CFG AFRICA RESEARCH

OCTOBER 2026

MONTHLY MARKET REPORT

Global Economic and Financial Market Trends with a Spotlight on Nigeria



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EXECUTIVE SUMMARY

Executive Summary

Global Highlights

Global markets recorded mixed performances in October, as resilient economic activity contrasted with persistent inflationary pressures and signs of weakening labour markets. The US maintained the strongest economic momentum, supported by robust consumer spending and business activity, while growth in the UK and Eurozone remained comparatively moderate. The Federal Reserve and ECB held interest rates steady, maintaining cautious policy stances amid elevated inflation. Equity markets diverged, with UK stocks outperforming, while US technology shares and European equities declined. The US dollar strengthened against some major currencies, while commodity markets were mixed, with Brent crude rallying significantly and gold and silver recording notable losses amid heightened volatility.

Domestic Highlights

Nigeria's headline inflation eased for the fourth consecutive month to 14.63% in September, supported by declining food prices, although rising monthly core inflation indicated underlying price pressures. The naira depreciated by 1.21% at the official market in October, despite increased CBN interventions, while external reserves rose to $55.22 billion. The MPR remained at 23.00%, following September's rate cut. Crude oil production improved to 1.53 million bpd, while Brent crude rallied 20.45% to $117.64 per barrel amid heightened geopolitical tensions. Inflation is expected to moderate gradually, although elevated energy prices and persistent FX demand remain key risks.

Market Highlights

The NGX gained 1.23% in October, closing at a record high of 254,299.49 points, driven largely by strong buying interest in Dangote Cement and other large-cap stocks, despite weak market breadth. Elevated system liquidity supported bullish trading in the fixed-income market, with bond and Treasury bill yields declining. In November, equities are expected to remain cautiously positive, while fixed-income yields may trend lower, supported by sustained liquidity and investor demand.

> Global Market Divergence, Moderating Domestic Inflation, and Continued NGX Strength

GLOBAL ECONOMY

Economy Overview

Global Economy

Global markets were mixed in October, as investors weighed resilient economic activity against signs of cooling labour markets and persistent inflationary pressures.

The US continued to lead in business activity, with strong Manufacturing, Services and Composite PMI readings of 56.0, 57.9 and 57.6, respectively. The UK also maintained solid momentum, recording 52.8, 53.1 and 53.1, while the Eurozone posted comparatively softer readings of 52.4, 51.7 and 51.9. All three economies remained in expansionary territory, with the US retaining its lead.

The Federal Reserve and European Central Bank held interest rates at 4.00% and 2.65%, respectively, at their late-October meetings. Persistent inflation continues to keep both central banks focused on price stability, although their policy outlooks differ. The Federal Reserve faces the possibility of a further rate hike in December, particularly if inflationary pressures remain elevated. Meanwhile, the ECB is expected to maintain its current policy stance as it assesses inflation trends and the pace of economic activity across the Eurozone. Upcoming economic data will be key in shaping expectations for both central banks' next policy decisions.

United States

In United States, Growth remained solid through the third quarter with GDP rising 3.4% against a 3.2% consensus, and Consumer demand remained resilient as retail sales rose 0.8% month over month, well above expectations of 0.3%. The labor market, however, weakened noticeably as Nonfarm payrolls recorded 29,000 jobs against an 89,000 forecast, and unemployment edged up to 4.2%. This shows activity in the economy is robust, but hiring is slowing.

The Federal Reserve held its target rate at 4.00% in October, as expected. Elevated inflation continues to limit the scope for monetary easing as CPI rose 3.7% year on year from 3.4% in the previous release, and producer price index rose 1.3% month on month, more than double expectations of 0.6% forecasted. The Fed's preferred gauge for inflation, Core PCE came in at 3.1%, in line with forecasts.

Meanwhile, October business surveys showed continued expansion. The manufacturing PMI rose to 56.0, beating forecast, while the services and composite PMIs matched expectations at 57.9 and 57.6 respectively. A shift toward rate cuts will depend on clearer signs that inflation is easing or the labor market is weakening further.

Eurozone & UK Economy Overview

United Kingdom

The UK labour market held up well based on the economic releases in October, with unemployment falling to 4.7% against a 4.9% forecast. Retail sales contracted 0.4%, weaker than expected, a sign that consumer spending softened.

CPI rose 3.5% year on year in October, above the 3.4% forecast, which keeps the Bank of England cautious about easing.

The manufacturing PMI rose to 52.8, while the services and composite PMIs both reached 53.1, all well ahead of forecast and above the 50 threshold for expansion.

United Kingdom's firm economic activity and above-target inflation gives the Bank of England a minor reason to adjust policy soon. The next inflation and labour market releases will be the key signals.

Eurozone

The euro zone economy grew 0.4% in the third quarter, ahead of the 0.2% forecast, showing resilience despite a softer backdrop. Retail sales edged up 0.1% in August, slightly below expectations.

