

AFRICA FINTECH OVERVIEW

PUBLIC MARKETS

The Imara African Opportunities Fund, investing in listed fintech and payment companies, is down 12.7% in March and flat YTD.

If you are feeling a bit battered and bruised, you have lots of company, as everything except oil took a hammering in March. To get some perspective, take a look at the table below. We have included companies from more comparable sectors like baking and Fintech, as well some general indices.

The Nasdaq and the S&P 500 were down 7% and 5% respectively.

EQUITIES	MASTERCARD	VISA	JP MORGAN	MICROSOFT	NVIDIA	FISERV	SOFI TECH
YTD	-12%	-14%	-9%	-23%	-6%	-17%	-23%

April performance looks to be **bouncing back nicely**, which is encouraging. This recovery will get a building tailwind, as Q1 results start coming out. There’s an old and reliable truth in investing in equities...“where earnings go, stocks go”. We are expecting a strong Q1 earnings season and believe it underpins these early stages of a long bull market in African stocks.


Possibly even more exciting than earnings, for us as seasoned African investors, is the fact that liquidity in **March not only didn’t dry up, it prevailed and even strengthened vs January and February**. April looks equally encouraging. This is not a trivial item, this is massive for African stock markets, as investors don’t just want good fundamentals, they also need to know they can get in and, if necessary, out. **Take a step back and read that AGAIN!**


What good liquidity in March means is that the knee-jerk, reactionary selling by shorter term, weaker holders, was met in force by long term, high conviction buyers. Most importantly, these buyers are increasingly local institutional buyers who rub their hands with glee at the opportunity to pick up high quality companies at discount prices. On top of solid company fundamentals and outlook for growth, this gives us the evidence we need to predict a sustainable rally in African markets, and particularly, our stocks.


*We have a high conviction, concentrated portfolio of companies in the highest quality, highest growth and most profitable sector of the market. **The time to invest is NOW!***

For more insights and developments, please our detailed country sections in the body of the report.

VENTURE CAPITAL AND PRIVATE EQUITY DEAL UPDATE

 Moniepoint has acquired Orda, folding it into its business OS as “Moniebook for Restaurants.” They’re betting that if you own how restaurants run sales and inventory, you can own their payments too. With ₦8 billion (\$5.83 million) in daily restaurant transactions already flowing through its rails, Moniepoint is turning POS into infrastructure, and infrastructure into lock-in.

 Skynamo has been acquired by UK software firm Klipboard in a bid to bulk up the sales tech stack. The South African startup powers mobile-first sales ops for ~1,000 businesses, processing over \$70 million in monthly orders. It’ll keep its brand while plugging deeper into ERP systems and global markets.

 Happy Pay raised \$5 million to make “buy now, pay later” feel a lot more like “buy now, don’t pay fees.” The South African startup ditches interest entirely, instead charging merchants for conversions driven by its AI-powered ads and checkout flow. With 600,000 users, it’s blending fintech and adtech into a closed loop where payments double as marketing. BNPL, but the bill goes to advertisers.



Littlefish raised \$9.5 million to help banks act a lot more like fintechs. The startup plugs payments, POS, CRM, and APIs into one merchant stack used by banks like Standard Bank and Absa, with revenue up 30x since its seed. It's positioning itself as the layer between banks and SMEs.



NjiaPay raised \$2.1 million in seed funding led by Newion Partners to expand its payment orchestration platform across Africa. The software lets merchants manage multiple payment providers through a single API while routing transactions to reduce failures. As Africa's payments ecosystem gets increasingly fragmented, orchestration layers like NjiaPay are becoming the quiet infrastructure holding it together.



South Africa's Hlayisani Capital hit a \$30 million first close for its second venture fund, backed by the Public Investment Corporation and SA SME Fund. The new vehicle targets Series A startups in sectors like AI, fintech, and healthtech, an investment stage many local startups struggle to fund. Final close is expected by June.

