

Weekly Investment Views

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Global Markets

United States

US services activity strengthened in September 2026, with the S&P Global Services Purchasing Managers' Index (PMI) rising to 58.7 points from 56.5 points in August 2026. This is its strongest expansion in over five years. The increase was driven by stronger domestic consumer demand, which lifted new orders and employment. Export orders, however weakened amid unpredictable tariff policies. Higher demand also increased work backlogs, while the US-Iran tensions pushed fuel and transport costs higher, lifting input cost inflation and output charges. Strong services expansion supports near-term economic growth, but rising costs and weaker business confidence could weigh on activity ahead.

Euro Area

Euro Area business activity accelerated in September 2026, with the Composite PMI rising to 53.1 points from 52.0 points in August 2026. This is its fastest expansion in nearly three-and-a-half years. Growth strengthened across manufacturing and services, supported by stronger new orders. Meanwhile, Germany expanded at its fastest pace in almost a year and France returned to growth. Employment also increased modestly, while higher input costs and output prices pointed to renewed inflationary pressures. Stronger business activity supports near-term growth, but rising inflation and subdued business confidence could constrain the recovery.

Asia

Japan's Composite PMI eased to 52.5 points in September from 53.5 points in August 2026. This marks its weakest reading since May as factory output and services growth slowed. Total new orders also weakened, despite strong export demand, while employment growth accelerated and backlogs reached a seven-month high. Input cost inflation eased but remained elevated due to higher energy and raw material costs, the weaker Yen, and rising labour and transport expenses. Slower activity and persistent cost pressures may weigh on near-term growth, although stronger business sentiment around AI, semiconductors, defence and automobiles provides support.

Global Equity Market Snapshot			
Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	0.90%	62.09%
Nigeria	NGX ASI	0.92%	62.01%
BRVM	ICXCOMP	(3.00%)	53.76%
Kenya	NSE 20	6.75%	38.92%
Egypt	EGX 30	(3.10%)	28.56%
Brazil	IBOV	(1.09%)	14.18%
United States	S&P 500	0.87%	12.54%
United Kingdom	FTSE 100	(1.26%)	7.54%
Europe	STOXX 600	(0.96%)	7.36%
United States	Dow Jones	(0.83%)	6.84%
United States	NASDAQ	1.97%	6.69%
Germany	DAX	(1.75%)	3.17%
France	CAC 40	(1.29%)	(0.84%)
China	SHCOMP	0.33%	(2.03%)
South Africa	JALSH	(2.27%)	(3.68%)
India	SENSEX	(0.99%)	(13.66%)
*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

Brent crude oil prices rose by 1.70% week-on-week to close at US\$106.60/b, driven by persistent concerns over global oil supply disruptions. Market sentiment remained influenced by constrained flows through the Strait of Hormuz, continued security risks in key producing regions, and fears of tighter crude availability.

Weekly Commodities Price Monitor				
Commodity	Unit Price	Price (US\$)	Weekly Change	YTD
Oil Crude – Bonny Light As of September 23, 2026	US\$/b	119.38	(2.94%)	88.24%
Oil Crude – Brent	US\$/b	106.6	1.70%	75.18%
Copper	US\$/lb	6.79	1.93%	18.92%
Gold	US\$/lb	4,298	(2.31%)	(1.36%)
Cocoa	US\$/MT	5,590	(3.15%)	(7.83%)
Compressed Natural Gas (CNG)	US\$/MMBtu	3.3	13.69%	(10.55%)
Coffee	US\$/lb	275.35	(0.42%)	(21.05%)

Sources: Various Sources and United Capital Research

Outlook

This week, global markets may trade cautiously, assessing whether recent data confirms resilient economic growth following major central bank decisions. Incoming US data will be important for gauging the Fed's policy path and whether rates remain higher for longer. Oil prices may remain elevated and volatile, with Brent trading near \$105–107/barrel following Houthi missile strikes on Saudi cities. The strikes have renewed concerns over Gulf shipping and the Strait of Hormuz, while reported progress in US-Iran talks could limit further gains.

