Weekly Investment Views

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Global Markets

United States

The S&P Global US Composite Purchasing Managers' Index (PMI) rose to 56.0 points in August 2026, from 54.5 points in July 2026. This marked the third consecutive month of faster private-sector growth and the strongest expansion in over four years. Stronger services activity, new orders and employment gains indicate that underlying demand remains resilient. Stronger activity should support economic growth and corporate earnings. However, persistent demand could keep inflationary pressures elevated. This may limit the US Federal Reserve's (Fed) room to ease policy in the near term, particularly following its cautious stance at the Jackson Hole Symposium. For emerging markets such as Nigeria, higher US rates could limit foreign capital inflows and keep pressure on local currencies.

Euro Area

Euro Area annual inflation accelerated to 3.3% in August 2026, from 2.9% in July 2026. This marked its highest level since September 2023, driven mainly by higher energy costs, alongside firmer food and goods prices. The reading matched market expectations but remained above the European Central Bank (ECB)'s 2.0% target. Higher energy costs could weigh on household purchasing power and corporate margins, potentially slowing economic activity. The supply-driven nature of the inflation increase also makes further ECB tightening less straightforward, particularly amid continued growth concerns.

Asia

Japan's S&P Global Composite PMI rose to 53.5 points in August 2026, from 52.7 points in July 2026. This marked the 17th consecutive month of private-sector expansion and the strongest growth since February 2026. Stronger manufacturing output, new orders and employment point to improving domestic demand. The stronger activity should support corporate earnings and reinforce Japan's economic recovery, while persistent price pressures could encourage further Bank of Japan (BoJ) policy normalisation. However, higher oil prices remain a risk to household purchasing power and corporate profitability.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	(1.60%)	68.29%
Nigeria	NGX ASI	2.36%	58.72%
BRVM	ICXCOMP	3.06%	57.96%
Kenya	NSE 20	4.51%	42.81%
Egypt	EGX 30	2.11%	34.52%
Brazil	IBOV	5.74%	14.93%
United States	S&P 500	0.22%	13.18%
United States	Dow Jones	0.22%	11.70%
Europe	STOXX 600	(0.42%)	9.50%
United Kingdom	FTSE 100	0.36%	9.06%
Germany	DAX	(1.38%)	6.18%
United States	NASDAQ	0.16%	5.28%
France	CAC 40	(0.40%)	1.68%
South Africa	JALSH	(0.10%)	0.74%
China	SHCOMP	(0.37%)	(0.67%)
India	SENSEX	(1.01%)	(10.64%)

*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 rose during the week, with Brent crude rising by 7.94% to US$95.52/b as at September 04. This was driven by renewed Middle East supply concerns, continued disruptions to Strait of Hormuz shipping routes, and tightening global oil inventories. Bonny Light also rose 4.46% week-on-week to US$102.54/b, supported by the broader increase in global crude prices amid persistent geopolitical risks and constrained supply conditions.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/b	102.54	4.46%	61.68%
Oil Crude – Brent	US$/b	95.52	7.94%	56.98%
Copper	US$/lb	6.66	(0.37%)	16.73%
Gold	US$/lb	4,539.90	(2.66%)	4.20%
Cocoa	US$/MT	6,174	0.02%	1.80%
Coffee	US$/lb	295.35	(4.62%)	(15.31%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.91	(0.03%)	(20.97%)

Sources: Various Sources and United Capital Research

Outlook

This week, global markets are likely to trade cautiously as investors reassess the outlook for US monetary policy following the stronger-than-expected August jobs report. The data could reinforce expectations of a less accommodative Fed, keeping US yields and the Dollar supported. Equities may remain volatile as investors weigh stronger economic activity against tighter financial conditions. Gold could face further pressure from a firmer Dollar and higher yields, while the Euro and Yen may remain under pressure amid wider policy divergence.

Select Sub-Saharan African Markets

South Africa

The S&P Global South Africa PMI edged up to 50.5 points in August 2026, from 50.3 points in July, signalling marginal improvement in private-sector activity. The increase was supported by a return to growth in new orders, which also lifted output and purchasing activity. The modest improvement points to a gradual recovery in domestic demand, which could support business activity and corporate earnings. However, weak exports, high unemployment and rising costs could limit the pace of the recovery.

Ghana

Ghana's annual inflation rate rose to 5.0% in August 2026, from 4.6% in July 2026, marking a second consecutive monthly increase. The rise was driven by higher non-food inflation, which increased to 6.8% from 6.1%, partly reflecting higher oil prices linked to the Middle East conflict. Meanwhile, food inflation eased marginally to 3.0% from 3.1%. The rise in headline inflation could encourage the Bank of Ghana to maintain its policy rate at 14% for longer, despite the continued moderation in underlying price pressures.

