United Capital

Weekly Investment Views

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Global Markets

United States

The Federal Open Market Committee (FOMC) of the US Federal Reserve raised its Federal Funds Rate by 0.25% to 3.75%-4.00% in September 2026. This is its first hike since 2023, as inflation remained elevated. The Fed raised its 2026 GDP growth forecast to 2.3% from 2.2% and its 2027 forecast to 2.4% from 2.3%. Meanwhile, the 2026 Personal Consumption Expenditures (PCE) inflation forecast was raised to 3.7% from 3.6% and core inflation to 3.4% from 3.3%. The unemployment forecast was, however, lowered to 4.1% from 4.3% for both 2026 and 2027. With some officials seeing at least one more hike this year, the outlook suggests tighter US monetary policy for longer, potentially supporting the Dollar and US yields.

Euro Area

The European Central Bank (ECB) raised its key interest rates by 0.25% in September 2026. The main refinancing rate was raised to 2.65% from 2.40% and the deposit rate was raised to 2.50% from 2.25%. This comes as the Middle East conflict continued to fuel inflation. The ECB kept its 2026 inflation forecast at 3.0% but raised its 2027 forecast to 2.5% from 2.3% and 2028 forecast to 2.1% from 2.0%. This reflects the higher energy prices and stronger underlying inflation. The continued tightening could keep European bond yields elevated and reinforce global monetary policy pressures, potentially reducing the attractiveness of emerging-market assets.

Asia

The Bank of Japan (BoJ) raised its policy rate by 0.25% to 1.25% from 1.00% in September 2026, its highest level since 1995. This was driven by persistent inflation and higher oil prices increasing price pressures. The decision passed by 7-2 votes, highlighting some resistance to faster policy normalisation. The hike came just three months after the previous increase, the shortest interval between hikes since 1990. Meanwhile, the BoJ indicated that underlying inflation was approaching its 2% target. The move, alongside recent tightening by the Fed and ECB, reinforces the global shift toward tighter monetary policy, which could keep global yields elevated.

Global Equity Market Snapshot			
Market	**Index**	**Weekly Change**	**Year-To-Date (YTD)**
Ghana	GGSE	(4.09%)	60.64%
Nigeria	NGX ASI	2.78%	60.53%
BRVM	ICXCOMP	(0.85%)	58.52%
Egypt	EGX 30	(1.39%)	32.68%
Kenya	NSE 20	(5.92%)	30.13%
Brazil	IBOV	(1.21%)	15.43%
United States	S&P 500	0.61%	11.57%
United Kingdom	FTSE 100	1.96%	8.91%
Europe	STOXX 600	1.04%	8.40%
United States	Dow Jones	(0.55%)	7.73%
Germany	DAX	1.40%	5.01%
United States	NASDAQ	1.29%	4.63%
France	CAC 40	0.86%	0.46%
South Africa	JALSH	(0.73%)	(1.45%)
China	SHCOMP	(1.49%)	(2.35%)
India	SENSEX	(0.79%)	(12.80%)
*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 were mixed during the week. Brent crude declined by 2.61% week-on-week to close at US$104.82/b. This was driven by concerns over weaker global demand and expectations that some supply disruptions could prove temporary.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light As of Sept 15, 2026	US$/b	126.32	4.11%	99.18%
Oil Crude – Brent	US$/b	104.82	(2.61%)	72.26%
Copper	US$/lb	6.66	1.72%	16.65%
Gold	US$/lb	4,399.70	(0.17%)	0.98%
Cocoa	US$/MT	5,772.00	(3.19%)	(4.83%)
Coffee	US$/lb	276.50	(4.04%)	(20.72%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.90	2.33%	(21.32%)

Sources: Various Sources and United Capital Research

Outlook

This week, global markets should remain sensitive to the implications of last week's major central bank decisions. Investors will reassess the global interest-rate outlook amid persistent inflation pressures and elevated energy prices. Focus is expected to shift toward the release of preliminary September manufacturing and services PMI data from the United States, Euro Area and United Kingdom. Stronger-than-expected PMI readings could reinforce expectations that interest rates will remain elevated for longer and keep sovereign bond yields high. Meanwhile, weaker data may support rate-sensitive equities but intensify concerns about slowing global growth. Oil prices should remain elevated and volatile, amid ongoing geopolitical tensions and risks to Middle Eastern oil production and shipping routes.

