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WEEKLY BRIEF

Week of 26th – 31st January 2026

PREPARED BY:



Wealthbridge Economic
Advisory

NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- ❑ **United States:** Fed holds rates steady; Consumer confidence slides while weekly jobless stabilizes; Core producer prices surges.
- ❑ **UK & Eurozone:** Eurozone economy continues modest recovery; Germany trims growth forecast, UK mortgage approvals fall.
- ❑ **China:** China new home prices rises,; China cuts proposed tariffs in EU dairy probe, Industrial profit returns to growth.
- ❑ **Japan:** Yen fluctuates amid political uncertainty, Core inflation slows, Housing declines.
- ❑ **South Africa:** South Africa keeps interest rates steady, private sector credit hits three-year high, inflation rises, PPI unchanged
- ❑ **Ghana:** Ghana central bank cuts policy rate to 15.5% as inflation eases
- ❑ **Kenya:** Kenyan inflation eases despite rising food prices, Kenya secures zero-duty access to China

Local News

- ❑ Nigeria lowers oil block entry fees to boost investment
- ❑ Nigeria crude oil exports to fall 14% to 793,000 bpd in March.
- ❑ CBN Upgrades Opay, Moniepoint, and Palmpay to national Licenses.
- ❑ U.S. And Nigeria strengthen trade ties with new investment partnership.
- ❑ PayPal returns to Nigeria through Paga, 13 years after partnership request.

Key Macroeconomic Indices

NAFEM (₦/\$)	Monetary Policy Rate	Brent Crude oil price (\$/Barrel)	Inflation Rate	GDP Growth Rate
₦1,387.11/\$1 (30/01/26)	27.00% (Nov 2025)	\$70.86 (30/01/26)	15.15% (Dec 2025)	3.98% (Q3 2025)



The United States

Fed Holds Rates Steady; Consumer Confidence Slides While Weekly Jobless Claims Stabilizes; Core Producer Prices Surges

- ❑ The Federal Reserve paused after three straight rate cuts, keeping its benchmark rate at 3.50%–3.75% signaling confidence in the economy. President Trump nominates former Fed governor Kevin Warsh to succeed Powell as Fed chair when his term ends in May.
- ❑ U.S. consumer confidence fell sharply in January to its lowest level since 2014, signaling weaker views on the economy and job market. Meanwhile, jobless claims stayed low overall, with initial claims edging down slightly and continuing claims dropping to their lowest level since September 2024.
- ❑ Core producer prices in the United States, which exclude food and energy, jumped by 0.7% from the previous month in December of 2025, the sharpest increase in five months, and above market expectations of 0.2% increase., driven mainly by rising service prices and higher wholesale and retail margins.

What to Expect

- ❑ We expect the Fed to remain cautious and data-driven, balancing a tight labor market and strong business conditions against weak consumer confidence and rising core inflation, while Warsh’s potential appointment could tilt policy slightly toward supporting growth.

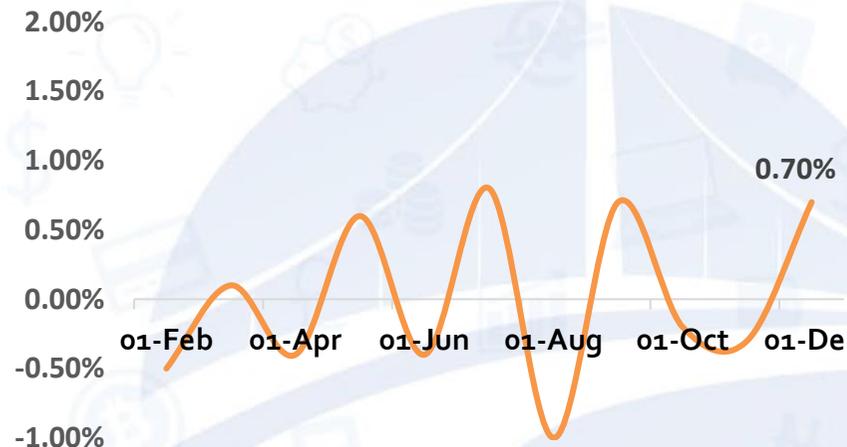
U.S. Stocks See Mixed Moves

- ❑ The S&P 500 Index advanced, topping 7,000 but ultimately retreating from its new intraday high. Large-cap value stocks gained and outperformed their growth counterparts. Small- and mid-cap stocks lagged and finished the week lower.
- ❑ Within the S&P 500, the communication services and energy sectors led the way. Health care stocks pulled back the most.

