United Capital

Weekly Investment Views

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Global Markets

United States

US inflation accelerated to 3.7% year-on-year (y/y) in September 2026, up from 3.4% in August and above market expectations of 3.6%, largely driven by higher energy prices. Gasoline Index rose by 34.2% y/y, while fuel oil Index increased by 74.2% y/y. Shelter Index also accelerated by 3.2% y/y, whereas food Index rose to 2.5% y/y. On a monthly basis, headline inflation increased by 0.6%, compared with 0.4% in August, marking its largest rise in five months. Gasoline prices jumped 9.1%, accounting for more than half of the monthly increase. Meanwhile, annual core inflation, which excludes food and energy, rose to 2.6% from 2.4%, exceeding forecasts of 2.5%. Monthly core inflation remained at 0.3%, above expectations of 0.2%, indicating persistent underlying price pressures.

Euro Area

The International Monetary Fund (IMF) upgraded its 2026 Euro Area growth forecast by 0.2% to 1.1%, from a 0.9% forecast in July. This reflects stronger-than-expected economic resilience. AI investment and higher defence spending are supporting the outlook, alongside stronger activity in Germany's chemical industry and its integration into AI supply chains. This upgrade signals improved growth prospects for European businesses and demand. This could support Euro Area equities and the Euro. However, elevated inflation could limit the European Central Bank's scope to cut interest rates.

Asia

Japan's Producer Price Inflation (PPI) eased to 6.8% year-on-year in September 2026, below market expectations of 7.6%, marking its slowest growth since May. Price increases moderated across transport equipment, food and beverages, petroleum and coal, production machinery, and textiles. However, inflation accelerated in chemicals, iron and steel, electrical machinery, metal products, electronic components, and information and communications. On a monthly basis, producer prices fell by 0.3%, matching August's revised decline and marking a second consecutive monthly contraction. This also contrasted with expectations of a 0.5% increase, suggesting easing upstream price pressures.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	1.02%	61.53%
Nigeria	NGX ASI	(0.33%)	59.07%
BRVM	ICXCOMP	(1.96%)	55.51%
Kenya	NSE 20	(2.35%)	34.51%
Brazil	IBOV	(0.92%)	26.81%
Egypt	EGX 30	(1.86%)	24.97%
United States	S&P 500	(0.27%)	13.13%
United Kingdom	FTSE 100	3.82%	9.15%
United States	Dow Jones	1.85%	8.56%
Europe	STOXX 600	2.34%	7.99%
United States	NASDAQ	(1.77%)	5.79%
Germany	DAX	2.32%	3.64%
France	CAC 40	2.65%	(2.64%)
South Africa	JALSH	2.86%	(4.89%)
China	SHCOMP	(2.74%)	(6.59%)
India	SENSEX	3.80%	(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

Brent crude oil price rose by 1.57% week-on-week to US$105.92/b, while Bonny Light price declined by 5.83% to US$127.06/b. Despite the divergent weekly movements, both benchmarks remained elevated, with Brent and Bonny Light prices up 74.07% and 100.35% year-to-date, respectively.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/b	127.06	(5.83%)	100.35%
Oil Crude – Brent	US$/b	105.92	1.57%	74.07%
Copper	US$/lb	6.56	(0.18%)	14.83%
Cocoa	US$/MT	5,831.00	2.93%	(3.86%)
Gold	US$/lb	4,176.87	0.48%	(4.14%)
Compressed Natural Gas (CNG)	US$/MMBtu	3.24	2.15%	(12.21%)
Coffee	US$/lb	294.80	1.99%	(15.47%)

Sources: Various Sources and United Capital Research

Outlook

Global markets will focus on US economic data, corporate earnings, and Central Bank policy signals this week. Investors will assess inflation trends for clues about the Federal Reserve's next interest-rate decision. In the Euro Area, attention will centre on inflation developments and bond yields, while China's economic data will provide insights into domestic demand and export activity. Meanwhile, elevated energy prices could sustain inflationary pressures and keep borrowing costs high. Strong Q3 corporate earnings may support equities, although persistent price pressures could delay monetary easing and provide further support for the Dollar.

Select Sub-Saharan African Markets

Tanzania

Tanzania's annual inflation rate remained unchanged at 4.3% in September 2026, its highest level since April 2023. Transportation inflation accelerated to 14.0% from 13.8%, while housing, utilities, education, and household equipment prices remained stable. Food and non-alcoholic beverage inflation rose to 3.9% from 3.7%, while alcoholic beverages and tobacco inflation eased to 1.1% from 1.5%. Inflation also moderated across clothing, health, recreation, and restaurant services, reflecting slower price increases in these categories. On a monthly basis, consumer prices rose by 0.1% in September, matching the previous month's increase.