Select Sub-Saharan African Markets

Angola

The National Bank of Angola cut its key interest rate by 1.00% to 14.75% in September 2026. This marks its third consecutive reduction and the lowest rate since 2016, as inflation continued to ease. Annual inflation fell to 8.78% in August from 9.33% in July, while Q2 GDP growth accelerated to 8.74% y/y from 5.32% in Q1. The Governor of the Central Bank, Manuel Tiago Dias expects inflation to end 2026 at 8.6%, despite uncertainty from the Middle East conflict. The continued easing should support domestic credit and economic activity in Angola, while stronger growth and lower inflation could improve investor sentiment toward African markets.

Ghana

Ghana's Producer Price Inflation (PPI) rose to 4.4% year-on-year (y/y) in August 2026 from 4.0% in July 2026. This was driven mainly by higher prices in the mining and quarrying sector. The sector's inflation increased to 4.9% from 3.5% and contributed 2.1% to the overall PPI. Producer prices also rose 2.5% month-on-month (m/m), up from 2.0% in July. This could complicate monetary policy easing for the country, while stronger commodity-sector prices may support export earnings and the Cedi.

Rwanda

Rwanda's Real Gross Domestic Product (GDP) grew 9.4% y/y in Q2 2026, moderating from 10.0% in Q1 2026. However, growth remains well above the International Monetary Fund (IMF)'s 7.2% full-year growth forecast. Industry led growth, expanding 18% as mining and quarrying rose 26% and construction increased 24%. Services also grew 7%, supported by 29% growth in information and communication services. Agriculture expanded by 4%, despite a 20% decline in export crops, highlighting uneven sectoral performance. The strong growth momentum reflects continued expansion in industry and services and could support investor sentiment toward East African markets.

Outlook

We expect the ongoing Dangote Refinery IPO to continue to generate interest across African markets. African markets should trade cautiously this week as investors assess elevated oil prices, global interest-rate expectations and country-specific policy developments. Oil-importing economies such as Kenya and South Africa may face higher transport, production and import costs, while commodity exporters could benefit from stronger export receipts. Currency performance should remain mixed, with adequate reserves and central bank support helping to stabilise some currencies. African equities should remain supported by strong domestic liquidity, with investor interest focused on financials, telecommunications, commodity producers and companies with strong earnings visibility. Local-currency bond markets should remain attractive where yields adequately compensate for inflation and currency risks.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Tanzania	4,632.00	15.46	0.19%	67.71%
Ghana	14,088.52	23.36	(4.09%)	60.64%
Nigeria	249,804.56	121.81	2.78%	60.53%
BRVM	548.07	36.98	(0.85%)	58.52%
Tunisia	19,044.90	16.11	(0.24%)	41.60%
Egypt	55,498.72	82.1	(1.39%)	32.68%

Kenya	4,084.20	30.48	(5.92%)	30.13%
Namibia	2,382.10	3.07	(0.11%)	11.26%
Mauritius	2,299	6.78	(0.18%)	8.50%
South Africa	114,156.64	1,485.47	(0.73%)	(1.48%)
Morocco	401.9	111.44	(4.29%)	(5.68%)

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	19.86	(2.72%)	11.43%
Nigeria	NGN: Naira	1,330.88	(0.45%)	8.54%
Liberia	LRD: Dollar	172	1.16%	2.91%
South Africa	ZAR: Rand	16.26	(0.33%)	1.91%
Namibia	NAD: Dollar	16.26	(0.33%)	1.83%
Angola	AOA: Kwanza	919.7	(0.18%)	(0.08%)
Sierra Leone	SLL: Leone	24,112	0.21%	(0.29%)
Kenya	KES: Shilling	129.55	(0.12%)	(0.42%)
Guinea	GNF: Franc	8,791.00	0.01%	(0.48%)
Tunisia	TND: Dinar	2.93	(0.83%)	(1.43%)
WAEMU	CFA: Franc	571.5	(1.49%)	(2.19%)
Mauritius	MUR: Rupee	47.66	(1.74%)	(2.96%)
Cameroun	XAF: Franc	578.53	(0.58%)	(3.51%)
Gabon	XAF: Franc	578.53	(0.58%)	(3.51%)
Morocco	MAD: Dirham	9.51	(1.51%)	(4.12%)
Tanzania	TZS: Shilling	2,645.00	0.00%	(6.99%)
Uganda	UGX: Shilling	3,935.24	(2.17%)	(8.02%)
Egypt	EGP: Pound	52.13	(1.48%)	(8.50%)
Ghana	GHS: Cedi	11.49	(0.26%)	(8.62%)

