

Weekly Investment Views

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Global Markets:

United States

In the US, unemployment claims edged up slightly to 212,000 from 208,000. While this represents a small increase, the level remains low by historical standard, indicating that widespread job cuts are not taking place. The four-week average rose modestly to 220,250, suggesting only a slight cooling in hiring conditions. This means fewer people are remaining on unemployment benefits. Overall, the figures point to a labour market that remains stable and resilient.

Euro Area

In Europe, the latest Purchasing Managers' Index (PMI) survey showed that private sector activity improved slightly in February, with the Composite PMI rising to 51.9 points from 51.3 points in January. As readings above 50 points signal expansion, this indicates that the economy is still growing at a modest pace. The improvement suggests that business activity is holding up and that the region is avoiding a sharper slowdown, even though overall growth remains relatively subdued.

Asia

Across Asia, price pressures in Japan continued to ease, with headline inflation slowing to 1.5% year-on-year in January 2026 from 2.1% in December, while core inflation stood at 2.0%. This suggests moderating cost pressures and gives the Bank of Japan room to remain patient on policy. In China, interest rates were left unchanged, with the 1-year Loan Prime Rate at 3.0% and the 5-year rate at 3.5%, indicating no fresh stimulus. Meanwhile, Japan's Composite PMI rose to 53.8 points in February from 53.1 points, signalling improved business momentum. Overall, the region appears stable, with moderate growth and easing inflation pressures.

Global Equity Market Snapshot

Market	Index	Weekly	Year-To-Date (YTD)
Ghana	GGSE	10.15%	43.00%
Nigeria	NGX-ASI	(1.11%)	23.91%
BRVM	ICXCOMP	5.59%	20.41%
Brazil	IBOV	1.31%	18.54%
Kenya	NSE 20	1.44%	17.71%
Egypt	EGX 30	(2.87%)	17.65%
South Africa	JALSH	3.84%	9.25%
United Kingdom	FTSE 100	2.07%	9.22%
Europe	STOXX 600	1.26%	6.82%
France	CAC 40	2.65%	5.78%
China	SHCOMP	0.71%	4.48%
Germany	DAX	0.98%	3.26%
United States	Dow Jones	0.21%	2.99%
United States	S&P 500	0.68%	0.93%
United States	NASDAQ	0.96%	(0.85%)
India	SENSEX	(0.30%)	(3.49%)

*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:

Crude oil prices eased slightly this week, but tension between the US and Iran continue to keep the market cautious. Concerns that any escalation could disrupt supply particularly through the Strait of Hormuz, a key global shipping route have kept prices sensitive to geopolitical developments. While diplomatic talks have helped limit sharp spikes, uncertainty around the situation is still providing underlying support to the oil market.

Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Gold	US\$/lb.	5,213.50	4.32%	19.66%
Oil Crude – Brent	US\$/bbl.	70.84	(0.60%)	16.42%
Oil Crude – Bonny Light	US\$/bbl.	72.94	(1.98%)	15.01%
Copper	US\$/lb.	6.0345	4.07%	5.69%
Coffee	US\$/lb.	282.3	(1.09%)	(19.05%)
Compressed Natural Gas (CNG)	US\$/MMBtu.	2.827	(5.64%)	(23.30%)
Cocoa	US\$/MT.	3,063.00	0.16%	(49.50%)

Sources: Various Sources and United Capital Research

Outlook:

This week, global markets are likely to trade cautiously, supported by resilient US labour conditions, modest expansion in Europe, and stable economic signals across Asia, including easing inflation in Japan and steady policy in China. While underlying fundamentals remain relatively firm, investors will continue to monitor inflation trends, Central Banks' signals and geopolitical risks. Oil prices are expected to stay sensitive to tension between the US and Iran, where any escalation could push prices higher, while diplomatic progress may help ease pressure.

African Markets:

Kenya

Kenya's inflation eased slightly to 4.3% in February from 4.4% in January, showing that price pressures are slowing modestly. While the cost of living is still rising, it is doing so at a slower pace, giving policymakers more room to maintain stable financial conditions and supporting household purchasing power.