The ECB held its rate at 2.65% in October, as anticipated. Inflation remains the main constraint, with consumer prices rising 3.8% year on year, in line with forecast, which leaves little room for easing.

The manufacturing PMI slipped to 52.4 against a 52.7 forecast, while the services and composite PMIs came in at 51.7 and 51.9, both below expectations. All three remain above the 50 threshold, so activity is still expanding, though more slowly.

Strong growth and persistent inflation argue for caution at the ECB, while the weaker surveys suggest momentum may be fading.

Key Economic Data – United States

- US Interest Rate Decision(Oct): 4.00% (vs 4.00% forecast)
- CPI (YoY) (Sep): 3.70% (vs 3.60% forecast)
- Core PCE Price Index (Sep): 3.1% (vs 3.1% forecast)
- GDP (QoQ) (Q3): 3.4% (vs 3.2% forecast)
- Nonfarm Payrolls (Sep): 29k (vs 89k forecast)
- Unemployment Rate (Sep): 4.2% (vs 4.1% forecast)
- Retail Sales (MoM) (Sep): 0.8% (vs 0.3% forecast)
- PPI (MoM) (Sep): 1.3% (vs 0.6% forecast)
- PMI (Oct):
  - S&P Global Manufacturing PMI: 56.0 (vs 55.4 forecast)
  - S&P Global Services PMI: 57.9 (vs 57.9 forecast)
  - S&P Global Composite PMI: 57.6 (vs 57.6 forecast)

Key Economic Data – United Kingdom

- CPI (YoY) (Oct): 3.5% (vs 3.4% forecast)
- Unemployment Rate (Aug): 4.70 (vs 4.90% forecast)
- Retail Sales (MoM) (Sep): -0.40% (vs -0.10% forecast)
- PMI (Oct):
  - S&P Global Manufacturing PMI: 52.80 (vs 51.80 forecast)
  - S&P Global Services PMI: 53.1 (vs 51.8 forecast)
  - S&P Global Composite PMI: 53.10 (vs 51.80 forecast)

Key Economic Data – Eurozone

- ECB Interest Rate Decision(Oct): 2.65% (vs 2.65% forecast)
- CPI (YoY) (Sep): 3.80% (vs 3.80% forecast)
- Unemployment Rate(Sep): 6.5% (vs 6.4% forecast)
- GDP (QoQ) (Q3): 0.40% (vs 0.20% forecast)
- Retail Sales (MoM) (Aug): 0.1% (vs 0.20% forecast)
- PPI (MoM) (Aug): 1.9% (vs 1.9% forecast)
- PMI (Aug):
  –HCOB Eurozone Manufacturing PMI: 52.4 (vs 52.7 forecast)
  – HCOB Eurozone Services PMI: 51.7 (vs 52.6 forecast)
  – HCOB Eurozone Composite PMI: 51.9 (vs 52.7 forecast)

GLOBAL MARKET

Equities Market Overview

Global equities diverged sharply by region in October. US markets lagged, led by a steep monthly decline in the Nasdaq 100 amid a technology-led correction. The S&P 500 also declined, though by a smaller margin. European markets delivered a mixed performance, with the FTSE 100 closing the month higher, while the STOXX 50 ended the month much lower.

Equities	Previous Month Close	Month High	Month Low	Month Close	Month Change	YTD Change
S&P 500 (US)	7651.54	7844.52	7527.56	7580.07	-0.93%	10.21%
NDQ 100 (US)	30408.50	31361.37	28093.25	28384.85	-6.65%	11.21%
FTSE 100 (UK)	10574.80	10893.30	10365.30	10723.80	1.41%	7.98%
STOXX 50 (EUR)	6269.03	6310.74	6021.09	6131.32	-2.20%	5.97%

Source: Trading View

US equities were mixed in October, with both the S&P 500 and Nasdaq 100 reaching new all-time highs of 7,744.52 and 31,361.37, respectively, before retreating amid market volatility and a technology-led sell-off. The S&P 500 closed at 7,580.07, down 0.93%, while the Nasdaq 100 fell 6.65% to close at 28,384.85. Despite the monthly declines, both indices remained positive year-to-date, gaining 10.21% and 11.21%, respectively.

UK equities held up better, as the FTSE 100 rose 1.41% to close at 10,723.80, bringing its year-to-date gain to 7.98%, although intramonth trading remained volatile. European equities were more subdued, with the STOXX 50 declining 2.20% to close at 6,131.32. Despite the monthly decline, the index remained up 5.97% year-to-date.

Overall, October highlighted a divergence across global equity markets, with US technology stocks experiencing a sharp correction after reaching new highs, while UK equities remained relatively resilient and European benchmarks declined.

Currency Markets

The US dollar strengthened against most major currencies in October, supported by persistent US inflation and expectations of interest rates remaining elevated. The euro and Swiss franc recorded the largest declines, while the Japanese yen, Australian dollar and British pound gained against the greenback.

