United Capital

Weekly Investment Views

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Global Markets

United States

The United States industrial production rose 0.2% in July 2026, but below expectations of a 0.3% increase, after growing by 0.3% in June. Manufacturing output, the largest component, also increased by 0.2%, while mining and utilities output rose by 1.3% and 0.5% respectively. Industrial production measures output across factories, mines, and utilities, providing a key gauge of economic activity and production capacity. The softer-than-expected increase suggests moderating industrial momentum and limited capacity pressures. This points to subdued inflation risks and a slower pace of US economic growth.

Euro Area

Euro Area inflation rose to 2.9% in July 2026 from 2.8% in June, remaining above the European Central Bank (ECB)'s 2.0% target. This was largely due to higher energy prices. In addition, underlying price pressures also strengthened, with services inflation rising to 3.3% from 3.2% in June 2026. Non-energy goods inflation also increased to 0.9% from 0.7%, and core inflation edged up to 2.5% from 2.4%. Persistently elevated inflation may keep the ECB policy tight for longer. This could potentially weigh on economic growth while supporting higher interest rates across the region.

Asia

In Asia, the People's Bank of China (PBoC) left its key lending rates unchanged in August 2026. The Bank maintained one-year and five-year Loan Prime Rates (LPRs) at 3.0% and 3.5% respectively, for a 15th consecutive month. The decision came amid slowing economic momentum. The country is currently facing weaker GDP growth, softer industrial production and retail sales, falling bank lending, and continued weakness in the property market. The prolonged accommodative stance highlights policymakers' efforts to support growth. However, persistent economic weakness suggests continued pressure on domestic demand and the broader Chinese economy.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	(1.40%)	71.77%
Nigeria	NGX ASI	(0.58%)	53.81%
BRVM	ICXCOMP	4.71%	50.28%
Kenya	NSE 20	2.24%	34.42%
Egypt	EGX 30	(0.93%)	30.86%
United States	S&P 500	(2.02%)	11.62%
United States	Dow Jones	(2.01%)	9.77%
Europe	STOXX 600	(1.35%)	9.71%
United Kingdom	FTSE 100	(0.23%)	8.22%
Germany	DAX	(1.20%)	6.09%
Brazil	IBOV	0.49%	4.22%
France	CAC 40	(2.28%)	3.73%
United States	NASDAQ	(2.75%)	3.24%
South Africa	JALSH	1.35%	(0.15%)
China	SHCOMP	(0.59%)	(1.64%)
India	SENSEX	(0.69%)	(9.02%)

*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, with Brent crude rising by 7.71% to US$87.07/b as at August 20, supported by persistent geopolitical risks and supply concerns. Bonny Light rose 0.80% to US$97.38/b as at August 14, while oil prices remained sensitive to global supply developments and geopolitical tensions.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light 14, August 2026	US$/b	98.16	0.80%	54.78%
Oil Crude – Brent	US$/b	93.78	7.71%	54.12%
Copper	US$/lb	6.57	0.10%	15.15%
Gold	US$/lb	4,583.20	5.30%	5.19%
Cocoa	US$/MT	6,033.00	7.30%	(0.53%)
Coffee	US$/lb	329.48	5.40%	(5.53%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.78	1.09%	(24.55%)

Sources: Various Sources and United Capital Research

Outlook

Global markets are expected to focus on the Jackson Hole Economic Symposium this week, with Fed Chair Kevin Warsh scheduled to speak on monetary policy. Investors will closely assess his remarks for signals on the outlook for interest rates into next year. US economic data will be limited, with the Conference Board's Consumer Confidence Index providing the main scheduled release. Equity markets are expected to remain near record levels, supported by resilient corporate earnings, while Gold should remain well supported. The Dollar is likely to trade within a narrow range, while the Euro and Yen remain influenced by Central Bank policy differences.

Select Sub-Saharan African Markets

Ghana

Ghana's Producer Price Inflation (PPI) rose to 4.0% in July 2026, from 3.5% in June, indicating a moderate increase in producer price pressures. Producer price inflation remained below its 16.36% historical average recorded between 2009 and 2026, suggesting that price pressures remain relatively contained.

