

# Weekly Investment Views

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## Global Markets:

### United States

Global market will be defined by a holiday-shortened week in the US. However, Fed's preferred inflation metric could be released before the Thanksgiving holiday on Wednesday. In the Euro Area, flash PMI data for manufacturing and services will be closely watched, as these could influence expectations about the European Central Bank's policy stance. Similarly, market attention will remain on China's activity reports and Japan's stimulus implementation to assess regional growth and demand. Commodity markets, particularly crude oil, may react to changes in global demand expectations and supply developments, potentially affecting risk sentiment across financial markets

### Euro Area

The European Commission upgraded its growth forecast for the Euro Area to 1.3% in 2025, up from 0.9%, but cautioned that growth will slow to 1.2% in 2026 before rising modestly to 1.4% in 2027. Meanwhile, the European Central Bank (ECB) is expected to maintain interest rates at 2% through the end of 2026 as inflation nears target rate. Consumer confidence in the Euro Area stood at -14.2 in November, the highest in eight months, unchanged from October but slightly below the forecast of -14. The negative reading indicates that spending and demand remain moderate, signaling cautious optimism among households.

### Asia

China's industrial output grew by 4.9% in October, its slowest pace in over a year, while retail sales rose by 2.9%, pointing to weak domestic demand. Despite this, the International Monetary Fund (IMF) upgraded the Asia-Pacific growth outlook to 4.5% in 2025, noting the region will contribute roughly 60% of global growth, though risks from trade tensions and policy uncertainty remain. Meanwhile, in Japan, the government approved a ¥21.3 trillion (\$135bn) stimulus plan, its largest since COVID-19. This is aimed at alleviating inflationary pressures, boosting artificial intelligence (AI) investment, and supporting businesses, raising concerns over debt sustainability.

#### Global Market Snapshot

Market	Index	Weekly
United States	S&P 500	(2.90%)
United States	DJI	(2.96%)
United States	NASDAQ	(3.81%)
Germany	DAX	(3.24%)
France	CAC 40	(2.49%)
Europe	STOXX 600	(2.61%)
United Kingdom	FTSE 100	(2.13%)
Brazil	IBOV	(1.49%)
India	SENSEX	0.96%
China	SHCOMP	(3.90%)
South Africa	JALSH	(2.22%)
Kenya	NSEASI	(0.22%)
Ghana	GGSE	0.17%
Nigeria	NGX	(2.24%)
BRVM*	ICXCOMP	(0.72%)

\*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).

## Oil Markets:

Oil prices closed mixed last week as Brent fell on demand concerns while Bonny Light edged up due to regional supply support.

Weekly Commodities Price Monitor				
Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Bonny Light	US\$/bbl	62.31	(3.23%)	(16.52%)
Oil Crude – Brent	US\$/bbl	4,037.06	(1.40%)	52.86%
Gold	US\$/t oz	4,545	(0.46%)	25.10%
CNG (Gas)	US\$/MMBtu	383.5	0.00%	19.94%
Coffee	US\$/lb	4.9425	(2.38%)	22.75%
Copper	US\$/lb	5,152.00	(5.59%)	(55.37%)
Cocoa	US\$/MT	62.31	(3.23%)	(16.52%)

Sources: Various Sources and United Capital Research

## Outlook:

Global market will be defined by a holiday-shortened week in the US. However, Fed's preferred inflation metric could be released before the Thanksgiving holiday on Wednesday. In the Euro Area, flash PMI data for manufacturing and services will be closely watched, as these could influence expectations about the European Central Bank's policy stance. Similarly, market attention will remain on China's activity reports and Japan's stimulus implementation to assess regional growth and demand. Commodity markets, particularly crude oil, may react to changes in global demand expectations and supply developments, potentially affecting risk sentiment across financial markets

## African Markets:

### South Africa

South Africa adjusted its inflation target for the first time in 25 years, adjusting it to  $3\% \pm 1$  percentage point from the previous midpoint of 4.5%. However, headline inflation rose to 3.6% in October, its highest level in over a year. This is largely driven by increases in transport, housing, food, and alcoholic beverages. Meanwhile, the South African Reserve Bank (SARB) lowered its policy rate by 0.25% to 6.75%, citing an improved medium-term inflation outlook

### Ghana

The government expects real Gross Domestic Product (GDP) growth of at least 4.8% in 2026. Meanwhile, Ghana's public debt declined from GH¢726.7 bn (61.8% of GDP) at the end of 2024 to GH¢630.2 bn as of October 2025. This reflects stronger fiscal discipline, a firmer Cedi, and reduced external borrowing. Authorities continue to prioritise macroeconomic stability as they navigate post-restructuring adjustments.

