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Monthly Economic and Financial
Markets Report - **June 2026**



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Global Economy



Global Economy: UAE Exits from OPEC

United Arab Emirates (UAE) Leaves the Organization of Petroleum Exporting Countries (OPEC)

- On May 1, 2026, UAE exited from OPEC after 59 years of membership
- UAE described the move as a "policy-driven evolution" in its energy approach
- It noted that it would enable it to respond to market changes quickly
- UAE accounts for 3rd of OPEC's production of 18.98 mb/d in April 2026
- This represents 11% of the total OPEC production in April 2026
- After the UAE's exit, OPEC now has 11 members
- UAE's exit from OPEC may weaken the Cartel's ability to influence global oil market
- The US Energy Information Administration (EIA) now expects OPEC's spare capacity at 2.5 mb/d in 2027
- Lower than previous forecast of 3.8mb/d

Crude Oil Production Based on Secondary Sources – April 2026

Countries	Production Total (tb/d)	Contribution
Saudi Arabia	6,768	36%
Iran	2,854	15%
United Arab Emirates	2,023	11%
Nigeria	1,486	8%
Iraq	1,389	7%
Libya	1,307	7%
Venezuela	1,031	5%
Algeria	982	5%
Kuwait	600	3%
The Republic of Congo	284	1%
Gabon	212	1%
Equatorial Guinea	50	0%
Total	18,986	100%

tb/d – Thousands barrel per day

GLOBAL ECONOMY: RECENT INFLATION TRENDS IN SELECTED COUNTRIES

Recent Inflation Rate Trends in Selected Countries				
S/N	Countries	March 2026	Current	Change
1	Rwanda	7.70%	11.50%	3.80%
2	Ethiopia	9.40%	11.70%	2.30%
3	Niger	-9.80%	-7.50%	2.30%
4	Algeria*	3.01%	4.47%	1.46%
5	Kenya	4.40%	5.60%	1.20%
6	South Africa	3.10%	4.00%	0.90%
7	Morocco	0.90%	1.70%	0.80%
8	Tanzania	3.20%	4.00%	0.80%
9	United States	3.30%	3.80%	0.50%
10	Euro Area	2.60%	3.00%	0.40%
11	Nigeria	15.38%	15.69%	0.31%
12	Ghana	3.20%	3.40%	0.20%
13	Cote d'Ivoire	0.10%	0.30%	0.20%
14	China	1.00%	1.20%	0.20%
15	Mali	0.60%	0.70%	0.10%
16	India	3.40%	3.48%	0.08%
17	Senegal	1.40%	1.40%	0.00%
18	Japan	1.50%	1.40%	-0.10%
19	Benin	-0.40%	-0.60%	-0.20%
20	Egypt	15.20%	14.90%	-0.30%
21	Burkina Faso	0.80%	0.40%	-0.40%
22	United Kingdom	3.30%	2.80%	-0.50%
23	Guinea Bissau	-3.50%	-4.30%	-0.80%
24	Angola	12.42%	11.58%	-0.84%
25	Togo	1.60%	0.70%	-0.90%

Recent Inflation Rate Trends in Selected Countries

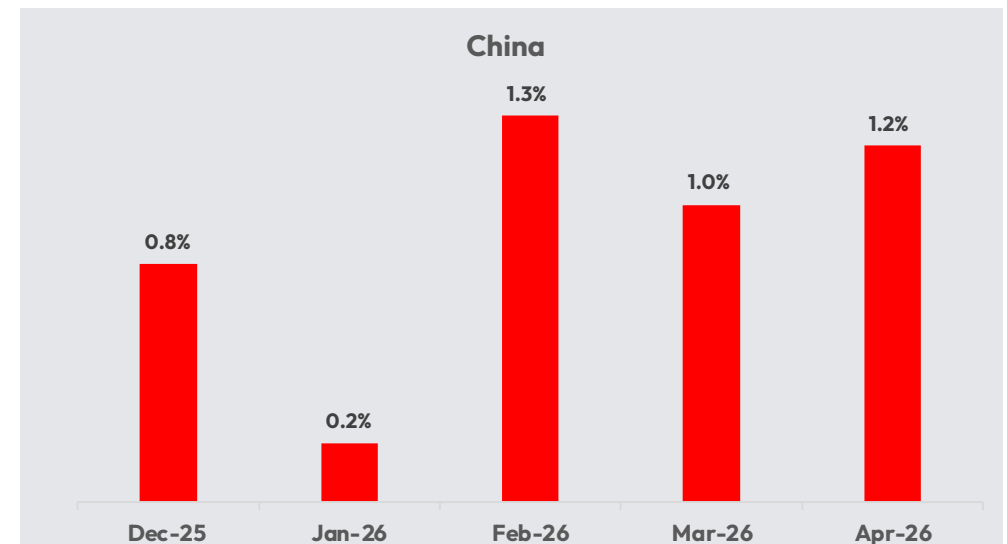
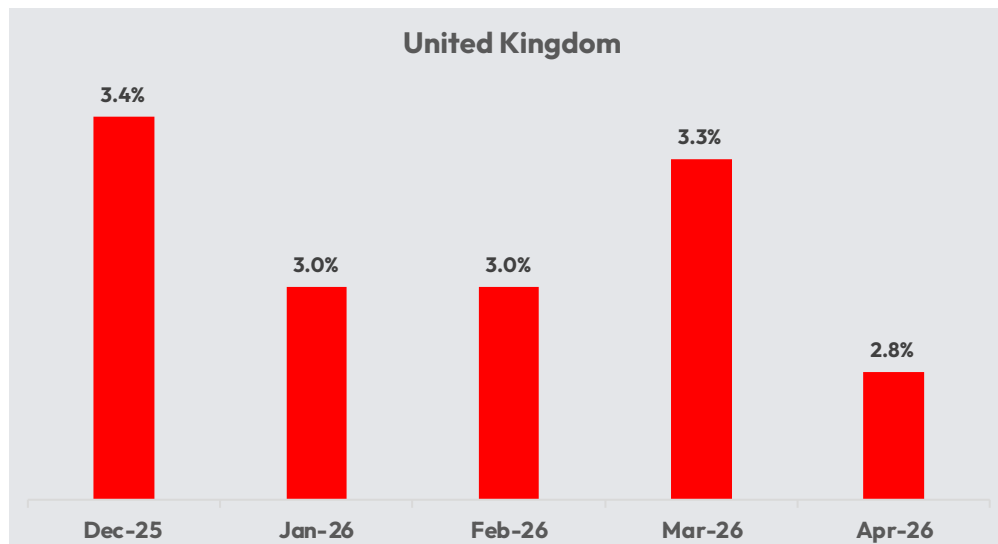
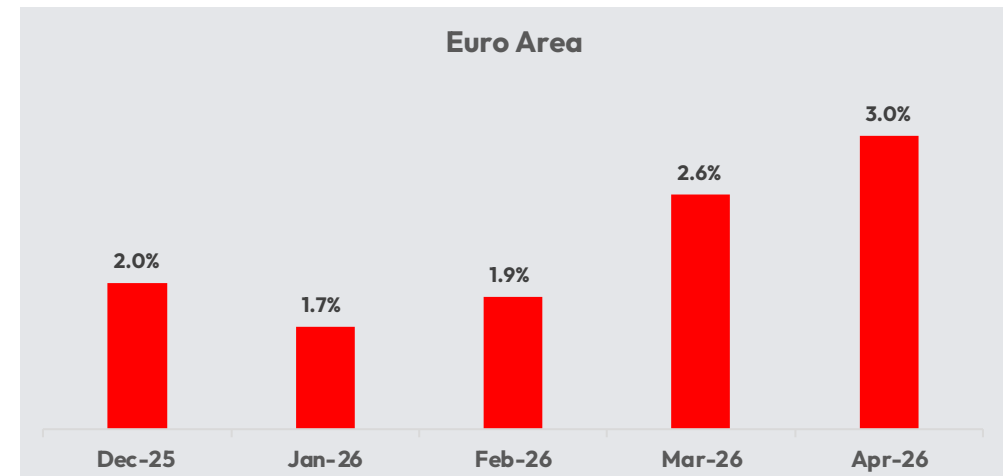
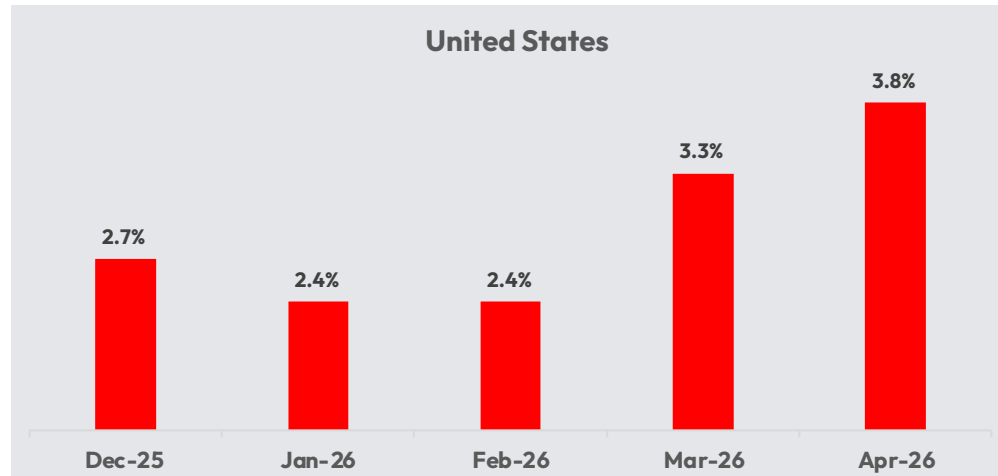
- Inflation rate increased in major advanced countries except in United Kingdom (UK)
- Inflation rates in USA and Euro Area at 3.8% and 3.00% exceeds the target rate of 2%
- Elevated crude oil price continue to exert upward pressure consumer prices
- Rwanda, Ethiopia, Kenya, and South Africa posted notable increases in inflation
- Inflation also edged higher Nigeria and China, suggesting persistent global price pressures
- Meanwhile, inflation moderated in Angola, Egypt and the UK
- Several WAEMU countries maintained relatively low or negative inflation rates
- Overall, this suggests that inflationary pressures remain uneven globally
- Consequently, many central banks are likely to maintain cautious monetary policy stances

GLOBAL ECONOMY: POLICY RATE AND INFLATION RELATIONSHIPS IN SELECTED KEY ECONOMIES

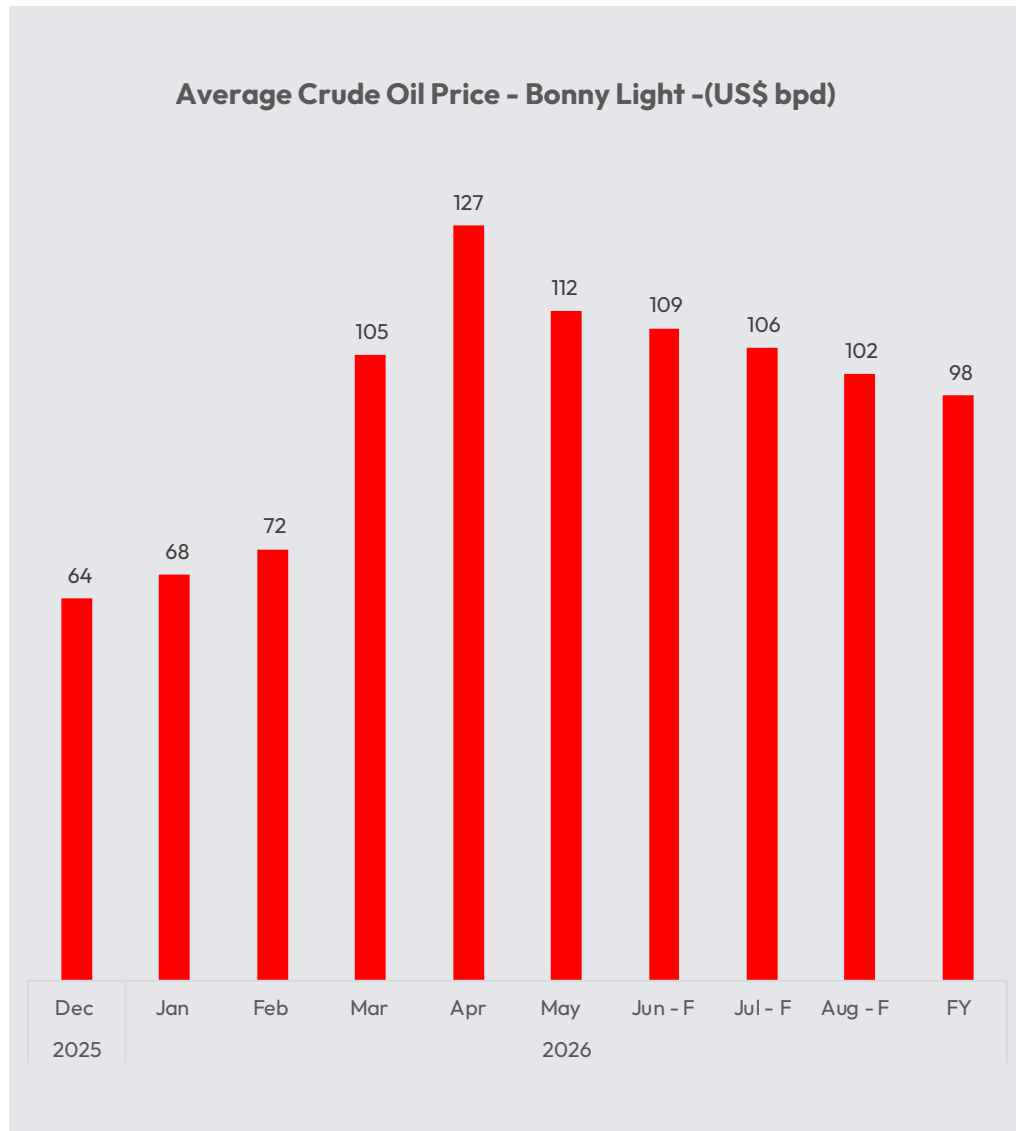
- Energy-driven inflation in advanced economies strengthens the case for monetary tightening
- However, the ability of central banks—particularly in the United States—to raise interest rates decisively may be constrained by political pressures
- The prevailing “hold” stance reflects policymakers’ assessment that current inflationary pressures are transitory rather than structural, warranting caution in further tightening