South Africa

South Africa's annual inflation eased to 4.3% in July 2026, from a two-year high of 5.0% in June, below analysts' estimate of 4.5%. The decline marked the first slowdown in five months, driven mainly by lower transportation and fuel inflation. Transportation inflation eased to 8.9% from 12.7%, while fuel inflation fell to 20.6% from 34.3%, reflecting lower petrol prices and weaker crude oil prices. Food and non-alcoholic beverage inflation also slowed to 0.9% from 1.6%, supported by lower cereal and meat prices. Housing and utilities inflation moderated to 5.2% from 5.5%, reflecting smaller municipal tariff increases. However, core inflation edged up to 4.2% from 4.1%, indicating continued underlying price pressures.

Egypt

Egypt's Central Bank kept its key interest rate at 19.0% in August 2026, marking the fifth consecutive meeting without a rate change. The decision extended the pause in monetary easing amid renewed inflationary pressures and higher fuel import costs. Headline inflation accelerated to 14.9% in July from 14.3% in June, while economic growth rose to 5.3% in Q2 2026 from 4.3% in Q2 2025. The Central Bank is expected to maintain rates through 2026 before resuming rate cuts in Q1 2027 as inflation pressures ease. Economic growth is projected at 5.0% in FY2025/26, although output remains below potential.

Outlook

African currencies are expected to trade mixed this week, with Ghana's Cedi likely to weaken and Uganda's Shilling expected to strengthen against the Dollar. Kenya's Shilling, and Zambia's Kwacha should remain broadly stable. Local currency bonds remain well supported, as elevated yields will continue attracting investors seeking higher returns across the continent. Eurobond issuance will remains active, with reform-focused sovereigns attracting stronger demand than weaker credits facing higher borrowing costs.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Ghana	15,065.05	25.57	(1.40%)	71.77%
Tanzania	4,256.90	14	0.66%	54.13%
Nigeria	239,351.16	114.76	(0.58%)	53.81%
BRVM	519.59	35.7	4.71%	50.28%
Tunisia	19,679.00	16.55	(0.21%)	46.31%
Kenya	4,218.80	31.94	2.24%	34.42%

Egypt	54,737.07	82.86	(0.93%)	30.86%
Namibia	2,397.70	3.09	(1.04%)	11.99%
Mauritius	2,265.80	6.46	(0.34%)	6.93%
South Africa	115,659.23	1,538.41	1.35%	(0.18%)
Morocco	425.2	121.12	0.92%	(0.22%)

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	18.97	(0.90%)	16.66%
Nigeria	NGN: Naira	1,346.49	0.83%	7.28%
South Africa	ZAR: Rand	16.01	1.04%	3.47%
Namibia	NAD: Dollar	16.02	0.98%	3.37%
Angola	AOA: Kwanza	918.00	0.16%	0.11%
Sierra Leone	SLL: Leone	24,066.00	0.09%	(0.10%)
WAEMU	CFA: Franc	560.39	1.45%	(0.25%)
Kenya	KES: Shilling	129.45	(0.19%)	(0.35%)
Cameroun	XAF: Franc	560.39	1.24%	(0.39%)
Gabon	XAF: Franc	560.39	1.24%	(0.39%)
Guinea	GNF: Franc	8,786.50	0.37%	(0.43%)
Mauritius	MUR: Rupee	46.60	1.07%	(0.75%)
Tunisia	TND: Dinar	2.91	0.94%	(0.77%)
Morocco	MAD: Dirham	9.24	0.59%	(1.33%)
Liberia	LRD: Dollar	180.00	0.00%	(1.67%)
Uganda	UGX: Shilling	3,718.40	(0.17%)	(2.66%)
Ghana	GHS: Cedi	11.12	(1.58%)	(5.58%)
Egypt	EGP: Pound	50.87	(1.16%)	(6.23%)
Tanzania	TZS: Shilling	2,645.50	0.17%	(7.01%)