Currencies	Previous Month	Month High	Month Low	Month Close	Month Change	YTD Change
EUR/USD	1.13291	1.13367	1.11042	1.11574	-1.52%	-5.83%
USD/JPY	157.395	158.95	156.07	157.57	0.11%	1.82%
GBP/USD	1.3262	1.3433	1.3137	1.3387	0.94%	0.91%
USD/CHF	0.8357	0.8359	0.8191	0.8294	-1.30%	7.33%
AUD/USD	0.6945	0.7068	0.6894	0.7031	1.26%	0.88%
USD/CAD	1.4231	1.4299	1.3941	1.3973	-1.82%	2.63%
NZD/USD	0.5633	0.5710	0.5565	0.5630	-0.05%	-6.48%

Source: Trading View

The US dollar delivered a mixed performance against major currencies in October, strengthening against the euro and Japanese yen while weakening against the British pound, Swiss franc and Canadian dollar. EUR/USD fell 1.52% to 1.11574, while USD/JPY rose 0.11% to 157.57. Sterling gained 0.94% to 1.3387, while the Swiss franc and Canadian dollar strengthened, with USD/CHF falling 1.30% to 0.8294 and USD/CAD declining 1.82% to 1.3973. Commodity-linked currencies also gained, with AUD/USD rising 1.26% to 0.7031 and NZD/USD increasing slightly to 0.5630.

Commodities

Commodities performance diverged in October, with energy and the precious metals moving in opposite directions. Energy led the advance, with Brent crude rallying strongly over the month, while the precious metals moved in the opposite direction, with gold and silver both falling heavily.

Commodities	Previous Month Close	Month High	Month Low	Month Close	Month Change	YTD Change
Gold (per ounce)	4156.89	4226.14	3869.79	3875.20	-6.78%	-10.41%
Silver (per ounce)	60.40	62.08	48.86	49.13	-18.65%	-31.61%
Brent Oil (per barrel)	97.92	117.41	96.52	112.204	14.59%	83.97%

Source: Trading View

Brent crude rose 14.59% over the month to close at $112.20 per barrel, after touching a high of $117.41 **and is up 83.97% year to date**. The bullion market fell sharply in October as Gold closed the month at $3,875.20 per ounce, down 6.78% from $4,156.89, and remains down 10.41% year to date. Silver performed worse, dropping 18.65% from $60.40 to $49.13 per ounce, and is down 31.61% for the year.

Overall, commodity markets moved in opposite directions, with energy clearly outperforming. Precious metals were the main underperformers, with silver's losses running well ahead of gold.

NIGERIA
ECONOMY

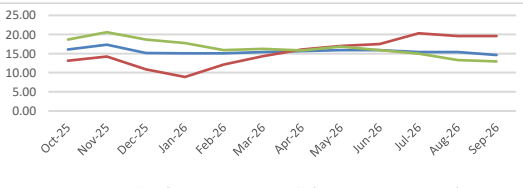
Nigeria's Macroeconomic Snapshot

GDP Growth (Real)	MPR (Monetary Policy Rate)	Inflation (Headline Inflation)	NAFEM Rate	Parallel Market
4.43%	23.00%	14.63%	₦1,346.25/$	₦1,373.00/$
Q-o-Q +13.88%	-350 bps ▼	M-o-M -76 bps ▼		
Period Q2, 2026	Period September 2026	Period September 2026	Period October 30, 2026	Period October 30, 2026

FX Reserves	Unemployment Rate	Oil Production	NGX Market Cap	All Share Index
$55.22bn	4.90%	1.72 mbpd	₦165.114T	254,299.49
M-o-M 0.53% ▲		M-o-M 2.34% ▲	M-o-M 1.23% ▲	M-o-M 1.23% ▲
Period October 30, 2026	Period Q4, 2024	Period September 2026	Period October 30, 2026	Period October 30, 2026

Headline inflation eased to 14.63% y/y

Headline, core & food inflation YoY (%)



Source: NBS, Trading Economics, CFG Africa Research.

Headline Inflation Rate

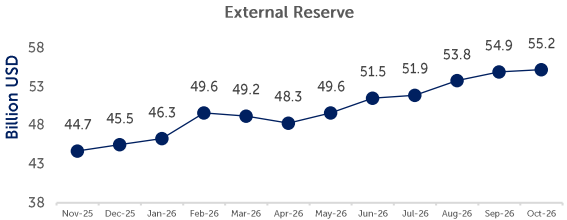
Month/Year	Headline Index	Year-on-Year Headline Inflation Rate
July 2026	145.30	14.63%
Aug 2026	146.30	
Sep 2026	146.38	

