

Weekly Investment Views

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Global Markets:

United States

In the United States (US), labour market conditions remain broadly stable, with jobless claims rising slightly to around 200,000, indicating limited layoffs, meanwhile Q3 2025 Gross Domestic Product (GDP) growth rate was revised up to 4.4% annualised, driven by strong consumer spending and business investment.

Euro Area

In the Euro Area, growth continued moderately, with the Composite Purchasing Managers' Index (PMI) settling at 51.5 in January (previously 51.9 points). Services eased to a multi-month low while manufacturing expanded, and consumer confidence improved slightly to -12.4 (previously -13.2), signalling a gradual recovery.

Asia

Across Asia, conditions were mixed but generally positive. Japan's Manufacturing PMI rose to 51.5 points in January, aided by exports and domestic activity, while equities gained after the Bank of Japan (BoJ) held rates and a weaker yen supported markets. In China, authorities are expected to set a cautious 2026 GDP target of 4.5 – 5% to balance growth and resilience.

Global Market Snapshot

Market	Index	Weekly	Year-To-Date
United States	S&P 500	1.11%	0.78%
United States	DJI	2.50%	2.75%
United States	NASDAQ	1.02%	1.26%
Germany	DAX	2.60%	1.46%
France	CAC 40	1.15%	(0.43%)
Europe	STOXX 600	1.86%	2.46%
United Kingdom	FTSE 100	0.78%	2.10%
Brazil	IBOV	1.12%	9.44%
Egypt	EGX 30	7.19%	11.08%
India	SENSEX	(2.55%)	(4.32%)
China	SHCOMP	2.88%	4.22%
South Africa	JALSH	2.07%	5.45%
Kenya	NSEASI	0.50%	4.18%
Ghana	GGSE	3.04%	2.25%
Nigeria	NGX	3.72%	6.36%
BRVM*	ICXCOMP	(0.62%)	2.55%

*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: Various Sources and United Capital Research

Oil Markets:

Global crude oil rose modestly this week as Brent and WTI gained on supply risks and Middle East tensions, despite lingering oversupply. The upward revision of the global economic outlook released by the International Monetary Fund (IMF) also support the crude oil price gain.

Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Bonny Light	US\$/bbl.	67.61	(1.21%)	6.61%
Oil Crude – Brent	US\$/bbl.	65.81	2.62%	8.15%
Gold	US\$/t oz	4,951.54	7.75%	13.64%
Compressed Natural Gas (CNG)	US\$/MMBtu	5.345	72.25%	45.01%
Coffee	US\$/lb.	351.55	(1.06%)	0.80%
Copper	US\$/lb.	5.9098	1.35%	3.51%
Cocoa	US\$/MT	4,112.50	(18.98%)	(32.19%)

Sources: Various Sources and United Capital Research

Outlook:

This week, Global markets are set for a cautious start as investors weigh mixed signals. US jobs and strong Q3 2025 GDP support confidence, while eurozone growth is slow but steady. In Asia, Japan's factories expanded and China set a cautious 2026 GDP target. Oil and commodities remain sensitive to supply risks, and positive global economic growth keeping investors selective amid uncertainty.

African Markets:

South Africa

In South Africa, inflation stayed steady at 3.6% in December, in line with expectations and close to the lower end of the new target range, strengthening the case for a continued accommodative monetary stance.

Ghana

In Ghana, producer price inflation edged up slightly to 1.9% in December 2025, indicating some renewed cost pressures, although overall producer prices remain significantly lower than a year earlier.

Kenya

The United Nations projects GDP growth of about 5.1% in 2026, positioning the country among the fastest-growing economies in East Africa, even as high debt servicing costs and tight global financial conditions pose ongoing risks. This positive outlook is reinforced by the build-up of foreign exchange reserves to a record level of nearly US\$12.5 billion, which strengthens import cover and supports broader macroeconomic stability.

Outlook:

African markets are set for a mixed week as macro conditions vary across the continent. South Africa's stable 3.6% inflation supports accommodative policy, while Ghana shows moderate cost pressures. Kenya's strong 5.1% GDP growth and record foreign exchange (FX) reserves signal resilience, despite debt risks. Equity gains may continue in Egypt and Tanzania, currencies remain broadly stable, and high bond yields in Ghana, Nigeria, and Kenya offer attractive real returns amid moderate inflation.

Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
BRVM	354.56	24.4	1.03%	2.55%
Egypt	46,462.32	65.27	7.19%	11.08%
Ghana	8,970.10	15.82	1.78%	2.24%
Kenya	3,270.80	23.41	0.45%	4.21%
Mauritius	2,358.00	6.71	(0.53%)	(1.00%)
Morocco	419.47	111.23	(3.12%)	(1.56%)
Namibia	2,244.80	3.89	3.20%	4.85%

Nigeria	165,512.19	74.51	(0.37%)	6.36%
South Africa	122,281.00	14.19	1.75%	5.62%
Tanzania	3,257.10	8.8	6.85%	17.93%
Tunisia	14,136.07	11.96	2.39%	5.10%
Global Market	2,327.10	--	1.75%	2.23%
Frontier	1,517.12	--	0.36%	3.93%
Emerging	1,500.21	--	1.03%	6.82%

