



FMDA Monthly Market Report

**September
2026**

Market at a Glance

N4.703 trillion
 MoM ▲ 1.14%
 System Liquidity


20.00%
 NOFR ▼ 9.09%
20.39%
 OVN ▼ 7.86%
 Interbank rates MoM

N1,327.31
 NFEM MoM ▲ 1.93%
 N/\$
N1,391.55
 Parallel MoM ▲ 1.81%


\$99.95
 MoM ▲ 14.43%
 Average Brent crude


251,211.67
 ASI MoM ▲ 2.87%
N163.10 trillion
 Mkt Cap. MoM ▲ 4.0%
 Equities

\$54.92 bn
 MoM ▲ 2.07%
 External Reserve

Inflow source	Sep 2026 (N)	Oct 2026 (N)
T-bills Maturities	1.255 trn	1.223 trn
OMO Maturities	11.600 trn	9.051 trn
FGN Bond Coupons	285.601 bn	434.163 bn
FGN Bond Maturities	-	-
Corporate Bond Coupons	16.449 bn	23.317 bn
Corporate Bond Maturities	10.090 bn	-
Commercial Paper Maturities	49.003 bn	18.841 bn
FAAC (FG, States & LG)	2.34 trn (actual)	2.5 trn (estimated)
Total Estimated Inflow	15.556 trillion	13.250 trillion

- System liquidity improved marginally in September, rising by 1.14% to N4.703 trillion from N4.65 trillion in August. Liquidity conditions were, however, volatile during the month, peaking near N8.84 trillion on the back of FAAC inflows, before moderating due to CRR debits, OMO sterilisation (N17.51 trillion), and primary market issuances.
- Looking ahead, inflows are projected at N13.250 trillion in October, about 14.82% lower than the N15.556 trillion estimated in September, with OMO maturities expected to account for a significant share of total inflows, keeping system liquidity conditions sensitive to the CBN’s sterilisation stance.
- The naira appreciated by 1.39% in the NFEM window during September, supported by improved FX liquidity conditions, stronger oil receipts, and sustained market confidence.
- Average Brent crude oil prices rose by 14.43% to \$99.95/bbl, as sustained geopolitical tensions in the Middle East continued to tighten supply expectations, providing a supportive backdrop for Nigeria’s external position.
- Stronger trading activities in the secondary market, particularly in OMO (N28.048trn) and FGN Bonds (N6.962trn), drove yields lower across the curve, with average yields declining to 17.74% (NTB), 18.49% (OMO), and 15.90% (FGN Bonds).

OUTLINE

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**The Global &
Macro Backdrop**

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**Liquidity, Fixed
Income & FX**

