

Weekly Investment Views

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Global Markets

United States

The Purchasing Managers' Index (PMI) increased to 54.5 points in May 2026 from 53.6 points in April, above forecasts of 53.8 points. According to the Institute for Supply Management (ISM) Services this was its fastest pace in three months. This is due to strong business activity, new orders and inventory accumulation that lifted the ISM Services PMI. Meanwhile, US employers announced 97,006 job cuts in May, the highest since January. This is as firms accelerated AI-driven restructuring across the technology sector. The data suggests resilient economic activity but growing labour market softness and persistent inflation risks. This could continue to support a cautious Federal Reserve policy stance and sustain global market volatility.

Euro Area

Euro Area inflation rose to 3.2% in May 2026. This is the highest level since September 2023. The rise was driven mainly by a sharp increase in energy prices amid Middle East-related supply concerns. Price pressures also strengthened across services and non-energy goods, while core inflation accelerated to 2.5%. This indicates broader underlying inflationary pressures despite slower food inflation. The persistent overshoot of the European Central Bank's 2.0% target may delay policy easing, keeping borrowing costs elevated and weighing on global risk sentiment.

Asia

Business activity across Asia remained in expansion territory in May 2026. China's Composite PMI rose to 50.5 points in May 2026 from 50.1 points in April 2026 as services activity recovered. Meanwhile, Japan's Composite PMI held at 51.1 points in May 2026 from 52.2 points in April 2026, marking a 14th consecutive month of expansion. However, momentum softened amid rising energy costs, trade uncertainty, weaker external demand and intensifying cost pressures. The combination of slowing growth and elevated inflationary pressures may weigh on regional economic activity, disrupt global trade flows and sustain uncertainty in financial markets.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD) Change
Ghana	GGSE	(0.15%)	63.71%
Nigeria	NGX ASI	(3.11%)	55.90%
BRVM	ICXCOMP	4.10%	27.30%
Egypt	EGX 30	(0.01%)	25.88%
Kenya	NSE 20	1.49%	12.89%
United States	S&P 500	0.27%	10.79%
United States	Dow Jones	1.76%	7.28%
United States	NASDAQ	(0.32%)	6.26%
Brazil	IBOV	(2.70%)	5.71%
Europe	STOXX 600	(0.11%)	5.34%
United Kingdom	FTSE 100	(0.63%)	4.32%
China	SHCOMP	(0.27%)	2.24%
Germany	DAX	(0.44%)	2.01%
France	CAC 40	0.68%	1.16%
South Africa	JALSH	(2.30%)	(2.95%)
India	SENSEX	(1.99%)	(12.74%)

*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 strengthened during the week, supported by improving demand expectations and continued concerns over global supply dynamics. Brent crude rose by 3.17% week-on-week to US\$94.97/bbl, while Bonny Light crude remained unchanged at US\$98.44/bbl. On a year-to-date basis, both benchmarks maintained strong gains, with Brent and Bonny Light advancing 56.07% and 55.22%, respectively. The sustained increase in oil prices reflects ongoing supply-side uncertainties and resilient demand conditions in the global energy market.

Weekly Commodities Price Monitor

Commodity	Unit Price	Price (US\$)	Weekly Change	YTD Change
Oil Crude – Bonny Light	US\$/bbl	98.44	0.00%	55.22%
Oil Crude – Brent	US\$/bbl	94.97	3.17%	56.07%
Copper	US\$/lb	6.511	1.80%	14.04%
Gold	US\$/lb	4,474.90	(0.46%)	2.70%
Compressed Natural Gas (CNG)	US\$/MMBtu	3.336	1.55%	(9.50%)
Coffee	US\$/lb	247.15	(9.88%)	(29.13%)
Cocoa	US\$/MT	3,965.00	(3.27%)	(34.62%)

Sources: Various Sources and United Capital Research

Outlook

Global markets are expected to remain cautious this week as investors await the critical US CPI data, with consensus forecasting headline inflation at around 4.2% year-on-year. An elevated number would revive rate hike fears and pressure risk assets, while a softer data would offer some relief. China trade and inflation data early in the week will also be watched for signals on global demand. The Iran conflict remains the dominant macro risk any diplomatic progress could pull oil prices lower, while a breakdown in talks risks a fresh spike reinforcing the higher-for-longer inflation narrative. US equities face headwinds from elevated Treasury yields. Emerging market assets remain under pressure from a stronger Dollar and tighter global financial conditions. Meanwhile, any escalation is likely to amplify currency pressures across vulnerable economies.

