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WEEKLY BRIEF



wealthbridge

Week of 12th January – 16th January 2026



Wealthbridge Economic
Advisory



NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- **United States:** Core consumer price inflation cools in December; producer price growth ticks up
- **UK & Eurozone:** Germany snaps Two-year recession as UK economy returns to growth
- **China:** China Economy Receives Boost as Exports Surge 6.6% in December
- **Japan:** Japan's Yen Volatile After Election News
- **Kenya:** Kenya strikes preliminary duty-free trade deal with China
- **South Africa:** South African rand buoyed by gold prices as markets mull US inflation prints

Local News

- Finance Minister Edun signals rate cuts as inflation cools, easing strained finances
- NEC to engage Oyedele-led tax committee over new regime
- Nigeria crude oil production falls to 1.422mbpd in December 2025
- Nigeria, UAE sign CEPA for tariff-free trade in goods, services
- SEC raises minimum capital requirements for Capital Market Operators

Key Macroeconomic Indices

NAFEM (₦/\$)	Monetary Policy Rate	Brent Crude oil price (\$/Barrel)	Inflation Rate	GDP Growth Rate
₦1,417.95/\$1 (16/1/26)	27.00% (Nov 2025)	\$62.80 (16/1/26)	15.15% (Dec 2025)	4.23% (Q2 2025)

The United States



Core consumer price inflation cools in December; producer price growth ticks up

- Core consumer prices rose at the slowest annual pace since March 2021 in December, according to the Bureau of Labor Statistics (BLS). On January 14, the agency reported that its core consumer price index (CPI)—which excludes volatile food and energy costs—increased 0.2% m-o-m and 2.6% y-o-y, below estimates for 0.3% and 2.7%, respectively. Headline prices increased 0.3% month over month and 2.7% year over year.
- The BLS also reported its government shutdown-delayed November producer price index (PPI)—which gauges price increases at the wholesale level. The data showed that producer prices rose 0.2% month over month and 3% year over year, increasing from the prior month's readings of 0.1% and 2.8%, respectively. The increase was primarily driven by rising energy prices.

What to Expect

- Firms may face margin pressure as producer prices rise faster than consumer prices, limiting cost pass-through.
- The Federal Reserve is likely to remain cautious, delaying rate cuts until disinflation becomes more broad-based and hiring improves.

Stocks finish mixed as earnings season gets underway

- Equity indexes were mixed for the week, with small-cap and value stocks adding to their year-to-date leads over large-cap and growth-oriented shares.
- Earnings season kicked off during the week with several big banks reporting fourth-quarter results, and market reactions were mixed.



United States YoY Inflation Rate (Dec 2024 – Dec 2025)

Source: US Bureau of Labour Statistics, WealthBridge Research

Drivers

- Positive earnings reports fueled the initial rise at the start of the week, but recent White House pronouncements have doused sentiment,

Indices' Performance

S&P 500	6,940.01	0.05% ▼
Nasdaq Composite	23,515.39	0.18% ▼
Dow Jones Industrial average	49,359.33	0.15% ▲



UK & Eurozone



Germany snaps Two-year recession as UK economy returns to growth

- ❑ The German economy grew for the first time in three years in 2025 as households and the government increased spending. Official data showed that GDP expanded 0.2% in the fourth quarter and for the full year. Trade as a growth engine appeared to stutter.
- ❑ Exports fell 0.3% in 2025 due to higher U.S. tariffs, a stronger euro, and Chinese competition. Imports, on the other hand, rose a price-adjusted 3.6%, after shrinking for two years.
- ❑ UK GDP expanded by 0.3% sequentially in November, after contracting in the previous two months. The result beat a consensus forecast for the economy to grow by 0.1%. Key drivers included an expansion in both services and production, including manufacturing, which was helped by the reopening of Jaguar Land Rover auto factories following a cyberattack.

What to Expect

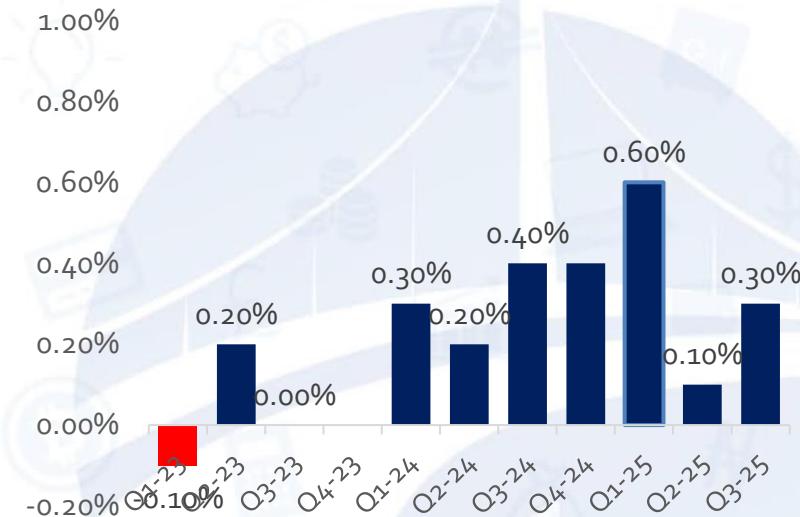
- ❑ Rising imports may support near-term activity but risk widening external imbalances if export momentum stays weak.
- ❑ The UK's modest rebound suggests stabilization rather than acceleration, leaving growth vulnerable to shocks.

