



The Intelligent Choice

The Investors' Compass : From Insight to Action

*Monthly Economic and Financial Report
September 2025*



Secure Your Legacy with Expert Estate Planning Services!

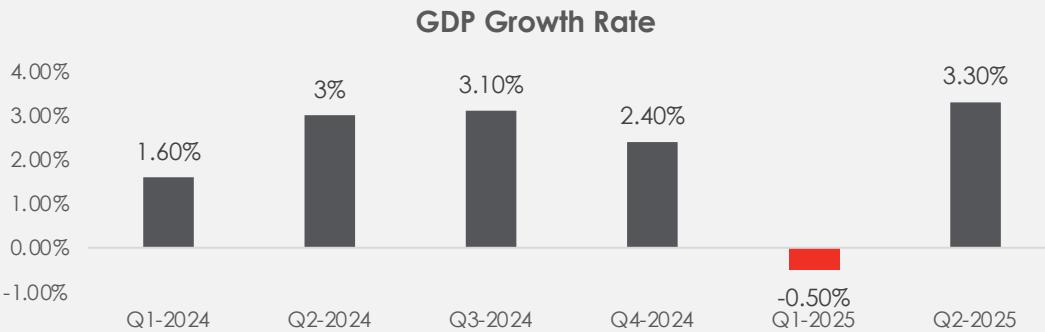
Protect what matters most, provide for your loved ones, preserve your legacy! At **United Capital Trustees limited**, we understand the importance of estate planning, let's help you create a plan that ensures your wishes are honoured and your loved ones are cared for.

Visit [InvestNow.ng](#) to get started

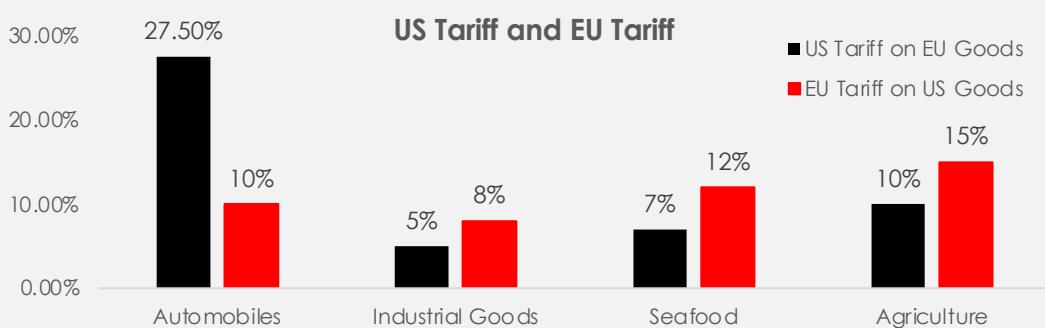
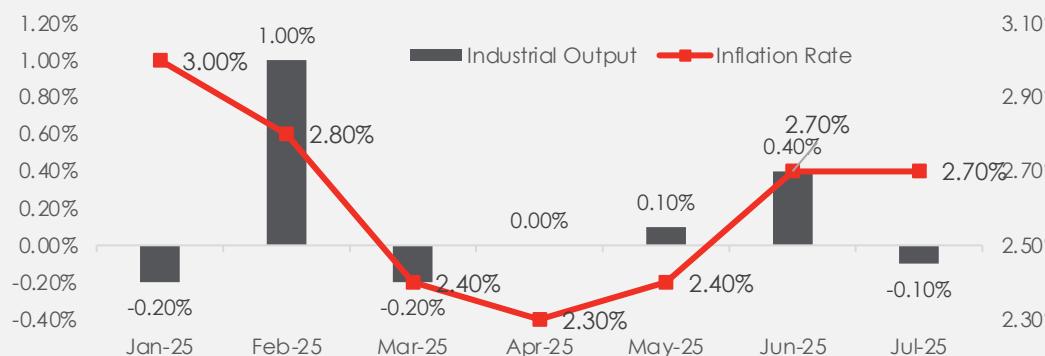
Download the
InvestNow App |  



Global Economy



US Industrial Output and Inflation Rate



US GDP Growth Revised Higher to 3.3% in Q2 2025

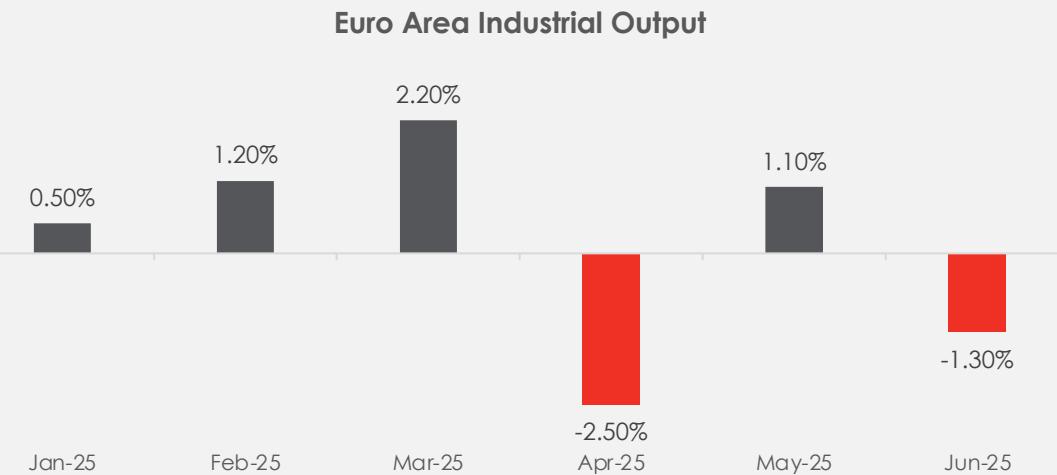
- The US economy grew by 3.3% y/y in Q2 2025 compared to 0.5% contraction in Q1 2025
- The figure was revised slightly higher from the first estimate of 3.0%
- Major drivers are: investment, consumer spending, and net-exports
- Core Personal Consumption Expenditures (PCE) eased in August from 2.99% to 2.96%

US Inflation Remains Flat but Industrial Output Declines

- Inflation rate (consumer price) settled at 2.7% in July
- This inflation data further raises the probability of a Fed rate cut in September 2025
- However, producer prices rose by 0.9% in July, dampening prospects for rate cut
- Industrial output in the US declined by 0.1% in July compared to 0.4% growth in June 2025

US – EU Trade Development

- The US will retain a 27.5% tariff on European cars until the EU reduces its tariffs on US goods
- EU agrees to US\$600 billion investments and to expand imports of US products



Europe: Euro Area Steady Amid Mixed Data as Markets Eye Year-End Rate Cut

- Euro Area GDP held steady but industrial output dropped by 1.3% in June
- European stocks hit a two-month high on strong earnings from defence and financials
- European Central Bank (ECB) likely to hold rates at 2% through September
- Markets expect a rate cut by year end