Select Sub-Saharan African Markets

Ghana

Ghana's inflation rate rose for a second consecutive month to 3.7% in May 2026, its highest level since January. This was driven mainly by faster food price growth amid higher energy and fertilizer costs and climate-related pressures on agricultural production. Although non-food inflation eased slightly, monthly price growth accelerated. This signals persistent inflationary pressures that could limit policy easing and increase cost burdens on households and businesses.

Kenya

Kenya's inflation rate accelerated to 6.7% in May 2026 from 5.6% in April 2026, its highest level since January 2024. This was driven by higher transport costs following fuel price increases and faster growth in food and housing-related prices. Rising global energy costs continued to feed into domestic inflation, which may erode household purchasing power and constrain monetary policy flexibility.

South Africa

South Africa's Purchaser Managers Index (PMI) fell into contraction territory at 49.6 points in May 2026 from 51.6 points in April 2026. This was characterized by declines in output and new orders which reflected weakening business demand, particularly in the wholesale and retail sectors. Meanwhile, higher fuel costs drove input and selling price inflation to multi-year highs. Firms continued hiring and business confidence improved on expectations of stronger project activity and more stable market conditions. The combination of slowing growth and rising costs may weigh on economic activity while sustaining inflationary pressures.

Outlook

African markets are expected to remain mixed this week as continent-specific momentum is tempered by global headwinds. Equity markets in many countries have performed well in 2026 so far. The NGX, Egypt's EGX 30, and Kenya's NSE all posting strong double-digit year-to-date gains, but sentiment may soften as the US CPI data and Iran developments dominate global risk appetite. The Rand and other African currencies face continued pressure from elevated oil prices and a stronger Dollar, with energy-importing economies most exposed. The key divergence remains between commodity exporters, which benefit from elevated metals and oil prices, and fuel-dependent importers where rising energy costs are feeding through to inflation and clouding the outlook for rate cuts.

Pan African Stock Market Monitor

Market	Index	Market Cap (\$'bn)	WTD (Local Currencies)	YTD Change (Local Currencies)
Ghana	14,358.03	22.49	(0.15%)	63.71%
Nigeria	242,593.31	114.51	(3.11%)	55.90%
Tanzania	3,953.10	12.99	0.41%	43.13%
Tunisia	18,414.00	15.89	4.97%	36.91%
BRVM	440.13	30.09	4.10%	27.30%
Egypt	52,653.00	72.88	(0.01%)	25.88%

Kenya	3,543.30	27.19	1.49%	12.89%
Namibia	2,333.00	3	(0.42%)	8.97%
Mauritius	2,228.60	6.14	(1.02%)	5.18%
South Africa	112,453.45	1,489.72	(2.30%)	(2.95%)
Morocco	413.08	116.36	(1.68%)	(3.06%)