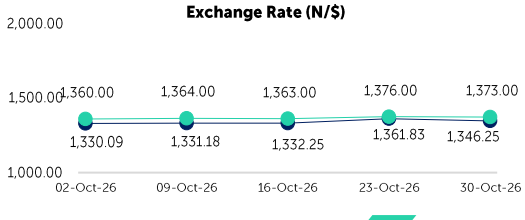
Source: NBS, CFG Africa Research

- Nigeria's headline inflation rate eased for a fourth consecutive month to 14.63% y/y in September 2026, from 15.39% in August, representing a 0.76 percentage-point decline. This extended the disinflationary trend, with annual inflation moderating significantly from 20.98% in September 2025. On a month-on-month basis, headline inflation slowed to 0.06% from 0.71% in August, indicating a considerable slowdown in overall price increases.
- Food inflation stood at 19.59% y/y in September, compared with 20.16% in September 2025. On a month-on-month basis, food inflation declined sharply to -1.55% from 1.02% in August, reflecting lower prices of key food items, including rice, maize flour, eggs, onions, palm oil, Irish potatoes, tomatoes and plantain. This points to a significant easing in near-term food price pressures.
- Meanwhile, core inflation, which excludes volatile agricultural produce and energy, moderated to 12.95% y/y in September from 22.11% in September 2025. However, on a month-on-month basis, core inflation increased to 1.11% from -0.06% in August, suggesting renewed underlying price pressures. Urban inflation stood at 15.64% y/y, while rural inflation was lower at 12.46%. Overall, September's data reflected continued disinflation, supported by lower headline and annual core inflation, although the rebound in monthly core inflation suggests that underlying price pressures remain.

Naira Weakens Despite Increased CBN Interventions and Stronger External Reserves

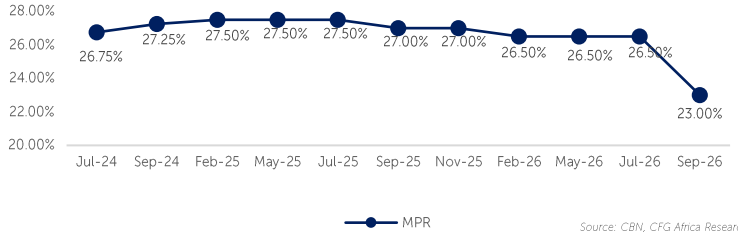
- The naira depreciated against the US dollar in October 2026, despite increased CBN interventions and stronger external reserves. In the official market, it weakened from ₦1,330.09/US$1 at the beginning of the month to ₦1,346.25/US$1 by 30 October, representing a 1.21% depreciation. Amid heightened dollar demand, the CBN reportedly sold US$800 million on 22 October,2026 followed by a further US$500 million intervention later in the month to improve liquidity. These sales provided some support towards month-end, although demand pressures persisted.
- In the parallel market, the naira also weakened during the month, with the dollar rate rising from approximately ₦1,360/US$1 at the beginning of October to ₦1,373/US$1 by month-end, representing a depreciation of about 0.95%. Despite the CBN's increased FX interventions to improve dollar supply and ease pressure on the naira, the gap between the official and parallel markets persisted.
- On external reserves, Nigeria recorded a further improvement in October, with gross reserves increasing by approximately 0.53% to US$55.22 billion, from US$54.92 billion at the end of September. The sustained accretion strengthened Nigeria's external liquidity position, providing the CBN with additional capacity to support FX market liquidity and meet external obligations.
- Looking ahead, the naira is expected to remain broadly stable, supported by stronger external reserves, improved FX supply and sustained CBN interventions. However, persistent dollar demand and fluctuations in foreign currency inflows could create intermittent pressure on the exchange rate. The stronger reserve buffer and continued CBN interventions should provide additional support for FX market stability.





Source: CBN ,FMDQ, CFG Africa Research

MPR at 23.00% Ahead of November Review



Source: CBN, CFG Africa Research

The Monetary Policy Rate (MPR) remained at 23.00% in October, following the 350-basis-point cut at the Monetary Policy Committee's (MPC) 307th meeting in September 2026, marking the first reduction since February. The Committee also adjusted the asymmetric Standing Facilities Corridor to +50/-300bps around the MPR, from +50/-450bps. No MPC meeting was held in October, with the next meeting expected in November, when the Committee will reassess policy against prevailing inflation, exchange rate and external reserve conditions.

The September rate cut reflects the CBN's confidence in the disinflation trend, supported by easing headline and core inflation. However, persistent food price pressures, recent petrol price increases and the slowing pace of disinflation remain key risks. These factors could encourage a cautious approach to further monetary easing, with the November meeting expected to provide clarity on the Committee's policy direction.