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	YTD Currency
South Africa	8.72%	0.11%	4.30%	4.42%	7.00%	3.47%
Mauritius	5.60%	0.10%	4.40%	1.20%	4.75%	(0.75%)
Kenya	12.49%	0.01%	6.50%	5.99%	8.75%	(0.35%)
Egypt	23.00%	0.00%	14.90%	8.10%	19.00%	(6.23%)
Angola	22.00%	0.00%	9.33%	12.67%	15.75%	0.11%
Congo	6.50%	0.00%	3.18%	3.32%	13.50%	(0.44%)
Ghana	13.53%	0.00%	4.60%	8.93%	14.00%	(5.58%)

Tanzania	12.00%	0.00%	4.20%	7.80%	6.25%	(7.01%)
Cameroon	8.50%	0.00%	2.70%	5.80%	4.50%	(0.39%)
Gabon	9.70%	0.00%	0.50%	9.20%	4.50%	(0.39%)
Rwanda	12.70%	0.00%	13.80%	(1.1%)	8.25%	(0.91%)
Uganda	15.50%	0.00%	4.00%	11.50%	9.75%	(2.66%)
Cote d'Ivoire	7.43%	(0.11%)	1.90%	5.53%	5.00%	(0.25%)
Nigeria	17.13%	(0.20%)	15.43%	1.70%	26.50%	7.28%
Ethiopia*	-	-	15.30%	0.00%	16.00%	(3.31%)
*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)

Ivory Coast

Côte d'Ivoire's annual inflation rate increased to 1.9% in July 2026, from 1.8% in June, marking a modest rise in consumer price pressures. Despite the increase, inflation remained below the 2.5% long-term average, indicating that price pressures remain relatively contained. The July reading was also significantly below the historical peak of 9.63% recorded in September 2008, highlighting the current low inflation environment.

Senegal

The International Monetary Fund (IMF) will visit Senegal from August 19 to September 1 to continue discussions on policies and reforms under a potential new lending programme. The two-week mission signals progress toward a new IMF programme and will focus on detailed technical discussions with Senegalese authorities. The engagement also aims to resolve the debt misreporting issue disclosed in 2024, which led to the suspension of Senegal's previous IMF programme. For Senegal, progress toward a new IMF programme could improve access to external financing, strengthen investor confidence, and support efforts to address its debt vulnerabilities. It could also provide a clearer policy framework for fiscal consolidation and debt management, helping ease financing pressures over the medium term.

Outlook

The WAEMU regional bond market is expected to remain active this week, with member states continuing scheduled Treasury bill and bond auctions under the UMOA-Titres calendar. Demand should remain strong as investors favour sovereign securities amid ample banking system liquidity. Yields are expected to remain broadly stable as issuers work toward the CFA Franc 12.7 trillion annual borrowing target. Côte d'Ivoire and Senegal remain the largest issuers, making their yield curves key references for regional pricing. Secondary market activity should remain firm, supported by rising trading volumes and improving market liquidity. The CFA Franc is expected to remain stable against major currencies, supported by its peg to the Euro, while BRVM equities should benefit from positive regional growth prospects and sustained investor sentiment.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	496.22	519.59	4.71%	50.28%
Currency (CFA: Franc)	568.5	560.39	1.45%	(0.25%)
Bond Yields in WAEMU Countries				
Countries	**Tenor**	**Bond Yield**	**Weekly Change**	**YTD**
Niger	5 Year	10.00%	0.00%	3.73%
Senegal	5 Year	8.00%	0.00%	2.00%
Togo	5 Year	7.00%	0.00%	1.00%
Mali	3 Year	7.00%	0.00%	1.00%
Guinea- Bissau	3 Year	7.00%	0.00%	0.00%
Ivory coast	5 Year	7.00%	0.00%	(0.46%)
Burkina Faso	5 Year	6.00%	0.00%	(1.00%)
Benin	2 Year	6.00%	0.00%	(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	1.90%	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 annual inflation rate eased to 15.43% in July 2026, from 15.91% in June, marking the second consecutive monthly decline. The moderation reflected relative Naira stability and softer price growth across transportation, clothing, restaurants, hotels, and miscellaneous goods and services. However, food inflation accelerated for the sixth consecutive month to 20.31%, from 17.52% in June, while housing and utilities inflation also increased. Core inflation eased to 14.97%, its lowest level since May 2022, from 15.92% in June, indicating reduced underlying price pressures. United Capital Research had earlier released a forecast of 15.35%, making the actual reading 0.08% higher than our forecast.

