MCB Capital Markets

Weekly Market Recap

Market Performance

The **Africa Eurobond Index** was up by **+3.25% YTD**, driven by Gabon (+16.6%), Zambia (+10.3%) and Nigeria (+5.3%)

The **African Local Currency Bond Index** showed a return of **+3.58% YTD** in USD terms, with Zambia (+29.6%), Nigeria (+22.9%) and Botswana (+13.1%)

Weekly Commentary

African bond markets were mixed during the week as stronger-than-expected US inflation data reinforced expectations of further Federal Reserve tightening, supporting the US dollar and weighing on risk sentiment across emerging markets. The DXY rose by 1.73% over the week. Investors also evaluated macro releases, including inflation, growth, labour data and monetary policy decisions, contributing to varied performance across the region.

Botswana (+3.81%) was the strongest performing market during the week, driven by gains in both bonds and the pula. Annual inflation rate fell to 7.6% in October from 7.8% in September, mainly driven by base effect of September 2025 fuel price increase.

Nigeria (+1.20%) was supported by gains in both bonds and the naira. The naira remained stable, driven by central bank FX sales and continued investor demand for government securities. Headline inflation is expected to ease further to 14.2% in October from 14.6% in September, as the current harvest season is expected to boost food supply, while price pressures in the restaurants and accommodation sector are expected to moderate due to favourable base effects.

Egypt (+1.17%) benefitted from gains in both the bond market and FX. The Egyptian pound was supported by strong remittance inflows and improving reserve levels. External accounts remained supportive with foreign exchange reserves rose to USD 57.5 billion from USD 57.4 billion in September. Annual inflation fell to 12.7% in October from 14.0% in September, below market expectations, due to a sharp moderation in food, housing and utilities inflation.

Zambia (-1.22%) posted a negative performance on bonds and FX. The kwacha remained under pressure from ongoing hard-currency demand and softer copper market. Copper production rose by only 1.5% year-on-year in the nine months of 2026 leading to authorities to reduce their annual production target. Meanwhile in the 2027 budget fiscal deficit projection was revised to 3.0% from 5.9% in 2026.

South Africa (-4.78%) was the weakest performer during the week, impacted by losses in both bonds and the rand. The rand weakened during the week, as stronger US inflation data boosted expectations of additional Fed rate hikes and supported dollar strength. The labour market remained under pressure as unemployment rate rose to 33.7% in Q3 2026 from 33,6% in Q2. Markets remained focused on the upcoming MPC meeting, where rates are expected to remain unchanged following the drop in oil prices.

WEEKLY DATA CENTRE

STATISTICS

Local Currency Yields

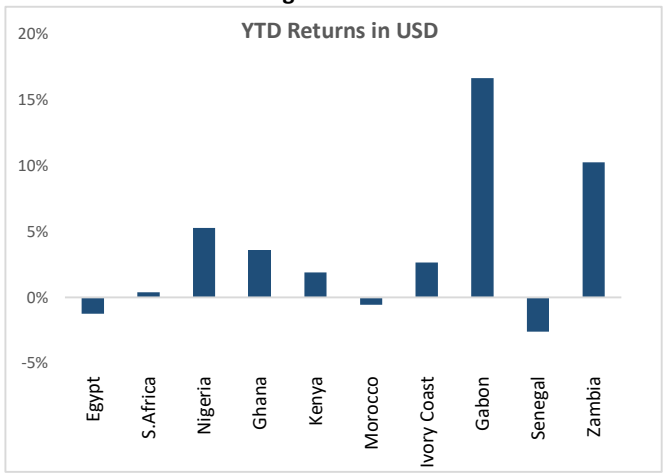
	1-Yr	2-Yr	10-Yr	20-Yr	Δ 10yr yield
Egypt	25.5%	24.2%	21.5%	21.6%	0.1%
S. Africa	8.1%	8.1%	8.8%	9.2%	0.3%
Nigeria	18.7%	16.1%	16.8%	15.2%	0.0%
Ghana	11.1%	13.8%	15.3%	15.4%	0.0%
Kenya	9.5%	10.4%	13.2%	13.7%	0.0%
Namibia	7.9%	8.3%	10.4%	11.5%	0.2%
Botswana	7.0%	7.6%	10.8%	12.1%	0.0%
Zambia	11.7%	12.6%	15.8%	17.8%	0.2%
Mauritius	5.0%	5.1%	5.6%	5.9%	0.0%
Morocco	1.7%	2.1%	3.6%	4.4%	0.0%