Drivers

- ❑ Drivers includes strong earnings reports, higher ad spendings, rising oil prices and optimism in the market.

Core Producer Prices



Source: Trading Economics, WealthBridge Research

Indices' Performance

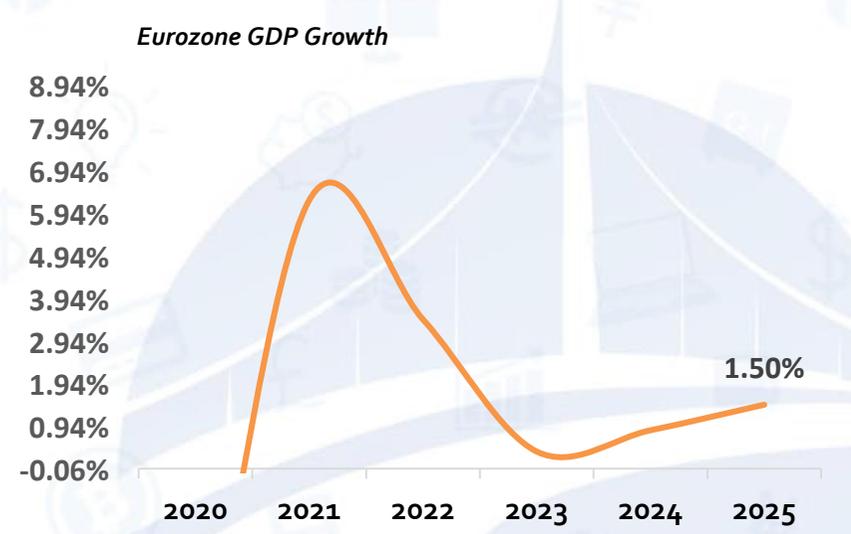
S&P 500	6,939.03	0.34% ▲
Nasdaq Composite	23,461.82	0.17% ▼
Dow Jones Industrial average	48,892.47	0.42% ▼



UK & Eurozone

Eurozone Economy Continues Modest Recovery; Germany Trims Growth Forecast, UK Mortgage Approvals Fall

- ❑ The eurozone economy grew 1.5% in 2025, above expectations, driven by investment, consumption and exports with Germany, Spain, and Italy leading growth. Consumer and business confidence started 2026 on a positive note rising across most sectors, while France saw a notable boost as political tensions eased.
- ❑ British mortgage approvals hit an 18-month low in December as lenders approved 61,013 from 64,072 reflecting a slow housing market after the end of a temporary tax break and pre-budget caution. House price growth remained modest, though early signs in late December and January suggest buyer sentiment may be starting to recover.
- ❑ Germany lowered its GDP growth forecast for 2026 to 1.0% (down from 1.3%), still above 2025's 0.2%, and slightly cut 2027's projection to 1.3% from 1.4%, citing delays in major economic and fiscal measures.



Source: Trading Economics, WealthBridge Research

What to Expect

Due to the economic growth, the ECB is likely to hold rates steady or adjust gradually depending on future data.

European Markets Ended Mixed.

- ❑ In local currency terms, the pan-European STOXX Europe 600 Index ended 0.44% higher, as earnings optimism overcame worries about trade and geopolitics. Major stock indexes were mixed. Germany's DAX fell 1.45%, while France's CAC 40 Index slipped 0.20%. Italy's FTSE MIB rose 1.55%, and the UK's FTSE 100 Index added 0.79%.

Drivers

- ❑ Investors are optimistic about future earnings, however trade and geo-political concerns weighed in.

