



COWRY WEEKLY FINANCIAL MARKETS

REVIEW & OUTLOOK (CWR)



Cowry Research



DOMESTIC ECONOMY: Nigeria's External Trade Strengthens in Q1 2026 as Export Earnings Drive ₦7.55tn Trade Surplus

Nigeria's external trade sector demonstrated strong resilience in the first quarter of 2026, supported by robust export earnings and a moderation in import demand. Total merchandise trade stood at ₦34.79 trillion, comprising exports of ₦21.17 trillion and imports of ₦13.62 trillion. As a result, the country recorded a trade surplus of ₦7.55 trillion, representing a remarkable 340.88% increase compared to the previous quarter. The improvement was largely driven by higher crude oil export receipts and a decline in petroleum product imports, reflecting the combined effects of improved domestic refining capacity, foreign exchange constraints, and government efforts to reduce import dependence.

Export performance remained strong across both oil and non-oil segments. Crude oil exports accounted for ₦11.20 trillion, representing 52.92% of total exports, while non-crude oil exports contributed ₦9.97 trillion or 47.08% of total exports. Non-oil products generated ₦3.19 trillion, highlighting ongoing efforts to diversify Nigeria's export base, although the economy remains heavily reliant on hydrocarbon exports. On the import side, trade activity moderated significantly during the quarter. Total imports declined by 18.17% year-on-year and 21.05% quarter-on-quarter to ₦13.62 trillion. The decline was primarily attributed to reduced non-oil imports and lower demand for petroleum products amid elevated foreign exchange costs, tighter liquidity conditions, and policies encouraging domestic production.

Regionally, Europe remained Nigeria's largest export destination, accounting for ₦7.93 trillion or 37.44% of total exports, followed by Asia with ₦6.42 trillion (30.31%) and Africa with ₦4.06 trillion (19.19%). Trade with African countries remained particularly strong, generating a significant surplus as exports substantially exceeded imports. Within the ECOWAS region, Nigeria exported goods worth ₦2.20 trillion while imports amounted to only ₦65.91 billion, reinforcing the country's strategic role as a key regional trade hub.

Nigeria's Q1 2026 trade performance showed a mixed sectoral outlook. Agriculture recorded ₦2.00 trillion in trade, but exports fell sharply by 31.20% year-on-year due to productivity and infrastructure challenges. In contrast, solid minerals performed strongly, with exports rising 74.63% to ₦102.81 billion, driven by rising demand and investor interest. Manufactured goods made up 25.26% of total trade at ₦8.79 trillion, but exports remained weak at ₦302.64 billion, reflecting ongoing industrial constraints.

Overall, while Nigeria's trade position improved due to stronger exports and lower imports, the economy remains heavily reliant on crude oil exports. Weak agricultural and manufacturing exports highlight the continued need for diversification and stronger industrial development.

Nigeria's Q1 2026 external sector improved, driven by higher crude oil exports, weaker import demand, and a stronger trade surplus. While the near-term outlook remains positive, long-term stability depends on growing non-oil exports, strengthening manufacturing, and reducing reliance on hydrocarbons.

Cowry Research expects the trade surplus to stay positive, supported by strong oil revenues, higher production, FX constraints limiting imports, and gradual growth in non-oil exports. However, the sector remains exposed to oil price and output volatility. Sustained progress will require diversification through stronger manufacturing and agriculture, alongside reforms and improved local refining capacity to reduce import dependence.

EQUITIES MARKET : NGX Sustains Bullish Momentum as Selective Buying Drives Market Gains Despite Sectoral Divergence

The Nigerian equities market closed the week on a bullish note, supported by improved investor appetite across major counters, despite pockets of profit-taking that weighed on sentiment. The benchmark NGX All-Share Index (ASI) advanced by 0.88% week-on-week to settle at 244,738.74 points, while market capitalization rose by approximately ₦1.38 trillion to close at ₦156.97 trillion. Consequently, the market's year-to-date return increased to 57.27%, reflecting sustained investor confidence in the domestic equities market.

