

# Weekly Investment Views

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## Global Markets

### United States

In the United States, annual inflation held steady at 2.4% in February 2026, unchanged from January and remaining at its lowest level since May 2025. Energy prices rebounded slightly, driven by higher fuel oil and natural gas costs and a smaller decline in gasoline prices, while inflation for food and shelter remained stable. Meanwhile, core inflation, which excludes food and energy, remained unchanged at 2.5%. In the short term, inflation rate is expected to spike because of rising energy prices due to the war in Iran. This may lead to a tightening monetary policy if inflation returns.

### Euro Area

In the Euro Area, Christine Lagarde, President of the European Central Bank (ECB), stated that the Central Bank will take necessary measures to keep inflation under control despite the recent surge in energy prices. She noted that Europe is now better positioned to absorb energy shocks than during the 2022 European energy crisis, although uncertainty and market volatility remain elevated.

### Asia

China's annual inflation rose to 1.3% in February 2026, up from 0.2% in January and the highest since January 2023. This is driven largely by seasonal demand during the Lunar New Year, which lifted food prices alongside stronger non-food inflation in sectors such as healthcare, clothing, and education. Core inflation also increased to 1.8%, its strongest level since 2019. This rebound suggests rising price pressures and may help ease concerns about deflation in the Chinese economy if sustained. Energy induced prices will lead to higher inflation from March 2026.

### Global Equity Market Snapshot

Market	Index	Weekly	Year-To-Date (YTD)
Ghana	GGSE	8.77%	77.02%
Nigeria	NGX ASI	0.73%	27.50%
BRVM	ICXCOMP	1.35%	20.50%
Kenya	NSE 20	2.28%	16.86%
Egypt	EGX 30	(1.53%)	11.86%
Brazil	IBOV	(0.65%)	11.27%
China	SHCOMP	0.50%	4.04%
United Kingdom	FTSE 100	(1.04%)	3.76%
Europe	STOXX 600	(0.99%)	1.03%
South Africa	JALSH	(2.68%)	0.93%
France	CAC 40	(0.76%)	(2.03%)
United States	S&P 500	(2.31%)	(2.53%)
United States	NASDAQ	(1.95%)	(2.84%)
United States	Dow Jones	(2.66%)	(2.88%)
Germany	DAX	(0.95%)	(3.68%)
India	SENSEX	(4.98%)	(10.78%)

\*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 surged last week driven primarily by a rapidly escalating US-Iran military conflict that has effectively shut down the Strait of Hormuz, a critical point through which approximately 20% of the world's daily oil supply passes. Iran's new supreme leader vowed to continue attacks, keeping supply disruption fears firmly in the market. The International Energy Agency (IEA) responded with its largest ever emergency reserve release of 400 million barrels, though the sheer scale of the intervention ironically reinforced trader concerns about the severity of the supply shock, keeping prices elevated.

## Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Brent	US\$/bbl.	100.46	17.62%	65.09%
Oil Crude – Bonny Light	US\$/bbl.	96.33	12.80%	51.89%
Gold	US\$/lb.	5,101.24	0.44%	17.08%
Copper	US\$/lb.	5.8287	0.42%	2.09%
Compressed Natural Gas (CNG)	US\$/MMBtu.	3.232	7.63%	(12.32%)
Coffee	US\$/lb.	291.25	0.85%	(16.49%)
Cocoa	US\$/MT.	3,336.00	9.20%	(45.00%)

Sources: Various Sources and United Capital Research

### Outlook

This week, global equity markets are expected to trade cautiously and remain volatile as the escalating US–Iran conflict continues to dominate sentiment. Energy-importing regions, particularly Europe and parts of Asia, face stronger headwinds as rising oil prices squeeze corporate margins and fuel inflation concerns. US markets may prove relatively resilient due to domestic energy production, though investors will watch for any interest rate decisions of major Central Banks. In Asia, the Bank of Japan will continue to monitor potential spillovers from the conflict. Oil prices are likely to remain elevated and sensitive to developments around the Strait of Hormuz, where any escalation could push Brent further above \$100 per barrel. The IEA's emergency reserve release may offer a short-term buffer, but markets will watch closely whether it is sufficient to contain the supply shock.

### African Markets

#### Egypt

Egypt's annual urban inflation rose to 13.4% in February 2026, from 11.9% in January, surpassing expectations and reaching a peak since July 2025. Higher prices in food, housing, clothing, and recreation drove the increase, while transport and some sectors remained stable. The rise underscores renewed cost pressures and may constrain near-term monetary easing.

