

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.25	2.96	12.26	11.86
GDP Growth Rate (%)	0.01	5.02	2.55	0.9
Per Capita Income (\$)	10,118	4,163	2,222	8,957
MPR (%)	6.2	4.5	13.50	8.75
Exchange Rate (Per \$)	Mex\$24.85	Rp15,553	₦360	₺6.97
Foreign Reserves (bn)	\$184.17	\$129.96	\$33.58	\$75.8

Headlines

- Number of confirmed Covid-19 cases rises to 1273 as the Nigeria Center for Disease Control (NCDC) reports 91 new cases.
- Federal Inland Revenue Service (FIRS) appeals to companies in specific sectors to consider paying annual taxes before due date.
- Naira hits new low at the forward market as the one-year non deliverable contract surged past ₦500 per dollar last week.
- As at April 25, 2020 Nigeria's Bonny Light crude price fell to \$16.46 per barrel below Brent crude which sold for \$21.44 and US WTI crude which sold for \$16.94 per barrel
- Headline Year on Year Inflation (YoY) hits 12.26% for March 2020 from 12.20% in February 2020; food inflation also rose in March 2020 by 8bps to 14.98% and core inflation rose by 30bps to 9.73% in March 2020.
- The International Monetary Fund (IMF) to meet on Nigeria's \$3.4 billion emergency loan request on Tuesday.
- The Central Bank of Nigeria (CBN) levies banks ₦1.4 trillion in move to mop up excess liquidity and shore up the Naira.

Equity Market

Market Performance				
	17-Apr-20	24-Apr-20	% WTD	% YTD
NSE ASI	22,921.59	22,599.38	-1.41	-15.81
NSE - 30	983.01	967.99	-1.53	-17.82
NSE ASeM	734.99	761.08	3.55	3.55
NSE Consumer Goods	386.68	376.46	-2.64	-36.50
NSE Banking	275.99	261.54	-5.24	-26.71
NSE Insurance	118.96	120.35	1.17	-4.35
NSE Oil and Gas	209.14	205.63	-1.68	-21.68
NSE Pension	874.27	871.45	-0.32	-17.32

Bonds and Treasury Bills

The secondary FGN Bond traded bullish as average yield dropped by 51bps to close at 10.51% from 11.00% it traded last week. At the Primary Market Auction (PMA) held on 22nd April, 2020, instruments worth ₦60 billion were offered. The Debt Management Office (DMO) sold a total of ₦155.79 billion across the April-23 (Stop Rate: 9%; Bid-to-offer: 2.5x), March-35 (Stop Rate: 12%; Bid-to-offer: 5.4x) and March-50 (Stop Rate: 12.50%; Bid-to-offer: 5.9x). Subscription in the PMA was ₦275.67 billion resulting in a bid-to-offer ratio of 4.6x.

In the secondary market segment of the Nigerian Treasury Bills (NTB), average yield declined by 36bps to close the week at 2.71% from 3.07% the previous week.

Also, in the secondary market segment in the Open Market Operations (OMO), average yield declined by 196bps to close the week at 9.30% from 11.26% recorded the previous week.

The CBN issued ₦122.65 billion out of the ₦100 billion it offered across three tenors. Stop rates remained the same for 89-Day and 180-Day while 341-Day decreased by 9bps from 12.80% to 12.71%

Primary Market Auction Result

NTB - 15 APRIL 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.93	5.85	13.10	5.85
182-Days	2.74	3.50	12.56	3.50
364-Days	4.00	49.14	109.39	49.14

FGN BOND – 22 APRIL 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Apr-23	9.00	20.00	49.70	30.07
Mar-35	12.00	20.00	107.47	72.25
Mar-50	12.50	20.00	118.50	53.74

OMO RESULT – 23 APRIL 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Day	11.50	10.00	64.10	20.37
180-Day	11.54	10.00	33.50	11.50
341-Day	12.71	80.00	226.16	80.78

Oil Price

The difficulty and cost of storing crude oil at the U.S. hub in Cushing, Oklahoma was a major factor in the collapse of U.S. oil prices earlier this week. It caused the May contract for U.S. West Texas Intermediate (WTI) futures to tumble into negative territory for the first time ever on Monday.

Also, the June contracts for WTI crude traded at \$16.54 a barrel on Friday, down more than 9% this week. Brent crude traded at \$21.22 a barrel, down more than 20% this week.

Nigeria's independent oil producers are being crushed by the oil price crash with current prices lower than cost of production. The Nigeria National Petroleum Corporation (NNPC) warned that some production could be suspended given the depressed demand and volatility in oil prices.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Cadbury Nigeria Plc.	6.30	7.45	1.15	↑18.25
Wema Bank Plc.	0.56	0.62	0.06	↑10.71
NEM Insurance Plc.	2.00	2.20	0.20	↑10.00

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Skyway Aviation Handling Company Plc.	2.06	1.52	-0.54	↓26.21
U A C N Plc.	7.50	6.20	-1.30	↓17.33
Guinness Nigeria Plc.	22.40	18.90	-3.50	↓15.63

FGN Bonds

Description	Yield (%) 17-04-2020	Yield (%) 24-04-2020	Change
14.50 15-Jul-2021	5.24	5.16	-0.08
12.75 27-Apr-2023	9.26	8.76	-0.50
12.50 22-Jan-2026	11.35	9.00	-2.35
16.28 17-Mar-2027	11.51	11.61	-0.10
13.98 23-Feb-2028	12.01	11.15	-0.86
15.00 28-Nov-2028	11.87	11.24	-0.63
8.50 20-Nov-2029	11.83	11.33	-0.50
12.50 27-Mar-2035	12.11	11.93	-0.18
12.98 27-Mar-2050	12.60	12.67	+0.07

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 17-04-2020	Yield (%) 24-04-2020	Change
69	2-Jul-2020	2.12	2.37	+0.25
160	01-Oct-2020	2.94	2.73	-0.21
174	15-Oct-2020	2.94	2.84	-0.10
202	12-Nov-2020	3.17	2.66	-0.51
293	11-Feb-2021	4.08	3.19	-0.89

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	361.00	361.00
I&E FX Window	386.13	383.00
CBN SMIS Window	380.69	380.69

Commodities

Instrument	17-04-2020	24-04-2020	Change
Brent Crude	\$28.08	\$21.44	-6.64
WTI Crude	\$18.27	\$17.18	-1.09
Nigeria Bonny Light	\$19.69	\$16.94	-2.75
Gold	\$1,683.85	\$1,729.43	+45.58

CORPORATE ROUNDUP

- Dangote Cement's debut ₦100 billion Series 1 Fixed Rate Senior Unsecured bond issuance was oversubscribed with book value amounting to ₦155 billion.
- Arik Air implements 80% salary cut for staff in April, orders 90% of its 1,800 staff to proceed on leave without pay until further notice.
- MTN Nigeria announces final dividend of ₦4.97 for Final Year (FY) 2019 in a circular released to the Nigerian Stock Exchange (NSE).

GLOBAL ECONOMY UPDATE

The Bank of Russia cuts key interest rate by 50bps to 5.5% giving opportunity to further reductions at future monetary policy meetings. Also, the Dow climbed 260.1 points, or 1.11%, to 23,775.27 while the S&P 500 gained 1.39% to 2,836.74.

OUTLOOK

We expect focus to be shifted to this week's PMA in the NTB segment, where the CBN will be rolling over ₦131.53 billion worth of maturities.

We at Kairos Capital cannot overemphasize the benefits of observing laid down safety precautions this period. Don't forget to **#WashYourHands #StaySafe #StayatHome #MaintainSocialDistancing**

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