Q2 2026 Newsletter - Healthy Retirement: The Value of Good Health in Enjoying Financial Security

Introduction: Retirement Is More Than Financial Security

Retirement represents the reward for years of hard work, dedication and sacrifice. After decades of building careers, supporting families and contributing to society, it offers an opportunity to slow down, pursue personal interests and enjoy the benefits of years of commitment.

While financial preparedness is essential to a comfortable retirement, another equally important factor is often overlooked- good health.

Adequate retirement savings provide financial security, but good health enables you to enjoy the opportunities that financial security creates. Having the resources to travel means little if your health prevents you from making the journey. Similarly, having more time to spend with family and friends becomes less fulfilling if you lack the physical or emotional wellbeing to participate in the moments that matter.

Good health makes it easier to enjoy the opportunities retirement brings, whether spending quality time with loved ones, travelling, pursuing hobbies, volunteering, starting a business or simply maintaining an independent and active lifestyle.

Maintaining good health goes beyond physical fitness. It involves eating well, staying physically active, attending regular medical check-ups, getting adequate rest and paying attention to mental and emotional wellbeing.

For pensioners, therefore, healthcare should not be viewed merely as an expense, but as an important investment in quality of life. After all, retirement is not simply about having the financial resources to stop working; it is about having the health and vitality to enjoy the life you have worked so hard to build.

In this edition, we explore the importance of good health in retirement, practical ways pensioners can maintain their wellbeing and the relationship between healthcare, financial planning and a fulfilling retirement. We also review developments in the Nigerian economy and financial markets during the second quarter of 2026, alongside the performance of our funds.

Economic and Investment Review

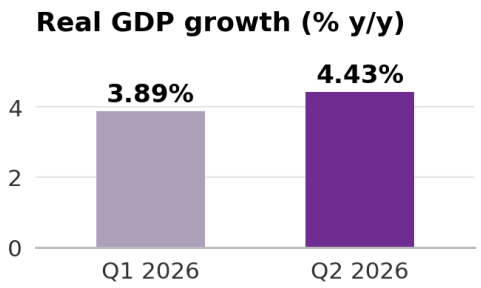
Stronger economic activity and gains in equities improved the investment backdrop in Q2. Uneven inflation and rising bond auction yield nevertheless called for disciplined security selection and careful management of interest-rate risk.

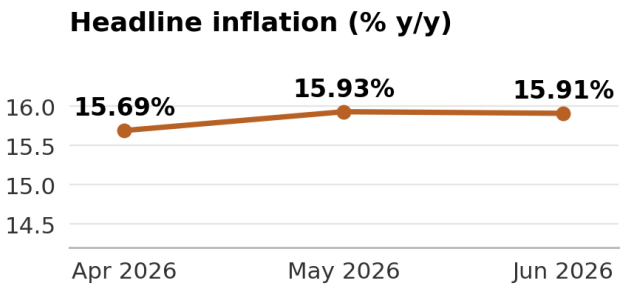
Gross Domestic Product (GDP)

Nigeria's real GDP grew by 4.43% year-on-year in Q2 2026, compared with 3.89% in Q1. Growth strengthened in both the oil and non-oil sectors. Average daily oil production increased to 1.72 million barrels from 1.55 million in the preceding quarter.[1] The improvement provides a firmer foundation for economic activity, although sustained gains in productivity and investment remain essential.

Inflationary Trends

Headline inflation rose from 15.69% in April to 15.93% in May before easing slightly to 15.91% in June. The average of these monthly year-on-year rates was 15.84%. June food inflation stood at 17.52% year-on-year, while its monthly increase accelerated to 3.75%, from 2.98% in May.[2] The modest headline improvement therefore did not remove the pressure on household purchasing power.





Sources: NBS and CBN

Monetary Policy and Currency Outlook

The Central Bank of Nigeria held the Monetary Policy Rate at 26.50% at its May meeting, following a 50-basis-point reduction from 27.00% in February. The high interest-rate environment continued to require careful assessment of financing costs, liquidity and bond-price sensitivity. The Naira's outlook remained dependent on oil receipts, foreign-exchange liquidity and capital flows, as these remain key factors in assessing inflation and investment risks.

Financial Market Performance

The NGX All-Share Index gained 13.98% during Q2 to close at 229,419.18 points. In fixed income, the January 2035 FGN bond's primary-auction marginal yield rose from 16.59% on 27 April to 18.34% on 22 June. Higher entry yields offered opportunities to secure income, while reinforcing the need to manage the price sensitivity of longer-dated bonds.

Fund Performance Review

Five of the seven funds recorded higher three-year annualised returns at June than at March. Fund I recorded 25.66%, while Fund II increased to 23.05%.

Three-year annualized returns at quarter-end

Fund	March 2026	June 2026	Change (pp)
Fund I	25.82%	**25.66%**	-0.16
Fund II	22.75%	**23.05%**	+0.30
Fund III	17.76%	**17.70%**	-0.06
Fund IV	14.96%	**15.28%**	+0.31
Fund V	15.66%	**15.77%**	+0.10
Fund VI (A)	18.37%	**18.65%**	+0.28
Fund VI (R)	14.61%	**14.67%**	+0.06

Annualized returns over the preceding three years, not returns earned solely during the quarter.