	Indicators	Dec -25	Jan-26	Feb-26	Mar-26	Apr-26
USA	Policy Rate	4.00%	3.75%	3.75%	3.75%	3.75%
	Inflation Rate	2.70%	2.40%	2.40%	3.30%	3.80%
	Premium	1.30%	1.35%	1.35%	0.45%	(0.05%)
UK	Policy Rate	4.00%	3.75%	3.75%	3.75%	3.75%
	Inflation Rate	3.40%	3.00%	3.00%	3.30%	2.80%
	Premium	0.60%	0.75%	0.75%	0.45%	0.95%
Euro Area	Policy Rate	2.15%	2.15%	2.15%	2.15%	2.15%
	Inflation Rate	2.00%	1.70%	1.90%	2.60%	3.00%
	Premium	0.15%	0.45%	0.25%	(0.45%)	(0.85%)
China	Policy Rate	3.00%	3.00%	3.00%	3.00%	3.00%
	Inflation Rate	0.80%	0.20%	1.30%	1.00%	1.20%
	Premium	2.20%	2.80%	1.70%	2.00%	1.80%
Japan	Policy Rate	0.50%	0.75%	0.75%	0.75%	0.75%
	Inflation Rate	2.10%	1.50%	1.30%	1.50%	1.40%
	Premium	(1.60%)	(0.75%)	(0.55%)	(0.75%)	(0.65%)

GLOBAL ECONOMY – INFLATION TRENDS IN SELECTED KEY ECONOMIES



GLOBAL ECONOMY – CRUDE OIL PRICE



Oil prices fell sharply in May from elevated levels with average Bonny Light prices settling at US\$112/b from US\$127/b in April

Our revised average Bonny Light crude price forecast for FY-2026 is now at US\$98/b

Oil prices may likely drop further in June 2026 as the crisis in Middle East softens and talks between US and Iran continue

However, the inflation rate within the next 3 months should continue to rise

This is because of the lagged impact of the rising energy prices

This will cause Central Banks to maintain a hold and cautious stances on monetary policy

Global Economy – Commodity Prices

Commodities Price Monitor as of May 29, 2026

Commodity	Unit Price	Price (US\$)	MTD	Drivers
Compressed Natural Gas (CNG)	US\$/MMBtu	3.29	18.90%	Prices rose to a three-month high, driven by tighter supply conditions and disruptions in global LNG trade
Cocoa	US\$/MT	3,923.00	9.92%	Prices rebounded in May, driven by concerns over supply disruptions in West Africa and adverse weather risks
Copper	US\$/lb	6.4195	7.34%	Prices increased, supported by supply disruptions, robust demand from China, and rising investment in AI infrastructure
Gold	US\$/toz	4,593.00	(0.79%)	Prices edged lower as a stronger U.S. dollar and heightened interest rate expectations offset safe-haven demand
Coffee	US\$/lb	265.6	(6.99%)	The decline reflected expectations of a record Brazilian harvest, improving global supply prospects
Oil Crude – Bonny Light	US\$/bbl	111.54	(12.95%)	Bonny Light prices fell sharply in May as easing U.S.–Iran tensions reduced the geopolitical risk premium that had previously supported oil markets
Oil Crude – Brent	US\$/bbl	92.05	(19.26%)	Brent crude posted its steepest monthly decline since 2020, as easing U.S.–Iran tensions improved expectations for global oil supply

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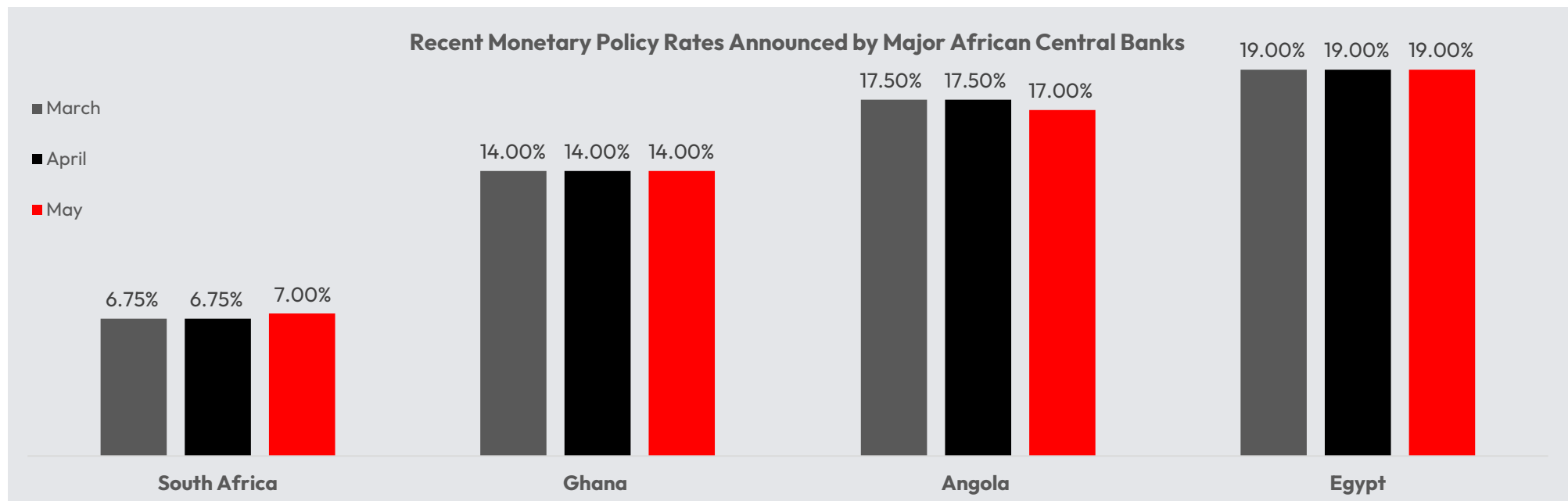


Sub-Saharan Africa (SSA)

Sub-Saharan Africa

MONETARY POLICY RATE ANNOUNCEMENTS BY SOME AFRICAN COUNTRIES

- The South African Reserve Bank raised its policy rate by 25 basis points to 7.0% in May 2026, its first hike since 2023
- The move was driven by rising inflation risks linked to Middle East tensions and elevated global energy prices
- Policymakers cautioned that persistent external shocks could broaden inflationary pressures across the economy
- The Bank also signaled the likelihood of further monetary tightening
- In contrast, Angola reduced its policy rate by 0.5% to 17% amid easing inflationary pressures despite ongoing global tensions



SELECT AFRICAN COUNTRIES SNAPSHOT

Pan African Stock Market Monitor			
Market	Index	MTDChange	YTDChange
Ghana	14,354.14	(5.13%)	63.67%
Tunisia	17,669.81	10.04%	31.37%
Egypt	52,658.75	1.73%	25.89%
South Africa	114,632.29	(0.48%)	(1.07%)
Morocco	420.14	1.23%	(1.40%)

Currency Performance in Select African Countries				
Countries	Signs	Spot Rate	MTD Change	YTD Change
South Africa	ZAR: Rand	16.24	2.63%	2.02%
Angola	AOA: Kwanza	919.82	0.00%	(0.09%)
Tunisia	TND: Dinar	2.90	(0.82%)	(0.57%)
Morocco	MAD: Dirham	9.19	0.53%	(0.72%)
Egypt	EGP: Pound	52.22	2.68%	(8.66%)
Ghana	GHS: Cedi	11.74	(4.64%)	(10.52%)

Key Rates in Select African Countries				
Countries	Bond Yield	Inflation	Real Return	Policy Rate
Egypt	21.71%	14.90%	6.81%	19.00%
Angola	22.00%	11.58%	10.42%	17.00%
Ghana	6.20%	3.40%	2.80%	14.00%
South Africa	8.39%	4.00%	4.39%	7.00%

- African equity markets showed mixed performance
- Tunisia and Egypt recorded strong gains while Ghana dropped in value
- Many African currencies recorded varying degree of depreciation YTD
- South African Rand is the however recorded YTD appreciation
- Real yields remain attractive across key markets
- This supports continued foreign investor interest
- Mixed equity performance and currency weakness suggest cautious investor sentiment, with selective opportunities in high-yield fixed income markets

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35,140.50 -150.15 -25.15%

2,595 -20.05 -0.14%

15,500 -25.05 -0.58%

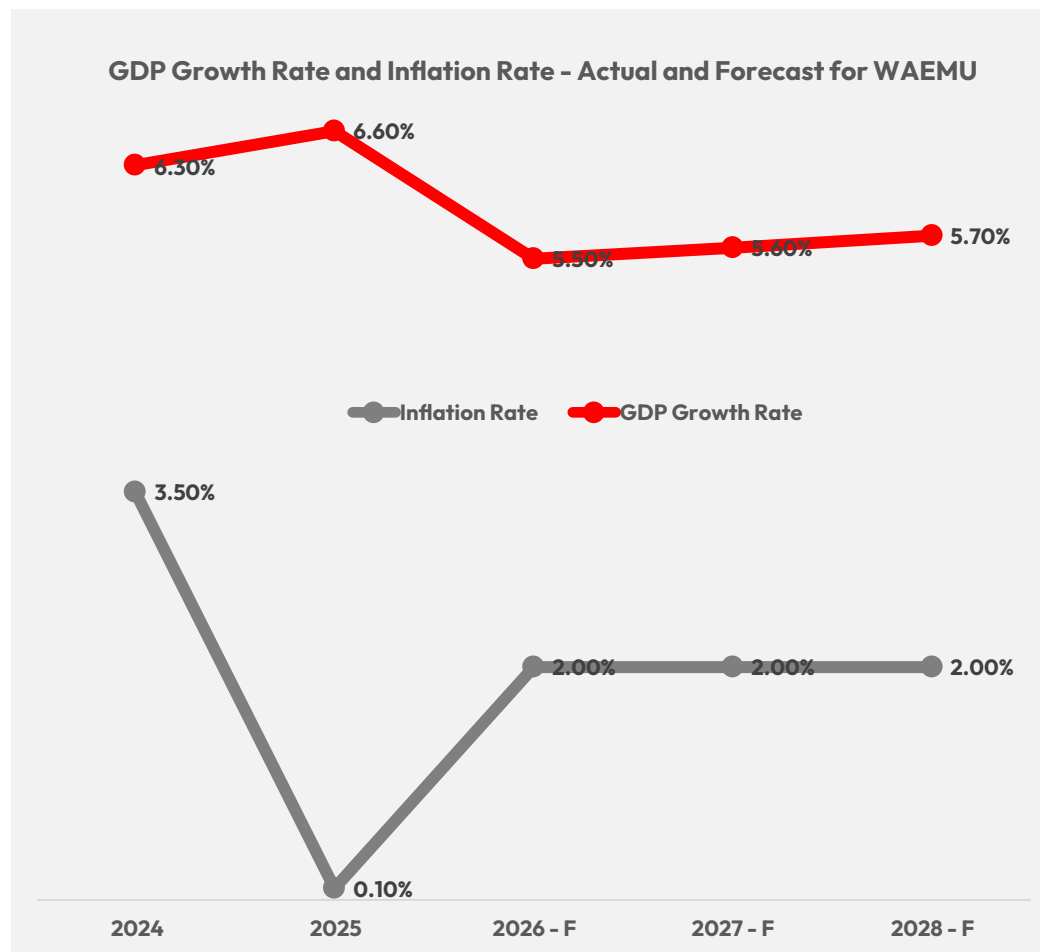
West African Economic and Monetary Union(WAEMU)

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WAEMU Economy

INTERNATIONAL MONETARY FUND (IMF) MAINTAINS POSITIVE OUTLOOK ON THE REGION

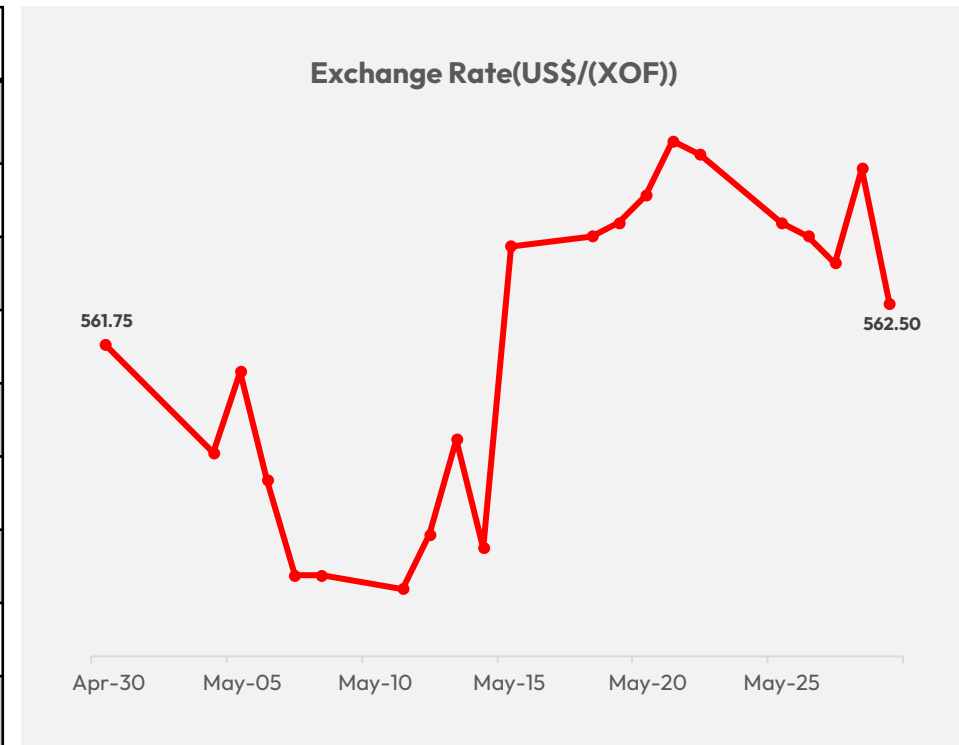


- On the 21 May, the IMF concluded its 2026 discussions on common policies in the WAEMU region
- The fund noted that economic growth remained robust at 6.6% in 2025 and inflation also moderated below the regional target range
- Improved commodity exports and stronger hydrocarbon production supported a significant narrowing in the current account deficit and boosted external reserves
- Looking ahead, the IMF projects growth to moderate to 5.5% in 2026
- IMF also expects inflation to remain within target level of 2%
- However, there are persistent fiscal and financial sector vulnerabilities
- IMF urges member states to sustain fiscal discipline and accelerate structural reforms

