



PARTHIAN  
SECURITIES

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# Market and Economic Update

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13 March 2026

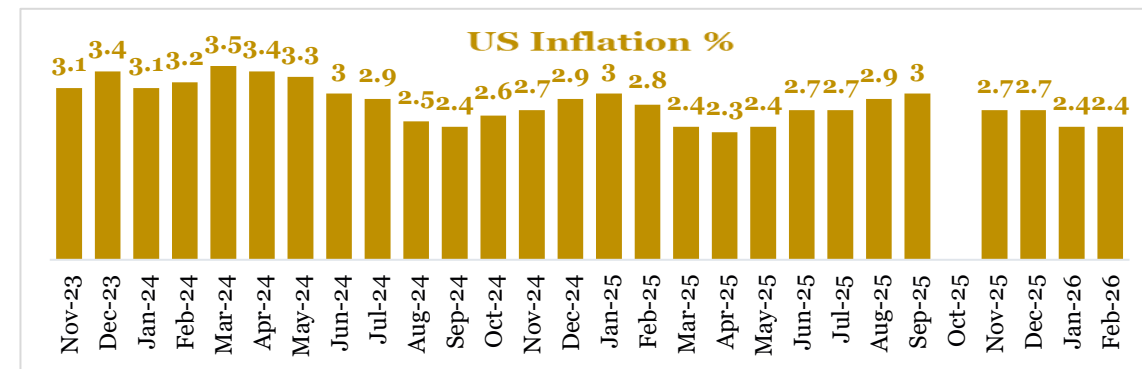
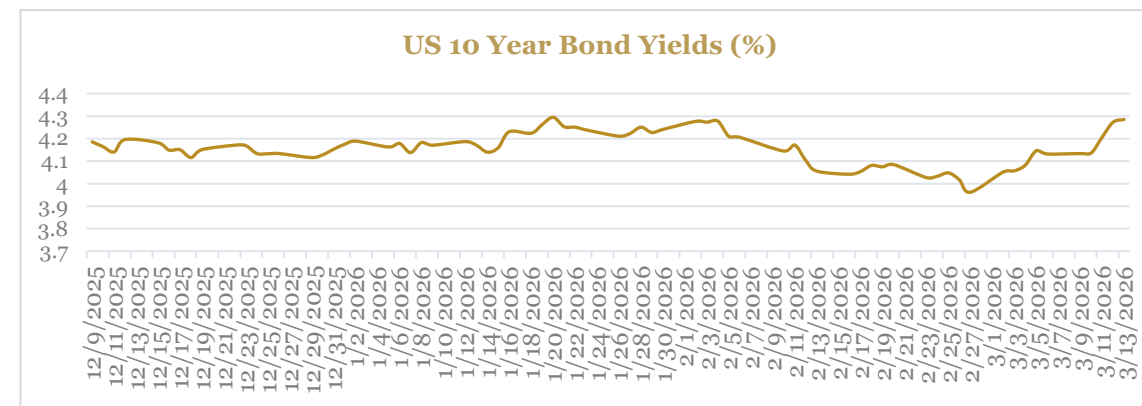
# Global Update