Market breadth remained strong, closing positive at 1.12x, with 48 advancing stocks against 43 decliners. This underscores a more selective trading environment, where gains were concentrated across several counters amid the broader market uptrend.

Trading activity also strengthened during the week. However, while trading volume and transaction value increased by 25.14% and 18.10% week-on-week respectively, the number of deals declined by 31.33%. In total, investors exchanged 4.96 billion shares valued at ₦207.60 billion across 236,276 deals, reflecting active portfolio repositioning and sustained market participation.

Sectoral performance was broadly mixed, highlighting divergent sentiment across key sectors. The banking, insurance, and oil & gas indices posted gains of 0.98%, 1.63%, and 0.50% respectively. In contrast, the consumer goods, industrial goods, and commodities indices declined by 1.96%, 1.00%, and 0.36% respectively.

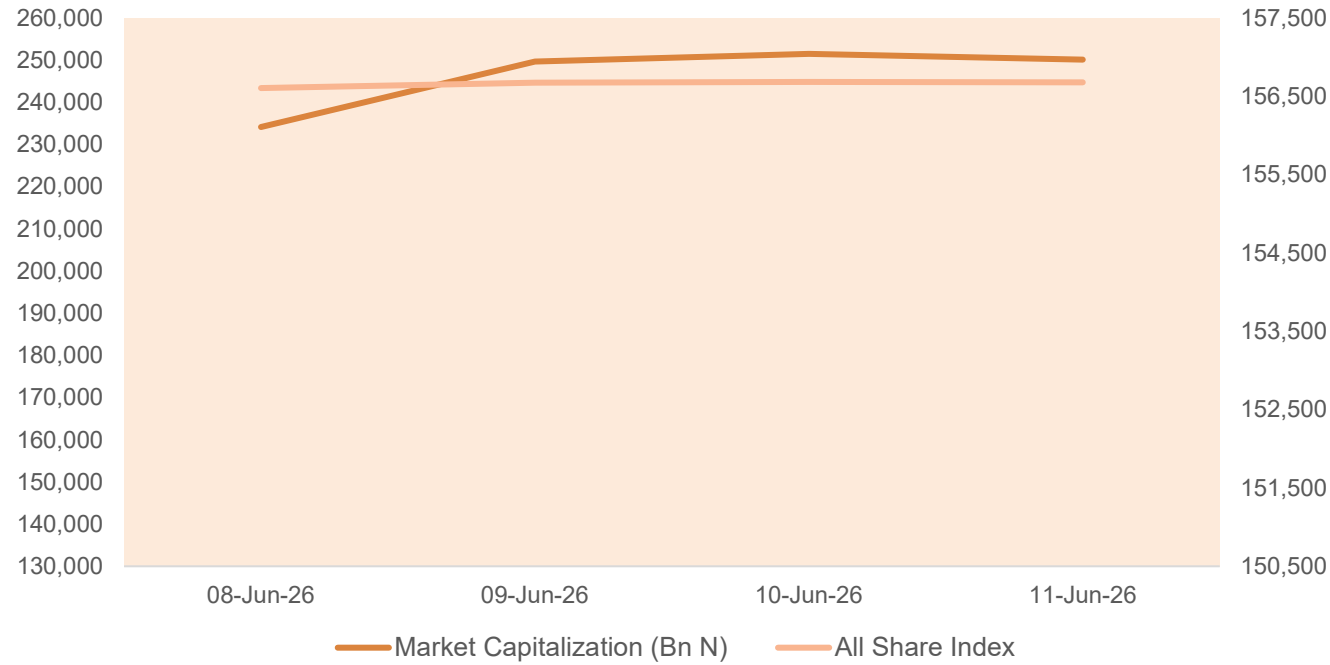
On the gainers' chart, ABBEYBDS emerged as the top performer with a 45.3% weekly gain, followed by INTENEGINS (+19.7%), CONHALL (+18.7%), ABCTRANS (+14.5%), and FTNCOCOA (+13.9%). The strong performance of these stocks was driven largely by renewed buying interest and positive sentiment in selected mid- and large-cap counters. Conversely, FIDSON led the laggards with a 24.5% decline, followed by ACADEMY (-18.6%), UHOMREIT (-17.4%), NEIMETH (-15.1%), and LEARNAFRICA (-13.0%), reflecting heightened profit-taking and persistent selling pressure.