WAEMU REGION SNAPSHOT

- Although inflation rate remains low in WAEMU Region, it increased in Ivory Coast and Mali
- The currency XOF depreciated marginally in the month of May despite its relative stability
- XOF weakened due to US Dollar strength and higher safe-haven demand amid rising global rate expectations

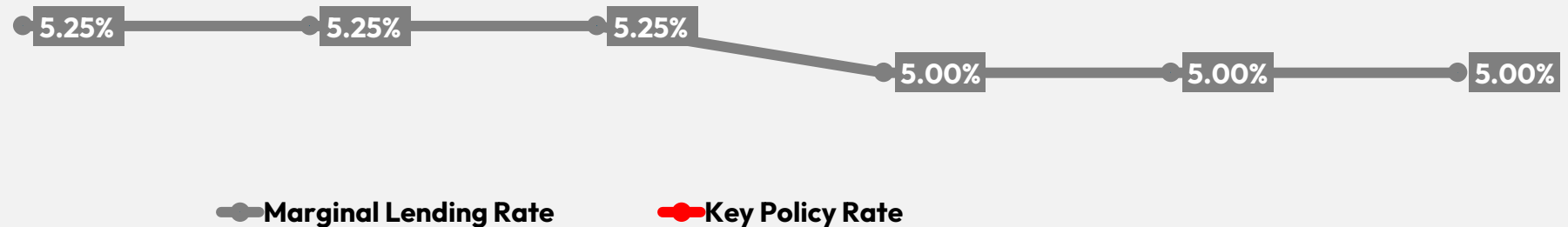
Inflation Rate in West African and Monetary Union (WAEMU) Region			
Countries	Previous	Current	Change
Niger	(9.80%)	(7.50%)	2.30%
Ivory Coast	0.10%	0.30%	0.20%
Mali	0.60%	0.70%	0.10%
Senegal	1.40%	1.40%	0%
Benin	(0.40%)	(0.60%)	(0.20%)
Burkina Faso	0.80%	0.40%	(0.40%)
Togo	1.60%	0.70%	(0.90%)
Guinea - Bissau	(3.50%)	(4.30%)	(7.80%)



WAEMU REGION SNAPSHOT

Key Policy Rates in WAEMU Region

The Central Bank of West African States (BCEAO) most recently cut its policy rate in March 2026, reducing the main rate to 3.00% to support economic growth amid subdued inflation. The marginal lending facility rate was also

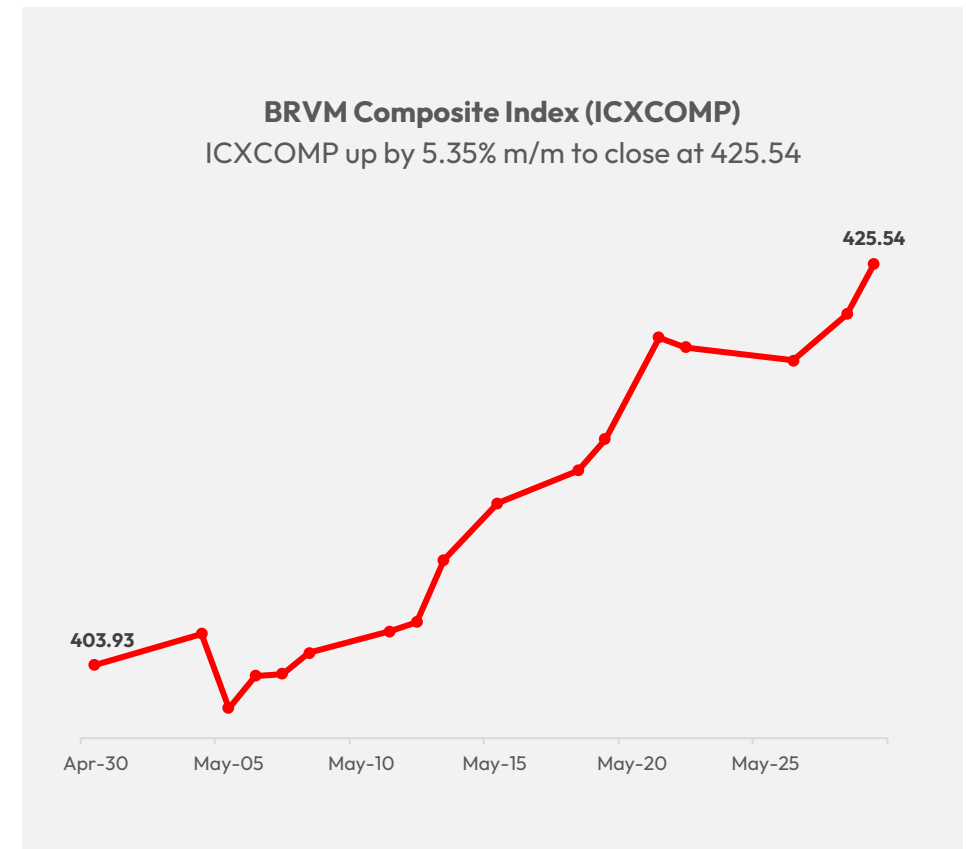


Dec 2025	Jan	Feb	Mar 2026	Apr	May
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WAEMU MARKETS SNAPSHOT

- The BRVM Composite Index appreciated by 5.35% month-to-date to settle at 425.54 points
- In the WAEMU fixed-income markets, yields remained attractive during the period
- Niger and Guinea-Bissau record high yields because of political risks

Key Rates in WAEMU Countries				
Countries	Tenor	Bond Yield	Inflation	Real Return
Niger	5 Year	10.00%	(7.50%)	17.50%
Guinea - Bissau	3 Year	8.00%	(4.30%)	12.30%
Mali	1 Year	8.00%	0.70%	7.30%
Senegal	3 Year	8.00%	1.40%	6.60%
Burkina Faso	2 Year	7.00%	0.40%	6.60%
Benin	2 Year	6.00%	(0.60%)	6.60%
Togo	5 Year	7.00%	0.70%	6.30%
Ivory coast	3 Year	6.00%	0.30%	5.70%



East Africa

East African Countries Snapshot of Key Economies

Stock Market Performance in Select East African Countries

Market	Index	MTD	YTD
Tanzania	3,935.48	0.41%	42.49%
Uganda	1,972.60	0.75%	20.88%
Kenya	3,513.1	(0.97%)	11.93%
Rwanda	199.63	3.52%	9.53%

Currency Performance in Select East African Countries

Countries	Signs	Spot Rate	Month-to-Date Change	YTD Change
Kenya	KES: Shilling	129.45	(0.23%)	(0.35%)
Rwanda	RWF: Franc	1,463.73	(0.11%)	(0.49%)
Ethiopia	ETB: Birr	158.48	(0.78%)	(1.95%)
Uganda	UGX: Shilling	3,773.33	(0.43%)	(4.08%)
Tanzania	TZS: Shilling	2,630.00	(0.95%)	(6.46%)

Key Rates in Select East African Countries

Countries	Tenor	Bond Yield	Inflation	Real Return	Policy Rate
Ethiopia*	10 Year	-	11.70%	-	15.00%
Uganda	10 Year	15.50%	3.20%	12.50%	9.75%
Kenya	10 Year	11.52%	5.60%	5.92%	8.75%
Rwanda	10 Year	12.70%	11.50%	1.20%	8.25%
Tanzania	15 Year	10.75%	4.00%	6.75%	5.75%

Ethiopia does not currently have an active 10 –year bond in issue; as such, their corresponding real return cannot be computed

- East African equity markets recorded mixed performance
- Uganda and Rwanda gained while Kenya market lost
- Year-to-date returns remain strong in Tanzania and Uganda
- This indicates sustained market resilience
- Regional currencies weakened during the month
- This reflects reflecting external headwinds and inflationary pressures
- Real yields remain attractive in Uganda and Tanzania
- This supports strong demand in fixed income markets
- Elevated policy rates across the region highlight ongoing efforts to contain inflationary pressures

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Macroeconomic Trends in Nigeria & Implications for Markets & Businesses



Domestic Economy – Sovereign Ratings

S&P Global Ratings Upgrades Nigeria’s Sovereign Credit Rating from “B-” to “B” With a Stable Outlook

On 15 May 2026, S&P Global announced that it has upgraded Nigeria’s sovereign credit rating from “B-” to “B” with a Stable Outlook, citing improvements in the country’s external position, macroeconomic reforms, FX market liberalisation, and stronger balance of payments position

Key Drivers of the Upgrade

- Improved external reserves and stronger balance of payments position
- Higher oil production and elevated crude oil prices supporting FX inflows
- Increased domestic refining capacity reducing fuel import dependence
- Sustained implementation of FX market reforms and exchange rate liberalisation
- Improved policy credibility and commitment to economic reforms
- Stronger medium-term growth expectations and improving macroeconomic resilience
- Greater investors confidence in Nigeria’s fiscal and external outlook

Implications for the Nigerian Economy

- Improves foreign investor confidence and supports capital inflows
- Could lower sovereign borrowing costs over time in international debt markets
- Supports Naira stability and improves access to foreign capital
- Reinforces confidence in ongoing macroeconomic and fiscal reforms
- Enhances Nigeria’s attractiveness compared to other frontier and emerging markets

Implications for Capital Markets

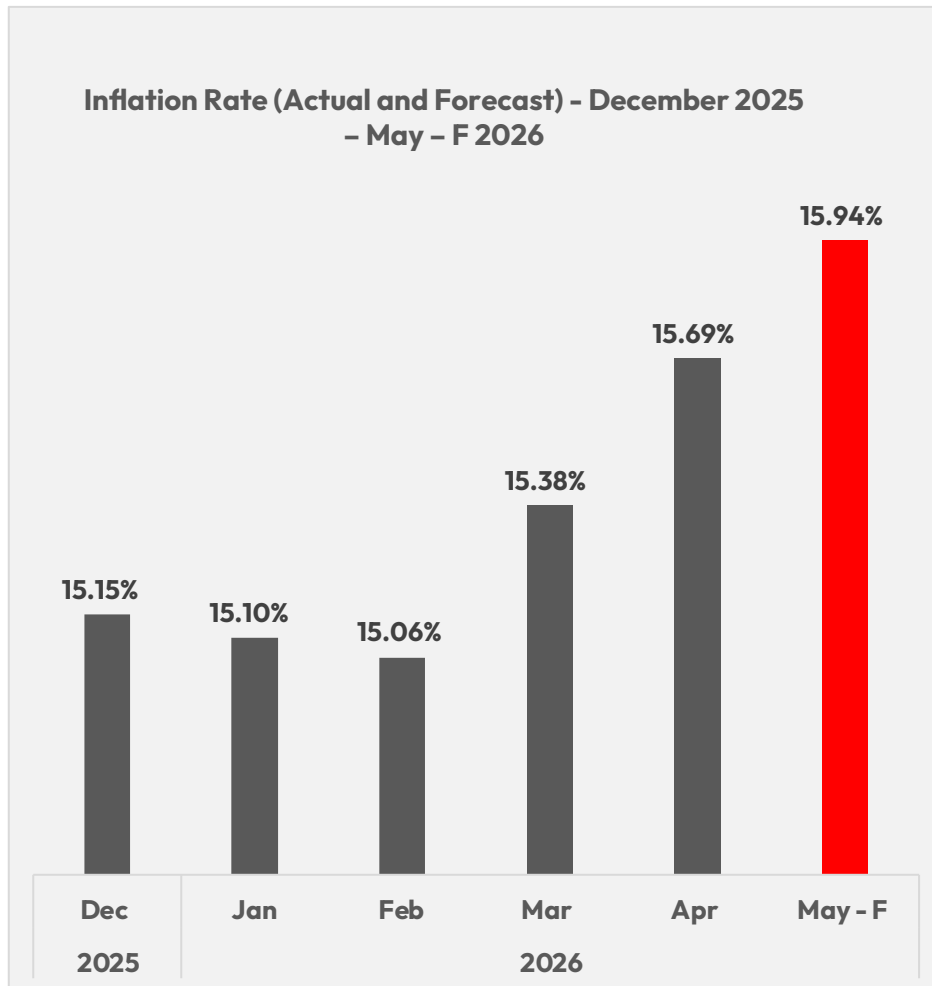
Equities Market:

- Could support increased foreign portfolio participation in the NGX
- Improves outlook for banking, energy, and industrial stocks

Fixed Income Market:

- Supports demand for FGN Bonds
- Low sovereign risk premiums over time
- Lower yields on Long Term Bonds
- Stimulate borrowings in capital market from:
 - Corporate Bonds
 - Bonds (FGN & States)