Sources: NGX, Various Sources and United Capital Research

Currency Performance in Select African Countries				
Currency vs USD	Signs	Spot Rate	Weekly Change	YTD Change
Zambia	ZMW: Kwacha	17.51	6.02%	26.37%
Nigeria	NGN: Naira	1,362.21	0.81%	6.05%
Kenya	KES: Shilling	125.35	3.31%	2.91%
South Africa	ZAR: Rand	16.3	(0.44%)	1.68%
Namibia	NAD: Dollar	16.32	(0.68%)	1.43%
Angola	AOA: Kwanza	919.82	0.00%	(0.09%)
Guinea	GNF: Franc	8,766.00	(0.02%)	(0.20%)
Sierra Leone	SLL: Leone	24,132.00	(0.02%)	(0.38%)
Tunisia	TND: Dinar	2.91	(0.54%)	(0.86%)
Morocco	MAD: Dirham	9.21	(0.10%)	(0.94%)
Cameroun	XAF: Franc	564.29	1.77%	(1.07%)
Gabon	XAF: Franc	564.29	1.77%	(1.07%)
WAEMU	CFA: Franc	565.5	(0.09%)	(1.15%)
Mauritius	MUR: Rupee	47.56	(0.02%)	(2.75%)
Liberia	LRD: Dollar	182.59	0.03%	(3.06%)
Uganda	UGX: Shilling	3,762.50	0.35%	(3.80%)
Tanzania	TZS: Shilling	2,605.00	0.38%	(5.57%)
Egypt	EGP: Pound	51.82	0.77%	(7.95%)
Ghana	GHS: Cedi	11.81	(0.93%)	(11.09%)

Sources:NGX, Various Sources and United Capital Research

Key Rates in Select African Countries					
Countries	10Yr Bond Yield	Weekly Change	Inflation	Real Return	Policy Rate
Nigeria	14.96%	0.00%	15.69%	(0.74%)	26.50%
Egypt	22.00%	0.30%	14.90%	6.80%	19.00%
Ethiopia*	-	-	11.70%	-	15.00%
Angola	19.80%	(2.20%)	11.58%	10.42%	17.00%
Rwanda	12.70%	0.00%	11.50%	1.20%	8.25%
Kenya	12.18%	0.08%	6.70%	5.40%	8.75%
Mauritius	5.56%	(0.01%)	4.30%	1.27%	4.75%

South Africa	8.55%	0.10%	4.00%	4.45%	7.00%
Tanzania	12.00%	0.20%	4.00%	7.80%	5.75%
Ghana	7.36%	0.00%	3.70%	3.66%	14.00%
Cameroon	8.70%	0.20%	2.50%	6.00%	4.75%
Gabon	6.29%	0.00%	2.10%	4.19%	4.75%
Congo	6.70%	0.00%	2.06%	4.64%	13.50%
Cote d'Ivoire	7.80%	0.00%	0.30%	7.50%	5.00%
Chad*	-	-	(3.00%)	-	4.75%

Countries marked with an asterisk () do not currently have an active 10-year bond in issue; as such, their corresponding real return cannot be computed due to the absence of a benchmark yield.

Sources: FMDQ, Various Sources and United Capital Research

West African Economic and Monetary Union (WAEMU)

Mali

Inflationary pressures in Mali remained subdued, reflecting relatively stable consumer prices. The country's headline inflation rate stood at 0.7% in March 2026, up slightly from 0.6% in February 2026, marking the highest reading since July 2025 but remaining well below historical averages. The modest increase was driven by gradual price gains across consumer goods and services. Overall inflation remains contained, supported by stable food prices and moderate domestic demand. The low inflation environment continues to provide some support for household purchasing power and macroeconomic stability.

Guinea-Bissau

Guinea-Bissau continued to experience a disinflationary trend, with consumer prices declining by 4.3% year-on-year in March 2026, compared with a 3.5% decline in February 2026. This marked the tenth consecutive month of falling prices and the sharpest contraction during the period. The sustained decline in inflation reflects weak domestic price pressures, stable food costs, and broader price moderation across the economy. While lower inflation supports consumer purchasing power, persistent price declines could also signal subdued domestic demand conditions.

