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WEEKLY BRIEF

Week of 16th – 20th March 2026

PREPARED BY:



Wealthbridge Economic
Advisory

NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- ❑ **United States:** Fed leaves rates unchanged; Homebuilder sentiment, pending sales rise; new home sales slide to lowest since 2022
- ❑ **UK & Eurozone:** BoE rate on hold amid energy shock risk; ECB holds rates but warns on inflation; Eurozone trade gap widens
- ❑ **China:** China's activity beats expectations; Property stabilizes; Trade tensions resurface
- ❑ **Japan:** BoJ holds rates; Yen strengthens; Japan exports extend gains
- ❑ **Global Market:** Geopolitical risk deepens as Hormuz disruption tightens global energy markets
- ❑ **South Africa:** South Africa's Inflation slows to a nine-month low; Retail sales surge above expectations
- ❑ **Ghana:** Bank of Ghana cuts rate 150bps to 14%; GDP growth accelerates to the fastest pace since 2019
- ❑ **Egypt:** Egypt's energy import bill more than doubles as Gulf conflict drives fuel costs sharply higher

Local News

- ❑ CBN raises N3 trillion in T-Bills auctions across two weeks amid sustained fiscal pressures
- ❑ Nigeria's Balance of Payments surplus narrows to \$4.23bn in 2025 amid lower oil earnings and capital outflows
- ❑ Electricity grid instability worsens as GenCos' mounting gas debts disrupt power supply
- ❑ Dangote Refinery emerges as Africa's alternative fuel hub as Iran war disrupts Middle East supply
- ❑ NGX hits N130 trillion market cap as BUA Cement and tier-one banks drive gains
- ❑ Nigeria's capital market transitions to T+1 settlement cycle effective May 29, 2026

Key Macroeconomic Indices

NAFEM (₦/\$)	Monetary Policy Rate	Brent Crude oil price (\$/Barrel)	Inflation Rate	GDP Growth Rate
₦1,353.90/\$1 (18/03/26)	26.50% (Feb 2025)	\$112.42 (20/03/26)	15.06% (Feb 2026)	4.07% (Q4 2025)

The United States

Fed holds rates steady; PPI accelerates; Housing data mixed

- ❑ The Federal Reserve left its federal funds rate unchanged at 3.50%–3.75% at its March meeting, marking the second consecutive hold, in an 11–1 vote with one official dissenting in favour of a cut. Fed Chair Powell flagged heightened uncertainty from Middle East developments, warning that an energy shock could complicate inflation expectations.
- ❑ The Bureau of Labor Statistics reported that producer prices rose 0.7% in February, up from 0.5% in January and the highest reading since July 2025, while the annual rate climbed to 3.4% from 2.9%, with both figures exceeding consensus estimates.
- ❑ The NAHB Housing Market Index edged up one point to 38 in March, with modest gains across all components, though 37% of builders reported cutting prices as affordability remained a top concern. Pending home sales rose 1.8% in February, reversing January's 0.8% decline, while new home sales in January fell to a seasonally adjusted annual rate of 587,000 — the lowest since 2022 — down from December's revised 712,000.

What to Expect

- ❑ With the Fed on hold and inflation projections revised higher, market attention will shift to incoming price data for signs of an energy-driven spike. Weak new home sales and affordability strains may weigh on consumer activity, while elevated PPI could delay any rate cuts beyond the single reduction projected for the year.

Stocks bearish as Fed stance and inflation risks weigh on sentiment

- ❑ U.S. stocks fell across the board during the week as investors weighed the Fed's unchanged rate decision alongside hotter-than-expected PPI data and ongoing geopolitical uncertainty. The Nasdaq led declines, while the Dow fell nearly 1,000 points, reflecting broad risk-off sentiment.



