Global Markets:

United States

- The US economy recorded an annualised growth rate of 3.8% in Q2 2025, higher than the 3.3% recorded in the second estimate
- This is the strongest performance since Q3 2023, driven by an upward revision to consumer spending
- The positive GDP growth rate and the drop in the jobless claims data made investors worry that the Fed may delay a further rate cut in October 2025
- Consequently, the S&P 500, DIJ, and NASDAQ all depreciated, closing in the red as investors took profit

Europe

- The UK's annual inflation rate held steady at 3.8% in August-2025, unchanged from July
- Motor fuels had the largest upward contribution, offsetting easing other sectors
- European indices closed in the red territory

Asia

- The Bank of Japan left its benchmark rate at 0.5% in September
- Japan inflation rate eased to 2.7% in August 2025 from 3.1% in July and the lowest level since November 2024
- Markets react with yen gains and Nikkei retreat

Oil Markets

- Crude oil price recorded strong rally during the week as attacks on Russian oil infrastructure and rising geopolitical risk continue to fuel rally
- Russia's restrictions on fuel exports, including a full export ban on gasoline and a partial one on diesel, have lifted Brent futures above $70 per barrel this week

Outlook:

Data on non-farm payrolls which is due on Friday, October 03, 2025, will partly influence how the US market close. Attractive valuation of small-cap stocks and value sectors should generate investors' interest. However, the tariff-related uncertainty and high valuations in mega-cap tech could limit upside. Incoming inflation, unemployment data and central bank's policy will affect markets in Euro Area. Although valuation in Europe is cheaper than in US, investors should focus on quality companies with strong balance sheets and dividend yields. Investors may favour the Asian REITs and India growth sectors.

Global Market Snapshot

Market	Index	Weekly
US	S&P 500	(0.89%)
US	DIJ	(0.79%)
US	NASDAQ	(1.09%)
Germany	DAX	(0.44%)
France	CAC 40	(0.74%)
Europe	STOXX 600	(0.86%)
UK	FTSE 100	(0.15%)
Brazil	IBOV	(0.13%)
India	SENSEX	(2.23%)
China	SCHOMP	0.56%
S/Africa	JALSH	0.36%
Kenya	NSEASI	0.30%
Ghana	GGSE	0.29%
Nigeria	NGX	1.21%
BRVM	ICXCOMP	0.14%

Sources: Bloomberg, United Capital Research

Crude Oil	Current	Week to Date
Brent	69.42	2.94%
Bonny Light	70.9	(1.24%)

Note: Figures are as a Thursday, September 25 2025

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African Markets:

Egypt

- The European Bank of Reconstruction and Development (EBRD) lifted Egypt's GDP forecast to 4.8% in 2025 and 4.5% in 2026
- Egypt's GDP rose 4.2% y/y in Q1-Q3 of FY 2024/2025 from 2.4% y/y in the prior fiscal year
- Growth is driven by the rebound in manufacturing, retail and transport activity
- The EBRD still warns of Egypt's high debt servicing which consumes 65% of budget revenue.

Kenya

- Kenya is going into talks with the International Monetary Fund (IMF) for a potential new funding programme
- In March, Kenya and the IMF abandoned the final review of its programme, blocking the $800 million final tranche. The initial $3.6billion programme with the IMF expired in April 2025.

Ivory Coast (Cote D'Ivoire)

- Eni has sold 30% of Côte d'Ivoire's Baleine oil and gas project to Vitol, the world's largest independent trader
- Baleine, Côte d'Ivoire's main offshore project, is now owned by Eni (47.25%), Vitol (30%), and Petroci (22.75%)
- Discovered in 2021, Baleine began production in 2023 and now yields 62,000 barrels of oil and 75 million cubic feet of gas daily.

Outlook:

Nigerian equities may find support in resilient in the recent and incoming banks' earnings. Ghana and Côte d'Ivoire benefit from elevated cocoa prices, while South Africa's equities remain constrained by fiscal risks and power sector challenges. Across the region, selective foreign inflows may favour commodity-linked and fundamentally strong stocks. Finally, monetary policy moderation in the US and across developed markets is expected to spur fund flows to African markets.

Pan African Monitor

Market	Index	Mcap ($'bn)	WTD (Local)	YTD (Local)
BRVM	324.1	21.50	0.1%	17.8%
Egypt	35671.4	27.90	(0.3%)	17.5%
Ghana	7829.1	8.93	1.1%	47.2%
Kenya	178.8	21.36	0.3%	44.8%
Mauritius	2451.2	6.61	0.5%	2.3%
Morocco	19873.7	113.95	(1.1%)	34.8%
Namibia	1889.6	142.03	6.1%	4.8%
Nigeria	141157.5	56.17	1.2%	36.7%
South Africa	105981.7	1210.34	1.6%	23.8%
Tanzania	2540.6	7.24	(1.1%)	18.2%
Tunisia	12398.4	8.39	(0.3%)	20.8%

Currency vs USD		Spot Rate	WTD	YTD
Angola	AOA: Kwanza	918.7	(0.4%)	(4.2%)
Cameroun	XAF: Franc	560.7	(0.9%)	(6.0%)
Gabon	XAF: Franc	560.7	(0.9%)	(6.0%)
Ghana	GHS:Cedi	0.1	(1.7%)	27.0%
Guinea	GNF: Franc	8677.0	0.0%	0.5%
Kenya	KES: Shilling	129.2	0.0%	0.2%
Liberia	LRD: Dollar	5.4	0.4%	14.2%
Mauritius	MUR: Rupee	45.8	1.0%	(0.0%)
Morocco	MAD: Dirham	9.1	0.7%	(6.1%)
Namibia	NAD: Dollar	17.3	(0.0%)	1.0%
Nigeria	NGN: Naira	1485.8	(0.0%)	(10.1%)
Sierra Leone	SLL: Leone	23379.8	(1.1%)	(2.2%)
South Africa	ZAR: Rand	0.1	0.0%	1.0%
Tanzania	TZS: Shilling	2451.3	(1.0%)	(10.1%)
Tunisia	TND: Dinar	2.9	0.5%	(3.7%)
Uganda	UGX: Shilling	3484.1	(0.5%)	(5.6%)
Zambia	ZMK: Kwacha	23.6	(0.1%)	(10.5%)
WAEMU	CFA: Franc	560.7	0.9%	(4.1%)