- Data from the Bureau of Labor Statistics showed that U.S. inflation remained broadly stable in February, with headline CPI holding at 2.4% year-on-year, unchanged from the level recorded in January and largely in line with market expectations. The steady inflation print occurred despite mild upward pressure from food and energy prices during the month. Energy prices rebounded slightly, with energy inflation rising to 0.5% y/y from -0.1% y/y in January, supported by higher gasoline and other energy-related costs. Similarly, food inflation edged up to 3.1% y/y, compared with 2.9% y/y in the previous month. The increase was largely driven by food at home, which accelerated to 2.4% y/y (January: 2.1%). However, food away from home showed some moderation, easing marginally to 3.9% y/y from 4.0% y/y previously. Meanwhile, core inflation, which excludes the more volatile food and energy components, remained unchanged at 2.5% y/y, suggesting that underlying price pressures particularly within services and shelter remained relatively stable. On a month-on-month basis, headline inflation rose by 0.3% in February, slightly higher than the 0.2% increase recorded in January.
- China's headline CPI inflation surged to 1.3% year-on-year in February, up from 0.2% in January, marking the fastest pace in 37 months. The sharp increase was driven by both food and core components. Food inflation rebounded strongly from January's deflation, rising to 1.7% y/y (January: -0.7%), supported by heightened demand for pork, seafood, and fresh produce during the Lunar New Year period. Core inflation also picked up significantly, reaching 1.8% y/y (January: 0.8%), reflecting a spike in tourism and travel services inflation (+11.7% y/y), as holiday-related consumption boosted activity in the services sector. Offsetting these gains, Transportation and Communication costs remained in deflation at -0.7% y/y, reflecting lower fuel prices. The overall CPI uptrend points to recovering domestic demand, partly fueled by seasonal consumption and ongoing fiscal stimulus measures. On the producer side, price pressures remained subdued, with the Producer Price Index (PPI) falling 0.9% y/y (January: -1.4%), reflecting a continued deflationary trend but at a slower pace. The milder decline was supported by rising global commodity prices, including non-ferrous metals and crude oil, which helped moderate producer-level cost reductions.

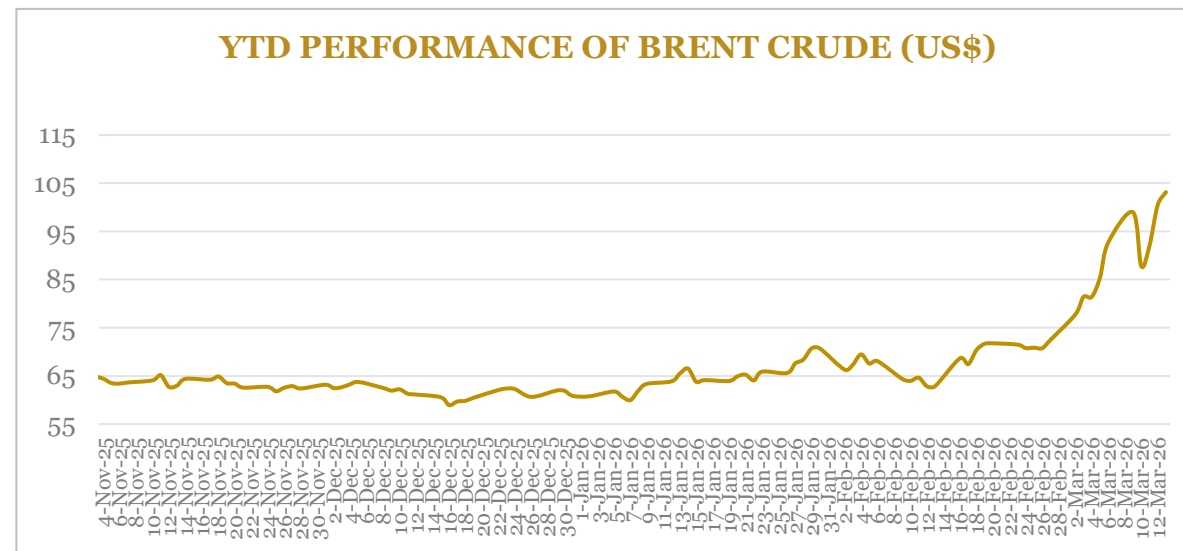
## Global Economic Data

	Current	Previous	Change
US GDP	1.40% (Q4-2025)	4.40% (Q3-2025)	-3.00%
US Interest Rate	3.50% - 3.75% (Jan. 2026)	3.50% - 3.75% (Dec. 2025)	0.00%
US Inflation	2.40% (Jan. 2026)	2.70% (Dec. 2025)	-0.30%
China GDP	4.50% (Q4-2025)	4.80% (Q3-2025)	-0.40%
China Inflation	0.20% (Jan. 2026)	0.80% (Dec. 2025)	-0.60%



