WEEKLY BRIEF

Week of 3rd November – 7th November 2025

PREPARED BY:

Wealthbridge Economic Advisory

NEWS HIGHLIGHTS

Key Highlights During the Week

International News

- **United States:** October Layoffs Surge to 20-Year High as services sector expands, manufacturing sector further declines and consumer sentiment falls.
- **UK & Eurozone:** Eurozone Central Banks Hold Rates Amid Mixed Economic Signals, Eurozone retail sales shrinks, European markets end lower Friday as investors react to earnings
- **China**: U.S.-China Trade Pause Offers Relief as China Tackles Economic Headwinds
- **Japan:** Japan's New PM Takaichi Pledges Fiscal Boost as Wages Lag Behind Inflation
- **South Africa:** South Africa's net foreign reserves rise to $69.364 billion in October
- **Ghana:** Ghana's DMT Wins Major Collateral Role for Dangote Refinery Expansion

Local News

- Nigeria issues $2.25 billion dual-tranche Eurobond to fund 2025 deficit
- Ondo State secures $50B investment for refinery and free trade zone
- Nigeria's banking sector recapitalization outpaces Sub-Saharan peers
- Tinubu Seeks $2.8 Billion in Loans and Sukuk to Finance Deficit
- Wema Bank strengthens capital position with N50 billion share listing
- The Nigerian Equities Market Ended The Week Bearish

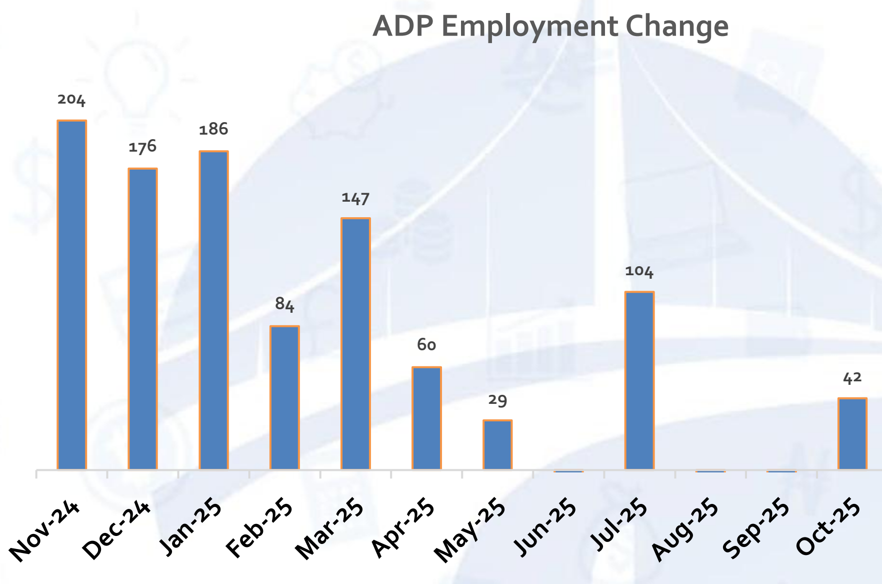
Key Macroeconomic Indices

NAFEM (₦/$)	Monetary Policy Rate	Brent Crude oil price ($/Barrel)	Inflation Rate	GDP Growth Rate
₦1,437.43/$1 (7/11/25)	**27.00%** (Sep 2025)	**$63.72** (7/11/25)	**18.02%** (Sep 2025)	**4.23%** (Q2 2025)

The United States

October Layoffs Surge to 20-Year High as Economic Signals Turn Mixed

- In October, U.S. employers announced 153,074 job cuts, the highest for the month since 2003 and a 175% increase from last year. Since January 2025, a total of 1.1 million jobs have been eliminated, marking a 65% rise from 2024, with tech, retail, and services sectors leading reductions as companies focus on cost-cutting and AI-driven efficiencies, influenced in part by the "DAGE" effect.
- Private employers added only 42,000 jobs in October, signalling a weak rebound after months of declines. Hiring was uneven, with professional services, information, and leisure sectors continuing to lose workers, while wage growth stayed flat.
- The services sector expanded again as the ISM Services PMI rose to 52.4%, but manufacturing contracted for the eighth straight month, slipping to 48.7%. This divergence highlights resilient consumer activity in services versus softening industrial demand.
- Consumer sentiment fell to 50.3, the lowest since mid-2022, amid financial pressures and the ongoing government shutdown. Inflation expectations edged up to 4.7%, and while Treasuries gained, high-yield bonds weakened as investors turned cautious.



