

## Weekly Market Recap

### Market Performance

The **Africa Eurobond Index** fell by -2.74% YTD, driven by Egypt (-6.6%), Kenya (-5.7%) and South Africa (-4.7%).

The **African Local Currency Bond Index** declined -1.55% YTD in USD terms, with Namibia (-6.8%), Egypt (-7.8%) and South Africa (-6.5%).

### Weekly Commentary

African local markets had a mixed week, with the stronger US dollar (DXY +1.12%) weighing on most African currencies and making FX the main driver of returns. Zambia stood out as the top performer (+3.11%), followed by Kenya (+0.47%), supported by strong currency gains, while other markets posted negative returns with continued FX pressure.

**Zambia** led regional performance, driven by a sharp appreciation in the Kwacha (+2.84%). The currency has been one of the best performers globally so far this year, supported by higher copper prices, ongoing tax reforms and central bank efforts to improve FX liquidity. Inflation also continues to move in the right direction, easing to 7.1% y/y in March, its lowest level since 2018. That said, growth remains a concern, slowing sharply to 1.6% y/y in 4Q25 as electricity shortages and weaker activity across key sectors weigh on the economy.

**Egypt (-1.01%)** came under pressure as the pound weakened further, making it one of the worst-performing emerging market currencies in recent weeks. Escalating Middle East tensions, combined with higher fuel and import costs, are starting to feed into the economy and are expected to push inflation higher, potentially towards 16%, which could delay further rate cuts.

Despite this, Egypt still has some important buffers. FX reserves remain relatively strong at around USD51bn, supported by IMF programmes and external inflows. However, the country remains exposed to external shocks, particularly through energy imports, tourism and Suez Canal revenues, which means pressure on the currency and local markets could persist in the near term.

**Ghana (-1.11%)** also had a weaker week, with both bonds and the currency under pressure. The government is returning to the domestic bond market following its restructuring, with plans to raise GHS20.2bn this year. While this is an important step toward rebuilding the yield curve and restoring investor confidence, it also comes with risks, especially in a volatile global environment and given the country's exposure to commodity price movements.

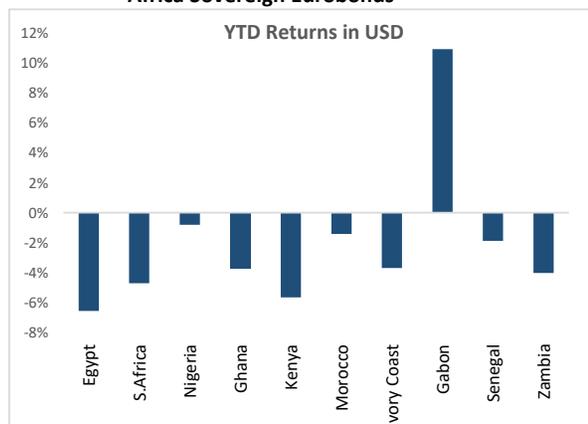
## WEEKLY DATA CENTRE

### STATISTICS

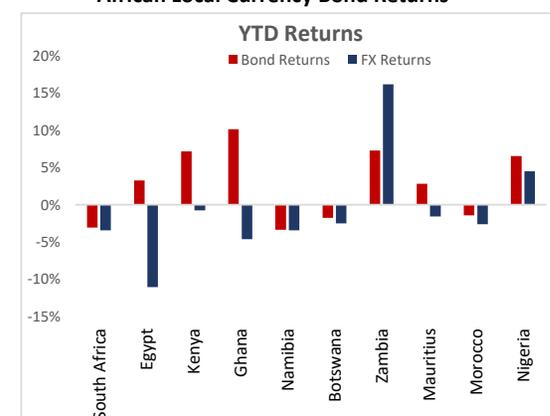
	Local Currency Yields					Economic Indicators				
	1-Yr	2-Yr	10-Yr	20-Yr	Δ 10yr yield	Policy Rate	GDP Growth Rate	CPI	C/A (% of GDP)	Fiscal Deficit
Egypt	24.8%	23.3%	20.2%	20.3%	0.4%	19.0%	9.8%	13.4%	-5.3%	-7.1%
S. Africa	7.0%	7.6%	9.3%	9.7%	0.3%	6.8%	0.4%	3.0%	-0.5%	-4.5%
Nigeria	19.4%	16.0%	14.9%	14.7%	-1.0%	26.5%	13.2%	15.1%	9.2%	-3.9%
Ghana	10.5%	11.7%	14.3%	14.4%	0.1%	14.0%	1.5%	3.3%	4.4%	-4.8%
Kenya	8.4%	9.4%	11.9%	13.1%	0.0%	8.8%	1.2%	4.3%	-3.6%	-4.9%
Namibia	8.2%	8.7%	10.9%	11.5%	-0.1%	6.5%	6.4%	2.4%	-15.3%	-6.6%
Botswana	10.2%	10.6%	12.1%	12.9%	0.1%	3.5%	10.9%	4.0%	-7.3%	-9.0%
Zambia	13.7%	14.6%	16.5%	17.5%	0.0%	13.5%	0.0%	7.1%	-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	2.5%	2.6%	3.3%	3.7%	0.1%	2.3%	1.1%	-0.6%	-2.3%	-3.6%