Source: Trading Economics, WealthBridge Research

Drivers

- ❑ Fed holds rates, raises inflation and growth outlook
- ❑ Rising PPI signals near-term inflation risks amid Middle East tensions
- ❑ Weak home sales and affordability issues show housing softness

Indices' Performance

S&P 500	6,506.48	1.89% ▼
Nasdaq Composite	21,647.61	2.07% ▼
Dow Jones Industrial average	45,577.47	2.11% ▼



UK & Eurozone

BoE on hold amid energy shock risk; ECB holds rates but warns on inflation; Eurozone trade gap widens

- ❑ The Bank of England held its key rate at 3.75%, as expected, but cautioned that a prolonged energy shock could push inflation higher and open the door to rate increases. The Prudential Regulation Authority separately unveiled proposals to strengthen bank liquidity during periods of stress.
- ❑ The European Central Bank held interest rates at its March meeting but signaled concern over rising energy costs, with President Lagarde warning that higher oil and gas prices will have a "material impact" on near-term inflation. The ECB raised its 2026 inflation forecast to 2.6% from 1.9% in December, even as eurozone annual inflation stood at 1.9% in February.
- ❑ Preliminary Eurostat data showed the euro area's goods trade deficit widened to EUR 1.9 billion in January 2026, from EUR 1.4 billion a year earlier and a EUR 11.2 billion surplus in December, driven by weaker exports in machinery, vehicles, and chemicals, while German producer prices fell 3.3% year-on-year in February more than expected amid sharp declines in gas and electricity costs.

United Kingdom's Interest Rate



Source: Trading Economics, WealthBridge Research

What to Expect

- ❑ Persistently high energy prices could force the ECB and BoE to pivot toward tightening sooner than markets anticipated, complicating the growth outlook for the region. Weak trade and manufacturing data suggest Q1 2026 activity may disappoint, with business confidence likely to remain subdued until energy market volatility eases.

European stocks slump amid Middle East tensions and energy market disruption

- ❑ European stocks declined sharply during the week as investors focused on the intensifying Middle East conflict, including attacks on oil tankers in the Strait of Hormuz and damage to gas terminals in Qatar. The broad STOXX Europe 600 fell 3.79%, with losses across all major markets.

Drivers

- ❑ ECB holds rates, raises inflation outlook on energy shocks
- ❑ Weak eurozone trade data, German PPI, and UK manufacturing signal growth strain

Indices' Performance

FTSE 100	9,918.43	3.34% ▼
DAX index	22,380.44	4.55% ▼
CAC 40	7,665.48	3.11% ▼
FTSE MIB	42,841.17	3.33% ▼

Asia

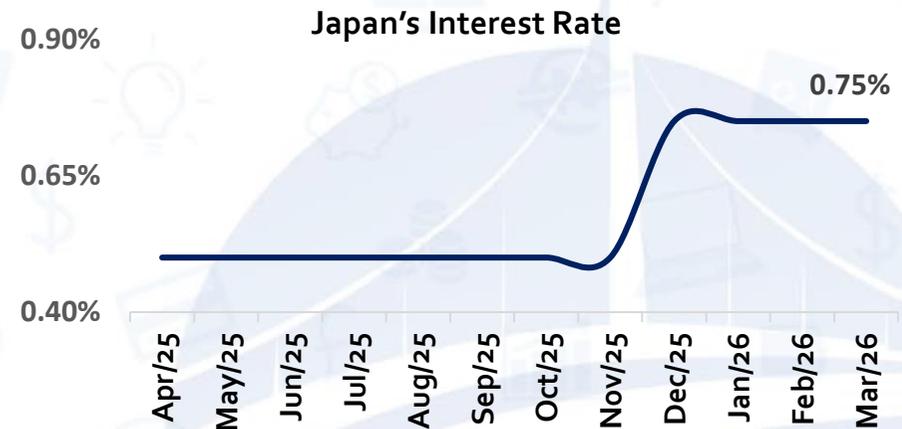


China's activity beats expectations; Property stabilizes; Trade tensions resurface

- Chinese equity markets fell during the week as rising energy prices from Middle East tensions compounded concerns over weak domestic demand. China's Jan–Feb activity data offered modest upside surprises, with industrial production rising 6.3% year on year and retail sales up 2.8%, both above expectations.
- The property sector showed tentative stabilization, with new home prices across 70 cities declining 0.28% in February, moderating from a 0.37% drop in January, while resale home values posted their smallest monthly decline in 10 months.
- Trade tensions resurfaced as the U.S. Trade Representative launched new Section 301 investigations into the manufacturing policies of major trading partners, including China, with potential tariffs on imports from China, and other major countries as early as this summer.