Source: Trading Economics, WealthBridge Research

What to Expect

- U.S. economy is likely to slow further as companies cut costs and hiring remains weak
- Overall, the outlook points to a soft slowdown rather than a full recession, but risks remain if job losses deepen

U.S. Stock Market Ends Week Lower on Tech Sell-Off

- U.S. markets ended their three-week winning streak, with the Nasdaq Composite leading losses as investors sold off high-valuation tech stocks amid concerns over AI spending and stretched valuations.
- The Russell 1000 Growth Index lagged its value counterpart by 2.88 percentage points, the widest gap since February, signaling a shift away from growth-driven shares.

Drivers

- Positive earnings reports but investors feel the stocks were overvalued, eg. Palantir
- Meta's increase in AI capex and investor's not seeing how and when returns would be realized.

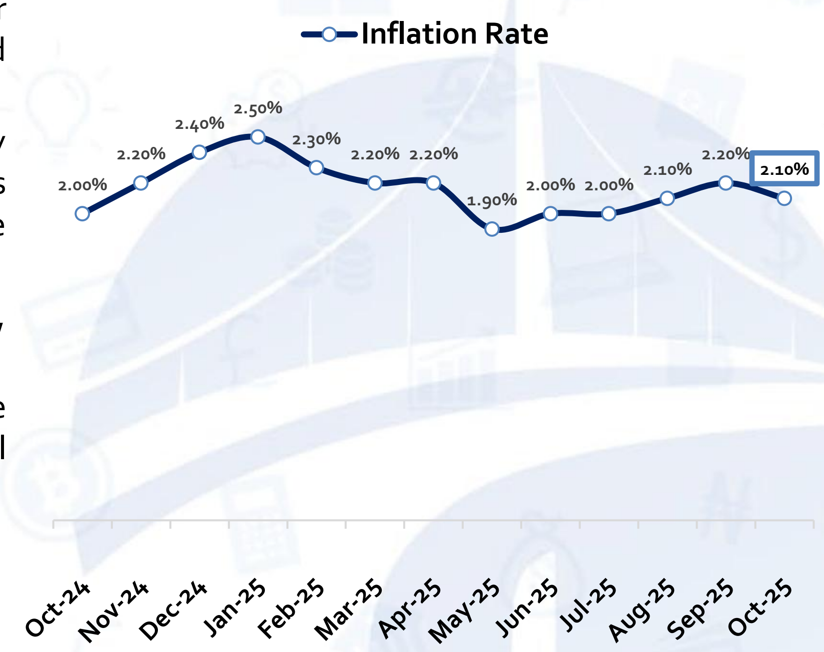
Indices' Performance

S&P 500	6,840.20	**0.71%** ▼
Nasdaq Composite	23,204.87	**2.24 %** ▼
Dow Jones Industrial average	47,207.12	**0.75 %** ▼

UK & Eurozone

Eurozone Central Banks Hold Rates Amid Mixed Economic Signals

- Bank of England holds rates at 4.0%: The MPC voted 5-4 to keep rates steady. Governor Andrew Bailey hinted at a possible cut in December, noting that a market-implied terminal rate of around 3.5% over three years is a reasonable path.
- Sweden and Norway keep interest rates unchanged: Sweden's Riksbank held its policy rate at 1.75%, saying it is expected to stay at this level for the near future. Norway's Norges Bank kept its rate at 4.0%, citing high inflation and indicating that rate cuts are not imminent.
- Eurozone retail sales continue to shrink as sales fell 0.1% month-on-month in September, marking a third consecutive monthly decline, with annual growth slowing to 1.0%.
- German manufacturing shows modest gains but remains weak: Industrial output rose 1.3% month-on-month (below the 3% forecast), orders increased 1.1%, yet Q3 orders fell 3.0%, reflecting ongoing weakness in the sector.



Source: Trading Economics, WealthBridge Research

What to Expect

- The Bank of England may cut rates later this year if inflation continues to ease, with markets pricing a terminal rate around 3.5% over three years.
- Sweden and Norway are likely to keep rates steady in the near term, with reductions only possible once inflation falls more significantly.

