United Capital

Weekly Investment Views

A Publication of United Capital Research

November 02 - 06, 2026

Global Markets

United States

The US Federal Reserve (Fed) maintained the federal funds rate at 3.75%–4.00% at its October 2026 meeting, in line with expectations. This followed a 0.25% increase in September, the first since 2023. The Fed noted that economic activity remains strong, supported by resilient domestic spending, while labour market conditions remain stable. However, inflation remains elevated, with geopolitical developments adding to uncertainty. Policymakers emphasised the need for further economic data to guide future decisions and support a return to the 2% inflation target.

Euro Area

The European Central Bank (ECB) maintained its key interest rates at its October 2026 meeting, in line with expectations. The main refinancing rate remained at 2.65%, while the deposit facility rate held at 2.50%. The ECB warned that elevated energy prices could fuel inflation and weigh on economic activity, particularly if indirect price pressures intensify. However, underlying inflation remains broadly stable, with limited wage pressures. Although policymakers provided no clear guidance on future rate decisions, President Christine Lagarde confirmed that a rate increase was discussed but unanimously rejected.

Asia

The Bank of Japan (BoJ) maintained its short-term policy rate at 1.25% in an 8-1 vote at its October meeting, in line with expectations. This followed two consecutive 0.25% rate increases in June and September, bringing borrowing costs to highest levels since April 1995. Policymakers signalled possible further increases, citing underlying inflation reaching the 2% target for the first time since 2013. Persistent labour shortages and steady wage growth continue to support price pressures. In its quarterly outlook, the BoJ retained its FY2026 inflation forecast at 2.5% but raised its growth projection to 0.7% from 0.6%. For FY2027, it raised its inflation forecast to 2.6% from 2.4%, while lowering its growth projection to 0.7% from 0.8%.

Global Equity Market Snapshot

Market	Index	Weekly Change	Year-To-Date (YTD)
Nigeria	NGX ASI	2.86%	63.42%
Ghana	GGSE	0.82%	62.44%
BRVM	ICXCOMP	1.20%	52.78%
Kenya	NSE 20	(2.82%)	31.00%
Egypt	EGX 30	(2.85%)	18.57%
United States	S&P 500	0.74%	12.78%
Europe	STOXX 600	1.78%	9.50%
United States	Dow Jones	(0.99%)	8.90%
United Kingdom	FTSE 100	(0.03%)	7.96%
Germany	DAX	2.63%	6.33%
Brazil	IBOV	(17.11%)	5.00%
United States	NASDAQ	0.68%	3.70%
France	CAC 40	2.03%	(2.20%)
South Africa	JALSH	1.39%	(5.00%)
China	SHCOMP	(0.18%)	(8.00%)
India	SENSEX	1.23%	(12.99%)

*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 1.97% week-on-week to US$110.80/b, while Bonny Light declined by 3.17% to US$119.23/b. Despite the divergent weekly movements, both benchmarks remained elevated, with Brent and Bonny Light prices up 82.09% and 88.00% year-to-date, respectively.

Weekly Commodities Price Monitor				
Commodity	**Unit Price**	**Price (US$)**	**Weekly Change**	**YTD**
Oil Crude – Bonny Light	US$/b	119.23	(3.17%)	88.00%
Oil Crude – Brent	US$/b	110.80	1.97%	82.09%
Copper	US$/lb	6.60	3.12%	15.60%
Gold	US$/lb	4,031.40	(0.71%)	(7.48%)
Cocoa	US$/MT	5,456.00	(2.26%)	(10.04%)
Coffee	US$/lb	285.45	(8.64%)	(18.15%)
Compressed Natural Gas (CNG)	US$/MMBtu	2.95	5.36%	(19.97%)

Sources: Various Sources and United Capital Research

Outlook

Global markets are expected to remain sensitive to economic data, central bank decisions and political developments this week. Investors will monitor the US midterm elections, October employment report and major technology earnings for signals on economic growth and corporate profitability. Attention will also focus on the Reserve Bank of Australia, Bank of England and Sweden's Riksbank, with potential rate increases shaping global monetary policy expectations. Meanwhile, developments in Brazil and Indonesia could influence emerging-market sentiment, while inflation concerns and geopolitical risks may sustain volatility across global financial markets.