European markets end lower Friday as investors react to earnings

- ❑ In local currency terms, the pan-European STOXX Europe 600 Index ended 0.77% higher, supported by resilient economic data and earnings results.
- ❑ Major stock indexes were mixed. Germany's DAX and Italy's FTSE MIB posted modest gains, while France's CAC 40 Index lost 1.23%. The UK's FTSE 100 Index gained 1.09%.

Drivers

- ❑ Positive economic data from Germany and the UK supported trading activity.
- ❑ Euro-area industrial output increased, boosting investor morale across the European Union.



Euro Area GDP Quarterly Growth Rate (2023 – Q3 2025)
Source: EUROSSTATS, WealthBridge Research

Indices' Performance

FTSE 100	9,356.81	1.09% ▲
DAX index	23,921.99	0.30% ▲
CAC 40	8,174.20	1.23% ▼
FTSE MIB	41,758.11	0.21% ▲



Asia



China Economy Receives Boost as Exports Surge 6.6% in December

- On the economics front, China reported that exports surged 6.6% in December, its fastest pace in three months, and its trade surplus hit a record USD 1.2 trillion in 2025.
- The latest trade data showed that the combined increase in exports to Southeast Asia and Europe outweighed a tariff-driven slump in exports to the U.S.
- While the data highlighted China's manufacturing prowess and ability to withstand U.S. tariffs, it also risks inflaming tensions with its trade partners as its exports flood into Africa, Latin America, and other markets.

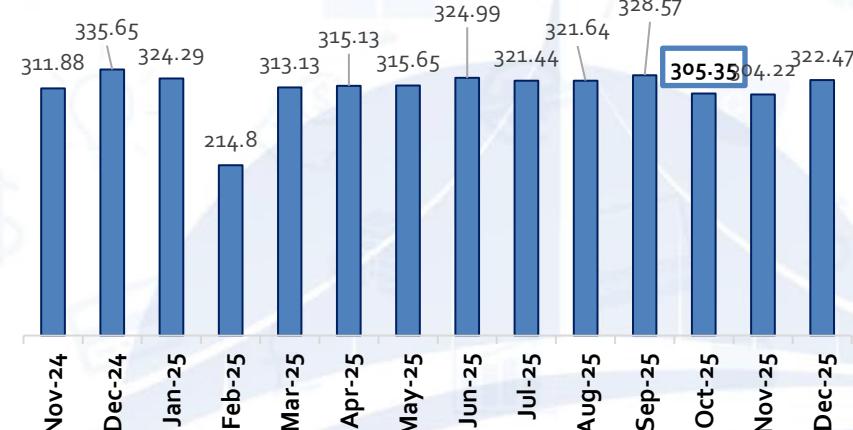
What to expect

- China's expanding trade ties with Europe, Southeast Asia, Africa, and Latin America is expected to be accelerated by sustained two-way U.S. trade aggressions and tariff pressures.

Japan's Yen Volatile After Election News

- The yen depreciated sharply on the news that Japan's Prime Minister Sanae Takaichi is preparing to call a snap general election in early February, seeking a majority for the ruling Liberal Democratic Party. Investors anticipate that a Takaichi victory would provide greater certainty over political direction and clear the way for more aggressive fiscal stimulus, reviving what investors have dubbed the "Takaichi trade," which has boosted areas of the market centered on artificial intelligence, nuclear energy, and defense.
- Across the week, the Yen depreciated before recovering to JPY 158 levels later in the week.

Export Sales



Source: Trading Economics, WealthBridge Research

Shanghai Composite	4,747.64	0.57% ▼
Hang Seng Index	26,844.65	2.34% ▲
Nikkei 225 index	52,411.34	0.20% ▲

Drivers

- News of the snap elections drove the currency to stabilise and the Japanese stock market to stay near record highs.