European markets end lower Friday as investors react to earnings

- In local currency terms, the pan-European STOXX Europe 600 Index ended 1.24% lower.
- Concerns about overvaluation in artificial intelligence-related stocks, like Palantir, weighed on sentiment. Major stock indexes pulled back.
- Italy's FTSE MIB slipped 0.60%, Germany's DAX fell 1.62%, France's CAC 40 Index lost 2.10%, and the UK's FTSE 100 Index declined 0.36%.

Drivers

- Negative investor sentiment as regards AI-related stocks.

Indices' Performance

FTSE 100	9,354.57	0.74%% ▲
DAX index	23,830.99	-1.16% ▼
CAC 40	8,174.20	-1.27% ▼
FTSE MIB	41,758.11	1.62% ▲

Asia

U.S.-China Trade Pause Offers Relief as China Tackles Economic Headwinds

- U.S. President Trump and Chinese President Xi Jinping agreed to a one-year tariff truce at the APEC (Asia Pacific Economic Cooperation) summit, easing near-term tensions, though analysts note long-term strategic competition remains.
- China's October exports fell 1.1% YoY, with shipments to the U.S. tumbling 25.2%, while exports to the EU and Southeast Asia rose modestly, reflecting the limits of front-loaded U.S. orders and slowing global demand.
- Weak domestic demand and slowing imports, along with a first weekly yuan decline in a month, highlight China's challenges in balancing growth amid trade pressures and a prolonged property downturn.
- **Policy outlook:** To stabilize the economy, Beijing is expected to prioritize fiscal expansion, diversify trade ties, and encourage higher domestic consumption, while maintaining cautious engagement with global markets.

Export Sales

Source: Trading Economics, WealthBridge Research

Shanghai Composite	3,954.79	**0.11%** ▲
Hang Seng Index	25,906.65	**0.97.%** ▲
Nikkei 225 index	52,411.34	**6.31%** ▲

What to expect

- Expect China to focus on fiscal stimulus, boosting domestic consumption, and diversifying trade as exports slow, domestic demand remains weak, and the U.S.-China tariff truce provides short-term stability amid ongoing strategic competition.

Japan's New PM Takaichi Pledges Fiscal Boost as Wages Lag Behind Inflation

- Prime Minister Sanae Takaichi said Japan has not yet achieved stable price growth backed by solid wages and promised fiscal measures to boost incomes and the economy, with a stimulus package draft expected this month.
- Wages and inflation remain uneven as nominal wages rose 1.9% YoY in September, but real wages fell 1.4%, marking the ninth consecutive monthly decline.
- Bond markets reacted as the 10-year JGB yield rose to 1.68%, reflecting expectations of continued BoJ tightening, with wage growth guiding future rate decisions.
- The yen strengthened to mid-JPY 153 against the dollar amid safe-haven demand and Finance Minister Satsuki Katayama's warning that the government is closely monitoring rapid currency moves.

Drivers

- Real wages fell 1.4%, marking the ninth straight month of decline
- Dampening consumer purchasing power and confidence

AFRICAN ECONOMY

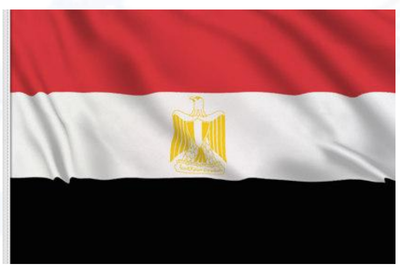
South Africa's net foreign reserves rise to $69.364 billion in October

- The South African rand traded steady at 17.21/$ on Tuesday, just 0.2% weaker than Monday, supported by a rise in gross foreign reserves to $71.55 billion in October from $69.74 billion in September.

- Net reserves also climbed to $69.36 billion, exceeding expectations and reinforcing market confidence. The increase in reserves, coupled with strong commodity prices, particularly record-high gold, helped sustain the rand's stability despite global uncertainty and concerns over the U.S.–Africa trade pact (AGOA).

- South Africa's benchmark 2035 bond also strengthened, with the yield dropping 6 basis points to 9.16%, underscoring continued investor confidence in local assets.

