United Capital

Weekly Investment Views

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Global Markets

United States

The US government recorded a budget deficit of US$27bn in September 2026, compared with a US$198bn surplus in September 2025. Government expenditure rose to US$585bn in September 2026 from US$346bn in September 2025, driven largely by Social Security (US$141bn), health (US$100bn), Medicare (US$93bn), and national defence (US$89bn). Meanwhile, government revenue increased to US$558bn in September 2026 from US$544bn in September 2025, supported by individual income taxes (US$298bn), social insurance and retirement contributions (US$149bn), and corporate income taxes (US$87bn). Consequently, the cumulative budget deficit for fiscal year 2026 reached US$1.992tn.

Euro Area

Inflation rate in the Euro Area accelerated for the third consecutive month to 3.8% in September 2026, up from 3.2% in August, marking its highest level since September 2023. The increase was driven by faster price growth in energy (18.9% vs. 14.3%), services (3.2% vs. 3.0%), and food, alcohol and tobacco (1.3% vs. 1.1%). However, inflation in non-energy industrial goods eased slightly to 1.1% from 1.2%. Core inflation, which excludes energy, food, alcohol and tobacco, rose to 2.5% from 2.4%. Among major economies, inflation increased in Germany (3.3%), France (3.4%), Italy (4.2%), Spain (5.0%) and the Netherlands (3.0%). On a monthly basis, consumer prices rose by 0.6% in September compared with August, reflecting renewed inflationary pressures across the Euro Area.

Asia

China's economy expanded by 4.5% year-on-year (y/y) in Q3 2026, accelerating from 4.3% in Q2 and exceeding market expectations of 4.4%. Growth was supported by policy easing and resilient exports, particularly artificial intelligence-related components, high-tech manufactured goods, and electric vehicles. In September, industrial output and retail sales recorded their fastest growth in six months, partly supported by increased spending during the Golden Week holiday. For the first nine months of 2026, the economy grew by 4.6%, remaining within the lower end of the government's full-year growth target of 4.5%–5.0%.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Ghana	GGSE	(0.26%)	61.12%
Nigeria	NGX ASI	(0.13%)	58.87%
BRVM	ICXCOMP	(2.92%)	50.97%
Kenya	NSE 20	(0.17%)	34.80%
Brazil	IBOV	(0.10%)	26.68%
Egypt	EGX 30	(2.34%)	22.05%
United States	S&P 500	(1.04%)	11.95%
United States	Dow Jones	1.32%	10.00%
United Kingdom	FTSE 100	(1.06%)	7.99%
Europe	STOXX 600	(0.38%)	7.58%
Germany	DAX	(0.04%)	3.60%
United States	NASDAQ	(2.64%)	3.01%
France	CAC 40	(1.56%)	(4.15%)
South Africa	JALSH	(1.49%)	(6.31%)
China	SHCOMP	(1.33%)	(7.83%)
India	SENSEX	(1.43%)	(14.05%)

*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 6.84% week-on-week to US$113.17/b, while Bonny Light declined by 4.84% to US$123.97/b. Despite the divergent weekly movements, both benchmarks remained elevated, with Brent and Bonny Light prices up 85.98% and 95.47% year-to-date, respectively.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/b	123.97	(4.84%)	95.47%
Oil Crude – Brent	US$/b	113.17	6.84%	85.98%
Copper	US$/lb	6.40	(2.42%)	12.06%
Gold	US$/lb	4,060.40	(2.63%)	(6.81%)
Cocoa	US$/MT	5,582.00	(4.27%)	(7.96%)
Coffee	US$/lb	312.45	5.99%	(10.41%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.80	(13.60%)	(24.15%)

Sources: Various Sources and United Capital Research

Outlook

Global markets are expected to remain sensitive to inflation data, Central Bank decisions and geopolitical developments this week. Equity performance will likely depend on corporate earnings and expectations for interest rates, while fixed-income markets may respond to changes in government bond yields. Currency movements and elevated energy prices could also influence investor sentiment, although resilient economic activity may provide some support. Investors will also monitor major central bank meetings and technology earnings for signals on borrowing costs and market valuations. Higher energy prices may sustain inflation concerns, limiting gains across global equities and bonds.