Europe Purchasing Managers' Index (PMI) Accelerates

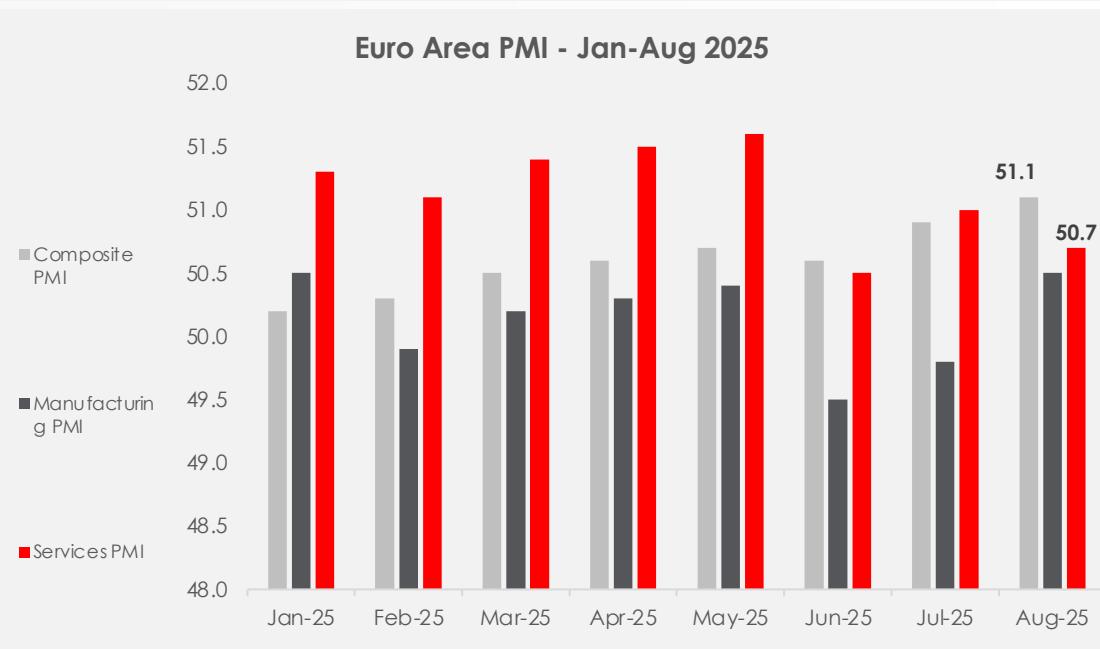
- Euro Area posted its fastest PMI in 15 months, led by new orders
- PMI rose to 51.1 in August from 50.9 in July, while manufacturing PMI hit 50.5 from 49.3

China: Growth Slows Amid Weak Demand and Deflation

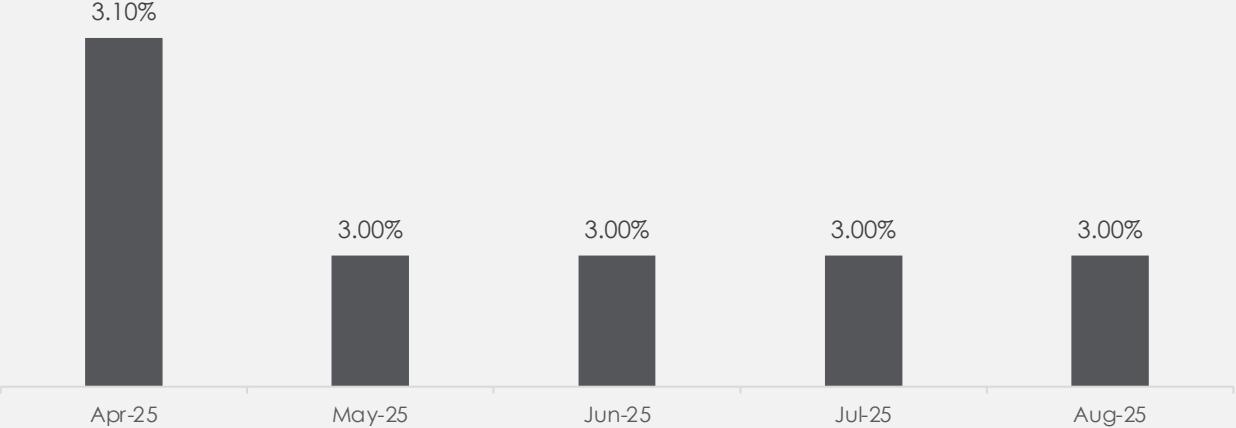
- Industrial output slows to 5.7% in July, down from 6.8%, signalling weaker growth
- Retail sales rose 3.7% in July, the slowest since December 2024, showing weak demand

China's Monetary Policy Held Steady at 3%

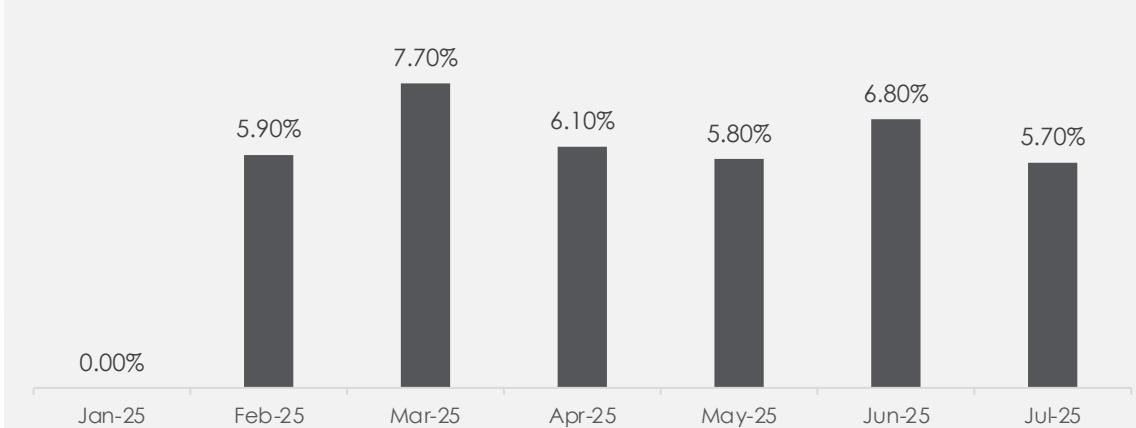
- People's Bank of China (PBoC) held interest rate stable for the 3rd consecutive month
- This reflects PBoC's shift toward a neutral monetary policy stance



China's 1-Year Loan Prime Rate



China's Industrial Output



Comparative Analysis of Policy Rates — Select Countries/Region

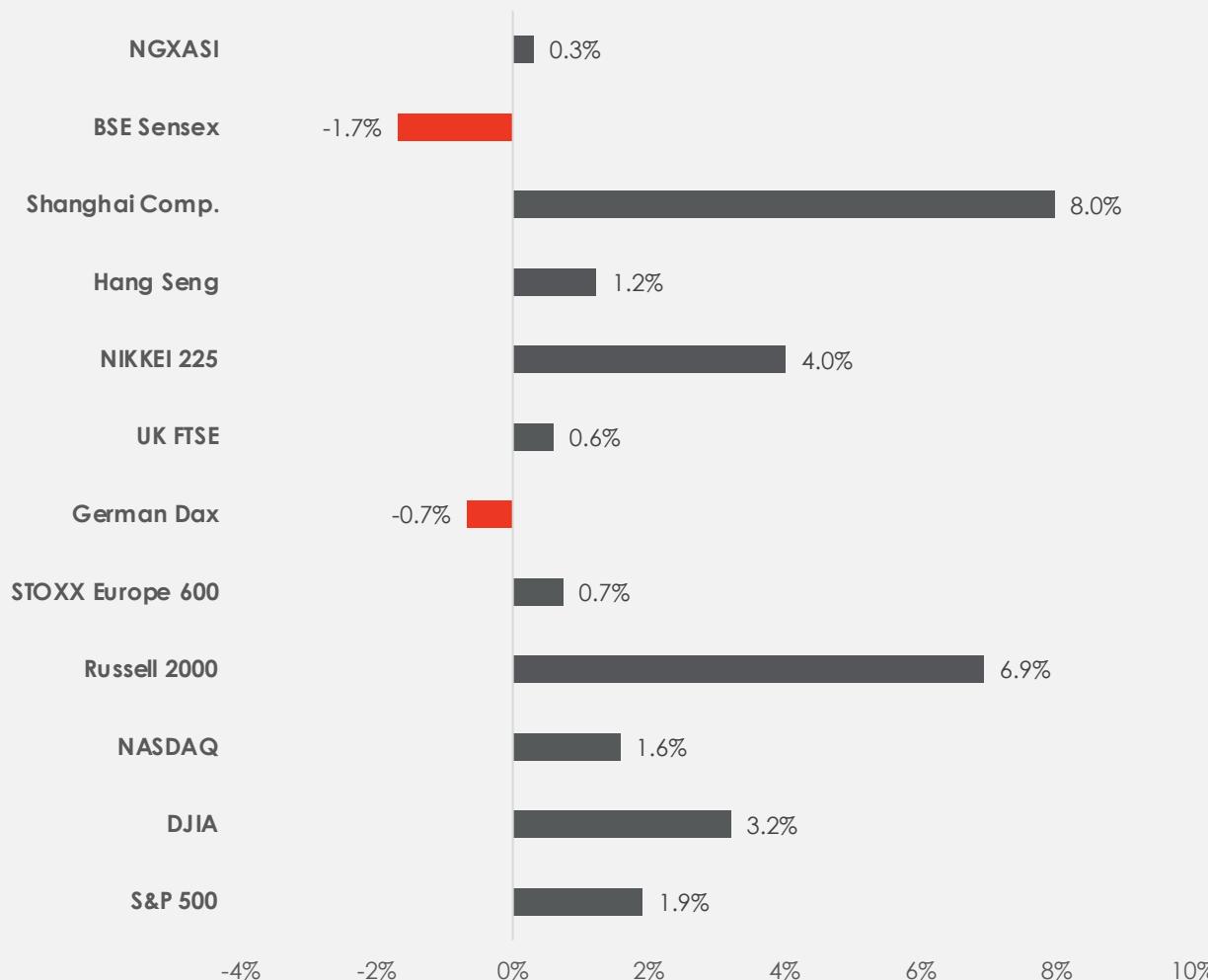
Country/Region	Policy Rate	Current	Last Change	Real Rate	Next Meeting
United States	Fed Rate	4.5%	18 December 2024	1.8%	17-Sept-2025
Japan	Policy Rate	0.5%	23-Jan-2025	(2.8%)	19-Sept-2025
Euro Region	Deposit Facility Rate	2.0%	05 June 2025	0.0%	11 Sept 2025
China	Prime Rate 1 Year	3.0%	20 May 2025	3.0%	22 Sept 2025
India	Policy Repo Rate	5.5%	06 June 2025	4.0%	01 Oct. 2025
Nigeria	Monetary Policy Rate	27.5%	26 November 2024	5.3%	23-Sept-2025
South Africa	Repo Rate	7.0%	31July 2025	4.0%	18-Sept-2025
United Kingdom	Bank Rate	4.0%	18 September 2025	0.4%	18 September 2025