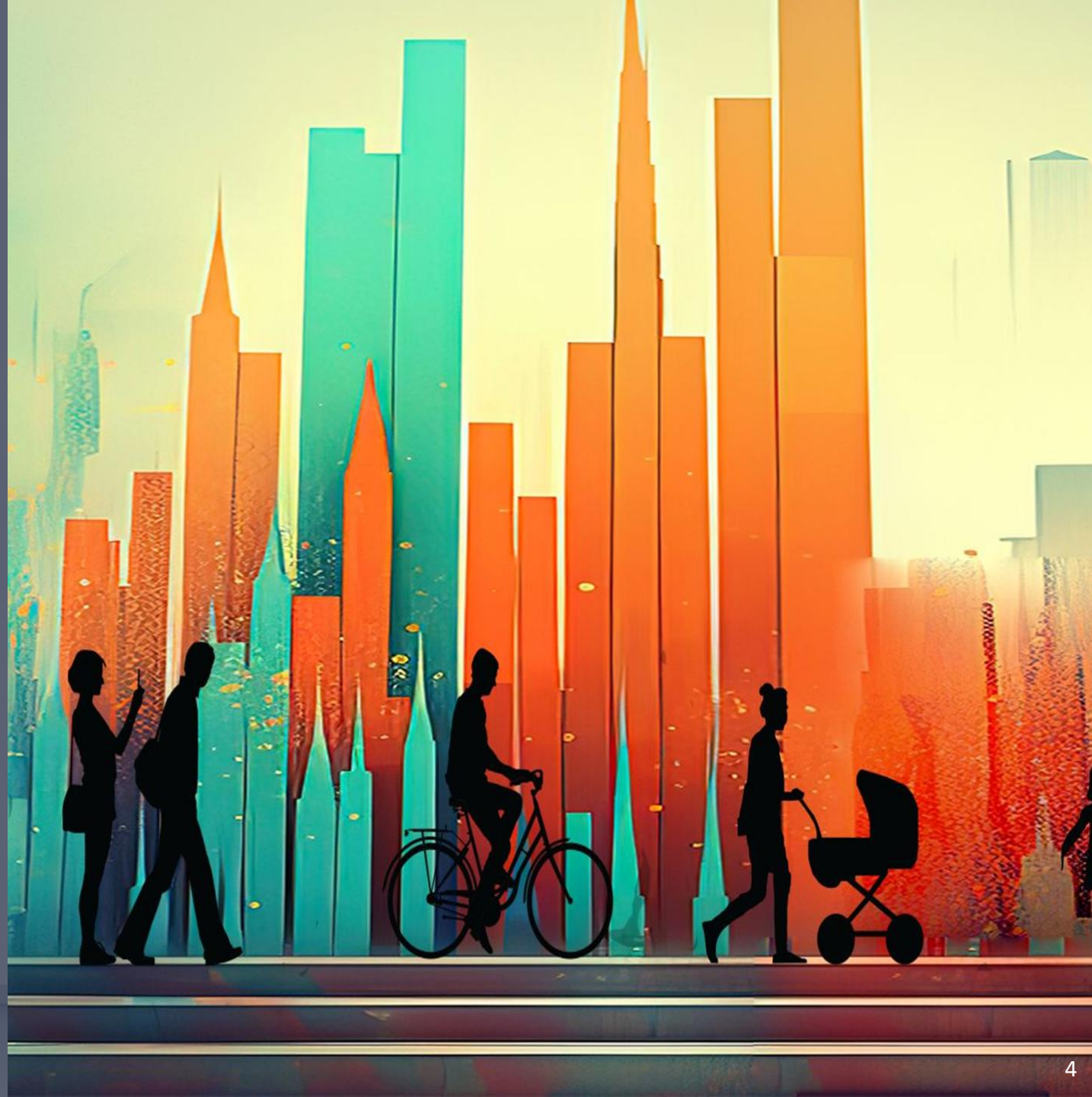
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Stock Market

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**Forward
Outlook**

The Global & Macro Backdrop



Global Monetary Policy & Inflation



UK's GDP expands 0.5% in second quarter vs previous 0.4% estimate



Indonesia's central bank raises bond buying in September, official says



China inflation edges higher amid rising energy costs, despite stable policy rates



Brazil trims GDP outlook, sees slower recovery amid cautious monetary easing cycle



US interest rates raised for first time in three years



ECB raises interest rates to fight off inflation jump



South Africa joins global rate-hike cycle, raises repo to 7.25%



Trade, Tariffs & Global Growth

World Bank backs changes to debt sustainability framework for developing economies

China maintains strong export momentum, supporting global trade recovery

UK manufacturing PMI slips to five-month low

Japan exports rise 23.2% y/y

Euro zone factory growth hits four-year high

W'Bank approves \$1.25bn Nigeria loan despite debt concerns.

Global youth unemployment rises amid weak job creation

Oil Market & Energy Geopolitics



Oil prices surged above \$100/bbl on escalating US–Iran tensions

Rising energy costs continue to fuel global inflation pressures

Ongoing Middle East tensions driving volatility in global bond markets

EU governments spent €18 billion in 2026 to cushion energy price jump

OPEC+ oil producers set to keep output targets steady for November

Key Macroeconomic Indicators

Country	GDP Growth(%)	Inflation (%)	Interest Rates (%)	Unemployment rate (%)
United States	2.2	3.4	4.0	4.2
China	4.3	0.5	3.0	5.3
Japan	0.7	1.9	1.25	2.5
Germany	1.0	3.3	2.65	6.4
United Kingdom	1.4	3.1	3.75	5.0
India	7.8	4.82	5.25	5.0
Brazil	2	4.22	13.75	5.3
South Africa	0.9	4.4	7.25	33.6
Egypt	4.73	14.5	19.0	5.8
Nigeria	4.43	15.39	23.0	4.3