Egypt and Qatar Sign $29.7 Billion Deal for Alam Al-Roum Coastal Development



- Egypt and Qatar signed a partnership deal to develop the Alam Al-Roum luxury real estate and tourism project on Egypt's Mediterranean coast, as part of Doha's $7.5 billion investment pledge to Cairo. Qatari Diar, will pay $3.5 billion in December for the project land, contributing to a total $29.7 billion investment by Qatari Diar, which will build golf courses, marinas, and housing along a 7 km coastal stretch northwest of Cairo.

- The $3.5 billion will be fresh foreign direct investment, helping Egypt lower debt and improve economic indicators, while Egypt will also receive $1.8 billion in housing units and 15% of project profits once Qatari Diar recovers its costs. The deal comes as Egypt seeks more Gulf investments to ease fiscal pressures, following an IMF delay tied to postponed Qatari funding.

- Seen as a counterpart to the UAE's Ras El-Hekma megaproject, the agreement expands Qatar's presence in Egypt, where Qatari Diar already owns the St. Regis Cairo, CityGate, and NEWGIZA developments. Egyptian officials said Ras El-Hekma's construction is progressing, underscoring Cairo's push to attract large-scale regional investment.

Domestic Economy and Markets Highlights

Snapshot of Key Macroeconomic Indicators

Indicators	Current	Previous	
Inflation rate	18.02% (Sep 2025)	20.12% (Aug 2025)	▼ 210 bps
MPR	27.00% (Sep 2025)	27.50% (July 2025)	▼ 50 bps
Quarterly GDP Growth Rate	4.23% (Q2 2025 y/y)	3.13% (Q1 2025 y/y)	▲ 110bps
Yearly GDP Growth Rate	3.38% (FY 2024; y/y)	3.04% (FY 2023; y/y)	▲ 34 bps
GDP (Nominal)	₦100.73 Trn (Q2 2025)	₦94.051Trn (Q1 2025)	▲ 7.10%
Brent Crude oil price	$63.72 (7/11/25)	$64.77 (31/10/25)	▼ 0.66%
Exchange rate (NAFEM W-O-W% , ₦/$)	₦1,437.43/$1 (7/11/25)	₦1,421.73/$1 (31/10/25)	▲ 2.48%
Parallel Market FX Rate (IMTO) (₦/$)	₦1,458.00/$1 (7/11/25)	₦1,460.15/$1 (31/10/25)	▼ 1.81%
P2P (₦/$)	₦1,470/$1 (7/11/25)	₦1,480/$1 (31/10/25)	▼ 0.33%
External Reserve	$43.172 billion (30/10/25)	$42.942 billion (24/10/25)	▲ 0.54%

Key Economic News

Nigeria issues $2.25 billion dual-tranche Eurobond to fund 2025 deficit

- Nigeria has successfully raised $2.35 billion through a dual-tranche Eurobond issuance to fund its 2025 fiscal deficit and refinance existing debt, marking the country's largest-ever orderbook with over $13 billion in investor demand from the UK, North America, Europe, Asia, and the Middle East.

- Despite global market jitters following Donald Trump's threat of military action over religious violence, the issuance was oversubscribed four times, with the 10-year $700 million tranche attracting $4.9 billion in orders and the 20-year $1.5 billion tranche receiving $4.2 billion.

- The bonds, issued as Senior Unsecured Notes, include a 10-year $1.25 billion tranche maturing on November 13, 2035 at 8.63% and a 20-year $1.1 billion tranche maturing on November 12, 2045 at 9.13%, and will be listed on the London Stock Exchange, Nigerian Exchange (NGX), and FMDQ, with clearing through DTC, Euroclear, and Clearstream.

Ondo State secures $50B investment for refinery and free trade zone

- Ondo State has partnered with international firms under the Sunshine Infrastructure JV to build a 500,000-barrels-per-day refinery and a 1,471-hectare Sunshine Free Trade Zone in Ilaje LGA, with the project's valuation rising from $30 billion to $50 billion.

- The initiative aims to boost industrial development, attract investors, create jobs, and supply petroleum products locally and internationally, while the free trade zone will support manufacturing, logistics, and export-oriented industries.

- The JV also focuses on community development, including education, employment, and infrastructure, positioning Ondo as a major industrial hub and reducing Nigeria's reliance on imported petroleum products.