Outlook

WAEMU markets are expected to maintain their resilient tone this week, underpinned by strong macroeconomic fundamentals that continue to stand out relative to peers. The BRVM Composite Index has posted a year-to-date gain of 23.79%, reflecting sustained investor confidence in the region. Economic growth in the WAEMU reached 6.6% in 2025 among the fastest in the world while inflation fell below its target range. The current account deficit narrowed sharply, and foreign reserves rose to 7.8 months of prospective imports. The Central Bank of West African States (BCEAO) cut its key rate by 25 basis points to 3.00% in March 2026 as deflation persisted. Inflation rate is expected to rise only gradually to 1.4% in 2026 a benign environment that continues to support both equity and bond market valuations. The key risks this week remain external. This includes elevated oil import costs from the Iran conflict and tighter global financial conditions.

Market Performance Snapshot				
	Previous	Current	Weekly Change	YTD Change
BRVM	422.81	440.13	4.10%	27.30%
Currency (CFA: Franc)	565	565.5	(1.33%)	(1.15%)

Bond Yields in WAEMU Countries				
Countries	Tenor	Bond Yield	Weekly Change	YTD Change
Niger	5 Year	10.00%	0.00%	3.73%
Togo	5 Year	7.00%	0.00%	1.00%
Senegal	5 Year	7.00%	0.00%	1.00%
Guinea- Bissau	3 Year	8.00%	0.00%	1.00%
Mali	3 Year	6.00%	0.00%	0.00%
Ivory coast	5 Year	7.00%	0.00%	(0.46%)
Benin	2 Year	6.00%	0.00%	(1.00%)
Burkina Faso	5 Year	6.00%	(1.00%)	(1.00%)

Sources: Various Sources and United Capital Research

Key Rates in WAEMU Countries

Countries	Inflation	Policy Rate
Senegal	1.40%	5.00%
Mali	1.00%	5.00%
Togo	0.70%	5.00%
Burkina Faso	0.40%	5.00%
Ivory coast	0.30%	5.00%
Benin	(0.60%)	5.00%
Guinea- Bissau	(2.50%)	5.00%
Niger	(7.50%)	5.00%

Sources: Various Sources and United Capital Research

Domestic Economy

United Capital Research projects Nigeria's headline inflation to rise to 15.94% in May 2026 from 15.69% in April 2026, marking a 0.25% increase and the third consecutive month of inflation acceleration. The anticipated uptick is largely driven by higher Premium Motor Spirit (PMS) prices, elevated transportation and logistics costs, and sustained pressure on consumer prices. The inflation outlook in the short term may drive up interest rate. Nonetheless, strong liquidity conditions within the banking system may help moderate the pace of yield adjustments. In this environment, maintaining a selective investment approach focused on fundamentally strong businesses and quality income-generating assets remains essential.

Equity Market

The Nigerian equities market closed the week on a bearish note, with the NGX All-Share Index (NGX-ASI) declining by 3.11% week-on-week to 242,593.31 points from 250,385.47 points. Despite the weekly loss, the market maintained a strong year-to-date return of 55.90%. Sectoral performance was broadly negative, as all major indices under our coverage closed in the red. The Oil & Gas Index recorded the steepest decline, falling 5.18% week-on-week, followed by the Industrial Goods Index, which shed 4.40%. The Banking Index also weakened by 3.42%, while the Insurance Index and Consumer Goods Index declined by 1.89% and 0.73%, respectively. Overall, market sentiment remained weak during the week, with broad-based profit-taking across key sectors driving the decline in equity prices. Nevertheless, year-to-date returns remained robust across all sectors, led by the Oil & Gas and Industrial Goods indices, reflecting the market's strong performance since the beginning of the year.

Nigerian Equity Market Performance

Index	Close Price	Weekly Change	YTD Change
NGX-ASI	242,593.31	(3.11%)	55.90%
Oil/Gas Index	5,669.73	(5.18%)	112.33%
Industrial Goods Index	11,707.41	(4.40%)	106.24%
Banking Index	2,277.54	(3.42%)	50.25%
Consumer Goods Index	4,868.87	(0.73%)	22.47%
Insurance Index	1,239.21	(1.89%)	4.19%

