Weekly Investment Views

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Global Markets

United States

The United States Price Consumption Expenditure inflation remained elevated at 3.7% year-on-year in July 2026, unchanged from June 2026. This also came in above the 3.6% consensus forecast. The persistent price pressure reinforces concerns that inflation is proving sticky which may potentially delay further US Federal Reserve policy easing. Higher-for-longer US interest rates could tighten global financial conditions and lead to capital flight from emerging markets. For Nigeria, this may pressure capital flows and the Naira while increasing external financing costs.

Euro Area

The S&P Global Euro Area Services Purchasing Managers' Index (PMI) remained steady at 51.7 points in August 2026. This came in slightly above expectations, supported by stronger tourism spending and the fastest services growth outside France and Germany in three years. Employment also increased, while stable export orders indicated continued external demand. However, weaker business confidence points to cautious growth expectations, while faster input-cost growth could pressure margins. The resilient services sector should support Euro Area growth and global demand, with potential spillovers to Nigeria through trade and commodity demand.

Asia

Japan's annual inflation rate accelerated to 1.9% in July 2026 from 1.6% in June 2026, reaching the highest level since December 2025. The increase reflected slower electricity price declines following reduced government energy subsidies, alongside firmer food, transport and household goods prices. Core inflation also rose to 1.8%, the highest since March 2026, but remained below the Bank of Japan's 2% target. The persistent inflation pressure could strengthen expectations for further policy normalisation, while higher Japanese yields may tighten global financial conditions. Tighter global liquidity could moderate capital flows into emerging markets, although stronger Japanese demand could support global trade.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	(0.43%)	71.03%
Nigeria	NGX ASI	0.81%	55.06%
BRVM	ICXCOMP	1.99%	53.27%
Kenya	NSE 20	1.65%	36.64%
Egypt	EGX 30	0.67%	31.74%
United States	S&P 500	1.18%	12.94%
United States	Dow Jones	1.54%	11.46%
Europe	STOXX 600	0.23%	9.96%
Brazil	IBOV	4.29%	8.70%
United Kingdom	FTSE 100	0.41%	8.67%
Germany	DAX	1.48%	7.66%
United States	NASDAQ	1.82%	5.11%
France	CAC 40	(1.58%)	2.09%
South Africa	JALSH	0.99%	0.84%
China	SHCOMP	1.35%	(0.31%)
India	SENSEX	(0.78%)	(9.72%)

*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 fell during the week, with Brent crude declining by 3.75% to US$88.52/b as at August 27, as easing concerns over Middle East supply disruptions and improved prospects of reopening the Strait of Hormuz weighed on prices.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light as of 14 August, 2026	US$/b	98.16	0.00%	54.78%
Oil Crude – Brent	US$/b	88.52	(3.75%)	45.47%
Copper	US$/lb	6.59	1.86%	15.41%
Gold	US$/lb	4,664.00	2.03%	7.04%
Cocoa	US$/MT	6,173.00	1.80%	1.78%
Coffee	US$/lb	309.65	(5.97%)	(11.21%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.91	5.58%	(20.94%)

Sources: Various Sources and United Capital Research

Outlook

This week, global markets will shift focus from Jackson Hole to the US labour market, with Friday's August jobs report as the key event. US markets will remain closed on Monday for Labour Day, with major data releases starting Tuesday. Investors will assess incoming data to gauge the direction of policy rate decision in September when the Federal Open Market Committee meets. Equities may consolidate near record highs after last week's rally, while September's historically weaker seasonality could limit further gains. Gold should remain supported by safe-haven demand, while the Dollar may stay fragile and sensitive to incoming labour market data. The Euro and Yen will remain influenced by central bank policy divergence.

Select Sub-Saharan African Markets

South Africa

South Africa's producer inflation eased to 5.7% year-on-year in July 2026 from 7.5% in June 2026, below the 6.1% forecast. This reflects softer energy and manufacturing input prices. Lower coal and petroleum prices, particularly diesel and petrol, drove the decline amid weaker global crude oil prices. The moderation reduces domestic cost pressures and strengthens the case for further monetary easing, supporting South Africa's growth outlook.

Ethiopia

Ethiopia's annual inflation accelerated to 15.3% in July 2026 from 13.9% in June 2026. This marks the fourth consecutive monthly increase and the highest rate since January 2025. The rise reflected stronger food and non-food inflation, with sharp increases in sugar, meat, oils, restaurants and household goods. The broad-based acceleration signals renewed cost pressures and could constrain household spending and monetary policy easing. Higher inflation may also weaken domestic demand and raise imported cost pressures.

Rwanda

The National Bank of Rwanda raised its benchmark rate by 0.50% to 8.75% in its August 2026 meeting. This is the highest rates have been since 2009 and marks its third consecutive hike. The decision aims to contain persistent inflation, which accelerated to 13.8% in July 2026 from 12.7% in June 2026, amid food pressures and Middle East-related disruptions. Tighter monetary policy should help anchor inflation expectations but could weigh on domestic demand and growth.