Indices' Performance

FTSE 100	10,223.54	0.79% ▲
DAX index	24,538.81	1.45% ▼
CAC 40	8,126.53	0.20% ▼
FTSE MIB	44,527.42	1.55% ▲

Asia



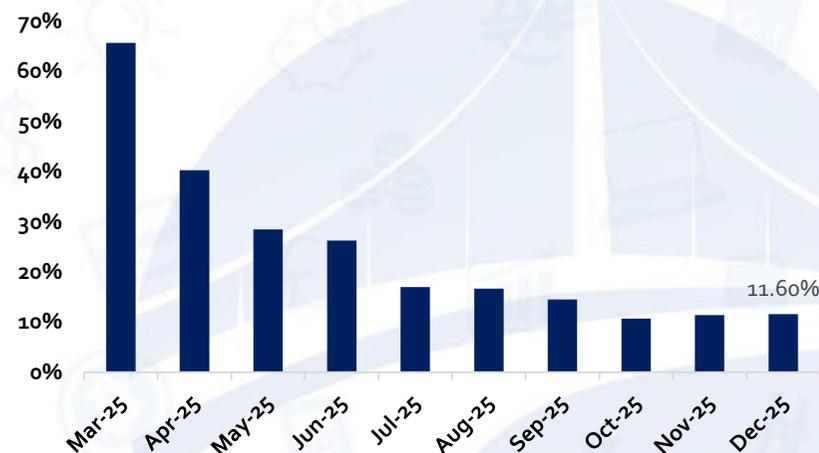
China New Home Prices Rises,; China Cuts Proposed Tariffs In EU Dairy Probe, Industrial Profit Returns To Growth

- ❑ In January, new home prices in 100 Chinese cities rose 0.18% month-on-month, while declines in the resale market narrowed to 0.85%. Gains were driven by high-end projects in first- and second-tier cities, while smaller cities saw continued price drops.
- ❑ China has cut proposed tariffs on certain EU dairy products from a maximum of 42.7% to up to 11.7%, following an anti-subsidy probe seen as retaliation for EU levies on Chinese electric cars.
- ❑ China's industrial firm profits rose 0.6% to CNY 7.40 trillion in 2025, the first annual increase since 2021. Foreign-invested firms gained 4.2% to CNY 1.74 trillion, while private enterprise profits held steady at CNY 2.28 trillion. By sector, manufacturing profits rose 5.0% and utilities climbed 9.4%, while mining profits plunged 26.2%.

What to expect

- ❑ China's central bank is likely to maintain a supportive policy stance, keeping interest rates relatively stable or slightly easing to support housing, industrial activity, and overall economic growth while monitoring weaker sectors like mining and lower-tier cities.

China Industrial Profits



Shanghai Composite	4,117.95	0.44% ▼
Hang Seng Index	27,387.11	2.38% ▲
Nikkei 225 index	53,322.85	0.97% ▼

Drivers

- ❑ Concerns about the sustainability of massive artificial intelligence spending, political uncertainty.

Yen Fluctuates Amid Political Uncertainty, Core Inflation Slows, Housing Declines

- ❑ The yen surged amid political uncertainty ahead of the February 8 lower house election and talk of unfunded tax cuts, while verbal intervention tempered speculation.
- ❑ Tokyo's core consumer prices rose 2% YoY in January 2026, down from 2.3% in December and below expectations, matching the Bank of Japan's 2% target. The data supports a cautious BOJ stance, which raised rates to 0.75% in December and held them steady in January.
- ❑ Japan's housing stats fell 1.3% year-on-year in December 2025, the mildest decline since September 2024 and better than the expected 4.1% drop. Owner-occupied and rental units saw smaller declines, built-for-sale and two-by-four homes rebounded, while prefabricated housing contracted more sharply.



South Africa Keeps Interest Rates Steady, Private Sector Credit Hits Three-year High, Inflation Rises, PPI Unchanged



- ❑ On 29 January 2026, the Reserve Bank held the repo rate at 6.75% and prime lending at 10.25%, citing balanced inflation risks. December inflation was 3.6%, near the new 3% target. Stability supports consumers, property, and SMEs though borrowing costs remain high.
- ❑ South Africa's private sector credit growth reached its highest level in three years, rising 12.2% in January 2026 reflecting stronger lending activity to businesses and households. This signals growing confidence in the economy and reflects stronger lending activity to businesses and households.
- ❑ Overall, inflation averaged 3.2% in 2025, the lowest in 21 years. Economists expect 2026 inflation to remain moderate, supported by falling fuel prices, a stable rand, and softer food inflation. Consumers can expect borrowing costs to remain stable, though essentials such as food, housing, and transport continue to strain household budgets.
- ❑ South Africa's Producer Price Index (PPI) inflation remained unchanged at 2.9%, indicating stable input costs for producers and limited short-term pressure on consumer prices.

