



PARTHIAN
SECURITIES

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Market and Economic Update

17 April 2026

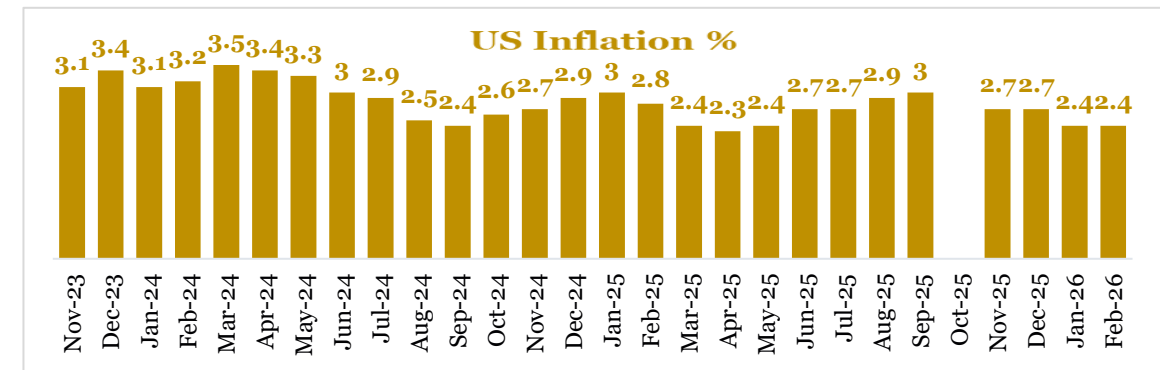
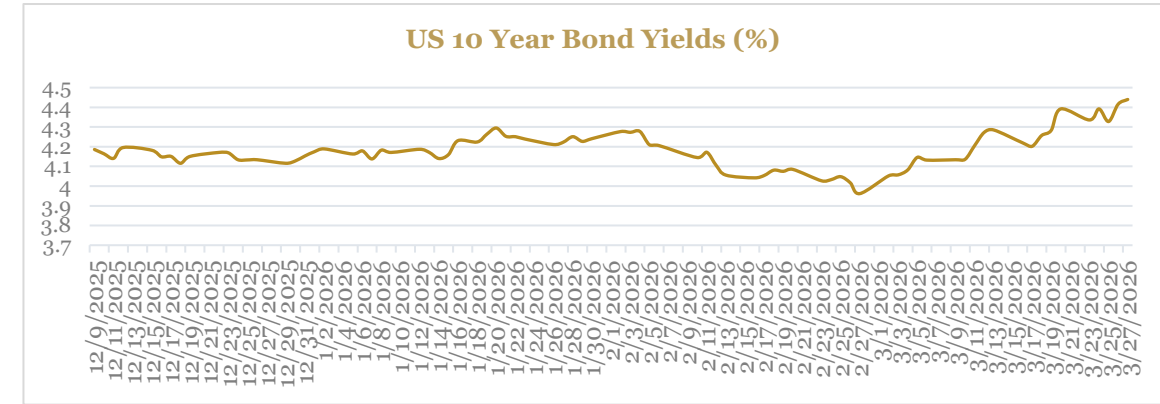
Global Update



- According to data from Eurostat, the Eurozone Harmonised Index of Consumer Prices (HICP) rose sharply to 2.6% YoY in March 2026, from 1.9% in February. This final print was revised higher from the preliminary 2.5% estimate, confirming stronger-than-anticipated price pressures. The monthly increase stood at 1.3%, the steepest rise since October 2022. The primary driver was an exogenous energy price shock. Energy inflation jumped to 5.1% year-on-year up from 4.9%, driven directly by the ongoing war in Iran impacting crude oil supplies and liquefied natural gas flows through the Strait of Hormuz. This geopolitical premium offset disinflationary trends in services (3.2%) and core goods (2.3%). This data breaches the ECB's 2% target and reverses the prior disinflation trend. Consequently, market expectations for a rate hike later this year have intensified, although policymakers are expected to hold steady at the April 30 meeting to assess whether this supply-side shock permeates broader domestic demand
- The IMF has lowered its global growth forecast to 3.10% in 2026 (from 3.30%), while keeping 2027 unchanged at 3.20%, reflecting heightened global economic fragility amid rising geopolitical tensions. The downgrade is largely driven by disruptions in energy markets stemming from the Middle East conflict, with supply constraints, particularly around key routes such as the Strait of Hormuz, pushing Brent crude to about USD118.35/bbl (+34.6% since end-February 2026). Higher energy prices are reinforcing inflationary pressures through elevated production and transport costs, while weighing on real incomes, consumption, and investment. Overall, the outlook points to softer global demand and weaker trade momentum, with markets likely tilting toward defensive equities and continued volatility in fixed income as policy paths become more complex.