# Crude Oil Price Update

- Crude oil markets saw significant volatility last week amid geopolitical tensions in the Middle East. The temporary closure of the Strait of Hormuz, triggered by escalating U.S.–Israel–Iran tensions, pushed Brent crude prices toward USD 120 per barrel. In response, the International Energy Agency (IEA) released a record 400-million-barrel emergency stockpile, which helped ease prices back toward USD 100. However, concerns over prolonged supply disruptions resurfaced after reports that Iran planted naval mines in the Gulf, highlighting the potential for ongoing market instability.
- On a week-on-week basis, Brent crude advanced by **11.27%** to close at \$103.14 per barrel, while WTI rose **8.59%** to settle at \$98.71 per barrel.



Crude Oil Prices	Current	Previous	Change
Brent Crude Oil(\$)	103.14	92.69	11.27%
WTI Crude Price (\$)	98.71	90.90	8.59%

# Domestic Update



- According to the National Bureau of Statistics, Nigeria recorded a ₦1.71 trillion trade surplus in Q4 2025, representing a 49.98% year-on-year decline amid weaker trade activity. Total trade fell to ₦36.21 trillion, reflecting both y/y (-1.07%) and q/q (-8.94%) contractions, largely driven by weaker export performance. Export earnings declined by 5.25% y/y to ₦18.96 trillion, primarily due to a 24.24% drop in crude oil exports to ₦9.70 trillion, as lower oil prices and reduced production weighed on export receipts. Crude oil remained dominant, accounting for 51.17% of total exports, while non-oil exports provided modest support, rising 4.97% to ₦3.14 trillion.
- On the import side, imports increased by 3.98% y/y to ₦17.25 trillion, driven mainly by manufactured goods (₦8.80 trillion) and petroleum products (₦4.02 trillion). For full-year 2025, Nigeria's trade surplus rose modestly by 5.51% to ₦17.78 trillion, reflecting slower growth compared with the sharp expansion recorded in 2024. The sustained surplus supported foreign reserve accumulation, with reserves rising to USD45.51 billion from USD40.88 billion in 2024.
- According to data from FMDQ Securities Exchange, total inflows into the Nigerian Foreign Exchange Market (NFEM) increased significantly in February, rising to USD4.37 billion, a four-month high and a 45.4% month-on-month increase from USD3.01 billion in January. The improvement was broad-based, supported by both local inflows (52.2% of total) and foreign inflows (47.8%). Local inflows surged 87.7% m/m to USD2.28 billion (January: USD1.23 billion), largely driven by stronger contributions from the Central Bank of Nigeria (+859.1% m/m), individuals (+313.6% m/m), exporters/importers (+34.5% m/m), and non-bank corporates (+10.2% m/m).
- Meanwhile, foreign inflows rose by 16.7% m/m to USD2.09 billion (January: USD1.79 billion), supported primarily by increased participation from foreign portfolio investors (FPIs), which grew by 22.0% m/m. This offset declines in inflows from other corporates (-25.2% m/m) and foreign direct investment (-21.1% m/m), with FPI growth largely driven by stronger equity (+70.3% m/m) and fixed-income (+20.7% m/m) investments.

# Foreign Exchange Update

- The Naira appreciated against the U.S. dollar last week across both the official and parallel market segments. At the official NFEM window, the currency strengthened by 198 basis points to close at ₦1,366.23/USD, compared with ₦1,393.26/USD in the previous week. Similarly, the parallel market rate improved by 71 basis points to ₦1,400/USD, implying a premium of ₦33.77/USD over the official rate.
- Meanwhile, Nigeria's gross external reserves rose to USD50.03 billion as of March 11, increasing by USD83.55 million week-on-week and marking the eleventh consecutive week of reserve accretion.