Fiscal and Monetary policy

Tinubu Seeks $2.8 Billion in Loans and Sukuk to Finance Deficit

- Nigeria's President Bola Tinubu has requested parliament to approve $2.3 billion in new loans and a $500 million debut sovereign sukuk, bringing total potential international borrowing to $2.8 billion, to part-finance the budget deficit and refinance maturing Eurobonds in November 2025.

- The government plans to focus on cheaper funding sources such as sukuk, green bonds, and diaspora bonds, leveraging recent fiscal reforms that have improved Nigeria's credit outlook.

- This borrowing strategy is expected to ease fiscal pressures, lower borrowing costs compared with Eurobonds, and signal investor confidence in Nigeria's economic reforms.

Nigeria's banking sector recapitalization outpaces Sub-Saharan peers

- Nigeria is leading sub-Saharan Africa (SSA) in banking sector recapitalisation, with the Central Bank of Nigeria (CBN) raising minimum paid-in capital for banks with international licences tenfold to N500 billion (USD 348 million) and national licence holders eightfold to N200 billion (USD 139 million), to be fully complied with by Q1 2026. Unlike peers in Kenya, Burundi, Sierra Leone, and WAEMU countries, Nigeria prohibits the use of retained earnings, forcing banks to raise fresh equity, merge, or downgrade licences. Fitch Ratings calls this the most ambitious and transformative reform in SSA, due to its scale, speed, and uniform application.
- Despite the steep requirements, Nigerian banks are progressing rapidly, with most first- and second-tier banks meeting thresholds through investor funding, while smaller banks may consider mergers or licence downgrades. The reforms are designed to strengthen balance sheets, reduce credit concentration risks, and support larger-scale lending, providing the capital needed to finance bigger projects and improve resilience against high-risk exposures like underperforming oil and gas loans.
- Fitch expects the recapitalisation to boost credit growth across SSA, where banking sector loans remain below 20% of GDP, and links Nigeria's fresh capital needs to 1.1% of GDP. The reforms also reinforce financial stability ahead of 2026, with stricter supervision, penalties for non-compliance, and expectations for banks to exit the regulatory forbearance regime by December 2025, positioning Nigeria's banking sector for stronger growth and resilience.

Key Market News

Wema Bank strengthens capital position with N50 billion share listing

- Wema Bank Plc has strengthened its capital position with the successful listing of 4.55 billion new shares, on Tuesday, on the Nigerian Exchange (NGX) following a N50 billion private placement, raising its total issued shares to from 35.57 billion to 40.12 billion and boosting its capital adequacy and growth capacity.

  The bank's stock has seen strong investor interest in 2025, closing at N18.85 per share on November 7, up 107% year-to-date, while its Q3 2025 results show a 42% year-on-year rise in gross earnings, pre-tax profit of N35.7 billion, and total assets exceeding N2.1 trillion, driven by loan growth, non-interest income, and digital banking success.

- Analysts view the fresh capital as a timely boost for expansion, digital investment, and risk coverage, positioning Wema Bank competitively among Nigeria's mid-tier lenders despite short-term share price volatility.

Lagos State returns to capital market with N200 billion bond offer

- The Lagos State Government plans to raise up to N200 billion through a 10-year bond issuance under its N1 trillion Debt and Hybrid Instruments Programme, priced between 16.15% and 16.25%, with subscriptions open until November 13, 2025 via book-building managed by Chapel Hill Denham. Proceeds will fund key infrastructure projects in transportation, housing, healthcare, and education under the THEMES+ agenda.

- Lagos' strong fiscal profile supports investor confidence, with internally generated revenue hitting nearly N2 trillion in 2024 and credit ratings of Aa- (Agusto & Co.) and AA- (GCR Ratings), highlighting its diversified economy and effective expenditure management.

- The issuance continues Lagos' successful capital market track record from previous bonds in 2002, 2012, 2017, and 2020, all performing or repaid. With a population of over 20 million and growing infrastructure needs, the bond is expected to attract strong demand and finance critical urban development projects.

Domestic Markets

Equities Market

The Nigerian Equities Market Ended The Week Bearish

- Market Capitalisation: **₦94.998 trn (▼ 2.99%** W-o-W)
- All Share Index: **149,524.81 (▼ 2.89%** W-o-W)
- Year-to-Date **45.27% (▼ 595 bps** W-o-W)
- Total Turnover (Trades): **3.575 bn** (**▼ 521.99%** W-o-W)
- Value of Trades: **₦107.011bn (▼ 26.42%** W-o-W)

Fixed Income Market

Bond Market

The Nigerian secondary bond market closed the week on a bullish note. The sustained demand drove a modest yield compression, with the average benchmark yield declining by 12 basis points week-on-week to 15.77.