Ethiopia

Ethiopia's annual inflation rate eased for a second consecutive month to 14.9% in September 2026, down from 15.1% in August. Food inflation moderated slightly to 14.8% from 14.9%, supported by slower price increases in vegetables and meat. However, non-food inflation accelerated to 15.1% from 14.8%, with higher inflation recorded in restaurants and hotels, clothing and footwear. Inflation remained elevated across alcoholic beverages and tobacco, household equipment, and housing and utilities. On a monthly basis, consumer prices rose by 1.8% in September, accelerating from 0.9% in August and indicating stronger short-term price pressures.

Rwanda

Rwanda's annual inflation rate accelerated for the sixth consecutive month to 20.0% in September 2026, up from 15.9% in August, marking its highest level since June 2023. Food and non-alcoholic beverage inflation surged to 25.2% from 16.7%, reaching its highest level since September 2023. Inflation also accelerated in communications, restaurants and hotels, household furnishings, and clothing and footwear. However, transportation inflation eased to 26.0% from 27.5%, while housing and utilities inflation moderated to 19.1% from 19.9%. On a monthly basis, consumer prices rose by 5.0% in September, up from 2.6% in August, marking the fastest increase in five months and indicating intensifying price pressures.

Outlook

The African market is expected to remain sensitive to inflation trends, central bank decisions and currency movements this week. Investors will assess whether easing price pressures can create room for interest-rate cuts, while monitoring fiscal risks and external financing conditions. Currency movements will remain a key focus, as the Kenyan Shilling and Ugandan Shilling face depreciation risks from stronger Dollar demand and higher energy costs. Ghana's Cedi could extend gains, supported by foreign-exchange inflows from the mining sector. Investors will also assess global financing conditions and commodity-price movements, with thin trading activity likely to limit market depth across several African exchanges.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Tanzania	4,580.70	15.05	(0.19%)	65.85%
Ghana	14,167.00	22.96	1.02%	61.53%
Nigeria	247,539.73	120.64	(0.33%)	59.07%
BRVM	537.67	36.06	(1.96%)	55.51%
Tunisia	18,705.00	15.33	0.20%	39.07%
Kenya	4,221.80	31.15	(2.35%)	34.51%

Egypt	52,273.34	75.72	(1.86%)	24.97%
Namibia	2,369.50	3.06	2.32%	10.67%
Mauritius	2,291.80	6.41	(0.65%)	8.16%
South Africa	110,171.85	1,441.43	2.86%	(4.92%)
Morocco	379.69	103.1	1.57%	(10.90%)

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	19.97	1.15%	10.82%
Nigeria	NGN: Naira	1,332.26	(0.08%)	7.77%
Liberia	LRD: Dollar	170.00	0.00%	4.12%
South Africa	ZAR: Rand	16.52	0.52%	0.31%
Namibia	NAD: Dollar	16.51	0.51%	0.30%
Angola	AOA: Kwanza	919.70	(0.58%)	(0.08%)
Sierra Leone	SLL: Leone	24,130.00	(0.26%)	(0.37%)
Guinea	GNF: Franc	8,797.50	0.00%	(0.56%)
Kenya	KES: Shilling	129.90	(0.04%)	(0.69%)
Mauritius	MUR: Rupee	47.30	0.47%	(2.22%)
Tunisia	TND: Dinar	3.00	0.08%	(3.76%)
WAEMU	CFA: Franc	584.75	0.31%	(4.40%)
Cameroun	XAF: Franc	585.07	0.04%	(4.59%)
Gabon	XAF: Franc	585.07	0.04%	(4.59%)
Morocco	MAD: Dirham	9.76	1.64%	(6.59%)
Tanzania	TZS: Shilling	2,640.00	0.00%	(6.82%)
Ghana	GHS: Cedi	11.66	0.86%	(9.91%)
Uganda	UGX: Shilling	4,050.00	0.96%	(10.63%)
Egypt	EGP: Pound	53.43	(1.93%)	(10.72%)

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	17.00%	0.50%	14.63%	2.37%	23.00%	7.77%
South Africa	8.88%	(0.08%)	4.40%	4.48%	7.25%	0.31%
Angola	19.80%	0.00%	8.43%	11.37%	14.75%	(0.08%)
Kenya	12.53%	0.22%	6.80%	5.73%	8.75%	(0.69%)
Congo	6.50%	0.00%	3.00%	3.50%	12.50%	(1.24%)
Rwanda	12.70%	0.00%	20.00%	(7.30%)	8.75%	(1.25%)
Mauritius	5.52%	(0.04%)	5.70%	(0.18%)	4.75%	(2.22%)

