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WEEKLY BRIEF

Week of 17th November – 21st November
2025

PREPARED BY:



Wealthbridge Economic
Advisory

NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- ❑ **United States:** GDP growth revised higher; inflation remains elevated, Jobless claims remain stable; consumer sentiment improves, Business activity growth ticks higher in January
- ❑ **Canada:** Canada and China Form Strategic Auto Partnership
- ❑ **UK & Eurozone:** Business activity still positive; confidence higher, UK jobs market struggles, EU Parliament holds up Mercosur deal
- ❑ **China:** China Meets 5% Growth Target; Q4 Slows; Nominal Growth Weakens, Exports Drive Growth while Demand remains soft
- ❑ **Japan:** BoJ leaves rates unchanged; yen. Election announcement and talk of temporary food tax cut roils markets. Japan Services PMI Rises to 6-Month High, Composite PMI hits 17-Month High
- ❑ **South Africa:** Inflation rises to 3.6% in December 2025, UK Extends US\$1bn Climate Guarantee to South Africa, South Africa Tops Africa in Renewable Energy Investment
- ❑ **Egypt:** FDI in Egypt Rises 20–25% in Past Year, Egypt's Oil Output Rises with New North Safa Well

Local News

- ❑ IMF Raises Nigeria's 2026 Growth Forecast to 4.4%
- ❑ Nigeria's Power Generation Declines in Q3 2025
- ❑ FG Allocates N105m to Revive Nigeria's Industrial Sectors
- ❑ Dangote Refinery signs \$350M EIL contract for 1.4M bpd upgrade
- ❑ Nigeria records N161.05bn net foreign portfolio investment in equities in 2025

Key Macroeconomic Indices

NAFEM (₦/\$)	Monetary Policy Rate	Brent Crude oil price (\$/Barrel)	Inflation Rate	GDP Growth Rate
₦1,421.75/\$1 (23/11/25)	27.00% (Sep 2025)	\$66.29 (23/11/25)	15.15% (Dec 2025)	4.23% (Q2 2025)

The United States

GDP growth revised higher; inflation remains elevated, Business activity growth ticks higher in January

- ❑ The Bureau of Economic Analysis (BEA) estimate showed that the U.S. economy grew at a faster-than-expected pace in the third quarter with real gross domestic product (GDP) increasing at an annual rate of 4.4%, higher than a previous estimate of 4.3% and ahead of the second quarter's 3.8% pace, largely driven by higher exports and investment.
- ❑ U.S. layoffs remain subdued as jobless claims hit two-year lows, while consumer sentiment improves modestly but remains pressured by high prices.
- ❑ U.S. business activity edged higher in January, led by manufacturing gains, though business confidence softened slightly amid political uncertainty and rising cost pressures.
- ❑ On a year-over-year basis, the PCE index rose 2.8%, remaining well ahead of the Fed's long-term inflation target of 2%.

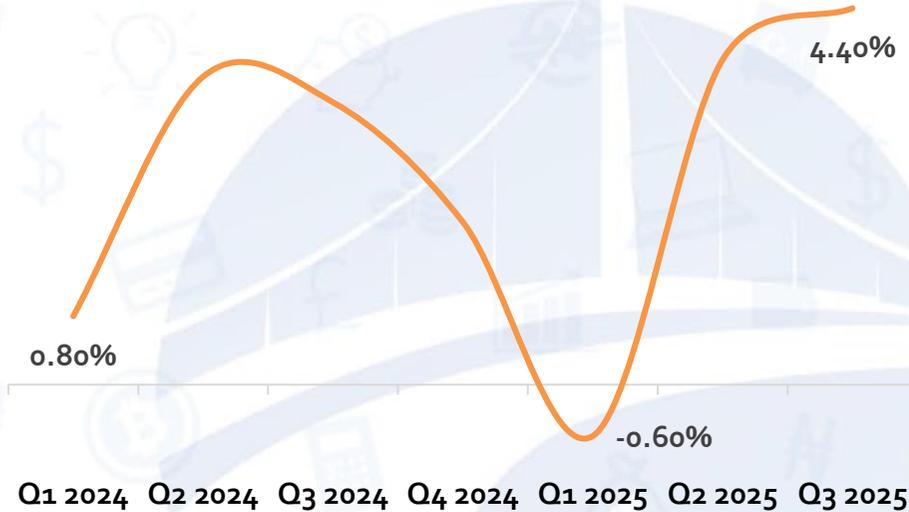
What to Expect

- ❑ Market watchers will be paying attention to the Fed's reaction on the inflation target, though a looming Supreme Court decision over Trump's attempt to fire Federal Reserve Governor Lisa Cook has placed the central bank's independence back into focus.

