

## Weekly Market Recap

### Market Performance

The **Africa Eurobond Index** fell by -0.99% YTD, driven by Egypt (-5.8%), Kenya (-3.7%) and South Africa (-2.4%).

The **African Local Currency Bond Index** declined -0.87% YTD in USD terms, with Egypt (-5.7%), Namibia (-4.3%) and Morocco (-4.1%).

### Weekly Commentary

African local markets experienced a volatile week as geopolitical tensions in the Middle East continued to drive a risk-off environment across global markets. The shift toward US-dollar assets weighed on most African currencies, which was the main driver of returns during the week.

**South Africa** (-5.33%) declined sharply as large foreign outflows pushed bond yields higher. The local market struggled to absorb the selling pressure quickly, resulting in a rapid adjustment in yields. Market expectations for monetary policy have also shifted, with traders now pricing out any chance of a rate cut at the upcoming meeting and positioning instead for tighter policy later in the year. Forward-rate agreements now imply a 25bp rate hike by year-end, compared with expectations of 50bp of cuts only a month ago.

**Egypt** (-4.52%) also weakened as rising inflation and FX pressures weighed on sentiment. Headline inflation increased to 13.4% y/y in February, up from 11.9% previously, driven mainly by higher food prices. The recent fuel price increase of up to 17% is expected to push inflation higher in the coming months, potentially delaying further monetary easing. Egypt has also experienced around USD6.5bn in portfolio outflows since mid-February, although high domestic yields continue to offer attractive carry for investors.

**Nigeria** (+2.49%) was among the strongest performers during the week, supported by a 1.81% appreciation in the naira. FX inflows into the Nigerian Foreign Exchange Market rose sharply by 45% m/m in February to USD4.37bn, driven by stronger inflows from exporters, individuals and increased central bank support.

**Namibia** (-6.63%) recorded the largest decline of the week, mainly due to currency weakness. However, inflation surprised to the downside, easing to 2.4% y/y in February from 2.9% previously. While price pressures remain contained, inflation is expected to rise modestly later in the year due to base effects and higher administered prices.

## WEEKLY DATA CENTRE

### STATISTICS

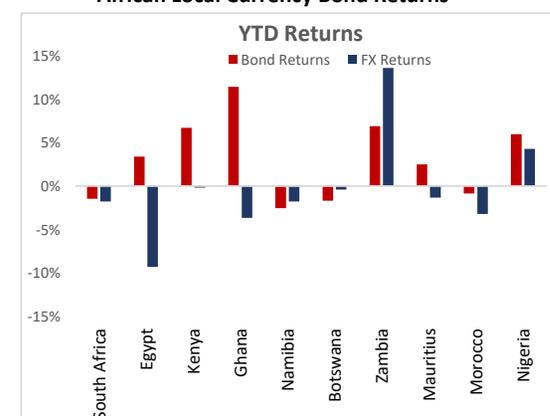
Local Currency Yields						Economic Indicators				
	1-Yr	2-Yr	10-Yr	20-Yr	Δ 10yr yield	Policy Rate	GDP Growth Rate	CPI	C/A (% of GDP)	Fiscal Deficit
Egypt	23.9%	22.7%	19.8%	19.8%	0.0%	19.0%	9.8%	13.4%	-5.3%	-7.1%
S. Africa	6.6%	7.3%	9.0%	9.4%	0.2%	6.8%	0.4%	3.5%	-0.5%	-4.5%
Nigeria	18.2%	15.9%	15.7%	14.7%	-0.2%	26.5%	13.2%	15.1%	9.2%	-3.9%
Ghana	9.5%	10.6%	14.1%	14.4%	0.0%	15.5%	1.3%	3.3%	4.4%	-4.8%
Kenya	7.9%	9.1%	11.9%	13.0%	0.3%	8.8%	1.2%	4.3%	-3.6%	-4.9%
Namibia	8.2%	8.7%	10.8%	11.2%	0.1%	6.5%	-2.5%	2.4%	-15.3%	-6.6%
Botswana	10.6%	10.9%	12.1%	12.4%	0.0%	3.5%	10.9%	4.0%	-7.3%	-9.0%
Zambia	13.8%	14.5%	16.4%	17.5%	0.0%	13.5%	0.0%	7.5%	-1.0%	-3.5%
Mauritius	4.4%	4.5%	5.5%	5.9%	0.0%	4.5%	1.0%	3.5%	-6.4%	-5.7%
Morocco	2.4%	2.5%	3.2%	3.7%	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	-5.8%	-2.4%	0.2%	-1.0%	-3.7%	0.1%	-1.7%	11.5%	6.1%	-0.9%