#### Angola

Angola's annual inflation eased to 13.35% in February 2026 from 14.56% in January, the lowest since July 2023, aided by a stable Kwanza. Slower price rises in food, beverages, clothing, health, and transport supported the decline, signaling improving macroeconomic stability and potential room for supportive policies.

#### South Africa

South Africa's economy grew by 0.8% year-on-year in Q4 2025, below expectations, bringing full-year 2025 growth to 1.1%. This is also lower than forecasts from the South African Reserve Bank (1.3%) and National Treasury of South Africa (1.4%). On the flip side, the country recorded its first current account surplus in over two years in Q4 2025, with the balance shifting to a 0.6% of GDP surplus from a 0.9% deficit in Q3, supported by higher precious metal prices. According to the South African Reserve Bank, the improvement reflects stronger export earnings and a better external balance position.

### Outlook

African markets face a mixed and cautious week, balancing stronger domestic fundamentals against global pressures. Nigeria's NGX-ASI is expected to stay positive, supported by robust corporate activity, though profit-taking may occur. South African markets remain under global risk-off pressure, with gold and mining stocks benefiting from high commodity prices. Egyptian markets may trade cautiously amid global volatility. Angola benefits from Brent crude near \$100/bbl, boosting fiscal and currency stability.

## Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
Ghana	15524.99	22.27	8.77%	77.02%
Tanzania	4004.24	13.19	4.18%	44.98%
Nigeria	198407.3	91.014	0.73%	27.50%
BRVM	416.63	28.94	1.35%	20.50%
Kenya	3667.83	25.85	2.28%	16.86%
Tunisia	15499.14	12.82	3.42%	15.24%
Egypt	46790.96	61.36	(1.53%)	11.86%

Namibia	2183.9	2.39	(3.72%)	2.00%
South Africa	116948.4	1398.01	(2.68%)	0.93%
Mauritius	2246.47	7.72	(1.03%)	(5.69%)
Morocco	384.39	106.07	(1.27%)	(9.79%)

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	19.42	(0.82%)	13.95%
Nigeria	NGN: Naira	1,371.51	1.16%	5.33%
Mauritius	MUR: Rupee	45.91	3.07%	0.74%
Angola	AOA: Kwanza	917	0.20%	0.22%
Sierra Leone	SLL: Leone	24078.7	(1.87%)	(0.16%)
Kenya	KES: Shilling	129.25	(0.08%)	(0.19%)
Guinea	GNF: Franc	8767	0.02%	(0.21%)
South Africa	ZAR: Rand	16.8	(0.87%)	(1.38%)
Namibia	NAD: Dollar	16.8	(1.21%)	(1.45%)
WAEMU	CFA: Franc	567.5	(0.44%)	(1.50%)
Tunisia	TND: Dinar	2.9388	(1.00%)	(1.82%)
Cameroun	XAF: Franc	573.44	0.32%	(2.65%)
Gabon	XAF: Franc	573.44	0.32%	(2.65%)
Morocco	MAD: Dirham	9.397	(1.05%)	(2.95%)
Ghana	GHS: Cedi	10.83	(0.46%)	(3.00%)
Liberia	LRD: Dollar	182.939	(0.00%)	(3.25%)
Uganda	UGX: Shilling	3745	(1.88%)	(3.35%)
Tanzania	TZS: Shilling	2600	(1.35%)	(5.38%)
Egypt	EGP: Pound	52.34	(4.28%)	(8.87%)

Sources:NGX, Various Sources and United Capital Research

Key Rates in Select African Countries				
Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Nigeria	15.45%	15.10%	0.35%	26.50%
Egypt	20.40%	13.40%	7.00%	19.00%
Angola	10.10%	13.35%	(3.25%)	17.50%
Ghana	21.00%	3.30%	17.70%	15.50%
Congo	9.20%	2.11%	7.09%	15.00%
Kenya	11.72%	4.30%	7.42%	8.75%

South Africa	8.72%	3.50%	5.22%	6.75%
Tanzania	13.70%	3.20%	10.50%	5.75%
Cote d'Ivoire	7.78%	0.30%	7.48%	5.00%
Cameroon	8.30%	2.50%	5.80%	4.75%
Chad	0.00%	(4.00%)	4.00%	4.75%
Gabon	0.00%	2.10%	(2.10%)	4.75%
Mauritius	5.49%	3.50%	1.99%	4.50%

Sources: FMDQ, Various Sources and United Capital Research

## Domestic Economy

Nigeria recorded a trade surplus of US\$3.37 billion in Q4 2025, with exports totaling US\$14.77 billion against imports of US\$11.40 billion. The country maintained a surplus throughout 2025 despite fluctuations in import levels, which ranged between US\$3.0 billion and US\$4.5 billion during the year. Meanwhile, the composite Purchasing Managers' Index (PMI) remained firmly in expansion at 56.4 points in February 2026, indicating strong economic activity in the private sector. The sustained trade surplus alongside robust business activity points to improving external and domestic economic conditions, which could support economic growth if the momentum is maintained. These will have positive impact on equity and fixed income securities.