What to expect

- Stronger activity and property support ease stimulus pressure, but weak demand and rising trade tensions may slow recovery. U.S. Section 301 tariff risks remain a key downside into the summer.



Source: Trading Economics, WealthBridge Research

Indices' Performance

Shanghai Composite	3,957.02	3.38% ▼
Hang Seng Index	25,277.15	0.74% ▼
Nikkei 225 index	53,372.91	0.83% ▼

Outlook

- The BoJ remains on a gradual tightening path, but oil price risks and geopolitical uncertainty may delay the next hike. Spring wage talks will be key—strong wage growth would support further tightening





Geopolitical risk deepens as Hormuz disruption tightens global energy markets



Gulf Cooperation Council (GCC)

- ❑ Market attention across the Gulf region centered on the escalating impact of the Iran conflict and the continued halt in shipping through the Strait of Hormuz, a critical artery for global energy and commodity flows. Bloomberg noted that a prolonged disruption could pose the most significant challenge to Gulf economies since the 1990s.
- ❑ Markets responded by differentiating more clearly between stronger and weaker Gulf issuers. Core economies such as Saudi Arabia, the UAE, and Qatar appeared relatively resilient, supported by substantial financial buffers and, in some cases, alternative export routes that reduce reliance on Hormuz.
- ❑ In contrast, more vulnerable credits, particularly Bahrain, came under greater scrutiny. With limited fiscal flexibility and no meaningful workaround for disrupted export flows, analysts at T. Rowe Price flagged mounting pressure on Bahrain's currency and credit profile, reinforcing expectations that external support from regional peers may ultimately be required if the disruption persists.
- ❑ Iranian strikes on one of the world's largest LNG hubs in Qatar reduced the country's export capacity by roughly 17%, with repairs expected to take three to five years according to QatarEnergy. The disruption, combined with earlier production halts and force majeure declarations, has tightened global gas markets and driven sharp price increases in Europe and Asia, raising concerns about prolonged supply shortages.
- ❑ Some investors interpreted the developments not as a systemic crisis for the Gulf as a whole, but as a scenario where risks are unevenly distributed across credits and economies. As a result, market sentiment has remained highly sensitive to incoming headlines, with the duration of the disruption — and any signs of de-escalation — seen as the key determinant of whether current pressures remain contained or evolve into a more sustained economic challenge.



South Africa's Inflation slows to a nine-month low; Retail sales surge above expectations



- ❑ South Africa's annual inflation rate eased for a second consecutive month to 3.0% in February 2026, the lowest since June 2025 and slightly below the market forecast of 3.1%. The decline was driven largely by a sharp fall in transportation prices (-2.1%), reflecting steeper fuel cost reductions (-10.1% vs. -3.7% prior), alongside slower price growth in food and non-alcoholic beverages (3.7% vs. 4.4%) and health (4.4% vs. 5.0%). Core inflation also eased to a seven-month low of 3.0% in February from 3.4% in January, while monthly CPI rose 0.4%.
- ❑ Retail sales surged 4.2% year on year in January 2026, the strongest reading in six months and well above the market forecast of 2.5%, following a downwardly revised 2.5% gain in the prior month. The increase was led by textiles, clothing, footwear, and leather goods (+9.9%), all other retailers (+10.3%), and general dealers (+1.7%). On a seasonally adjusted monthly basis, retail trade rose 0.9%, reversing a 0.5% decline in the prior month.

Bank of Ghana cuts rate 150bps to 14%; GDP growth accelerates to fastest pace since 2019



- ❑ The Bank of Ghana cut its benchmark rate by 150 basis points to 14% at its March meeting, a fifth consecutive reduction and a larger move than the 100bps consensus, as policymakers prioritised growth support despite upside inflation risks. Headline inflation recently slowed to a 25-year low of 3.3% in February, though base effects and surging global energy prices from the Gulf conflict are expected to put some upward pressure on prices ahead. The surge in gold prices has boosted foreign exchange inflows, reducing pressure on the cedi and providing additional room for policy easing.
- ❑ Ghana's economy expanded 5.8% year on year in Q4 2025, accelerating from 5.5% in the prior quarter, driven primarily by non-oil activities (+7.1%). Services remained the backbone of growth at 8.6%, led by information and communication, transport, education, and financial services. Agriculture advanced 5.3% on stronger crop production, while the industrial sector grew just 1.9% as gains in manufacturing and electricity were offset by a sharp decline in oil and gas output. For the full year 2025, GDP grew 6.0%, the fastest pace since 2019.