DOMESTIC ECONOMY – INFLATION RATE FORECAST

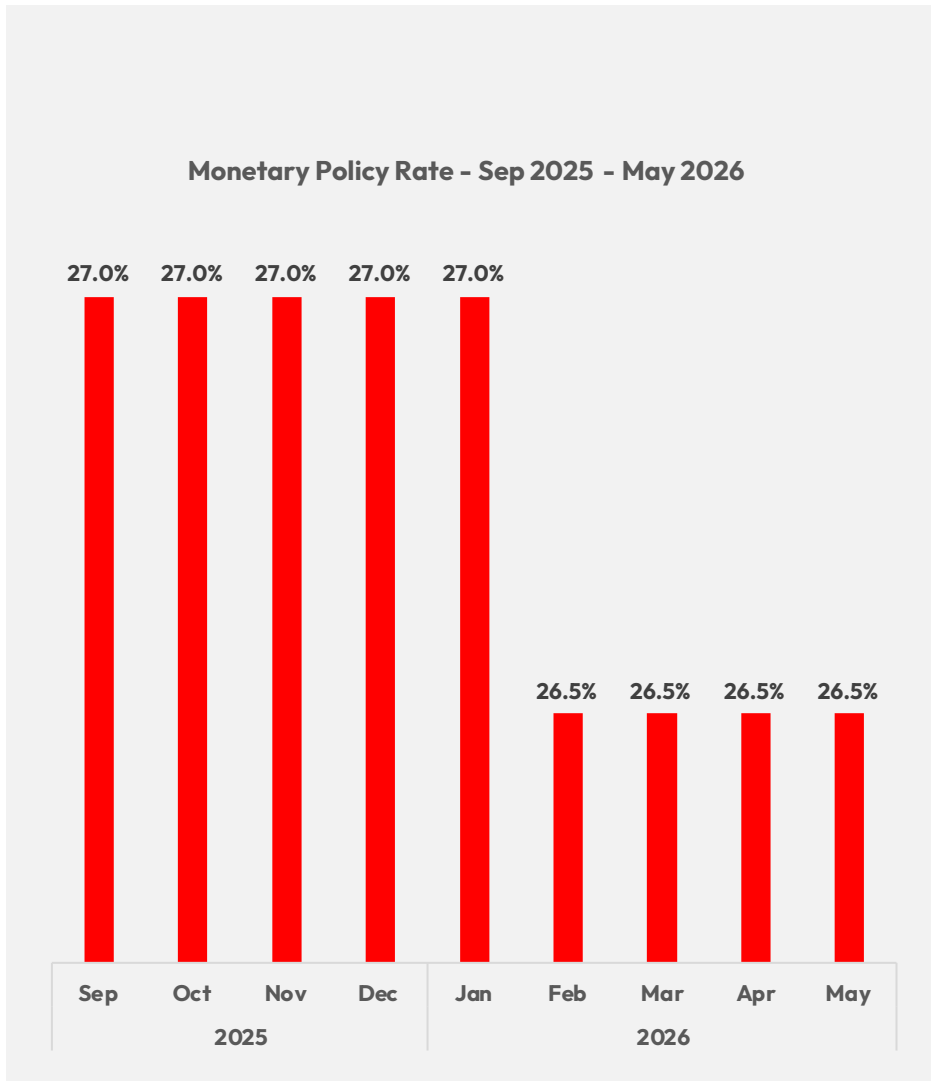


Inflation Highlights from April 2026

	Mar-26	Apr-26	Change (%)
Headline Inflation	15.38%	15.69%	0.31%
Food Inflation	14.31%	16.06%	1.75%
Core Inflation	16.21%	15.86%	(0.35%)
Urban Inflation	14.64%	15.40%	0.76%
Rural Inflation	17.22%	16.36%	(0.86%)

- United Capital Research forecasts 15.94% inflation rate in May 2026
- The anticipated uptick is driven by the lingering increase in energy prices
- This has exerted upward pressure on prices of consumer items
- However, the recent stability and appreciation of the Naira are likely to continue moderating the pass-through effects of energy-induced inflation in Nigeria
- The short-term interest rate and yields may move in line with the inflation trend

DOMESTIC ECONOMY – MONETARY POLICY

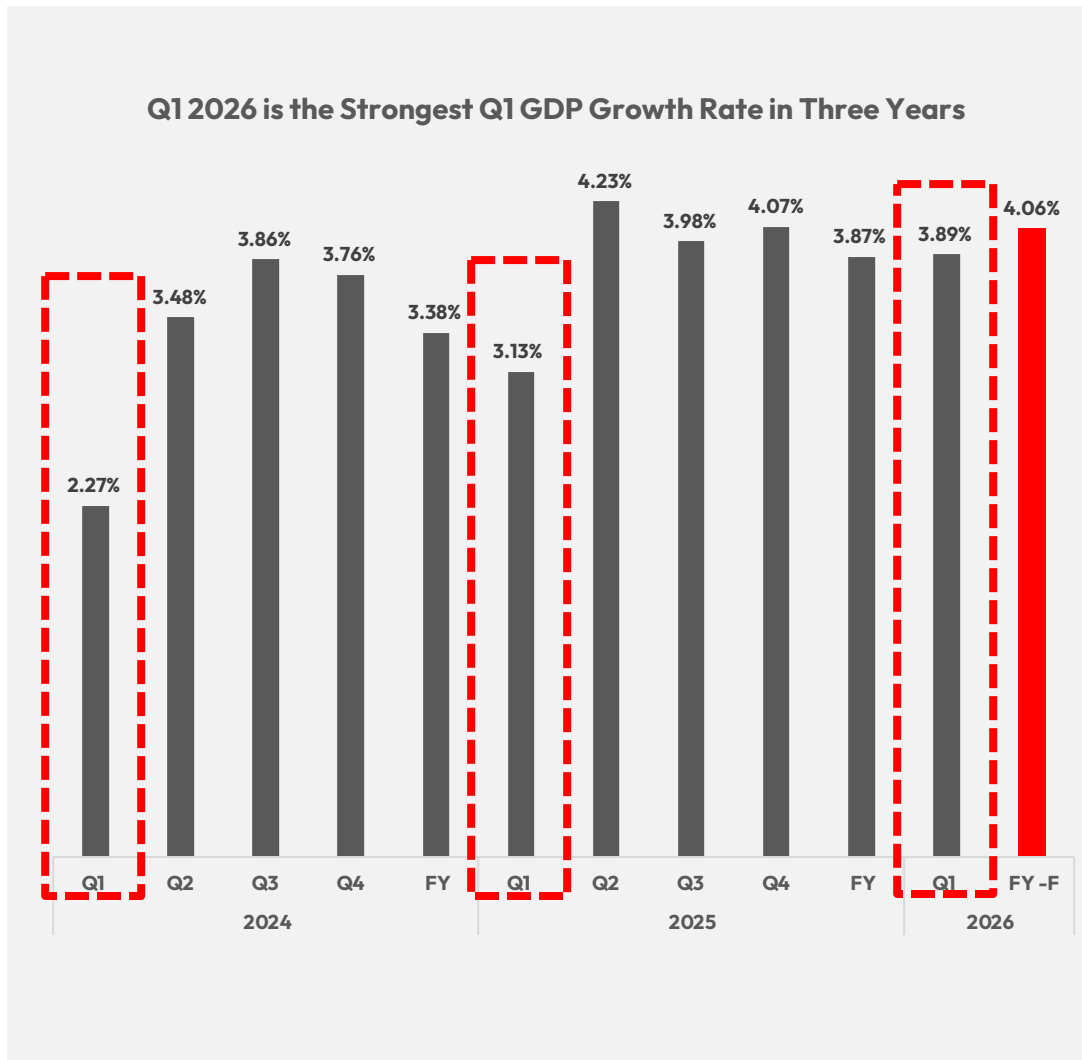


Decisions of the May 2026 MPC Meeting		
Parameters	Rate	Decision
Monetary Policy Rate (MPR)	26.50%	Retained
Commercial Banks: Cash Reserve Ratio (CRR)	45.00%	Retained
Merchant Banks: Cash Reserve Ratio (CRR)	16.00%	Retained
Non -TSA Public Sector deposit: Cash Reserve Ratio (CRR)	75.00%	Retained
Liquidity Ratio (LR)	30.00%	Retained
Standing Facilities Corridor (SFC)	+50/-450 Basis Points around the MPR	Retained

- The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) retained the MPR at 26.50%
- MPC also maintained all other monetary policy rates, including the corridor around MPR
- Major considerations for the decision are:
 - Recent inflationary developments, exchange rate stability, liquidity conditions within the banking system and global monetary policy trends
 - MPC affirms the need to sustain investor confidence in the Nigerian economy
- The committee also expressed confidence that prevailing monetary and macroeconomic conditions remain supportive of a gradual return to disinflation

DOMESTIC ECONOMY: GDP GROWTH RATE

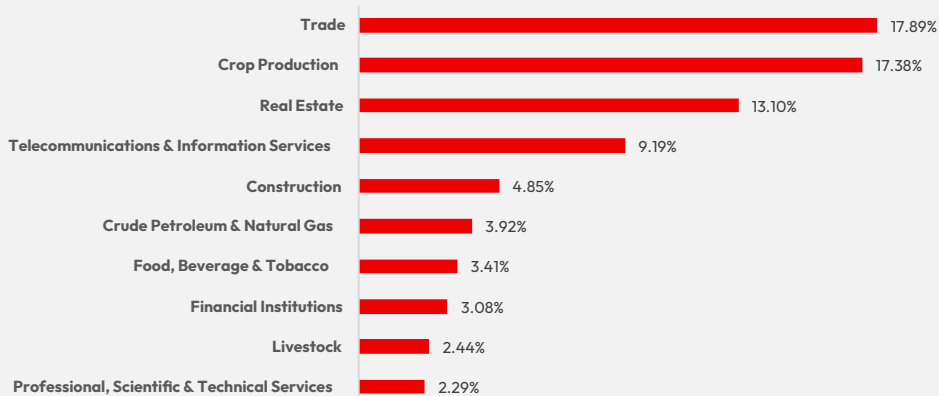
Strong GDP Growth Rate Driving Confidence & Investments in Nigeria. However, PMI Slowed in April 2026



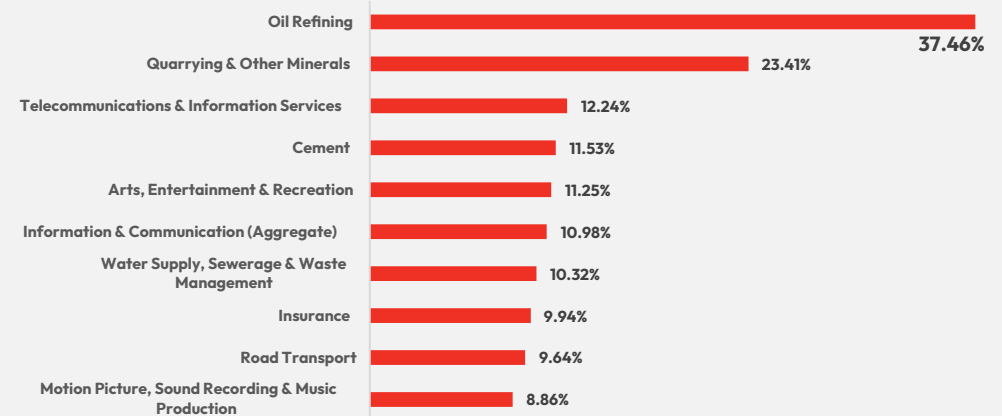
- Nigeria’s real GDP expanded by 3.89% year-on-year (y/y) in Q1 2026
- This is an improvement from 3.13% in Q1 2025, and 2.27% in Q1 2024
- This indicates a transition toward more stable economic growth
- Nominal GDP rose by 17.79% y/y to ₦110.79trn, supported by sustained activity across key sectors
- Growth was supported by strong performance in Telecommunications, Trade, Agriculture, Financial Services, Real Estate, and Construction
- IMF (April 2026) projects Nigeria’s GDP growth at 4.06% in 2026
- This indicates sustained medium-term momentum
- Overall, this development highlights Nigeria’s gradual shift towards a more diversified and service-driven economy
- The growth momentum, alongside positive IMF projections, supports improved investor sentiment in both the Nigerian fixed income and equity markets

DOMESTIC ECONOMY – GDP IN Q1 2026

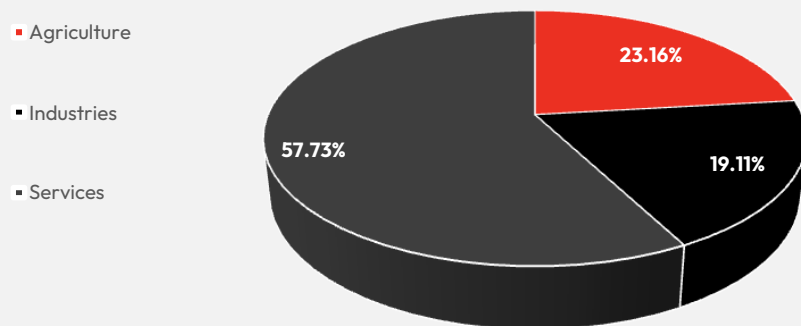
Top 10 Contributing Activities to Real GDP in Q1 2026