Select Sub-Saharan African Markets

South Africa

South Africa's annual inflation rate rose for the second consecutive month to 4.5% in September 2026, up from 4.4% in August, but below market expectations of 4.7%. Headline inflation remained above the South African Reserve Bank's (SARB) 3% target and the upper limit of its 2%–4% tolerance band. The increase was primarily driven by transport inflation, which accelerated to 10.8% from 8.8%, reflecting higher fuel prices. Fuel inflation rose to 27.9% from 20.0%, with diesel and petrol prices increasing by 46.0% and 25.0%, respectively. Food inflation also edged up to 1.2% from 1.1%. Meanwhile, core inflation eased slightly to 4.0% from 4.1% in August. On a month-on-month basis, consumer prices increased by 0.4%, following no change in August.

Ghana

Producer price inflation in Ghana rose for the third consecutive month to 4.8% in September 2026, up from 4.4% in August, reaching its highest level since May 2026. Despite the recent increase, producer inflation remained below its long-term average of 16.25%, recorded between 2009 and 2026. Historically, producer price inflation peaked at 78.10% in November 2022 and reached a record low of 1.30% in November 2025.

Uganda

Uganda's export earnings increased by 36% year-on-year to US$1.5bn in August 2026, up from US$1.1bn in the corresponding period of 2025. The growth was largely driven by gold exports, which rose by 68.9% to US$889mn, reflecting Uganda's growing role as a regional gold processing and trading hub. The Finance Ministry expects higher diaspora remittances towards the end of 2026, alongside the central bank's policy rate increase, to provide near-term support for the Shilling. Furthermore, the commencement of commercial oil production, expected in early 2027, is projected to strengthen foreign exchange earnings and improve the country's external position over the medium term.

Outlook

African markets, are expected to remain sensitive to inflation trends, currency movements and global energy prices this week. However, resilient economic growth and ongoing reforms may support investor confidence. Equity markets may experience mixed performance as investors assess corporate earnings, currency stability and borrowing costs. Across East Africa, stable currencies and easing inflation in some markets may support investment activity. However, rising food and energy costs could complicate monetary policy decisions and limit further interest rate cuts. Overall, investors are likely to favour markets with stable currencies, improving inflation trends and credible policy frameworks. Continued growth across Ghana and Kenya could support market sentiment despite external risks.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Tanzania	4,530.10	14.91	(1.10%)	64.02%
Ghana	14,130.30	22.92	(0.26%)	61.12%
Nigeria	247,222.27	117.87	(0.13%)	58.87%
BRVM	521.99	35.07	(2.92%)	50.97%
Tunisia	18,518.00	15.18	(1.00%)	37.68%
Kenya	4,230.80	31.08	(0.17%)	34.80%

Egypt	51,052.26	71.36	(2.34%)	22.05%
Mauritius	2,292.20	6.43	0.02%	8.18%
Namibia	2,279.00	2.94	(3.82%)	6.45%
South Africa	108,525.49	1,420.43	(1.49%)	(6.34%)
Morocco	382.16	102.34	0.65%	(10.32%)

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	20.29	(1.58%)	9.07%
Nigeria	NGN: Naira	1,361.84	(2.17%)	5.43%
Liberia	LRD: Dollar	170.00	0.00%	4.12%
Sierra Leone	SLL: Leone	23,762.30	1.55%	1.17%
South Africa	ZAR: Rand	16.49	0.11%	0.47%
Namibia	NAD: Dollar	16.49	0.11%	0.41%
Angola	AOA: Kwanza	919.70	0.00%	(0.08%)
Kenya	KES: Shilling	129.85	0.04%	(0.65%)
Guinea	GNF: Franc	8,850.00	(0.59%)	(1.15%)
Mauritius	MUR: Rupee	47.00	0.64%	(1.60%)
Tunisia	TND: Dinar	3.00	0.09%	(3.68%)
WAEMU	CFA: Franc	583.75	0.17%	(4.24%)
Cameroun	XAF: Franc	585.18	(0.02%)	(4.60%)
Gabon	XAF: Franc	585.18	(0.02%)	(4.60%)
Tanzania	TZS: Shilling	2,645.00	(0.19%)	(6.99%)
Morocco	MAD: Dirham	9.81	(0.44%)	(7.01%)
Ghana	GHS: Cedi	11.60	0.47%	(9.48%)
Egypt	EGP: Pound	55.30	(3.38%)	(13.74%)
Uganda	UGX: Shilling	4,229.29	(4.24%)	(14.42%)