Timeline of next MPC meeting

23rd & 24th of Nov 2026

The next meeting of the Monetary Policy Committee is scheduled to take 23rd & 24th of Nov 2026

Key Decisions at the last MPC

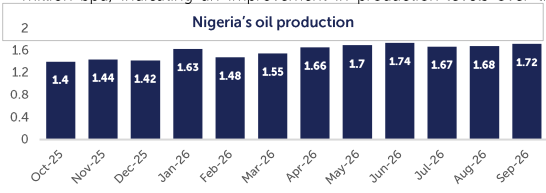
- Monetary policy rate was cut by 350bps to 23.00%
- The asymmetric corridor was adjusted to +50/-300bps around the MPR.
- Retained the Cash Reserve Ratio (CRR) for Commercial Banks at 45% and Merchant Banks at 16%.
- Retained the CRR on non-TSA public sector deposits at 75%.

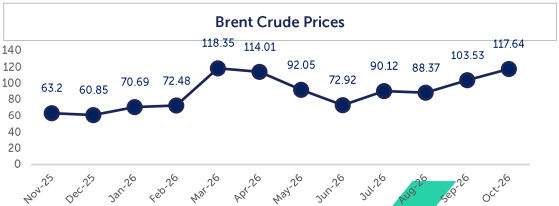
Nigeria's Oil Production Maintains Upward Trend in September

- Nigeria's crude oil production averaged 1.53 million barrels per day (bpd) in September 2026, a slight increase from August levels, according to the Nigerian Upstream Petroleum Regulatory Commission (NUPRC). When condensates of about 187,000 bpd are included, total liquids output stood at approximately 1.72 million bpd, representing a 2.34% month-on-month increase.

- Output movements across export terminals were mixed in September, with increases recorded at Brass, Qua Iboe, Forcados, Bonga, Erha and Odudu, while declines were recorded at Bonny, Tulja-Okwuibome, Escravos, Ajapa and Agbami. Nigeria's crude oil production rose to 1.53 million bpd from 1.50 million bpd in August, marking the fifth consecutive month the country met its OPEC production quota. Although average production moderated to 1.512 million bpd in Q3 from 1.525 million bpd in Q2, output remained significantly higher than the Q1 average of 1.388 million bpd, indicating an improvement in production levels over the course of the year. The government continues to target higher production, with projections pointing to a potential increase to 1.72 million bpd in Q4, supported by ongoing efforts to strengthen output and address operational constraints.

- In October, Brent crude traded in a volatile range, with the monthly average increasing to approximately US$107.41 from US$101.43 in September. Prices opened at around US$97.66 per barrel, reached a high of US$118.00 and closed at US$117.64, representing a 20.45% increase over the month. The rally was supported by escalating geopolitical tensions in the Middle East, particularly increased attacks on commercial shipping and Saudi energy infrastructure by Iran-aligned Houthi forces. Concerns over potential disruptions to crude shipments through the Strait of Hormuz and Bab el-Mandeb reinforced supply concerns and kept prices elevated towards the end of the month.





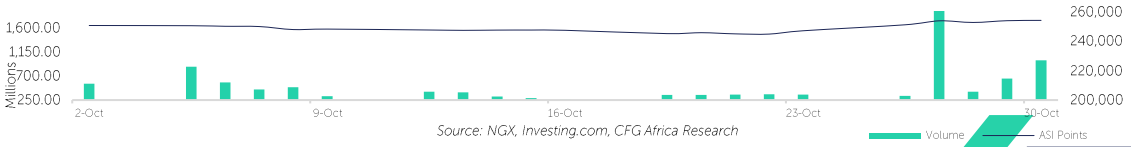
Source: Trading Economics, Investing.com, Nigerian Upstream Petroleum Regulatory Commission, CFG Africa Research

EQUITY & FIXED
INCOME MARKET

NGX October 2026: Market Recovers on Late-Month Buying Interest

- The NGX All-Share Index (ASI) gained 1.23% in October, recovering from losses recorded during the first three weeks of the month. The ASI rose from 251,211.67 points to 254,299.49 points at month-end, while the market recorded six gaining sessions, one balanced session and 14 losing sessions. Market capitalisation increased by approximately ₦2.0 trillion to ₦165.11 trillion, while the year-to-date return rose to 63.42%.
- Investor sentiment remained subdued for most of the month amid liquidity rotation towards the Dangote Refinery IPO, which was extended before closing on 27 October. However, sentiment improved towards month-end, supported by renewed buying interest in large-cap stocks, particularly Dangote Cement, alongside the release of Q3 2026 earnings and dividend announcements. The rally in the final trading week also pushed the ASI to a new all-time high of 254,299.49 points.
- Overall, the NGX recorded a positive performance in October, reversing earlier losses despite broader market weakness. However, the gain was concentrated in selected stocks, as declining securities outnumbered gainers, with 72 stocks recording losses against 28 gainers and 46 unchanged. The late-month rally was largely supported by strong buying interest in industrial and other large-cap stocks, highlighting the limited breadth of the market's recovery.

NGX ASI POINTS & VOLUME- 02ND OCT. 2026 – 30TH OCT. 2026.