Major stock indexes finished a volatile week lower

- ❑ Stocks traded sharply lower to start the week on Tuesday, with the S&P 500 Index posting its largest daily decline since October amid renewed fears of a global trade wars
- ❑ Major indexes reversed course on Wednesday after Trump appeared to soften his stance on the Tariffs that were scheduled to go into effect on February 1st

GDP Growth Rate



Source: Trading Economics, WealthBridge Research

Drivers

- ❑ U.S. President Donald Trump announced that he would impose new tariffs on European nations that opposed the U.S. purchasing or otherwise taking control of Greenland

Indices' Performance

S&P 500	6,915.61	0.65% ▼
Nasdaq Composite	23,501.24	0.59% ▼
Dow Jones Industrial average	49,098.71	0.74% ▼



UK & Eurozone

Business activity still positive; confidence higher, UK jobs market struggles

- Business activity in the eurozone expanded modestly in January from an increase in new orders, according to surveys of purchasing managers by S&P Global. A provisional estimate of the HCOB Flash Eurozone Composite PMI Output Index was unchanged at 51.5.
- The UK labor market weakened in the three months through November, and pay growth slowed further. Annual wage growth excluding bonuses declined to 4.5% from 4.6% in the prior period. Year-over-year growth in private-sector pay slowed to 3.6%—the lowest level since November 2020.
- The European Union’s (EU’s) trade deal with Mercosur faces a potentially lengthy delay, on whether the texts of the agreement comply with EU treaties.



Source: Trading Economics, WealthBridge Research

What to Expect

- The BOE will likely deliver a 25-basis point February cut, following a weakening labour market and inflation rising more than expected in December.

European markets ended lower

- In local currency terms, the pan-European STOXX Europe 600 Index ended 0.98% lower amid renewed trade and geopolitical uncertainty.
- Major stock indexes also fell. France’s CAC 40 Index weakened 1.40%, Germany’s DAX lost 1.57%, and Italy’s FTSE MIB dropped 2.11%. The UK’s FTSE 100 Index declined 0.90%.

Drivers

- Investors are digesting events at Davos, including Ukrainian President Volodymyr Zelenskyy's excoriating speech about the continent

Indices' Performance

FTSE 100	10,143.44	0.90 % ▼
DAX index	24,900.71	1.57 % ▼
CAC 40	8,143.05	1.40 % ▼
FTSE MIB	44,831.60	2.11% ▼

Asia



China Meets 5% Growth Target; Q4 Slows; Nominal Growth Weakens, Exports Drive Growth while Demand remains soft

- China's economy grew 4.5% in the fourth quarter year on year and expanded 5% in 2025, meeting its 5% growth target. Nominal economic growth, which is unadjusted for price changes, reached 4% in 2025
- Domestic demand stayed weak as investment contracted. Industrial production rose 5.2% in December, slightly above estimates and the fastest pace in three months, fixed asset investment shrank 3.8% in 2025.
- Exports drove China's 2025 growth, but rising protectionism and tough base effects threaten momentum into early 2026.
- Mainland China equities closed mixed, with CSI 300 slipping, Shanghai Composite rising, and Hong Kong stocks ending slightly lower.

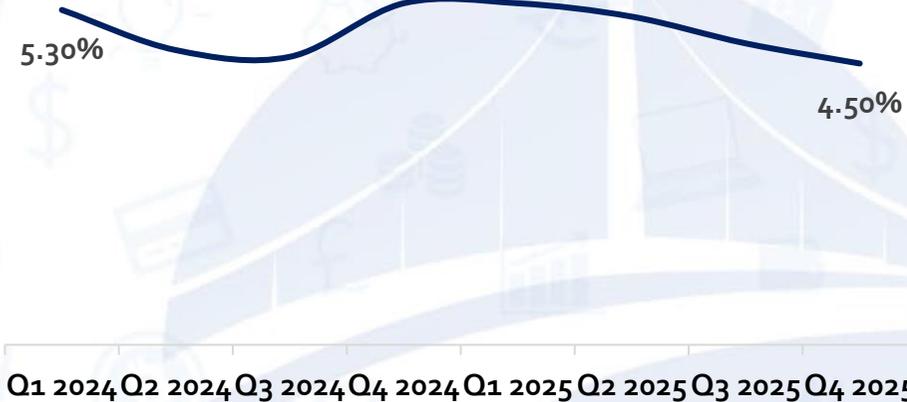
What to expect

- First quarter of 2026 may be particularly challenging due to comparisons with the year-ago period, when China recorded strong growth as consumer subsidies bolstered spending and exports surged amid front-loading by trade partners