Outlook

Our outlook for the remainder of 2026 is cautiously constructive. Stronger activity offers support for earnings, but food prices, foreign-exchange conditions, oil-market volatility and fiscal financing needs could challenge returns. We favour quality issuers, diversified exposures and a measured approach to extending bond maturities. Investment decisions should balance sustainable long-term returns with liquidity for benefit payments and the risk mandate of each fund.

Understanding Health in Retirement

Ageing is a natural part of life, and retirement introduces a new phase that often comes with significant changes. After 30, 35 or even 40 years of working, the transition from formal employment to retirement can substantially alter one's daily routine.

The familiar demands of the workplace, daily commuting and regular interactions with colleagues may gradually disappear. In their place are more flexible schedules, additional leisure time and opportunities to pursue personal interests. Although this newfound freedom is one of retirement's greatest benefits, it also comes with an important responsibility: ensuring that the additional years are healthy, active and fulfilling.

Health Is an Essential Part of Retirement Planning

Discussions about retirement planning often focus on financial preparedness: how much has been saved, how much will be required and how retirement benefits can sustain one's lifestyle after leaving paid employment. However, retirement planning should extend beyond financial resources. Imagine spending 35 years preparing financially for retirement, only to discover that poor health limits your ability to enjoy the opportunities those savings were intended to provide. This is why health deserves a place alongside financial planning.

Good health does not necessarily mean being completely free from illness. For many pensioners, it means effectively managing existing medical conditions, maintaining reasonable physical activity, staying mentally alert, sustaining meaningful relationships and continuing to participate in activities that bring joy and purpose.A truly rewarding retirement requires attention to both financial wellbeing and personal health.

Retirement Has Changed: Making the Most of Your Golden Years

The retirement experience in 2026 is different from what it was several decades ago. Many retirees remain active and productive long after leaving formal employment. Some establish businesses, provide consultancy services, mentor younger professionals, engage in agriculture, volunteer, travel or dedicate more time to their families and communities. Others use retirement as an opportunity to explore interests and talents they could not fully pursue during their working years.

Technology has also transformed how retirees interact with the world. Through digital platforms, pensioners can remain connected with family and friends, access healthcare information, manage financial transactions and participate in social activities, regardless of geographical distance. However, taking full advantage of these opportunities is easier when physical, mental and emotional wellbeing are given the attention they deserve.

Why Good Health Matters to Pensioners

Good health is essential to a fulfilling retirement. It promotes independence, enhances physical and mental wellbeing, reduces healthcare expenses and enables pensioners to enjoy an active and rewarding lifestyle. Maintaining good health does not always require major lifestyle changes. Consistent attention to everyday habits can make a meaningful difference to overall wellbeing. Here are seven practical steps pensioners can adopt:

Eat a Balanced Diet: Maintain a healthy and balanced diet by incorporating fruits, vegetables, whole grains, healthy sources of protein and appropriate fats into daily meals. Pay attention to portion sizes and follow any dietary recommendations provided by your healthcare professional.

Stay Physically Active: Incorporate suitable physical activities into your daily routine. Walking, gentle stretching, light gardening and other low-impact exercises can help maintain mobility and general fitness. Choose activities that are appropriate for your health condition.

Attend Regular Medical Check-ups: Do not wait until you feel unwell before seeking medical attention. Routine medical consultations and recommended health screenings can help identify potential health concerns early. Always follow prescribed medication instructions and seek professional advice before changing your treatment.

Prioritise Mental and Emotional Health: Make time for activities that promote relaxation and personal fulfilment. Reading, learning new skills, pursuing hobbies and maintaining relationships can support emotional wellbeing. Seek professional support if you experience persistent sadness, anxiety or feelings of isolation.

Get Adequate Rest: Adequate sleep is important for physical recovery, mental alertness and general wellbeing. Maintain consistent sleeping habits and consult a healthcare professional if you experience persistent difficulties with sleep.

Maintain Social Connections: Stay connected with family, friends and the wider community. Participate in family gatherings, religious activities, community associations, volunteering and other social engagements. Meaningful relationships can provide companionship, emotional support and a sense of belonging.

Avoid Harmful Habits: Avoid smoking and the misuse of alcohol or other substances. Be cautious about unverified medications, supplements and remedies, particularly those advertised as quick solutions to health challenges. Seek guidance from qualified healthcare professionals.

Conclusion: Plan for Your Wealth, Protect Your Health

A secure and fulfilling retirement is about more than the balance in your Retirement Savings Account. It is also about having the health, independence and peace of mind to enjoy the years ahead. After years of hard work and careful financial preparation, your retirement should be an opportunity to live meaningfully, spend quality time with loved ones, explore new interests and enjoy the rewards of your commitment.

However, achieving this requires a conscious effort to protect both your financial wellbeing and your health. As you prepare for your retirement, remember that retirement planning does not end with accumulating savings. It also involves making healthy lifestyle choices, attending to your medical needs, maintaining meaningful relationships and preparing for the changing demands of life. Plan your finances. Protect your health. Enjoy your retirement.

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