Outlook

African markets are expected to maintain a firmer tone, supported by a softer Dollar and lower global bond yields. Gold-producing markets such as South Africa should benefit from prices remaining close to record highs. Regional sentiment will remain closely tied to expectations around the Fed's policy direction and the pace of US monetary easing. Renewed concerns over US fiscal sustainability could support flows into emerging and frontier markets, benefiting regional currencies and equities. Inflation across the region will remain sensitive to oil prices. Overall, African markets should remain relatively stable, with further currency and equity gains dependent on continued Dollar weakness.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Ghana	14,999.64	25.46	(0.43%)	71.03%
Tanzania	4,442.90	14.61	4.37%	60.86%
Nigeria	241,298.47	116.52	0.81%	55.06%
BRVM	529.94	36.3	1.99%	53.27%
Tunisia	19,481.18	16.55	(1.01%)	44.84%
Kenya	4,288.60	32.47	1.65%	36.64%

Egypt	55,106.54	83.42	0.67%	31.74%
Namibia	2,449.30	3.16	2.15%	14.40%
Mauritius	2,282.90	7.4	0.75%	7.74%
South Africa	116,806.24	1553.64	0.99%	0.81%
Morocco	425.88	124.2	0.16%	(0.06%)

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	19.02	(0.26%)	16.35%
Nigeria	NGN: Naira	1337.287	0.69%	8.02%
South Africa	ZAR: Rand	15.9948	0.81%	3.58%
Namibia	NAD: Dollar	15.9952	0.81%	3.50%
Angola	AOA: Kwanza	918	0.16%	0.11%
Kenya	KES: Shilling	129.4	0.00%	(0.31%)
Sierra Leone	SLL: Leone	24149.2	(0.34%)	(0.45%)
Guinea	GNF: Franc	8790	(0.04%)	(0.47%)
Tunisia	TND: Dinar	2.9008	(0.02%)	(0.53%)
WAEMU	CFA: Franc	563	(0.31%)	(0.71%)
Cameroun	XAF: Franc	563.28	(0.33%)	(0.90%)
Gabon	XAF: Franc	563.28	(0.33%)	(0.90%)
Mauritius	MUR: Rupee	46.8	(0.32%)	(1.18%)
Morocco	MAD: Dirham	9.2546	(0.06%)	(1.46%)
Liberia	LRD: Dollar	180	0.00%	(1.67%)
Uganda	UGX: Shilling	3754.76	(0.89%)	(3.60%)
Egypt	EGP: Pound	50.25	1.25%	(5.07%)
Ghana	GHS: Cedi	11.225	(1.11%)	(6.46%)
Tanzania	TZS: Shilling	2647.5	(0.08%)	(7.08%)

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**
Nigeria	17.12%	(0.01%)	15.43%	1.69%	26.50%	8.02%
South Africa	8.63%	(0.10%)	4.30%	4.33%	7.00%	3.58%
Angola	22.00%	0.00%	9.33%	12.67%	15.75%	0.11%
Kenya	12.24%	(0.25%)	6.50%	5.74%	8.75%	(0.31%)
Congo	6.50%	0.00%	3.18%	3.32%	13.50%	(0.54%)
Cote d'Ivoire	7.39%	(0.04%)	1.90%	5.49%	5.00%	(0.71%)
Cameroon	8.50%	0.00%	2.70%	5.80%	4.50%	(0.90%)

Gabon	9.70%	0.00%	0.50%	9.20%	4.50%	(0.90%)
Rwanda	12.70%	0.00%	13.80%	(1.10%)	8.75%	(0.95%)
Mauritius	5.53%	(0.07%)	4.40%	1.13%	4.75%	(1.18%)
Uganda	15.09%	(0.03%)	4.00%	11.09%	9.75%	(3.60%)
Ethiopia*	-	-	15.30%	0.00%	16.00%	(4.21%)
Egypt	22.87%	(0.13%)	14.90%	7.97%	19.00%	(5.07%)
Ghana	13.53%	0.00%	4.60%	8.93%	14.00%	(6.46%)
Tanzania	12.00%	0.00%	4.20%	7.80%	6.25%	(7.08%)
*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

Ivory Coast is seeking Chinese investment to expand domestic cotton processing and develop its textile industry. The initiative targets capital, technology and industrial expertise to strengthen local processing, as over 90% of Ivorian cotton is still exported raw. Greater textile investment could increase domestic value addition, employment and export earnings, supporting the country's industrial growth. The move could deepen China-West Africa trade links, while stronger regional textile capacity may create broader opportunities for African trade and manufacturing.

Mali

Mali and Côte d'Ivoire have agreed on the final location of their shared border and a draft border agreement after talks in Bamako from August 21–25 2026. The agreement should strengthen border security, bilateral cooperation and governance, while supporting trade and economic activity in border communities. Government signing and demarcation are expected by the end of 2026, reducing uncertainty around cross-border movements. Improved regional stability could support West African trade and integration.