10 Fastest Growing Activity Sectors by Real GDP In Q4 2025

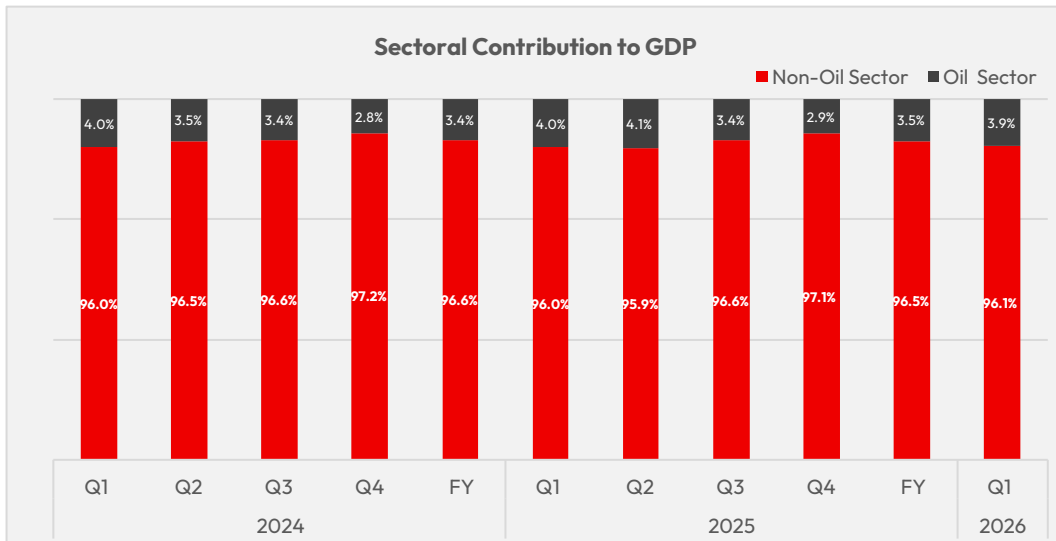
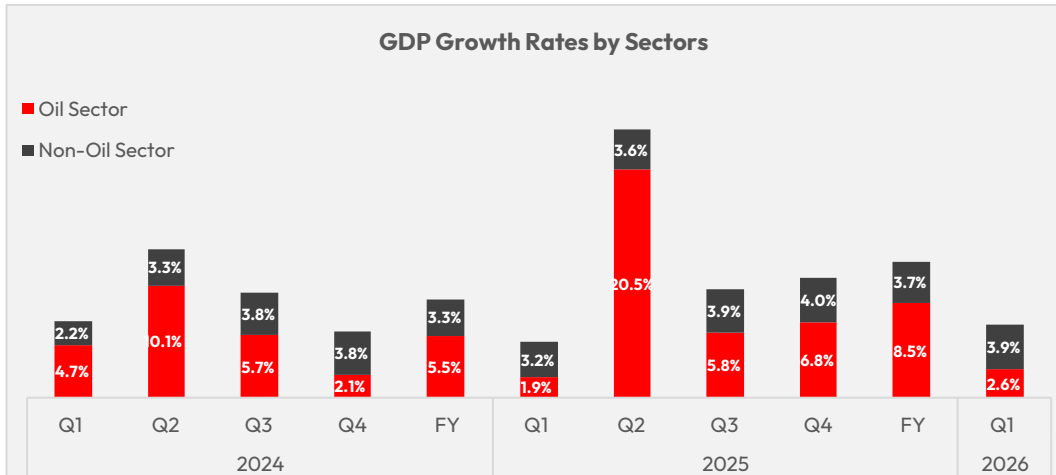


Broad Classification of the Real GDP by Size - Q1 2026



- Trade and crop production were the largest contributors to real GDP in Q1 2026
- Crop production accounted for 17.38% of GDP, reinforcing agriculture’s importance to growth
- Services sector remained dominant, accounting for 57.73% of total GDP
- Agriculture contributed 23.16%, maintaining significance in employment and output
- Industry accounted for 19.11%, indicating relatively weaker industrial contribution
- Oil refining recorded the fastest growth at 37.46%, signaling recovery in downstream activities
- Overall, GDP structure highlights Nigeria’s shift toward a service-driven economy

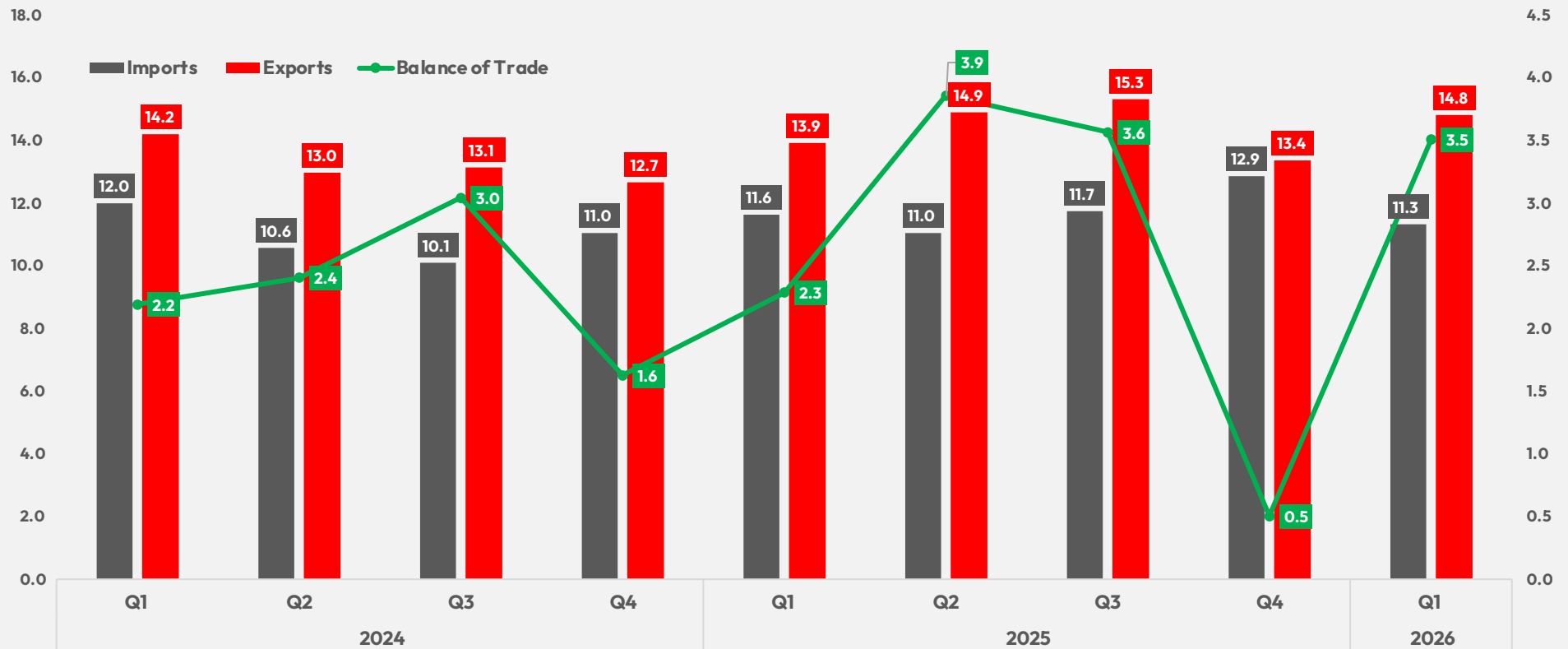
DOMESTIC ECONOMY – NIGERIA'S GROSS DOMESTIC PRODUCT IN Q1 2026



- Non-oil GDP remained the main growth driver of the overall GDP
- Non-oil GDP consistently outperformed oil GDP across Q1-2024, Q1-2025 and Q1-2026
- Oil sector growth improved year on year to 2.57% in Q1-2026 from 1.87% in Q1 2025
- Non-oil GDP grew by 3.94% in Q1-2026, driven by services and agriculture
- The non-oil sector contributed over 96% to total GDP
- Oil GDP accounted for only 3.92% of total output
- This indicates the declining Oil sector relative to total GDP
- Oil sector volatility continues to pose downside risks to overall economic stability
- Overall, this development reinforces Nigeria's transition toward a more diversified and service-driven economy

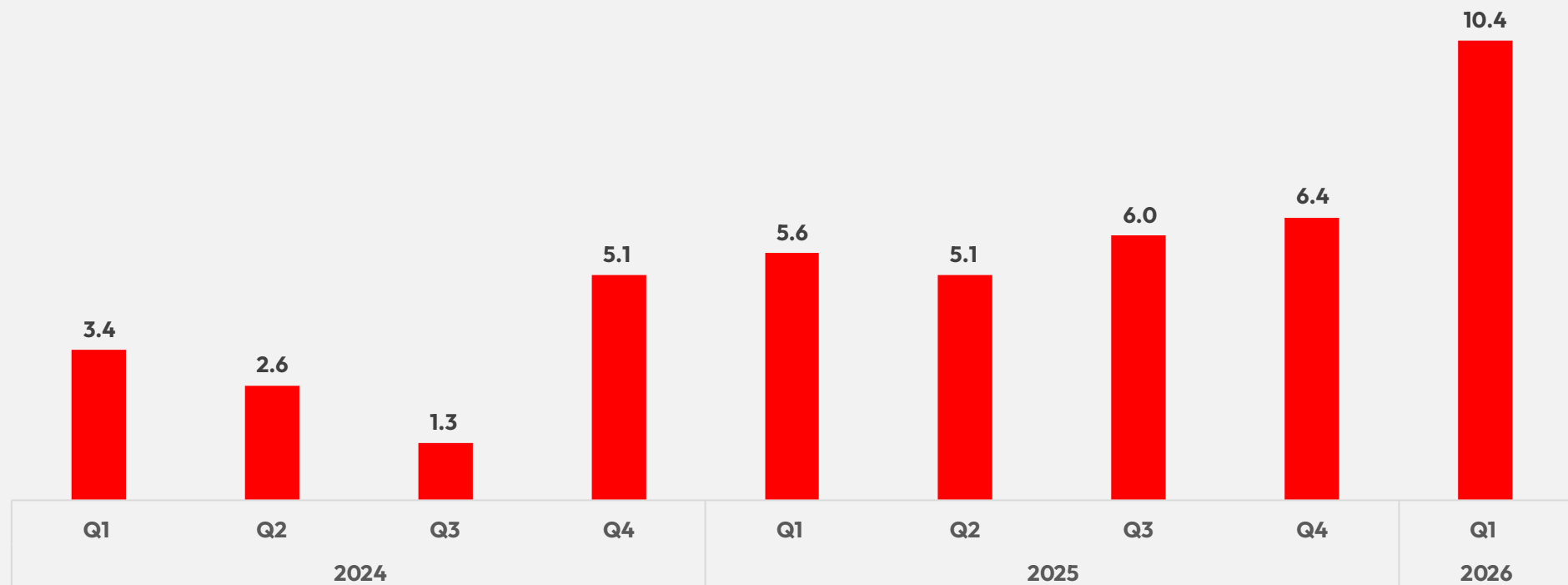
DOMESTIC ECONOMY – EXTERNAL TRADE US\$' BILLION

In Q1 2026, Nigeria's external trade position remained broadly resilient, supported by sustained export earnings and a positive trade balance. The continued surplus reflects robust export receipts, underscoring the strength of the country's external sector

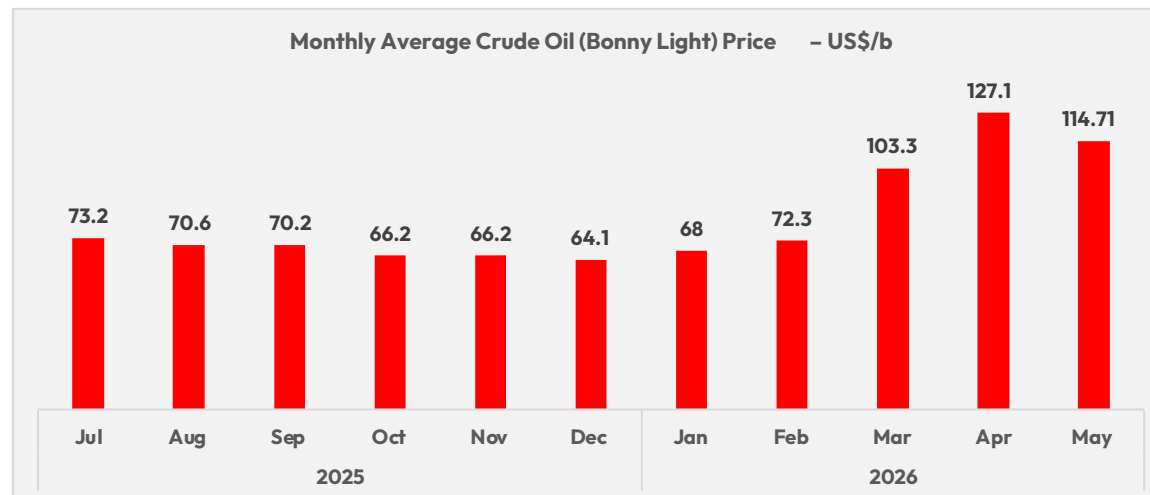
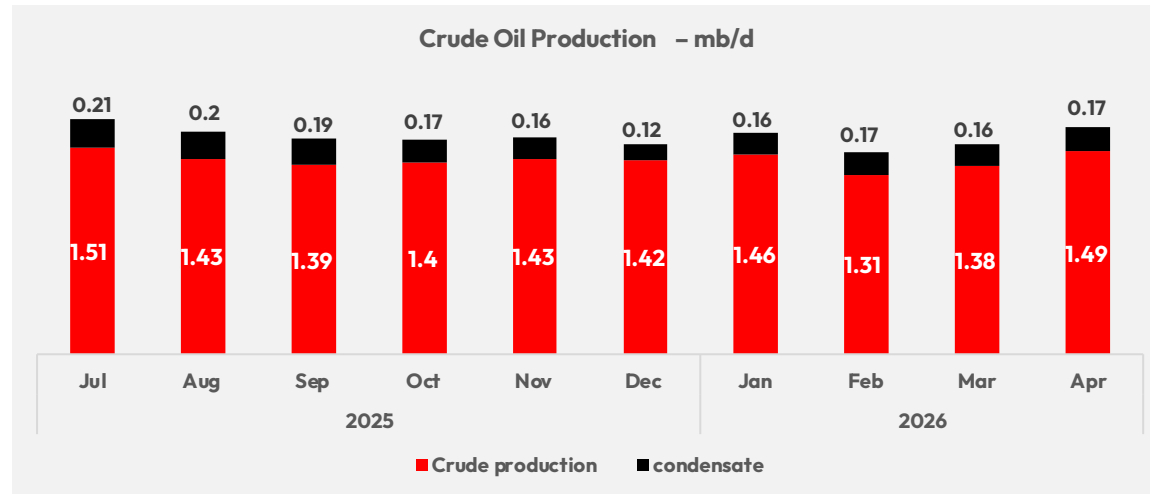