Overall, market performance during the week points to a cautiously optimistic investment environment. While the broader market maintained an upward trajectory, increased trading activity suggests that investors remain actively engaged, selectively positioning in fundamentally attractive stocks while taking profits from recent gains.

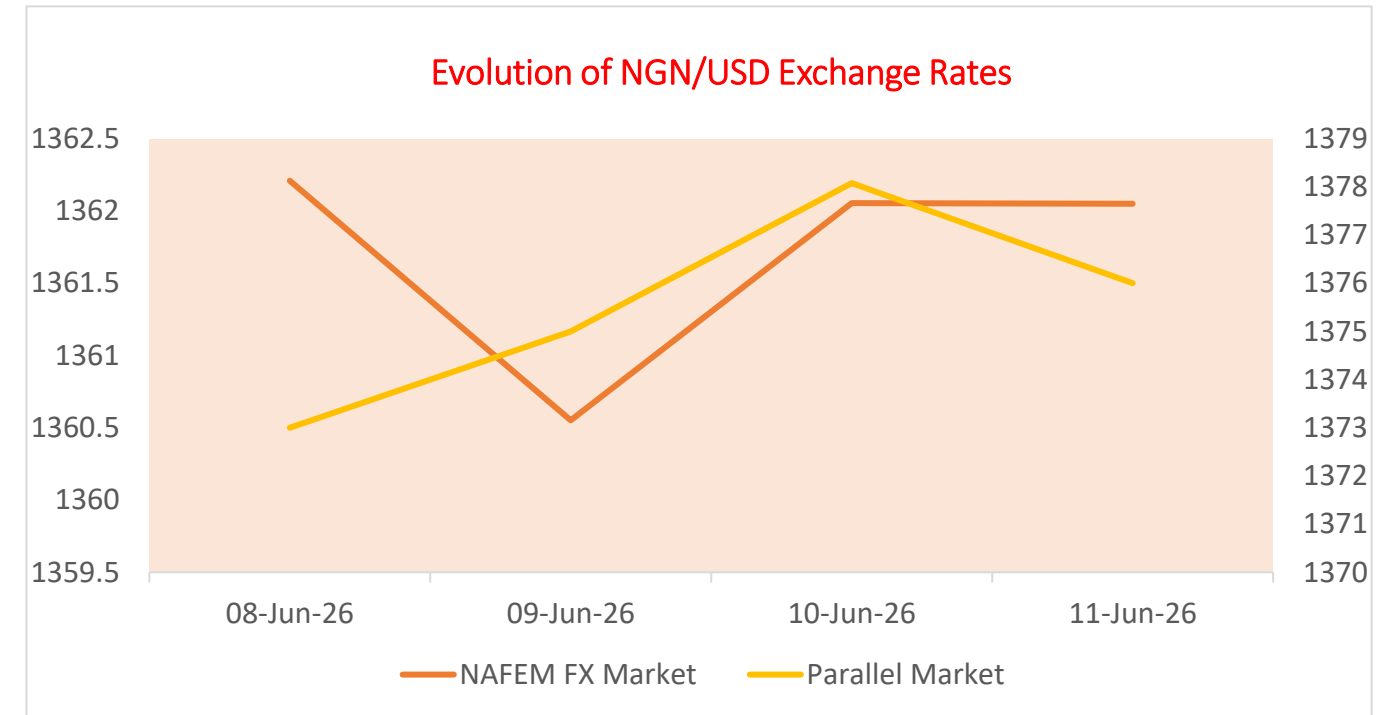
Looking Ahead, the Nigerian equities market is expected to maintain a cautiously positive tone in the near term, supported by sustained investor interest in fundamentally strong stocks and ongoing portfolio repositioning. However, intermittent profit-taking may trigger short-term volatility and reinforce a stock-selective trading environment. Overall direction will likely be driven by macroeconomic developments, earnings results, and relative attractiveness versus fixed income, with gains expected to remain concentrated in high-quality equities.