Ethiopia*	-	-	14.90%	0.00%	16.00%	(3.70%)
Cote d'Ivoire	7.40%	0.00%	1.60%	5.80%	5.00%	(4.40%)
Cameroon	8.50%	0.00%	3.40%	5.10%	4.50%	(4.59%)
Gabon	9.70%	0.00%	0.30%	9.40%	4.50%	(4.59%)
Tanzania	10.69%	(1.31%)	4.30%	6.39%	4.30%	(6.82%)
Ghana	13.53%	0.00%	5.20%	8.33%	14.00%	(9.91%)
Uganda	16.85%	1.15%	4.30%	12.55%	12.00%	(10.63%)
Egypt	23.39%	0.02%	13.90%	9.49%	19.00%	(10.72%)
*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's annual inflation rate rose to 1.6% in September 2026, up from 1.2% in August, indicating a modest increase in consumer price pressures. Historically, inflation has averaged 2.49% since 2000, reaching a peak of 9.63% in September 2008 and a record low of -3.84% in April 2012.

Senegal

Senegal's annual inflation rate eased to 1.0% in September 2026, down from 1.2% in August. The moderation was driven largely by slower food and beverage inflation, which declined to 0.9% from 1.4%. Inflation also eased across transport, alcoholic beverages and tobacco, restaurants and hotels, and financial services. Meanwhile, inflation remained unchanged in recreation, education, and clothing and footwear. However, furnishings inflation edged up to 0.7% from 0.6%, while housing and utilities inflation rebounded to 0.1% from -0.9%. On a monthly basis, consumer prices rose by 1.1% in September, slowing from 2.0% in August, which marked the strongest increase since July 2023.

Outlook

This week, WAEMU markets could benefit from improving regional growth prospects, resilient corporate activity, and sustained investor demand for regional assets. Although inflation has risen across most member countries, moderating price pressures in some sectors could help contain further increases in living costs. On the regional equities market, the BRVM could find support from stronger corporate earnings and improved investor sentiment. In the sovereign debt market, demand at bond auctions will remain important in determining yields and government financing costs. The Franc CFA's peg to the Euro should continue to support exchange-rate stability, while improving economic activity and regional investment could sustain market interest despite inflationary pressures.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	548.41	537.67	(1.96%)	55.51%
Currency (CFA: Franc)	586.58	584.75	0.31%	(4.40%)

Bond Yields in WAEMU Countries				
Countries	**Tenor**	**Bond Yield**	**Weekly Change**	**YTD**
Niger	5 Year	10.00%	0.00%	3.73%
Senegal	5 Year	7.00%	(1.00%)	1.00%
Mali	3 Year	7.00%	0.00%	1.00%
Togo	5 Year	6.00%	(1.00%)	0.00%
Burkina Faso	5 Year	7.00%	0.00%	0.00%
Guinea- Bissau	3 Year	7.00%	0.00%	0.00%
Ivory coast	5 Year	7.00%	2.00%	(0.46%)
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%
Togo	2.40%	3.00%
Benin	1.90%	3.00%
Ivory coast	1.60%	3.00%
Niger	1.30%	3.00%
Senegal	1.00%	3.00%
Burkina Faso	0.10%	3.00%
Guinea- Bissau	(0.50%)	3.00%

Sources:Various Sources and United Capital Research

Domestic Economy

Nigeria's annual inflation rate eased to 14.63% in September 2026, from 15.39% in August, marking a further moderation in price pressures. The decline was supported by lower core inflation, which fell to 12.95% from 13.29%, while urban and rural inflation eased to 15.64% and 12.46%, respectively. Food inflation edged up to 19.59% from 20.16% in the same period in 2025. United Capital Research believes with appropriate policy measures in place single digit inflation is achievable by mid year 2027.