■ NIGERIAN ECONOMY – CAPITAL IMPORTATION (US\$' BILLION)

Nigeria recorded the highest capital importation in Q1 2026. This will help to bring able stability and appreciation in the value of the Naira in the short - to - medium term. It will also improve investors confidence in the Nigerian economy



DOMESTIC ECONOMY – CRUDE OIL PRODUCTION AND PRICES



- Nigeria recorded crude oil production of 1.49 mb/d in April 2026, the highest level since August 2025

Crude oil production, excluding condensate was slightly lower than the OPEC production quota and below the production estimate used for the 2026 budget

- This is according to data from the Nigerian Upstream Petroleum Regulatory Commission (NURPC)

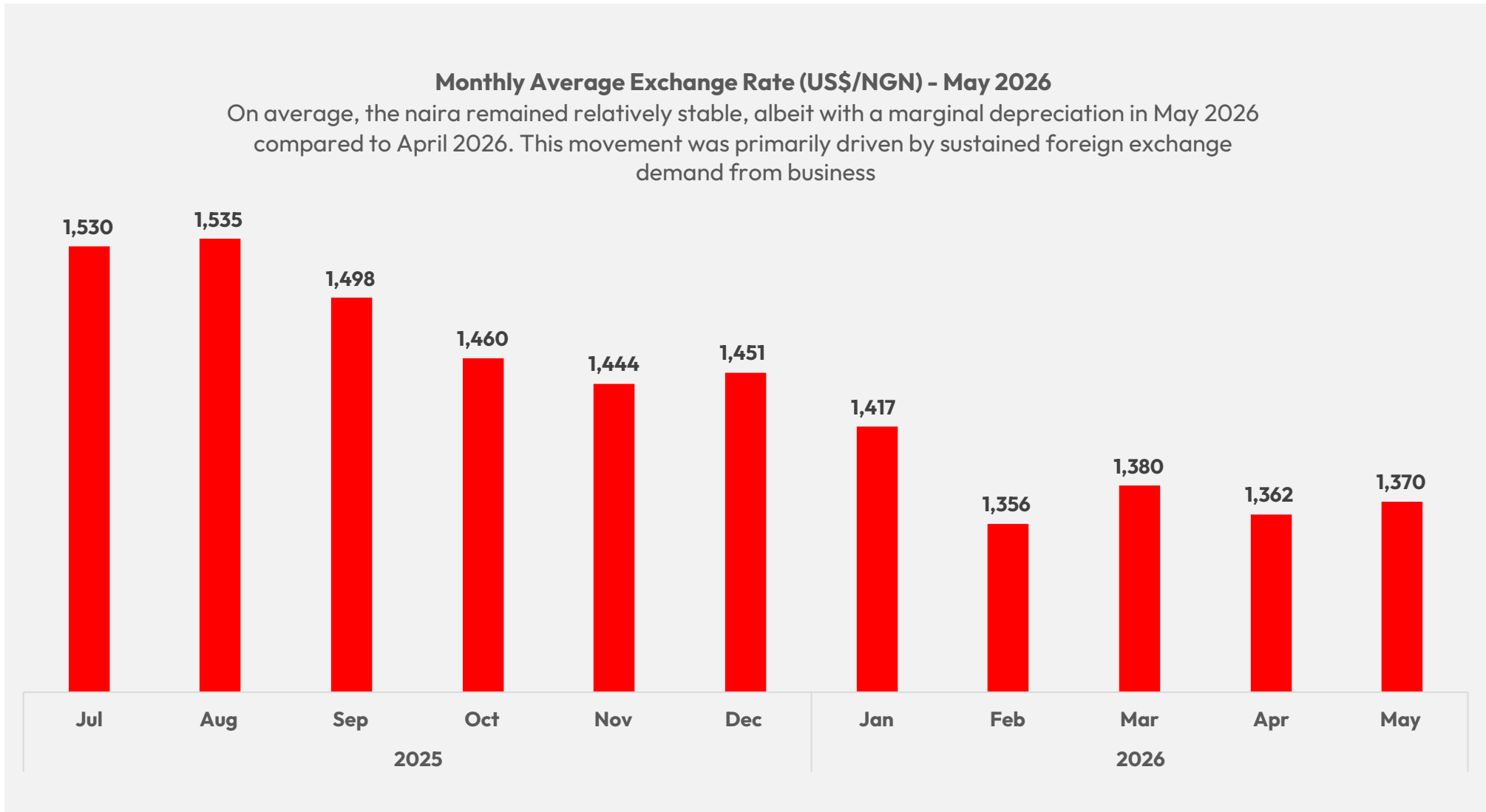
- Despite the marginal production shortfall, the increase in the crude oil price has compensated for the revenue gap

We expect recent investments in the oil and gas industry in Nigeria to increase production output in the short-to-medium term

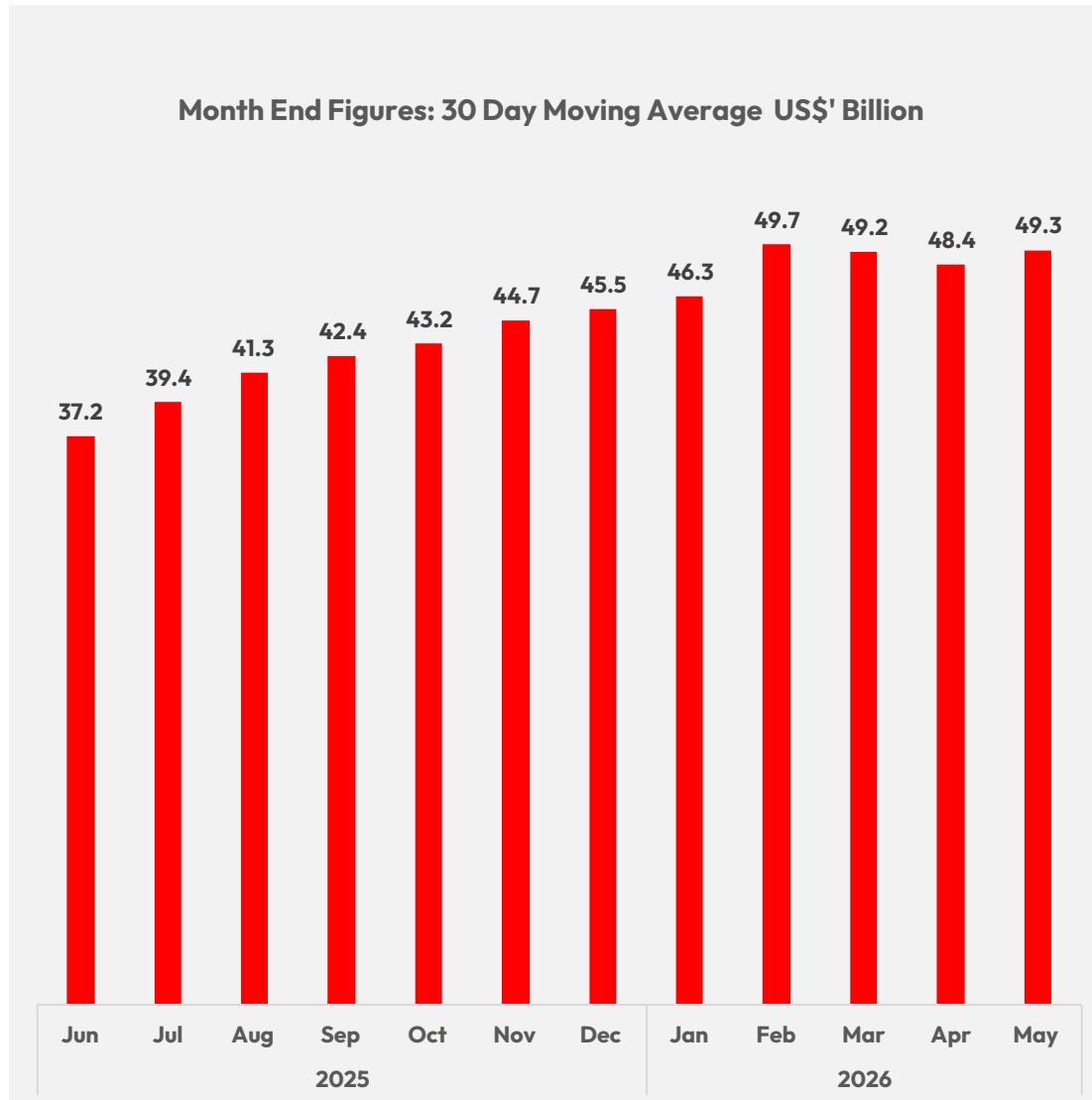
DOMESTIC ECONOMY – EXCHANGE RATE (US\$/NGN)

Monthly Average Exchange Rate (US\$/NGN) - May 2026

On average, the naira remained relatively stable, albeit with a marginal depreciation in May 2026 compared to April 2026. This movement was primarily driven by sustained foreign exchange demand from business



DOMESTIC ECONOMY – EXTERNAL RESERVES



- The value of external reserves recovered in May 2026 to close at US\$49.3bn
- This was driven by higher oil prices and sustained foreign portfolio inflows
- The level of reserve is enough to cover about 9 month of imports
- Given the recent global developments, we maintain our forecast external reserve of US\$50.10bn to end the year 2026
- This level is sufficient to provide adequate buffer for a stable exchange rate

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Financial Market Review and Outlook



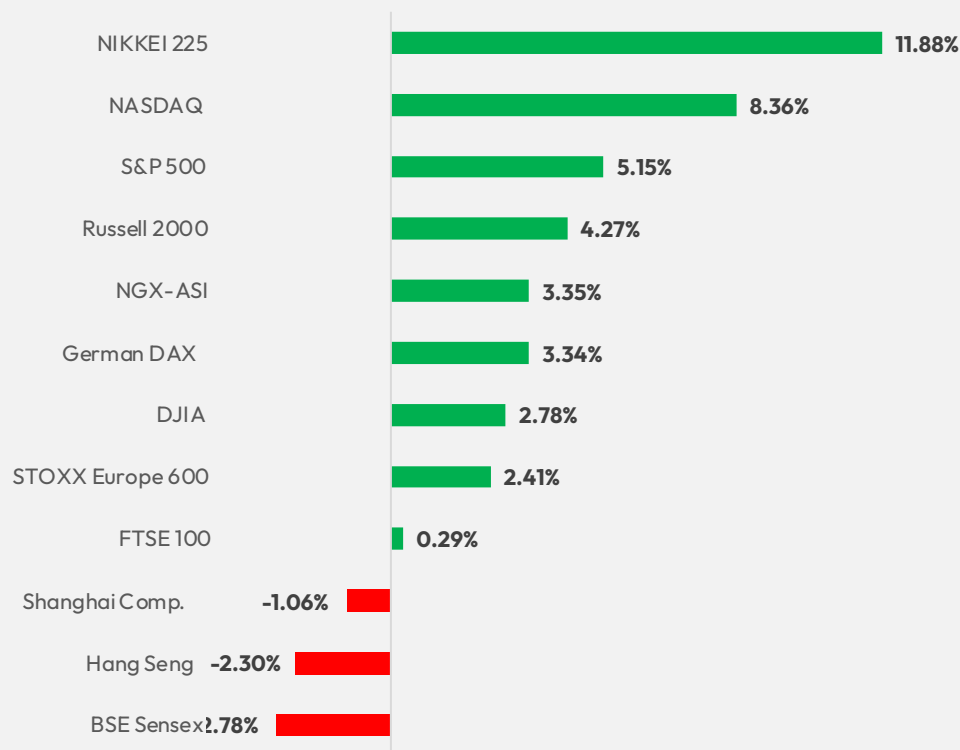
Equity Market



Equity Market – Global Equities

Global Stock Market Performance in May 2026

Most global equity markets rose in May 2026, buoyed by a powerful AI-driven earnings surge and improving geopolitical sentiment as the US-Iran ceasefire held through the month



