

# Weekly Investment Views

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## Global Markets:

### United States

The Federal Reserve's preferred inflation measure, the Core Personal Consumption Expenditures (PCE) Price Index, rose to 2.9%, signalling firmer underlying price pressures and keeping inflation above the Fed's 2% target. This development complicates expectations for near-term rate cuts, as policymakers are likely to remain cautious in easing monetary policy. As a result, both markets and corporates are closely monitoring PCE trends for clearer guidance on the timing and pace of any future rate adjustments.

### Euro Area

In the Euro Area, industrial production fell by 1.4% month-on-month in December 2025, suggesting manufacturing activity ended the year on a weaker footing.

### Asia

Across Asia, inflation also showed signs of easing, supporting the broader narrative of moderating price pressures. Japan's annual inflation slowed to 1.5% in January 2026 from 2.1% in the previous month, the lowest level since March 2022.

## Global Equity Market Snapshot

Market	Index	Weekly	Year-To-Date
Ghana	GGSE	9.97%	28.82%
Nigeria	NGTX ASI	6.95%	25.30%
Egypt	EGX 30	0.35%	21.13%
Brazil	IBOV	1.23%	17.15%
Kenya	NSE 20	0.10%	15.97%
BRVM	ICXCOMP	1.69%	14.04%
United Kingdom	FTSE 100	2.43%	7.74%
Europe	STOXX 600	2.01%	6.30%
South Africa	JALSH	1.97%	6.17%
France	CAC 40	2.35%	4.39%
United States	Dow Jones	0.25%	3.25%
Germany	DAX	1.21%	2.97%
China	SHCOMP	0.00%	2.85%
United States	S&P 500	0.88%	0.74%
United States	NASDAQ	0.91%	(1.16%)
India	SENSEX	0.23%	(2.82%)

\*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 strengthened over the week, with Brent rising to around US\$71/bbl from US\$68/bbl, supported by a sizeable draw in US crude inventories reported in the latest Weekly Petroleum Status Report by the US Energy Information Administration (EIA), signalling tighter near-term supply. Additionally, the US-Iran issues triggered crude oil prices upward. However, the broader outlook from the International Energy Agency (IEA) and the EIA's Short-Term Energy Outlook suggests global supply is expected to outpace demand growth in 2026, indicating that despite short-term support, the medium-term market balance remains relatively well supplied.

## Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Brent	US\$/bbl.	71.2	5.09%	17.01%
Oil Crude – Bonny Light	US\$/bbl.	73.98	3.92%	16.65%
Gold	US\$/lb.	5,071.09	0.49%	16.39%
Copper	US\$/lb.	5.806	0.05%	1.69%
Compressed Natural Gas (CNG)	US\$/MMBtu.	3.017	(6.97%)	(18.15%)
Coffee	US\$/lb.	285.43	(4.31%)	(18.16%)
Cocoa	US\$/MT.	3,117.50	(12.94%)	(48.60%)

Sources: Various Sources and United Capital Research

### Outlook:

This week we are expecting markets to remain largely data-dependent, with Europe in focus as final January inflation and business sentiment indicators help clarify the strength of demand and the likely policy path. In Asia, Japan's Tokyo CPI (Consumer Price Index) will be closely watched for further evidence of easing price pressures and implications for monetary policy. In the United States, with no major top-tier releases immediately ahead, trading may be driven more by Federal Reserve commentary, positioning and broader risk sentiment, while oil prices are likely to remain sensitive to inventory data and supply expectations.

### African Markets:

#### South Africa

South Africa's inflation edged down to 3.5% in January from 3.6% in December 2025, strengthening market expectations that policymakers could consider a rate cut at the next meeting if the disinflation trend holds.

#### Namibia

Namibia's Central Bank held its benchmark policy rate at 6.50% at its first meeting of 2026, indicating a wait-and-see approach as inflation moderates and regional conditions evolve.

#### Botswana

Headline inflation rose to 4.1% in January 2026 from 3.9% in December, but remained within the central bank's 3–6% objective target range.

### Outlook:

In African markets, South Africa is increasingly leaning towards a potential rate cut if inflation continues to drift lower and the currency remains stable, which would ease funding costs. Namibia is likely to keep rates steady in the near term, prioritising exchange-rate and regional policy alignment while monitoring inflation. Botswana should remain comfortably stable, with inflation still within target, allowing the Central Bank to hold policy unless price pressures re-accelerate or liquidity tightens.

## Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
Tanzania	3,711.70	13.12	4.46%	34.39%
Egypt	50,490.20	66.45	0.35%	21.13%
Nigeria	182,313.08	93.31	6.95%	25.30%
Ghana	10,131.00	16.33	9.97%	28.82%
Kenya	3,525.30	25.68	0.10%	15.97%
BRVM	387.73	26.75	1.69%	14.04%
Emerging	1,556.55	--	3.33%	10.84%

Tunisia	14,626.36	12.94	0.19%	8.75%
Namibia	2,306.00	2.48	2.20%	7.71%
Frontier	1,544.96	--	3.71%	5.83%
South Africa	120,584.00	1,538.01	1.97%	6.17%
Morocco	418.19	112.27	1.35%	(1.86%)
Mauritius	2,332.00	7.95	(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	18.94	(4.01%)	16.84%
Nigeria	NGN: Naira	1,343.36	0.71%	7.53%
South Africa	ZAR: Rand	16.03	(0.45%)	3.35%
Namibia	NAD: Dollar	16.06	(0.70%)	3.10%
Uganda	UGX: Shilling	3,600.40	(1.68%)	0.53%
Egypt	EGP: Pound	47.5	(1.37%)	0.42%
WAEMU	CFA: Franc	557.53	(0.90%)	0.26%
Cameroun	XAF: Franc	557.52	(0.78%)	0.13%
Angola	AOA: Kwanza	918.83	0.02%	0.02%
Kenya	KES: Shilling	129	0.00%	0.00%
Sierra Leone	SLL: Leone	20,970.00	0.00%	(0.00%)
Guinea	GNF: Franc	8,773.50	0.05%	(0.28%)
Mauritius	MUR: Rupee	46.42	(1.10%)	(0.37%)
Morocco	MAD: Dirham	9.17	(0.41%)	(0.60%)
Tunisia	TND: Dinar	2.9	(2.20%)	(0.63%)
Liberia	LRD: Dollar	183.55	0.95%	(3.57%)
Ghana	GHS: Cedi	10.99	0.22%	(4.47%)
Tanzania	TZS: Shilling	2,580.00	0.78%	(4.65%)
Gabon	XAF: Franc	557.52	(0.78%)	(98.12%)

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%	15.10%	3.40%	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%	3.50%	4.60%	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 headline inflation edged down slightly to 15.10% from 15.15%, indicating a mild easing in price pressures. While the decline is small, it suggests inflation may be stabilising, though overall cost levels remain high.

### Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) rose by 6.95% week on week (W/W), closing at 194,989.75 points. Market capitalisation stood at ₦125.16tn and year to date return stood at 25.30%. Industrial Goods 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	194,989.75	6.95%	25.30%
Oil/Gas Index	4,078.14	8.66%	52.73%
Industrial Goods Index	7,365.11	10.10%	29.75%
Banking Index	1,878.66	5.68%	23.93%
Insurance Index	1,368.45	4.73%	15.01%
Consumer Goods Index	4,527.47	6.10%	13.88%

Sources: NGX and United Capital Research

### Fixed Income and Money Market:

The fixed income market was mixed during the week. In the Treasury bills space, yields were higher at the short end (, while the 91-day and especially the 364-day NTB declined, suggesting selective demand for longer tenors. The policy rate (OPR) remained unchanged at 22.50%, indicating a stable monetary stance. In the bond market, movements were modest, with the 7-year yield declining notably while the 5-year edged up slightly, reflecting cautious positioning and balanced liquidity conditions across the curve.

Fixed Income Market Statistics			
	Yield	Weekly Change	Year-To-Date
182-Day NTB	17.67%	0.25%	0.97%
O/N	22.86%	0.08%	0.11%
91-Day NTB	16.32%	(0.42%)	0.02%
OPR	22.50%	0.00%	0.00%
364-Day NTB	17.92%	(1.06%)	(1.67%)

## Bond Market

Bond	Yield	Weekly Change	Year-to-Date
10-Year	16.54%	0.00%	(0.27%)
5-Year	16.44%	0.06%	(0.67%)
7-Year	16.20%	(0.40%)	(0.86%)
3-Year	16.00%	(0.04%)	(0.91%)

Sources: FMDQ and United Capital Research

### Outlook:

#### Equity Market

This week, we expect the positive momentum in the equity market to persist, supported by strong year-to-date performance and improving investor sentiment. However, given the recent sharp gains, some profit-taking may emerge, leading to more selective buying, particularly in fundamentally sound stocks across the Oil & Gas, Industrial Goods and Banking sectors.

#### Fixed Income Market

This week, we expect yields to remain relatively stable with a slight upward bias at the short end, as the interbank rate remains unchanged at 22.50% and liquidity conditions stay tight. Demand for longer-dated instruments may continue if investors position ahead of potential moderation in inflation, but overall, the monetary environment is likely to remain cautious.

## Stock Recommendation

Stocks	Current Price	Target Price	Upside
International Breweries	14.8	20	35.14%
C & I Leasing Plc	7.8	10	28.21%
FCMB Group Plc	11.9	15	26.05%
Access Holdings Plc	25.9	32	23.55%
Sterling Financial Holdings	8.1	10	23.46%
United Bank for Africa Plc	49	60	22.45%
Lafarge Africa Plc	210	250	19.05%
AICO Insurance Plc	4.2	5	19.05%
Transcorp Power Plc	306.9	365	18.93%
Dangote Cement Plc	799.9	950	18.76%
MTN Nigeria	780	900	15.38%

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