

ZENITHBANK 67.00 8.40% ▲



UBA 44.30 6.40% ▲

WEEKLY BRIEF

Week of 23rd – 27th February 2026

PREPARED BY:



Wealthbridge Economic
Advisory

NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- ❑ **United States:** Wholesale price inflation picks up; factory orders decline , Consumer confidence and jobless claims inch higher
- ❑ **UK & Eurozone:** Future interest rate cuts likely in the UK, Mixed inflation data across the eurozone
- ❑ **China:** China's central bank moves to slow yuan's appreciation
- ❑ **Japan:** Core inflation in Japan's capital slows below BOJ's 2% target in test for policy
- ❑ **South Africa:** South Africa's Fossil Fuel Subsidies Soar Under Ramaphosa
- ❑ **Ghana:** Ghana Targets 127 Tonnes a Year in Artisanal Gold Output Over Next Three Years

Local News

- ❑ CBN Lowers Interest Rate to 26.50%
- ❑ GDP Rises to 4.07% in Q4 2025
- ❑ BRICS inflows surge 117% to \$2.32bn on investor confidence
- ❑ Fresh loans: FG domestic debt jumps to N77tn
- ❑ Champion Breweries completes Bullet brand acquisition deal
- ❑ MTN Nigeria posts N5.2tn revenue, boosts economy

Key Macroeconomic Indices

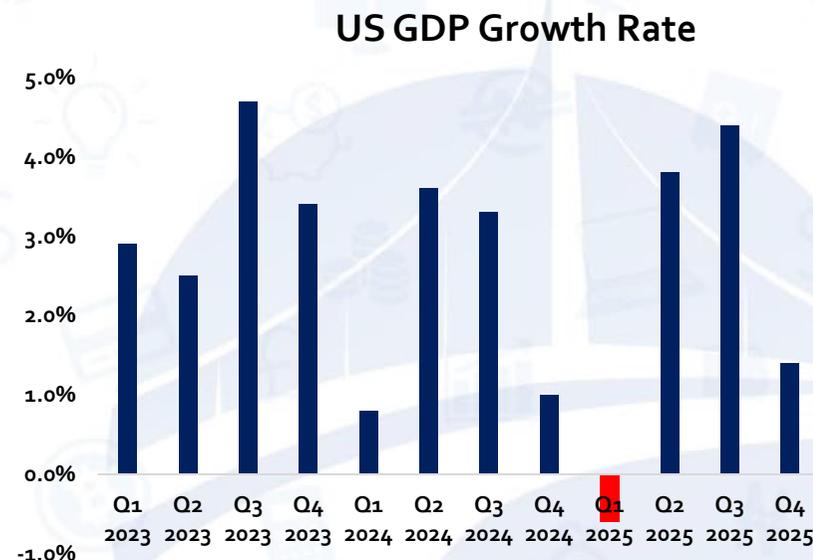
NAFEM (₦/\$)	Monetary Policy Rate	Brent Crude oil price (\$/Barrel)	Inflation Rate	GDP Growth Rate
₦1,1363.39/\$1 (27/02/26)	26.50% (Feb 2025)	\$71.76 (20/02/26)	15.10% (Jan 2026)	4.07% (Q4 2025)



The United States

Wholesale price inflation picks up; factory orders decline , Consumer confidence and jobless claims inch higher

- US producer price inflation unexpectedly accelerated in January, with the headline PPI rising 0.5% month-on-month, ahead of the 0.3% forecast and up from December's 0.4%. Services prices drove the upside, surging 0.8% — the largest monthly gain since July 2025 — pushing annual PPI inflation to 2.9%, signalling persistent wholesale price pressures. Separately, factory orders declined 0.7% in December, reversing a 2.7% gain the prior month, with a sharp drop in commercial aircraft bookings driving the contraction.
- On the consumer front, the Conference Board's Consumer Confidence Index edged up 2.2 points to 91.2 in February, supported by less pessimistic business, labour market, and income expectations. However, the index remains well below its four-year peak of 112.8 reached in November 2024. Weekly jobless claims rose modestly to 212,000, broadly in line with estimates, while continuing claims fell 31,000 to 1.833 million, suggesting the labour market remains relatively stable.