Africa & Nigeria-Specific Developments

- Ghana's economy expanded 6% in Q2, driven by communications sector.
- Dangote to begin construction of \$16 billion East Africa refinery in Kenya.
- Nigerian businessman Dangote says he aims to list fertiliser company next year.
- South Africa recorded foreign direct investment inflows of 49.8 billion rand (\$3.03 billion) in the second quarter of 2026.
- Moody's cuts Botswana rating again as diamond slump weighs on economy.
- Egypt's central bank keeps key interest rates unchanged.
- Nigeria, US sign agreement to boost mining investment.

WHAT IS
FOREX
TRADING?



Liquidity, Fixed Income & FX Trading Conditions

Liquidity Inflows from Maturing Securities in October: N13.250 trn

Liquidity Summary & Outlook – October 2026

Fixed Income Market Summary – September 2026

Inflow source	Sep 2026 (N)	Oct 2026 (N)	Indicator	NTB AUG	NTB SEP	OMO AUG	OMO SEP	FGN Bond Aug	FGN Bond SEP
T-bills Maturities	1.255 trn	1.223 trn	Amount Raised (Ntrn)	2.219	2.418	12.025	17.510	0.805	0.749
OMO Maturities	11.600 trn	9.051 trn	Investor Demand (Bid-to-Cover)	5.86x	5.11x	4.62x	3.69x	1.57x	1.49x
FGN Bond Coupons	285.601 bn	434.163 bn	Secondary Market Turnover (Ntrn)	5.474	5.992	25.376	28.048	4.24	6.962
FGN Bond Maturities	-	-	Average Secondary Yield (%)	19.21	17.74	19.81	18.49	17.0	15.90
Corporate Bond Coupons	16.449 bn	23.317 bn							
Corporate Bond Maturities	10.090 bn	-							
Commercial Paper Maturities	49.003 bn	18.841 bn							
FAAC (FG, States & LG)	2.34 trn (actual)	2.5 trn (estimated)							
Total Estimated Inflow	15.556 trillion	13.250 trillion							

- Primary market issuance expanded in September (NTB raising N2.418trn, OMO N17.510trn, FGN Bonds N749bn), but investor demand moderated across all three, with bid-to-cover ratios easing to 5.11x (NTB), 3.69x (OMO), and 1.49x (FGN Bonds) from August's 5.86x, 4.62x, and 1.57x.
- Stronger trading activities in the secondary market, particularly in OMO (N28.048trn) and FGN Bonds (N6.962trn), drove yields lower across the curve, with average yields declining to 17.74% (NTB), 18.49% (OMO), and 15.90% (FGN Bonds).

Fixed Income: Market Take

FGN Bonds Yield	31/8/2026	30/9/2026	% ▲
1YR	17.1	16.0	-1.02
2YR	17.4	16.1	-1.33
4YR	17.1	17.0	-0.10
5Y	18.0	16.5	-1.47
7YR	17.1	16.4	-0.73
10YR	17.2	16.2	-0.93
15YR	16.05	14.40	-1.65
30YR	16.05	14.60	-1.45
Avg Yield	17.1	16.0	-1.02

Treasury Bill Yield	31/8/2026	30/9/2026	% ▲
1 MTH	17.97	16.99	-0.98
3 MTH	18.75	17.46	-1.29
6 MTH	19.14	17.73	-1.41
9 MTH	19.64	18.15	-1.49
12 MTH	20.56	18.37	-2.18
Avg. Yield	19.21	17.74	-1.47

Global Bonds Yield	31/8/2026	30/9/2026	% ▲
US 10 YR	4.76	5.29	0.54
JPY 10 YR	2.94	3.06	0.12
UK 10 YR	5.08	5.44	0.36
ZAF 10YR	8.75	8.96	0.21
KEN 10 YR	12.25	12.40	0.15
CHN 10YR	1.69	1.68	-0.01
NIG 10YR	17.2	16.2	-0.93