Japan: Japanese Exports Decline

- Japan's exports fell by 2.6% year-on-year in July
- This is the steepest drop in almost 4 years
- This is as US-bound shipments dropped by 10.1%

Global Stock Market Performance Month on Month (M/M)

Most global equities finished the month of August in the green zone as investors' sentiments improved, due to a potential Fed rate cut



Global Government Securities – Monthly Performance

Global Government Securities were mixed in August; U.S Treasury yields declined as expectation of Fed interest rate cut in September increases. However, geopolitical tensions had adverse impacts on the yield movements in Europe and Asia

Name	Yield		Change M/M
	July's Average	August's Average	
NGR 10 Year Bond Yield	16.68%	15.84%	(0.84%)
India 10 Year Yield	6.32%	6.47%	0.15%
Hong Kong 10 Year Yield	3.06%	3.04%	(0.02%)
China 10 Year Yield	1.68%	1.75%	0.07%
Japan 10 Year Yield	1.52%	1.56%	0.04%
UK 10 Year Yield	4.60%	4.64%	0.04%
France 10 Year Yield	3.35%	3.41%	0.06%
Germany 10 Year Yield	2.65%	2.70%	0.05%
US 2 Year Treasury Yield	3.89%	3.71%	(0.18%)
US 5 Year Treasury Yield	3.95%	3.78%	(0.17%)
US 10 Year Treasury Yield	4.38%	4.26%	(0.12%)

United States

- The US Federal Reserve expected to cut interest rate in September
- Key data to watch will be the non-farm payrolls and consumer price index

Trade Policies

- Markets might closely watch Supreme Court review of US trade policies
- US could reduce tariff on some European Union (EU) goods to 15%
- This is as EU commits to removing tariffs on some US industrial exports

Euro Area

- European Central Bank is likely to hold interest rate at 2% through September

United Nations General Assembly

- United Nations General Assembly will hold in September
- European Commission President will deliver State of the Union address

Equities

- The prospect of a US Fed rate cut is generally seen as a positive for equities
- Tension over US Federal Reserve's independence could impact equities market

Bonds

- Potential rate cut could put downward pressure on longer dated Treasury yields
- India's recent sovereign rating improvements could attract capital inflows

Currencies

- US Dollar performance could be closely tie to the Fed's decisions
- Other major currency pairs like the EUR/USD will be a key point of focus for traders

Your goals are within reach!

With our **Money Market Fund**, investing toward your short and long-term goals has never been easier. Start today with as little as **N10,000** and enjoy competitive returns.



Visit [InvestNow.ng](#) to get started

Download the
InvestNow App



Nigerian Economy

Strategic Partnerships with Brazil and Japan – Highlights of the Potential Benefits of the Relationship



Boosting Trade and Investment

Agreements signed covering sectors such as agriculture, energy, aviation, science & technology, and finance. These agreements are expected to accelerate trade and development cooperation



Agricultural Transformation

Brazil is a global leader in agricultural technology and mechanisation. The visit advanced the US\$1.1 billion Green Imperative Mechanisation Project, which will deliver tractors and modern farming equipment assembled in Nigeria



Direct Air Connectivity

Bilateral Air Services Agreement signed, paving the way for direct flights between Lagos and São Paulo. This should enhance trade, tourism, cultural exchange, and business opportunities, while strengthening historical ties



Cultural & Creative Economy

Agreements were reached in areas of cultural exchange, creative industries, and tourism, providing new platforms for Nigeria's youth and creative sector ties



Tech. Renewable Energy, & Innovation

Agreements signed in science, technology, renewable energy, and digital innovation—sectors that will increase opportunities for Nigeria's youth, encourage innovation, and provide modern platforms for preserving cultural heritage



South-South Cooperation

The talks highlighted Nigeria's push for stronger South-South economic ties as global funding wanes and protectionism grows, urging more trade among global south nations



Diplomatic and Global Partnerships

High-level talks with Brazilian officials and attendance at the Nigeria-Brazil Business Forum deepened diplomatic ties and opened new avenues for Nigerian enterprises



TICAD9 Summit

Visit to TICAD9 summit in Japan focused on attracting new investments in industry, technology, and human capital development



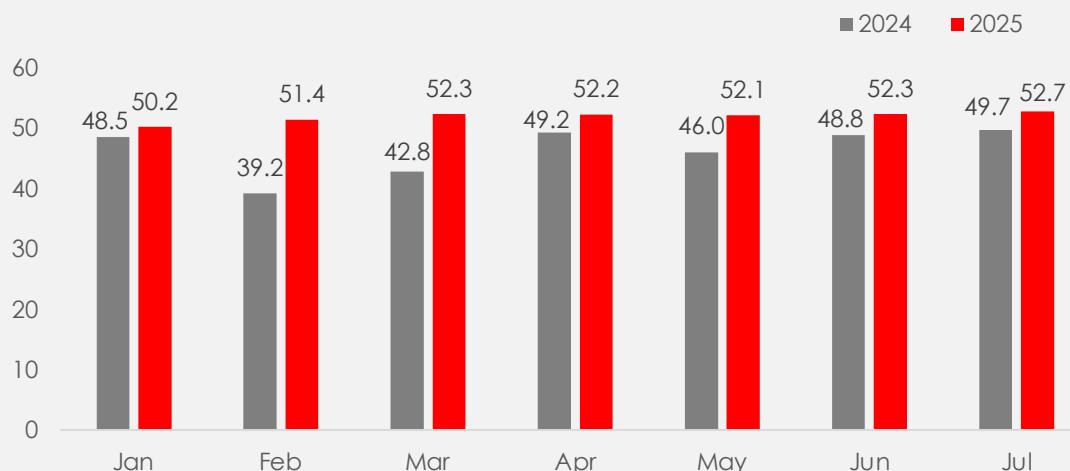
Market Access

Open and increase market access that will reverse the declining bilateral trade (from \$10 billion in 2014 to \$2 billion in 2024). This will open new markets for Nigerian exports

