

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.24	2.68	12.13	12.15
GDP Growth Rate (%)	0.01	5.02	2.55	0.9
MPR (%)	7.25	5.04	13.5	12.0
Exchange Rate (Per \$)	Mex\$18.91	Rp13,777	₦306.95	₺6.11
Foreign Reserves (bn)	\$185.29	\$129.2	\$36.33	\$76.9

NIGERIAN FINANCIAL MARKET UPDATE

Headlines

- First case of coronavirus agitates Nigeria's stock market as year-to-date return hits new low, investors loses ₦611 billion in five trading sessions and 41 stocks depreciates in value.
- The Central Bank of Nigeria (CBN) to seize private jets of loan defaulters
- Transparency International (TI), Independent Corrupt Practices Commission (ICPC), Nigeria Financial Intelligence Unit (NFIU) and others seek end to \$17 billion illicit financial flows.
- Open Market Operations (OMO) primary market auction oversubscribed by 136.3%.
- The Federal Government of Nigeria (FGN) has facilitated a \$20 million technology fund for young innovators through the Bank of Industry.
- Forex flares up installation cost of Dangote Refinery and Petrochemical plant by more than 100% to \$15 billion.

Equity Market

Market Performance			
	21-Feb-20	28-Feb-20	% Change
NSE ASI	27,388.62	26,216.46	-4.28
NSE - 30	1,204.42	1,148.03	-4.68
NSE ASeM	734.99	734.99	0.00
NSE Consumer Goods	476.30	458.03	-3.84
NSE Banking	357.65	315.50	-11.79
NSE Insurance	126.71	116.30	-8.22
NSE Oil and Gas	239.12	234.01	-2.14
NSE Pension	1,028.66	983.71	-4.37

Bonds and Treasury Bills

Following the announcement made by the Federal Ministry of Health concerning the first incidence of Coronavirus in the country, the secondary Bond market closed bearish as the average yield rose by 5bps from 9.17 to 9.22% day to day and also, the sovereign euro bond average yield rose by 31bps to close at 6.58% from 6.27% recorded the previous day.

The T-bills secondary market closed on a bearish note as average yield went up by 21bps to close at 4.01% from 3.80% the previous week. There was a primary market auction on the 26th of February 2020, Debt Management Office (DMO) sold ₦104.12 billion across the 91-Days, 182-Days and 364-Days tenor while changing the stop rate on the 364-Days tenor to 5.70% (previously 6.54%) and leaving the rest unchanged. OMO bills closed bullish in the secondary market as average yield went down by 61bps to close at 11.35% from 11.96% the previous week.

At the OMO auction held during the week, a total of ₦480 billion worth of bills was sold – ₦3.11 billion for 89 day, ₦0.47 billion for 180 day and ₦476.42 billion for 362 day which was oversubscribed by 136.3%.

Primary Market Auction Result

NTB - 26 FEBRUARY 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	3.00	20.37	41.26	20.37
182-Days	4.00	31.75	45.18	31.75
364-Days	5.70	52.00	175.0	52.00

FGN BOND – 19 FEBRUARY 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Apr-23	8.75	45.00	78.43	30.00
Apr-29	10.70	45.00	95.70	30.00
Apr-49	12.15	50.00	224.07	40.00

OMO RESULT – 27 FEBRUARY 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Days	11.44	20.00	8.95	3.11
180-Days	11.56	30.00	1.36	0.47
362-Days	13.00	350.00	534.92	476.42

Oil Prices

The Coronavirus outbreak which originated in China accounted for negative impacts on global oil prices.

For the week, Brent lost almost 14%, its biggest weekly percentage decline since January 2016, while WTI fell over 16% in its biggest weekly percentage drop since December 2008.

OPEC and Non-OPEC members will meet in Vienna on March 5, 2020 to discuss the group's production cut agreement.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Law Union and Rock	0.73	0.90	0.17	↑ 23.29
May & Baker	1.82	1.96	0.14	↑ 7.69
EkoCorp Plc	5.20	5.50	0.30	↑ 5.77

Top Three Losers

Company	Open	Close	Gain (₦)	% Change
Red Star Express Plc	4.45	3.25	-1.20	↓ -36.52
AIICO Insurance Plc	1.01	0.77	-0.24	↓ -10.00
NPF Microfinance Bank	1.24	0.95	-0.29	↓ -10.00

FGN Bonds

Description	Yield (%) 21-02-2020	Yield (%) 28-02-2020	Change
14.50 15-Jul-2021	6.86	6.45	+0.00
12.75 27-Apr-2023	8.03	6.95	-1.08
12.50 22-Jan-2026	9.52	8.66	-0.86
16.28 17-Mar-2027	10.22	9.94	-0.28
13.98 23-Feb-2028	10.65	9.95	-0.70
15.00 28-Nov-2028	10.67	9.98	-0.69
8.50 20-NOV-2029	10.69	10.03	-0.66

Treasury Bills

DTM	Maturity Date	Yield (%) 21-02-2020	Yield (%) 28-02-2020	Change
34	02-Apr-2020	3.98	3.98	0.00
48	16-Apr-2020	3.96	3.96	0.00
125	2-Jul-2020	3.03	3.03	0.00
216	01-Oct-2020	4.10	4.10	0.00
230	15-Oct-2020	4.26	4.54	+0.28

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	307.00	306.95
I&E FX Window	364.26	365.25
CBN SMIS Window	358.51	358.51

Commodities

Instrument	21-02-2020	28-02-2020	Change
Brent Oil	\$58.46	\$50.50	-13.62
WTI Oil	\$53.38	\$45.26	-15.21

CORPORATE ROUNDUP

- MTN Nigeria Plc releases 2019 audited financial statement, posts Profit After Tax (PAT) of ₦202.1 billion in 2019, up from ₦145.68 billion in 2018
- Africa Prudential Plc, Dangote Cement Plc, Custodian Investment Plc proposes dividends of ₦0.70, ₦16.00 and ₦0.30 per share respectively for 2019 financial year
- President of Dangote Group Plc discloses that its 650,000-capacity refinery will commence full operations in 2021
- Verod Capital to acquire 100% stake of Law Union and Rock Insurance Plc.

GLOBAL ECONOMY UPDATE

- Fear of global economic recession as COVID-19 wipes \$5 trillion from world share markets.
- European stocks fall 12% on the week as coronavirus grips markets

OUTLOOK

We expect more bearish activity in the bond and equity markets with the recent coronavirus outbreak in the country.

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