Select Sub-Saharan African Markets

South Africa

Statistics South Africa (Stats SA) released its GDP benchmarking and rebasing results on 29 October 2026, changing the base year from 2015 to 2022. The exercise increased the estimated size of the economy by 4.9% in 2022, from R6.67tn to R6.99tn, while nominal GDP for 2025 was revised upward by about 5.3%, from R7.64tn to R8.04tn. The revision largely reflected improved data coverage and methodology, particularly in mining and finance, real estate and business services, alongside better measurement of previously undercaptured economic activity. Meanwhile, South Africa's real GDP grew by 0.9% y/y in Q2 2026 but contracted by 0.2% q/q, reversing the 0.4% expansion recorded in Q1. Overall, the rebasing provides a more comprehensive measure of the size and structure of South Africa's economy, although underlying economic growth remains modest.

Uganda

Uganda's inflation rate rose to 5.8% year-on-year in October 2026, up from 4.6% in September, indicating an acceleration in consumer price pressures. This marks a further increase in inflation, compared with the historical average of 5.64% recorded between 1998 and 2026.

Kenya

Kenya's annual inflation rate accelerated to 7.3% in October 2026, up from 6.8% in September, reaching its highest level in more than three years. The increase was driven by faster price increases in food, transport and housing. This marked the seventh consecutive month that inflation exceeded the Central Bank's 5% midpoint target. On a month-on-month basis, consumer prices rose by 0.7%, following a 0.9% increase in September.

Outlook

African markets are expected to trade cautiously this week as investors assess inflation trends, currency movements, monetary policy decisions and corporate earnings across major economies. In South Africa, investor attention will centre on fiscal developments and trade data, while the Rand remains sensitive to global market movements. Meanwhile, moderating inflation in some markets could support expectations of lower borrowing costs, although rising price pressures in Kenya and Uganda remain a concern. Overall, equity performance will likely depend on corporate earnings, foreign investor participation and developments in global commodity prices.

Pan African Stock Market Monitor				
Market	**Index**	**Market Cap ($'bn)**	**WTD (Local Currencies)**	**YTD (Local Currencies)**
Nigeria	254,299.49	122.65	2.86%	63.42%
Ghana	14,246.71	22.93	0.82%	62.44%
Tanzania	4,441.60	14.53	(1.95%)	60.82%
BRVM	528.25	35.17	1.20%	52.78%
Tunisia	18,458.24	15.21	(0.32%)	37.24%
Kenya	4,111.60	31.08	(2.82%)	31.00%

Egypt	49,596.14	69.44	(2.85%)	18.57%
Namibia	2,371.50	3.06	4.03%	10.77%
Mauritius	2,288.40	6.45	(0.17%)	8.00%
South Africa	110,038.70	1,396.10	1.39%	(5.03%)
Morocco	373.7	99.01	(2.21%)	(12.30%)

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	20.15	0.69%	9.83%
Nigeria	NGN: Naira	1,346.26	1.16%	6.65%
Liberia	LRD: Dollar	169.00	0.59%	4.73%
Sierra Leone	SLL: Leone	23,329.00	1.86%	3.05%
Angola	AOA: Kwanza	919.70	0.00%	(0.08%)
South Africa	ZAR: Rand	16.62	(0.72%)	(0.31%)
Namibia	NAD: Dollar	16.62	(0.72%)	(0.39%)
Kenya	KES: Shilling	130.00	(0.12%)	(0.77%)
Guinea	GNF: Franc	8,851.00	(0.01%)	(1.16%)
Mauritius	MUR: Rupee	47.48	(1.01%)	(2.59%)
Tunisia	TND: Dinar	3.01	(0.33%)	(4.14%)
Cameroun	XAF: Franc	587.80	(0.45%)	(5.03%)
Gabon	XAF: Franc	587.80	(0.45%)	(5.03%)
WAEMU	CFA: Franc	589.00	(0.89%)	(5.09%)
Tanzania	TZS: Shilling	2,642.00	0.11%	(6.89%)
Morocco	MAD: Dirham	9.82	0.00%	(7.13%)
Ghana	GHS: Cedi	11.64	(0.34%)	(9.79%)
Egypt	EGP: Pound	56.00	(1.25%)	(14.82%)
Uganda	UGX: Shilling	4,354.52	(2.88%)	(16.88%)

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	17.02%	(0.01%)	14.63%	2.39%	23.00%	6.65%
Angola	19.80%	0.00%	8.43%	11.37%	14.75%	(0.08%)
South Africa	8.70%	(0.07%)	4.50%	4.20%	7.25%	(0.31%)
Kenya	12.53%	0.02%	7.30%	5.23%	8.75%	(0.77%)
Congo	6.50%	0.00%	3.00%	3.50%	12.50%	(1.24%)
Rwanda	12.00%	0.00%	20.00%	(8.00%)	8.75%	(1.25%)
Mauritius	5.66%	0.00%	5.70%	(0.04%)	4.75%	(2.59%)