Returns	South Africa	Egypt	Kenya	Ghana	Namibia	Botswana	Zambia	Mauritius	Morocco	Nigeria
Bond	-1.5%	3.4%	6.7%	11.4%	-2.5%	-1.7%	6.9%	2.5%	-0.8%	6.0%
FX	-1.8%	-9.3%	-0.2%	-3.7%	-1.8%	-0.4%	13.6%	-1.3%	-3.2%	4.3%
Total	-3.2%	-5.9%	6.5%	7.8%	-4.3%	-2.1%	20.5%	1.2%	-4.1%	10.3%

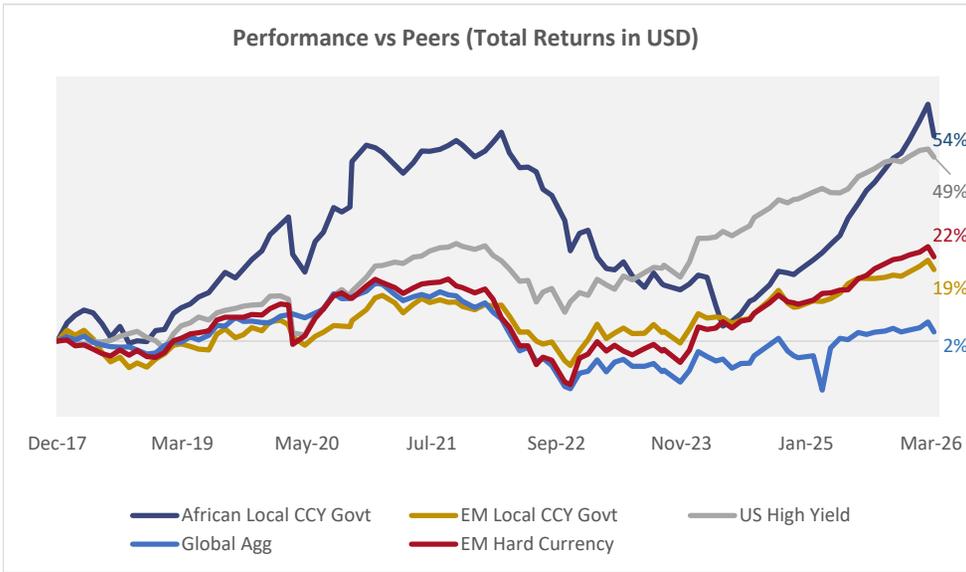
Chart 1: African Eurobonds YTD Performance

Source: Bloomberg, MCBM as at 16 March 2026

Chart 2: African Local Currency bonds and FX YTD Performance

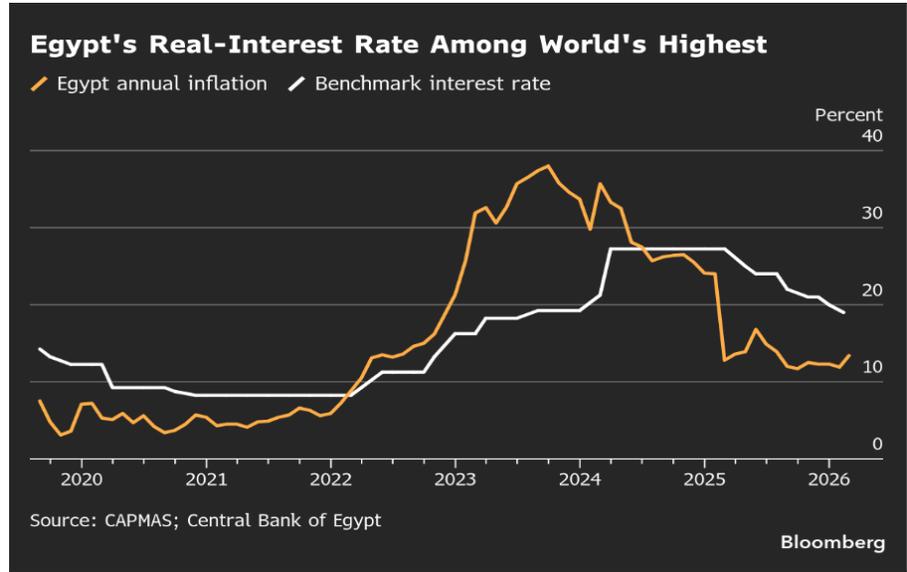
Source: Bloomberg, MCBM as at 16 March 2026

**Performance vs Peers (Total Returns in USD)**



Source: Bloomberg, MCBIM as at 16 March 2026

**Chart of the week**



Source: CAPMAS; Central Bank of Egypt

Bloomberg

For insights or access to MCBIM's African fixed income strategies, contact:

**Abhimanyu Yadav- Head of Fixed Income**  
[abhimanyu.yadav@mcbcm.mu](mailto:abhimanyu.yadav@mcbcm.mu)

**Akshita Pokhun- Fund Manager**  
[akshita.pokhun@mcbcm.mu](mailto:akshita.pokhun@mcbcm.mu)

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

GDP: Gross Domestic Product  
 CPI: Consumer Price Index

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