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	918.92	(0.03%)	0.01%
Cameroun	XAF: Franc	558.78	2.99%	(0.10%)
Egypt	EGP: Pound	47.15	0.19%	1.17%
Gabon	XAF: Franc	558.78	2.99%	(0.10%)
Ghana	GHS: Cedi	10.9	(0.68%)	(3.66%)
Guinea	GNF: Franc	8759.5	(0.06%)	(0.13%)
Kenya	KES: Shilling	129	(0.04%)	0.00%
Liberia	LRD: Dollar	6.36	(14.58%)	(14.87%)
Mauritius	MUR: Rupee	45.91	0.85%	0.74%
Morocco	MAD: Dirham	9.14	0.99%	(0.23%)
Namibia	NAD: Dollar	16.14	1.69%	2.55%
Nigeria	NGN: Naira	1419.2	(0.14%)	1.79%
Sierra Leone	SLL: Leone	20971	(0.00%)	(0.01%)
South Africa	ZAR: Rand	16.14	1.67%	2.68%
Tanzania	TZS: Shilling	2555	(1.37%)	(3.72%)
Tunisia	TND: Dinar	2.91	(0.33%)	(0.85%)
Uganda	UGX: Shilling	3533.62	0.70%	2.43%
Zambia	ZMK: Kwacha	19.62	2.60%	12.79%
WAEMU	CFA: Franc	558.78	1.06%	0.04%

Sources: NGX, Various Sources and United Capital Research

Key Rate in Select African Countries				
Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Angola	12.30%	15.70%	(3.40%)	18.50%
Cameroon	9.20%	2.80%	6.40%	4.50%
Chad	0.00%	8.90%	(8.90%)	4.50%
Congo	9.10%	2.10%	7.00%	17.50%
Cote d'Ivoire	7.53%	0.10%	7.43%	20.00%
Egypt	19.50%	12.30%	7.20%	4.50%

Gabon	0.00%	1.80%	(1.80%)	18.00%
Ghana	29.30%	5.40%	23.90%	9.00%
Kenya	13.01%	4.50%	8.51%	4.50%
Mauritius	5.59%	4.50%	1.09%	27.00%
Nigeria	16.87%	15.15%	1.72%	6.75%
South Africa	8.15%	3.60%	4.55%	5.75%
Tanzania	13.70%	3.60%	10.10%	18.50%

Sources: FMDQ, Various Sources and United Capital Research

Domestic Economy:

The International Monetary Fund (IMF) has revised upward graded Nigeria's 2026 GDP growth projection to 4.4%. This revision reflects improving macroeconomic conditions, easing inflationary pressures, and ongoing reforms aimed at strengthening fiscal management and economic stability.

Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) fell by 0.37% week on week (W/W), closing at 165,512.18 points. Market capitalisation stood at ₦105.96tn and year to date return stood at 6.36%.

Nigerian Equity Market Performance			
Index	Close Price	Weekly Change	YTD
NGX-ASI	165,512.18	(0.37%)	6.36%
Oil/Gas Index	3,036.96	1.36%	13.73%
Industrial Goods Index	5,980.65	(0.08%)	5.36%
Insurance Index	1,318.54	(0.10%)	10.87%
Banking Index	1,631.99	(1.32%)	7.66%
Consumer Goods Index	4,074.83	(2.02%)	2.50%

Sources: NGX and United Capital Research

Fixed Income and Money Market:

The fixed-income market traded mixed last week as investors balanced shifted attention to the equities market. Yields across the Short- to long-tenor Nigerian Treasury Bills yields' rose on weak investor demand. The bond market was largely bullish, with yields on the 3-year, 5-year and 7-year falling while the 10-year curve yield had marginal gains. Open Repo Rate (OPR) and Overnight Rate (OVR) settled at 22.50% and 22.79% respectively. Open Market Operations (OMO) yield closed at 21.74% for the 208-day paper.

Fixed Income Market Statistics			
	Yield	Weekly Change	Year-To-Date
OPR	22.50%	0.00%	0.00%
O/N	22.79%	0.01%	(0.04%)
90-Day NTB	17.24%	0.59%	0.13%
182-Day NTB	18.30%	0.64%	(0.06%)
364-Day NTB	20.90%	(0.57%)	1.64%

Bond Market

Bond	Yield	Weekly Change	Year-to-Date
3-Year	17.14%	(0.11%)	0.34%
5-Year	17.34%	(0.71%)	0.28%
7-Year	17.65%	(0.22%)	0.34%
10-Year	16.87%	0.01%	0.05%

Sources: FMDQ and United Capital Research

Outlook:

Equity Market

Nigerian equity market may see moderate activity this week as investors balance economic fundamentals with earnings prospects. Capital could rotate into high-performing sectors, though cautious sentiment suggests selective stock picking will be key.

Fixed Income Market

The fixed-income market is likely to remain active but range-bound. Short to medium-term Nigerian Treasury Bills (NTB) yields may face upward pressure, while longer-dated bonds could attract investors seeking stability amid supportive liquidity conditions.

Stock Recommendation			
Stocks	Current Price	Target Price	Upside
International Breweries	13.9	20	43.88%
Access Holdings Plc	22.4	32	42.86%
United Bank for Africa Plc	43.9	60	36.67%
Sterling Financial Holdings	7.5	10	33.33%
Transnational Corporation	46.15	60	30.01%
Aradel Holdings Plc	780	1,000	28.21%
FCMB Group Plc	11.7	15	28.21%
C & I Leasing Plc	7.8	10	28.21%
Dangote Cement Plc	635	778	22.52%
AlliCO Insurance Plc	4.15	5	20.48%
BUA Cement Plc	183	220	20.22%
Zenith Bank Plc	71	85	19.72%
Transcorp Power Plc	307	365	18.89%
Nestle Nigeria Plc	2153	2550	18.44%
AXA Mansard Insurance	15	17.52	16.80%
MTN Nigeria	580	675	16.38%

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