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% (Mar. 2026)	3.50% - 3.75% (Jan. 2026)	0.00%
US Inflation	2.40% (Feb. 2026)	2.40% (Jan. 2025)	0.00%
China GDP	4.50% (Q4-2025)	4.80% (Q3-2025)	-0.40%
China Inflation	1.30% (Feb. 2026)	0.20% (Jan. 2026)	1.10%



Crude Oil Price Update

- Global crude oil prices recorded a notable decline in the week ended April 17, 2026, with Brent crude settling at approximately \$90.38 per barrel, down **5.78%** week-on-week, while WTI closed at \$83.85 per barrel, reflecting a **13.42%** decline over the same period. The pullback was largely driven by partial easing of geopolitical tensions in the Middle East and improved expectations around supply flows, particularly through key transit routes.
- Outlook: Oil prices are expected to remain volatile in the near term, as markets balance geopolitical developments with demand concerns. While easing tensions may support further downside, any renewed supply disruptions or escalation risks could trigger upward price movements.

YTD PERFORMANCE OF BRENT CRUDE (US\$)



Source: [Investing.com](https://www.investing.com), PSL Research

Crude Oil Prices	Current	Previous	Change
Brent Crude Oil(\$)	90.38	95.92	-5.78%
WTI Crude Price (\$)	83.85	95.20	-13.42%

Domestic Update



- Nigeria's headline inflation edged higher to 15.38% YoY in March 2026 (from 15.06%), marking its first uptick in a year amid renewed price pressures. Food (14.31% vs. 12.12%) and core (16.21% vs. 15.88%) inflation also accelerated, driven by rising fuel costs, supply bottlenecks, and higher transport and energy expenses. The rebound underscores mounting cost-push pressures, eroding purchasing power and heightening the likelihood of a tighter monetary stance.
- The Federal Government of Nigeria introduced targeted tariff reductions across key sectors, effective April 1 with a 90-day transition window. Passenger vehicle import duties were reduced to 40.00% (from 70.00%), while electric vehicles and mass transit buses were cut to 0.00% (from 5.00%). Food tariffs were also lowered, including bulk rice to 47.50% (from 70.00%), broken rice to 30.00%, and crude palm oil to 28.75% (from 35.00%). The policy reflects a targeted response to persistent inflationary pressures. Although the measures may moderate logistics and production costs, weak transmission to retail prices could limit short-term inflation relief, with more meaningful gains expected through improved industrial capacity and reduced cost structures over time.
- The IMF has lowered Nigeria's GDP growth projection to 4.1% from 4.4%, reflecting a more subdued recovery trajectory despite ongoing reforms. In contrast, Nigerian authorities have ruled out near-term IMF financing, reiterating reliance on domestic policy tools and market-based funding. Key reforms around exchange rate flexibility and revenue enhancement remain in focus. The update highlights a policy divergence between external forecasts and domestic stance, with growth prospects still constrained by inflationary pressures, high energy costs, and global uncertainties.