Kenya

Kenya's annual inflation rate rose slightly to 6.6% in August 2026, from 6.5% in July 2026, remaining above the midpoint of the Central Bank's 2.5%-7.5% target range. The increase was driven mainly by higher transport costs, as renewed Middle East tensions pushed up oil prices. Food inflation also remained elevated at 9.0%, while core inflation also increased to 3.4% from 3.2%, suggesting that higher fuel costs are increasingly feeding into broader prices. The persistent inflationary pressure could encourage the Central Bank of Kenya to maintain its 8.75% policy rate for longer, while higher living costs could weigh on household spending and economic growth.

Outlook

African markets are likely to remain cautious this week as a stronger Dollar and higher US rate expectations could weigh on regional currencies and capital flows. Higher US yields may reduce the appeal of emerging and frontier-market assets, keeping equity and bond markets under pressure. Gold-producing markets such as South Africa could also face weaker bullion-related flows following the recent decline in gold prices. Regional currencies will remain sensitive to Dollar movements and oil prices, particularly where external financing needs are high.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Ghana	14,759.87	25.05	(1.60%)	68.29%
Tanzania	4,442.60	14.61	(0.01%)	60.85%
Nigeria	246,992.44	120.77	2.36%	58.72%
BRVM	546.13	37.41	3.06%	57.96%
Tunisia	19,605.76	16.66	0.64%	45.77%
Kenya	4,482.10	33.93	4.51%	42.81%

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	1,553.64	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	19.13	(0.58%)	15.68%
Nigeria	NGN: Naira	1,315.67	1.64%	9.80%
South Africa	ZAR: Rand	15.99	0.01%	3.59%
Namibia	NAD: Dollar	15.99	0.03%	3.54%
Angola	AOA: Kwanza	919.499	0.01%	(0.06%)
Kenya	KES: Shilling	129.45	(0.04%)	(0.35%)
Guinea	GNF: Franc	8,790.00	0.00%	(0.47%)
Sierra Leone	SLL: Leone	24,173.00	(0.10%)	(0.55%)
Tunisia	TND: Dinar	2.91	(0.19%)	(0.72%)
WAEMU	CFA: Franc	565.5	(0.44%)	(1.15%)
Mauritius	MUR: Rupee	46.9	(0.21%)	(1.39%)
Liberia	LRD: Dollar	180.5	(0.28%)	(1.94%)
Morocco	MAD: Dirham	9.35	(1.02%)	(2.47%)
Cameroun	XAF: Franc	574.87	(2.02%)	(2.89%)
Gabon	XAF: Franc	574.87	(2.02%)	(2.89%)
Uganda	UGX: Shilling	3,782.62	(0.74%)	(4.31%)
Egypt	EGP: Pound	50.83	(1.14%)	(6.16%)
Tanzania	TZS: Shilling	2,645.00	0.09%	(6.99%)
Ghana	GHS: Cedi	11.38	(1.32%)	(7.69%)

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%	0.00%	15.43%	1.69%	26.50%	9.80%
South Africa	8.74%	0.12%	4.30%	4.44%	7.00%	3.59%
Angola	22.00%	0.00%	9.33%	12.67%	15.75%	(0.06%)
Kenya	12.43%	0.19%	6.60%	5.83%	8.75%	(0.35%)
Congo	6.50%	0.00%	6.10%	0.40%	13.50%	(0.85%)
Rwanda	12.00%	(0.70%)	13.80%	(1.80%)	8.75%	(0.91%)
Cote d'Ivoire	7.39%	0.00%	1.90%	5.49%	5.00%	(1.15%)

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)

Senegal

Senegal and the International Monetary Fund (IMF) have reached a staff-level agreement on a $2.2bn financing programme after more than two years of negotiations. The 36-month programme will support fiscal reforms, improve budget transparency and restore debt sustainability. As part of the agreement, the government will restructure its debt under the G20 Common Framework, marking a major shift in its approach to managing public debt. Senegal must still address concerns over previously undisclosed debt and secure financing assurances before the programme receives final IMF approval. The agreement could ease debt service pressures and unlock funding from other development partners. It should also improve investor confidence and provide a clearer path toward restoring fiscal stability.

Togo

Togo's economy grew by 5.8% year-on-year in Q1 2026, slowing from 6.0% in Q4 2025 and 8.5% in Q1 2025. This marked the weakest growth since Q3 2022, but activity remained supported by industry, construction, trade and logistics. The slower growth points to some loss of momentum, although continued industrial and logistics activity should support investment and employment.