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	16.78%	(0.05%)	15.39%	1.39%	26.50%	8.54%
South Africa	8.79%	(0.09%)	4.30%	4.49%	7.00%	1.91%
Angola	22.00%	0.00%	8.78%	13.22%	14.75%	(0.08%)
Kenya	12.47%	0.00%	6.60%	5.87%	8.75%	(0.42%)
Rwanda	12.00%	0.00%	15.90%	(3.90%)	8.75%	(1.09%)
Congo	6.50%	0.00%	3.18%	3.32%	12.50%	(1.20%)
Cote d'Ivoire	7.38%	(0.01%)	1.90%	5.48%	3.00%	(2.19%)

Mauritius	5.31%	(0.07%)	4.90%	0.41%	4.75%	(2.96%)
Cameroon	8.50%	0.00%	3.40%	5.10%	4.50%	(3.51%)
Gabon	9.70%	0.00%	0.20%	9.50%	4.50%	(3.51%)
Ethiopia*	-	-	15.10%	0.00%	16.00%	(3.64%)
Tanzania	12.00%	0.00%	4.30%	7.70%	6.25%	(6.99%)
Uganda	15.11%	(0.02%)	4.10%	11.01%	9.75%	(8.02%)
Egypt	23.04%	(0.09%)	14.50%	8.54%	19.00%	(8.50%)
Ghana	13.53%	0.00%	5.00%	8.53%	14.00%	(8.62%)
*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)

The Central Bank of West African States (BCEAO) kept its marginal lending facility rate unchanged at 5% in September 2026. The Central Bank cited the resilient economic activity despite disruptions from the Middle East conflict as the main driver. Economic growth across the Union eased slightly to 6.0% y/y in Q2 2026 from 6.1% in Q1, while the BCEAO projects 6.1% growth for 2026. The Union's external position also strengthened, supported by higher export values for gold, cotton, cocoa and petroleum products, while private-sector credit grew 6.6% by June 2026. The decision to maintain the lending rate should preserve relatively stable financing conditions and support continued private-sector credit growth and economic activity across the WAEMU region.

Senegal

Senegal plans to increase the use of domestically produced natural gas for power generation to reduce reliance on imported fuels and lower electricity costs. Rising global energy prices, driven by the Middle East conflict, have increased Senegal's fuel subsidy costs despite stronger oil and gas production boosting growth and exports. The shift toward domestic gas could reduce energy costs, ease pressure on government subsidies and improve Senegal's external balance.

Outlook

The WAEMU government securities market should remain active this week, with scheduled Treasury issuances from Côte d'Ivoire, Burkina Faso, Niger, and Senegal before the end of September. With several auctions taking place within the week, regional liquidity could come under pressure. Meanwhile, yields may differ more as investors assess each country's finances and credit risk. Senegal may continue to face higher funding costs amid debt sustainability concerns, despite progress toward an IMF-supported programme. BRVM may consolidate after its strong year-to-date performance, although positive regional growth prospects and continued interest in financials, telecommunications and consumer stocks should provide support. The CFA franc should remain broadly stable due to its Euro peg, while Euro-Dollar movements will influence its performance against the US Dollar.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	552.75	548.07	(0.85%)	58.52%
Currency (CFA: Franc)	563	571.5	(1.49%)	(2.19%)

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%
Burkina Faso	5 Year	6.00%	0.00%	(1.00%)
Benin	2 Year	5.00%	0.00%	(2.00%)
Ivory coast	5 Year	5.00%	(2.00%)	(2.46%)

Sources:Various Sources and United Capital Research

Key Rates in WAEMU Countries		
Countries	**Inflation**	**Policy Rate**
Mali	3.30%	3.00%
Ivory coast	1.90%	3.00%
Senegal	1.20%	3.00%
Togo	0.70%	3.00%
Burkina Faso	0.10%	3.00%
Benin	0.10%	3.00%
Guinea- Bissau	(1.00%)	3.00%
Niger	(2.00%)	3.00%

Sources:Various Sources and United Capital Research

Domestic Economy

Nigeria's Headline inflation eased to 15.39% in August 2026 from 15.43% in July 2026, marking the third consecutive monthly decline. The August figure was slightly above United Capital Research's earlier forecast of 15.31%. Food inflation also declined to 19.57% from 20.31%, while core inflation fell by 1.68% to 13.29%, indicating easing underlying price pressures excluding food and energy. The continued moderation across headline, food and core inflation suggests that disinflation is becoming more broad-based. However, there are concerns that the current elevated crude oil and Premium Motor Spirit (PMS) prices may exert pressure on inflation in the short-term.