Source: NGX, Investing.com, CFG Africa Research

Industrial Goods Rally Lifts NGX in October

	October End	September End	MtD	YtD
NGX All-Share Index (ASI)	254,299.49	251,211.67	1.23%	63.42%
NGX 30 Index	9,376.41	9,241.53	1.46%	65.29%
NGX Banking Index	2,429.46	2,712.10	-10.42%	60.27%
NGX Insurance Index	1,027.06	1,087.10	-5.52%	-13.64%
NGX Pension Index	12,822.17	13,304.25	-3.62%	80.14%
NGX Consumer Goods Index	4,014.03	4,058.25	-1.09%	0.97%
NGX Industrial Index	12,199.20	10,440.27	16.85%	114.91%
NGX Oil & Gas	6,085.42	6,246.86	-2.58%	127.90%

Source: NGX, CFG Africa Research

- The NGX All-Share Index gained 1.23% in October, with performance largely driven by gains in the Industrial Goods Index, which advanced 16.85%. The Industrial Goods Index was the strongest performer, supported by a 33.12% appreciation in Dangote Cement (DANGCEM), while the NGX 30 Index also gained 1.46%.
- The lifting of the trading suspension on Multitrex Integrated Foods on 7 October, after almost eight years, also attracted renewed investor interest, with the stock gaining 100.00% during the month.
- Performance was weaker across the Banking, Insurance and Oil & Gas indices, which declined by 10.42%, 5.52% and 2.58%, respectively, while the Consumer Goods Index fell by 1.09%. This highlights the concentration of market gains in the Industrial Goods sector, despite the broader market's positive.

Top gainers and losers in October 2026

No	Top 10 Gainers	October End (₦)	September End (₦)	MTD	YTD
1	MULTITREX	0.72	0.36	100.00%	100.00%
2	LIVESTOCK	13.30	8.10	64.20%	119.83%
3	ETRANZACT	16.30	12.20	33.61%	43.61%
4	DANGCEM	1,420.00	1,066.70	33.12%	133.17%
5	AVACAP	7.50	5.65	32.74%	0.00%
6	HONYFLOUR	22.55	18.00	25.28%	2.97%
7	LEARNAFRCA	9.15	7.65	19.61%	39.69%
8	FIDELITYBK	24.00	21.65	10.85%	26.32%
9	CAP	110.00	100.00	10.00%	59.42%
10	GUINEAINS	0.77	0.70	10.00%	-42.11%

No	Top 10 Losers	October End (₦)	September End (₦)	MTD	YTD
1	CMFC	3.00	1.90	-30.56%	57.89%
2	FIRSTHOLDCO	119.15	47.90	-25.48%	148.75%
3	CORNERST	4.55	5.96	-18.75%	-23.66%
4	ZICHIS	16.66	1.99	-16.28%	737.19%
5	ELLAHLAKES	7.00	13.40	-15.66%	-47.76%
6	REDSTAREX	13.40	8.70	-15.19%	54.02%
7	ROYALEX	0.98	1.86	-14.78%	-47.31%
8	LEGENDINT	3.15	5.29	-13.70%	-40.45%
9	INTENEGINS	1.95	2.50	-13.33%	-22.00%
10	JAPAULGOLD	2.53	2.31	-12.76%	-21.67%

Source: NGX, CFG Africa Research

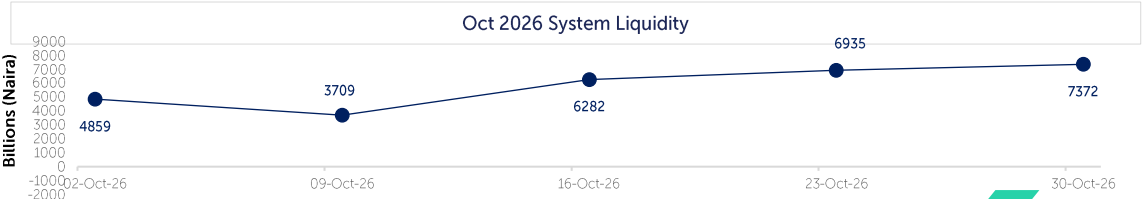
System Liquidity Review: Strong Inflows, Light Mop-Up Lift Liquidity in October 2026

- System liquidity in October was high but uneven, with OMO maturities again the main source of cash, followed by NTB maturities and FGN bond coupon payments. Total inflows came to about ₦10.74tn: ₦8.78tn from OMO maturities, ₦1.31tn from NTB maturities and ₦0.66tn from bond coupons. Only two OMO auctions were held, so little cash was taken out of the system. The CBN sold ₦2.87tn of the ₦3.00tn it offered (₦2.63tn on the 22nd and ₦0.24tn on the 29th), leaving a net injection of about ₦5.90tn.

- Liquidity opened at ₦4.86tn and moved up to ₦5.05tn, then jumped to ₦7.09tn on the 6th, the day of the first OMO maturity. It fell back to ₦3.96tn and reached a monthly low of ₦3.59tn on the 8th, before recovering to ₦3.71tn and ₦4.04tn. On the 13th it rose to ₦6.49tn, in line with the next OMO maturity, and stayed between ₦5.84tn and ₦6.30tn up to the 19th.

