIWA JIMOH

Tjimoh@cowryasset.com

www.cowryasset.com

www.twitter.com/cowryassetmgt

www.facebook.com/cowryasset

Disclaimer

This report is produced by the *Research Desk* of Cowry Asset Management Limited (COWRY) as a guideline for Clients that intend to invest in securities on the basis of their own investment decision without relying completely on the information contained herein. The opinion contained herein is for information purposes only and does not constitute any offer or solicitation to enter into any trading transaction. While care has been taken in preparing this document, no responsibility or liability whatsoever is accepted by any member of COWRY for errors, omission of facts, and any direct or consequential loss arising from the use of this report or its contents.