BoJ leaves rates unchanged, talk of temporary food tax cut roils markets

- At its January meeting, the BoJ left its key policy rate unchanged at 0.75% having raised the rate twice in 2025
- Takaichi surprised investors by pledging that if she secures a fresh mandate for her new coalition, the government would reduce the consumption tax on food (currently at 8%) to 0% for two years
- Japan's S&P Global Services PMI rose to 53.4 in January 2026 from 51.6 in the previous month, marking the highest reading since July, Composite PMI rose to 52.8 in January 2026 from 51.1 in December, the highest reading since August 2024

GDP Growth Rate



Shanghai Composite	4,136.16	1.11% ▲
Hang Seng Index	26,749.51	0.41% ▲
Nikkei 225 index	53,846.87	0.29% ▲

Drivers

- Domestic political uncertainty weighed on markets, and talk of unfunded tax cuts led Japanese government bond (JGB) yields to spike as investors grew increasingly concerned about the country's already fragile finances



South Africa Inflation Rises to 3.6% in December 2025



- ❑ South Africa's annual inflation edged up to 3.6% in December from 3.5% in November, staying within the SARB's 3% \pm 1% target range.
- ❑ Key drivers were housing & utilities (4.9%), food & non-alcoholic beverages (4.4%), and insurance & financial services (7%). Core inflation, excluding food, fuel, and energy, rose to 3.3%, the highest in 10 months.
- ❑ Monthly CPI increased 0.2%, following a 0.1% decline in November. The 2025 average inflation was 3.2%, the lowest in 21 years and below the central bank's forecast of 3.3%.

UK Extends US\$1bn Climate Guarantee to South Africa



- ❑ The UK and the African Development Bank have extended a US\$1bn climate-linked debt guarantee to South Africa, saving a US\$400m municipal funding deal from expiring.
- ❑ The guarantee is part of the US\$10bn Just Energy Transition Partnership between South Africa and wealthy nations, supporting the country's shift to sustainable energy.

South Africa Tops Africa in Renewable Energy Investment



- ❑ A Forvis Mazars report identifies South Africa as Africa's leader in renewable energy investment, driven by abundant solar and wind resources, supportive policies like IRP 2019 and the Energy Action Plan 2022, and a structured framework for private sector participation, with the country generating over 50 TWh from renewables in 2024 and offering opportunities in green hydrogen, biofuels, carbon capture, smart grids, and solar mini-grids, making it a key hub for energy investment given its 63+ m population and US\$400bn GDP.



FDI in Egypt Rises 20–25% in Past Year



- ❑ Egypt's foreign direct investment inflows grew 20–25% over the past year, reflecting economic reforms, social initiatives, and job creation in industry, tourism, and agriculture, Minister Hassan El-Khatib said.
- ❑ Tax revenues rose 35%, while the trade deficit fell to its lowest in 15+ years. The government aims for 6–7% sustainable growth by expanding productive sectors and strengthening value-added industries.

Egypt's Oil Output Rises with New North Safa Well



- ❑ GUPCO has begun production from Al-Wasl-4 at the North Safa Field, adding 2,250 barrels of oil and 1.3 m cubic feet of gas per day, lifting total output to 65,000 bpd.
- ❑ The North Safa Field, a major Gulf of Suez discovery, started commercial production in 2024. GUPCO's 2026 plan includes drilling, reservoir management, and water injection programs to maximise efficiency and prepare for the field's next development phase..