Economic Indicators

	Policy Rate	GDP Growth Rate	CPI	C/A (% of GDP)	Fiscal Deficit
Egypt	20.0%	4.7%	12.7%	-4.2%	-7.2%
S. Africa	7.25%	1.0%	4.5%	-0.5%	-4.5%
Nigeria	23.0%	4.4%	14.6%	5.1%	-3.9%
Ghana	14.0%	6.0%	5.5%	8.2%	-2.4%
Kenya	8.75%	5.1%	7.3%	-2.1%	-5.8%
Namibia	7.00%	4.8%	5.6%	-15.3%	-6.6%
Botswana	5.5%	8.7%	7.6%	-4.3%	-7.6%
Zambia	10.75%	7.2%	6.3%	-5.1%	-3.8%
Mauritius	5.00%	3.0%	6.4%	-7.1%	-9.3%
Morocco	2.25%	4.0%	0.5%	-2.4%	-3.6%

RETURNS

Africa Sovereign Eurobonds

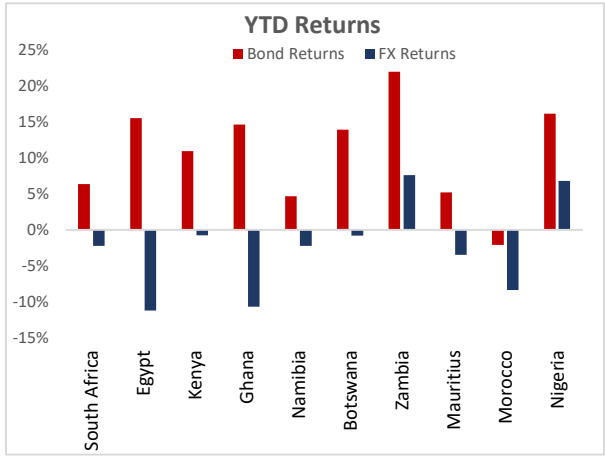


Country	Egypt	S.Africa	Nigeria	Ghana	Kenya	Morocco	Ivory Coast	Gabon	Senegal	Zambia
YTD	-1.2%	0.4%	5.3%	3.6%	1.9%	-0.6%	2.6%	16.6%	-2.6%	10.3%