### Egypt

Egypt's headline inflation climbed to 12.5% in October, while core inflation excluding food rose to 12.1%, signalling persistent price pressures. Consequently, Egypt's Central Bank held policy rates steady, maintaining the overnight deposit rate at 21% and the lending rate at 22%. The Central Bank's cautious stance reflects efforts to contain inflation while supporting broader economic stability.

Pan African Stock Market Monitor				
Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
BRVM	334.56	21.26	(0.72%)	24.10%
Egypt	3949.66	59.62	0.70%	25.80%
Ghana	8424	17	0.17%	69.60%
Kenya	3171.6	22.53	(0.22%)	46.60%
Mauritius	2464.4	7.37	12.80%	1.70%
Morocco	19547	112.43	0.80%	38.00%
Namibia	2011.5	142.53	(1.40%)	7.90%
Nigeria	143722.62	62.95	(2.24%)	54.04%
South Africa	109482.78	15.72	(2.2%)	29.10%

### Pan African Stock Market Monitor

Tanzania	2533	8.94	1.40%	14.50%
Tunisia	12536	9.9	0.60%	27.40%
Global Market	4333.6	131906	(6.4%)	16.50%
Frontier	1376.06	--	(0.8%)	35.40%
Emerging	1380.9	--	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	2.00%	0.80%
Cameroun	XAF: Franc	571.1	(0.80%)	11.40%
Gabon	XAF: Franc	571.1	(0.80%)	11.40%
Ghana	GHS: Cedi	10.9	1.20%	25.90%
Guinea	GNF: Franc	8695	(1.00%)	(0.40%)
Kenya	KES: Shilling	129.2	0.00%	0.20%
Liberia	LRD: Dollar	183	0.00%	(4.80%)
Mauritius	MUR: Rupee	45.5	0.10%	3.10%
Morocco	MAD: Dirham	9.3	(0.30%)	8.60%
Namibia	NAD: Dollar	17.3	0.20%	8.20%
Nigeria	NGN: Naira	1456.72	(0.80%)	5.70%
Sierra Leone	SLL: Leone	23153	0.00%	(1.20%)
South Africa	ZAR: Rand	17.3	0.40%	8.10%
Tanzania	TZS: Shilling	2460	0.90%	(1.40%)
Tunisia	TND: Dinar	3	(0.30%)	7.50%
Uganda	UGX: Shilling	3485	(0.70%)	5.10%
Zambia	ZMK: Kwacha	22.1	1.60%	20.70%
WAEMU	CFA: Franc	569.4	(0.20%)	11.10%

Sources: NGX, Various Sources and United Capital Research

### Key Rates in Select African Countries

Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Angola	12.80%	17.40%	0.80%	19.00%
Cameroon	9.40%	3.20%	1.20%	4.50%
Chad	0.00%	(4.0%)	1.80%	4.50%
Congo	9.30%	8.20%	(3.7%)	4.50%
Congo DRC	0.00%	1.70%	15.80%	17.50%
Cote d'Ivoire	7.10%	0.30%	5.50%	5.30%
Egypt	19.80%	12.50%	9.30%	21.00%
Gabon	0.00%	0.70%	2.50%	4.50%

## Key Rates in Select African Countries

Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Ghana	29.70%	8.00%	12.10%	21.50%
Kenya	13.20%	4.60%	4.70%	9.30%
Mauritius	5.30%	4.10%	0.10%	4.50%
Nigeria	15.50%	16.05%	9.00%	27.00%
South Africa	8.10%	3.60%	3.60%	7.00%
Tanzania	13.30%	3.50%	2.40%	5.80%

Sources: NGX, Various Sources and United Capital Research

### Outlook:

Markets will likely focus on monetary policy and inflation developments across key African economies this week. In South Africa, investors will monitor how the SARB's recent rate cut to 6.75% and the new 3% inflation target influence spending and investment. In Ghana, markets may track fiscal discipline, public debt reduction, and growth projections for 2026 for indications of economic stability. Egypt's steady interest rates and elevated inflation will also remain a key focus, alongside currency movements across frontier and emerging African markets, which may affect capital flows and investor sentiment.