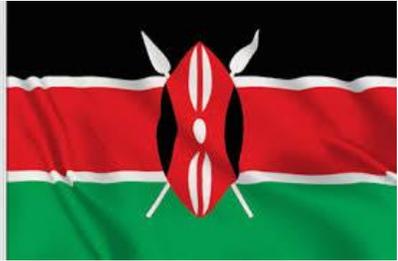
Ghana Central Bank Cuts Policy Rate to 15.5% As Inflation Eases



- ❑ Ghana's central bank has lowered its benchmark interest rate by 250 basis points to 15.5%, the lowest level in four years.
- ❑ The move follows a sharp decline in inflation and improving macroeconomic conditions, according to the Bank of Ghana. Analysts expect further rate cuts in 2026 as growth remains strong and price pressures stay contained.



Kenyan Inflation Eases Despite Rising Food Prices, Kenya Secures Zero-duty Access To China



- ❑ Kenya's inflation slowed to 4.4% in January from 4.5% in December, matching economists' expectations but slightly above the central bank's 4.3% forecast. The moderation comes despite rising food prices due to drought-related production shortfalls.
- ❑ Kenya has reached a preliminary deal granting zero-duty access to 98.2% of its exports to China, aiming to diversify markets and reduce trade imbalances. The agreement eliminates tariffs on key agricultural exports but still requires parliamentary ratification.
- ❑ The deal comes as Kenya faces higher US tariffs and the expiry of AGOA trade benefits. Kenyan officials emphasized that the arrangement with China complements ongoing efforts to renew AGOA, despite US scrutiny of China's investments in Kenya.

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	\$70.86 (30/01/26)	\$64.24 (23/01/26)	▲ 10.31%
Exchange rate (NAFEM W-O-W% , N/\$)	₦1,387.11/\$1 (30/01/26)	₦1,421.63/\$1 (23/01/26)	▼ 2.43%
Parallel Market FX Rate (IMTO) (N/\$)	₦1,453/\$1 (30/01/25)	₦1,490/\$1 (23/01/26)	▼ 2.48%
P2P (N/\$)	₦1,442/\$1 (30/01/26)	₦1,487/\$1 (23/01/26)	▼ 3.03%
External Reserve	\$46.176 billion (29/01/26)	\$46.012billion (22/01/26)	▲ 0.36%



Key Fiscal News

Nigeria Lowers Oil Block Entry Fees to Boost Investment



- ❑ Nigeria has reduced signature bonuses for its 2025 oil licensing round to between \$3m and \$7m from \$10m to attract new upstream investment.
- ❑ The move shifts focus from high upfront payments to technical capacity, credible work plans and faster production delivery. The reform aims to revive output, improve competitiveness, and strengthen energy security.

Nigeria Crude Oil Exports to Fall 14% To 793,000 Bpd In March



- ❑ Nigeria's crude oil exports are projected to decline by about 14% in March, as scheduled loadings for four key grades fall to roughly 793,000 barrels per day (bpd).
- ❑ The figures highlight renewed volatility in Nigeria's export flows, despite ongoing efforts to stabilize output and boost foreign exchange inflows.
- ❑ The projected March loadings compare with about 922,000 bpd scheduled for export in February, pointing to a notable month-on-month decline driven largely by sharp cutbacks in two major offshore grades.



Key Market News

CBN Upgrades Opay, Moniepoint, and Palmpay to National Licences



- ❑ The Central Bank of Nigeria (CBN) upgraded licenses of major FinTechs and microfinance banks, including Opay, Moniepoint, Kuda Bank, Palmpay, and Paga, to operate nationwide after they met regulatory requirements.
- ❑ CBN's Yemi Solaja emphasized the need for physical presence for support, noting many clients are in the informal sector. The upgrade requires higher capital (N5bn for national MFBs) and maintaining offices for dispute resolution.

U.S. and Nigeria Strengthen Trade Ties with New Investment Partnership



- ❑ The United States and Nigeria have signed a Commercial and Investment Partnership (CIP) to boost bilateral trade and investment, focusing on agriculture, the digital economy, and infrastructure.
- ❑ The CIP aims to remove trade barriers, attract long-term investment, and translate recommendations into actionable commitments over five years. Minister of Industry, Trade and Investment.