ECONOMIC AND POLITICAL OVERVIEW

■ ■ NIGERIA

The Coordinating Director of the Decade of Gas Secretariat, Ed Ubong, has disclosed that Nigeria's gas production rose from approximately 6.8bn cubic feet per day in 2023 to 7.5bn cubic feet per day in 2025.

The Governor of the Central Bank of Nigeria, Olayemi Cardoso, on Thursday disclosed that 32 banks have already met the new capital requirements under the ongoing recapitalisation programme, ahead of the March 31, 2026 deadline.

Domestic investors account for about 72% of the funds raised by Nigerian banks under the ongoing recapitalisation programme as financial institutions move to meet the March 31, 2026 deadline. The CBN disclosed that banks have continued to approach the capital market through different fundraising channels to strengthen their capital base, including rights issues, initial public offerings and private placements.gap.

Macro releases included (February Stats):

- Inflation decreased to 15.1% y/y (Jan: 15.1%).
- FX reserves increased to USD 49.5bn (Jan: USD 46.1bn).
- PMI was 53.2 (Jan: 49.7.2).

15.1% y/y
INFLATION
RATE

US\$ 49.5bn
FX
RESERVES

53.2
PMI

■ ■ EGYPT

Egypt's Ministry of Finance and the Future of Egypt Authority for Sustainable Development will cooperate to **increase private-sector participation in state-led projects** across several sectors and in the economy, according to a Ministry statement on Wednesday. The partnership aims to increase employment rates, support Egypt's economic growth, attract investments and support the development of small- and medium-sized enterprises.

US-based Apache Corporation discovered **a new natural gas well** in the Western Desert, which is expected to produce 26mn cubic feet of gas per day (mcf/d), according to a statement by the Ministry of Petroleum and Mineral Resources on Tuesday. The newly drilled SKAL-1X exploration well is also expected to yield 2,700 barrels of condensate daily.

Remittances **rose 28.4% y/y to USD 25.6bn** in 7MFY25/26 (Jul-Jan), according to a Central Bank of Egypt statement on Tuesday. On a monthly basis, remittances maintained a healthy pace of growth of 21% y/y in January to USD3.5bn.

The IMF said the economic impact of the ongoing Iran conflict on Egypt has so far remained “**relatively limited**”, citing early and coordinated policy measures by Egyptian authorities that helped contain external pressures. Speaking at a press briefing, IMF spokesperson Julie Kozack noted that the IMF has seen that the authorities have taken a proactive, timely and well-coordinated response to the conflict. Flexibility of the exchange rate has **allowed the currency to act as a shock absorber and to contain and cushion** some of the external pressures that Egypt might have faced. And it has also helped Egypt preserve its foreign currency buffers. Egypt is also carefully balancing the need to maintain fiscal discipline, given fiscal pressures, but also to support vulnerable households.

Macro releases included (February Stats):

- Inflation was 13.4% y/y (Jan: 11.7%).
- FX reserves were USD 52.8bn (Jan: USD 52.69bn).
- PMI decreased to 48.9. (Jan: 49.82).

13.4% y/y

INFLATION
RATE

US\$ 52.8bn

FX
RESERVES

48.9

PMI

KENYA

Kenya has officially launched the Kenya International Investment Conference (KIICO) 2026, a flagship investment forum expected to mobilise more than Sh260 billion (USD2 billion) in new investment commitments, as the country steps up efforts to position itself as a regional investment hub.

Kenyan farmers are set to gain full access to the Chinese market after China agreed to remove tariffs on agricultural imports from Kenya beginning May 1, 2026.

The Central Bank of Kenya (CBK) and the National Bank of Rwanda (NBR) have signed a Memorandum of Understanding (MoU) to simplify licensing procedures and expand cross-border payment services between Kenya and Rwanda.

Macro releases included (February Stats):

- Inflation was 4.36% y/y (Jan: 4.4%).
- PMI slide to 50.4 (Jan: 51.9).
- 2q23 current account deficit widened to KES 138.7bn (USD 920m).
- The Central Bank of Kenya (CBK) anticipates GDP growth for 2023 at 5.7%.