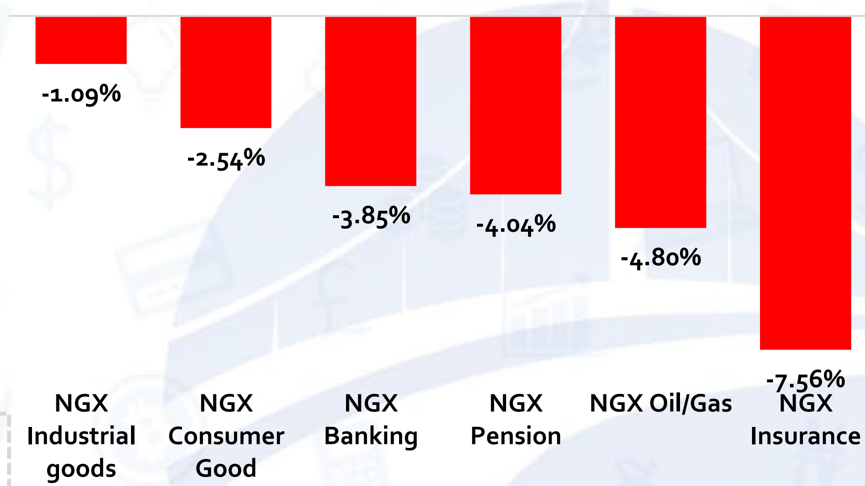
In contrast, the sovereign Eurobond market weakened, weighed by cautious sentiment toward emerging market debt. The average yield on Nigerian Eurobonds rose by32 basis points week-on-week to 7.97%, reflecting a repricing of risk amid a stronger U.S. dollar and rising geopolitical tensions between Washington and Abuja.

NTB and Money Markets

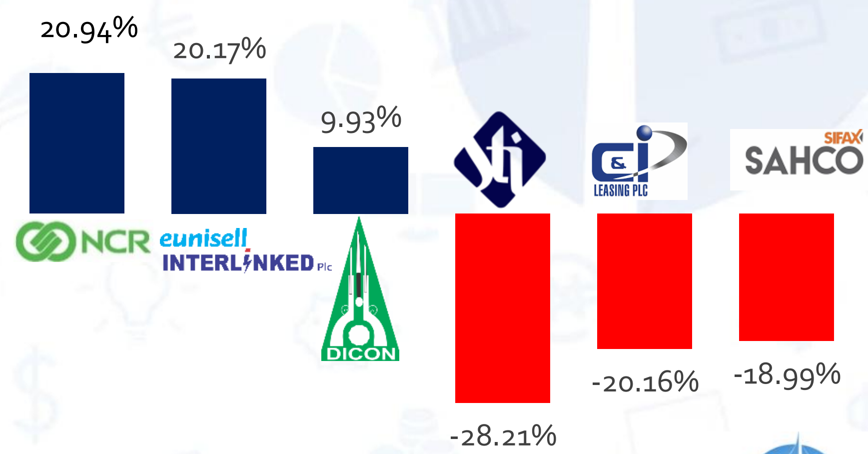
At the NTB auction, the DMO offered N650 billion, receiving N1.2 trillion in bids and allotting N546.2 billion; the 91- and 182-day papers held at 15.30% and 15.50%, while the 364-day fell to 16.04%.

At the CBN OMO auction, the 84-day bill was heavily oversubscribed at N1.11 trillion, compared to N68 billion for the 56-day, with stop rates at 21.84% and 21.69%, and allotments of N243.6 billion and N30 billion, reflecting strong demand for longer tenors.

Sectoral Performances



Top Gainers & Decliners



Wealthbridge

CONTACT US

For more info call:
+234 809 999 4372

Visit us at:

21, Bourdillon Road, Ikoyi, Lagos

100, Ademola Adetokunbo street, Wuse II, Abuja

E-mail address

info@wealthbridge.com.ng

Visit our website

www.wealthbridge.com,ng