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	239,351.16	(0.58%)	53.81%
Oil/Gas Index	4,960.37	(5.29%)	85.76%
Industrial Goods Index	10,378.88	(0.002%)	82.84%
Banking Index	2,473.50	(2.92%)	63.18%
Consumer Goods Index	4,040.07	0.05%	1.62%
Insurance Index	1,086.42	(3.75%)	(8.65%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed income market traded mixed during the week, with Nigerian Treasury Bill (NTB) yields rising across longer tenors, while bond yields declined across most tenors. In the NTB market, the 91-day yield declined by 0.29% to 16.97%, while the 182-day and 364-day yields rose by 0.48% each. The 182-day yield increased to 18.63%, while the 364-day yield rose to 20.79%. Bond yields were largely lower, with the 5-year, 7-year, and 10-year yields declining by 0.20%, 0.32% and 0.20%, respectively. The 3-year bond yield edged higher by 0.02% to 17.05%. Meanwhile, the Overnight (O/N) rate remained unchanged at 22.11%, while the Open Repo Rate (OPR) also held at 22.00%.

Fixed Income Securities Rates			
	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	22.11%	0.00%	(0.64%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	16.97%	(0.29%)	0.67%
182-Day NTB	18.63%	0.48%	1.93%
364-Day NTB	20.79%	0.48%	1.20%

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	17.05%	0.02%	0.14%
5 Years	17.03%	(0.20%)	(0.08%)
7 Years	17.06%	(0.32%)	0.00%
10 Years	17.13%	(0.20%)	0.32%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equities market should remain fairly stable this week, despite recent profit-taking following the strong gains recorded earlier in the year. The NGX All-Share Index remains up strongly year-to-date, keeping investor interest supported despite the recent pullback. We expect investors to focus on companies with strong earnings, attractive valuations and good dividend prospects. However, some investors may continue taking profits, which could limit overall market gains and keep trading relatively cautious. Stable Naira conditions and improved investor confidence could provide further support, while upcoming corporate results may influence stock-specific performance.

Fixed Income Market

Nigeria's fixed income market should remain active this week, with OMO bills likely dominating activity. Treasury bill yields should remain near current levels, with closing and average yields at 20.91% and 16.59%, respectively. Demand should favour shorter-dated instruments. FGN bond yields should remain within the 14.80%–17.75% range, while recent Debt Management Office (DMO) rate adjustments should guide investor expectations ahead of the next auction. Renewed retail and non-bank access to OMO auctions should broaden demand for government securities and support the Naira fixed income market.

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	Custodian Investment	0.25	0.35%	-	Aug 17, 2026	18 to 21-Aug-26	Sep 8, 2026
4	MTN Nigeria	26.00	3.34%	-	Aug 20, 2026	Aug 21, 2026	Sep 7, 2026
5	Seplat Energy	163.27 ($0.12)	1.46%	-	Aug 13, 2026	Aug 14, 2026	Aug 28, 2026
6	The Initiates	0.20	0.75%	-	Aug 28, 2026	31 Aug to 3 Sept-26	Sep 4, 2026
7	UPDC REIT	0.40	2.93%	-	Aug 13, 2026	Aug 14, 2026	Aug 28, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transnational Corporation	36.00	60.00	67%
Nigerian Breweries Plc	69.00	105.00	52%
Mutual Benefits Assurance	3.23	4.90	52%
Access Holdings Plc	27.00	40.75	51%
International Breweries	10.10	15.00	49%
AXA Mansard Insurance	11.90	17.50	47%
Aradel Holdings Plc	1,374.20	2,000.00	46%
MTN Nigeria	779.00	1,100.00	41%
Transcorp Power Plc	219.60	310.00	41%
United Bank for Africa Plc	45.10	62.64	39%
FCMB Group Plc	11.50	15.00	30%
AIICO Insurance Plc	3.90	5.00	28%
Cadbury Nigeria Plc	64.90	80.00	23%
Dangote Cement Plc	1,034.00	1,250.00	21%
BUA Cement	316.00	380.00	20%
HBM Nigeria	334.00	400.00	20%
Zenith Bank Plc	122.00	145.00	19%

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