Egypt

The International Monetary Fund (IMF) approved the release of \$2.3 billion to Egypt following progress on economic reforms aimed at stabilising the economy. The Fund also noted that urban inflation slowed to 11.9% in January from 12.3% in December, signalling improving price stability and strengthening investor confidence in Egypt's reform path.

South Africa

South Africa's producer inflation slowed sharply to 2.2% year-on-year in January from 4.0% in December, indicating that cost pressures for businesses are easing. This moderation may help contain consumer inflation and supports the case for a steady or more accommodative monetary policy stance if the trend continues.

Outlook:

This week, African markets are likely to remain cautiously supported, as easing inflation in Kenya and moderating producer price pressures in South Africa signal improving price stability, while the IMF's \$2.3 billion disbursement to Egypt reinforces external financing confidence and reform momentum. Together, these developments point to a gradually strengthening macro backdrop that could underpin investor sentiment, currency stability and selective equity gains, although global headwinds and domestic policy risks remain key factors to watch.

Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local)	YTD (Local)
Tanzania	3,946.20	13.3	1.39%	42.88%
Egypt	49,212.83	64.54	(2.87%)	17.65%
Nigeria	192,734.77	91.01	(1.11%)	23.91%
Ghana	12,545.20	17.99	10.15%	42.99%
Kenya	3,695.60	26.04	1.44%	17.71%
BRVM	416.33	28.91	5.59%	20.41%
Emerging	1,619.28	--	3.58%	15.30%

Tunisia	15,122.84	12.94	2.67%	12.44%
Namibia	2,409.30	2.54	2.60%	12.53%
Frontier	1,558.59	--	0.58%	6.77%
South Africa	126,593.00	1597.07	3.84%	9.25%
Morocco	413.06	112.53	0.00%	(3.06%)
Mauritius	2,323.10	7.9	(0.62%)	(2.47%)
Global Market	2,173.60	--	(0.06%)	(4.52%)

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	18.83	(0.21%)	17.53%
Nigeria	NGN: Naira	1,360.05	(1.19%)	6.21%
South Africa	ZAR: Rand	15.94	1.28%	3.93%
Namibia	NAD: Dollar	15.94	1.33%	3.88%
WAEMU	CFA: Franc	555.25	(0.23%)	0.68%
Tunisia	TND: Dinar	2.87	0.00%	0.61%
Uganda	UGX: Shilling	3,598.27	(0.38%)	0.59%
Angola	AOA: Kwanza	918.83	(0.20%)	0.02%
Kenya	KES: Shilling	129	0.00%	0.00%
Sierra Leone	SLL: Leone	20,969.00	0.00%	0.00%
Mauritius	MUR: Rupee	46.31	(0.24%)	(0.13%)
Guinea	GNF: Franc	8,770.50	0.03%	(0.25%)
Morocco	MAD: Dirham	9.16	0.10%	(0.42%)
Egypt	EGP: Pound	47.95	0.00%	(0.52%)
Ghana	GHS: Cedi	10.68	3.04%	(1.64%)
Cameroun	XAF: Franc	570.78	0.10%	(2.20%)
Gabon	XAF: Franc	570.78	0.10%	(2.20%)
Liberia	LRD: Dollar	182.6	1.04%	(3.07%)
Tanzania	TZS: Shilling	2,555.00	1.37%	(3.72%)

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%	3.90%	1.90%	27.00%
Nigeria	15.44%	15.10%	0.34%	26.50%
Egypt	15.60%	11.90%	3.70%	20.00%
Angola	10.10%	15.70%	(5.60%)	17.50%
Congo	9.20%	2.11%	7.09%	17.50%
Ghana	21.00%	3.80%	17.20%	15.50%

Kenya	13.00%	4.40%	8.60%	9.00%
South Africa	8.10%	3.50%	4.60%	6.75%
Tanzania	13.70%	3.30%	10.40%	5.75%
Cote d'Ivoire	7.90%	0.30%	7.60%	5.25%
Cameroon	8.30%	14.56%	(6.26%)	4.75%
Chad	0.00%	8.90%	(8.90%)	4.75%
Gabon	0.00%	2.10%	(2.10%)	4.75%

Sources: FMDQ, Various Sources and United Capital Research

Domestic Economy:

Nigeria's economy expanded by 4.07% year-on-year in Q4 2025, bringing full-year growth to 3.87% and reinforcing steady recovery momentum, largely driven by the services and non-oil sectors. Strong activity in telecoms, trade, real estate, agriculture and mining reflects improving diversification and rising business volumes, creating broader investment and advisory opportunities. In addition, the Monetary Policy Committee's 0.50% rate cut to 26.50%, supported by easing inflation and exchange rate stability, signals a shift towards supporting growth, which should lower borrowing costs, improve liquidity and create a more favourable environment for investment in 2026.