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed income market was relatively mixed during the week, with yields exhibiting modest movements across both money market and sovereign debt instruments. In the money market, liquidity conditions remained broadly stable. The Overnight (O/N) rate declined marginally by 0.04% to 22.15%, while the Open Repo Rate (OPR) remained unchanged at 22.00%. Across the Nigerian Treasury Bill (NTB) curve, performance was mixed. The 91-day NTB yield eased slightly by 0.01% to 16.62%, suggesting mild demand at the short end. Conversely, the 182-day NTB yield increased by 0.07% to 17.42%, indicating weaker demand for medium-term paper. The 364-day NTB yield declined by 0.20% to 18.84%, reflecting stronger investor interest in longer-dated bills. In the bond market, yields were largely stable. The 3-year bond yield edged higher by 0.04% to 16.28%, the 5-year bond remained unchanged at 17.01%, and the 7-year bond yield declined marginally by 0.01% to 17.08%. Meanwhile, the 10-year bond yield was unchanged at 14.96%, highlighting sustained demand at the long end of the curve. Overall, fixed income trading reflected a cautious but selective investor sentiment. Demand remained concentrated in longer-dated Treasury bills and long-tenor bonds, while yield movements across other maturities were largely muted.

Fixed Income Securities Rates

	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	22.15%	(0.04%)	(0.60%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	16.62%	(0.01%)	0.32%
182-Day NTB	17.42%	0.07%	0.72%
364-Day NTB	18.84%	(0.20%)	(0.75%)

Bond Market Rates

Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	16.28%	0.04%	(0.63%)
5 Years	17.01%	0.00%	(0.10%)
7 Years	17.08%	(0.01%)	0.02%
10 Years	14.96%	0.00%	(1.85%)

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market is expected to trade with a mildly positive bias this week as investors take advantage of recent price corrections to accumulate fundamentally strong stocks. While profit-taking may persist in some counters, bargain hunting is likely to support select banking, industrial, and oil & gas stocks. Market sentiment will remain influenced by fixed income yields and broader macroeconomic developments. Nevertheless, strong corporate fundamentals and improved economic conditions are expected to sustain selective buying interest, resulting in cautious but opportunity-driven trading during the week.

Fixed Income Market

Fixed income markets are expected to maintain a cautious tone this week as investors continue to balance attractive yields against expectations of future monetary policy direction. Demand is likely to remain concentrated in selected NTB and bond maturities, particularly at the longer end of the curve, where investors may seek to lock in prevailing yields. Liquidity conditions and primary market activities will remain key drivers of market sentiment, while institutional investors are expected to continue positioning strategically across the yield curve. Consequently, yields are expected to remain broadly stable, with modest movements across maturities reflecting selective demand and portfolio rebalancing activities.

Dividend Announcements

S/N	Company	Final Dividend (N)	Bonus	Qualification Date	Payment Date
1	Mecure Industries	0.32	-	Apr 23, 2026	TBA
2	Haldane Mccall	0.05	-	May 28, 2026	Jun 18, 2026
3	Chemical & Allied Products	4	-	Jun 3, 2026	Jun 25, 2026
4	Dangote Cement	45	-	Jun 17, 2026	Jul 2, 2026
5	Ikeja Hotel	0.3	-	Jul 3, 2026	Aug 3, 2026

Stock Recommendation

Stocks	Current Price	Target Price	Upside
Access Holdings Plc	25	40.75	63%
C & I Leasing Plc	6.15	10	63%
International Breweries	12.35	20	62%
Transcorp Power Plc	245.5	365	49%
United Bank for Africa Plc	43.6	62.64	44%
MTN Nigeria	775	1,100	42%
FIRST HOLDCO PLC	62	84.75	37%
FCMB Group Plc	11.2	15	34%
Nigerian Breweries Plc	80	105	31%
Transnational Corporation	45.9	60	31%
AXA Mansard Insurance	13.5	17.5	30%
Geregu Power Plc	1,132.50	1,440	27%
Sterling Financial Holdings	7.95	10	26%
Cadbury Nigeria Plc	69	80	16%

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