Egypt's energy import bill more than doubles as Gulf conflict drives fuel costs sharply higher



- ❑ Egypt's energy import costs rose by between two and two-and-a-half times since the outbreak of the U.S.-Israeli conflict with Iran, according to Prime Minister Mostafa Madbouly. The monthly natural gas import bill nearly tripled from \$560 million to \$1.65 billion, crude oil climbed from \$69 to \$108.50 per barrel, diesel rose from \$665 to \$1,604 per tonne, and LPG increased from \$510 to \$730 per tonne. The Institute of International Finance estimates the additional burden could raise government expenditures by 0.2%–0.5% of GDP.
- ❑ In response, Egypt raised fuel prices this month and announced mandatory 9 p.m. closing hours for commercial venues from March 28, while also studying a remote working policy to reduce energy demand. The measures reflect the country's structural vulnerability to global price shocks, with domestic gas production declining steadily since 2021 and interest payments already consuming roughly half of government spending this fiscal year.

DOMESTIC ECONOMY AND MARKETS HIGHLIGHTS



Snapshot of Key Macroeconomic Indicators

Indicators	Current	Previous	
Inflation rate	15.06% (Feb 2026)	15.10% (Jan 2026)	▼ 4 bps
MPR	26.50% (Feb 2026)	27.00% (Nov 2025)	▼ 50 bps
Quarterly GDP Growth Rate	4.07% (Q4 2025 y/y)	3.98% (Q3 2025 y/y)	▲ 9bps
Yearly GDP Growth Rate	3.90% (FY 2025; y/y)	3.40% (FY 2024; y/y)	▲ 50 bps
GDP (Nominal)	₦122.81 Trn (Q4 2025)	₦113.59 Trn (Q3 2025)	▲ 8.12%
Brent Crude oil price	\$112.42 (20/03/26)	\$103.14 (13/03/26)	▲ 9.00%
Exchange rate (NAFEM W-O-W% , ₦/\$)	₦1,353.90/\$1 (18/03/26)	₦1,363.50/\$1 (13/03/26)	▼ 0.70%
Parallel Market FX Rate (IMTO) (₦/\$)	₦1,400.00/\$1 (18/03/25)	₦1,411.91/\$1 (13/03/25)	▼ 0.84%
P2P (₦/\$)	₦1,395/\$1 (18/03/26)	₦1,400/\$1 (13/03/26)	▼ 0.36%
External Reserve	\$49.83obillion (17/03/26)	\$50.028billion (13/03/26)	▼ 0.40%



Key Monetary News

CBN raises N3 trillion in T-Bills auctions across two weeks amid sustained fiscal pressures



- ❑ The Central Bank of Nigeria is set to raise N1.05 trillion at a Treasury Bills auction on March 18, bringing total short-term federal government borrowing to approximately N3 trillion within two weeks.
- ❑ The offer is split across three maturities — N100 billion in 91-day bills, N150 billion in 182-day bills, and N800 billion in 364-day instruments, with settlement expected the following day via the CBN's Scripless Securities Settlement System.
- ❑ Analysts warn that the scale and frequency of issuances reflects persistent fiscal pressure, with Nigeria's 2026 budget anchored on a N20.12 trillion deficit, of which domestic borrowing accounts for over 70%, raising concerns about crowding out private sector credit.



Key Fiscal News

Nigeria's Balance of Payments surplus narrows to \$4.23bn in 2025 amid lower oil earnings and capital outflows



- ❑ Nigeria's Balance of Payments surplus declined to \$4.23 billion in 2025 from \$6.83 billion in 2024, driven by a 14.4% drop in crude oil export earnings to \$31.54 billion and a sharp fall in foreign portfolio investment inflows, even as the country maintained a net positive external position.
- ❑ Pressures were compounded by higher outflows in the services account, particularly transport, travel, and insurance, and a surge in primary income payments such as dividends and interest to foreign investors, which outweighed gains from improved goods trade, including refined petroleum exports supported by the Dangote Refinery.
- ❑ External reserves rose to \$45.75 billion, providing a modest buffer, though the BoP outlook will depend on oil production stability, sustained export diversification, and stronger long-term capital inflows.