## Equity Market

The Nigerian Exchange All Share Index (NGX-ASI) rose by 0.73% week on week (W/W), closing at 198,407.30 points. Market capitalisation stood at ₦127.36tn and year to date return stood at 27.50%. The Industrial Goods sector recorded the best gain during the week while the Insurance sector recorded the least performance.

Nigerian Equity Market Performance			
Index	Close Price	Weekly Change	YTD
NGX-ASI	198,407.30	0.73%	27.50%
Oil/Gas Index	4,510.42	1.50%	68.91%
Industrial Goods Index	8,034.67	5.73%	41.54%
Banking Index	1,876.90	(1.04%)	23.82%
Consumer Goods Index	4,393.90	0.63%	10.53%
Insurance Index	1,273.09	(4.59%)	7.04%

Sources: NGX and United Capital Research

## Fixed Income and Money Market

The fixed income market recorded mostly bearish movements during the week. In the Nigerian Treasury bills (NTBs) segment, yields rose across board, with the 91-day, 182-day and 364-day tenors rising to 16.54%, 17.72% and 19.51% respectively. This indicates that despite CBN's recent 0.50% rate cut to 26.5%, investors remain cautious and continue to demand elevated yields amid lingering inflation risks, tight liquidity, and uncertainty over the pace of future rate cuts because of the war in Iran. The Overnight rate improved marginally to 22.30%. In the bond market, yields moderated only on the medium term, with the 5-year yield falling to 16.21%, while the 3-year, 7-year and 10-year yields rose. While the drop in the 5-year yield reflects some optimism after the rate cut, rising short- and long-term yields point to continued investors' concerns.

Fixed Income Market Statistics			
	Yield	Weekly Change	Year-To-Date Change
O/N	22.30%	0.01%	(0.45%)
OPR	22.00%	0.00%	(0.50%)
91-Day NTB	16.54%	0.28%	0.24%
182-Day NTB	17.72%	0.15%	1.02%
364-Day NTB	19.51%	0.75%	(0.08%)

## Bond Market

Bond	Yield	Weekly Change	Year-to-Date Change
3yrs	16.06%	0.33%	(0.85%)
5yrs	16.21%	(0.07%)	(0.90%)
7yrs	16.23%	0.01%	(0.83%)
10yrs	16.05%	0.60%	(0.76%)

Sources: FMDQ and United Capital Research

### Outlook

#### Equity Market

This week, the Nigerian equity market could be slightly bullish. The pace of gains may moderate as the market approaches the significant 200,000-point threshold on the ASI. The oil and gas sector may attract attention given elevated global oil prices. Overall, the market's structural bull run remains intact, supported by the CBN's rate cut and improving macro visibility, but investors should remain alert to global risk-off sentiment and potential profit-taking as valuations stretch.

#### Fixed Income Market

The impact of the ongoing war in Iran on crude oil may continue to exert inflationary pressures. This may lead to increase in yields on fixed income securities in the short-term.

## Stock Recommendation

Stocks	Current Price	Target Price	Upside
C & I Leasing Plc	7	10	42.86%
International Breweries	14.95	20	33.78%
United Bank for Africa Plc	45.5	60	31.87%
Access Holdings Plc	24.9	32	28.51%
Sterling Financial Holdings	7.9	10	26.58%
Transnational Corporation	48	60	25.00%
MTN Nigeria	779.1	950	21.94%
AllCO Insurance Plc	4.12	5	21.36%
Dangote Cement Plc	794.9	950	19.51%
Transcorp Power Plc	306.9	365	18.93%
FCMB Group Plc	12.65	15	18.58%
AXA Mansard Insurance	14.91	17.5	17.37%
Lafarge Africa Plc	213.9	250	16.88%
Wema Bank Plc	26	30	15.38%
Beta Glass Plc	498.5	574	15.15%

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