



PARTHIAN
SECURITIES

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Market and Economic Update

27 March 2026

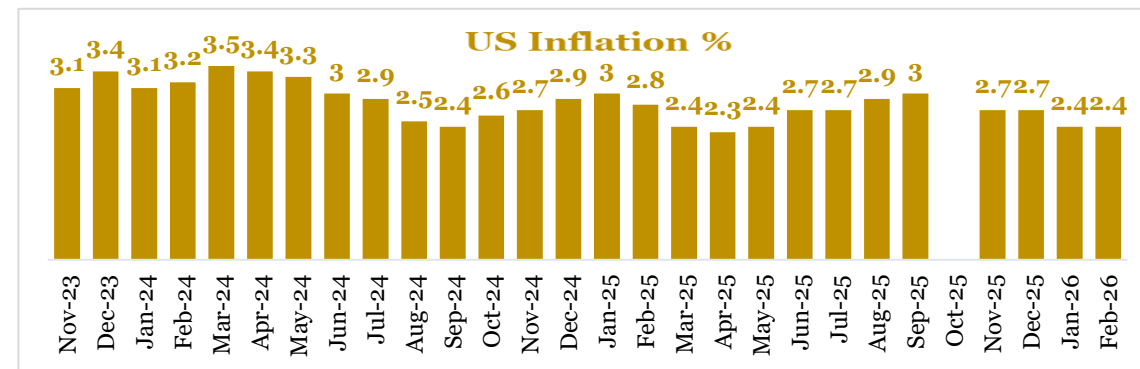
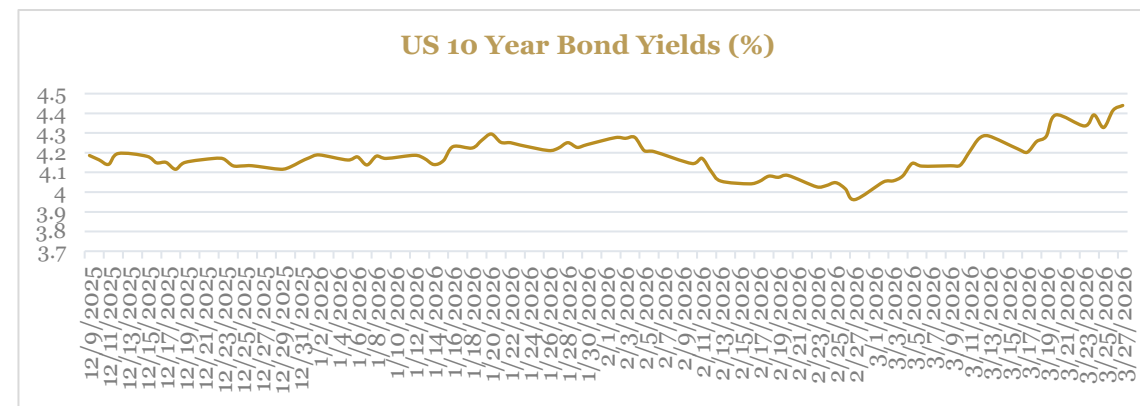
Global Update



- UK headline inflation was unchanged at 3.0% year-on-year in February, in line with both the prior month and market expectations. The steady print reflected easing price pressures in food and services, which were offset by a slight uptick in core inflation. Food inflation moderated to 3.3% year-on-year (previous: 3.6%), driven by softer prices across key categories including olive oil, flour, and pizza. Similarly, services inflation edged lower to 4.3% year-on-year from 4.4%, as declines in gas prices partly offset increases in housing-related costs. In contrast, core inflation rose marginally to 3.2% year-on-year (previous: 3.1%), indicating persistent underlying price pressures. On a month-on-month basis, consumer prices increased by 0.4%, rebounding from the 0.5% contraction recorded in January.
- US business activity showed signs of moderation in March, with the S&P Global Composite PMI declining to 51.4 points from 51.9 points in February, marking an eleven-month low. The slowdown was primarily driven by weaker services sector performance, despite improved conditions in manufacturing. The services PMI eased to 51.1 points (previous: 51.7), reflecting softer economic sentiment amid ongoing geopolitical tensions in the Middle East. In contrast, manufacturing activity strengthened, with the PMI rising to 52.4 points from 51.6, supported by gains in output, new orders, and overall factory conditions. Labour market dynamics softened slightly, with employment declining for the first time since February 2025, as firms adopted a more cautious hiring approach in response to elevated labour costs and subdued demand. Meanwhile, inflationary pressures remained elevated, with both input and output prices increasing, largely driven by higher energy costs linked to the ongoing US–Iran conflict.

