United Capital

Weekly Investment Views

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Global Markets

United States

The United States inflation eased for a second consecutive month to 3.4% y/y in July 2026, from 3.5% in June, in line with expectations. The moderation reflected lower energy price pressures, while shelter inflation eased to 3.2% from 3.3%. Gasoline inflation slowed to 24.6% from 26.7%, while fuel oil inflation declined to 39.1% from 42.9%. Meanwhile, food inflation remained unchanged at 3.0%. On a monthly basis, the Consumer Price Index (CPI) rose 0.1%, following a 0.4% decline in June, driven mainly by higher shelter costs. Core inflation also eased to 2.5% y/y from 2.6%, despite rising 0.2% m/m.

Euro Area

Euro Area industrial production increased 0.1% y/y in June 2026, reversing a 0.1% y/y decline in May and outperforming expectations for a 0.8% contraction. On a monthly basis, industrial production was unchanged in June, following a 0.3% increase in May, indicating that industrial activity lost momentum despite the annual improvement. The stronger-than-expected performance points to resilience in the industrial sector despite persistent economic pressures. The result also suggests that manufacturing activity remained broadly stable, supporting the region's modest growth outlook.

Asia

Japan's Producer Price Index (PPI) increased 7.2% y/y in July 2026, easing from a revised 7.3% in June and slightly below the 7.4% market expectation. The moderation suggests some easing in commodity and energy cost pressures, although producer inflation remained elevated. Price growth slowed across petroleum and coal products, chemicals and food, while prices for transport and production machinery increased. On a monthly basis, producer prices rose 0.1%, down sharply from 0.5% in June, marking the weakest monthly increase in five months. However, import prices remained elevated, with the yen-based import price index rising 29.1% y/y, highlighting continued pressure from higher import costs and the weaker Yen.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	0.53%	74.22%
Nigeria	NGX ASI	(1.20%)	55.91%
BRVM	ICXCOMP	2.21%	43.52%
Egypt	EGX 30	1.05%	32.09%
Kenya	NSE 20	0.43%	31.47%
United States	S&P 500	1.15%	13.93%
United States	Dow Jones	(0.08%)	12.02%
Europe	STOXX 600	0.16%	11.21%
United Kingdom	FTSE 100	(0.88%)	8.47%
Germany	DAX	0.61%	7.39%
United States	NASDAQ	1.73%	6.15%
France	CAC 40	(0.56%)	6.15%
Brazil	IBOV	(4.81%)	3.71%
China	SHCOMP	0.68%	(1.06%)
South Africa	JALSH	(1.03%)	(1.48%)
India	SENSEX	(1.11%)	(8.38%)

*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 increased during the week, supported by supply concerns and persistent geopolitical risks. Brent crude rose 5.55% week-on-week to US$87.07/b, while Bonny Light increased 6.67% to US$96.47/b. Despite the weekly gains, oil prices remained sensitive to developments around global supply and geopolitical tensions.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/b	96.47	6.67%	52.11%
Oil Crude – Brent	US$/b	87.07	5.55%	43.09%
Copper	US$/lb	6.57	(1.78%)	15.03%
Gold	US$/lb	4,352.40	2.65%	(0.11%)
Cocoa	US$/MT	5,622.60	(2.66%)	(7.29%)
Coffee	US$/lb	312.59	2.12%	(10.37%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.75	4.22%	(25.36%)

Sources: Various Sources and United Capital Research

Outlook

Global markets should remain positive this week, with the Federal Reserve's July meeting minutes offering further clues on future policy direction. US retail earnings from Home Depot, Target, Walmart and Lowe's should provide insight into consumer spending. China's economic data should attract attention following weaker services activity, while the Yen remains sensitive to Bank of Japan policy expectations. UK inflation and labour market data should shape expectations for the Bank of England's next decision. Investors should monitor Middle East developments and Friday's preliminary Purchasing Managers' Index readings for further market direction.

Select Sub-Saharan African Markets

Egypt

Egypt's annual urban inflation rose to 14.9% in July 2026, from 14.3% in June, marking its first increase in four months but remaining below the 15.1% expectation. Food and beverage inflation rose to 8.0% from 5.4%, while transport inflation increased slightly to 24.5%. On a monthly basis, the CPI was unchanged after falling 0.4% in June, suggesting price pressures stabilised.

