United Capital

Weekly Investment Views

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Global Markets:

United States

The 43-day United States (US) government shutdown ended on November 12, 2025, restoring federal operations, resuming economic data releases, and easing market uncertainty. Meanwhile, the US Consumer Sentiment Index (CSI) dropped to 50.3 points in November, marking a decline from 53.6 points in October and falling short of the expected 53.2 points. The CSI in the US is a measure of how optimistic or pessimistic consumers are about the overall state of the economy and their personal financial situation. Above 100 CSI means optimistic while below 100 means consumers are pessimistic. Higher CSI generally signals higher consumer spending, while lower CSI suggests cautious spending. And lastly, the year-ahead inflation expectations increased slightly in November 2025, rising to 4.7% from 4.6% in October 2025.

Euro Area

Euro Area's economy expanded by 1.4% in Q3 2025 up from 0.9% in Q3 2024. Industrial production rose 1.2% year on year in September 2025, the same pace as in the previous month, but falling short of market expectations of 2.1% growth. Energy, capital, and intermediate goods rose, while durable and non-durable consumer goods fell. Investor morale across Europe weakened significantly in November, with the Sentix Index falling from -5.4 to -7.4. This deterioration was attributed to poor current economic conditions and increasingly pessimistic expectations for a quick recovery. The Sentix Index is an economic indicator that measures investor sentiment and economic expectations in the Euro Area and other major economies. The Sentix Index shows how optimistic or pessimistic investors and financial analysts feel about the economy over the next 6 months. The results are compiled into an index. When the index is above 0 it means investors are optimistic, below 0 means investors are pessimistic, rising index means sentiment is improving and falling index means sentiment is worsening.

Asia

Foreign investors withdrew approximately $10.18 billion from Asian equities in early November, largely due to major outflows from South Korea ($5.05 billion) and Taiwan ($3.86 billion). This sell-off was fuelled by worries about stretched valuations in the AI/Tech Sector. Meanwhile, China's year on year inflation rate unexpectedly rose by 0.2% in October 2025, rebounding significantly from a 0.3% decline in September and defying expectations for no change. This marks the first increase in consumer inflation since June 2025 and represented the fastest pace since January. Lastly Japanese manufacturing confidence soared to a nearly four-year high of +17 in November. This surge was primarily driven by the electronics and auto sectors, which benefited from a soft Yen and robust order flow.

Global Market Snapshot

Market	Index	Weekly
United States	S&P 500	1.25%
United States	DJI	1.69%
United States	NASDAQ	(6.04%)
Germany	DAX	(0.38%)
France	CAC 40	(1.30%)
Europe	STOXX 600	0.07%
United Kingdom	FTSE 100	1.89%
Brazil	IBOV	2.10%
India	SENSEX	(0.73%)

China	SHCOMP	1.64%
S/Africa	JALSH	(0.97%)
Kenya	NSEASI	3.45%
Ghana	GGSE	(0.44%)
Nigeria	NGX	(0.97%)
BRVM*	ICXCOMP	2.07%

*BRVM means Bourse Régionale des Valeurs Mobilières. Regional Stock Exchange for several West African countries that are part of the West African Economic and Monetary Union (WAEMU).

Sources: NGX, Various Sources and United Capital Research

Oil Markets:

Oil prices fell this week, pressured by a stronger US Dollar, disappointing economic data from China, and increased output from major global producers.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US%)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/bbl	63.38	(2.60%)	(12.60%)
Oil Crude – Brent	US$/bbl	65.75	(1.48%)	(13.4%)
Gold	US$/toz	4024.6	(2.7%)	52.40%
CNG (Gas)	US$/MMBtu	3.96	20.30%	9.00%
Coffee	US$/lb.	387.55	(5.5%)	21.20%
Copper	US$/lb.	5.08	(0.4%)	26.20%
Cocoa	US$/MT	6278.88	(0.9%)	(45.6%)

Sources: Various Sources and United Capital Research

Outlook:

The market expects the simultaneous release of Purchasing Managers' Index (PMI) data for US, Euro Area, UK, and Japan on Friday, November 21, 2025. These data could shape market direction this week. These data releases will heavily influence market expectations regarding the likelihood of interest rate adjustments by major Central Banks like the Bank of England (BoE) and potentially the Bank of Japan (BoJ). Similarly, there will be various speeches from regional Fed presidents throughout the week. Ultimately, investors may analyse these speeches for any new hints on the path of US interest rates.