### Domestic Economy:

#### Inflation Declined Further in October as Reserves and Foreign Inflows Strengthened

Nigeria saw a strong improvement in price stability in October 2025, as headline inflation eased to 16.05% from 18.02% in September, its seventh straight month of decline and the lowest level since March 2022. The drop was driven mainly by a sharp fall in food inflation to 13.12% following the harvest season and a stronger Naira, while core inflation also moderated to 18.69%. These trends reflect better supply conditions and a more stable macro environment. Similarly, Nigeria's foreign reserves rose to US\$46.7billion as of 14November2025, reaching a seven-year high. This level provides approximately 10.3 months of import cover, the highest since 2018, offering strong support for goods and services imports. The improvement was driven by higher oil receipts, remittances, and increased foreign inflows, helping reinforce currency stability and investor confidence. Investor sentiment has also improved in the capital markets. Foreign portfolio investors' activity on the Nigerian Exchange (NGX) rose to ₦2.03 trillion as of October 2025, surpassing annual foreign participation since 2007. Their share of total market activity increased to 21.18% from 16.65%, highlighting a clear rebound in foreign confidence toward Nigerian equity market.

### Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) fell by 2.24% week on week (W/W), closing at 143,722.62 points. Market capitalisation also dropped to ₦91.41tn due to profit taking. The Nigerian equity year to date return stood at 39.64%.

## Nigerian Equity Market Performance

Index	Close Price	Weekly Change	YTD
NGX-ASI	143,722.62	(2.24%)	39.64%
Banking	2,705.44	(1.61%)	0.34%
Consumer Goods	3,814.04	(3.50%)	35.52%
Industrial Goods	1,372.60	(3.85%)	26.56%
Insurance	5,234.26	(4.50%)	46.53%
Oil & Gas	1,083.42	(7.05%)	50.89%

Sources: NGX, United Capital Research

## Fixed Income and Money Market:

The fixed-income market traded mixed this week as investors balanced improved system liquidity with cautious positioning. Short- and mid-tenor NTB yields declined on renewed demand, while the 1-year bill yield inched higher on mild profit-taking. The bond market was slightly bullish, with yields easing across the 3-year to 10-year curve as investors took advantage of recent yield highs. Open Repo Rate (OPR) and Overnight Rate (OVR) settled at 24.50% and 24.83% respectively. Open Market Operations (OMO) yield closed at 19.72% for the 228-day paper.

Fixed Income Market Statistics		
	Yield	Weekly Change
OPR	24.50%	0.00%
O/N	24.38%	(0.42%)
90-Day	16.10%	(0.40%)
182-Day	16.79%	(0.51%)
364-Day	18.85%	0.25%

  

Bond Market		
Bond	Yield	Weekly Change
3yrs	15.53%	(0.61%)
5yrs	15.45%	(0.54%)
7yrs	15.50%	(0.30%)
10yrs	15.30%	(0.28%)

Sources: FMDQ, United Capital Research

## Outlook:

### Equity Market

The equity market is still experiencing 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 fixed-income market could remain mildly bullish next week, buoyed by renewed liquidity and a large upcoming FGN bond auction. With the Debt management Office (DMO) offering ₦460 billion across a 5-year (2030) and 7- year (2032) reopening on November 24, 2025, mid-to-long tenor demand may strengthen. At the same time, stable overnight rates and steady OMO yields suggest the Central Bank is keeping its liquidity management measured, which could support selective yield compression.

Stock Recommendation			
Stocks	Current Price (N)	Target Price (N)	Upside
ACCESSCORP	20.5	35	70.73%
UBA	36.9	60	62.60%
AIICO	3.15	5	58.73%
MBENEFIT	3.3	4.7	42.42%
TRANSCORP	41	58	41.46%
ZENITH	59.75	80	33.89%
INTBREW	12	16	33.33%
PZ Cussons Nigeria Plc	39.6	50.72	28.08%
DANGCEM	534.6	670	25.33%

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