- Treasury bill yields declined significantly, with the average yield falling by 147bps to 17.74%, driven by broad-based repricing across the curve that was most pronounced at the long end (12-month, -218bps) and least at the short end (1-month, -98bps).
- The FGN bond market recorded a broad-based bullish rally, with the average yield declining by 102bps to 16.0%. Compression was steepest at the long end (15-year, -165bps; 30-year, -145bps) and the 5-year belly (-147bps), while the 4-year note was the lone outlier with only a marginal 10bps decline.
- Global bond yields trended higher, led by the US 10-year (+54bps to 5.29%), alongside gains in the UK (+36bps), South Africa (+21bps), Kenya (+15bps) and Japan (+12bps), reflecting persistent inflation concerns and tighter global financial conditions.
- Nigeria's 10-year yield bucked the global trend, falling 93bps, the sharpest move in the table, underscoring that domestic factors, particularly strong auction demand and improved liquidity, continue to dominate local market direction even as global yields rise.

Conflict in the Middle East between the U.S. and Iran continues to weigh on supply concerns

Crude oil average price

\$99.95 ↑ 14.43%

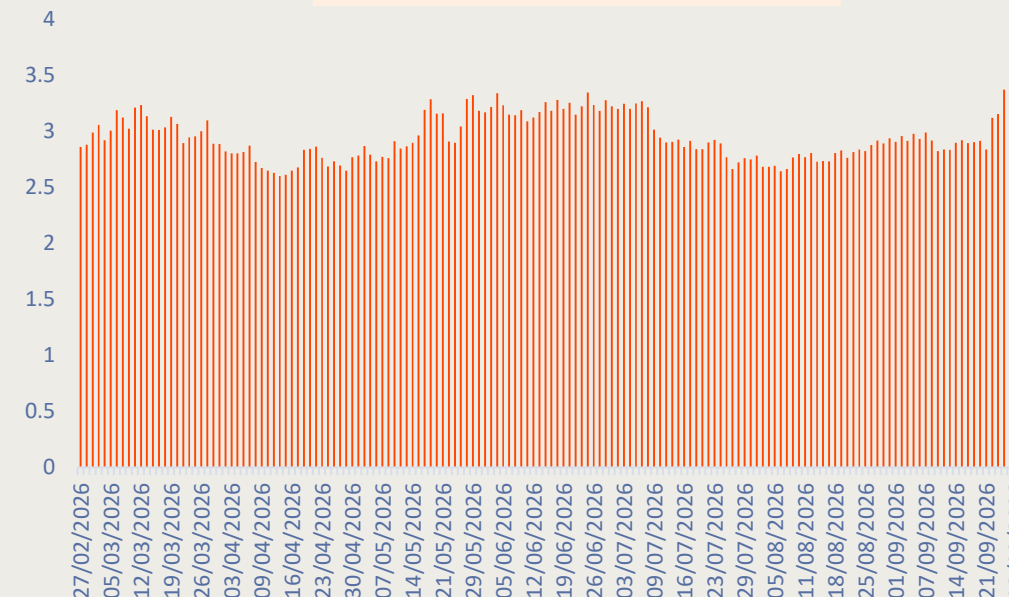
Crude oil price gained an average of \$12.60

Natural gas average price

\$2.98 ↑ 7.06%

Natural gas lost 7.06% in September

Brent crude oil (\$bbl)



EIA forecasts Brent to average around \$90/b in 2H26 before declining to an average of \$74/b in 2027 as oil production recovers and inventories rebuild

EIA forecast that Henry Hub spot price will average about \$3.43 per million British thermal units (MMBtu) in 2026.