Select Sub-Saharan African Markets

South Africa

South Africa's annual inflation rose to 4.4% in August from 4.3% in July 2026. This prompted the South African Reserve Bank (SARB) to raise its repo rate by 0.25% to 7.25% in its September meeting. The decision reflected upside inflation risks, particularly higher fuel prices, with inflation expected to exceed 5% later this year and early 2027. The SARB also raised its 2026 inflation forecast to 4.4% from 4.0%, while cutting its 2026 growth forecast to 1.2% from 1.4%. The rate hike is likely to weigh on domestic demand and growth in the near term, while supporting efforts to keep inflation within the SARB's target range.

Ghana

The Bank of Ghana kept its benchmark interest rate at 14.0% in September 2026, marking a third consecutive pause, as inflation risks remained. Headline inflation rose to 5.0% in August 2026 from 4.6% in July 2026 and is expected to increase over the coming quarters. The Central Bank highlighted risks from the Middle East crisis, particularly higher energy and fertiliser costs, while noting vulnerabilities in the current account and international reserves. The policy pause provides some support for economic activity. However, rising inflation and external vulnerabilities could limit room for further monetary easing.

Egypt

The Central Bank of Egypt (CBE) kept its key interest rate at 19% in September 2026. This marks a sixth consecutive pause amid persistent inflation and regional energy shocks. Inflation eased marginally, while core inflation remained relatively stable, and the Central Bank lowered its inflation forecast. However, regional tensions, tighter global financial conditions and supply chain disruptions continue to pose upside risks, while domestic activity has moderated. The continued restrictive policy stance should support the disinflation process, although softer economic activity may weigh on near-term growth.

Outlook

African markets should trade cautiously this week, weighing still-elevated Brent crude prices against a resilient Dollar and country-specific developments. Oil-importing economies still remain exposed. We expect the Dangote Refinery IPO to keep drawing interest from African and international investors, lifting broader appetite for Nigerian and frontier African assets. African equities should stay supported by strong domestic liquidity, with continued focus on financials, telecommunications and commodity producers. Meanwhile, local-currency bond markets should remain attractive where yields adequately compensate for currency and liquidity.

Pan African Stock Market Monitor				
Market	Index	Market Cap (\$'bn)	WTD (Local Currencies)	YTD (Local Currencies)
Tanzania	4,658.20	15.44	0.57%	68.66%
Ghana	14,215.45	23.31	0.90%	62.09%
Nigeria	252,113.41	123.09	0.92%	62.01%
BRVM	531.63	36.15	(3.00%)	53.76%
Kenya	4,360	32.22	6.75%	38.92%
Tunisia	18,470.76	15.97	(3.01%)	37.33%

Egypt	53,776.69	81.9	(3.10%)	28.56%
Namibia	2,379.70	3.07	(0.10%)	11.15%
Mauritius	2,318.80	6.87	0.86%	9.44%
South Africa	111,564.58	1,456.04	(2.27%)	(3.72%)
Morocco	398.5	110.32	(0.85%)	(6.48%)

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	19.68	0.91%	12.45%
Nigeria	NGN: Naira	1,329.51	0.13%	8.65%
Liberia	LRD: Dollar	171	0.58%	3.51%
Namibia	NAD: Dollar	16.4	(0.81%)	0.96%
South Africa	ZAR: Rand	16.44	(1.09%)	0.77%
Angola	AOA: Kwanza	919.7	0.00%	(0.08%)
Sierra Leone	SLL: Leone	24,089.40	0.09%	(0.20%)
Kenya	KES: Shilling	129.45	0.08%	(0.35%)
Guinea	GNF: Franc	8,794.50	(0.04%)	(0.52%)
Tunisia	TND: Dinar	2.95	(0.81%)	(2.24%)
Mauritius	MUR: Rupee	47.45	0.44%	(2.53%)
WAEMU	CFA: Franc	575.75	(0.74%)	(2.91%)
Cameroun	XAF: Franc	576.71	0.31%	(3.20%)
Gabon	XAF: Franc	576.71	0.31%	(3.20%)
Morocco	MAD: Dirham	9.61	(1.01%)	(5.09%)
Tanzania	TZS: Shilling	2,645.00	0.00%	(6.99%)
Uganda	UGX: Shilling	3,925.24	0.25%	(7.79%)
Egypt	EGP: Pound	51.75	0.73%	(7.83%)
Ghana	GHS: Cedi	11.63	(1.16%)	(9.68%)

