

Weekly Market Recap

Market Performance

Most african bonds recorded gains (in USD terms) across both hard and local currency segments.

The Africa Eurobond Index rose **+0.59% YTD**, led by **Senegal (+10.3%)**, **Gabon (+8.3%)** and **Nigeria (+1.6%)**.

The African Local Currency Bond Index climbed **+3.10% YTD** in USD terms, with **Zambia (+22.8%)**, **Nigeria (+11.7%)** and **Ghana (+10.1%)** leading on strong bonds and FX performance.

Weekly Commentary

African local markets delivered a mixed week, with gains concentrated in Ghana and Kenya, while Botswana and Egypt lagged due to currency pressure.

Ghana (+3.69%) was the standout performer, supported by a sharp appreciation in the cedi alongside bond gains. During the week, Fitch Ratings affirmed Ghana's long-term rating at 'B-' from "Restricted Default". The affirmation reinforced improving investor sentiment, even as structural challenges remain. With inflation being lowest in three years, the economy has shown improved fiscal health, higher gross international reserves and reduced public debt-to-GDP ratio.

Kenya (+2.12%) benefited from a rally in local bonds as inflation continued to ease. Headline inflation slowed to 4.3% y/y in February, below expectations, driven by softer transport and housing-related price pressures. Core inflation moderated further, while month-on-month inflation eased to 0.2%. The continued moderation in inflation gives the Central Bank of Kenya room to extend its easing cycle, supporting local bond valuations.

Zambia (+2.03%) delivered solid gains, supported by bond performance and a firmer kwacha. Inflation fell sharply to 7.5% y/y in February from 9.4% in January, dropping below the central bank's 6 to 8% target ceiling for the first time in almost seven years. The faster-than-expected disinflation strengthens the case for further rate cuts.

On the weaker side, **Botswana (-3.12%)** underperformed as bond and currency losses weighed on returns. The Bank of Botswana kept its policy rate unchanged at 3.50%, citing weak economic activity linked to subdued diamond demand. Inflation rose to 4.1% y/y in January and is projected to increase further due to tariff adjustments, though rates are likely to remain on hold given the soft growth outlook.

WEEKLY DATA CENTRE

STATISTICS

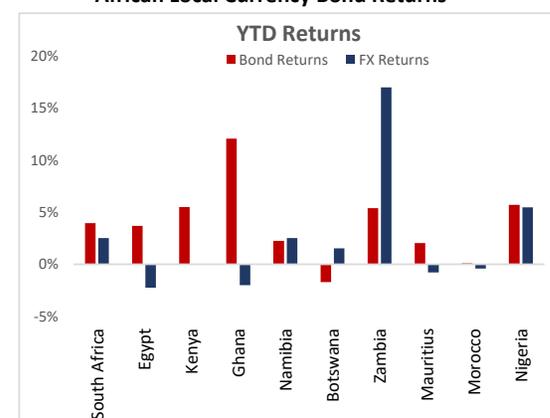
	Local Currency Yields					Economic Indicators				
	1-Yr	2-Yr	10-Yr	20-Yr	Δ 10yr yield	Policy Rate	GDP Growth Rate	CPI	C/A (% of GDP)	Fiscal Deficit
Egypt	23.2%	21.8%	19.9%	19.9%	0.0%	19.0%	9.8%	11.9%	-5.3%	-7.1%
S. Africa	7.0%	6.8%	8.1%	8.6%	0.1%	6.8%	0.5%	3.5%	-0.6%	-4.5%
Nigeria	18.3%	15.9%	15.9%	14.4%	0.5%	26.5%	13.2%	15.1%	9.2%	-3.9%
Ghana	9.4%	10.4%	13.8%	14.0%	0.1%	15.5%	1.3%	3.8%	4.4%	-4.8%
Kenya	8.8%	9.3%	12.3%	13.0%	0.1%	8.8%	1.2%	4.3%	-3.6%	-4.9%
Namibia	7.6%	7.8%	9.7%	10.5%	0.0%	6.5%	-2.5%	2.9%	-15.3%	-6.6%
Botswana	10.6%	10.7%	12.0%	12.4%	0.5%	3.5%	10.9%	4.1%	-7.3%	-9.0%
Zambia	14.1%	14.9%	16.7%	17.5%	0.0%	13.5%	0.0%	7.5%	-1.0%	-3.5%
Mauritius	4.4%	4.6%	5.5%	5.9%	0.0%	4.5%	1.0%	3.9%	-6.4%	-5.7%
Morocco	2.3%	2.3%	2.9%	3.6%	-0.1%	2.3%	1.1%	-0.8%	-1.6%	-3.9%

RETURNS

Africa Sovereign Eurobonds



African Local Currency Bond Returns



Country	Egypt	S. Africa	Nigeria	Ghana	Kenya	Morocco	Ivory Coast	Gabon	Senegal	Zambia
YTD	-1.0%	1.2%	1.6%	0.4%	0.8%	1.6%	1.1%	8.3%	10.3%	1.5%