Source: Trading Economics, WealthBridge Research

What to Expect

- Spending growth may stay modest as households remain cautious
- weak factory orders and fragile consumer confidence may complicate Fed's balancing act between fighting inflation and supporting growth

Major U.S. stock indexes declined during the week

- Major U.S. stock indexes declined during the week amid ongoing concerns about the disruptive potential of artificial intelligence (AI) and heightened global trade and tariff uncertainty. The Dow Jones Industrial Average led declines, shedding 1.31%, while the S&P 500 Index held up best but still lost 0.44%.
- Equities started the week on a negative note, selling off on Monday after a widely circulated research report helped amplify worries about potential AI-driven disruption risks to various industries and the broader economy

Drivers

- Heightened global trade tensions weighing on investor confidence
- Widely circulated research report amplified fears of AI-driven disruption across multiple industries

Indices' Performance

S&P 500	6878.88	-0.44% ▼
Nasdaq Composite	22,886.07	0.95% ▼
Dow Jones Industrial average	49,625.97	1.31% ▼

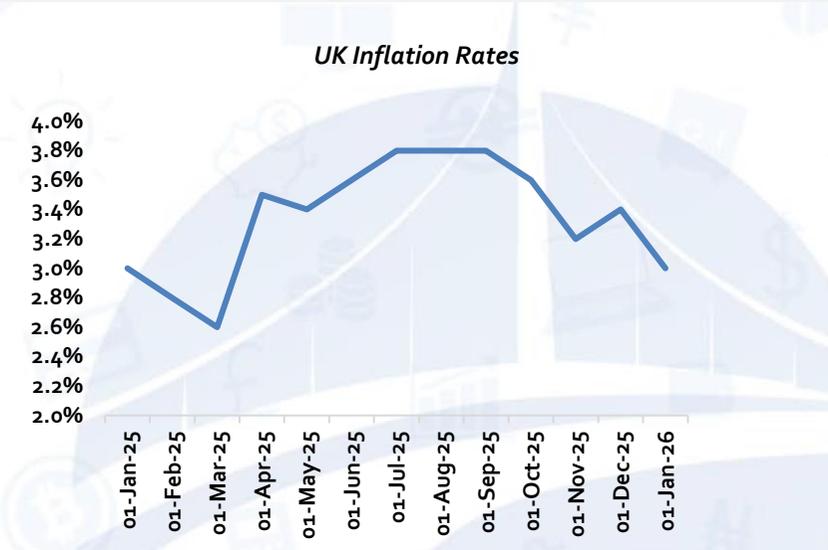


UK & Eurozone



Future interest rate cuts likely in the UK, Mixed inflation data across the eurozone

- ❑ Bank of England Monetary Policy Committee member Alan Taylor publicly suggested that the UK's central bank may make three more interest rate cuts in 2026, as inflation drops back to the 2.0% target.
- ❑ Following the U.S. Supreme Court's ruling on tariffs last week, investors in the UK were encouraged by the Trump administration's assurance that it intends to stand by the trade deal it struck with the UK in May 2025.
- ❑ French consumer prices rose by 1.1% year over year in February, according to preliminary data released by INSEE, the country's official statistics agency.
- ❑ In Spain, the initial reading of for annual inflation edged up to 2.5% from 2.4%; it had been expected to slow to 2.3%
- ❑ . In contrast, inflation eased in Germany, with the annual inflation rate slowing to 1.9% in February from 2.1% last month.



Source: Trading Economics, WealthBridge Research

What to Expect

- ❑ Three potential interest rate cuts expected in 2026 as inflation returns to 2% target
- ❑ Markets watching ECB's next move amid mixed eurozone price signals

European markets hit record highs amid easing tariff fears

- ❑ The pan-European STOXX Europe 600 Index touched a new high and notched a 0.52% gain in local currency terms over the week. Robust corporate earnings and investors' desire to diversify beyond the technology-heavy U.S. market won out over geopolitical tensions, concerns about AI disruption, and renewed trade tariff uncertainty.
- ❑ Among major stock indexes, Germany's DAX edged modestly higher, Italy's FTSE MIB climbed 1.59%, and France's CAC 40 Index gained 0.77%. The UK's FTSE 100 Index also reached a fresh high midweek and added 2.06%.

Drivers

- ❑ Key drivers included improved earnings expectations, broadly supportive macroeconomic data, and investors' desire to diversify beyond the technology-heavy U.S. market.

