

Weekly Investment Views

A Publication of United Capital Research

February 16-20, 2026



Global Markets:

United States

In the United States (US), consumer sentiment index edged up to 57.3 points from 56.4 points, suggesting a slight improvement in household confidence. Meanwhile investors continue to watch the survey's inflation expectations for clues on future pricing pressures and rate direction. Meanwhile, January CPI rose by 2.4% year-on-year, with shelter still a key driver and energy easing, reinforcing the view that inflation is moderating but not yet fully subdued.

Euro Area

In the Euro Area, the Gross Domestic Product (GDP) rose 0.3% quarter-on-quarter in Q4 2025, while employment increased 0.2%, pointing to resilience in activity and the labour market.

Asia

In Asia, China's inflation rose by 0.2% year-on-year, reflecting softer energy effects and base dynamics. This reinforces expectations of a cautious policy backdrop and keeps attention on whether demand strengthens enough to improve pricing power and corporate margins.

Global Equity Market Snapshot

Market	Index	Weekly	Year-To-Date
Egypt	EGX 30	1.51%	20.71%
Nigeria	ASI	6.16%	17.16%
Ghana	GGSE	10.83%	15.48%
Brazil	IBOV	1.37%	15.11%
Kenya	NSE 20	5.29%	12.28%
BRVM	ICXCOMP	4.09%	12.14%
Unitd Kingdom	FTSE 100	0.69%	5.14%
Europe	STOXX 600	0.09%	4.20%
South Africa	JALSH	0.40%	4.07%
United States	Dow Jones	(1.05%)	3.18%
China	SHCOMP	0.41%	2.85%
France	CAC 40	0.00%	1.99%
Germany	DAX	0.00%	1.69%
United States	S&P 500	(0.84%)	0.42%
United States	NASDAQ	(0.93%)	(1.61%)
India	SENSEX	(1.14%)	(3.04%)

*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:

Oil prices remain under modest pressure as sentiment softens on updated supply-demand expectations. The International Energy Agency recently signalled slower global demand growth and the potential for a supply surplus, reinforcing concerns about balance in 2026. At the same time, OPEC+ continues to manage output carefully, providing a degree of underlying support. According to Reuters, traders are now closely watching inventory data and macroeconomic signals, leaving the market finely balanced between surplus fears and ongoing geopolitical risk.

Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Gold	US\$/lb.	5,035.79	1.12%	15.58%
Oil Crude – Bonny Light	US\$/bbl.	71.16	(1.71%)	12.20%
Oil Crude – Brent	US\$/bbl.	67.73	(0.47%)	11.31%
Copper	US\$/lb.	5.7997	(1.40%)	1.58%
Compressed Natural Gas (CNG)	US\$/MMBtu	3.238	(5.38%)	(12.15%)
Coffee	US\$/lb.	299.83	1.11%	(14.03%)
Cocoa	US\$/MT	3,590.50	(14.45%)	(40.80%)

Sources: Various Sources and United Capital Research

Outlook:

Global markets are expected to remain mixed, with emerging markets sustaining relative strength on improved liquidity and attractive valuations. Developed markets face data-driven volatility amid gradual monetary policy normalisation. In the US, moderating inflation supports a cautious easing bias, though sticky price components may delay aggressive rate cuts. Europe's modest growth signals resilience but limited momentum, and China's soft inflation suggests targeted rather than broad stimulus. Overall, market direction will hinge on inflation trends, central bank guidance and commodity price stability.

African Markets:

Zambia

The Bank of Zambia cut its policy rate by 0.75% to settle at 13.5%, citing faster disinflation and a better inflation outlook. This should reduce borrowing costs and support sentiment, although investors will continue to monitor currency stability and food-related inflation risks.

Uganda

The Bank of Uganda held interest rate at 9.75%. This provides policy clarity and helps keep funding conditions stable, while markets remain focused on inflation trends and exchange-rate developments.

Egypt

The Central Bank of Egypt cut key policy rates by 1% reduced the interest rate to 19%, signalling an effort to improve liquidity and support credit conditions. Investors will now assess whether the pace of disinflation and FX stability are strong enough to sustain this easing cycle.