Kenya

Kenya's Central Bank maintained its Central Bank Rate (CBR) at 8.75% in August 2026, extending its rate hold for three consecutive meetings. The decision reflected the view that the current policy stance remains appropriate for maintaining price and exchange rate stability. Headline inflation rose to 6.5% in July, driven by higher fuel costs, which also increased transportation and food prices, but remained within the Bank's 5.0% ±2.5% target range. Meanwhile, economic growth accelerated to 5.3% in Q1 2026, from 4.0% in the previous quarter. The Bank expects inflation to remain within its target range in the near term, although higher global energy and fertiliser prices remain key risks.

Uganda

The Bank of Uganda kept its Central Bank Rate unchanged at 9.75% in August, extending its rate hold to eight consecutive meetings. The decision reflected contained inflationary pressures despite higher oil prices. Annual inflation rose to 4.0% in July from 3.7% in June, but remained below the 5.0% medium-term target. Meanwhile, economic activity remains resilient, with growth projected to accelerate to 7.0–7.5% in FY2026/27, from an estimated 6.4% in FY2025/26. The rate hold therefore supports continued economic expansion while allowing the central bank to monitor emerging inflation risks.

Outlook

African equities are expected to remain positive this week, led by Ghana's Stock Exchange (GSE). Egypt's EGX 30 could sustain its strong 2026 performance, supported by fiscal reforms and an active initial public offering pipeline. Kenya's Nairobi Securities Exchange (NSE) may also benefit from continued strength in Safaricom and other telecom and banking stocks. In the currency market, Ghana's Cedi is likely to remain a key focus following its strong regional performance. The South African Rand and Kenyan Shilling should remain relatively resilient, supported by their stronger long-term performance compared with regional peers. Egypt's Pound, however, may remain under pressure following its significant depreciation against the Dollar over the past decade. Overall, market sentiment should remain supported by reform efforts in Egypt, privatisation plans in Kenya and strong liquidity on the Johannesburg Stock Exchange (JSE).

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Ghana	15,279.24	26.25	0.53%	74.22%
Nigeria	242,619.20	115.55	(1.20%)	55.91%
Tanzania	4,228.80	13.91	1.23%	53.11%
Tunisia	19,720.00	16.48	(1.98%)	46.62%
BRVM	496.22	31.17	2.21%	43.52%
Egypt	55,251.59	84.18	1.05%	32.09%

Kenya	4,126.20	30.42	0.43%	31.47%
Namibia	2,422.90	3.12	(0.26%)	13.17%
Mauritius	2,273.60	6.42	(0.17%)	7.30%
Morocco	421.31	118.76	1.68%	(1.13%)
South Africa	114,115.15	1,516.82	(1.03%)	(1.51%)

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	18.80	1.18%	17.71%
Nigeria	NGN: Naira	1,357.61	0.59%	6.41%
South Africa	ZAR: Rand	16.18	1.11%	2.41%
Namibia	NAD: Dollar	16.17	1.08%	2.37%
Angola	AOA: Kwanza	919.49	(0.02%)	(0.05%)
Kenya	KES: Shilling	129.2	0.12%	(0.15%)
Sierra Leone	SLL: Leone	24,087.00	(0.25%)	(0.19%)
Guinea	GNF: Franc	8,819.00	(0.41%)	(0.80%)
Cameroun	XAF: Franc	567.35	1.76%	(1.61%)
Gabon	XAF: Franc	567.35	1.76%	(1.61%)
Liberia	LRD: Dollar	180.00	(1.11%)	(1.67%)
WAEMU	CFA: Franc	568.50	(0.04%)	(1.67%)
Tunisia	TND: Dinar	2.94	(0.51%)	(1.69%)
Mauritius	MUR: Rupee	47.10	(0.34%)	(1.80%)
Morocco	MAD: Dirham	9.30	0.49%	(1.90%)
Uganda	UGX: Shilling	3,712.20	0.32%	(2.50%)
Ghana	GHS: Cedi	10.95	7.34%	(4.07%)
Egypt	EGP: Pound	50.28	(1.17%)	(5.13%)
Tanzania	TZS: Shilling	2,650.00	0.19%	(7.17%)

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**
South Africa	8.61%	0.16%	5.00%	3.61%	7.00%
Nigeria	17.33%	0.12%	15.91%	1.42%	26.50%
Mauritius	5.50%	0.01%	4.40%	1.10%	4.75%
Egypt	23.00%	0.00%	14.90%	8.10%	19.00%
Angola	22.00%	0.00%	9.33%	12.67%	15.75%
Congo	6.50%	0.00%	2.60%	3.90%	13.50%
Ghana	13.53%	0.00%	4.60%	8.93%	14.00%

