

Weekly Investment Views

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Global Markets

United States

In the United States (US), the Federal Open Market Committee of the US Federal Reserve (Fed) decided to hold rates at 3.5%–3.75%, reflecting caution amid higher oil prices, sticky inflation, and a softer labour market. The Fed's decision to hold rates reflects a Central Bank caught between expected elevated inflation, amplified by the oil shock from the Strait of Hormuz crisis, and a weak growth outlook. Meanwhile, industrial production dropped to 1.40% in February 2026 year-on-year, from 2.23% in January 2026. This indicates softer momentum.

Euro Area

In the Euro Area, on an annual basis, industrial production fell to 1.2%. This marks the first yearly decline in 2026 and falls short of analysts' expectations of 1.4% growth. Industrial production also fell 1.5% month-on-month in January 2026, following a revised 0.6% decline in December 2025. It was the sharpest monthly drop since April 2025, driven by declines across key sectors. This suggests weakening industrial momentum in the Euro Area, which could dampen global demand and weigh on export-driven economies.

Asia

China's surveyed urban unemployment rate rose to 5.3% in February 2026 from 5.2% in the previous month and above market expectations of 5.1%. However, retail sales grew by 2.8% year-on-year in the first two months of 2026. This is an acceleration from December, and it exceeded forecasts, reflecting improved consumer activity. This marks the strongest growth since last October, partly boosted by the Lunar New Year holiday in mid-February. Nevertheless, the divergence between rising unemployment and stronger consumption suggests uneven recovery momentum in China. Amid global uncertainties and elevated oil prices, this mixed trend could moderate global demand outlook.

Global Equity Market Snapshot

Market	Index	Weekly	Year-To-Date (YTD)
Ghana	GGSE	2.21%	80.93%
Nigeria	NGX ASI	1.39%	29.27%
BRVM	ICXCOMP	(1.11%)	19.17%
Kenya	NSE 20	0.96%	17.98%
Brazil	IBOV	0.63%	11.97%
Egypt	EGX 30	(1.57%)	10.10%
United Kingdom	FTSE 100	0.96%	4.76%
China	SHCOMP	(1.92%)	2.04%
Europe	STOXX 600	0.60%	1.63%
South Africa	JALSH	0.26%	1.19%
United States	NASDAQ	1.00%	(1.86%)
France	S&P 500	0.65%	(1.89%)
France	CAC 40	(0.12%)	(2.15%)
United States	Dow Jones	0.68%	(2.23%)
Germany	DAX	0.60%	(3.10%)
India	SENSEX	0.05%	(10.74%)

*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 continued to surge last week, with Brent briefly reaching \$106 and trading between \$100–\$104. This was driven by fears of closure of the Strait of Hormuz and damage to oil production facilities. Gulf countries cut production by at least 10 million barrels daily, marking the largest global supply disruption in history. Calls for a multinational coalition to reopen the Strait received limited support, keeping prices elevated. The International Energy Agency (IEA) has suggested further emergency reserve releases, highlighting the severity of the supply shock.

Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Brent	US\$/bbl	103.42	2.95%	69.96%
Oil Crude – Bonny Light	US\$/bbl	105.36	6.20%	66.13%
Gold	US\$/lb	5,006.90	(1.42%)	14.91%
Copper	US\$/lb	5.7265	(1.68%)	0.30%
Coffee	US\$/lb	294.75	0.98%	(15.48%)
Compressed Natural Gas (CNG)	US\$/MMBtu	3.033	(6.19%)	(17.72%)
Cocoa	US\$/MT	3,349.00	1.03%	(44.78%)

Sources: Various Sources and United Capital Research

Outlook

This week, global equity markets are expected to remain cautious and volatile. The Fed's decision to hold rates at 3.5%–3.75% reinforces an expectation of increase in inflation in the short-term on account of increases in oil prices. This will limit the upside for rate-sensitive equities and shift focus to further Fed guidance, especially ahead of Powell's term expiring in May 2026. European markets face pressure from elevated energy costs due to the Strait of Hormuz disruption, squeezing margins. In Asia, markets will track China's policy signals as its 4.5–5% growth target faces downside risks from rising energy costs and weaker global trade. The prolonged Strait disruption continues to give oil prices room to surge and drive supply chain inflation globally. This will further complicate Central Banks' decisions. A diplomatic resolution to the Iran conflict remains the key potential trigger for a broad market rebound.