Key Economic News

Electricity grid instability worsens as GenCos' mounting gas debts disrupt power supply



- ❑ Nigeria's electricity supply chain is under renewed strain as mounting debts between Generation Companies (GenCos) and gas producers disrupt fuel deliveries to power plants, worsening grid instability and deepening blackouts across the country.
- ❑ Thermal plants produce over 70% of Nigeria's electricity, yet persistent liquidity challenges have left GenCos unable to fully settle gas suppliers, with a GenCo executive noting that between N60 and N70 of every N100 invoiced goes directly to gas costs, while forex losses from naira-dollar mismatches compound the burden.
- ❑ Despite a N185 billion gas producer debt settlement in December 2025 and a N4 trillion bond framework approved in June 2025 to clear GenCo arrears, experts warn that without cost-reflective tariffs, improved forex access, and stronger infrastructure security against pipeline vandalism, grid instability will persist.

Dangote Refinery emerges as Africa's alternative fuel hub as Iran war disrupts Middle East supply



- ❑ The Dangote Petroleum Refinery is witnessing a surge in inquiries from African countries seeking alternative fuel supplies following Middle East disruptions, with South Africa, Ghana, and Kenya among those that have reportedly approached the refinery, as governments prioritise energy security over pricing.
- ❑ South Africa is seeking a 12-month standard supply contract with Nigeria, while its government confirmed it is actively coordinating with industry stakeholders to secure crude and refined products from diversified sources. Around 75% of refined fuel imports in East and Southern Africa currently come from the Middle East, according to energy consultancy CITAC.
- ❑ The refinery, which reached its full designed capacity of 650,000 barrels per day in February 2026, reserves approximately 75% of output for Nigeria, with the remainder available for export. Dangote has also announced plans to expand capacity to 1.4 million bpd, potentially cementing Nigeria's role as a continental refining hub.



Key Market News

Nigeria's capital market transitions to T+1 settlement cycle effective May 29, 2026



- ❑ The Central Securities Clearing System (CSCS) has announced that Nigeria's capital market will transition to a T+1 settlement cycle, effective Friday, 29th May 2026, requiring all trades to settle one business day after the trade date.
- ❑ The shift from the current T+2 framework is designed to strengthen post-trade efficiency, reduce settlement risk, and align Nigeria's capital market infrastructure with global best practices.
- ❑ The transition represents a significant operational change for all market participants, enabling faster movement of securities and funds across the market ecosystem ahead of the May implementation date.

NGX hits N130 trillion market cap as BUA Cement and tier-one banks drive gains



- ❑ The Nigerian equities market advanced 0.54% on March 17, with the All-Share Index gaining 1,084.7 points to close at 202,559.6, pushing year-to-date returns to 30.17% as investors continued to position in selected equities.
- ❑ BUA Cement and Premier Paints led the gainers' chart, rising 10.00% and 9.86% respectively, while profit-taking weighed on Presco and Caverton, which declined 10.00% and 8.70%. Market capitalisation rose to N130.02 trillion from N129.3 trillion, with 62,654 deals executed on trading volume of 1.75 billion shares.
- ❑ Banking stocks dominated activity, with FCMB leading volumes at 516.2 million shares, followed by Wema Bank (213.3 million) and Zenith Bank (163.1 million). By value, Zenith Bank led at N18.1 billion, followed by GTCO (N12.3 billion), MTN Nigeria (N8.9 billion), FCMB (N6.5 billion), and Aradel (N6.2 billion).