African Markets:

South Africa

South Africa adjusted its monetary policy by lowering its inflation target from 4.5% to 3%. This marks the first change to the country's inflation policy in 25 years. South Africa's National Treasury also revised its 2025 real GDP growth forecast down to 1.2% from 1.4%, citing weaker first-half performance, subdued external demand, and low business and consumer confidence.

Ghana

Ghana's annual inflation rate eased to 8.0% in October 2025, down from 9.4% in September. Ghana plans to abolish Value Added Tax (VAT)currently levied on mineral exploration and reconnaissance activities to stimulate investment in its mining sector. The government has proposed GH¢302.5 billion (US$36.6 billion) for the 2026 fiscal year. This is 20.1% higher than last year's expenditure, with major investment opportunities in infrastructure, energy, mining, and agriculture.

Egypt

Egypt's inflation rate increased to 12.5% in October, up from 11.7% in September, reflecting rising consumer prices. The government initiated a tax-facilitation package designed to boost growth and attract investments. The total stimulus includes EGP120 billion (US$6.3 billion) earmarked for industry and EGP 50 billion (US$2.6 billion) for the tourism sector.

Outlook:

With inflation trending lower in some African countries, Central Banks across Africa may hint at rate cuts or at least a pause in tightening, which could support investment. For instance, South Africa's government announced to lower its inflation target to 3% from the 4.5%. Consequently, the market could closely monitor South African Reserve Bank (SARB) Monetary Policy Committee (MPC)'s decision on Thursday this week.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local)**	**YTD (Local)**
BRVM	337.94	23.43	1.00%	24.60%
Egypt	3,949.66	59.62	0.70%	25.80%
Ghana	8,228.13	15	(0.4%)	69.40%
Kenya	186	22.53	(2.0%)	48.20%
Mauritius	2,464.40	7.37	12.80%	1.70%
Morocco	19,547.00	112.43	0.80%	38.00%
Namibia	2,011.50	142.53	(1.4%)	7.90%
Nigeria	149,524.81	64.87	(1.7%)	42.80%
South Africa	109,669.80	13.47	(3.6%)	29.20%
Tanzania	2,533.00	8.94	1.40%	14.50%
Tunisia	12,536.00	9.9	0.60%	27.40%
Global Market	4,333.60	131,906.00	(6.4%)	16.50%
Frontier	1,376.06	--	(0.8%)	35.40%
Emerging	1,380.90	--	0.20%	25.10%

Sources: NGX, Various Sources and United Capital Research

Currency Performance in Select African Countries				
Currency vs USD	**Signs**	**Spot Rate**	**Weekly Change**	**YTD**
Angola	AOA: Kwanza	921.6	(2.0%)	(0.8%)
Cameroun	XAF: Franc	571.1	0.80%	(11.4%)
Gabon	XAF: Franc	571.1	0.80%	(11.3%)
Ghana	GHS: Cedi	10.9	(1.2%)	(25.9%)
Guinea	GNF: Franc	8695	1.00%	0.40%
Kenya	KES: Shilling	129.2	0.00%	(0.2%)
Liberia	LRD: Dollar	183	0.00%	4.80%

Mauritius	MUR: Rupee	45.5	(0.1%)	(3.1%)
Morocco	MAD: Dirham	9.3	0.30%	(8.6%)
Namibia	NAD: Dollar	17.3	(0.2%)	(8.2%)
Nigeria	NGN: Naira	1441.4	(0.3%)	6.50%
Sierra Leone	SLL: Leone	23153	0.00%	1.20%
South Africa	ZAR: Rand	17.3	(0.4%)	8.10%
Tanzania	TZS: Shilling	2460	(0.9%)	1.40%
Tunisia	TND: Dinar	3	0.30%	(7.5%)
Uganda	UGX: Shilling	3485	0.70%	(5.1%)
Zambia	ZMK: Kwacha	22.1	(1.6%)	(20.7%)
WAEMU	CFA: Franc	569.4	0.20%	11.10%