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	15.91%	(0.87%)	15.39%	0.52%	23.00%	8.65%
South Africa	8.94%	0.16%	4.40%	4.54%	7.25%	0.77%
Angola	22.00%	0.00%	8.78%	13.22%	14.75%	(0.08%)
Kenya	12.48%	0.01%	6.60%	5.88%	8.75%	(0.35%)
Rwanda	12.00%	0.00%	15.90%	(3.90%)	8.75%	(1.15%)
Congo	6.50%	0.00%	3.18%	3.32%	12.50%	(1.20%)
Mauritius	5.30%	(0.01%)	4.90%	0.40%	4.75%	(2.53%)

Cote d'Ivoire	7.38%	0.00%	1.20%	6.18%	3.00%	(2.91%)
Cameroon	8.50%	0.00%	3.40%	5.10%	4.50%	(3.20%)
Gabon	9.70%	0.00%	0.20%	9.50%	4.50%	(3.20%)
Ethiopia*	-	-	15.10%	0.00%	16.00%	(4.21%)
Tanzania	12.01%	0.01%	4.30%	7.71%	6.25%	(6.99%)
Uganda	15.41%	0.30%	4.10%	11.31%	9.75%	(7.79%)
Egypt	23.11%	0.07%	14.50%	8.61%	19.00%	(7.83%)
Ghana	13.53%	0.00%	5.00%	8.53%	14.00%	(9.68%)
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 inflation rate accelerated to 1.2% year-on-year in August 2026 from 0.3% in July 2026, driven mainly by a rebound in food and beverage prices to 1.4% from -0.4%. Transport inflation also increased to 1.7% from -0.1%, while health and financial services prices rose further. On a monthly basis, consumer prices increased 2.0%, marking the strongest monthly rise since July 2023. The renewed inflationary pressure could reduce household purchasing power and limit the scope for further monetary easing in the near term.

Ivory Coast

Ivory Coast's inflation rate eased to 1.2% year-on-year in August 2026 from 1.9% in July 2026, marking its lowest level since December 2025. The continued moderation points to easing price pressures and keeps inflation below the country's long-term average of 2.49%. Lower inflation should support household purchasing power and provide greater room for monetary policy to remain supportive of economic activity.

Outlook

WAEMU's government securities market should remain active, supported by continued sovereign borrowing and Burkina Faso's ongoing three-tranche bond sale. Senegal's funding costs should remain elevated as investors monitor its debt position and progress toward an IMF-supported programme. The BRVM could start to consolidate after its strong year-to-date gains, although financial, telecommunications and consumer stocks should continue attracting investor interest. The CFA Franc should remain broadly stable against the Euro, while movements in the Euro-Dollar rate will drive its performance against the US Dollar.

Market Performance Snapshot				
	Previous	Current	Weekly Change	YTD
BRVM	548.07	531.63	(3.00%)	53.76%
Currency (CFA: Franc)	571.5	575.75	(0.74%)	(2.91%)
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%	2.00%	(0.46%)
Burkina Faso	5 Year	6.00%	0.00%	(1.00%)
Benin	2 Year	5.00%	0.00%	(2.00%)

Sources:Various Sources and United Capital Research

Key Rates in WAEMU Countries		
Countries	Inflation	Policy Rate
Mali	3.30%	3.00%
Ivory coast	1.20%	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	(0.90%)	3.00%

Sources:Various Sources and United Capital Research

Domestic Economy

The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) reduced its Monetary Policy Rate (MPR) by 3.50% to 23.0% in September 2026 from 26.5%. It also adjusted the facilities corridor around the MPR to +0.5%/-3.0%. This is its largest reduction since 2007, after holding rates in May and July 2026. The move aims to improve monetary policy transmission as market rates increasingly diverged from the benchmark rate. The MPC noted that easing inflation and stable macroeconomic conditions provided room for the adjustment without disrupting the disinflation process. Annual inflation eased to 15.39% in August 2026 from 15.43% in July 2026, marking the third consecutive monthly decline. Governor Olayemi Cardoso expects inflation to moderate further, supported by previous tightening, exchange-rate stability and improved food supply. The rate reduction signals greater support for economic growth. Meanwhile, lower funding costs could support equities.