PayPal returns to Nigeria through Paga, 13 years after partnership request



- ❑ PayPal will now allow Nigerians to receive payments on its platform through a partnership with local fintech firm Paga, marking a major shift in its long-restricted engagement with the country.
- ❑ Under the new arrangement, users can now link their PayPal accounts to Paga wallets, enabling them to receive funds directly through PayPal, a functionality that had previously been unavailable.



Equities Market

The Nigerian Equities Market Ended The Week Bearish

- Market Capitalisation: **₦106.153 tn (▼ 0.18% W-o-W)**
- All Share Index: **165,370.40 (▼ 0.09% W-o-W)**
- Year-to-Date: **6.27% (▼ 9 bps W-o-W)**
- Total Turnover (Trades): **3.087 bn (▼ 17.64% W-o-W)**
- Value of Trades: **₦81.505bn (▼ 18.38% W-o-W)**

Fixed Income Market

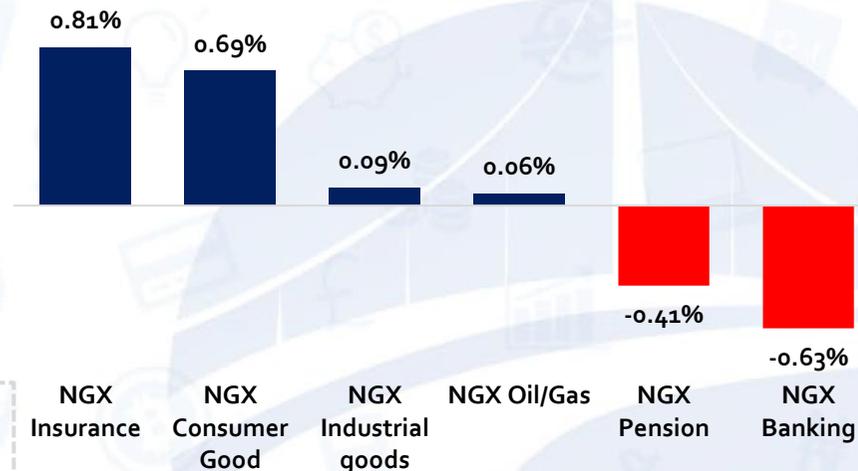
Bond Market

The FGN monthly bond auction for 2026, conducted by the DMO, offered N900bn across the Feb '31, Feb '34, and Jan '35 papers, nearly double the N460bn offered in December 2025, reflecting a front-loaded first-quarter borrowing strategy. Strong investor interest, supported by ample liquidity and attractive yields, pushed total subscriptions to N2.3trn, a bid-to-cover ratio of 2.5x, compared with 1.94x previously. In contrast, the Nigerian sovereign Eurobond market recorded a negative performance during the week. Average yields increased by 2bps w/w to 7.07%, driven by investor sell-offs amid weakening confidence.

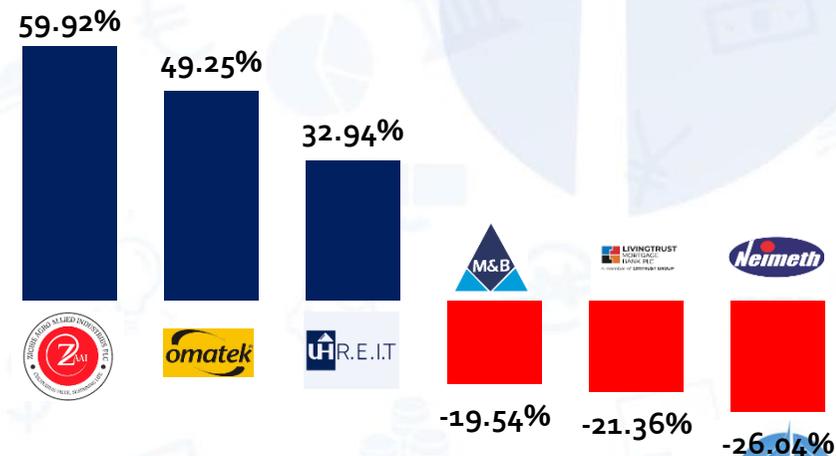
NTB and Money Markets

Net system liquidity moderated to a surplus of N1.91 trillion, representing a 31.4% week-on-week decline from N2.78 trillion. The contraction was driven primarily by cumulative OMO debits of about N5.9 trillion alongside N1.54 trillion deducted for the settlement of Monday's bond auction, which materially reduced closing system liquidity. Open Repo (OPR) and Overnight (OVN) rates climbed more sharply each jumping 357bps to close at 26.07% and 26.36%. In the Treasury space, Yields declined by 40bps at the 1-month, 13bps at the 6-month and 152bps at the 12-month tenors, while the 3-month maturity remained largely unchanged