Chart 1: African Eurobonds YTD Performance

Source: Bloomberg, MCBIM as at 16 November 2026

African Local Currency Bond Returns

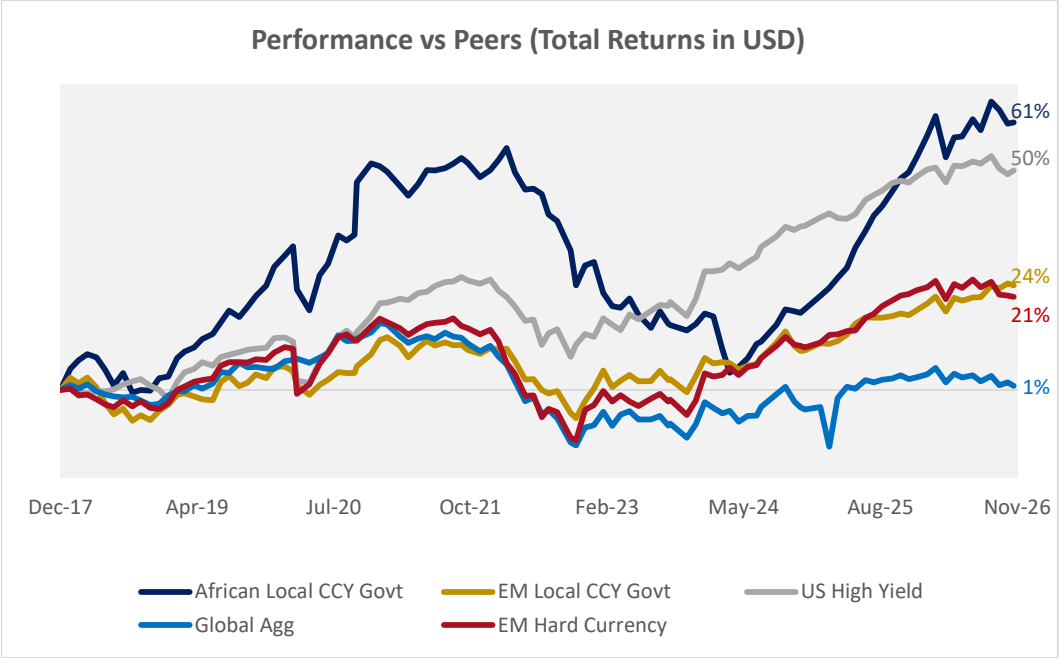


Returns	South Africa	Egypt	Kenya	Ghana	Namibia	Botswana	Zambia	Mauritius	Morocco	Nigeria
Bond	6.4%	15.5%	11.0%	14.7%	4.7%	13.9%	22.0%	5.2%	-2.1%	16.1%
FX	-2.3%	-11.3%	-0.8%	-10.7%	-2.3%	-0.8%	7.6%	-3.5%	-8.4%	6.8%
Total	4.1%	4.3%	10.2%	3.9%	2.4%	13.1%	29.6%	1.7%	-10.5%	22.9%

Chart 2: African Local Currency bonds and FX YTD Performance

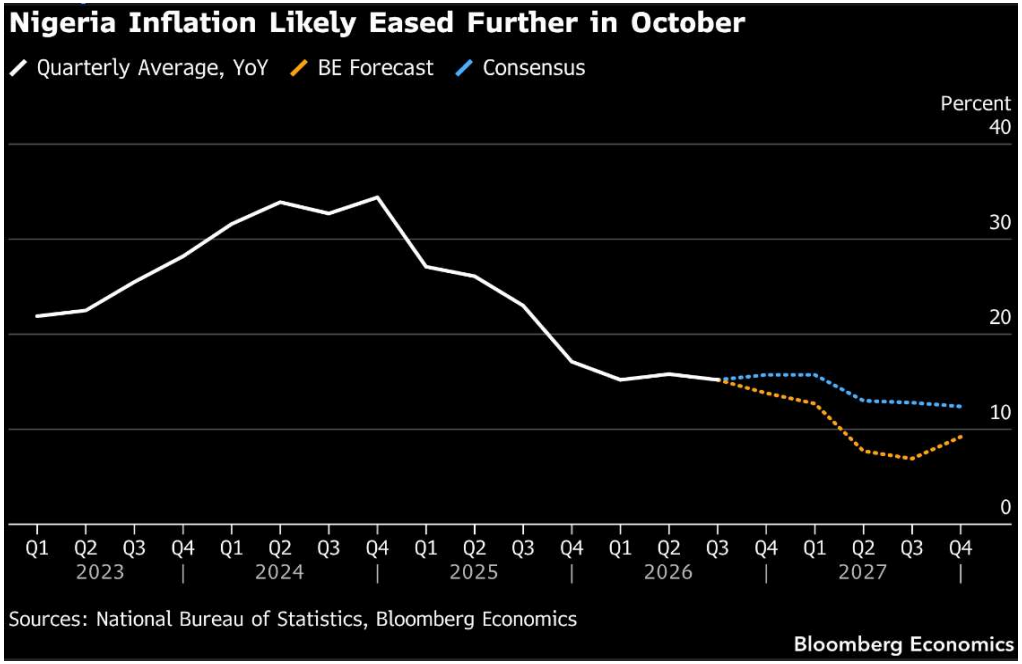
Source: Bloomberg, MCBIM as at 16 November 2026

Performance vs Peers (Total Returns in USD)



Source: Bloomberg, MCBIM as at 16 November 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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