Gross Domestic Product (GDP) Forecasts for Nigeria

Sources	2025 GDP Forecast
Federal Government	5.0%
International Monetary Fund	3.4%
Central Bank of Nigeria	4.2%
World Bank	3.5%
United Capital Research	4.1%

Nigeria's Purchasing Managers' Index (Points)



Federal Government (FGN) Forecasts 5% GDP Growth

- FGN expects a GDP growth rate of 5% in 2025
- This signals heightened confidence in the ongoing economic reforms
- The Central Bank of Nigeria (CBN) earlier released a GDP forecast of 4.17% for Nigeria
- The International Monetary Fund (IMF) upgraded its Nigeria's GDP forecast from 3.0% to 3.4%
- United Capital Research projects 4.1% GDP growth rate for 2025
- While the specific forecasts differ, they all point to upward revision in economic growth.
- This will accelerate investments in the economy with positive impacts in stock market

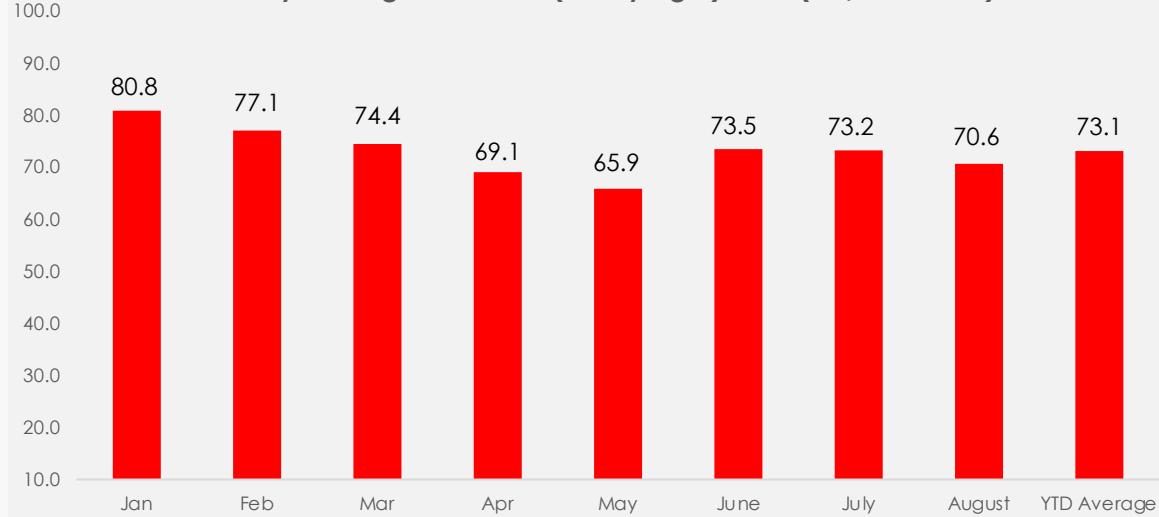
Nigeria's Purchasing Managers' Index (PMI) Figures

- PMI often predicts future economic trends before they are reflected in data like GDP
- August Purchasing Managers' Index (PMI) settled at 54.2 in August
- Nigeria's PMI shows consistent growth, remaining above 50-point threshold
- The PMI figures in 2025 were consistently higher than 2024 figures
- This indicates a strong signal of sustained economic growth
- It implies the private sector is in good health and has expanded for a significant period

Nigeria's Medium-Term Debt Management Strategy (MTDS) 2024 – 2027

Indicator	Description	Actual End-December 2024	New Targets
Fiscal Sustainability	Nominal Debt/GDP	52.25%	60%
	Interest Payment/GDP	3.75%	Max. 4.5%
	Sovereign Guarantees/GDP	2.09%	Max. 5%
Debt Portfolio Composition	Domestic: External Debt Mix	48% : 52%	55%:45%
	Domestic Debt - Long Term vs. Short Term	82%:18%	Min 75%:Max 25%
FX Risk	FX Debt/Total Debt	51.75%	Max. 45%
	Short-Term FX Debt/External Reserves	8.33%	Max. 10%

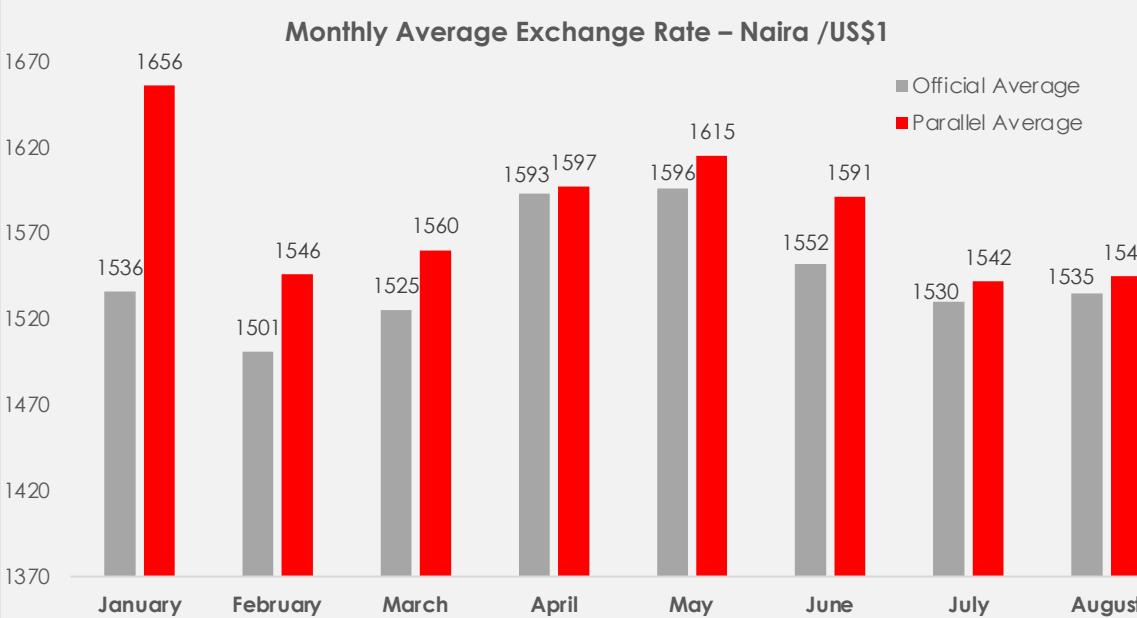
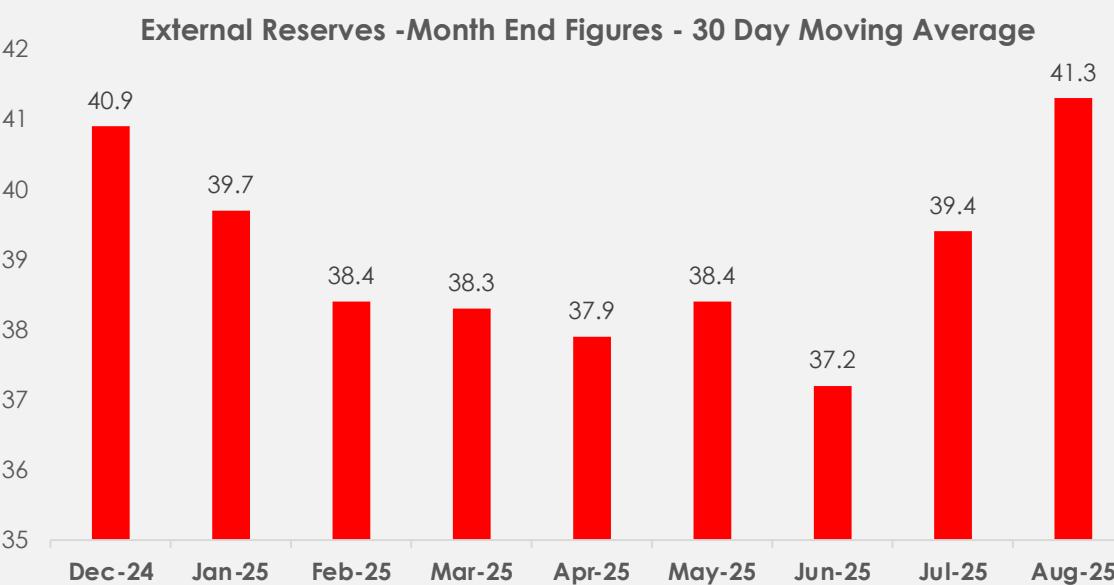
Monthly Average Crude Oil (Bonny Light) Price (US\$ Per Barrel)