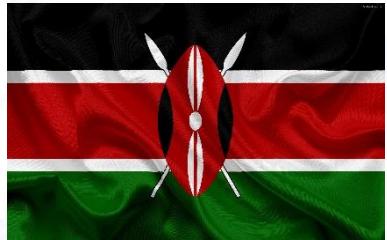


Kenya strikes preliminary duty-free trade deal with China

- ❑ Kenya has struck a preliminary trade deal with China that would give 98% of its exports duty-free access to the large Chinese market, the Nairobi government said on Thursday, with a full, final agreement in the pipeline.
- ❑ The deal stems from Beijing's move towards eliminating all trade tariffs applied to the 53 African states with which it has diplomatic relations, analysts said, announced last June in the wake of U.S. President Donald Trump's global tariff blitz.
- ❑ "The introduction of zero-duty access will unlock vast economic potential for Kenyan exporters," the finance ministry said, adding that businesses will be able to export more agricultural produce, without stating the specific eligible products.

South African rand buoyed by gold prices as markets mull US inflation prints

- ❑ The South African rand was lifted by record high gold prices in early trade on Wednesday, while global markets continued to assess key U.S inflation indicators which could offer more clues on the Federal Reserve's interest rate trajectory.
- ❑ Gold, a major South African export, climbed on Wednesday to a record, while silver breached the \$90 mark for the first time. The rand is expected to remain in a tight range, as it takes cues from global developments such as the unrest in Iran, concerns over the Fed's independence and a potential extension of the U.S. trade preference programme, the African Growth and Opportunity Act.
- ❑ The South African rand traded at 16.3525 against the dollar at the close of the trading week, up roughly 0.2% on Thursday's close.



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)	591 bps ▼
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	\$62.80 (16/01/26)	\$62.29 (09/01/26)	0.82% ▲
Exchange rate (NAFEM W-O-W%, ₦/\$)	₦1,417.95/\$1 (16/01/26)	₦1,423.17//\$/1 (09/01/26)	0.37% ▼
Parallel Market FX Rate (IMTO, ₦/\$)	₦1,483/\$1 (16/01/25)	₦1,477/\$1 (09/01/26)	0.41% ▲
P2P (₦/\$)	₦1,484.99/\$1 (16/01/26)	₦1,47.00/\$1 (09/01/26)	0.10% ▲
External Reserve	\$45.860 billion (15/01/26)	\$45.674 billion (09/01/26)	0.41% ▲

Key Fiscal News

NEC to engage Oyedele-led tax committee over new regime



- ❑ The National Economic Council (NEC) has resolved to formally interface with the Presidential Fiscal Policy and Tax Reforms Committee to address issues surrounding the newly enacted tax laws.
- ❑ The decision comes amid growing debates triggered by recent observations from professional services firm KPMG, which flagged potential gaps, risks, and ambiguities in the new tax framework.
- ❑ To ensure effective execution, the committee is seeking the backing of state governments, whose governors are statutory members of NEC, stressing that sub-national cooperation is critical to the success of the reforms.
- ❑ It is also seeking "the adoption of a presumptive tax regime for the informal sector", aimed at expanding the tax base while reducing compliance burdens for small and informal businesses.

Finance Minister Edun signals rate cuts as inflation cools, easing strained finances



- ❑ Minister of Finance and Coordinating Minister of the Economy, Wale Edun says interest rate cuts may come soon if inflation keeps easing, a move that could reduce debt-servicing costs and ease pressure on Nigeria's strained public finances. This is according to comments made by Edun during an interview on the sidelines of the Abu Dhabi Sustainability Week.
- ❑ The signal comes at a time when Nigeria's budget is heavily burdened by debt servicing costs, volatile oil revenues, and a widening fiscal deficit, making any easing in borrowing costs materially important.
- ❑ Edun commended the CBN for what he described as "excellent" progress in curbing inflation, attributing recent improvements to aggressive monetary tightening implemented over the past two years.
- ❑ According to Edun, a sustained decline in inflation would create room for additional rate cuts, helping to reduce borrowing costs and easing the government's debt servicing burden.

Key Economic News

Nigeria crude oil production falls to 1.422mbpd in December 2025



- ❑ Nigeria's crude oil production slipped slightly to 1.422 million barrels per day (bpd) in December 2025, down from 1.436 million bpd in November.
- ❑ This is according to the latest Organisation of Petroleum Exporting Countries' (OPEC) Monthly Oil Market Report (MOMR) released on Wednesday.
- ❑ The data show that Africa's largest oil producer has now missed its OPEC-assigned production quota for the fifth consecutive month, demonstrating persistent output challenges despite ongoing reforms in the upstream sector. OPEC data indicate that Nigeria last met its production quota in July 2025, with output remaining below target from August through December.

Nigeria, UAE sign CEPA for tariff-free trade in goods, services



- ❑ Nigeria and the United Arab Emirates (UAE) have signed a Comprehensive Economic Partnership Agreement (CEPA) aimed at reshaping Nigeria's trade architecture and expanding global market access for Nigerian businesses and talent.
- ❑ The CEPA introduces tariff elimination on thousands of products and opens access to over 100 service sectors, positioning the UAE as a strategic gateway for Nigerian enterprises into the Middle East and global markets.
- ❑ The agreement also includes a dedicated Rules of Origin chapter, designed to ensure that tariff preferences apply only to goods genuinely produced in Nigeria or the UAE, safeguarding the integrity of the trade deal.