Indices' Performance

FTSE 100	10,910.55	2.09% ▲
DAX index	25,284.26	0.09% ▲
CAC 40	8,580.75	0.07% ▲
FTSE MIB	47,209.89	1.59% ▲

Asia

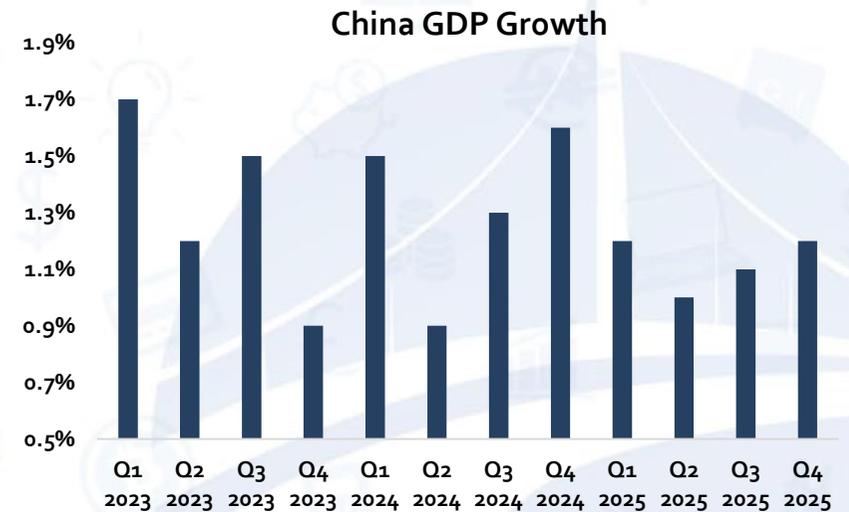


China's central bank moves to slow yuan's appreciation

- China's yuan ended a 10-session winning streak — its longest since 2010 — after the People's Bank of China (PBOC) removed a 20% reserve requirement on foreign-currency forward contracts effective March 2, lowering the cost of betting against the currency.
- The move signals Beijing's desire to slow yuan appreciation after it hit multi-year highs against a weakening dollar. Officials warn excessive strength pressures exporters and worsens deflation. The PBOC also set a record-weak daily reference rate, 793 pips below market forecasts, reinforcing its managed appreciation stance. Currency options markets are pricing a move toward 6.50 per dollar by year-end.
- Despite intervention, the US Treasury considers the yuan "substantially undervalued," while analysts argue modest appreciation could ease trade tensions and support China's economic rebalancing amid a record \$1tn trade surplus in 2025.

What to expect

- Key drivers of yuan strength include robust foreign-exchange conversion, improving US-China relations, and broad dollar weakness



Shanghai Composite	4,183.06	0.31% ▲
Hang Seng Index	26,104.10	1.17% ▼
Nikkei 225 index	58,000.62	2.07% ▲

Drivers

- Fuel subsidies artificially suppressed energy costs in the CPI
- Gasoline tax surcharges abolished, cutting transport prices

Core inflation in Japan's capital slows below BOJ's 2% target in test for policy

- Tokyo's annual core inflation slowed to 1.8% in February, falling below the Bank of Japan's (BOJ) 2% target for the first time in 16 months, driven by fuel subsidies, abolition of gasoline tax surcharges, and easing food price pressures.
- The BOJ views the slowdown as temporary, projecting reacceleration on steady wage gains. A closely watched index stripping out fresh food and fuel rose 2.5%, picking up from 2.4% in January, reinforcing the bank's underlying inflation narrative.
- The data heightens potential friction between the BOJ and government, with dovish Prime Minister Sanae Takaichi reportedly expressing reservations about further rate hikes during a meeting with BOJ Governor Kazuo Ueda. The BOJ raised rates to a 30-year high of 0.75% in December.
- Separately, Japan's factory output rose 2.2% — the first gain in three months — though it significantly undershot forecasts of 5.3%.