FG Revised Nigeria's MTDS for 2024 – 2027

- Under the new MTDS, the FGN can now borrow more money to fund infrastructure projects
- The FGN Guarantee has also increased, FGN can support sectors/projects of interest
- The government could issue more domestic debt issuance relative to external debt
- The MTDS provides a framework to manage public debt
- It also aims to balance domestic and external borrowing and support economic stability
- The MTDS is a tool developed by the World Bank and IMF for managing public debt

- YTD Average Crude Oil (Bony Light) price is US\$73.1 per barrel as at August 2025
- This is lower than US\$75 per barrel 2025 benchmark
- Meanwhile, unofficial date says crude oil production dropped in August
- This is due to one-day unscheduled maintenance shut-down
- The figure is 1.434 bpd in August, falling below its OPEC quota of 1.5 million bpd
- Crude oil losses dropped to a 16-year low, averaging 9,600 bpd Jan-Jul. 2025
- This is positive for exchange rate stability and supports declining inflation rate



Nigeria's Foreign Reserves Surge Above \$41 Billion in August

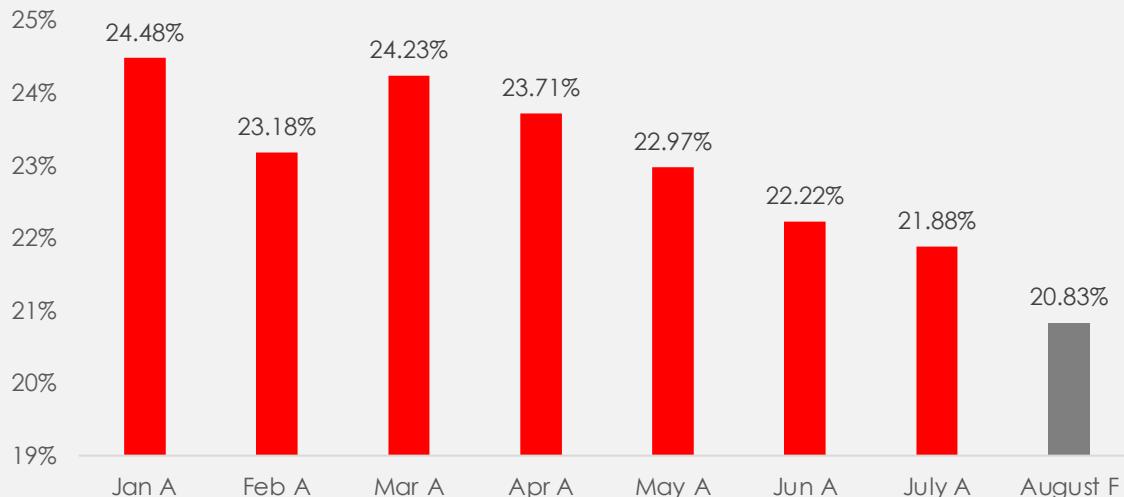
- Nigeria's foreign exchange reserves rose to \$41.31 billion as of 29 August 2025
- This is the highest level in 44 months and the strongest position since 06 December 2021
- The reserves rose from \$39.54 billion on 01 August to \$41.31 billion as of August ending
- This is due to improved foreign exchange management, capital inflows and oil revenues
- The reserves now cover more than 10 months of imports and support Naira stability
- This will also have positive impacts on the performance of the Naira in the FX market

- Average exchange rate in NAFEM fell by 0.33% in August to N1,535/US\$1 from N1,530/US\$ in July
- The premium between the official and parallel market rate remained slim
- External reserves increased consistently throughout the month to close at US\$41.3bn
- It has increased further in September to US\$41.7bn and supports the exchange rate stability
- The actual external reserve can now cover over 10 months of imports
- The increase has been attributed to:
 - FX market reforms, improved diaspora remittances, and higher foreign portfolio inflows
 - Favourable crude oil production also supports FX and good for the value of the Naira

Inflation Highlights

	Jun-25	Jul-25	Change
Headline Inflation	22.22%	21.88%	(0.34%)
Food Inflation	21.97%	22.74%	0.77%
Core Inflation	22.76%	21.33%	(1.43%)
Urban Inflation	22.72%	22.01%	(0.71%)
Rural Inflation	20.85%	21.08%	0.23%

July 2025 Headline Inflation



Nigeria's Inflation Highlights

- Nigeria's headline inflation fell by 0.34% from 22.22% in June to 21.88% in July
- United Capital Research earlier released a forecast of 21.77%
- The decline in headline inflation is due to the decline in fuel pump price
- Core inflation eased by 1.43%, due to decline in energy and non-food prices
- However, food inflation rose by 0.77% due to increase in the prices of staple foods

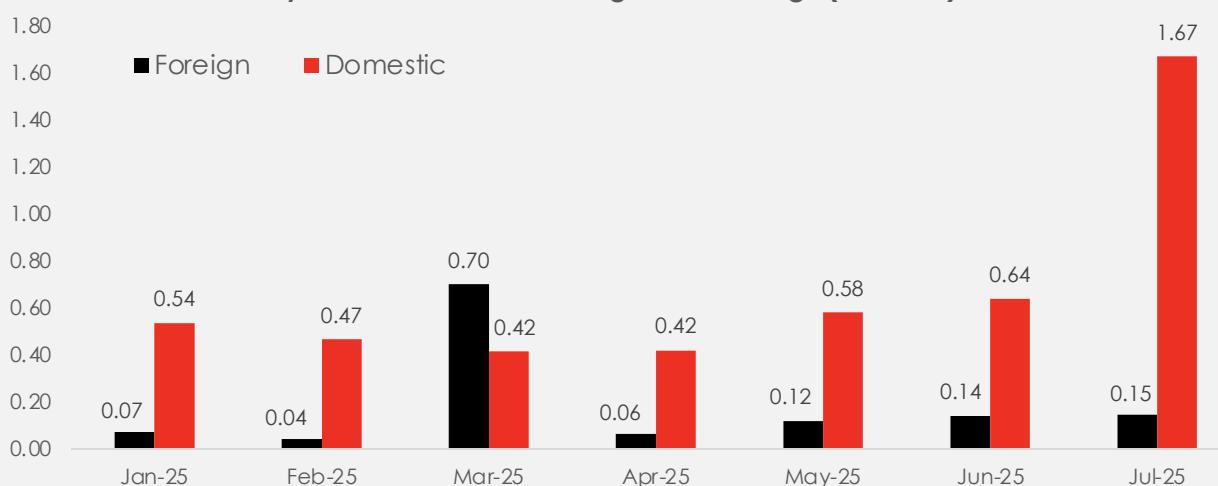
We expect the MPC to:

- Cut the MPR 0.25% to 0.50%.
- Maintain the asymmetric corridor around the MPR at +5%/-1%.
- Hold the Cash Reserve Requirement (CRR) for Commercial Banks at 50%.
- Retain the CRR for Merchant Banks at 16%.
- Keep the Liquidity Ratio at 30%.
- This may lower borrowing cost for consumers
- Stimulate equity market rallies

Monetary Policy Committee Meeting

Parameters	Rate	July	September
MPR	27.50%	Retained	Cut -0.25% - 0.50%
CRR for DMB	50.00%	Retained	Retained
CRR for MB	16.00%	Retained	Retained
LR	30.00%	Retained	Retained
Corridor on MPR	+5%/-1% round the MPR	Retained	Retained