Key Market News

SEC raises minimum capital requirements for Capital Market Operators

- ❑ Nigeria's Securities and Exchange Commission (SEC) has issued a far-reaching revision of capital requirements for virtually all capital market operators.
- ❑ This is according to a circular released by the Commission on January 16, 2026, which replaces the long-standing 2015 capital regime and sets a compliance deadline of June 30, 2027.
- ❑ The revised capital rules affect brokers, dealers, fund managers, issuing houses, fintech firms, and digital asset operators.
- ❑ For brokers, the minimum capital requirement triples from N200 million to N600 million, while dealers now require N1 billion, up from N100 million.
 - Broker-dealers face the steepest increase from N300 million to N2 billion, reflecting their multi-role exposure across trading, execution, and margin lending.
 - Fund and portfolio managers are now subject to a tiered structure.
 - Managers overseeing assets above N20 billion will need N5 billion in capital, while mid-tier managers must hold N2 billion.
 - Private equity and venture capital firms face requirements of N500 million and N200 million, respectively.
- ❑ A dynamic rule also kicks in: any firm managing assets above N100 billion must hold at least 10% of assets under management as capital.

Digital asset firms, previously operating in regulatory limbo, are now fully captured. Exchanges and custodians must hold N2 billion each, while tokenisation platforms and intermediaries face thresholds between N500 million and N1 billion.



Equities Market

The Nigerian Equities Market Ended The Week Bullish

- Market Capitalisation: **₦106.354 trn (▲ 2.48% W-o-W)**
- All Share Index: **166,129.50 (▲ 2.36% W-o-W)**
- Year-to-Date: **6.76% (▲ 246 bps W-o-W)**
- Total Turnover (Trades): **4.607 bn (▲ 10.64% W-o-W)**
- Value of Trades: **₦130.636bn (▲ 38.94% W-o-W)**

Fixed Income Market

Bond Market

The secondary bond market started on a quiet note in the absence of major issuance but gained direction as the week progressed as there was an observed improve offshore demand. Despite a softer-than-expected revised inflation data, the week closed on a cautious note with profit taking in the 2032 maturity. Week-on-week, the average benchmark yield edged higher by 12 bps to close at 16.74%.

NTB and Money Markets

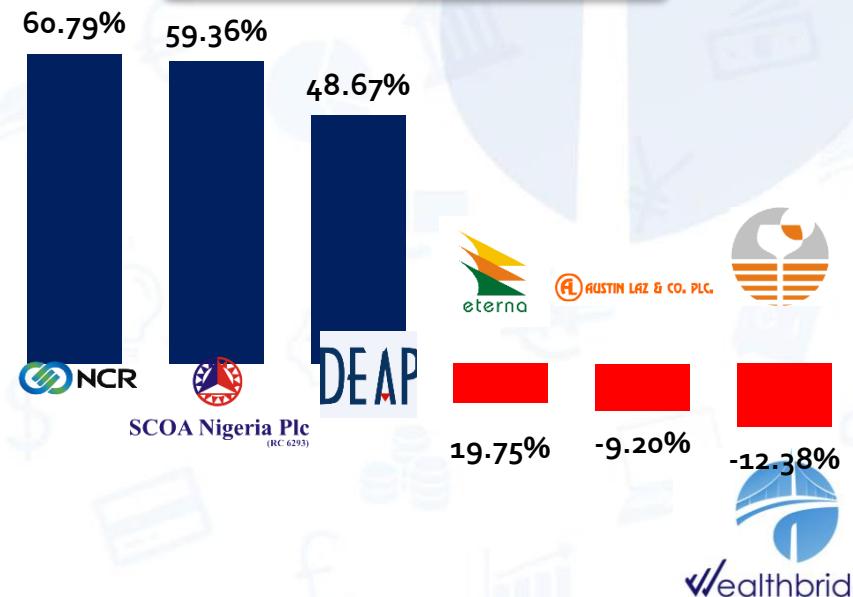
❑ Bullish sentiments dominated the NTBills secondary market during the week with improved turnover and demand on the longer dated maturities. Week-on-week, the average benchmark yield increased by 15 bps to close at 18.32%.

❑ System liquidity rose from an opening of ₦1.42 trillion on Monday to close at ₦2.11 trillion. Week-on-week, the Open Buy Back (OBB) was flat to close at 22.50%, while the Overnight (OVN) rates decreased by 10 bps to close at 22.69%

Sectoral Performances



Top Gainers & Decliners





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