Ethiopia*	-	-	14.90%	0.00%	16.00%	(3.70%)
Cameroon	8.50%	0.00%	3.40%	5.10%	4.50%	(5.03%)
Gabon	9.70%	0.00%	0.30%	9.40%	4.50%	(5.03%)
Cote d'Ivoire	7.40%	0.00%	1.60%	5.80%	5.00%	(5.09%)
Tanzania	11.69%	0.00%	4.30%	7.39%	6.25%	(6.89%)
Ghana	13.53%	0.00%	5.20%	8.33%	14.00%	(9.79%)
Egypt	23.68%	0.19%	13.90%	9.78%	20.00%	(14.82%)
Uganda	17.20%	0.00%	5.80%	11.40%	12.00%	(16.88%)
*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

Côte d'Ivoire's economy expanded by 6.0% year-on-year in Q2 2026, moderating slightly from 6.2% growth in the previous quarter. Despite the marginal slowdown, economic activity remained strong, supported by continued growth across key sectors. The latest outturn remains above the country's historical average growth rate of 5.46%, recorded between 1961 and 2026, highlighting the resilience of its economic expansion.

Mali

Mali's annual inflation rate edged up to 3.4% in September 2026, from 3.3% in August, marking its highest level since April 2025. This represents a gradual increase in price pressures, although inflation remains relatively moderate compared with its historical average of 2.08% recorded between 1998 and 2026.

Outlook

The WAEMU equity market is expected to remain cautious this week as investors assess corporate earnings, sovereign debt issuance and recent market corrections. The BRVM Composite strong year-to-date gains could sustain profit-taking, particularly across banking and telecommunications stocks. On the monetary front, the BCEAO's policy rate remains at 3.00%, providing a stable interest rate environment. Meanwhile, rising inflation across some member states and elevated energy prices could influence investor sentiment. Overall, market activity is likely to depend on earnings releases, liquidity conditions and demand for regional equities.

Market Performance Snapshot				
	Previous	**Current**	**Weekly Change**	**YTD**
BRVM	521.99	528.25	1.20%	52.78%
Currency (CFA: Franc)	583.75	589	(0.89%)	(5.09%)

Bond Yields in WAEMU Countries				
Countries	**Tenor**	**Bond Yield**	**Weekly Change**	**YTD**
Niger	5 Year	10.00%	0.00%	3.73%
Togo	5 Year	7.00%	0.00%	1.00%
Senegal	5 Year	7.00%	(1.00%)	1.00%
Mali	3 Year	7.00%	0.00%	1.00%
Guinea- Bissau	3 Year	8.00%	1.00%	1.00%
Burkina Faso	5 Year	6.00%	(1.00%)	(1.00%)
Benin	2 Year	5.00%	0.00%	(2.00%)
Ivory coast	5 Year	5.00%	0.00%	(2.46%)

Sources:Various Sources and United Capital Research

Key Rates in WAEMU Countries		
Countries	**Inflation**	**Policy Rate**
Mali	3.40%	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 portfolio investment inflows increased by 17.6% quarter-on-quarter to US$7.09bn in Q2 2026, from US$6.03bn in Q1. According to the Central Bank of Nigeria (CBN), the growth was driven by stronger inflows into long-term general government debt securities. Portfolio investment remained the largest source accounting for approximately 65% of the US$10.84bn recorded during the quarter. Meanwhile, direct investment rose by 11.7% to US$1.15bn, while other investment more than doubled to US$2.75bn.

Equity Market

The Nigerian equities market closed the week higher, with the NGX All-Share Index (NGX-ASI) gaining 2.86% week-on-week to 254,299.49 points. Consequently, the market's year-to-date return increased to 63.42%. Sector performance was varied, with the Industrial Goods Index leading gains at 14.58%, followed by Oil/Gas at 0.82%. However, the Banking, Insurance and Consumer Goods Indices declined by 3.42%, 2.13% and 0.02%, respectively.

Nigerian Equity Market Performance			
Index	**Close Price**	**Weekly Change**	**YTD**
NGX-ASI	254,299.49	2.86%	63.42%
Oil/Gas Index	6,085.42	0.82%	127.90%
Industrial Goods Index	12,199.20	14.58%	114.91%
Banking Index	2,429.46	(3.42%)	60.27%
Consumer Goods Index	4,014.03	(0.02%)	0.97%
Insurance Index	1,027.06	(2.13%)	(13.64%)

Sources: NGX and United Capital Research

Fixed Income and Money Market

The fixed-income market recorded a largely positive performance during the week, as yields declined across most Treasury bills and FGN Bonds. In the NTB market, the 91-day, 182-day and 364-day yields fell by 0.09%, 0.06% and 0.06% to 17.55%, 17.74% and 18.27%, respectively. Similarly, FGN Bond yields declined across the 3-year, 5-year and 10-year tenors by 0.31%, 0.18% and 0.01% to 15.66%, 16.62% and 17.02%, respectively. However, the 7-year yield increased slightly by 0.03% to 16.91%. Meanwhile, the Overnight (O/N) rate rose marginally by 0.04% to 20.38%, while the Open Repo Rate (OPR) remained unchanged at 20.00%, indicating broadly stable short-term funding conditions.