Tanzania	12.00%	0.00%	4.20%	7.80%	6.25%
Cameroon	8.50%	0.00%	2.70%	5.80%	4.50%
Gabon	9.70%	0.00%	0.50%	9.20%	4.50%
Rwanda	12.70%	0.00%	13.80%	(1.10%)	8.25%
Kenya	12.48%	(0.01%)	6.50%	5.98%	8.75%
Uganda	15.50%	(0.05%)	4.00%	11.50%	9.75%
Cote d'Ivoire	7.54%	(0.19%)	1.80%	5.74%	5.00%
Ethiopia*	-	-	13.90%	0.00%	16.00%
*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)

Senegal

Senegal's annual inflation eased to 0.3% in July 2026, from 0.4% in June, marking its lowest level since May 2025. The moderation was driven mainly by deeper declines in food prices, which fell 0.4%, and housing and utilities, which declined 0.8%. Inflation also eased for alcoholic beverages and tobacco, while furnishings increased at a slower pace. Meanwhile, transport deflation narrowed to 0.1% from 0.6%, while health and clothing inflation accelerated slightly. On a monthly basis, consumer prices rose 1.0%, marking their strongest increase since September 2025 and pointing to renewed short-term price pressures.

Togo

Togo's annual inflation rose sharply to 1.6% in July 2026, from 0.1% in June, marking its highest level since March 2025. The increase represents a notable pickup in price pressures after inflation remained at 0.1% for five consecutive months. Despite the acceleration, inflation remained below the WAEMU 3.0% convergence ceiling, indicating that overall price pressures remain relatively contained.

Outlook

BRVM equities are expected to extend recent gains this week, following the Composite Index's 2.21% weekly increase to 485.48 points. Market gains are likely to remain selective, with continued investor interest in banking stocks and recent outperformers. Investors may also monitor newer listings, including Bridge Bank Group, following its fully subscribed July Initial Public Offering (IPO). In the fixed-income market, sovereign issuers are expected to return to the UMOA-Titres market under the Q3 issuance calendar. Demand is likely to remain stronger for shorter maturities, while five-year yields could remain around the 7.00% level recorded on Mali's latest issuance. Meanwhile, the CFA Franc's peg to the Euro should keep currency risk limited, leaving regional capital flows primarily driven by interest rates and yield differentials.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	485.48	496.22	2.21%	43.52%
Currency (CFA: Franc)	568.25	568.5	(0.04%)	(1.67%)
Bond Yields in WAEMU Countries				
Countries	**Tenor**	**Bond Yield**	**Weekly Change**	**YTD**
Togo	5 Year	7.00%	0.00%	1.00%
Senegal	5 Year	8.00%	0.00%	2.00%
Mali	3 Year	7.00%	0.00%	1.00%
Benin	2 Year	6.00%	0.00%	(1.00%)
Ivory coast	5 Year	7.00%	0.00%	(0.46%)
Guinea- Bissau	3 Year	7.00%	0.00%	0.00%
Niger	5 Year	10.00%	0.00%	3.73%
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**
Mali	2.00%	3.00%
Ivory coast	1.80%	3.00%
Togo	1.60%	3.00%
Senegal	0.30%	3.00%
Burkina Faso	0.10%	3.00%
Benin	0.00%	3.00%
Guinea- Bissau	(1.20%)	3.00%
Niger	(2.00%)	3.00%

Sources:Various Sources and United Capital Research

Domestic Economy

Nigeria's Composite Purchasing Managers' Index (PMI) rose to 51.1 points in July 2026, from 50.1 points in June, marking a second consecutive month of private-sector expansion. The improvement was driven mainly by a rebound in services and sustained agricultural activity. Services PMI rose to 51.1 points from 49.4 points, returning to expansion after three consecutive months of contraction. Agriculture PMI remained unchanged at 52.1 points, extending its expansion streak to 24 months. However, Industry PMI remained in contraction at 49.6 points in July 2026, despite a slight improvement from 49.5 points in June. Overall, the data point to a gradual recovery in private-sector activity, although industrial weakness continues to limit the breadth of the expansion.