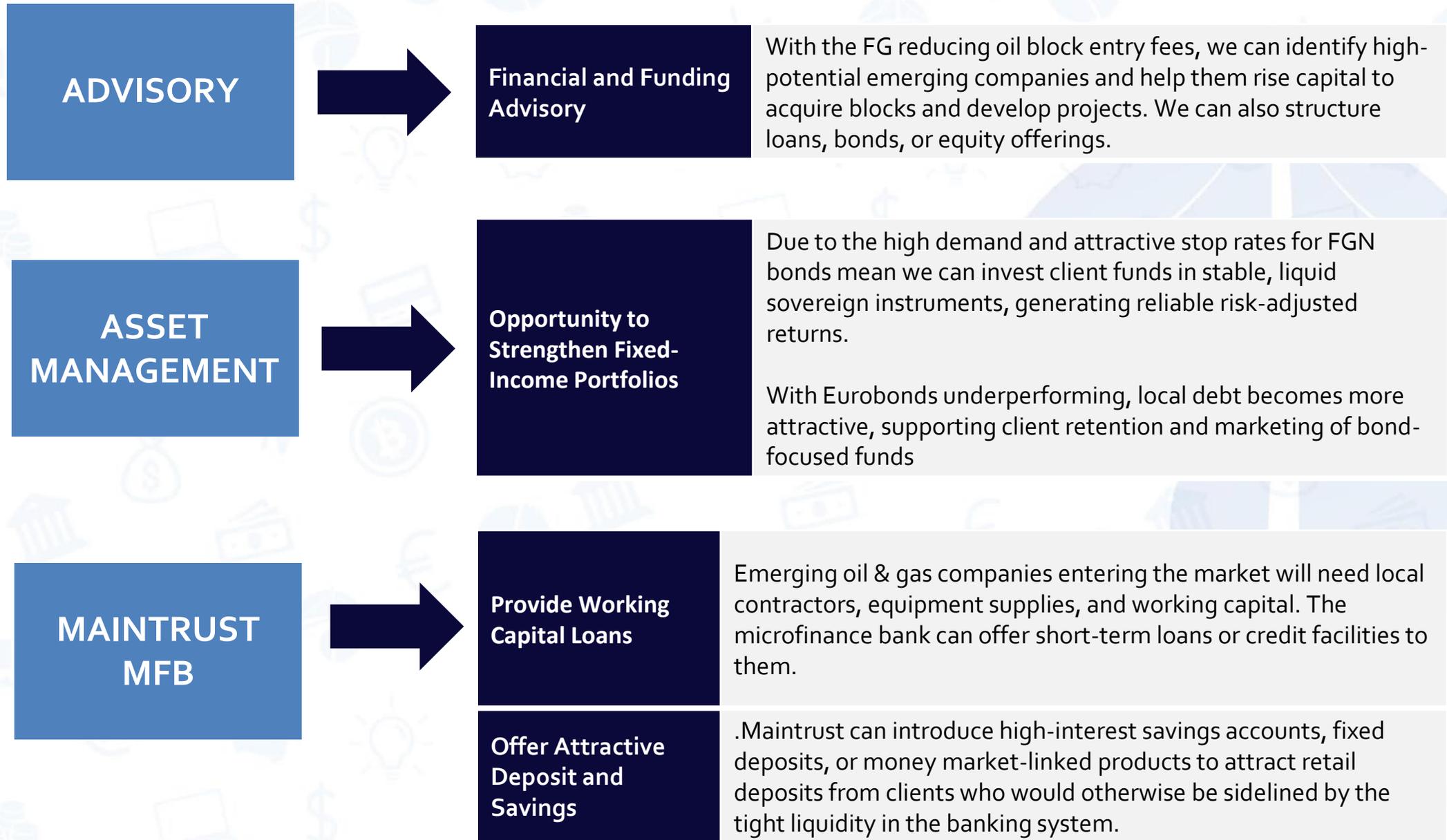
Sectoral Performances



Top Gainers & Decliners



MARKET OPPORTUNITIES





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