Naira strengthened further in September by 1.93%

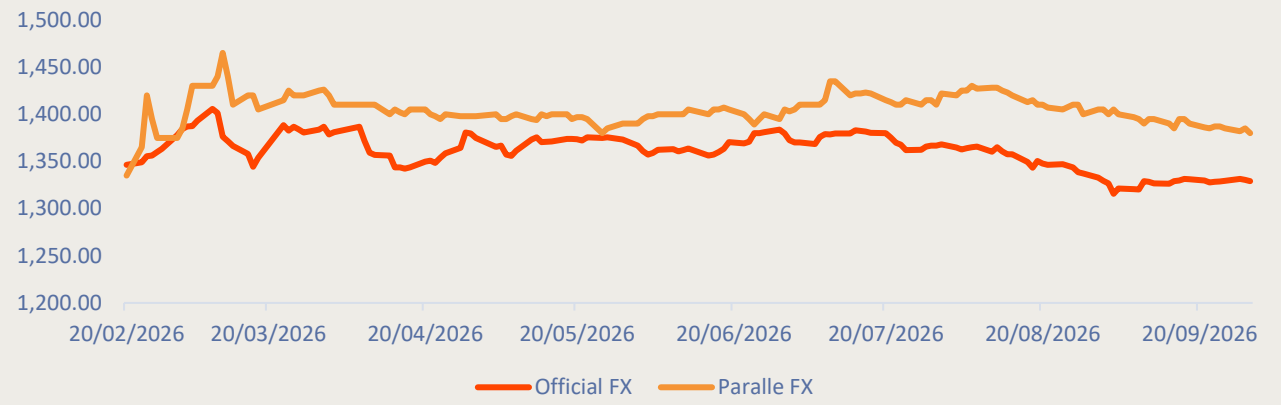


Exchange rate determinant factors

Variable	July 26	Aug 26	Sept 26	Trend
Brent Oil Price (\$/bl)	83.10	87.35	99.95	↑
Crude Oil Production (mbd)	1.505	1.500	***	↓
Gross Foreign Reserves (\$bn)	51.92	53.81	54.92	↑

Variable	Q3' 25	Q4'25	Q1'26	Q2'26	Trend
Trade Balance (\$bn)	3.85	1.18	5.45	9.22	↑
Current Account Balance (\$bn)	4.06	1.40	4.98	7.54	↑
Remittances (\$bn)	5.43	5.71	5.28	5.49	↑

Exchange rate movement (N/\$)



- Nigeria's current account surplus strengthened further in Q2 2026 to \$7.54 billion, surpassing our earlier projection of \$6.12 billion.
- By the time Q3 2026 data is released, we expect the surplus to widen further to \$8.69 billion, buoyed by lower import demand, and persistently elevated crude oil prices.
- The appreciation of the naira in September was primarily driven by improved FX fundamentals, including stronger inflows from oil receipt and sustained market confidence.
- While the Dangote IPO may have contributed marginally through increased investor interest and pre-positioning flows, its direct impact on FX liquidity remains limited for now, as significant foreign currency conversion is expected only after allotment.