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	17.03%	0.03%	14.63%	2.40%	23.00%	5.43%
South Africa	8.77%	(0.11%)	4.50%	4.27%	7.25%	0.47%
Angola	19.80%	0.00%	8.43%	11.37%	14.75%	(0.08%)
Kenya	12.51%	(0.02%)	6.80%	5.71%	8.75%	(0.65%)
Congo	6.50%	0.00%	3.00%	3.50%	12.50%	(1.24%)
Rwanda	12.00%	(0.70%)	20.00%	(8.00%)	8.75%	(1.25%)
Mauritius	5.66%	0.14%	5.70%	(0.04%)	4.75%	(1.60%)

Ethiopia*	-	-	14.90%	0.00%	16.00%	(3.70%)
Cote d'Ivoire	7.40%	0.00%	1.60%	5.80%	5.00%	(4.24%)
Cameroon	8.50%	0.00%	3.40%	5.10%	4.50%	(4.60%)
Gabon	9.70%	0.00%	0.30%	9.40%	4.50%	(4.60%)
Tanzania	11.69%	1.00%	4.30%	7.39%	6.25%	(6.99%)
Ghana	13.53%	0.00%	5.20%	8.33%	14.00%	(9.48%)
Egypt	23.49%	0.10%	13.90%	9.59%	19.00%	(13.74%)
Uganda	17.20%	0.35%	4.60%	12.60%	12.00%	(14.42%)
*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)

Togo

S&P Global Ratings revised Togo's B+ long-term sovereign credit rating outlook to positive from stable, citing resilient economic growth and expectations of lower budget deficits and government debt. The agency projects economic growth of 5.5% in 2026, rising to an average of over 6% annually between 2027 and 2029. Growth is expected to be supported by expansion of Lomé's port and airport, industrial investment, and higher agricultural production. S&P indicated that it could upgrade the rating within the next 12 months if economic growth and fiscal consolidation remain on track, without a deterioration in the country's external position.

Mali

Mali plans to borrow XOF6.37tn (US$10.9bn) between 2027 and 2029, with annual financing requirements rising from XOF1.86tn in 2027 to XOF2.47tn in 2029. The government intends to rely heavily on regional debt markets while seeking longer-maturity securities and concessional external loans to reduce refinancing risks. In 2027, domestic sources are expected to provide 95.2% of borrowing needs, equivalent to XOF1.77tn, while external financing will account for the remaining 4.8%, or XOF90bn.

Outlook

The WAEMU market is expected to remain cautious this week, with equities facing selling pressure and fixed-income activity centred on Mali's planned sovereign auction. Investor attention will centre on Mali's Treasury auction scheduled for 28 October, featuring CFA Franc 40bn in bills and bonds. The offer comprises a 364-day Treasury Bill, alongside three-year and five-year bonds carrying coupon rates of 6.00% and 6.20%, respectively. These coupons are higher than Côte d'Ivoire's recent 5.20% and 5.45% rates on comparable three-year and five-year instruments, reflecting the higher risk premium typically required by investors for Malian sovereign debt. Overall, the BRVM may remain under pressure unless buying interest improves, while the Mali auction will provide insight into regional funding conditions and investor appetite for sovereign debt.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	537.67	521.99	(2.92%)	50.97%
Currency (CFA: Franc)	584.75	583.75	0.17%	(4.24%)

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%	1.00%	2.00%
Togo	5 Year	7.00%	1.00%	1.00%
Mali	3 Year	7.00%	0.00%	1.00%
Burkina Faso	5 Year	7.00%	0.00%	0.00%
Guinea- Bissau	3 Year	7.00%	0.00%	0.00%
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%
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 broad money supply (M3) rose by 5.40% month-on-month to ₦146.60tn in September 2026, from ₦139.09tn in August, representing an increase of ₦7.51tn. The expansion was largely driven by Central Bank of Nigeria (CBN) bills held by the non-bank public, which accounted for approximately 74.4% of the monthly increase. However, the narrower M2 measure grew by just 1.38% to ₦141.00tn, while private-sector credit declined by 0.64% to ₦83.93tn. The rise in money supply points to improved liquidity in the financial system, which could support economic activity as credit demand strengthens. However, sustained monitoring of liquidity growth remains important to preserve price stability.