DOMESTIC MARKETS



Equities Market

The Nigerian Equities Market Ended The Week Bullish

- Market Capitalisation: **₦129.126 trn** (▲ 1.39% W-o-W)
- All Share Index: **201,156.86** (▲ 1.39 % W-o-W)
- Year-to-Date **29.27%** (▲ 177 bps W-o-W)
- Total Turnover (Trades): **8.761 bn** (▲ 163.8% W-o-W)
- Value of Trades: **₦267.253bn** (▲ 62.1% W-o-W)

Fixed Income Market

Bond Market

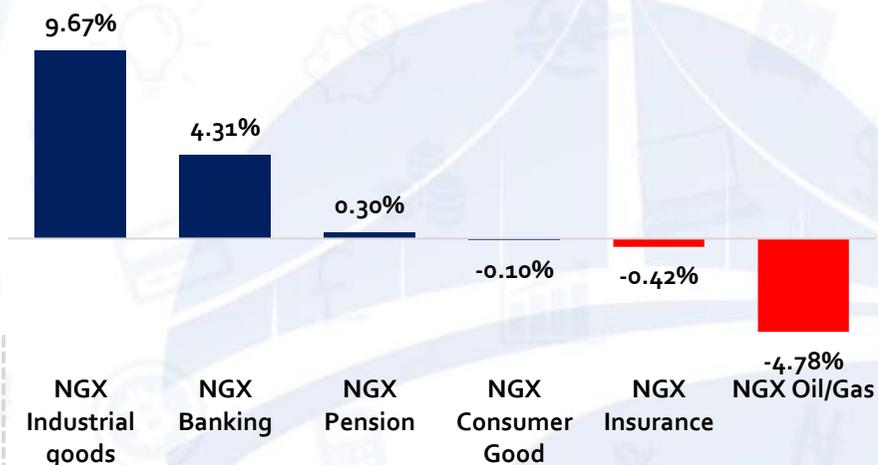
Activity in the FGN bond secondary market remained subdued, with limited trading as cautious sentiment pushed average yields slightly higher to 15.77% from 15.76%. The muted tone reflects a wait-and-see stance amid global uncertainty and interest rate outlook concerns. In contrast, Nigeria's Eurobond market saw stronger demand, with yields falling 8bps week-on-week to 7.18% from 7.26%, indicating renewed investor appetite.

NTB and Money Markets

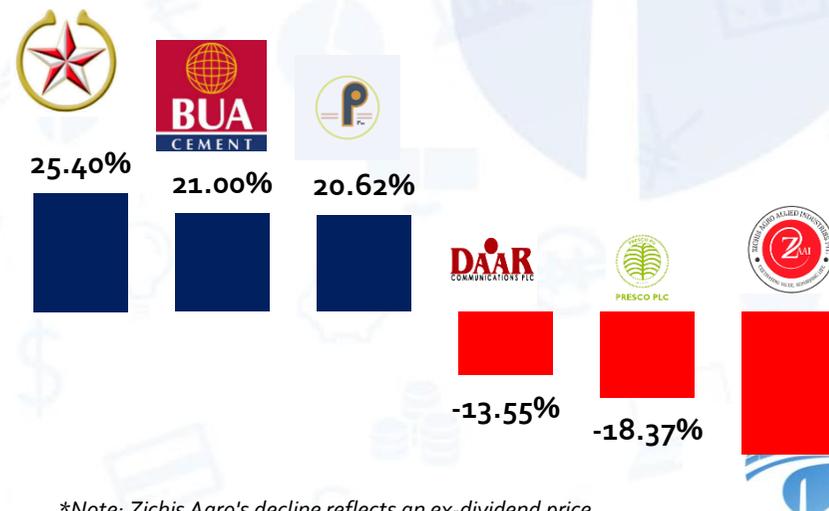
System liquidity remained strong, rising to ₦8.24 trillion from ₦6.66 trillion, supported by ₦786 billion in OMO maturities and higher CBN SDF placements. Despite ample liquidity, interbank rates were mixed, with Overnight NIBOR up 17bps to 22.38%, the Open Repo Rate steady at 22.0%, and the Overnight rate easing 12bps to 22.21% on OMO inflows.

NITTY yields declined across most maturities amid weaker demand for short-term instruments following easing inflation, though the 1-month tenor rose 13bps to 16.13%. In the secondary T-bills market, sentiment was slightly bearish as selling in longer-dated bills pushed average yields marginally higher to 17.70% from 17.66%.

Sectoral Performances



Top Gainers & Decliners



*Note: Zichis Agro's decline reflects an ex-dividend price adjustment (bonus of 1-for-1 + No.20 dividend), not a market loss





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