Returns	South Africa	Egypt	Kenya	Ghana	Namibia	Botswana	Zambia	Mauritius	Morocco	Nigeria
Bond	3.9%	3.7%	5.5%	12.1%	2.3%	-1.7%	5.4%	2.0%	0.1%	5.7%
FX	2.5%	-2.3%	0.0%	-2.0%	2.5%	1.5%	17.0%	-0.8%	-0.4%	5.5%
Total	6.5%	1.4%	5.5%	10.1%	4.8%	-0.2%	22.4%	1.3%	-0.3%	11.2%

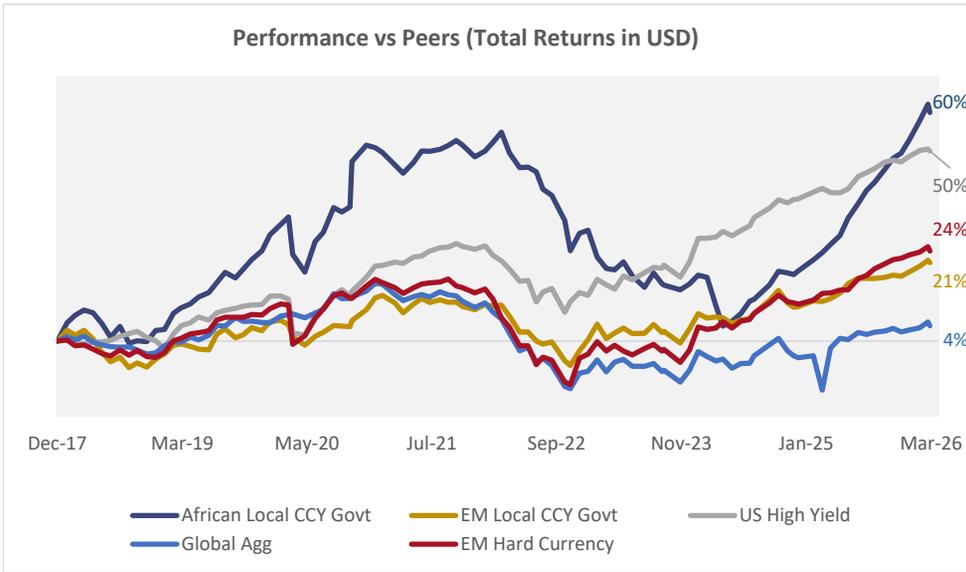
Chart 1: African Eurobonds YTD Performance

Source: Bloomberg, MCBM as at 02 March 2026

Chart 2: African Local Currency bonds and FX YTD Performance

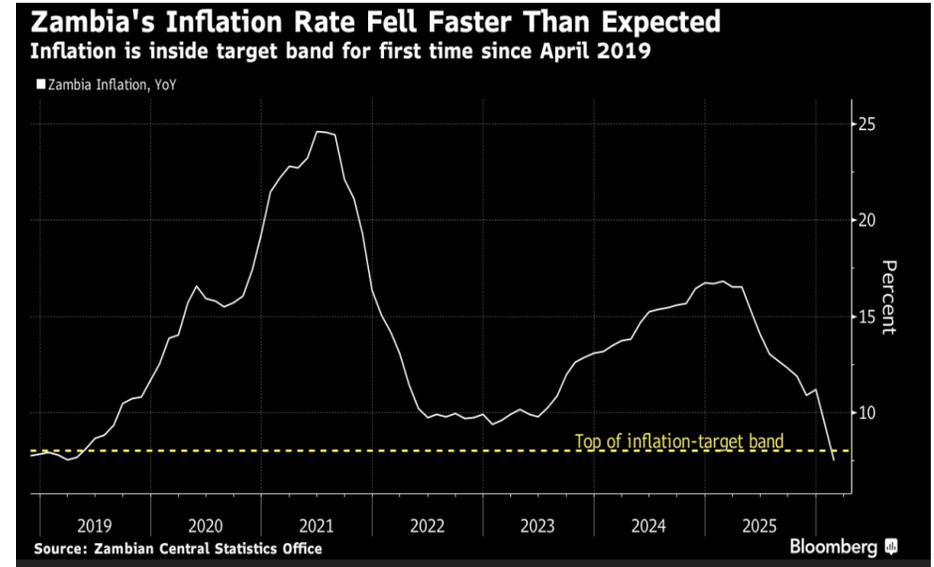
Source: Bloomberg, MCBM as at 02 March 2026

Performance vs Peers (Total Returns in USD)



Source: Bloomberg, MCBIM as at 02 March 2026

Chart of the week



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YTD: Year to date
 MTD: Month to date
 LCY: Local Currency

GDP: Gross Domestic Product
 CPI: Consumer Price Index

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