Equity Market

The Nigerian equities market closed the week lower, with the NGX All-Share Index (NGX-ASI) declining 0.13% week-on-week to 247,222.27 points. Consequently, the market's year-to-date return moderated to 58.87%, while sector performance remained varied. The Insurance and Oil/Gas Indices declined by 2.79% and 2.55%, respectively, followed by the Banking and Consumer Goods Indices, which fell by 0.67% and 0.55%. Conversely, the Industrial Goods Index gained 1.95% during the week.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	247,222.27	(0.13%)	58.87%
Oil/Gas Index	6,035.77	(2.55%)	126.04%
Industrial Goods Index	10,646.68	1.95%	87.56%
Banking Index	2,515.47	(0.67%)	65.94%
Consumer Goods Index	4,014.81	(0.55%)	0.99%
Insurance Index	1,049.43	(2.79%)	(11.76%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed-income market recorded varied movements during the week, as short-term funding rates and most NTB and FGN Bond yields declined. In the NTB market, the 91-day yield rose by 0.11% to 17.64%, while the 182-day and 364-day yields fell by 0.09% and 0.29% to 17.80% and 18.33%, respectively. Similarly, FGN Bond yields declined across the 3-year, 5-year and 7-year tenors by 0.51%, 0.20% and 0.01% to 15.97%, 16.80% and 16.88%, respectively. However, the 10-year yield increased slightly by 0.03% to 17.03%. Meanwhile, the Overnight (O/N) rate declined by 0.04% to 20.34%, while the Open Repo Rate (OPR) remained unchanged at 20.00%, indicating broadly stable short-term funding conditions during the week.

Fixed Income Securities Rates			
	Yield	**Weekly Change**	**Year-To-Date Change**
Overnight Rate (O/N)	20.34%	(0.04%)	(2.41%)
Open Repo Rate (OPR)	20.00%	0.00%	(2.50%)
91-Day NTB	17.64%	0.11%	1.34%
182-Day NTB	17.80%	(0.09%)	1.10%
364-Day NTB	18.33%	(0.29%)	(1.26%)

Bond Market Rates			
Bond	**Yield**	**Weekly Change**	**Year-to-Date Change**
3 Years	15.97%	(0.51%)	(0.94%)
5 Years	16.80%	(0.20%)	(0.31%)
7 Years	16.88%	(0.01%)	(0.18%)
10 Years	17.03%	0.03%	0.22%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

The Nigerian equities market may remain sensitive to profit-taking and sector-specific movements this week. However, moderating inflation and expectations of lower fixed-income yields could improve equities' appeal to investors. Investors are likely to focus on third-quarter earnings, dividend prospects and company-specific developments when making investment decisions. Banking and industrial stocks may attract attention, while profit-taking could limit broader market gains.

Fixed Income Market

The Nigerian fixed-income market is expected to maintain investor interest this week as yields ease across most government bond maturities. Lower inflation could support bond prices and encourage investors to increase exposure to longer-tenor securities. However, the Federal Government's planned ₦5.75tn in FGN Bond issuance in Q4 could limit further yield declines, as the increased supply of government securities may place upward pressure on yields. Investors will monitor auction results and liquidity conditions for direction this week.

Dividend Announcements							
S/N	**Company**	**Interim Dividend(₦)**	**Dividend Yield**	**Bonus**	**Qualification Date**	**Closure of Register**	**Payment Date**
1	PZ Cussons Plc	2.5	3.63%	-	Oct 9, 2026	Oct 16, 2026	Oct 30, 2026
2	Stanbic IBTC	4.5	2.81%	-	Oct 15, 2026	Oct 16-23, 2026	Nov 13, 2026
3	Zenith Bank	1.5	1.24%	-	Oct 23, 2026	Oct 26, 2026	Oct 30, 2026
4	Guinness	7.0	1.65%	-	Oct 30, 2026	Nov 2, 2026	Nov 13, 2026
5	Unilever	2	1.83%	-	Oct 30, 2026	Nov 02-06, 2026	Nov 18, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transcorp Power Plc	178	310	74%
Transnational Corporation	36.1	60	66%
International Breweries	9.05	15	66%
Mutual Benefits Assurance	3	4.9	63%
AXA Mansard Insurance	11	17.5	59%
United Bank for Africa Plc	40.7	62.64	54%
Access Holdings Plc	26.5	40.75	54%
Aradel Holdings Plc	1,405.00	2,000.00	42%
Nigerian Breweries Plc	75	105	40%
FCMB Group Plc	10.8	15	39%
MTN Nigeria	825	1,100.00	33%
Cadbury Nigeria Plc	60	80	33%
AIICO Insurance Plc	3.83	5	31%
BUA Cement	297	380	28%
Dangote Sugar	67.3	82	22%
Zenith Bank Plc	120.9	145	20%
GTCO Plc	122	145	19%

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