African Markets

Morocco

Morocco's Central Bank has retained its benchmark interest rate at 2.25%, citing a stable inflation outlook. This comes despite rising global uncertainties linked to geopolitical tensions in the Gulf. The apex bank noted that while the impact of the Middle East conflict is expected to remain limited in the short-term, prolonged or escalated tensions could pose risks through higher energy prices and external account pressures.

Ghana

The governor of Ghana's Central Bank has stated that the US-Iran war poses a fresh threat to Ghana's inflation outlook through higher oil prices and tighter global financial conditions. This is even as the same geopolitical uncertainty is pushing gold prices up. Ghana's Central Bank has been cutting interest rates since July 2025 when inflation started slowing at a record pace.

South Africa

South Africa's annual inflation rate fell for the second month to 3% in February 2026. This is the lowest since June 2025. The continued slowdown was largely driven by a drop in transportation prices, following a fall in the previous month, reflecting a sharper decline in fuels. However, analysts said the slowdown could be temporary as the ripple effects of the US-Iran war will show up in upcoming releases.

Outlook

African markets are expected to trade with a broadly cautious tone this week, as global risk-off sentiment driven by the US-Iran conflict continues to weigh on markets more integrated with international capital flows. Ghana's market, currently the continent's standout performer, is expected to consolidate recent gains. South Africa, despite its structural constraints, stands to benefit from a surge in mining activity driven by elevated commodity prices, with gold and platinum stocks on the Johannesburg Stock Exchange (JSE) likely to attract interest as investors seek hard asset exposure amid geopolitical uncertainty. Overall, commodity-driven and domestically oriented markets may find pockets of resilience, while trade-sensitive and externally exposed markets face a more challenging week ahead.

Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local Currencies)	YTD (Local Currencies)
Ghana	15,868.11	27.78	2.21%	80.93%
Tanzania	3,942.60	13.19	(1.50%)	42.70%
Nigeria	201,156.85	96.74	1.39%	29.27%
BRVM	412.02	27.85	(1.11%)	19.17%
Kenya	3,703.00	25.21	0.96%	17.98%
Tunisia	15,389.00	11.96	(0.70%)	14.40%

Egypt	46,055.00	62.39	(1.57%)	10.10%
Namibia	2,170.60	3.2	(0.60%)	1.40%
South Africa	117,252.45	1,446.99	0.26%	1.19%
Mauritius	2,229.07	7.63	(0.80%)	(6.40%)
Morocco	382.59	110.88	(0.50%)	(10.20%)

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	19.54	(0.61%)	13.25%
Nigeria	NGN: Naira	1,344.42	2.02%	7.45%
Angola	AOA: Kwanza	917	0.00%	0.22%
Guinea	GNF: Franc	8764	0.03%	(0.18%)
Sierra Leone	SLL: Leone	24107	(0.12%)	(0.27%)
Kenya	KES: Shilling	129.55	(0.23%)	(0.42%)
Mauritius	MUR: Rupee	46.62	(1.52%)	(0.79%)
South Africa	ZAR: Rand	16.8	(0.82%)	(1.38%)
Namibia	NAD: Dollar	16.8	(0.81%)	(1.45%)
Tunisia	TND: Dinar	2.9339	0.17%	(1.65%)
WAEMU	CFA: Franc	570.5	(0.53%)	(2.02%)
Morocco	MAD: Dirham	9.3632	0.36%	(2.60%)
Liberia	LRD: Dollar	182.67	0.15%	(3.10%)
Cameroun	XAF: Franc	576.965	(0.61%)	(3.25%)
Gabon	XAF: Franc	576.965	(0.61%)	(3.25%)
Ghana	GHS: Cedi	10.89	(0.55%)	(3.54%)
Uganda	UGX: Shilling	3776.59	(0.84%)	(4.16%)
Tanzania	TZS: Shilling	2615	(0.57%)	(5.93%)
Egypt	EGP: Pound	52.25	0.17%	(8.71%)

Sources:NGX, Various Sources and United Capital Research

Key Rates in Select African Countries				
Countries	10Yr Bond Yield	Inflation	Real Return	Policy Rate
Nigeria	15.71%	15.06%	0.65%	26.50%
Egypt	20.42%	13.40%	7.02%	19.00%
Angola	10.10%	13.35%	(3.25%)	17.50%
Ghana	21.00%	3.30%	17.70%	15.50%
Congo	9.20%	2.07%	7.13%	15.00%
Kenya	11.72%	4.30%	7.42%	8.75%
South Africa	8.80%	3.00%	5.80%	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	5.47%	3.50%	1.97%	4.50%

Sources: FMDQ, Various Sources and United Capital Research

Domestic Economy

Nigeria's headline inflation eased slightly to 15.06% in February 2026 from 15.10% in January, indicating a fragile but ongoing disinflation trend. Food inflation, the largest component, rose to 12.12%, reflecting supply-side pressures from logistics and seasonal factors. Core inflation fell by 1.84%, driven by lower energy and non-food prices. The divergence between easing core inflation and rising food prices presents a policy challenge for the Central Bank of Nigeria (CBN), as overly aggressive rate cuts could entrench food inflation, while slow easing may delay economic relief. In the short term, rising oil prices will put upward pressure on inflation which may affect interest rate and yields on fixed income securities.