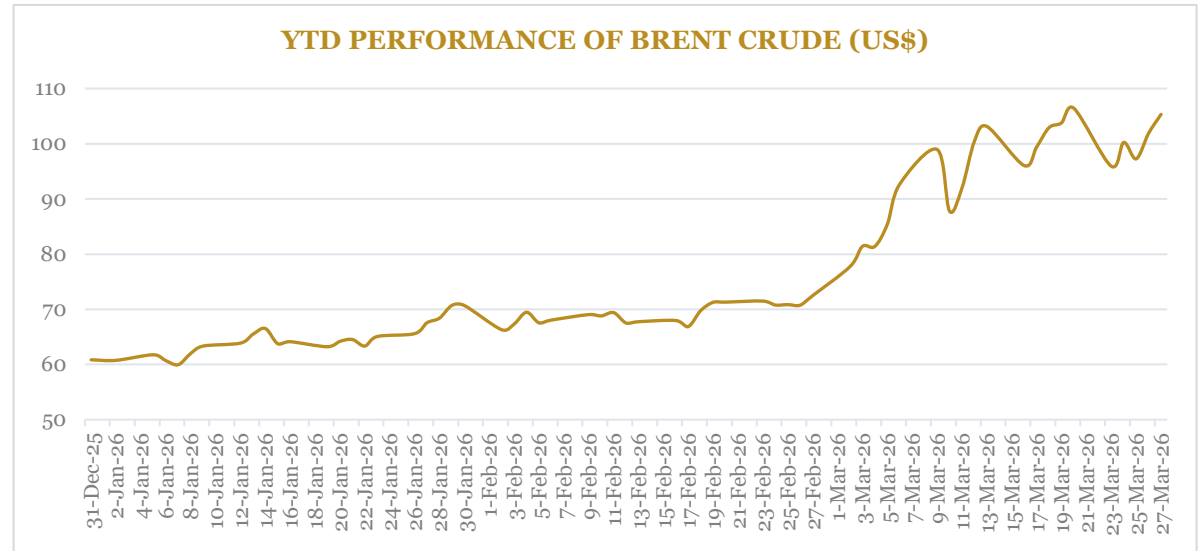
Global Economic Data

	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

- Crude oil prices traded with heightened volatility last week, largely influenced by developments in US–Iran relations. Brent crude briefly climbed above \$106.00 per barrel before retreating, following signals from US President Donald Trump suggesting the possibility of ceasefire negotiations with Iran and a delay in planned strikes on Iranian energy infrastructure.
- Prices later regained some ground as initial optimism faded. Market sentiment remained fragile, as Iran rejected the US peace proposal while Israel maintained a more aggressive posture, raising the likelihood of further escalation. This continued to underpin supply-side risks.
- Consequently, Brent settled at \$105.32 per barrel, down **1.02%** week-on-week, while WTI closed at \$99.64 per barrel, up **1.34%** week-on-week.



Crude Oil Prices	Current	Previous	Change
Brent Crude Oil(\$)	105.32	106.41	1.02%
WTI Crude Price (\$)	99.64	98.32	1.34%

Domestic Update



- Nigeria's crude oil production declined for the second consecutive month in February 2026, falling to 1.48 million barrels per day (mbpd) from 1.63mbpd in January, representing an 8.82% month-on-month contraction, according to data from the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). This marks the lowest production level since June 2024. On a year-on-year basis, output also weakened, declining by 11.24% from 1.67mbpd recorded in February 2025. The reduction in output was primarily attributed to maintenance activities at a 225,000 barrels per day facility operated by Shell Plc, which led to a significant 21.94% month-on-month drop in production at the Forcados terminal. Additional declines were recorded across other key terminals, including Escravos (-11.41% MoM) and Qua Iboe (-3.51% MoM), further weighing on overall production levels. The lower production outturn is expected to translate into weaker oil export earnings for the month, despite a modest increase in global oil prices, with average Brent crude prices rising to USD69.24/bbl from USD64.55/bbl in January. This dynamic is likely to exert pressure on foreign exchange inflows and overall market liquidity.
- The Central Bank of Nigeria (CBN) has approved full access for International Oil Companies (IOCs) to their repatriated export proceeds, allowing them to transfer 100% of such earnings through authorised dealer banks (ADB). This marks a shift from the 2024 policy, which required IOCs to retain 50% of their export proceeds domestically for a minimum of 90 days, while the remaining portion was applied by banks toward settling local obligations. The earlier framework was aimed at supporting foreign exchange liquidity and stabilising the market. According to the CBN, the revised directive is intended to further liberalise the FX market and enhance its depth in line with current conditions. In our view, the policy adjustment reflects improved FX management and stronger liquidity dynamics, as evidenced by the sustained increase in external reserves (up 50.01% since January 2024) alongside a relatively stable exchange rate environment. The removal of these restrictions is expected to improve cash flow flexibility for IOCs, enabling more efficient settlement of offshore obligations. It also reduces regulatory bottlenecks and policy uncertainty, which should bolster investor confidence and enhance Nigeria's attractiveness for upstream investment.
- Dangote Petroleum Refinery has lowered its gantry price for petrol to ₦1,200 per litre, while setting its coastal price at ₦1,153 per litre. This adjustment is expected to influence fuel pricing across Nigeria's downstream supply chain. According to the company, the price revision reflects a downward adjustment in its pricing framework and comes amid ongoing volatility in global oil markets, largely driven by geopolitical tensions in the Middle East.