Equity Market

The Nigerian equities market closed the week on a positive note, with the NGX All-Share Index (NGX-ASI) rising 2.78% week-on-week to 249,804.56 points. Consequently, the market's year-to-date return increased to 60.53%, extending its strong annual performance. The gain was supported by renewed buying interest across all five sectors under our coverage, indicating broad-based investor participation during the week.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	249,804.56	2.78%	60.53%
Oil/Gas Index	6,033.10	3.71%	125.94%
Industrial Goods Index	10,306.65	3.12%	81.57%
Banking Index	2,640.90	4.43%	74.22%
Consumer Goods Index	4,069.22	0.52%	2.36%
Insurance Index	1,099.33	3.79%	(7.57%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed-income market traded on a mostly bullish note during the week, with Treasury Bill yields falling across most tenors, while bond yields closed mixed. In the Nigerian Treasury Bill (NTB) market, the 91-day and 364-day yields fell by 0.35% and 0.04% to 18.11% and 19.78%, respectively. Meanwhile, the 182-day yield rose by 0.30% to 19.23%, suggesting stronger demand for the short- and longer-dated bills. In the bond market, yields rose across the 3-year and 5-year tenors, while the 7-year and 10-year tenors fell to settle at 16.79% and 16.78% respectively. This suggests mixed demand across the yield curve, with stronger buying interest at the longer end, potentially reflecting expectations of easing inflation. The Overnight (O/N) rate rose by 0.01% to 22.30%, 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)	22.30%	(0.01%)	(0.45%)
Open Repo Rate (OPR)	22.00%	0.00%	(0.50%)
91-Day NTB	18.11%	(0.35%)	1.81%
182-Day NTB	19.23%	0.30%	2.53%
364-Day NTB	19.78%	(0.04%)	0.19%

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	16.62%	0.02%	(0.29%)
5 Years	16.75%	0.10%	(0.36%)
7 Years	16.79%	(0.26%)	(0.27%)
10 Years	16.78%	(0.05%)	(0.03%)

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market should remain active and mixed this week. Investors' focus will be on the Central Bank of Nigeria (CBN)'s Monetary Policy Committee meeting on September 21–22 and FTSE Russell's reclassification. A tighter MPC stance may favour defensive and high-dividend stocks. FTSE Russell's Frontier Market reclassification takes effect at market open on September 21. Banking stocks could remain mixed, while the ₦2.15tn Dangote Refinery IPO should remain a key liquidity driver through its October 13 closing date. The size of the offer could attract new domestic, regional and foreign investors to the market. Elevated crude prices could also support oil and gas counters. Overall, market performance will depend on whether fresh inflows and positive MPC expectations can offset IPO-related liquidity pressures.

Fixed Income Market

Nigeria's fixed-income market should trade cautiously early in the week as investors await the MPC meeting outcome on September 22. A rate cut or accommodative decision could increase demand for longer-dated FGN bonds and push yields lower, while a hold could keep yields stable. Our expectation is a hold decision. Treasury Bill demand should remain strong, supported by banking-system liquidity and attractive yields. FGN Bond yields should remain around current levels, while secondary-market activity could increase after the MPC decision. However, continued OMO issuance could compete with Treasury Bills and FGN Bonds for available liquidity if OMO yields remain attractive. The inclusion of Nigerian Government Bonds in the JP Morgan Index could further support demand for local fixed-income securities.

Dividend Announcements							
S/N	Company	Interim Dividend(₦)	Dividend Yield	Bonus	Qualification Date	Closure of Register	Payment Date
1	PZ Cussons Plc	2.5	3.40%	-	Oct 9, 2026	Oct 16-26	Oct 30, 2026

Stock Recommendation

Stocks	Current Price	Target Price	Upside
Transcorp Power Plc	178	310	74%
Transnational Corporation	34.65	60	73%
Cadbury Nigeria Plc	53	80	51%
International Breweries	10	15	50%
AXA Mansard Insurance	12	17.5	46%
United Bank for Africa Plc	44.55	62.64	41%
Access Holdings Plc	29.15	40.75	40%
Nigerian Breweries Plc	75.2	105	40%
Mutual Benefits Assurance	3.6	4.9	36%
FCMB Group Plc	11.1	15	35%
AIICO Insurance Plc	3.77	5	33%
Aradel Holdings Plc	1,550	2,000	29%
BUA Cement	297	380	28%
MTN Nigeria	890	1,100	24%
Dangote Cement Plc	1,050	1,250	19%
HBM Nigeria	345.2	400	16%
Dangote Sugar	71.55	82	15%

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