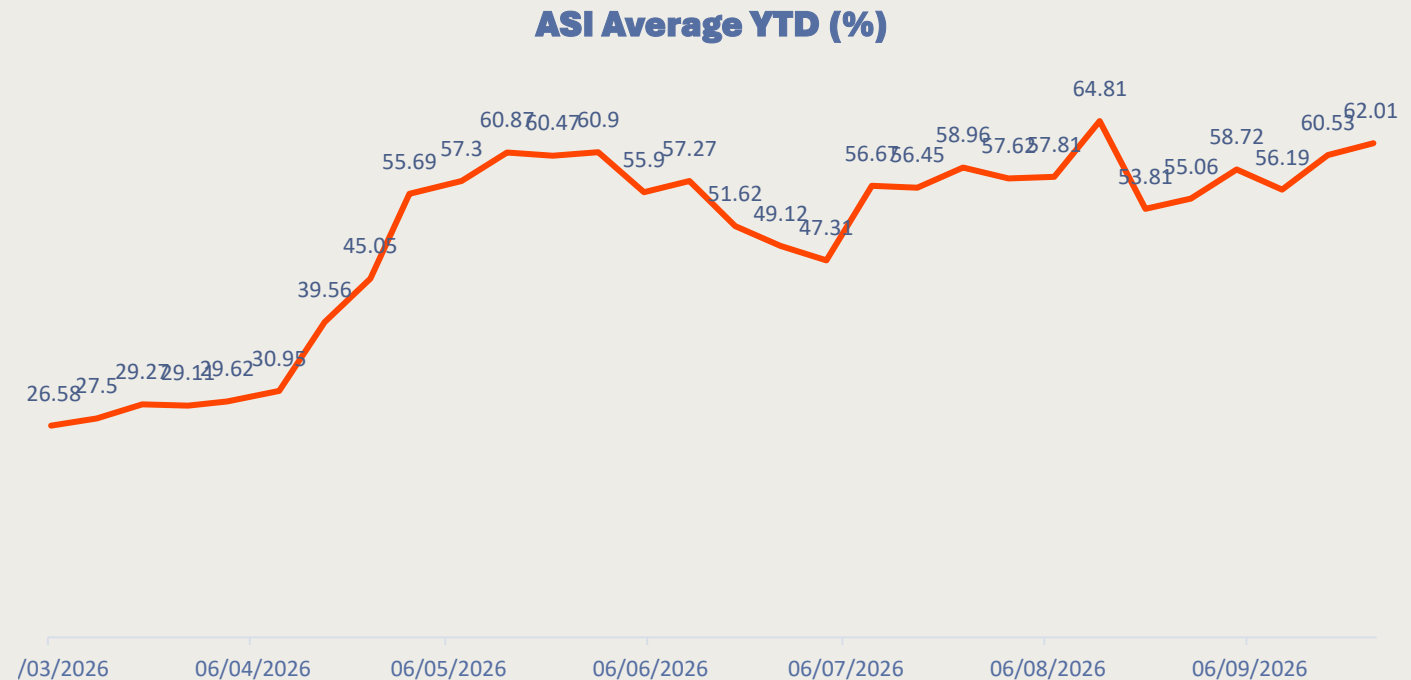


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Stock Market

ASI gained 2.87% in September

Key Market Indicators	August	2026 September	% ▲
NGX All-Share	244,199.50	251,211.67	2.87%
Market Cap. (N'trn)	156.83	163.10	4.00%
Trade Volume (bn)	0.61	0.88	45.21%
Trade Value (N' bn)	38.66	32.31	-16.43%
No. of Deals	51,805	44,469	-14.16%



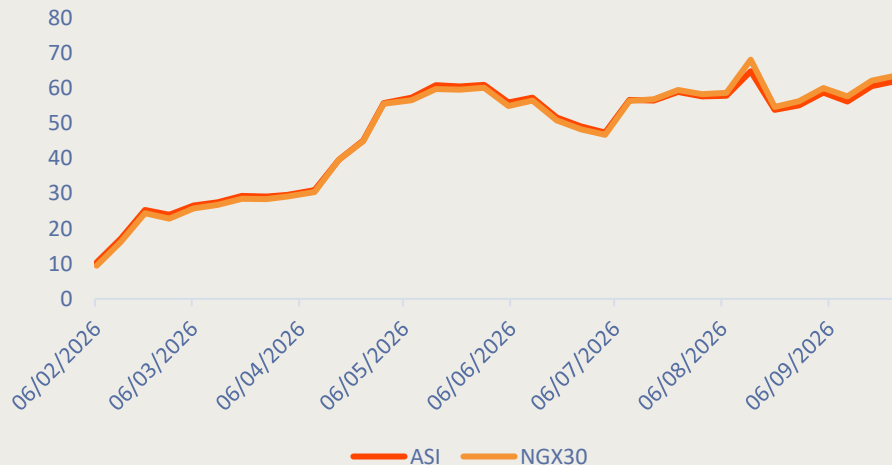
- The NGX All-Share Index rose by 2.87% in September, reflecting renewed bullish momentum and sustained investor confidence across major counters. Market capitalisation increased by 4.00% to N163.10 trillion, supported by price appreciation in large-cap stocks.
- Trading activity strengthened significantly, with trade volume rising by 45.21% to 0.88 billion units, indicating improved market participation. However, trade value declined by 16.43% to N32.31 billion, suggesting that transactions were skewed towards lower-priced equities despite higher volumes.
- Meanwhile, the number of deals fell by 14.16% to 44,469, pointing to more concentrated trades and possibly larger ticket transactions dominating market activity.
- Overall, the market maintained a positive tone in September, with stronger volumes and index gains outweighing the decline in trade value, reinforcing the underlying bullish sentiment.