4.36% y/y

INFLATION
RATE

5.7%

GDP
GROWTH

50.4

PMI

MOROCCO

The Board of Bank Al-Maghrib held its quarterly meeting on Tuesday March 17th, 2026. During this meeting, the Board examined recent economic, monetary and financial developments, as well as, inflation forecasts. Following this meeting, Bank Al-Maghrib's Board decided to maintain the key interest rate at 2.25%, taking into account the following elements:

- A gradual acceleration of inflation while remaining at moderated levels, after it evolved at low levels due to the improvement in the supply of certain food products and the decline in fuel prices. Therefore, inflation is estimated at an average rate of 0.8% in 2026E and 1.4% in 2027E;
- A significant improvement in economic growth estimated at 5.6% in 2026E (vs. 4.8% in 2025E) before it decelerates to 3.5% in 2027. Indeed, after an increase estimated at 5% in 2025E, agricultural value added is expected to rebound by 14.4% in 2026E and decline by 5.3% in 2027E, taking into account a cereal harvest

estimated at 82mQx this year, followed by a return to an average cereal season next year. Non-agricultural value added is expected to hover around 4.5%, according to Bank Al-Maghrib forecasts, driven notably by the momentum of economic and social investment.

- High uncertainty surrounding international perspectives, as well as the results of stress tests conducted by the Central Bank for the national economy Regarding the country's public finances, the budget deficit should establish at 3.5% of GDP in 2026E and 3.4% in 2027E (vs. 3.6% in 2025E), according to Bank Al-Maghrib's estimates. To conclude, the Board stated that it will continue to closely monitor domestic and external economic conditions, particularly developments in the Middle East and their impact on economic activity and inflation, and will base its decisions, on a meeting-by-meeting basis, on the most up-to-date data.in 2024.

Macro releases included (February Stats):

- Inflation was -0.6% y/y (Jan: -0.8%).
- Gross investments into Morocco slowed, down -3.1% in 2q23 (2q22: -8.4%).



 **MAURITIUS**

Macro releases included (February Stats):

- Inflation was 3.5% y/y (Jan: 3.9%).
- Bank of Mauritius (BoM) moved the interest rate to 4.5%.



COMPANY UPDATES

Key to brackets: (Country | Industry)

MARKET OUTLOOK

Africa is expected to outperform the rest of the world with an improved outlook in 2026. We continue to allocate to high quality businesses; those that score highly on our internally developed, Likert Q-scoring system, both currently and over time. We have two additional quantitative overlays, valuation and growth. We also have two qualitative overlays being management and ESG. What is particularly exciting is that we have a number of businesses across Africa that fit these criteria. The key transformational trends of financial inclusion, urbanisation and economic formalisation underpin a robust African consumer story that is taking shape regardless of global volatility. We allocate to the best companies in the sectors that tap into this transformation. At the moment, we have a bias towards financial inclusion and fintech themes as they do particularly well on our growth metrics.

Nigeria

The new President is taking reforms seriously, a hugely positive signal to the markets. The communications, fintech and banking sectors are growing strongly, yet high quality companies exploiting these, are at all time low valuation multiples.

Egypt

The short term outlook for Egypt is extremely positive on the back of the UAE real estate deal, the IMF and the World Bank deals. The tourism outlook has improved, wheat prices have halved, and strong remittance growth has returned. With the bulk of household consumption in cash, the investment opportunity for us in fintech is immense in this 100m population country and it will also drive economic formalisation and increased government revenue through widening of the tax net.

Morocco

Morocco's key economic drivers are mining, agriculture and tourism. Tourism is rebounding with positive indicators for 2026. In terms of outlook, it remains a stable, mid-growth country with excellent opportunities in retail, manufacturing and fintech.

Mauritius

Tourism rebounded and growth prospects are positive.

Kenya

Continued recovery in tourism, lower soft commodity import prices and a rebound in food exports should provide tailwinds. Corporate expansion into neighbouring countries such as the DRC and Ethiopia, provide significant opportunities for Kenya. Safaricom and Equity Group are the two main drivers. IMF and World Bank support will also allow the country to maintain a strong growth trajectory.