South Africa's Fossil Fuel Subsidies Soar Under Ramaphosa



- ❑ South Africa's government subsidies to fossil fuels have tripled in real terms since President Ramaphosa took office in 2018, reaching nearly R200bn last year, driven primarily by Eskom bailouts and carbon tax exemptions. The principal beneficiaries are Eskom and Sasol — the country's two largest carbon emitters. Sasol's Secunda plant remains the world's largest single-point greenhouse gas source, emitting 56.5 megatonnes of CO₂ annually.
- ❑ By contrast, renewable energy subsidies in 2024 amounted to less than 5% of fossil fuel support, totalling approximately R14bn across household and business tax exemptions — both of which have since lapsed. Despite this disparity, renewables now generate 7.3GW, representing 13% of national capacity.
- ❑ Africa's energy investment landscape is shifting, with fossil fuel and renewable investment reaching parity for the first time in 2024. However, experts warn that without clear government policy commitment to renewables, attracting the scale of investment required remains unlikely.

Ghana Targets 127 Tonnes a Year in Artisanal Gold Output Over Next Three Years



- ❑ Ghana's GoldBod is targeting annual artisanal and small-scale mining (ASM) gold production of 127 tonnes over the next three years, surpassing the record 96.4 tonnes (3.1 million ounces) produced in 2025.
- ❑ To achieve this, GoldBod plans to procure at least 2.45 tonnes weekly through official channels, backed by inventory funding equivalent to three to four weeks of purchases. From March, GoldBod assumes full responsibility for purchase agreements and gold sales, introducing pricing incentives and bonuses to curb smuggling and formalise the sector.
- ❑ Artisanal mining now outpaces industrial output, having surged over 60% in 2025. Achieving the 127-tonne target could generate over \$20bn in annual export earnings at current gold prices of approximately \$5,160 per ounce. Accra also plans to transfer all foreign currency proceeds from gold exports directly to the central bank, strengthening foreign exchange reserves.

DOMESTIC ECONOMY AND MARKETS HIGHLIGHTS



Snapshot of Key Macroeconomic Indicators

Indicators	Current	Previous	
Inflation rate	15.10% (Jan 2026)	15.15% (Dec 2025)	▼ 5 bps
MPR	26.50% (Feb 2025)	27.00% (Nov 2025)	▼ 50 bps
Quarterly GDP Growth Rate	4.07% (Q4 2025 y/y)	3.98% (Q3 2025 y/y)	▲ 226bps
Yearly GDP Growth Rate	3.90% (FY 2024; y/y)	3.40% (FY 2024; y/y)	▲ 147 bps
GDP (Nominal)	₦ 122.81 Trn (Q3 2025)	₦ 113.59 Trn (Q3 2025)	▲ 8.12%
Brent Crude oil price	\$71 (27/02/26)	\$71.76 (20/02/26)	▼ 1.07%
Exchange rate (NAFEM W-O-W% , ₦/\$)	₦ 1,363.39/\$1 (27/02/26)	₦ 1,346.20/\$1 (20/02/26)	▲ 1.28%
Parallel Market FX Rate (IMTO) (₦/\$)	₦ 1,370.00/\$1 (27/02/25)	₦ 1,348.23/\$1 (20/02/25)	▲ 1.63%
P2P (₦/\$)	₦ 1,375/\$1 (27/02/26)	₦ 1,356/\$1 (13/02/26)	▲ 1.40%
External Reserve	\$49.51 billion (25/02/26)	\$48.89 billion (20/02/26)	▲ 1.27%



Key Fiscal and Monetary News

CBN Lowers Interest Rate to 26.50%



Central Bank of Nigeria

Key Policy Parameters	New Rate (February 2026)	Previous Rate (November 2025)
Monetary Policy Rate	26.50%	27%
Asymmetric Corridor	+50/-450	+50/-450
Cash Reserve Ratio (Commercial Banks)	45%	45%
Cash Reserve Ratio (Merchant Banks)	16%	16%
Cash Reserve Ratio (Non-TSA public sector deposits)	75%	75%
Liquidity Ratio	30%	30%

- At the first meeting of the year, the Central Bank of Nigeria (CBN), through the Monetary Policy Committee (MPC), announced a 50bps cut in the Monetary Policy Rate (MPR) to 26.50%, while retaining all other policy parameters. The policy decision was communicated at the 304th MPC press briefing held on 24 February 2026, marking a cautious shift toward monetary easing amid improving macroeconomic conditions.