Commodities		Spot Rate	WTD	YTD
Brent Crude	USD/bbl.	69.42	2.9%	(6.1%)
Gold	USD/ t oz	3768.77	2.3%	41.2%
CNG (Gas)	USD/MMBtu	3.178	(0.4%)	15.4%
Coffee	USD/lb.	378.85	3.4%	38.3%
Copper	USD/lb.	4.77	3.1%	3.5%
Cocoa	USD/MT	6951	3.2%	18.5%

Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Angola	23.0%	1.5%	16.5%	18.0%
Cameroon	6.0%	5.2%	0.8%	na
Chad	0.0%	2.9%	(2.9%)	na
Congo	0.0%	3.0%	(3.0%)	na
Congo DRC	0.0%	7.0%	(7.0%)	na
Cote d'Ivoire	7.2%	(0.6%)	5.9%	5.3%
Egypt	na	12.0%	na	23.0%
Gabon	0.0%	2.0%	(2.0%)	0.0%
Ghana	19.0%	11.5%	13.5%	25.0%
Kenya	13.5%	4.5%	5.0%	9.5%
Mauritius	5.7%	4.8%	(0.3%)	4.5%
Nigeria	16.6%	20.1%	6.9%	27.0%
South Africa	9.2%	3.5%	3.5%	7.0%
Tanzania	13.7%	3.5%	8.5%	12.0%

Sources: Bloomberg, United Capital Research

Note: * indicates that the figures are as at Thursday, September 25 2025

Domestic Economy:

Nigerian Economy Expands

- Nigeria's GDP expanded by 4.23% y/y in Q2 2025
- This marks the highest reading since Q2 2021

Monetary Policy Committee (MPC) Cuts Monetary Policy Rate (MPR)

- The MPC cut the MPR by 0.50% from 27.5% to 27.0%
- Adjust the Standing Facilities corridor around the MPR to +2.50%/-2.50%
- Adjust the Cash Reserve Ratio (CRR) for commercial banks to 45% from 50%, retain CRR for merchant banks at 16%
- Introduce 75% CRR on non-TSA public sector deposits
- Keep the Liquidity Ratio unchanged at 30%

Equity Market

- NGX-ASI fell by 0.48% week on week (w/w), closing at 141,157.48 points as of Thursday, September 25, 2025
- Market capitalisation fell to ₦89.34tn due to sell pressure
- The Nigerian equity year-to-date return stood at 36.81% as of Thursday, September 25 2025

Money Market

- The Nigeria Treasury Bill (NTB) market rallied, with yields dropping due to strong demand and liquidity following the easing monetary policy
- Open Repo Rate (OPR) and Overnight Rate (OVR) settled at 24.50% and 24.88%
- Open Market Operations (OMO) yield closed at 21.16% for the 285-day paper.

Outlook:

Equity Market

We expect the market to rebound given the rate cut decision. Macroeconomic stability will boost investors' confidence. Expectations of Q3 2025 earnings release should lift the market. There are strong buy opportunities in the banking, industrial, Agric and insurance sectors.

Fixed Income Market

We expect the Central Bank of Nigeria to conduct Open Market Operations to mop up excess liquidity in the system. Investors might continue to show interest in long-tenored government securities. FGN Bond market is expected to maintain a bullish trend.

Domestic Macro Variables	
GDP	4.23%
Inflation	20.12%
Interest Rate	27.00%
Liquidity Rate	30.00%
External Reserves	$42.23bn

Index	Close Price	Chg	YTD
NGX-ASI	141,157.5	0.31%	37.14%
Banking	1,509.0	1.19%	39.14%
Consumer Goods	3,396.9	1.15%	96.16%
Industrial Goods	4,928.9	1.33%	39.82%
Insurance	1,237.8	(0.91%)	72.39%
Oil & Gas	2,446.3	(1.62%)	(9.80%)

Fixed Income Market Staistics

NTBs	Yield	Weekly Chg
OPR	24.5%	0.0%
O/N	24.9%	(2.1%)
3m	17.5%	(0.3%)
6m	18.6%	(0.4%)
12m	18.8%	(1.9%)

Bond	Yield	Weekly Chg
3yrs	16.61%	(0.34%)
5yrs	16.50%	(0.08%)
7yrs	16.45%	(0.79%)
10yrs	16.64%	0.01%

Stocks	Currnet Price (N)	Target Price (N)	Upside
Access Holdings	25.85	35	35%
United Bank for Africa	44.9	60	34%
BUA Cement	151.8	200	32%
AIICO Insurance	3.8	5	32%
Mutual Benefits Assurance	3.85	5	30%
Dangote Cement	525.1	670	28%
Transcorp	46.05	57	24%
Okomu Oil Palm	1,020	1250	23%
Lafarge Nigeria	130	157	21%
First City Monument Bank	10.9	13	19%
Zenith Bank	69.85	83	19%
International Breweries	13.65	16	17%

Sources: Bloomberg, NGX and United Capital Research

Note: * indicates that the figures are at Thursday, September 25 2025

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