Summary of Transactions on the Nigerian Exchange (N' Trillion)



Source: NBS United Capital Research

Foreign Transactions on the Nigerian Exchange (NGX) Increase

- Foreign transactions settled at N145.95bn in July 2025 compared to N57.52bn in July 2024
- This was driven by FX stability, declining inflation rate & confidence in the economy
- Foreign participation on NGX accounts for 21.33% YTD 2025 compared to 19.32% in 2024
- Foreign participation on NGX is anticipated to continue to increase in September
- We expect more foreign participation from September 2025
- The potential interest rate cut by US Fed in September could drive more foreign inflows

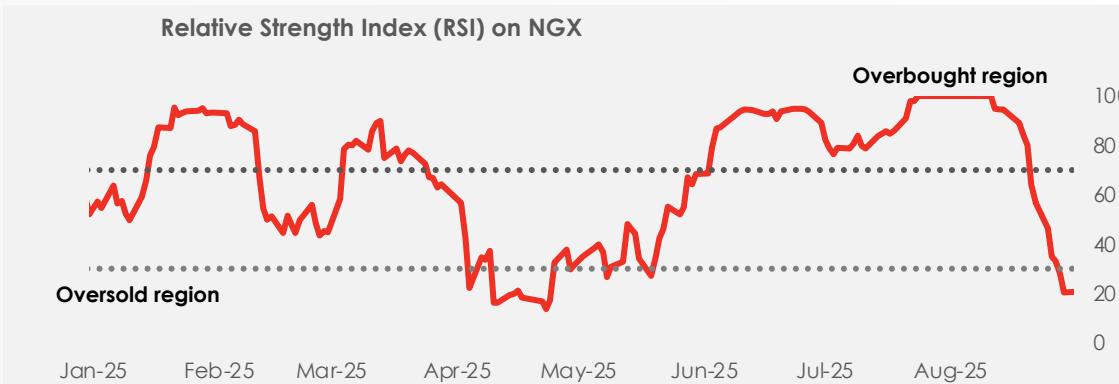
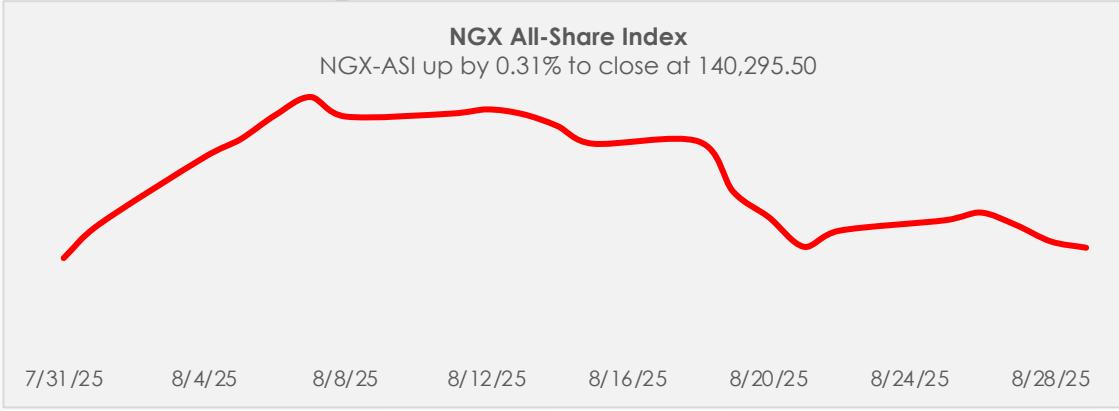
Nigerian Insurance Industry Reform Act (NIIRA) 2025

- ❖ President Tinubu has signed into law the Nigerian Insurance Industry Reform Act (NIIRA) 2025
- ❖ This is a landmark legislation that repeals and consolidates several outdated insurance laws
- ❖ The newly signed law is a unified framework that meets global standards
- ❖ NIIRA 2025 provides a comprehensive regulation of all insurance and reinsurance businesses
- ❖ The law ushers in a new era of transparency, innovation, and global competitiveness
- ❖ This reform aligns with the Federal Government's vision of achieving a \$1trillion economy
- ❖ It is expected to significantly strengthen consumer protection
- ❖ It could also deepen financial inclusion, and enhance investor confidence in the industry

Key Provisions of the NIIRA 2025:

- ❖ Stronger Capital Requirements: Ensuring operators remain financially sound
- ❖ New capital base for the operators are as follows:
 - ❖ Non-Life Insurance: N15 billion (previously, N3 billion);
 - ❖ Life Insurance: N10 billion (previously, N2 billion);
 - ❖ Composite Insurance : N25 billion (Previously, N25billion)
 - ❖ Reinsurance: N35 billion (N10 billion)
- ❖ Policyholder Protection Funds: Dedicated funds to safeguard consumers
- ❖ Prompt Claims Settlement: Strict enforcement of zero tolerance for delays in payment
- ❖ Mandatory Insurance Policies: Expanding coverage to protect households & businesses
- ❖ Digitisation of the Insurance Market: Leveraging technology to improve access
- ❖ Digitisation will also bolster efficiency and transparency in the insurance industry
- ❖ Regional Insurance Integration: Deeper participation in ECOWAS schemes
- ❖ This schemes could include the Brown Card System for cross-border coverage etc.

Equity Market



Sector Performance

Symbol	July	August	Change
Insurance	889.53	1,283.59	44.30%
Consumer	2,929.38	3,190.51	8.91%
Industrial	4,885.21	4,974.76	1.83%
Oil & Gas	2,479.47	2,381.49	(3.95%)
Banking	1,610.53	1,528.58	(5.09%)

Top Five (+) Index Drivers

Symbol	July	August	Change
AIICO	2.11	4.04	91.47%
BETAGLAS	374.00	486.00	29.95%
BUAFOODS	459.00	590.00	28.54%
BUACEMEN	135.00	151.80	12.44%
TRANSCOH	149.80	164.60	9.88%

Top Five (-) Losers

Symbol	July	August	Change
ZENITHBA	76.50	66.00	(13.73%)
WAPCO	149.00	130.00	(12.75%)
TRANSCOR	53.00	47.00	(11.32%)
GTCO	100.50	92.00	(8.46%)
MTNN	472.00	435.00	(7.84%)

- NGX-All Share Index (NGX-ASI) improved by 0.31% month-on-month to close at 140,259.50 points
- At the end of August equity market record Year Till Date (YTD) return of 36.31%
- Market Capitalisation closed N88.77 trillion in August compared to July's N88.42 trillion
- Major drivers of the equity market were:
 - BUAFOODS (+31.45% m/m)
 - BUACEMEN (+12.44% m/m)
 - TRANSCOH (+9.95% m/m)
- RSI closed the month at 20.3 points, indicating an oversold condition

Key Corporate Earnings (N' Billion)

Company	Revenue 2025	Revenue 2024	Change	PAT 2025	PAT 2024	Change
Mutual Benefits Assurance Plc (H1-2025)	41.2	28.49	44.61%	11.59	2.45	373.06%
Prestige Assurance Plc (H1-2025)	12.31	8.86	38.94%	0.52	2.77	(81.23%)
International Breweries Plc (H1-2025)	340.99	223.20	52.77%	41.29	(106.78)	(138.67%)
Nigerian Enamelware Plc (Q1-2026)	0.05	0.55	(90.91%)	(0.08)	0.11	(172.73%)
Cutix Plc (Q1-2026)	3.52	3.55	(0.85%)	0.06	0.31	(80.65%)
Conoil (H1-2025)	143.65	180.57	(20.45%)	0.90	8.02	(88.78%)
Deap Capital Management & Trust Plc (Q3-2025)	0.002	-	-	(0.007)	0.009	(177.78%)
Trans-Nationwide Express Plc (H1-2025)	0.10	0.13	(23.08%)	(0.06)	(0.05)	20.00%