Evolution of Equities Performance Gauges



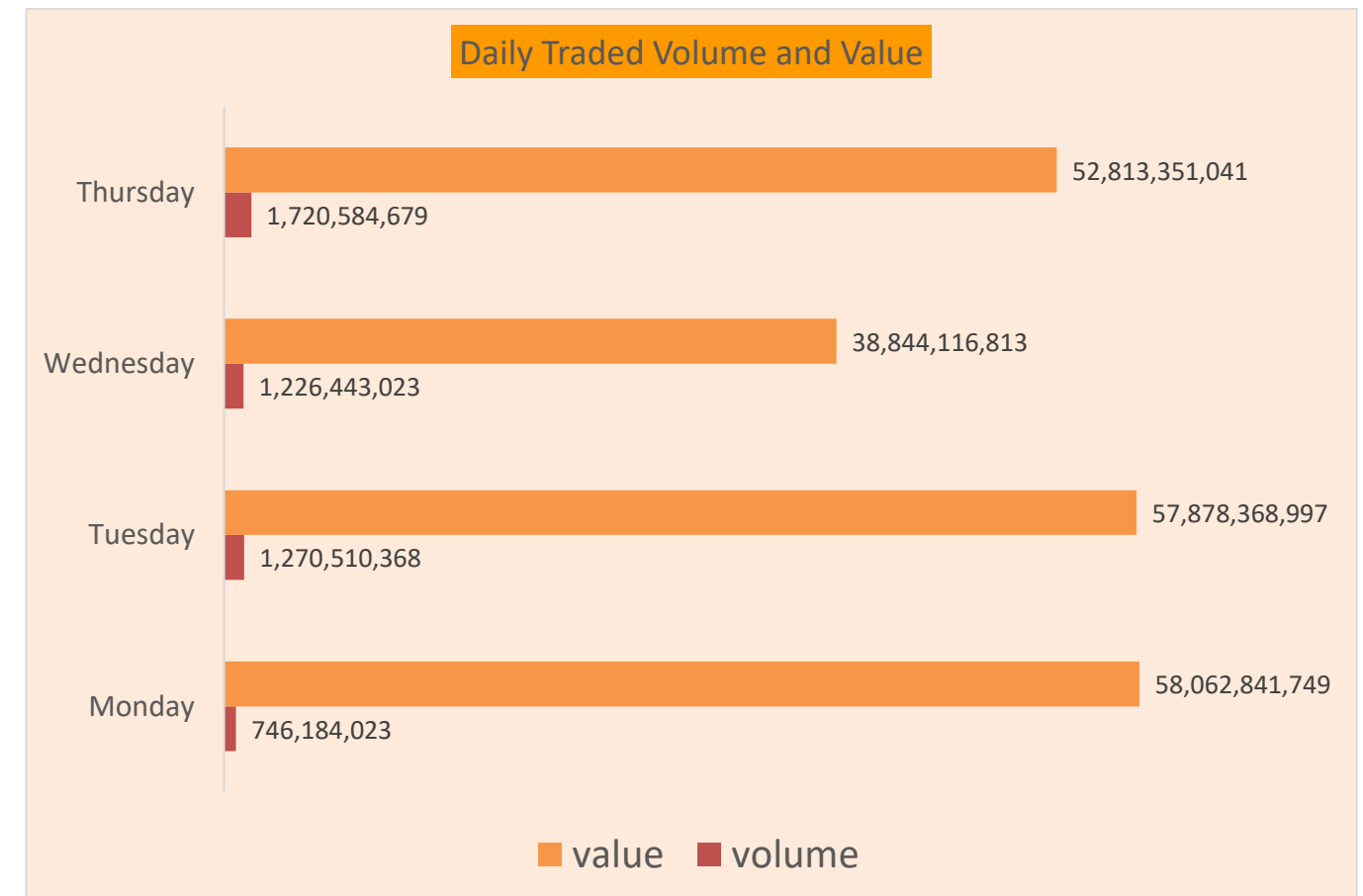
Evolution of NGN/USD Exchange Rates



FGN Eurobonds Yields as at Thursday , June 11, 2026

FGN Eurobonds	Issue Date	TTM (years)	Price (N)	USD Δ	Yield	PPT Δ
6.50 NOV 28, 2027	28-Nov-17	1.47	100.85	-0.14	5.9%	0.09
6.125 SEP 28, 2028	28-Sep-21	2.30	100.61	-0.17	5.8%	0.05
8.375 MAR 24, 2029	24-Mar-22	2.79	106.06	-0.24	6.0%	0.02
7.143 FEB 23, 2030	23-Feb-18	3.71	102.64	-0.53	6.3%	0.10
8.747 JAN 21, 2031	21-Nov-18	4.62	108.13	-0.52	6.7%	0.08
7.875 16-FEB-2032	16-Feb-17	5.69	105.09	-0.65	6.8%	0.06
7.375 SEP 28, 2033	28-Sep-21	7.30	102.06	-0.65	7.0%	0.06
7.696 FEB 23, 2038	23-Feb-18	11.71	103.30	-0.21	7.3%	0.00
7.625 NOV 28, 2047	28-Nov-17	21.48	99.03	-0.27	7.7%	0.02
9.248 JAN 21, 2049	21-Nov-18	22.63	113.41	-0.25	8.0%	0.02
8.25 SEP 28, 2051	28-Sep-21	25.32	102.31	-0.43	8.0%	0.02
					6.86%	

Daily Traded Volume and Value



Weekly Top Gainers and Losers as at Thursday, June 11, 2026

Top Ten Gainers				Bottom Ten Losers			
Symbol	11-June-26	05-June-26	% Change	Symbol	11-June-26	05-June-26	% Change