Key Considerations

- A 10-month trend of disinflation demonstrates improved control over inflationary pressures.
- Core inflation has eased to 17.72%, indicating a stabilization in the underlying price levels.
- Food inflation has decelerated significantly to a single-digit rate of 8.9%
- Increased fiscal disbursements, including potential election-related spending

DOMESTIC ECONOMY AND MARKETS HIGHLIGHTS



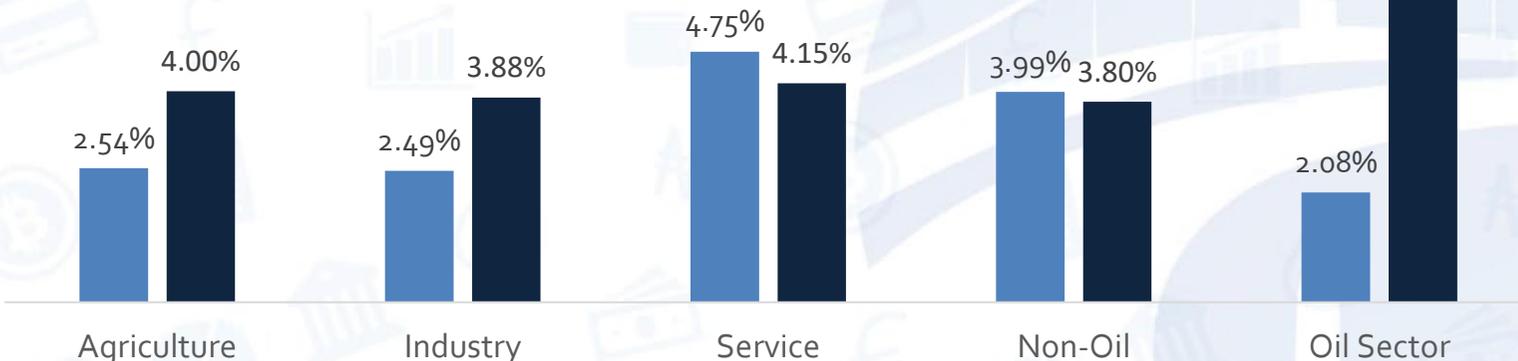
Key Economic News

GDP Rises to 4.07% in Q4 2025

Nominal GDP
Q4 2025
₦122.81 trn

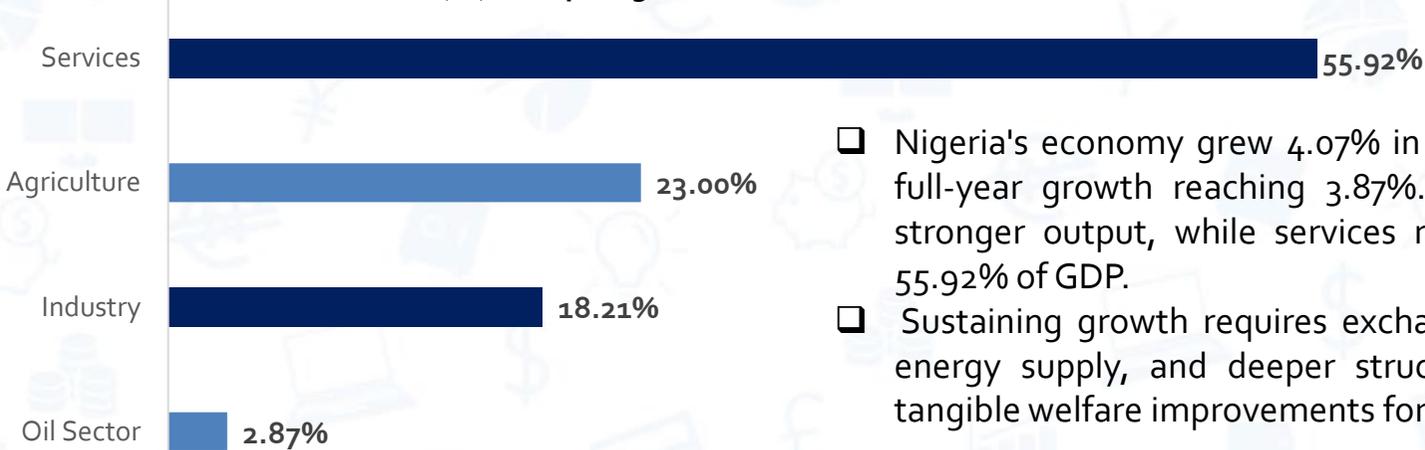
Real GDP
Q4 2025
₦122.81 trn

▣ Sectoral Growth Rates — Q4 2024 vs Q4 2025



■ 2024 ■ 2025

▣ GDP Sector Contribution (%) — Q4 2025



▣ Nigeria's economy grew 4.07% in Q4 2025, up from 3.76% a year earlier, with full-year growth reaching 3.87%. Agriculture, industry, and oil all recorded stronger output, while services remained the dominant sector, contributing 55.92% of GDP.