Equity Market

The Nigerian Exchange All Share Index (NGX-ASI) rose by 1.39% week on week (W/W), surpassing the 200,000 points mark, and closing at 201,156.85 points, with year to date at 29.17%. Market capitalisation stood at ₦129.13tn. The Industrial Goods sector recorded the best gain during the week while the Oil and Gas sector recorded the least performance.

Nigerian Equity Market Performance

Index	Close Price	Weekly Change	YTD
NGX-ASI	201,156.85	1.39%	29.27%
Oil/Gas Index	4,294.64	(4.78%)	60.83%
Industrial Goods Index	8,811.46	9.67%	55.23%
Banking Index	1,957.87	4.31%	29.16%
Consumer Goods Index	4,389.66	(0.10%)	10.42%
Insurance Index	1,267.77	(0.42%)	6.60%

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed income market recorded mixed sentiments during the week. In the Nigerian Treasury bills (NTBs) segment, yields rose on the medium to long-term ends of the curve, with the 182-day and 364-day tenor yields rising to 18.11% and 19.64% respectively. Only the 91-day tenor yield fell to 16.01%. This indicates that investors remain cautious and continue to demand high yields. This comes amid lingering inflation risks, tight liquidity, and uncertainty over the interest rate cuts due to the US-Iran war. The Overnight rate fell marginally to 22.26%. In the bond market, yields mostly moderated, with the 3-year, 5-year and 10-year yields falling to 16.03%, 16.06% and 15.71% respectively. On the flip side, only the 7-year bond yield stayed flat. This reflects selective buying interest, although overall sentiment remains cautious given the interplay between easing domestic policy and persistent external risks.

Fixed Income Securities Rates

	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	22.26%	(0.04%)	(0.49%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	16.01%	(0.53%)	(0.29%)
182-Day NTB	18.11%	0.39%	1.41%
364-Day NTB	19.64%	0.13%	0.05%

Bond Market Rates

Bond	Yield	Weekly Change	Year-to-Date Change
3yrs	16.03%	(0.03%)	(0.88%)
5yrs	16.06%	(0.15%)	(1.05%)
7yrs	16.23%	0.00%	(0.83%)
10yrs	15.71%	(0.34%)	(1.10%)

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market may sustain its bullish momentum this week, having broken and held above the historic 200,000-point threshold. This milestone has reinforced investor confidence and attracted renewed institutional interest. The market is undergoing a broader re-rating, with global investors reassessing the country's economic progress and strong outlook. This comes after strong returns, ongoing reforms, and the improving macroeconomic direction. Banking and industrial goods stocks are likely to remain the primary drivers of activity. However, profit-taking in high-performing stocks may introduce mild volatility as investors rebalance ahead of the quarter-end. Overall, the structural bull run remains intact. This run is supported by strong corporate fundamentals and growing local and foreign participation. However, investors should remain alert to global risk-off spillovers.

Fixed Income Market

The Nigerian fixed income market is likely to remain under mild bearish pressure this week. Rising global oil prices continue to threaten domestic inflationary conditions and dampen expectations of aggressive CBN rate cuts in the near term. However, the expected stability in the foreign exchange market and the drop in fiscal deficit may have moderating impact on yields.

Stock Recommendation

Stocks	Current Price	Target Price	Upside
C & I Leasing Plc	6.95	10	43.88%
International Breweries	14.05	20	42.35%
Transnational Corporation	47	60	27.66%
MTN Nigeria	758	950	25.33%
Access Holdings Plc	25.7	32	24.51%
Sterling Financial Holdings	8.1	10	23.46%
United Bank for Africa Plc	48.75	60	23.08%
AllCO Insurance Plc	4.14	5	20.77%
Transcorp Power Plc	306.9	365	18.93%
Dangote Cement Plc	810	950	17.28%
FCMB Group Plc	12.85	15	16.73%
Aradel Holdings Plc	1210.3	1400	15.67%
Beta Glass Plc	498.5	574	15.15%
AXA Mansard Insurance	15.2	17.5	15.13%

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