Equity Market

The Nigerian equities market closed the week lower, with the NGX All-Share Index (NGX-ASI) declining 0.33% week-on-week to 247,539.73 points. Consequently, the market's year-to-date return moderated to 59.07%, while sector performance remained varied. The Banking and Insurance Indices declined by 3.15% and 0.14%, respectively. Conversely, the Oil/Gas and Consumer Goods Indices gained 3.13% and 0.09%, respectively, while the Industrial Goods Index remained broadly unchanged.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	247,539.73	(0.33%)	59.07%
Oil/Gas Index	6,194.00	3.13%	131.96%
Industrial Goods Index	10,442.79	0.00%	83.97%
Banking Index	2,532.47	(3.15%)	67.07%
Consumer Goods Index	4,036.97	0.09%	1.55%
Insurance Index	1,079.57	(0.14%)	(9.23%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed-income market recorded divergent movements during the week, as Nigerian Treasury Bill (NTB) and FGN Bond yields increased, while interbank rates declined. In the NTB market, the 91-day, 182-day and 364-day yields rose by 0.27%, 0.07% and 0.41% to 17.53%, 17.89% and 18.62%, respectively. Similarly, FGN Bond yields increased across all tenors, with the 3-year, 5-year, 7-year and 10-year yields rising by 0.27%, 0.50%, 0.52% and 0.50% to 16.48%, 17.00%, 16.89% and 17.00%, respectively. Meanwhile, the Overnight (O/N) rate and Open Repo Rate (OPR) declined by 0.44% and 0.40% to 20.38% and 20.00%, respectively, indicating lower short-term funding costs during the week.

Fixed Income Securities Rates			
	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	20.38%	(0.44%)	(2.37%)
Open Repo Rate (OPR)	20.00%	(0.40%)	(2.50%)
91-Day NTB	17.53%	0.27%	1.23%
182-Day NTB	17.89%	0.07%	1.19%
364-Day NTB	18.62%	0.41%	(0.97%)

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	16.48%	0.27%	(0.43%)
5 Years	17.00%	0.50%	(0.11%)
7 Years	16.89%	0.52%	(0.17%)
10 Years	17.00%	0.50%	0.19%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

This week, the Nigerian equities market is expected to draw support from bargain hunting, corporate earnings expectations, and renewed interest in fundamentally strong stocks. However, profit-taking and shifts in investor positioning may limit market gains. With inflation moderating, expectations of lower fixed-income yields could also support equities, making stocks more attractive to investors relative to fixed-income instruments. Investors will monitor economic data and third-quarter earnings releases for signs of improving economic conditions and stronger corporate profitability. The market's strong year-to-date performance may sustain selective buying interest, particularly in banking, industrial goods, and consumer stocks with attractive valuations.

Fixed Income Market

This week, the Nigerian fixed-income market will focus on Treasury Bill auctions, Open Market Operations (OMO), and liquidity conditions. Recent increases in Treasury Bill and Federal Government of Nigeria (FGN) Bond yields suggest investors may demand higher returns, although declining interbank rates could ease short-term funding pressures. The decline in inflation strengthens expectations of lower fixed-income yields, potentially supporting bond prices and creating capital-gains opportunities. Investors may consider increasing exposure to longer-tenor bonds to lock in prevailing yields. However, fresh Central Bank of Nigeria (CBN) liquidity withdrawals and government borrowing could limit yield declines. Investors will monitor inflation trends, auction outcomes, and liquidity movements for direction, as these factors will shape demand across short- and long-dated securities.

Dividend Announcements							
S/N	Company	Interim Dividend(₦)	Dividend Yield	Bonus	Qualification Date	Closure of Register	Payment Date
1	PZ Cussons Plc	2.5	3.88%	-	Oct 9, 2026	Oct 16, 2026	Oct 30, 2026
2	GTCO	1.0	0.80%	-	Oct 12, 2026	Oct 13, 2026	Oct 20, 2026
3	Stanbic IBTC	4.5	2.81%	-	Oct 15, 2026	Oct 16-23, 2026	Nov 13, 2026
4	Zenith Bank	1.5	1.19%	-	Oct 23, 2026	Oct 26, 2026	Oct 30, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transcorp Power Plc	178	310	74%
Transnational Corporation	36.1	60	66%
AXA Mansard Insurance	11	17.5	59%
Mutual Benefits Assurance	3.15	4.9	56%
International Breweries	10	15	50%
United Bank for Africa Plc	43	62.64	46%
Access Holdings Plc	28.5	40.75	43%
Nigerian Breweries Plc	75	105	40%
FCMB Group Plc	10.8	15	39%
Aradel Holdings Plc	1,499.90	2,000.00	33%
MTN Nigeria	825	1,100.00	33%
Cadbury Nigeria Plc	60	80	33%
BUA Cement	297	380	28%
AIICO Insurance Plc	3.96	5	26%
Dangote Sugar	67.5	82	21%
Dangote Cement Plc	1,066.70	1,250.00	17%
GTCO Plc	124.8	145	16%
Zenith Bank Plc	126	145	15%

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