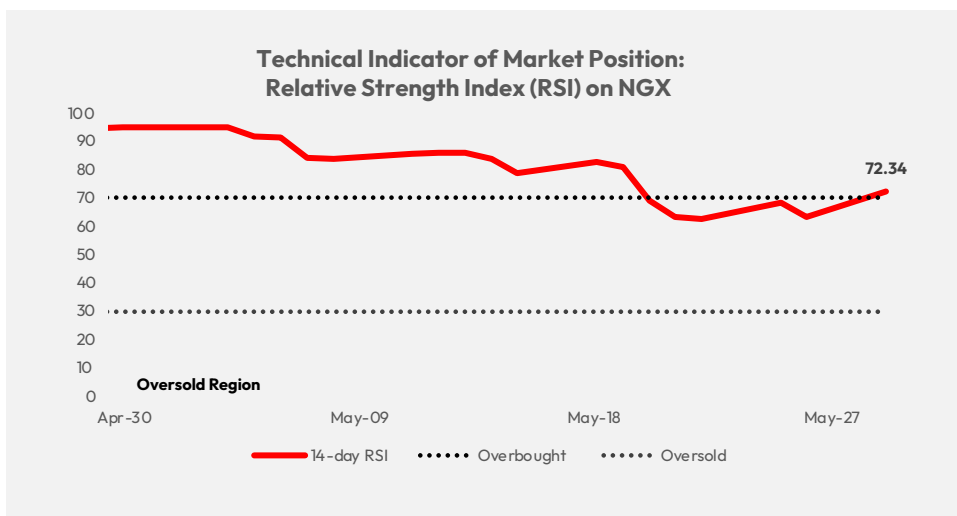
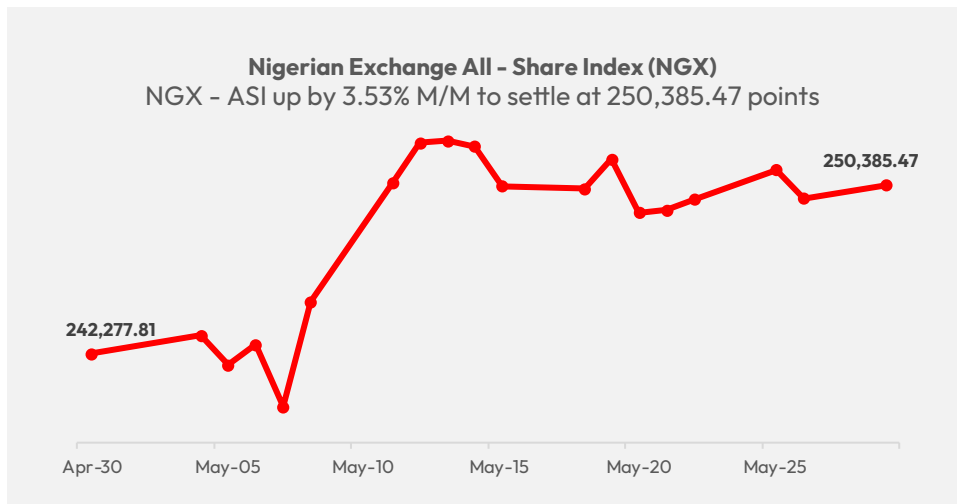
Global Stock Market Performance Year Till Date (YTD)

Year-to-date, global equities show mostly bullish performance. The NGX-ASI maintains a strong lead while some equity indices remain in negative territory. Outlook remains cautious as weak global risk sentiment and broad-based volatility continue to pressure markets into May

Global Indices Performance in May 2026

Index	Countries	MTD	YTD
NGX-ASI	Nigeria	3.35%	60.90%
NIKKEI 225	Japan	11.88%	31.76%
Russell 2000	United States (Small Cap)	4.27%	16.87%
NASDAQ	US (Tech and Growth Stocks)	8.36%	16.05%
S&P 500	United States (US)	5.15%	10.73%
DJIA	United States	2.78%	6.18%
STOXX Europe 600	17 European Countries	2.41%	5.60%
FTSE 100	United Kingdom	0.29%	4.81%
Shanghai Comp.	China	(1.06%)	2.51%
German DAX	Germany	3.34%	2.44%
Hang Seng	Hong Kong	(2.30%)	(1.75%)
BSE Sensex	India	(2.78%)	(12.26%)

EQUITY MARKET



Top Gainers (+) for the Month		Top Decliners (-) for the Month	
Stock	Gain	Stock	Decline
Berger Paints Nigeria Plc	80.55%	Nigerian Aviation Handling Company Plc	(26.55%)
International Energy Insurance Plc	64.36%	NCR (Nigeria) Plc	(18.99%)
FTN Cocoa Processors Plc	62.73%	Guinness Nigeria Plc	(18.99%)
ABC Transport Plc	58.65%	Transnational Express Plc	(17.50%)
Zichis Agro -Allied	51.52%	Fortis Global Insurance Plc	(14.53%)

NGX Indices Performance in May 2026

Index	30-Apr	29-May	MTD	YTD
NGX-ASI	241,849.80	250,385.47	3.53%	60.90%
Oil/Gas Index	6,097.34	5,979.61	(1.93%)	123.94%
Industrial Goods Index	11,277.17	12,246.58	8.60%	115.74%
Banking Index	2,281.39	2,358.17	3.37%	55.57%
Consumer Goods Index	4,853.04	4,904.64	1.06%	23.37%
Insurance Index	1,186.50	1,263.03	6.45%	6.20%

At the end of May, the equity market recorded Month-to Date (MTD) return of 3.53%

Market Capitalisation appreciated 3.53% to close at ₦160.51tn trillion

Major drivers of the equity market were Berger, Intenegins, FTNCocoa, ABCTRANS and ZICHIS

The NGX RSI is currently in the overbought region, indicating bullish momentum but increasing risk of a near-term price correction

■ EQUITY MARKET – NIGERIAN CAPITAL MARKET TRANSITIONS TO T+1 SETTLEMENT CYCLE

T+1 Settlement Cycle

- The NGX transitioned to T+1 Settlement Cycle effective June 01, 2026
- This will boost Nigeria's competitiveness and improve market liquidity
- It is aimed to enhance post-trade infrastructure, improve efficiency, reduce settlement risk and align with global best practices

Benefits of the T+1 Settlement Cycle

- The transition will reduce counterparty and settlement risk, shrinking the exposure window where price fluctuations or defaults could disrupt trade finality, thereby strengthening overall market stability
- Liquidity will improve significantly under the T+1, as investors receive cash on trades within 24 hours
This will enable faster reinvestment and more active portfolio management across NGX-listed securities

POSSIBLE EQUITY MARKET BOOSTER IN Q3 2026

Possible Listing – Are You Ready?



- The biggest company listing in the African Capital market is coming. Get ready
- The company is expected to drive market activity and boost overall market capitalization
- Some stocks may experience sell-offs as investors rebalance their portfolios to take positions in the Dangote Refinery listing

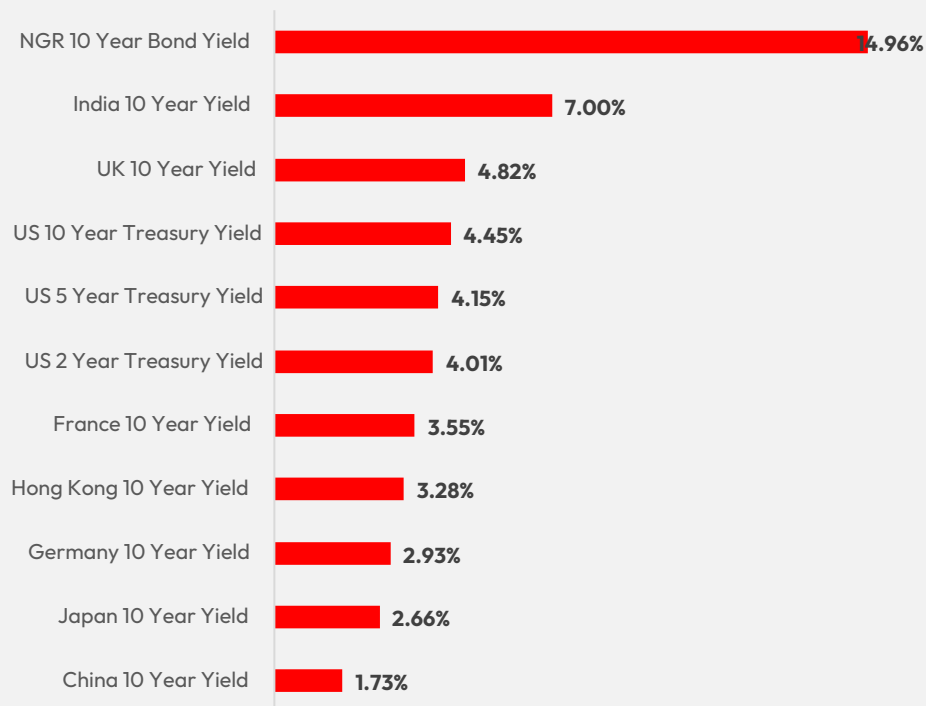
Fixed Income Securities



Fixed Income Securities – Global Government Securities

Global Government Securities- Monthly Performance

Nigeria's 10-year bond yield remained a clear outlier at 14.96%, offering a significant yield premium over global peers. Global yields stayed elevated but mixed, reflecting persistent rate pressures



Global Government Securities- Monthly Performance

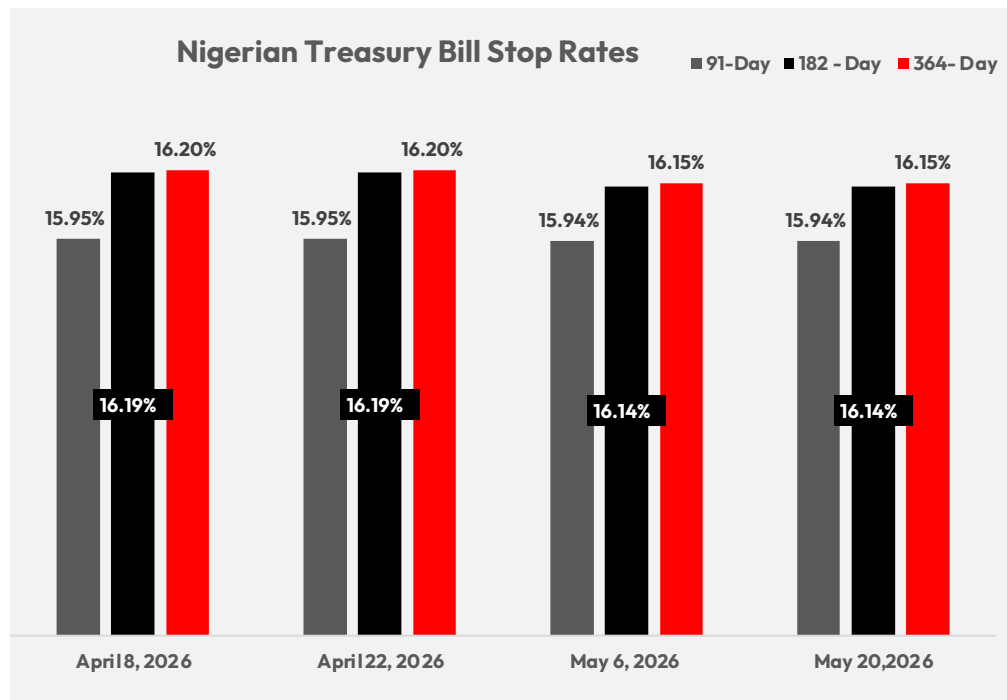
As of May 29, global yields were broadly higher across major markets, reflecting sustained rate pressures and cautious investor sentiment. Advanced economies, including the US, UK, Germany, France, and Japan, recorded moderate increases compared with April 2026 levels

10-Year Securities	Yields		Change M/M
	April Average	May Average	
Hong Kong 10 Year Yield	3.00%	3.28%	0.28%
Japan 10 Year Yield	2.52%	2.66%	0.14%
US 5 Year Treasury Yield	4.02%	4.15%	0.13%
US 2 Year Treasury Yield	3.89%	4.01%	0.12%
US 10 Year Treasury Yield	4.39%	4.45%	0.06%
NGR 10 Year Bond Yield	14.95%	14.96%	0.01%
India 10 Year Yield	7.02%	7.00%	(0.02%)
China 10 Year Yield	1.75%	1.73%	(0.02%)
Germany 10 Year Yield	3.03%	2.93%	(0.10%)
France 10 Year Yield	3.70%	3.55%	(0.15%)
UK 10 Year Yield	5.03%	4.82%	(0.21%)

FIXED INCOME SECURITIES – MONEY AND TREASURY BILLS MARKET

Nigerian Treasury Bills (NTBs) Yields – Secondary Market			
NTBs	Previous	Current	Change
91-Day	16.34%	16.61%	0.27%
182-Day	17.27%	17.32%	0.05%
364-Day	18.90%	18.99%	0.09%

NTBs Primary Market Auction May 2026				
Tenor	91-Day	182-Day	364-Day	Total
Offer (N'bn)	200	100	1,050	1,350
Subscription (N'bn)	139.86	186.38	4,074.05	4,400
Allotment (N'bn)	131	146	1,284	1,561
Subscription Rate	0.70x	1.86x	3.88x	3.26x
Allotment Rate	0.94x	0.78x	0.32x	0.35x
Stop Rate	15.95%	16.14%	16.15%	-



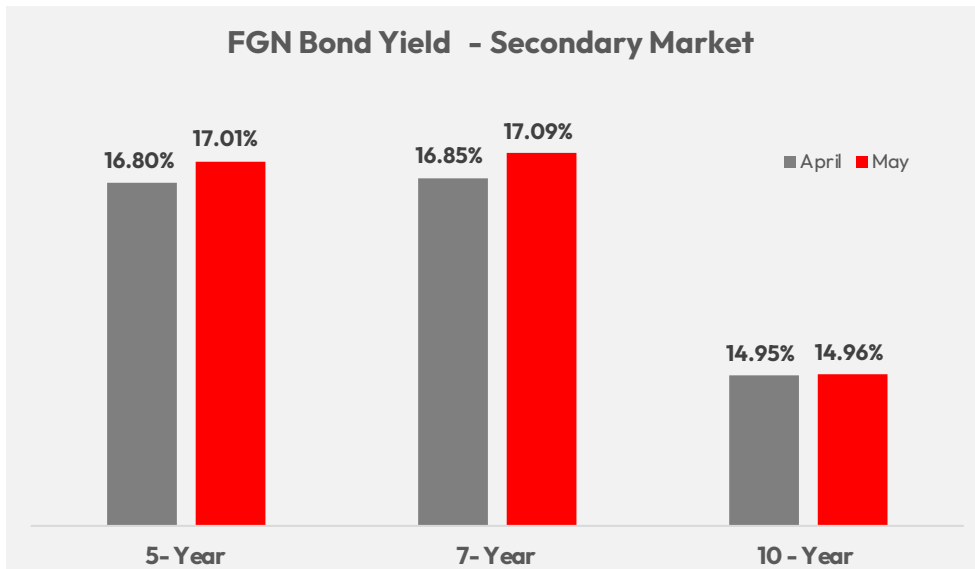
- The offer amount for the 364-Day tenor was far higher than the lower tenors
- The 364-Day NTB recorded the highest patronage with subscription level of 3.26x
- The shortest tenor of 91-Day recorded undersubscription, showing investors presence for long-term tenor
- The stop rates for all the tenors in May were lower than those in April 2026