- In the second half of the month, liquidity rose to ₦7.74tn on the 20th, helped by another OMO maturity, and eased to ₦7.02tn. It then climbed to ₦8.40tn on the 22nd, even though the larger OMO auction was held that day. After dipping to ₦6.94tn, it hit a monthly high of ₦9.35tn on the 27th, supported by the ₦2.13tn OMO maturity. It then declined to ₦8.59tn and ₦7.87tn and ended the month at ₦7.37tn.

- Overall, liquidity ranged from ₦3.59tn to ₦9.35tn, averaged about ₦6.37tn, and closed ₦2.51tn higher than where it opened. The highs mostly lined up with OMO maturity dates. The early-month spike faded within a day, but from the 20th onward liquidity stayed above ₦6.9tn because the two small auctions did little to soak up the maturities.



Source: CFG Africa Research

October 2026 FGN Bond Auction

FGN Bond Auction

- The FGN bond market recorded healthy demand at the October auction, with the DMO offering a total of ₦1.75 trillion across the reopened 8-Year 19.00% FGN FEB 2034, 10-Year 16.79% FGN SEP 2036 and 12-Year 15.45% FGN JUN 2038 bonds.

- Total subscriptions stood at ₦1.75 trillion, representing a bid-to-cover ratio of approximately 1.00x. Demand was strongest for the FGN SEP 2036, which attracted ₦925.35 billion in subscriptions, compared with ₦518.32 billion for the FGN JUN 2038 and ₦304.08 billion for the FGN FEB 2034.

- Stop rates closed at 16.99%, 17.29% and 17.19% for the FEB 2034, SEP 2036 and JUN 2038 bonds, respectively. Total competitive allotment stood at approximately ₦1.22 trillion, while non-competitive allotments amounted to ₦800 billion.

OCT 2026 FGN BOND AUCTION RESULT							
INSTRUMENT	Auction	Allotment	Maturity	Offer (₦bn)	Subscr. (₦bn)	Allot. (₦bn)	Stop Rate
FGN FEB 2034	19-Oct-26	21-Oct-26	21-Feb-34	500	304.08	78.36	16.99%
FGN SEP 2036	19-Oct-26	21-Oct-26	16-Sep-36	800	925.35	781.31	17.29%
FGN JUN 2038	19-Oct-26	21-Oct-26	21-Jun-38	450	518.32	350.72	17.19%

Source: CFG Africa Research, DMO

October NTB Auctions

Nigeria Treasury Bill Market

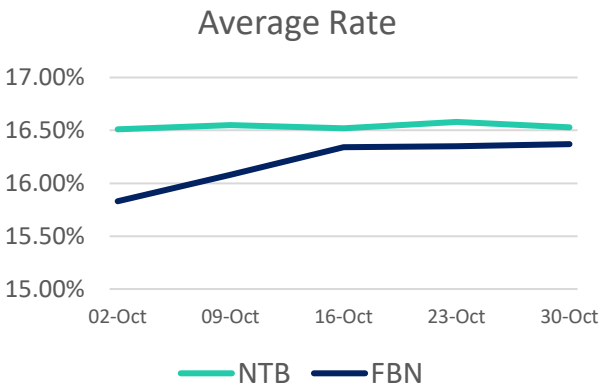
- The NTB market recorded strong investor participation across the three October auctions, with subscriptions consistently exceeding offer sizes. Total subscriptions stood at ₦1.76 trillion, ₦1.03 trillion and ₦1.90 trillion on October 7, 14 and 28, respectively, significantly above the corresponding offer sizes of ₦900 billion, ₦450 billion and ₦800 billion.

- Despite the strong demand, allotments declined across the auctions, from ₦968.47 billion on October 7 to ₦269.06 billion on October 14 and ₦71.15 billion on October 28. Stop rates at the final auction declined to 15.40%, 15.79% and 15.80% for the 91-day, 182-day and 364-day bills, respectively, compared with 15.50%, 15.80% and 15.90% at the preceding auction. This reflected a marginal moderation in yields across all three tenors.

Auction Date	Total Offer	Total Subscription	Total Allotment
Oct 07	900 bn	1.76 tn	968.47 bn
Oct 14	450 bn	1.03 tn	269.06 bn
Oct 28	800 bn	1.90 tn	71.15 bn

Source: CFG Africa Research, DMO

NTB Secondary Market: Sustained Bullish Sentiment



FGN Bond Secondary Market

- The FGN bond market traded bullish as buying interest strengthened with healthy trading activity recorded across the curve.

Treasury Bills Secondary Market

- The NTB market traded bullish during the month, supported by improved buying interest as unmet auction demand filtered into the secondary market. Yields declined across the curve, with demand strongest at the long end.