## Fixed Income Market

- System liquidity maintained a healthy net credit position throughout the week, opening between ₦5.37 trillion and ₦7.07 trillion across sessions. An OMO repayment mid-week provided a notable boost, lifting the balance to ₦7.07 trillion on Tuesday before gradually tapering toward the close. Interbank rates remained largely anchored at low levels, with the OPR steady at 22.00% and the overnight rate closing the week 12 bps week-on-week at 22.33%.
- The Treasury bills market traded calmly through the week, punctuated by two key auction events. The CBN's OMO auction on Monday — offering ₦600bn across short tenors — closed 1.3x subscribed, with stop rates at 19.35% and 19.69% on the 99- and 113-day papers. Wednesday's NTB auction drew stronger demand, printing 3.3x oversubscribed; the DMO allotted ₦934 billion with stop rates steady to marginally lower at 15.95%, 16.65%, and 16.72% across the three standard tenors. Secondary market activity remained thin but consistent across the curve.
- The FGN bonds market opened the week on a bearish note, with yields climbing roughly 15 bps amid escalating geopolitical tensions, concentrated in the 2031–2035 space. Sentiment gradually improved from Tuesday as tensions eased, drawing selective buying into mid-tenor papers. Activity remained measured through midweek, with wide bid-offer spreads limiting price discovery. By week's end, a mild bullish tone prevailed, with yields on the 2031–2035 maturities drifting lower toward the 15.90%–16.05% range.

## Equity Market

- The Nigerian equities market sustained its positive momentum last week, with the benchmark index advancing in three out of the five trading sessions. The uptick was largely supported by bargain hunting activities across the Industrial Goods, Oil & Gas, and Consumer Goods sectors. Consequently, the All-Share Index (ASI) and market capitalization both increased by **0.73%** week-on-week to close at 198,407.30 points and ₦127.36 trillion, respectively, lifting the year-to-date return to **27.50%** from 26.58%.
- The market's positive performance was largely driven by demand in blue chip stocks, including PREPAINTS (**+32.88%**), CONOIL (**+20.95%**), BUACEMENT (**+20.00%**), FIDSON (**+19.04%**), NGXGROUP (**+16.95%**), GUINNESS (**+11.79%**), INTBREW (**+9.93%**), MAYBAKER (**+9.21%**), CAP (**+7.32%**), TRANSCOHOT (**+7.01%**), NEM (**+4.29%**), ZENITHBANK (**+3.17%**), ARADEL (**+3.05%**), WAPCO (**+1.86%**), and STANBIC (**+1.50%**). On the flip side, SCOA (**-34.06%**), FTGINSURE (**-20.81%**), UACN (**-11.49%**), NASCON (**-10.00%**), PRESCO (**-10.00%**), MANSARD (**-9.64%**), SUNUASSUR (**-8.14%**), UNIVINSURE (**-7.91%**), UBA (**-4.41%**), WEMABANK (**-4.41%**), ACCESSCORP (**-4.05%**), FIRSHOLDCO (**-3.85%**), FCMB (**-3.80%**), and LASACO (**-3.69%**) emerged as the top laggards.
- Market activity moderated during the week, as total traded volume declined to 3.32 billion shares valued at ₦164.85 billion across 318,907 deals, compared with 3.70 billion shares worth ₦177.69 billion executed in 370,980 deals in the preceding week. This reflects a slowdown in market participation over the review period.
- Sectoral performance was mixed during the week. The insurance and banking sectors saw declines of **4.59%** and **1.04%**, respectively, while the industrial goods, oil & gas and consumer goods sectors posted gains of **5.73%**, **1.50%** and **0.63%**, respectively, signaling increased investor interest in these sectors.
- We expect mixed sentiment this week as Middle East tensions may dampen investor confidence and influence local equities. However, earnings releases and corporate actions should guide trading, with demand for fundamentally strong dividend-paying stocks.