FEDERAL GOVERNMENT OF NIGERIA BONDS AND EUROBOND MARKET

FGN Bonds Secondary Market Yields			
Tenor-Days	April	May	Change
5-Year	16.80%	17.01%	0.21%
7-Year	16.85%	17.09%	0.24%
10-Year	14.95%	14.96%	0.01%

Eurobonds Secondary Market Yields			
Tenor-Days	April	May	Change
5-Year	5.78%	5.91%	0.13%
7-Year	6.64%	6.55%	(0.09%)
10-Year	6.98%	6.90%	(0.08%)

May -2026 FGN Bond Primary Market Auction			
Tenor	2035	2037	Total
Offer (N' billion)	300	300	600
Subscription (N' billion)	262.23	253.94	516.17
Allotment (N' billion)	137.67	476.84	614.51
Subscription Rate	0.87x	0.85x	0.86x
Allotment Rate	0.52x	1.88x	1.19x
Marginal Rate	17.00%	17.04%	-
Previous Marginal Rate	16.59%	-	-
Change	0.41%	-	-



- FGN Bond was undersubscribed in May 2026
- In May 2026, rates climbed across board in the secondary bonds market
- This reflects heightened global economic developments
- Investors' sentiment in the Nigerian Eurobond market improved
- There was increased demand for the 7-Year and 10-Year tenors
- In May 2026, Nigeria's Eurobond yields declined supported by:
 - Improved external reserves and sustained Naira stability boosted investor confidence
 - Higher oil prices strengthened expectations for stronger fiscal and external balances

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Pension Fund Assets

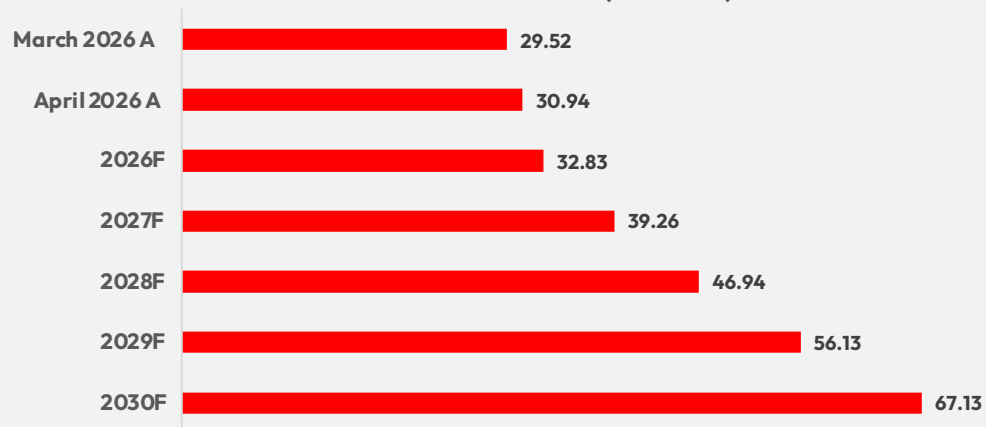


Pension Fund Assets

Pension Fund Assets - April 2026 Actual (A) - 2030 Forecast (F): (N' Trillion)

Category	March 2026 A	April 2026 A	2026F	2027F	2028F	2029F	2030F
Total Net Asset Value	29.52	30.94	32.83	39.26	46.94	56.13	67.13
Fund I	0.56	0.62	0.78	1.36	2.38	4.15	7.23
Fund II	12.59	13.36	13.7	16.4	19.52	23.28	27.75
Fund III	7.53	7.81	8.39	10	12	14.35	17.16
Fund IV	2.34	2.37	2.71	3.26	3.93	4.73	5.7
Fund V	0.01	0.13	0.00	0.00	0.01	0.01	0.02
Fund VI – Active	0.29	0.34	0.39	0.69	1.23	2.19	3.89
Fund VI – Retiree	0.03	0.03	0.04	0.09	0.17	0.32	0.61
Existing Schemes	3.43	3.52	3.72	4.09	4.24	3.91	2.61
CPFAs	2.74	2.76	3.06	3.35	3.48	3.21	2.14

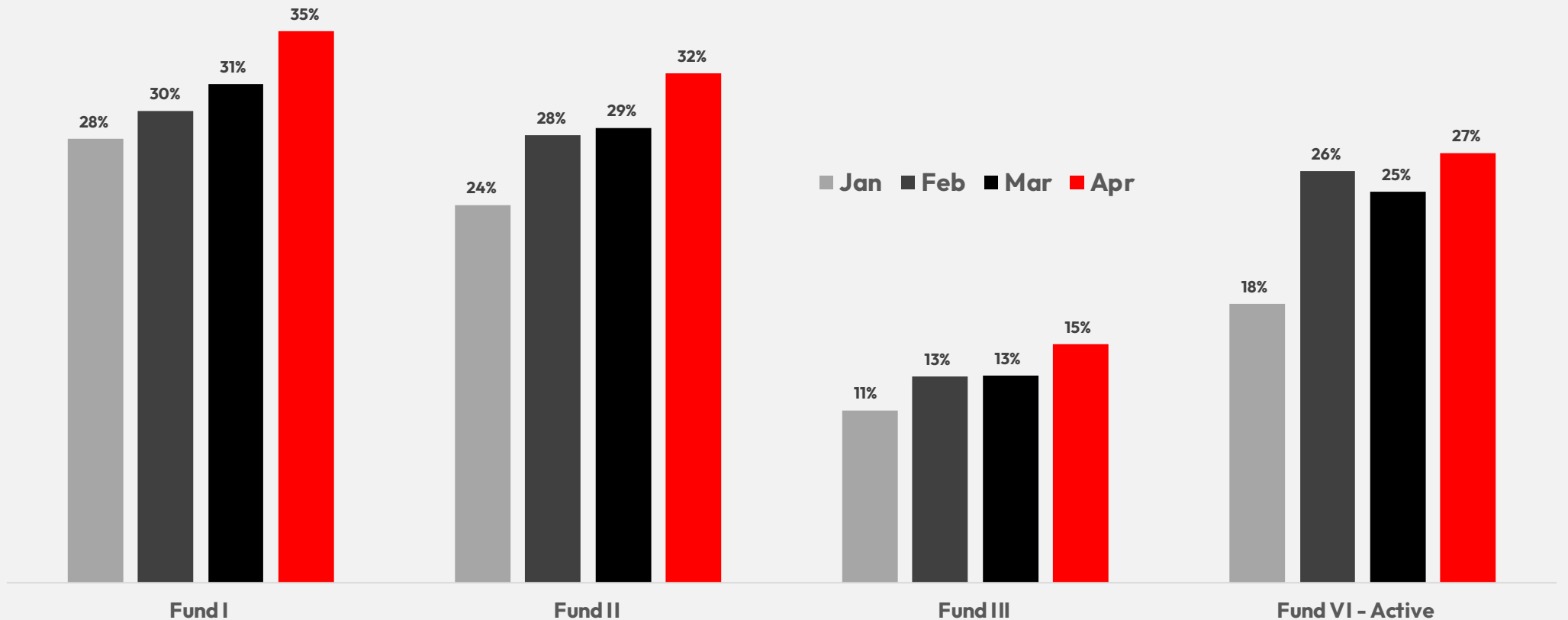
Pension Fund Assets (N'Trillion)



- Total pension fund assets rose to ₦30.94trn in April 2026 from ₦29.52 trn in March
- We expect the pension assets to hit ₦32.83trn by December 2026
- And a further increase to ₦67.13trn by 2030, reflecting sustained expansion
- Fund II remained dominant, accounting for over 40% of total pension assets
- Equity allocations increased across RSA funds in line with regulation
- Fund I and III’s equity exposure rose to 35% and 15% in April
- Hitting the investment asset allocation limits set by PenCom
- The upward trend follows PenCom’s revised investment guidelines allowing higher equity allocations for PFAs
- Higher pension participation and asset growth should continue supporting domestic capital market liquidity

PENSION FUND ASSET – SHARE OF EQUITY IN RSA FUNDS

- Equity allocations increased across RSA funds, reflecting stronger market participation
- Fund I and III's equity exposure rose to 35% and 15% in April, hitting its limit of 35% and 15% respectively
- The upward trend follows PenCom's revised investment guidelines allowing higher equity allocations for PFAs



Government 10-Year Bond Yields Performance

Outlook for June 2026



Global Economy & Markets Outlook in June 2026

Indicators	June Outlook	Drivers	Financial Market Impacts
GDP	Slow Globally	Energy shock persists, weaker sentiment, supply disruptions	Volatile to weak equity performance particularly in non-energy stocks while yields may increase
Inflation	Elevated	Higher oil, gas, food, logistics prices	Rising interest rate and yields. It may also dampen equity market before HY rally
Commodity Prices	Slightly lower energy price, elevated metal prices, Fertilizers, Food prices	Possibility of US-Iran deal to end war	Fairly stable equity market but some profit taking possible
Investment Flows	Weak sentiment	Market uncertainty, tighter financial conditions	Lower equity growth in energy -importing countries
Global Trade	Slow recovery	Opening of blocked routes, but still high freight/insurance costs	High costs, lower profit margins and delay in deliveries

■ NIGERIAN ECONOMY AND MARKETS OUTLOOK IN JUNE 2026

Indicators	June Outlook	Drivers	Financial Market Impacts
Inflation	May inflation expectation at 15.94%	Higher oil, gas, food, logistics costs	Increase in interest rate and yields, moderated by high system liquidity
Currency	Moderate demand pressure - ₦1,360	Demand pressure but increase in FX inflows and OMO rate	Funds may move to OMO instruments
Lending	Slower lending	Lower profit margin, weak demand, delays in deliveries	Strong risk management framework
Equity Market	Marginal appreciation	Strategic positioning in selected large-cap stocks ahead of half-year earnings, though profit-taking may emerge	Cautiously bullish sentiment in June 2026, with banking stocks driving gains amid intermittent profit-taking and selective buying opportunities

STOCK RECOMMENDATIONS

S/N	Stocks	Current Price	Target Price	Upside	Duration	Remark
1	Access Holdings Plc	24.05	40.75	69%	Dec -26	BUY
2	C & I Leasing Plc	6.1	10	64%	Dec -26	BUY
3	International Breweries	12.65	20	58%	Dec -26	BUY
4	Transcorp Power Plc	245.5	365	49%	Dec -26	BUY
5	United Bank for Africa Plc	44.5	62.64	41%	Dec -26	BUY
6	MTN Nigeria	820	1,100	34%	Dec -26	BUY
7	Transnational Corporation	46	60	30%	Dec -26	BUY
8	AXA Mansard Insurance	13.5	17.5	30%	Dec -26	BUY
9	FCMB Group Plc	11.7	15	28%	Dec -26	BUY
10	Geregu Power Plc	1,132.5	1,440	27%	Dec -26	BUY
11	Sterling Financial Holdings	7.9	10	27%	Dec -26	BUY
12	Nigerian Breweries Plc	83.6	105	26%	Dec -26	BUY
13	First Holdco Plc	70	84.75	21%	Dec -26	BUY
14	Cadbury Nigeria Plc	69	80	16%	Dec -26	BUY

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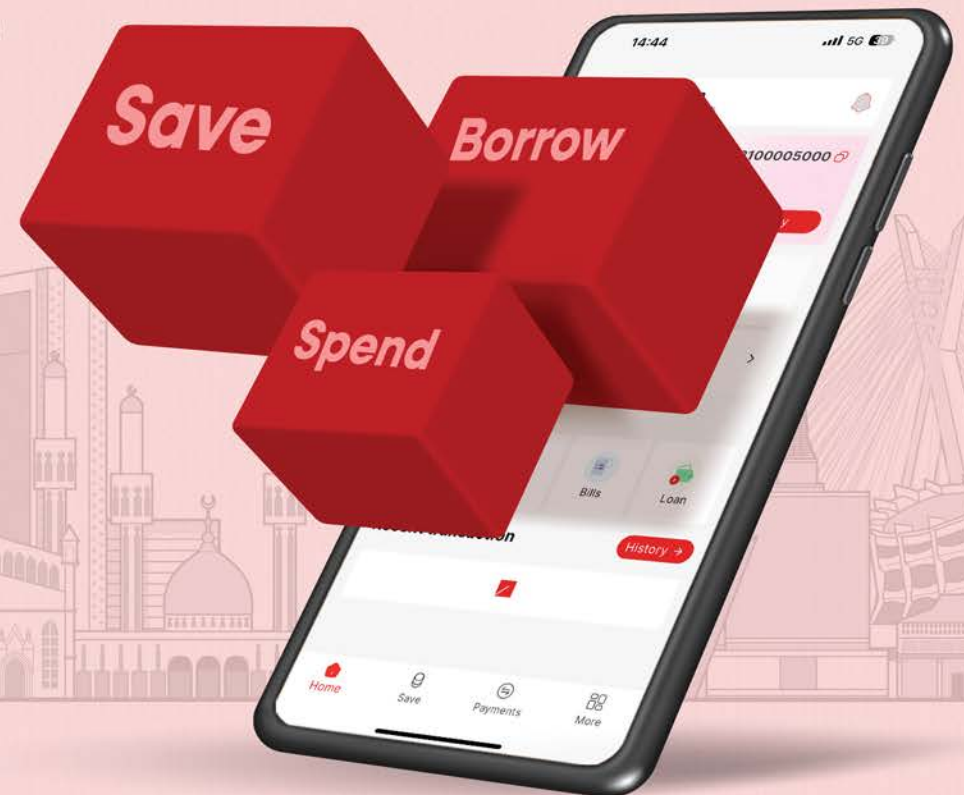


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