DOMESTIC ECONOMY AND MARKETS HIGHLIGHTS



Snapshot of Key Macroeconomic Indicators

Indicators	Current	Previous	
Inflation rate	15.15% (Dec 2025)	17.33% (Oct 2025)	▼ 218 bps
MPR	27.00% (Nov 2025)	27.00% (Sept 2025)	— 0 bps
Quarterly GDP Growth Rate	3.98% (Q3 2025 y/y)	4.23% (Q2 2025 y/y)	▼ 591bps
Yearly GDP Growth Rate	3.38% (FY 2024; y/y)	3.04% (FY 2023; y/y)	▲ 34 bps
GDP (Nominal)	₦113.59 Trn (Q3 2025)	₦100.73 Trn (Q2 2025)	▲ 12.77%
Brent Crude oil price	\$64.24 (23/01/26)	\$62.80 (16/01/26)	▲ 2.29%
Exchange rate (NAFEM W-O-W% , N/\$)	₦1,421.63/\$1 (23/01/26)	₦1,417.95/\$1 (16/01/26)	▲ 0.26%
Parallel Market FX Rate (IMTO) (N/\$)	₦1,490/\$1 (23/01/25)	₦1,483/\$1 (16/01/26)	▲ 0.47%
P2P (N/\$)	₦1,487.50/\$1 (23/01/26)	₦1,484.99/\$1 (16/01/26)	▲ 0.17%
External Reserve	\$46.012 billion (22/01/26)	\$45.901billion (16/01/26)	▲ 0.24%



Key Fiscal News

IMF Raises Nigeria's 2026 Growth Forecast to 4.4%



- ❑ The IMF has increased Nigeria's 2026 economic growth forecast to 4.4%, up from 4.2% in October 2025, citing ongoing reforms and a stabilising macroeconomic environment.
- ❑ The revision reflects confidence in fiscal discipline, central bank independence, and productivity gains in agriculture, manufacturing, and services.
- ❑ Sub-Saharan Africa's growth outlook was also slightly upgraded, showing a regional recovery trend. A stronger growth projection may attract foreign investment, lower import costs, and boost remittance opportunities. Despite the positive outlook, experts warn that inflation, structural bottlenecks, and policy timing remain risks.

Nigeria's Power Generation Declines in Q3 2025



- ❑ Nigeria's electricity output fell in the third quarter of 2025 as distribution companies (DisCos) reduced purchases from the national grid.
- ❑ Despite over 13,000 MW of installed capacity, more than 60% of power plants were idle due to gas supply shortages, payment disputes, and network issues.
- ❑ Weak DisCo revenue from poor metering, electricity theft, and unpaid bills also forced lower offtake, limiting generation.



Key Market News

Nigeria Infrastructure Debt Fund delivers record returns as cash flows swell



- ❑ The Nigeria Infrastructure Debt Fund (NIDF), managed by Chapel Hill Denham, closed the year with total assets of N137.79 billion, up from N120.74 billion a year earlier, driven largely by growth in cash balances and steady expansion of its infrastructure loan book.
- ❑ The fund has consistently beaten its benchmark, the 10-year Federal Government of Nigeria bond, benefiting from loan pricing that typically sits 300 to 500 basis points above sovereign yields on a floating-rate basis.
- ❑ That growth fed into one of the strongest cumulative performances on Nigeria's exchange. NIDF's total return index climbed to 415.19 by the end of December 2025, compared with 343.2 in 2024 and a base value of 100 in mid-2017.

FG Allocates N105m to Revive Nigeria's Industrial Sectors



- ❑ The Federal Government has earmarked N105 m under the 2026 Appropriation Bill to support ongoing projects in textiles, automobiles, solid minerals, and leather, building on the 2014 Nigeria Industrial Revolution Plan.
- ❑ The funding aligns with the newly launched National Industrial Policy 2026, which aims to boost local production, create jobs, and diversify the economy away from reliance on crude oil.



Key Market News

Dangote Refinery signs \$350M EIL contract for 1.4M bpd upgrade



- ❑ Dangote Group has signed a contract valued at over \$350 million with India's state-owned Engineers India Limited (EIL).
- ❑ The development was disclosed by EIL in a statement released recently. Under the agreement, EIL will serve as the Project Management Consultant (PMC) and Engineering, Procurement and Construction Management (EPCM) consultant for the expansion.
- ❑ The expansion will be executed through the addition of a second processing train and will focus on the production of Euro VI-compliant fuels.

Nigeria records N161.05bn net foreign portfolio investment



- ❑ Nigeria experienced a net foreign portfolio inflow of N161.05 billion into equities, signaling a cautious yet improving foreign risk appetite amidst ongoing market volatility.
- ❑ Total foreign inflows for the year amounted to N1.40 trillion, slightly exceeding outflows of N1.24 trillion, resulting in a positive, albeit fragile, net position.
- ❑ With the exception of September, net foreign inflows were generally modest.