▣ Sustaining growth requires exchange rate stability, lower inflation, improved energy supply, and deeper structural reforms to translate GDP gains into tangible welfare improvements for Nigerians.



Key Economic News

BRICS inflows surge 117% to \$2.32bn on investor confidence



- ❑ Nigeria attracted \$2.32bn in capital inflows from BRICS nations — China, India, and South Africa — in the first nine months of 2025, a 117% surge from \$1.07bn in 2024.
- ❑ South Africa led with \$2.29bn, while Chinese and Indian inflows declined marginally. Notably, BRICS inflows slightly exceeded the \$2.23bn injected by the United States in the same period.
- ❑ The NBS did not provide data for capital imported from Brazil and Russia, which are also BRICS members.
- ❑ Experts attribute the surge to higher interest rates and portfolio investment opportunities rather than political alliances or trade agreements. Nigeria currently attracts more portfolio investment than foreign direct investment due to superior yields.
- ❑ Analysts warn the rebound remains fragile without structural reforms in electricity, logistics, and regulatory frameworks to convert short-term financial inflows into productive, FDI-led industrial expansion.

Fresh loans: FG domestic debt jumps to N77tn



- ❑ Nigeria's federal domestic debt rose by N7.40tn — a 10.52% increase — from N70.41tn in December 2024 to N77.81tn by September 2025, driven primarily by fresh FGN Bond issuances and higher Treasury Bills. FGN Bonds dominated the portfolio, rising from N55.44tn to N61.99tn and accounting for nearly 80% of total domestic debt.
- ❑ Treasury Bills grew modestly to N12.68tn, while FGN Sukuk climbed to N1.29tn. Green Bonds recorded the sharpest relative growth, surging from N15bn to N62.36bn. The expansion reflects the Federal Government's continued reliance on domestic borrowing to finance fiscal deficits and budgetary obligations.
- ❑ At the subnational level, 11 states and the FCT collectively added N373.06bn in domestic debt. Lagos led in absolute terms with N145.62bn added, while Borno posted the highest percentage increase at 69.19%. Total subnational debt rose marginally to N4.00tn, as debt reductions by 25 other states partially offset the increases.



Key Market News

Champion Breweries completes Bullet brand acquisition deal



- ❑ Champion Breweries Plc, yesterday announced the successful completion of its acquisition of the Bullet brand portfolio from Sun Mark, marking a transformative milestone in the Company's strategic expansion into a diversified, pan-African beverage platform.
- ❑ The acquisition, previously announced on 20 August 2025, gives Champion ownership of the Bullet brand assets, trademarks, formulations, and commercial rights globally through an asset carve-out structure. The assets are held in a newly incorporated entity in the Netherlands, in which Champion Breweries holds a majority interest, while Vinar N.V., the majority shareholder of Sun Mark, retains a minority stake.
- ❑ Bullet products are currently distributed in 14 African markets, positioning Champion to scale beyond Nigeria in the high-growth ready-to-drink (RTD) alcoholic and energy drink segments.

MTN Nigeria posts N5.2tn revenue, boosts economy



- ❑ MTN Nigeria posted a service revenue of N5.2tn in its 2025 audited financial results, marking a significant return to profitability and balance sheet resilience after a challenging period. The telecom giant invested N1tn in capital expenditure during the year, funding network expansion through new base stations, fibre optic deployment, and job creation — reinforcing its role as a major driver of Nigeria's non-oil economy.
- ❑ CEO Dr Karl Toriola described 2025 as a turning point, noting that accelerated network investment improved service quality and user experience. The company also remains one of Nigeria's largest corporate taxpayers, with its profitability directly supporting government infrastructure and social welfare programmes.
- ❑ As the most valuable company on the Nigerian Exchange, MTN is actively encouraging local wealth creation, urging young Nigerians to invest in the country's digital future, with continued CAPEX commitments promising long-term shareholder returns.