Foreign Exchange Update

- At the Nigerian Foreign Exchange Market (NFEM), the Naira depreciated by 1.93% to ₦1,380.57/\$ on March 27, compared with ₦1,353.90/\$ in the previous week. Similarly, the parallel market recorded losses, with the Naira weakening by 1.41% to ₦1,420.00/\$ from ₦1,400.00/\$ the previous week.
- Nigeria's gross external reserves declined by \$305.77 million to \$49.48 billion as of March 26 down from \$49.79 billion as of March 18.

Fixed Income Market

- System liquidity remained broadly comfortable through the week, opening in net credit positions ranging from ₦7.68 trillion to ₦8.87 trillion. Early sessions held steady near ₦8.18 trillion, before Thursday's balance rose to ₦8.87 trillion, supported by coupon payments and net NTB auction inflows. Friday saw a pullback to ₦7.68 trillion following OMO sales. Interbank rates stayed well-contained throughout, with the overnight rate climbing 5 bps w/w.
- The Treasury bills market traded with a measured tone through the week, with activity tempered by two OMO auctions on Monday and Thursday, offering ₦600 billion each. The Monday OMO was 5.0x subscribed, with ₦2.36 trillion allotted at stop rates of 21.90% and 19.79% on the 8- and 113-day bills. Wednesday's NTB auction allotted ₦521 billion at a 7.2x subscription, with stop rates declining 20 bps across the 6-month and 1-year tenors. Friday's session was calm, with cherry-picking on February and March NTBs.
- The FGN Bonds market traded with a bearish undertone through the week, with sentiment pressured early by escalating Middle Eastern geopolitical tensions. Yields climbed approximately 10 bps on Monday before partially recovering as modest buying emerged at the belly of the curve—particularly the 2034 and 2035 maturities—through mid-week. Activity remained thin throughout, with wide spreads constraining deal flow. By Friday, participants turned cautious ahead of the auction.

Equity Market

- The Nigerian equities market reversed its three-week bullish run last week, as the benchmark index posted losses in two out of five trading sessions. The negative sentiment was largely attributed to profit-taking across the Banking, Consumer Goods, and Industrial Goods sectors. Consequently, the All-Share Index (ASI) and market capitalization declined marginally by **0.12%** week-on-week to settle at 200,913.06 points and ₦128.14 trillion, respectively, dragging the year-to-date return slightly lower to 29.11% from 29.27% in the previous week.
- The downturn was primarily driven by sell-offs in key large-cap and mid-tier stocks, including LIVESTOCK (**-11.73%**), FIDSON (**-9.97%**), CADBURY (**-9.94%**), ETERNA (**-8.54%**), ZENITHBANK (**-6.36%**), NB (**-5.96%**), MTNN (**-5.28%**), FIRSTHOLDCO (**-4.72%**), UBA (**-4.21%**), DANGSUGAR (**-4.04%**), NGXGROUP (**-3.08%**), STANBIC (**-2.13%**), CUSTODIAN (**-1.91%**), WEMABANK (**-1.85%**), CHAMPION (**-1.54%**), and WAPCO (**-1.10%**).
- On the flip side, selective buying interest persisted in some counters, with notable gains recorded in ZICHIS (**+60.72%**), PREMPAINTS (**+60.26%**), JOHNHOLT (**+59.92%**), PRESCO (**+16.40%**), AIRTELAFRI (**+10.00%**), SKYAVN (**+9.70%**), EUNISELL (**+9.69%**), BERGER (**+5.71%**), NASCON (**+4.65%**), ARADEL (**+4.11%**), PZ (**+3.16%**), OANDO (**+2.86%**), and TRANSCORP (**+2.13%**), reflecting pockets of bargain hunting and speculative positioning.
- Market activity weakened during the week, as total traded volume declined to 3.95 billion shares valued at ₦201.31 billion across 359,642 deals, compared to 8.76 billion shares worth ₦267.25 billion exchanged in 193,471 deals in the prior week.
- Sectoral performance was mixed during the week. The Insurance and Oil & Gas sectors increased by **2.22%** and **1.93%**, respectively, while the Banking, Consumer Goods and Industrial Goods sectors posted losses of **2.47%**, **0.91%**, and **0.15%**, respectively.
- 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.