Equities Market

The Nigerian Equities Market Ended The Week Bearish

- Market Capitalisation: **₦105.959 trn** (▼ 0.37% W-o-W)
- All Share Index: **165,512.18** (▼ 0.39% W-o-W)
- Year-to-Date: **6.36%** (▼ 4 bps W-o-W)
- Total Turnover (Trades): **3.748 bn** (▼ 18.65% W-o-W)
- Value of Trades: **₦99.865bn** (▼ 23.0% W-o-W)

Fixed Income Market

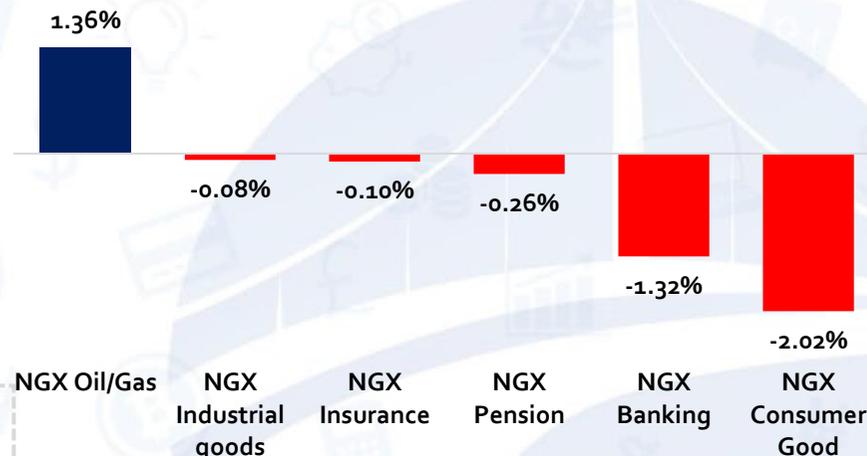
Bond Market

The Nigerian secondary bond market closed the week in bearish territory, as sustained sell-offs across most maturities dampened market performance. Trading activity remained weak, reflecting subdued investor sentiment and limited appetite for local fixed-income assets amid prevailing market uncertainties. Consequently, yields trended higher, with the average yield rising by 2 basis points to 16.90%, underscoring continued caution toward government securities. In the Eurobond market, average yields declined by 6 basis points week-on-week to 7.05%, driven by improved investor demand.

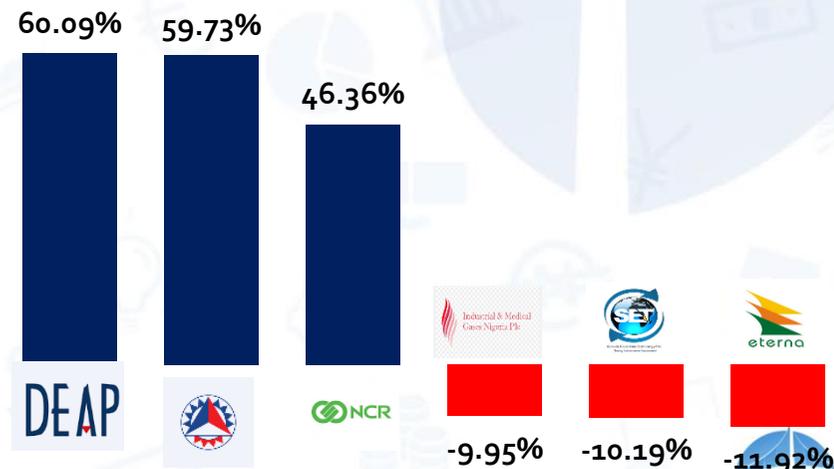
NTB and Money Markets

System liquidity improved to a net surplus position of N2.78 trillion, representing a 31.94% week-on-week increase from the prior week's N2.11 trillion, driven primarily by the repayment of N2.2 trillion in NTB maturities. The overnight NIBOR increased by 2bps to 22.84% at the close of the week, while the 1-month, 3-month, and 6-month tenors also recorded increases. At Wednesday's NTB primary auction, the CBN offered N1.15 trillion across the standard tenors, Stop rates on the 91-day and 182-day bills increased to 15.84% and 15.65%, respectively, while the 364-day stop rate eased marginally to 18.36% from 18.47% at the previous auction.

Sectoral Performances



Top Gainers & Decliners





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