Equity Market

The Nigerian equities market closed the week on a negative note, with the NGX All-Share Index (NGX-ASI) declining 1.20% week-on-week to 242,619.20 points. Consequently, the year-to-date return moderated to 55.91%. Sectoral performance was broadly negative, with the Banking, Insurance, Consumer Goods, Industrial Goods and Oil & Gas indices declining 1.48%, 2.72%, 6.72%, 1.22% and 0.06%, respectively.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	242,619.20	(1.20%)	55.91%
Oil/Gas Index	5,237.51	(0.06%)	96.14%
Industrial Goods Index	10,379.10	(1.22%)	82.84%
Banking Index	2,548.02	(1.48%)	68.09%
Consumer Goods Index	4,037.91	(6.72%)	1.57%
Insurance Index	1,128.74	(2.72%)	(5.09%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed income market traded mixed during the week, with NTB and bond yields moving higher across most tenors. In the NTB market, the 91-day and 364-day yields increased by 0.16% and 0.01% to 17.26% and 20.31%, respectively. Meanwhile, the 182-day yield declined by 0.31% to 18.15%. Bond yields increased across all tenors, with the 3-year, 5-year, 7-year and 10-year yields rising by 0.02%, 0.11%, 0.27% and 0.12% to 17.03%, 17.23%, 17.38% and 17.33%, respectively. Meanwhile, the Overnight (O/N) rate edged up by 0.01% to 22.11%, while the Open Repo Rate (OPR) remained unchanged at 22.00%.

Fixed Income Securities Rates			
	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	22.11%	0.01%	(0.64%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	17.26%	0.16%	0.96%
182-Day NTB	18.15%	(0.31%)	1.45%
364-Day NTB	20.31%	0.01%	0.72%

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	17.03%	0.02%	0.12%
5 Years	17.23%	0.11%	0.12%
7 Years	17.38%	0.27%	0.32%
10 Years	17.33%	0.12%	0.52%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

Income-focused investors should monitor fresh interim dividend announcements this week, following recent declarations from MTN Nigeria, Presco, HBM Nigeria and Seplat Energy. HBM Nigeria offers the highest yield among recent payouts, followed by MTN Nigeria and Seplat Energy. Investors should consider reinvesting dividend proceeds carefully, given elevated Naira Treasury Bill yields that offer an attractive alternative.

Fixed Income Market

Fixed income investors should monitor OMO Bill activity closely, following its contribution of over 70% of trading value last week. Yields are expected to remain elevated, with OMO bills closing near 22.67% and shorter-dated Treasury Bills around 20.25%. The FGN Bond curve is expected to remain within recent ranges, with yields spanning approximately 14.85% to above 17% across tenors. Liquidity conditions are likely to remain tight, making money market funding costs an important consideration for fixed income investors. Investors should also monitor the DMO's auction calendar for new Treasury Bill and bond issuance announcements. Demand for longer-dated securities should remain firm, supported by institutional investors' continued search for attractive yields.

Dividend Announcements							
S/N	Company	Interim Dividend(₦)	Dividend Yield	Bonus	Qualification Date	Closure of Register	Payment Date
1	Ikeja Hotel	0.03	0.07%	-	Aug 7, 2026	10 to 14-Aug-26	Sept 4, 2026
2	Presco	10.00	0.49%	-	Aug 14, 2026	17 to 21-Aug-26	Aug 27, 2026
3	HBM Nigeria	16.00	4.79%	-	Aug 12, 2026	13 to 14-Aug-26	Aug 17, 2026
4	Custodian Investment	0.25	0.35%	-	Aug 17, 2026	18 to 21-Aug-26	Sep 8, 2026
5	MTN Nigeria	26.00	3.23%	-	Aug 20, 2026	Aug 21, 2026	Sep 7, 2026
6	Seplat Energy	163.27 ($0.12)	1.46%	-	Aug 13, 2026	Aug 14, 2026	Aug 28, 2026
7	The Initiates	0.20	0.77%	-	Aug 28, 2026	31 Aug to 3 Sept-26	Sep 4, 2026
8	UPDC REIT	0.40	0.35%	-	Aug 13, 2026	Aug 14, 2026	Aug 28, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transnational Corporation	37	60	62%
Mutual Benefits Assurance	3.17	4.9	55%
Nigerian Breweries Plc	68	105	54%
Access Holdings Plc	27.05	40.75	51%
AXA Mansard Insurance	12	17.5	46%
International Breweries	10.5	15	43%
Transcorp Power Plc	219.6	310	41%
United Bank for Africa Plc	45.5	62.64	38%
MTN Nigeria	805	1100	37%
Aradel Holdings Plc	1,526.80	2,000	31%
Sterling Financial Holdings	7.7	10	30%
Cadbury Nigeria Plc	62	80	29%
FCMB Group Plc	12	15	25%
AIICO Insurance Plc	4.01	5	25%
Dangote Cement Plc	1,034	1,250	21%
BUA Cement	316	380	20%
HBM Nigeria	334	400	20%
Zenith Bank Plc	122.6	145	18%

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