Foreign Exchange Update

- At the Nigerian Foreign Exchange Market (NFEM), the Naira appreciated by 0.99% to ₦1,343.64/\$ on April 17, from ₦ 1,356.89/\$ the previous week. Similarly in the parallel market, the Naira appreciated by 0.36% to ₦1,405.00/\$ compared to ₦ 1410.00/\$ the previous week.
- Nigeria's gross external reserves declined by \$198.76 million to \$48.65 billion as of April 16, down from \$48.85 billion as of April 9.

Fixed Income Market

- System liquidity declined week-on-week, opening at ₦4.97 trillion on Monday, and closing at ₦3.84trn trillion on Friday, on the back of net OMO settlement. Open Repo Rate (OPR) held steady at 22.00%, while the Overnight (O/N) rates declined by 19bps to close at 22.16%, week-on-week.
- The Treasury Bills market maintained a positive but cautious tone throughout the week. Market opened with mild buying interest, largely on the newly issued one-year bill, which traded around 15.70%/15.90% levels.
- Sequel to the OMO auction conducted during the week, where we saw the CBN offer ₦600bn across the 7-day, 63-day, and 140-day tenors, total subscriptions came in at ₦2.58 while allotment was made at ₦2.17 trillion. Stop rates printed at 21.90%, 19.88% and 19.91% for the three maturities respectively.
- Following the release of Nigeria's inflation data, which rose to 15.38% (with a sharp month-on-month acceleration to 4.18%), market became largely quiet. Yields remained relatively stable toward the end of the week, while the average benchmark yield increased by 9bps to close at 17.47%.
- The FGN Bond market traded on a quiet and mixed note as investors adopted a cautious approach ahead of Nigeria's inflation print. The release of the March inflation data kept investors selective, preventing any significant aggressive positioning. For most parts of the week, activity was minimal. However, we observed improved offers in the mid-dated segment in later sessions during the week, particularly on the 33s maturity, quoted between 16.35% and 16.60% levels.. Week-on-week, the average benchmark yield closed flat at 15.59%.

Equity Market

- The Nigerian equities market sustained its positive momentum last week, with the benchmark index advancing in all the five trading sessions. The uptick was largely supported by bargain hunting activities across the Oil & Gas, Banking, Consumer Goods, and Industrial Goods sectors. Consequently, the All-Share Index (ASI) and market capitalization increased by 6.57% and 6.60% week-on-week to close at 217,167.57 points and ₦139.83 trillion, respectively, lifting the year-to-date return to 39.56% from 30.95% in the prior week.
- Market rally was primarily driven by strong buying interest in large-cap counters, with notable gains recorded in ETI (+46.30%), STANBIC (+36.63%), ARADEL (+28.93%), FIRSTHOLDCO (+22.96%), NAHCO (+20.88%), ACCESSCORP (+15.00%), ZENITHBANK (+12.50%), MTNN (+10.74%), AIRTELAFRI (+10.00%), SEPLAT (+9.42%), GUINNESS (+7.80%), DANGSUGAR (+6.33%), WAPCO (+4.20%), and BUAFOODS (+3.33%). Conversely, profit-taking and sell-offs weighed on select counters, with WAPIC (-14.38%), IKEJAHOTEL (-14.36%), HONEYFLOUR (-11.01%), BERGER (-9.95%), NGXGROUP (-9.57%), CONOIL (-5.09%), and GTCO (-4.81%), leading the laggards' chart.
- Market activity strengthened relative to the prior week, as total traded volume increased to 3.59 billion shares valued at ₦195.31 billion across 254,553 deals, compared to 3.36 billion shares worth ₦151.95 billion exchanged across 229,442 deals in the previous week.
- Sectoral performance was mixed during the week. The Oil & Gas, Banking, Consumer Goods, Industrial Goods sectors increased by 17.59%, 11.85%, 3.39%, and 1.26%, respectively, while the Insurance sector posted a marginal loss of 0.04%.
- We expect Nigeria's reclassification to Frontier Market status by FTSE Russell to sustain positive momentum in the equities market by attracting incremental foreign portfolio flows. That said, gains could be partly constrained by near-term profit-taking, as investors rebalance positions and lock in returns, potentially driving short-term volatility in the market.