### RETURNS

#### Africa Sovereign Eurobonds



#### African Local Currency Bond Returns



Country	Egypt	S. Africa	Nigeria	Ghana	Kenya	Morocco	Ivory Coast	Gabon	Senegal	Zambia
YTD	-6.6%	-4.7%	-0.8%	-3.8%	-5.7%	-1.4%	-3.7%	10.9%	-1.9%	-4.0%

Returns	South Africa	Egypt	Kenya	Ghana	Namibia	Botswana	Zambia	Mauritius	Morocco	Nigeria
Bond	-3.1%	3.3%	7.2%	10.1%	-3.4%	-1.8%	7.3%	2.8%	-1.4%	6.5%
FX	-4.4%	-11.1%	-0.8%	-4.6%	-3.4%	-2.5%	16.1%	-1.6%	-2.6%	4.5%
Total	-6.5%	-7.8%	6.4%	5.5%	-6.8%	-4.3%	23.4%	1.2%	-4.0%	11.0%

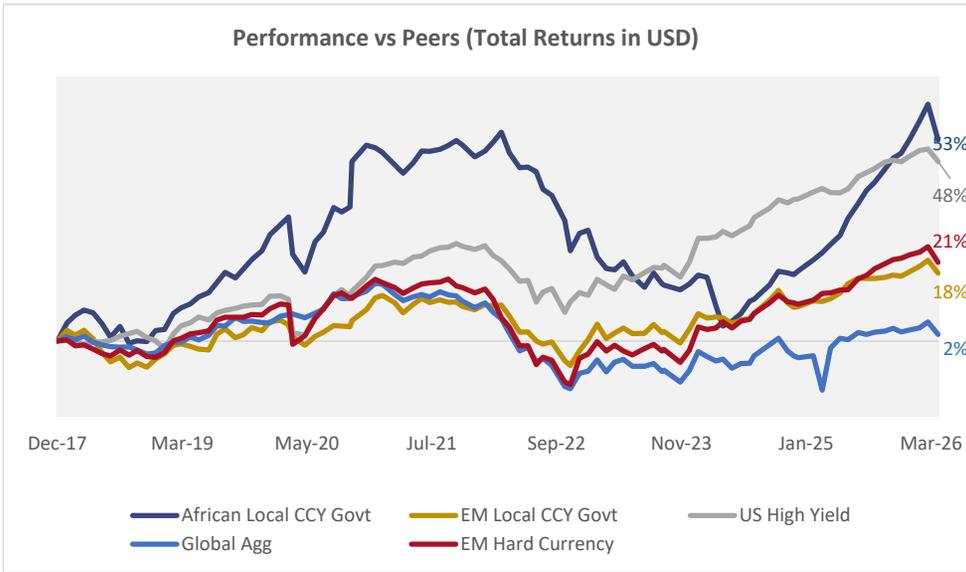
Chart 1: African Eurobonds YTD Performance

Source: Bloomberg, MCBM as at 30 March 2026

Chart 2: African Local Currency bonds and FX YTD Performance

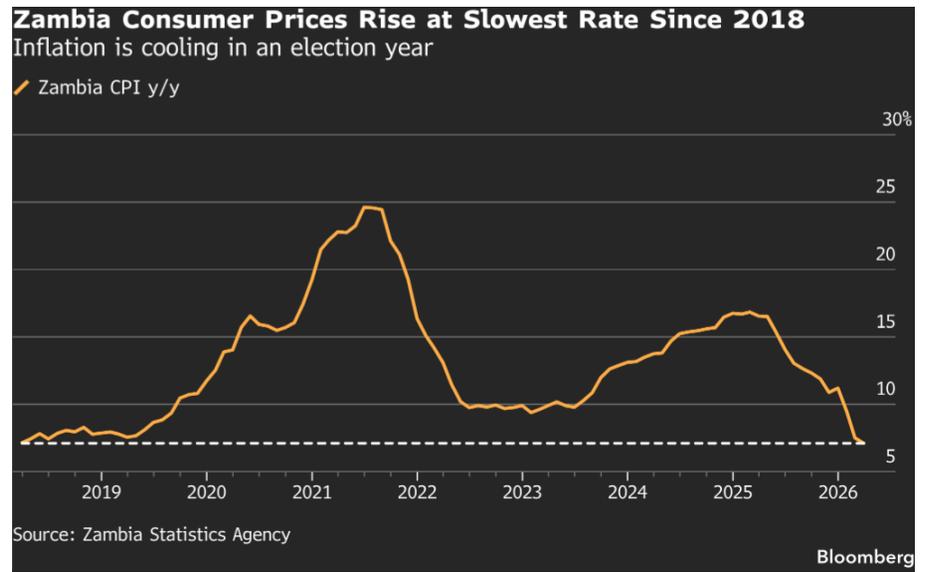
Source: Bloomberg, MCBM as at 30 March 2026

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



Source: Bloomberg, MCBIM as at 30 March 2026

**Chart of the week**



Source: Zambia Statistics Agency

Bloomberg

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YTD: Year to date	GDP: Gross Domestic Product
MTD: Month to date	CPI: Consumer Price Index
LCY: Local Currency	

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