Outlook

The WAEMU bond market should remain active this week as member states continue their scheduled Treasury Bill and Bond auctions. Investor demand for sovereign securities should remain firm, supported by available liquidity and attractive yields. Yields are likely to remain broadly stable, although auction outcomes could drive some movements across tenors. The CFA Franc should remain stable against the Dollar due to its Euro peg, despite broader Dollar strength. BRVM equities could maintain their recent momentum, supported by banking stocks and Sonatel.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	529.94	546.13	3.06%	57.96%
Currency (CFA: Franc)	563	565.5	(0.44%)	(1.15%)
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	5.00%	(1.00%)	(2.00%)

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 Composite Purchasing Managers' Index (PMI) remained above the 50-point threshold, rising to 52.7 points in August 2026 from 51.1 points in July 2026. This marked the third consecutive month of expansion, supported by stronger activity in the Services sector. Notably, the Industry PMI returned to expansion, rising to 50.6 points from 49.6 points in July. As a leading indicator of economic activity, the sustained expansion points to a firmer near-term growth outlook. For financial markets, stronger economic activity should support corporate earnings and investor sentiment.

Equity Market

The Nigerian equities market closed the week on a positive note, with the NGX All-Share Index (NGX-ASI) rising by 2.36% week-on-week to 246,992.44 points. Consequently, the year-to-date return improved to 58.72%. The gain was supported by renewed buying interest, particularly in the Oil & Gas, Insurance, Banking sectors and Consumer Goods sectors.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	246,992.44	2.36%	58.72%
Oil/Gas Index	5,657.27	9.10%	111.86%
Industrial Goods Index	10,342.50	(0.35%)	82.20%
Banking Index	2,636.10	3.58%	73.90%
Consumer Goods Index	4,154.18	3.52%	4.50%
Insurance Index	1,121.08	3.85%	(5.74%)

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 falling across the short and longer tenors, while bond yields rose across most tenors. In the NTB market, the 91- and 364-day yields declined by 0.39% and 0.52% to 17.79% and 20.02%, respectively. Meanwhile the 182-day yield rose by 0.28%. This suggests investor demand remains strong for shorter- and longer-tenor bills. Meanwhile, the rise in the 182-day yield points to some caution around medium-term duration amid changing liquidity conditions. Bond yields were largely higher, with the 3-year and 5-year yields rising by 0.08% and 0.05%, respectively. The 7-year bond yield fell marginally to settle at 17.05% while the 10-year bond yield stayed flat. In the interbank market, the Overnight (O/N) rate rose by 0.13% to settle at 22.20%, 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)	22.20%	0.13%	(0.55%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	17.79%	(0.39%)	1.49%
182-Day NTB	18.85%	0.28%	2.15%
364-Day NTB	20.02%	(0.52%)	0.43%

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	16.97%	0.08%	0.06%
5 Years	17.03%	0.05%	(0.08%)
7 Years	17.05%	(0.01%)	(0.01%)
10 Years	17.12%	0.00%	0.31%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market could maintain its upward trend this week as investors position ahead of FTSE Russell's September 21, 2026 Frontier Market inclusion. Large-cap stocks, particularly MTN Nigeria, Dangote Cement and tier-one banks, could attract increased demand ahead of the reclassification. Stocks with strong earnings, attractive valuations and consistent dividend payouts should also remain in focus.

Fixed Income Market

The Nigerian fixed income market should remain active this week, with NTB yields likely to trade around current levels following the recent auction. Demand should remain strongest for longer-dated bills as investors seek to lock in attractive yields. FGN bond yields are likely to remain broadly stable, with the Debt Management Office (DMO) issuance and system liquidity shaping market direction. Further moderation in inflation could support gradual yield compression over the medium term. Open Market Operation (OMO) bills should remain important for liquidity management, while investors continue to balance attractive yields against expectations for eventual monetary easing. Overall, demand for government securities should remain firm, supported by ample liquidity and improving investor sentiment.

Dividend Announcements							
S/N	Company	Interim Dividend(₦)	Dividend Yield	Bonus	Qualification Date	Closure of Register	Payment Date
1	Custodian Investment Plc	0.25	0.35%	-	Aug 17, 2026	18 to 21-Aug-26	Sep 8, 2026
2	MTN Nigeria Plc	26	3.20%	-	Aug 20, 2026	Aug 21, 2026	Sep 7, 2026
3	PZ Cussons Plc	2.5	3.01%	-	Oct 9, 2026	Oct 16-26	Oct 30, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transnational Corporation Plc	37	60	62%
Mutual Benefits Assurance Plc	3.1	4.9	58%
International Breweries Plc	9.95	15	51%
AXA Mansard Insurance Plc	12	17.5	46%
Transcorp Power Plc	219.6	310	41%
United Bank for Africa Plc	45.85	62.64	37%
Access Holdings Plc	30	40.75	36%
MTN Nigeria Plc	813	1,100	35%
Aradel Holdings Plc	1,489.80	2,000	34%
AIICO Insurance Plc	3.81	5	31%
Nigerian Breweries Plc	82.45	105	27%
FCMB Group Plc	11.9	15	26%
Beta Glass Plc	465	574	23%
Cadbury Nigeria Plc	64.9	80	23%
BUA Cement Plc	309	380	23%
Dangote Cement Plc	1,034	1,250	21%
HBM Nigeria Plc	345	400	16%

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