Key Dividend Declarations				
Company	Type	Amount (N)	Qualification Date	Payment Date
Consolidated Hallmark Holdings Plc	Interim	0.1	15-Aug-25	TBD
Stanbic ETF 40	Interim	12.44	14-Aug-25	20-Aug-25
Stanbic ETF 30	Interim	3.144	14-Aug-25	20-Aug-25
UPDC Real Estate Investment Trust	Interim	0.22	29-Aug-25	4-Sep-25
Learn Africa Plc	Final	0.35	12-Sep-25	25-Sep-25

Stock Recommendation

S/N	Stocks	Current Price	Target Price	Upside	Duration
1	ACCESSCORP	26.50	35.00	32.08%	March 2026
2	BUACEMENT	151.80	200.00	31.75%	March 2026
3	INTBREW	12.35	16.00	29.55%	March 2025
4	UBA	47.00	60.00	27.66%	March 2026
5	DANGCEM	528.00	670.00	26.89%	March 2026
6	TRANSCORP	46.10	57.00	23.64%	March 2026
7	WAPCO	128.00	157.00	22.66%	March 2026
8	OKOMU	1020.00	1250.00	22.55%	March 2026
9	FCMB	10.80	13.20	22.22%	March 2026
10	ZENITH	66.00	80.00	21.21%	March 2026
11	AIICO	4.20	5.00	19.05%	March 2026
12	MBENEFIT	3.95	4.70	18.99%	March 2026

United Capital Fixed Income Fund

The **United Capital Fixed Income Fund** offers you the benefit of an investment in FGN Bonds. These are appropriate for investors looking for growth without taking too much risk. These funds are also partly impacted by fluctuations in bond prices.

Benefits and Features of the Fixed Income Fund:

- Start with a minimum of N10,000
- High quality fixed income instruments
- High liquidity (24-hour redemption)
- Minimum holding period of 90 days
- Open – ended funds; they are open for new and additional investment
- Option to switch among the distinct Funds
- Memorandum listing on the Nigerian Exchange
- Separate Accounting/Auditing of each Fund
- Opportunity to invest on behalf of minors
- No withholding tax and no VAT on dividends
- Online access to your portfolio
- Professional expertise of Fund Manager
- Free entry and exit
- Valuation is done daily



Visit [InvestNow.ng](#) to get started

Download the
[InvestNow App](#)



Or send an email to assetmanagement@unitedcapitalplcgroup.com

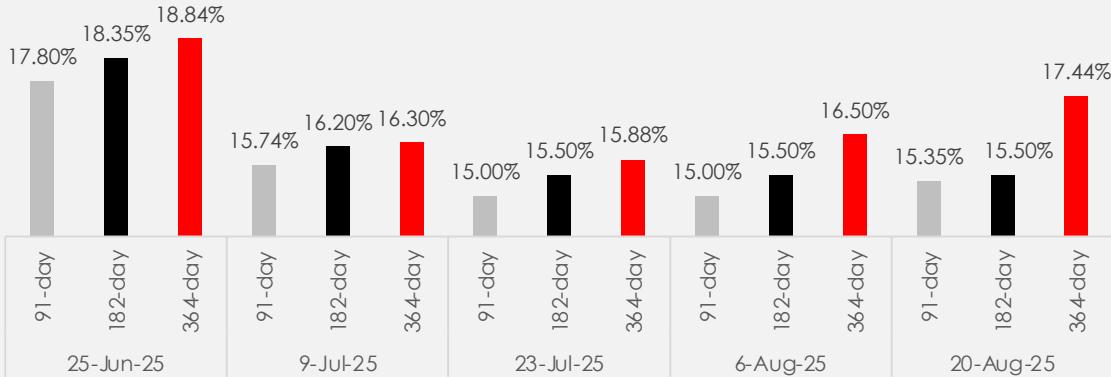
Fixed Income Securities

www.unitedcapitalgroupplc.com

Inter Bank Rate

Tenor-Days	July's Average	August's Average	Change
OPR	28.92%	27.82%	(1.11%)
OVN	29.40%	28.09%	(1.31%)

NTB Stop Rates Climbed in August 2025



NTBs Secondary Market Yields

Tenor (Days)	July - Average	August - Average	Change
91	17.17%	17.00%	(0.16%)
182	18.37%	18.28%	(0.10%)
364	19.33%	19.57%	0.25%

NTBs Auction Result of 06 August 2025 (N' Billion)

Tenors	Offer	Subscription	Allotment	Range of Bids	Stop Rates
91	60	22.6	15.33	14.48% - 18.00%	15.00%
182	20	20.87	18.32	14.95% - 17.64%	15.50%
364	140	323.08	139.59	14.95% - 21.02%	16.50%

NTBs Auction Result of 20 August 2025 (N' Billion)

Tenors	Offer	Subscription	Allotment	Range of Bids	Stop Rates
91	50	10.89	7.7	14.45% - 16.03%	15.35%
182	30	29.35	27.70	15.00 - 16.50%	15.50%
364	150	356.18	268.38	15.88 - 23.00%	17.44%

- Inter-bank rates declined month-on-month due to high liquidity in the financial system
- The inflows in the market came from:
 - Federation Account Allocation Committee (FAAC) payments
 - Open Market Operations (OMO) maturities of N1.61trillion
 - NTBs maturities of N359.86 billion and Bond maturities of N395.39 billion
- The 1st and 2nd NTBs auctions recorded subscription level of 167% and 172%
- Only 78% and 132% of the amount offered in 1st and 2nd auctions were allotted
- In the 1st auction, stop rates for 364-day rose, but 91-day & 182-day bills were stable
- In the 2nd auction, stop rates for 91-day & 364-day bills rose but 182-day was stable
- The NTBs secondary market in August was mixed
- NTBs secondary market selloffs were fueled by higher stop rates at the primary auction

FGN Bonds Secondary Market Yields

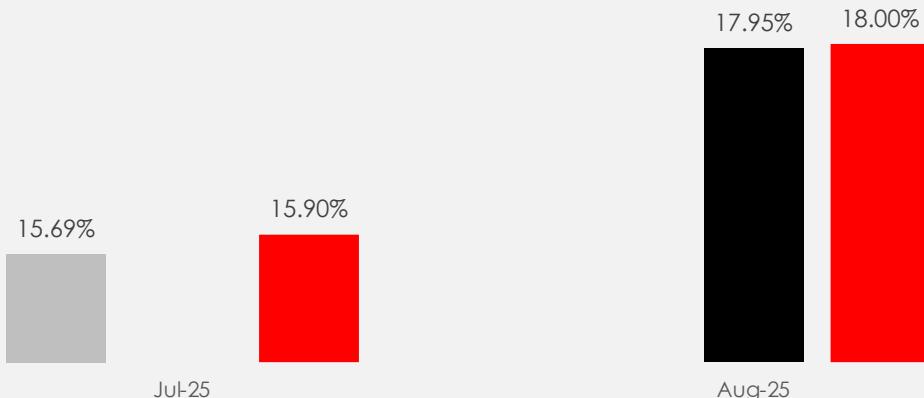
Tenor-Years	July - Average	August – Average	Change
5-year	17.20%	17.07%	(0.13%)
7-year	17.01%	16.92%	(0.09%)
10- year	16.68%	15.84%	(0.84%)

Eurobonds Secondary Market Yields

Tenor-Years	July's Average	August's Average	Change
5-year	7.52%	7.20%	(0.32%)
7-year	8.25%	7.90%	(0.35%)
10- year	9.05%	8.52%	(0.53%)