ABBEYBDS	12.35	8.50	45.3%	FIDSON	103.00	136.50	-24.5%
INTENEGINS	7.90	6.60	19.7%	ACADEMY	7.45	9.15	-18.6%
CONHALLPLC	7.50	6.32	18.7%	UHOMREIT	70.00	84.70	-17.4%
ABCTRANS	7.10	6.20	14.5%	NEIMETH	9.00	10.60	-15.1%
FTNCOCOA	9.45	8.30	13.9%	LEARNAFRCA	10.00	11.50	-13.0%
AIRTELAFRI	4021.20	3655.70	10.0%	UPL	5.00	5.65	-11.5%
INFINITY	10.25	9.35	9.6%	SUNUASSUR	3.97	4.48	-11.4%
TIP	30.45	27.90	9.1%	UNILEVER	140.00	156.00	-10.3%
SOVRENINS	2.51	2.30	9.1%	TRANSEXP	4.41	4.90	-10.0%
HMCALL	3.92	3.60	8.9%	OKOMUOIL	1575.00	1750.00	-10.0%

Weekly Stock Recommendations as at Thursday, June 11, 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
LAFARGE PLC	6.08	7.60	49.17	6.71	54.27x	352.00	84.60	330.00	412.5	280.5	379.5	25.00	BUY
NIGERIAN BREWERIES	1.81	2.26	19.89	4.02	44.30x	82.4	31	80	100.0	68.0	92.0	25.00	BUY
UBA PLC	3.32	4.15	0.10	440.87	12.96x	55.20	31.65	43.00	53.8	36.6	49.5	25.00	BUY
ZENITH BANK PLC	7.65	10.70	125.79	0.99	16.28x	136.9	43.00	124.50	174.3	105.8	143.2	40.00	BUY
NASCON	11.54	13.90	30.00	7.32	19.02x	222	59.40	219.50	278.4	186.6	252.4	26.81	BUY

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