Source: CFG Africa Research, FMDQ

OUTLOOK
FOR NOVEMBER 2026

Global Economy Outlook



Economic Growth

- Global growth is expected to remain resilient but uneven. The U.S. is likely to sustain stronger momentum, supported by consumer demand and business activity. Following the midterm elections, with Democrats gaining control of Congress, improved investor sentiment could support a recovery in US equities. The UK economy should remain stable, while weaker consumer spending and private-sector activity are expected to constrain growth in the UK and Eurozone. Overall, expansion is expected to continue, although the growth gap between the U.S. and Europe may widen.



Geopolitical Risk

- Geopolitical tensions, particularly in the Middle East, are expected to remain a key risk to the global outlook. Following the failure of US-Iran peace negotiations, energy prices may face further upward pressure amid concerns over potential disruptions to oil supplies and shipping routes. Sustained price increases could reignite inflation, heighten market volatility and complicate central bank policy decisions, keeping geopolitical developments central to investor sentiment.



Interest Rates

- The Federal Reserve is expected to maintain a cautious monetary policy stance, with the possibility of a further interest rate hike in December amid persistent inflationary pressures, particularly from rising energy prices. The policy decisions of central banks are expected to influence market sentiment, as investors assess the outlook for inflation and the future direction of interest rates.

Local Economy Outlook



Exchange Rates

- The naira is expected to remain broadly stable, supported by stronger external reserves, improved FX supply and sustained CBN interventions. However, persistent dollar demand and fluctuations in foreign currency inflows could create intermittent pressure on the exchange rate. The stronger reserve buffer and continued CBN interventions should provide additional support for FX market stability.



Inflation

- Inflation is expected to ease modestly in October, supported by improved food supply during the harvest season. However, elevated crude oil prices could keep transportation and production costs elevated, posing upside risks to consumer prices.



Equities

- We expect the Nigerian equities market to trade on a cautious but positive note in November, supported by investors' assessment of Q3 earnings releases, dividend expectations and the anticipated allotment of Dangote Refinery shares. However, elevated valuations following the market's strong year-to-date performance could trigger profit-taking, with buying interest likely to favour fundamentally strong stocks offering attractive valuations and earnings prospects.



Fixed Income

- We expect FGN bond and Treasury bill yields to trend lower in September, supported by strong system liquidity, sustained demand and easing inflation. Auction outcomes will remain a key driver of market direction, while overall sentiment is expected to stay bullish.

THANK YOU

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About CFG Africa

CFG Africa is an institution, established to function as a comprehensive platform for **executing a diverse range of investment and financial operations**. Our primary focus is on **Asset Management and Advisory services**, encompassing the strategic generation and professional management of financial assets. We optimize these assets in **global markets** through brokerage and securities trading to generate competitive returns for our stakeholders. Additionally, we are strongly committed to providing **transactional advisory services** for both the public and private sectors, **corporate finance, actuarial services**, and expertise in **ESG and climate impact assessments**.



What We Do

Asset Management

The Asset Management business serves as **our group's liability raising and client coverage arm**, dedicated to developing specialized products and services that align with the investment objectives of wholesale and affluent clients. We integrate value-adding wealth management policies, carefully considering the investment values of our clients.

Corporate Finance

The Corporate Finance Team encapsulates our capital management activities, **operating in areas such as structured and project finance**, especially for medium and semi-large-scale enterprises, business optimization, and outsourcing of Financial Control Services. This team also manages our structured products designed to offer capital support through invoice discounting facilities, working capital financing, repo financing, cash swaps, among other financial solutions.

Global Markets, Trade & Brokerage

Our trading and brokerage services facilitate seamless trading and portfolio management. We ensure efficient execution of trades, enabling clients to buy and sell stocks, bonds, and other securities easily. Our platforms and brokers provide timely execution and access to a wide range of financial instruments. With access to global markets, we support trading across multiple asset classes, including equities, fixed income, commodities, and currencies.

Investment Banking

We offer comprehensive M&A advisory services, including identifying acquisition targets or buyers, conducting due diligence, negotiating terms, and structuring transactions. We also provide post-merger integration support to ensure acquisitions are financially sound and strategically beneficial. Our corporate restructuring services optimize operations and finances, improve efficiency, reduce costs, and enhance profitability.

Transaction Advisory

Our transaction advisory services offer strategic financial planning, risk management, and corporate governance support for businesses. We help develop effective financial strategies through financial modeling, budgeting, and forecasting, ensuring alignment with business objectives. We assist in identifying, assessing, and mitigating financial risks, providing frameworks and ongoing support to manage risks effectively.

Corporate Services

The Corporate Services team serves as the business support and shared services division within the group. This team **provides robust support to all revenue-generating businesses**, encompassing a comprehensive risk management framework, compliance and internal control, technology solutions, corporate communications, legal services, talent management, human resources, operations, administrative support, and financial architecture. These elements ensure the successful day-to-day running of the business.

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