Marginal Rates on Bonds Auction in July Vs. August 2025

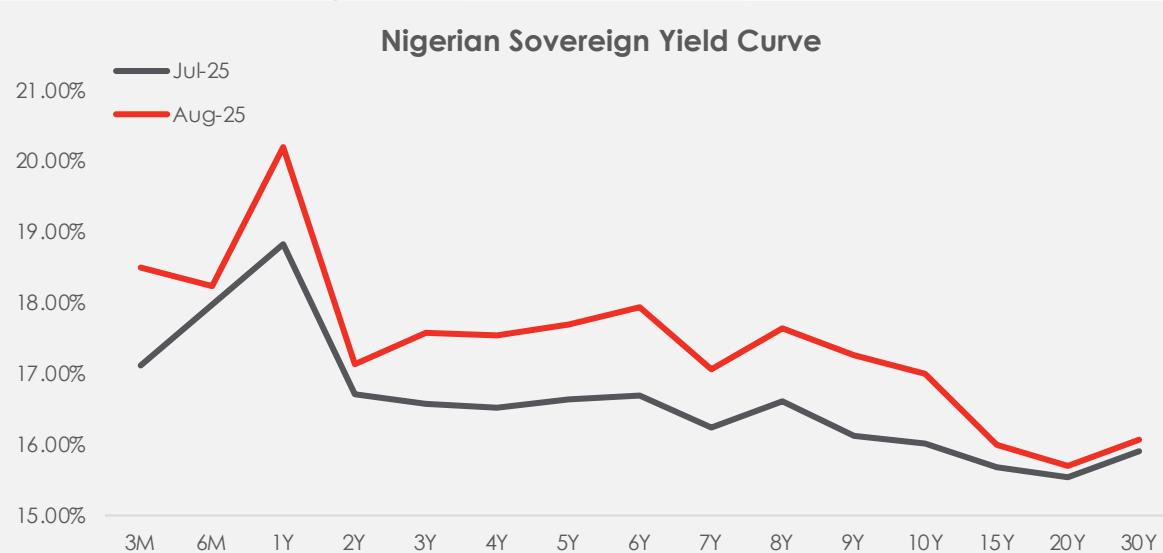
■ 2029
■ 2030
■ 2032



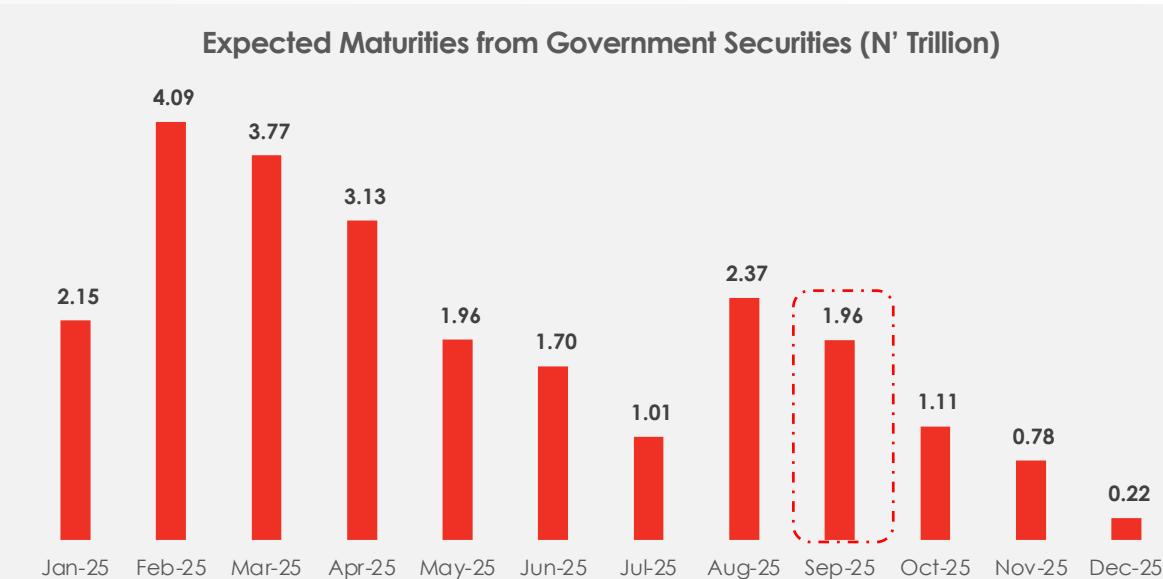
Aug-2025 FGN Bond Primary Market Auction

Tenor	2030	2032	Total
Offer (N' billion)	100.00	100.00	200.00
Subscription (N' billion)	102.36	165.81	268.16
Allotment (N' billion)	46.01	90.16	136.16
Subscription Rate	102%	166%	134%
Allotment Rate	46%	90%	68%
Marginal Rate	17.95%	18.00%	
Previous Marginal Rate		15.90%	
Change		2.10%	

- The Bond auction was oversubscribed by 1.4x in August
- Rates declined in the secondary bonds market
- Investors are pricing in a potential Monetary Policy Rate (MPR) reduction by the Monetary Policy Committee (MPC)
- Investors' sentiments in the Nigerian Eurobond market improved across tenors
- Yields also declined on all tenors, driven by the following factors:
 - Improvement in the macro-economic environment in Nigeria
 - Stability of the Naira and declining inflation rate
 - Expectations of a rate cut decision by the Fed



September 2025 Bond Primary Market Auction (N' Billion)				
Date	2029s	2032s	Total	
29-Sep-2025	N80.00 – N120.00		N80.00 – N120.00	
September 2025 NTBs Primary Market Auction (N' Billion)				
Date	91-Day	182-Day	364-Day	Total
03-Sep-2025	50.00	80.00	350.00	480.00
17-Sep-2025	30.00	60.00	200.00	290.00



September 2025 Outlook

- We expect about N1.96tn inflow from government maturities in the market in September
- This amount is 17% lower than the N2.36 trillion maturities inflows in August
- Investors may continue to position in the market ahead of a potential rate cut by the MPC
- The yields on the Nigerian Eurobond market may drop further due to increased demand

Global Market:

- We expect cautious trading activities to continue
- This is due to the escalating trade tension

Global Equities

- The prospect of a US Fed rate cut is generally seen as a positive for equities
- Tension over US Federal Reserve's independence could impact equities market

Domestic Economy:

- We expect the release of the Q2 2025 Gross Domestic Product report
- The upward PMI trend is a signal to a potential GDP growth in Q2 2025
- United Capital Research forecast a GDP growth rate of 3.99% in Q2, 2025
- Inflation in August could drop to 20.83% in August 2025
- Stability in exchange rate, energy prices and food prices are major drivers

Eurobonds Market:

- Bullish sentiments will continue due to renewed optimism
- Potential Fed rate cut could attract inflows to Nigeria

Money and Fixed Income Market:

- Fixed Tenored Rate (FTR) rates and Overnight Rates are expected to drop
- This is due to surplus liquidity in the financial system
- Improving macroeconomic environment also supports declining yield expectation

Equity Market:

- However, the relative strength index is in over sold region
- Equity market might reverse upward as investors position for end of year rally
- The release of H1 2025 financials of first tier banks might support market sentiments
- We expect strategic positioning in the equity market from September, and this can push the market upward.

“The way to make money is to buy when blood is running in the streets”

..... John D. Rockefeller



United Capital Plc Research (UCR) notes are prepared with due care and diligence based on publicly available information as well as analysts' knowledge and opinion on the markets and companies covered; albeit UCR neither guarantees its accuracy nor completeness as the sole investment guidance for the readership. Therefore, neither United Capital (UCAP) nor any of its associates or subsidiary companies and employees thereof can be held responsible for any loss suffered from the reliance on this report as it is not an offer to buy or sell securities herein discussed. Please note this report is a proprietary work of UCR and should not be reproduced (in any form) without the prior written consent of Management. UCAP is registered with the Securities and Exchange Commission and its subsidiary, UBA Securities Limited is a dealing member of the Nigerian Stock Exchange. For enquiries, contact United Capital Plc, 3rd Floor, Afriland Towers, 97/105 Broad Street, Lagos. ©United Capital Plc 2021.

Research

research@unitedcapitalplcgroup.com

Securities Trading

securities@unitedcapitalplcgroup.com

Asset Management

Assetmanagement@unitedcapitalplcgroup.com

Trustees

Trustees@unitedcapitalplcgroup.com

Investment Banking

InvestmentBanking@unitedcapitalplcgroup.com