Equities Market

The Nigerian Equities Market Ended The Week Bullish

- Market Capitalisation: **₦123.76 trn** (▼ 1.11% W-o-W)
- All Share Index: **192826.77** (▲ 1.11% W-o-W)
- Year-to-Date: **10.36%** (▲ 409 bps W-o-W)
- Total Turnover (Trades): **7.662 bn** (▲ 75.04% W-o-W)
- Value of Trades: **₦252.566bn** (▲ 48.76% W-o-W)

Fixed Income Market

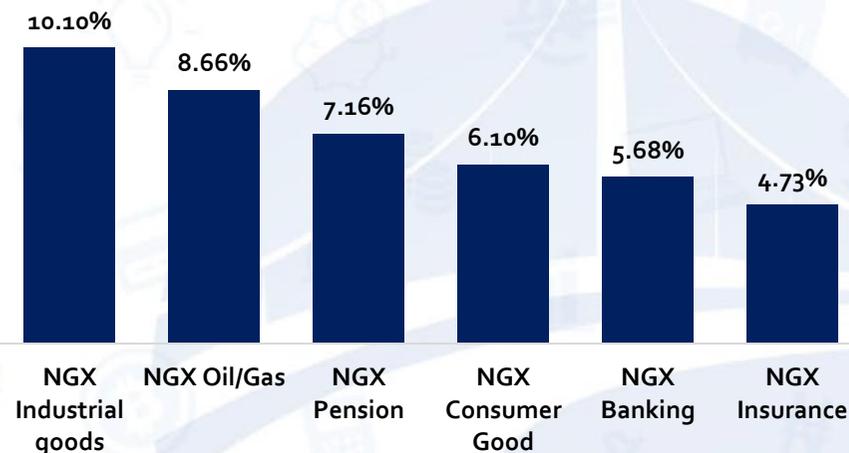
Bond Market

Nigeria's secondary bond market closed positively, with average yields declining 48 basis points to 15.54%, reflecting strong demand for government securities. The DMO's February 2026 FGN bond auction attracted N2.7tn in subscriptions against N800bn offered, though allotment was conservative at N524bn. Stop rates settled at 15.74% for the Feb 2032 and May 2033 papers, and 15.50% for Feb 2034. Conversely, the Eurobond market weakened, with average yields rising 9 basis points to 6.98%, signalling reduced investor appetite for Nigeria's dollar-denominated debt.

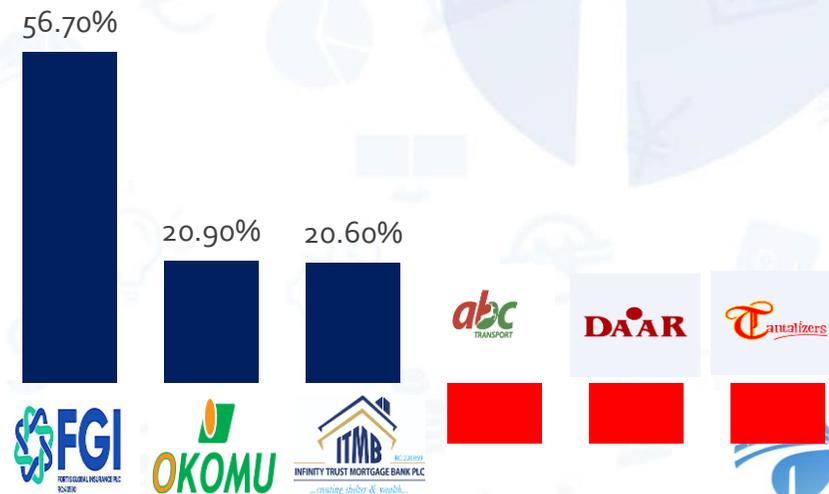
NTB and Money Markets

System liquidity expanded to N3.75tn from N2.26tn, boosted by N770bn in OMO maturities, driving broad-based funding rate moderation. Overnight and Open Repo rates settled at 22.17% and 22.00% respectively. NIBOR declined across all tenors, while T-bill yields eased 26 basis points to 17.23%. At the CBN's midweek OMO auction, N1.9tn in subscriptions exceeded the N600bn offered, with N1.1tn allotted. Stop rates cleared between 18.45% and 21.94%. Looking ahead, the CBN is expected to auction N799.13bn in Treasury bills, with demand anticipated to remain firm for longer-dated instruments amid policy easing expectations.

Sectoral Performances



Top Gainers & Decliners





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