Outlook:

African markets are likely to see cautiously improving sentiment as selective monetary easing in Zambia and Egypt supports liquidity and credit growth, while Uganda's policy hold reinforces stability. Faster disinflation across parts of the continent provides room for gradual rate normalisation, which should ease funding pressures and underpin equities and fixed income. However, currency stability, food price risks and external financing conditions remain key swing factors, suggesting gains will be measured and data-dependent rather than broad-based.

Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
Tanzania	3,711.70	14.72	4.46%	34.39%
Egypt	50,490.20	70.1	1.51%	20.71%
Nigeria	182,313.08	86.45	6.16%	17.16%
Ghana	10,131.00	17.2	10.83%	15.47%
Kenya	3,525.30	28.3	5.29%	12.32%
BRVM	387.73	26.75	4.09%	12.14%
Emerging	1,556.55	--	3.33%	10.84%

Tunisia	14,626.36	13.32	0.19%	8.75%
Namibia	2,306.00	57.2	2.20%	7.71%
Frontier	1,544.96	--	3.71%	5.83%
South Africa	120,584.00	14.06	0.40%	4.15%
Morocco	418.19	107.45	1.35%	(1.86%)
Mauritius	2,332.00	5.63	(0.32%)	(2.09%)
Global Market	2,179.90	--	(0.41%)	(4.24%)

Sources: NGX, Various Sources and United Capital Research

Currency Performance in Select African Countries				
Currency vs USD	Signs	Spot Rate	Weekly Change	YTD
Zambia	ZMW: Kwacha	18.18	2.86%	21.73%
Nigeria	NGN: Naira	1,352.96	1.04%	6.77%
Namibia	NAD: Dollar	15.95	0.66%	3.83%
South Africa	ZAR: Rand	15.96	0.51%	3.81%
Uganda	UGX: Shilling	3,540.03	0.55%	2.24%
Egypt	EGP: Pound	46.85	0.02%	1.81%
Tunisia	TND: Dinar	2.84	0.70%	1.60%
WAEMU	CFA: Franc	552.5	0.67%	1.18%
Cameroun	XAF: Franc	553.15	3.10%	0.92%
Mauritius	MUR: Rupee	45.91	0.33%	0.74%
Kenya	KES: Shilling	129	0.00%	0.00%
Angola	AOA: Kwanza	918.99	(0.02%)	(0.00%)
Sierra Leone	SLL: Leone	20,970.00	(0.00%)	(0.00%)
Morocco	MAD: Dirham	9.14	0.50%	(0.19%)
Guinea	GNF: Franc	8,777.50	0.00%	(0.33%)
Liberia	LRD: Dollar	185.3	(0.03%)	(4.48%)
Ghana	GHS: Cedi	11.02	(0.23%)	(4.68%)
Tanzania	TZS: Shilling	2,600.00	(0.96%)	(5.38%)
Gabon	XAF: Franc	553.15	3.10%	(98.10%)

Sources:NGX, Various Sources and United Capital Research

Key Rate in Select African Countries				
Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Mauritius	5.80%	4.50%	1.30%	27.00%
Nigeria	18.50%	15.15%	3.35%	27.00%
Egypt	15.60%	12.30%	3.30%	20.00%
Angola	10.10%	15.70%	(5.60%)	17.50%
Congo	9.20%	2.10%	7.10%	17.50%
Ghana	21.00%	5.40%	15.60%	15.50%

Kenya	13.00%	4.50%	8.50%	9.00%
South Africa	8.10%	3.60%	4.50%	6.75%
Tanzania	13.70%	3.60%	10.10%	5.75%
Cote d'Ivoire	7.90%	0.10%	7.80%	5.25%
Cameroon	8.30%	2.80%	5.50%	4.75%
Chad	0.00%	8.90%	(8.90%)	4.75%
Gabon	0.00%	1.80%	(1.80%)	4.75%

Sources: FMDQ, Various Sources and United Capital Research

Domestic Economy:

Nigeria's economic activity remained resilient at the start of 2026. The Central Bank of Nigeria's (CBN) Purchasing Managers' Index PMI rose to 55.7 points in January, marking the 14th consecutive month of expansion, with broad-based growth across industry, services and agriculture.

Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) rose by 6.16% week on week (W/W), closing at 182,313.08 points. Market capitalisation stood at ₦117.03tn and year to date return stood at 17.16%. Oil/Gas sector recorded the best gain during the week while Insurance sector recorded the least performance.

Nigerian Equity Market Performance			
Index	Close Price	Weekly Change	YTD
NGX-ASI	182,313.08	6.16%	17.16%
Oil/Gas Index	3,753.29	11.40%	40.56%
Industrial Goods Index	6,689.71	7.09%	17.85%
Banking Index	1,777.73	5.84%	17.28%
Insurance Index	1,306.60	0.65%	9.86%
Consumer Goods Index	4,267.00	2.95%	7.33%

Sources: NGX and United Capital Research

Fixed Income and Money Market:

The fixed-income market was broadly bullish during the week, with yields declining across most instruments as liquidity conditions remained supportive. Money-market rates eased slightly, with the Overnight rate moderating while the Open Repo Rate held steady, indicating stable short-term funding conditions. Nigerian Treasury Bill (NTB) yields declined across the 90-day, 182-day and 364-day tenors, reflecting improved demand and easing rate expectations. In the bond market, yields compressed across the curve, particularly at the long end, suggesting renewed investor interest in duration amid expectations of a more stable interest rate environment.

Fixed Income Market Statistics			
	Yield	Weekly Change	Year-To-Date
182-Day NTB	17.42%	(0.94%)	0.72%
90-Day NTB	16.74%	(0.58%)	0.44%
O/N	22.78%	(0.05%)	0.03%
OPR	22.50%	0.00%	0.00%
364-Day NTB	18.98%	(0.56%)	(0.61%)

Bond Market

Bond	Yield	Weekly Change	Year-to-Date
10-Year	16.54%	(0.34%)	(0.27%)
7-Year	16.60%	(0.09%)	(0.51%)
5-Year	16.38%	(0.22%)	(0.68%)
3-Year	16.04%	(0.05%)	(0.87%)

Sources: FMDQ and United Capital Research

Outlook:

Equity Market

The Nigerian equity market is likely to maintain positive momentum in the near term, supported by strong year-to-date returns, sustained domestic liquidity and improving macro indicators such as the PMI. Sector rotation may persist, with investors favouring fundamentally strong and earnings-resilient names, particularly in Oil & Gas and banking. However, gains could moderate as valuations rise, making performance increasingly selective and driven by corporate results and policy signals.

Fixed Income Market

The fixed-income market may remain firm in the short term as improving liquidity and declining yields support demand across bills and bonds. With rate expectations stabilising and duration appetite gradually returning, investors are likely to stay active, although movements will remain sensitive to liquidity conditions and monetary policy guidance.

Stock Recommendation

Stocks	Current Price	Target Price	Upside
International Breweries	15	20	33.33%
FCMB Group Plc	11.25	15	33.33%
Lafarge Africa Plc	188.5	250	32.63%
Dangote Cement Plc	726.3	950	30.80%
Access Holdings Plc	24.8	32	29.03%
C & I Leasing Plc	7.8	10	28.21%
MTN Nigeria	708.9	900	26.96%
Sterling Financial Holdings	7.95	10	25.79%
United Bank for Africa Plc	48.3	60	24.22%
AllCO Insurance Plc	4.09	5	22.25%
BUA Cement Plc	192	230	19.79%
Transcorp Power Plc	306.9	365	18.93%
Transnational Corporation	51	60	17.65%
Wema Bank Plc	26	30	15.38%

DISCLAIMER

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, United Capital 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.

CONTACT US

- **Research:**
Research@unitedcapitalplcgroup.com
- **Trustees:**
Trustees@unitedcapitalplcgroup.com
- **Securities Trading:**
Securities@unitedcapitalplcgroup.com
- **Investment Banking:**
InvestmentBanking@unitedcapitalplcgroup.com
- **Asset Management:**
Assetmanagement@unitedcapitalplcgroup.com
- **Investors Relations:**
InvestorRelations@unitedcapitalplcgroup.com

United Capital Plc is registered and regulated by the Securities and Exchange Commission, Nigeria.