Sources: Various Sources and United Capital Research

Key Rate in Select African Countries				
Countries	**10Yr Bond Yield**	**Inflation**	**Real Return**	**Policy Rate**
Angola	11.80%	18.20%	0.80%	19.00%
Cameroon	9.50%	3.30%	1.20%	4.50%
Chad	0.00%	2.70%	1.80%	4.50%
Congo	9.50%	8.20%	(3.7%)	4.50%
Congo DRC	0.00%	1.70%	15.80%	17.50%
Cote d'Ivoire	7.20%	(0.2%)	5.50%	5.30%
Egypt	20.40%	11.70%	9.30%	21.00%
Gabon	0.00%	2.00%	2.50%	4.50%
Ghana	29.90%	9.40%	12.10%	21.50%
Kenya	13.10%	4.60%	4.70%	9.30%
Mauritius	5.60%	4.40%	0.10%	4.50%
Nigeria	15.60%	18.00%	9.00%	27.00%
South Africa	8.90%	3.40%	3.60%	7.00%
Tanzania	13.50%	3.40%	2.40%	5.80%

Sources: Various Sources and United Capital Research

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Domestic Economy:

PMI Inched Higher in October and NMDPRA Dropped 15% Import Duty on Petrol

The Composite Purchasing Managers' Index (PMI) strengthened slightly in October, rising to 55.4 points from 54.0 points the previous month. This is the 10th consecutive month of expansionary PMI, and the highest PMI recorded since January 2025. Generally, all the sectors are in the expansionary range, signaling a rise in investment and increase in capital inflows. Meanwhile, he Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) announced that it has dropped the planned 15% import duty on petrol and diesel.

Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) fell by 1.68% week on week (W/W), closing at 147,013.59 points. Market capitalisation also dropped to ₦93.50tn due to profit taking. The Nigerian equity year to date return stood at 42.83%.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	147,013.59	(1.68%)	42.83%
Banking	1,466.40	(3.4%)	-2.11%
Consumer Goods	4,094.20	(1.3%)	-2.28%
Industrial Goods	5,955.80	9.48%	-1.02%
Insurance	1,231.20	(4.5%)	-3.47%
Oil & Gas	2,912.80	9.45%	0.30%

Sources: NGX and United Capital Research

Fixed Income and Money Market:

The Nigerian Treasury Bills (NTBs) market displayed mixed trading activity this week due to cautious investor sentiment. The session featured moderate demand for short-term bills offset by mild profit-taking on longer-dated tenors. Open Repo Rate (OPR) and Overnight Rate (OVR) settled at 24.57% and 24.86% respectively. Open Market Operations (OMO) yield closed at 19.81% for the 250-day paper.

Fixed Income Market Statistics		
	Yield	**Weekly Change**
OPR	24.50%	0.00%
O/N	24.80%	(0.0%)
3m	16.50%	(0.1%)
6m	17.30%	0.00%
12m	18.60%	0.40%
Bond Market		
Bond	**Yield**	**Weekly Change**
3yrs	16.14%	(0.04%)
5yrs	15.99%	0.03%
7yrs	15.80%	0.11%
10yrs	15.58%	0.00%

Sources: FMDQ and United Capital Research

Sources: Various Sources and United Capital

Outlook:

Equity Market

The equity market recently experienced profit-taking. However, overall bias remains cautiously positive due to fundamental policy reforms. The market could be shaped by the potential release of October inflation and Q3 2025 Gross Domestic Product (GDP) reports. Ultimately, investor sentiment could be underpinned by government's economic reforms, which have driven the market's strong year to date performance.

Fixed Income Market

The outlook for Nigeria's fixed income market could remain bullish driven by favourable technical factors and anticipation of key economic data. Recent trends show strong domestic investor appetite, particularly for mid- to long-term bonds, suggesting expectations of relative yield moderation. Investors may continue to prioritise the mid-to-long end of the yield curve in the domestic FGN Bond market.

Stock Recommendation			
Stocks	**Current Price (N)**	**Target Price (N)**	**Upside**
United Bank for Africa	40.05	60	50%
Access Holdings	24.45	32	31%
AIICO Insurance	3.91	5	28%
Zenith Bank	63	80	27%
FCMB	10.75	13.2	23%
Nestle Nigeria	1,915.00	2,350.00	23%
Lafarge Africa	140	170	21%
Aradel Holdings	782	950	21%
Okomu Oil Palm	1,080.00	1,250.00	16%

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