Market Capitalisation increased by 4% in September

2026 Top Price Gainers			
Tickers	August	September	% ▲
CMFC	2.77	4.32	55.96%
ZICHIS	14.55	19.9	36.77%
NGXGROUP	133.4	181	35.68%
SEPLAT	12,320.6	16,000.1	29.86%
VFDGROUP	11.25	14.5	28.89%
ABCTRANS	5.25	6.75	28.57%

Top Price Losers			
Tickers	August	September	% ▲
INTENEGINS	2.82	2.25	-20.21%
CHAMS	3.99	3.19	-20.05%
AUSTINLAZ	2.72	2.2	-19.12%
TRIPPLEG	2.88	2.33	-19.10%
TRANSPower	219.6	178	-18.94%
REGALINS	0.86	0.7	-18.60%

Correlation: ASI ↔ NGX30 = 1



The near-perfect correlation ($r = 1$) between ASI and NGX30 suggests that the Nigerian equity market's overall performance in September 2026 is overwhelmingly influenced by the top 30 companies listed on the Nigerian Exchange (NGX).



Forward Outlook

Impact of Global Developments on Nigeria

Oil market & geopolitical tensions

- Oil prices surged above \$100/bbl as US–Iran tensions escalated, lifting Brent 14.43% to \$99.95/bbl; OPEC+ is set to hold output steady for November.
- Elevated prices continue to support Nigeria's external position, with reserves rising to \$54.92bn and the Q2 current account surplus widening to \$7.54bn.

Global monetary policy & financial conditions

- The Fed, ECB and BOJ all raised rates in September, lifting global yields (US 10-year +54bps to 5.29%, UK +36bps) while Nigeria's average Eurobond yield rose to 7.59% from 6.96%.
- In sharp contrast, the CBN cut its benchmark MPR by 350bps to 23% from 26.5%, an easing stance that helped drive the broad-based decline in domestic NTB and FGN bond yields.

Implication for member banks & discount houses

Asset side

- Lower yields across NTB, OMO and FGN Bonds, following the CBN's 350bps MPR cut, mean reduced returns on fresh purchases, even as banks holding existing paper book mark-to-market gains from the rally.
- Rising reserves and a wider current account surplus strengthen the sovereign and FX backdrop underpinning the quality of banks' naira-denominated and FX-linked holdings.

Liability Side

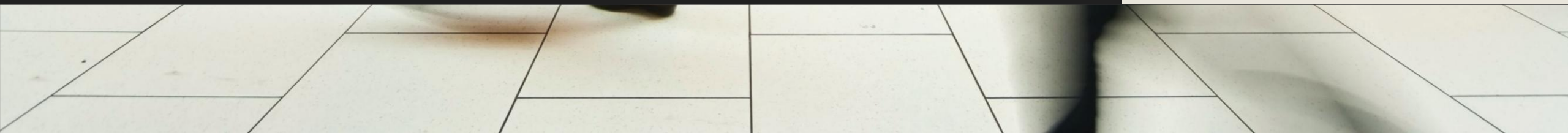
- Interbank rates eased with the MPR cut, NOFR to 20.00% (-9.09%), OVN to 20.39% (-7.86%), lowering funding costs.
- CRR debits and OMO sterilisation (N17.51trn) pulled liquidity back; October inflows are projected 14.82% lower.

Our Take

- Continue positioning for moderating yields and lock in duration where the curve offers value, particularly at the long end of the FGN bond curve.
- Maintain prudent liquidity buffers given intra-month volatility in system liquidity and the CBN's continued reliance on OMO sterilisation.
- Monitor the CBN's rate trajectory after the 350bps MPR cut, alongside Middle East-driven oil risk and the naira's path, into Q4.



Thank you



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