Outlook

The WAEMU bond market should remain active this week, with member states continuing scheduled Treasury bill and bond auctions. Demand should remain firm as investors favour sovereign securities amid ample liquidity within the banking system. Yields are expected to remain broadly stable as issuers continue working toward the CFA Franc 12.7 trillion annual borrowing target. The CFA Franc should remain stable against the Dollar, supported by its Euro peg and broader Dollar weakness. BRVM equities should remain supported after last week's rally, led by Sonatel and banking stocks, amid continued regional investor interest.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	519.59	529.94	1.99%	53.27%
Currency (CFA: Franc)	561.25	563	(0.31%)	(0.71%)
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 external reserves rose to $53.3bn as of August 26, the highest level in nearly 18 years. This was supported by stronger crude oil earnings and increased FX inflows. The reserves surpassed the Central Bank of Nigeria's $51.04bn year-end target and now provide over 13 months of import cover based on estimates. Stronger reserves improve Nigeria's ability to meet external obligations, support Naira stability and strengthen investor confidence. Higher reserves also improve Nigeria's external position, supporting regional and global confidence in the economy.

Equity Market

The Nigerian equities market closed the week on a positive note, with the NGX All-Share Index (NGX-ASI) rising by 0.81% week-on-week to 241,298.47 points. Consequently, the year-to-date return improved to 55.06%. The gain was supported by renewed buying interest, particularly in the Banking and Oil & Gas sectors, which outweighed declines across the Consumer Goods, Insurance and Industrial Goods indices.
FTSE Russell has confirmed that Nigeria's reclassification to Frontier Market status will proceed, effective September 21, 2026. The decision markets Nigeria's return to the global Frontier Market universe and represents an important milestone for the nation's capital market.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	241,298.47	0.81%	55.06%
Oil/Gas Index	5,185.35	4.54%	94.19%
Industrial Goods Index	10,378.74	(0.001%)	82.84%
Banking Index	2,544.92	2.89%	67.89%
Consumer Goods Index	4,012.83	(0.67%)	0.94%
Insurance Index	1,079.54	(0.63%)	(9.23%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed income market traded mostly bullish during the week, with Nigerian Treasury Bill (NTB) yields falling across the mid to longer tenors, while bond yields declined across most tenors. In the NTB market, the 182- and 364-day yields declined by 0.06% and 0.25% to 18.57% and 20.54%, respectively. Meanwhile the 91-day yield rose by 1.21%. This suggests stronger demand for longer-dated bills as investors lock in attractive real returns. Bond yields were largely lower, with the 3-year, 5-year, and 10-year yields declining by 0.16%, 0.05% and 0.01%, respectively. The 7-year bond yield remained flat to settle at 20.54%. In the interbank market, the Overnight (O/N) rate fell by 0.04% to settle at 22.07%, 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)	22.07%	(0.04%)	(0.68%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	18.18%	1.21%	1.88%
182-Day NTB	18.57%	(0.06%)	1.87%
364-Day NTB	20.54%	(0.25%)	0.95%

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	16.89%	(0.16%)	(0.02%)
5 Years	16.98%	(0.05%)	(0.13%)
7 Years	17.06%	0.00%	0.00%
10 Years	17.12%	(0.01%)	0.31%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market may appreciate this week as investors take position in the market ahead of the September 21, 2026 FTSE Russell Inclusion date. Investors are likely to favour stocks with strong earnings, attractive valuations, and reliable dividend prospects. Continued profit-taking could limit broader gains and keep market activity relatively measured.

Fixed Income Market

Nigeria's fixed income market should remain active this week, with Treasury bill yields likely to stay near current levels. The 364-day stop rate settled at 17.15% at the latest auction, and so demand should remain tilted toward longer-dated instruments. Federal Government bond yields should remain broadly stable, with the Debt Management Office's issuance calendar continuing to shape investor expectations. Softer August inflation should support a gradual moderation in yields over the medium term. Open Market Operation bills will remain an important liquidity management tool for the CBN, while investors continue to seek attractive government securities. Overall, demand for government securities should remain steady, supported by ample system liquidity and improving investor sentiment.

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	Custodian Investment	0.25	0.35%	-	Aug 17, 2026	18 to 21-Aug-26	Sep 8, 2026
3	MTN Nigeria	26.00	3.34%	-	Aug 20, 2026	Aug 21, 2026	Sep 7, 2026
5	The Initiates	0.20	0.75%	-	Aug 28, 2026	31 Aug to 3 Sept-26	Sep 4, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transnational Corporation	36	60	67%
International Breweries	9.25	15	62%
Mutual Benefits Assurance	3.19	4.9	54%
Nigerian Breweries Plc	69.4	105	51%
AXA Mansard Insurance	12	17.5	46%
Aradel Holdings Plc	1,373	2,000	46%
MTN Nigeria	774	1,100	42%
Transcorp Power Plc	219.6	310	41%
Access Holdings Plc	29.5	40.75	38%
United Bank for Africa Plc	45.9	62.64	36%
FCMB Group Plc	11.05	15	36%
AIICO Insurance Plc	3.7	5	35%
Cadbury Nigeria Plc	64.9	80	23%
Dangote Cement Plc	1,034	1,250	21%
BUA Cement	316	380	20%
Zenith Bank Plc	121	145	20%
HBM Nigeria	334	400	20%
Dangote Sugar Refinery Plc	69	82	19%

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