Fixed Income Securities Rates			
	Yield	Weekly Change	Year-To-Date Change
Overnight Rate (O/N)	20.38%	0.04%	(2.37%)
Open Repo Rate (OPR)	20.00%	0.00%	(2.50%)
91-Day NTB	17.55%	(0.09%)	1.25%
182-Day NTB	17.74%	(0.06%)	1.04%
364-Day NTB	18.27%	(0.06%)	(1.32%)

Bond Market Rates			
Bond	Yield	Weekly Change	Year-to-Date Change
3 Years	15.66%	(0.31%)	(1.25%)
5 Years	16.62%	(0.18%)	(0.49%)
7 Years	16.91%	0.03%	(0.15%)
10 Years	17.02%	(0.01%)	0.21%

Sources: FMDQ and United Capital Research

Outlook

Equity Market

Nigeria's equity market is expected to sustain positive momentum this week, supported by improved investor sentiment and bargain-hunting across fundamentally strong stocks. Investors are likely to monitor corporate earnings releases, dividend announcements and portfolio repositioning for further market direction. However, profit-taking in large-cap stocks and continued volatility across banking equities could limit broader market gains. Recent trading has highlighted selective buying interest, despite pressure on market breadth. We expect investors to favour stocks with strong earnings prospects, attractive dividend yields and sound fundamentals, while monitoring developments in the fixed-income market. Lower yields could further improve the relative appeal of equities.

Fixed Income Market

Nigeria's fixed-income market is expected to be positive this week, supported by elevated system liquidity and sustained demand for government securities. The latest Treasury bills auction recorded strong demand, particularly at the long end, with the 364-day stop rate declining by 10bps to 15.80%. We expect Treasury bill yields to remain biased downward, supported by ample liquidity and investors' search for attractive yields. However, further OMO issuances by the CBN could absorb excess liquidity and moderate the pace of yield compression. In the bond market, demand may remain tilted toward longer-dated instruments as investors position for a lower interest-rate environment. Nonetheless, the Federal Government's financing requirements and continued liquidity-management operations by the CBN could limit the extent of further yield declines.

Dividend Announcements							
S/N	Company	Interim Dividend(₦)	Dividend Yield	Bonus	Qualification Date	Closure of Register	Payment Date
1	Stanbic IBTC	4.50	2.78%	-	Oct 15, 2026	Oct 16-23, 2026	Nov 13, 2026
2	Guinness	7.00	1.65%	-	Oct 30, 2026	Nov 2, 2026	Nov 13, 2026
3	Unilever	2.00	1.83%	-	Oct 30, 2026	Nov 02-06, 2026	Nov 18, 2026
4	Okomu Oil	11.50	0.90%	-	Nov 11, 2026	Nov 12-13, 2026	Nov 17, 2026
5	Ikeja Hotel	0.03	0.07%	-	Nov 6, 2026	Nov 09-13, 2026	Dec 4, 2026
6	Seplat	255.79 ($0.19)	1.60%	-	Nov 12, 2026	Nov 13, 2026	Nov 27, 2026
7	Aradel Holdings	7.00	0.49%	-	Nov 27, 2026	Nov 30, 2026	Dec 7, 2026

Stock Recommendation			
Stocks	**Current Price**	**Target Price**	**Upside**
Transnational Corporation	33.5	60	79%
Transcorp Power Plc	178	310	74%
AXA Mansard Insurance	10.75	17.5	63%
International Breweries	9.3	15	61%
Mutual Benefits Assurance	3.09	4.9	59%
United Bank for Africa Plc	42	62.64	49%
Nigerian Breweries Plc	72	105	46%
Access Holdings Plc	28.6	40.75	42%
AIICO Insurance Plc	3.55	5	41%
Cadbury Nigeria Plc	57	80	40%
Aradel Holdings Plc	1,439.90	2,000.00	39%
FirstHoldco	119.15	165	38%
ETI	71	97	37%
FCMB Group Plc	11.2	15	34%
BUA Cement	293.4	380	30%
MTN Nigeria	850	1,100.00	29%
GTCO Plc	120	150	25%
Zenith Bank Plc	119	145	22%
Dangote Sugar	68	82	21%

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