Equity Market:

The Nigerian Exchange All Share Index (NGX-ASI) fell by 1.11% week on week (W/W), closing at 192,826.77 points. Market capitalisation stood at ₦123.76tn and year to date return stood at 23.91%. The Banking sector recorded the best gain during the week while the consumer Goods sector recorded the least performance.

Nigerian Equity Market Performance			
Index	Close Price	Weekly Change	YTD
NGX-ASI	192,826.77	(1.11%)	23.91%
Oil/Gas Index	4,060.73	(0.43%)	52.07%
Industrial Goods Index	7,314.57	(0.69%)	28.86%
Banking Index	1,892.07	0.71%	24.82%
Insurance Index	1,359.91	(0.62%)	14.34%
Consumer Goods Index	4,370.24	(3.47%)	9.93%

Sources: NGX and United Capital Research

Fixed Income and Money Market:

The fixed income market recorded mixed movements during the week. In the Treasury bills segment, yields declined at the short end, with the 182-day NTB easing to 17.47%, while the 91-day and 364-day tenors rose to 16.53% and 18.48% respectively, indicating renewed demand at the short end but some upward repricing in the mid and long end of the curve. The O/N rate declined to 22.25%. Notably, the Monetary Policy Committee cut the policy rate by 0.50% to 26.50%, signalling a gradual shift towards supporting growth amid easing inflation pressures. In the bond market, yields generally moderated, particularly at the mid-to-long end, with the 5-year, 7-year and 10-year yields declining, suggesting improved investor appetite and expectations of a softer rate environment following the policy adjustment.

Fixed Income Market Statistics			
	Yield	Weekly Change	Year-To-Date
182-Day NTB	17.47%	(0.20%)	0.77%
91-Day NTB	16.53%	0.21%	0.23%
O/N	22.25%	(0.61%)	(0.50%)
OPR	22.00%	(0.50%)	(0.50%)
364-Day NTB	18.48%	0.56%	(1.11%)

Bond Market

Bond	Yield	Weekly Change	Year-to-Date
3yrs	16.00%	0.00%	(0.91%)
5yrs	15.78%	(0.66%)	(1.33%)
10yrs	15.44%	(1.10%)	(1.37%)
7yrs	15.57%	(0.63%)	(1.49%)

Sources: FMDQ and United Capital Research

Outlook:

Equity Market

This week, the equity market may trade with a mildly positive bias as lower interest rates improve sentiment and enhance the attractiveness of equities relative to fixed income instruments. Banking stocks could continue to see interest given their recent resilience, while broader market performance will depend on investor confidence, liquidity flows and corporate earnings expectations. Overall, improved macro stability and supportive policy signals may help cushion downside risks.

Fixed Income Market

This week, the fixed income market is likely to remain cautiously supported following the MPC's 0.50% rate cut to 26.50%, which signals a more accommodative stance. Improved liquidity and easing inflation expectations could keep short-term yields relatively stable, while mid-to-long dated instruments may continue to see mild demand as investors position for a softer rate environment. However, selective upward repricing at certain tenors may persist depending on auction supply and system liquidity conditions.

Stock Recommendation

Stocks	Current Price	Target Price	Upside
International Breweries	14.50	20	37.93%
C & I Leasing Plc	7.50	10	33.33%
Lafarge Africa Plc	200.00	250	25.00%
United Bank for Africa Plc	48.80	60	22.95%
Dangote Cement Plc	779.00	950	21.95%
Access Holdings Plc	26.50	32	20.75%
Transcorp Power Plc	306.90	365	18.93%
Transnational Corporation	50.55	60	18.69%
MTN Nigeria	760.00	900	18.42%
Sterling Financial Holdings	8.50	10	17.65%

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