Equity Market

The Nigerian equities market closed the week on a positive note, with the NGX All-Share Index (NGX-ASI) rising 0.92% week-on-week to 252,113.41 points. Consequently, the market's year-to-date return increased to 62.01%, extending its strong annual performance. The gain was supported by renewed buying interest across four out of the 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	252,113.41	0.92%	62.01%
Oil/Gas Index	6,243.84	3.49%	133.83%
Industrial Goods Index	10,467.63	1.56%	84.40%
Banking Index	2,721.83	3.06%	79.56%
Consumer Goods Index	4,094.36	0.62%	2.99%
Insurance Index	1,093.66	(0.52%)	(8.04%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed-income market traded broadly bullish during the week, with both Treasury Bill and FGN Bond yields falling across tenors. In the Nigerian Treasury Bill (NTB) market, the 91-day, 182-day and 364-day yields fell by 0.06%, 1.28% and 1.26% to 18.05%, 17.95% and 18.52%, respectively. This suggests that expectations of monetary policy easing are already feeding into the market, with investors accepting lower yields amid declining inflation and the CBN's rate reduction. In the bond market, yields also fell across all tenors. In the interbank market, both the Overnight (O/N) rate and Open Repo Rate (OPR) fell sharply by 1.32% and 1.20% to 20.98% and 20.80%. This signals easing liquidity conditions and lower short-term funding costs following the CBN's policy rate reset, which could support further declines in fixed-income yields.

Fixed Income Securities Rates			
	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	20.98%	(1.32%)	(1.77%)
Open Repo Rate (OPR)	20.80%	(1.20%)	(1.70%)
91-Day NTB	18.05%	(0.06%)	1.75%
182-Day NTB	17.95%	(1.28%)	1.25%
364-Day NTB	18.52%	(1.26%)	(1.07%)

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	15.65%	(0.97%)	(1.26%)
5 Years	15.88%	(0.87%)	(1.23%)
7 Years	16.00%	(0.79%)	(1.06%)
10 Years	15.91%	(0.87%)	(0.90%)

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equity market should remain strong as investors adjust to the CBN's 3.50% MPR reset to 23%. Lower interest rates could encourage some investors to rotate from fixed income into equities, supporting banking, consumer and other interest-sensitive stocks. The ₦2.15tn Dangote Refinery IPO should remain a major liquidity event ahead of its October 13 closing. Nigeria's FTSE Russell Frontier Market reclassification should also support foreign investor attention, while elevated crude prices could benefit oil and gas stocks. However, market gains could moderate if investors lock in profits following the recent rally. Trading will also be shortened by Thursday's Independence Day holiday.

Fixed Income Market

Nigeria's fixed-income market should remain bullish following the CBN's 3.50% MPR reset and revised Standing Facilities Corridor. Treasury Bill yields could decline further as investors adjust to the lower policy rate and stronger expectations for monetary easing. FGN Bond yields could also trend lower, supported by strong liquidity and increased demand for longer-dated securities. Nigeria's 7.4% weighting in the JP Morgan GBI-EM Edge Index should provide additional structural support for local bonds. However, continued Open Market Operations (OMO) issuance could compete for liquidity if offered at relatively attractive yields.

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	37	60	62%
AXA Mansard Insurance	11.35	17.5	54%
International Breweries	10.1	15	49%
Mutual Benefits Assurance	3.31	4.9	48%
United Bank for Africa Plc	45.2	62.64	39%
Nigerian Breweries Plc	76	105	38%
FCMB Group Plc	11.15	15	35%
Cadbury Nigeria Plc	59.5	80	34%
Aradel Holdings Plc	1,530	2,000	31%
Access Holdings Plc	31.55	40.75	29%
AllCO Insurance Plc	3.9	5	28%
BUA Cement	297	380	28%
MTN Nigeria	863	1,100	27%
Dangote Cement Plc	1,066.70	1,250	17%
Dangote Sugar	71	82	15%

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