

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.50	2.67	12.26	10.94
GDP Growth Rate (%)	1.7	5.02	2.55	0.9
Per Capita Income (\$)	9,998	4,193	2,222	8,957
MPR (%)	6.2	4.5	13.50	8.75
Exchange Rate (Per \$)	Mex\$23.68	Rp15,009	₦360	₺7.10
Foreign Reserves (bn)	\$184.17	\$127.88	\$34.19	\$75.8

Headlines

- Number of confirmed Covid-19 cases rose to 4,399 as the Nigeria Center for Disease Control (NCDC) reports 248 new cases in Nigeria. Global confirmed cases also surged to 4.1 million
- Nigeria's foreign reserves rose for the first time in eleven months, climbing from \$33.44 to \$34.19 billion between 28th April and 7th May 2020.
- The Nigerian Naira closed for the week at ₦387.25 to a dollar from ₦386.36 at the Investor and Exporters (I & E) window; as investors scramble for forex supplies.
- The Deputy Governor, Economic Policy, Central Bank of Nigeria (CBN) Kingsley Obiora took over as Chairman of the Board of Directors of the Nigerian Export-Import Bank (NEXIM)
- National Bureau of Statistics (NBS) released the 2019 consumption expenditure pattern for Nigeria; total household expenditure on food and non-food items was put at ₦40.21 trillion; of which 56.65% and 43.35% was spent on food and non-food items respectively.

Equity Market

Market Performance

	30-Apr-20	08-May-20	% WTD	% YTD
NSE ASI	23,021.01	24,045.40	+4.45	-10.42
NSE - 30	987.17	1,035.45	+4.89	-12.09
NSE ASeM	761.08	759.72	-0.18	+3.36
NSE Consumer Goods	371.12	402.49	+8.45	-32.11
NSE Banking	271.57	282.41	+3.99	-20.86
NSE Insurance	121.88	125.24	+2.76	-0.46
NSE Oil and Gas	209.13	215.04	+2.83	-18.09
NSE Pension	879.28	900.33	+2.39	-14.58

Bonds and Treasury Bills

The FGN Bond secondary market closed on a bearish note as average yield dropped by 3bps to close at 10.22% from 10.19% it closed the previous week. Most bearish sentiments were seen in March-25 (+135bps), January-26 (+101bps) and April-37 (+25bps). The next FGN Bond offering is scheduled to hold on the 20th of May 2020. The FGN Bond calendar had earlier been prepared based on the 2020 Appropriation Act with total initial borrowing of ₦1.59 trillion made of ₦744.99 billion domestic borrowing and ₦850 Billion external borrowing. With the effect of the Covid-19 pandemic on the global economy, the FGN with the approval of the National Assembly has now domesticated the ₦850 billion external borrowing. The implication is that the refinancing of securities from the Domestic Market will significantly change due to the readjustment of the domestic borrowing plan by the FGN. Trading in the secondary Treasury bills market continued its bearish trend as the average yield across all instruments expanded by 10bps to close at 7.90% from 7.80% it closed the previous week. In the Nigerian Treasury Bills (NTB) segment, average yield declined by 4bps to close the week at 2.66% from 2.70%. Conversely, in the Open Market Operations (OMO) segment, there was reduced demand for instruments as average yield expanded by 21bps to close the week at 10.08% from 9.87% previously recorded.

Primary Market Auction Result

NTB - 29 APRIL 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.85	49.84	91.54	49.84
182-Days	2.499	10.62	27.69	10.62
364-Days	3.84	71.07	14.90	71.07

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 - 30 APRIL 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Day	Nil	Nil	Nil	Nil
180-Day	Nil	Nil	Nil	Nil
334-Day	12.64	30.00	198.00	100.00

Oil Price

Oil prices rallied for five consecutive days last week amid investor optimism over the relaxing of coronavirus lockdowns in the U.S. and around the world.

Some of the biggest oil companies operating in Nigerian rig activities commenced cancellation of oil rigs contracts from drilling companies as the effect of coronavirus and a price war continue to take a toll on hydrocarbon industry worldwide.

The termination of rig counts contracts in Nigeria's oil and gas industry exposed the volatile state of the industry which is the main revenue earner of the country, an indication that Africa's biggest oil-producing country is no longer an investment destination despite its huge potentials.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Ardova Plc.	11.55	15.30	3.75	↑32.47
Wapic Insurance Plc.	0.26	0.33	0.07	↑26.92
Nigerian Breweries Plc.	30.00	37.50	7.50	↑25.00

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Linkage Assurance Plc.	0.53	0.44	-0.09	↓16.98
C & I Leasing Plc.	5.00	4.50	-0.50	↓10.00
McNichols Plc.	0.46	0.42	-0.04	↓8.70

FGN Bonds

Description	Yield (%) 30-04-2020	Yield (%) 08-05-2020	Change
14.50 15-Jul-2021	4.69	4.53	-0.16
12.75 27-Apr-2023	8.49	8.29	-0.20
12.50 22-Jan-2026	9.17	10.18	+1.01
16.28 17-Mar-2027	11.01	11.18	+0.17
13.98 23-Feb-2028	11.16	11.05	-0.10
15.00 28-Nov-2028	11.24	10.91	-0.33
8.50 20-Nov-2029	11.28	10.88	-0.40
12.50 27-Mar-2035	11.35	11.41	+0.06
12.98 27-Mar-2050	12.49	12.71	+0.22

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 30-04-2020	Yield (%) 08-04-2020	Change
55	02-Jul-2020	2.36	2.37	+0.01
146	01-Oct-2020	2.73	2.73	0.00
160	15-Oct-2020	2.84	2.83	-0.01
188	12-Nov-2020	2.64	2.07	-0.57
279	11-Feb-2021	3.19	3.19	0.00

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	361.00	361.00
I&E FX Window	387.30	387.25
CBN SMIS Window	380.69	380.69

Commodities

Instrument	30-04-2020	08-05-2020	Change
Brent Crude	\$25.27	\$30.97	+5.70
WTI Crude	\$18.84	\$24.74	+5.90
Nigeria Bonny Light	\$18.70	\$24.93	+6.23
Gold	\$1,686.80	\$1702.65	+15.85

CORPORATE ROUNDUP

- VFD Group Plc discusses financial year end (FYE) 2019 and Q1 2020 results via a conference call; gross earning grows by 132% in 2019, declines by 27% in Q1 2020. The Company also plans to defer loan payments by up to 90 days for client's businesses directly affected by the Covid-19 pandemic.
- During the week, eleven quoted firms declared their results, 6 out of the 11 declared growth in revenue; Unitykap, Aiico, Mansard, Prestige, UPD Credit and Notore declared 52%, 33%, 29%, 28%, 4% and 3% growth in revenue respectively.

GLOBAL ECONOMY UPDATE

- U.S. equities rallied on Friday, despite a historic jobs report showing more than 20 million Americans lost their jobs in April, bringing the unemployment rate to a staggering 14.7% due to the coronavirus shutdown.
- Nasdaq closed up 1.58% for its 5th straight positive day for the first time since Dec. 26 and S&P 500 closed up 1.69% for its fourth positive day in five.

OUTLOOK

In the NTB segment, we expect the focus to be shifted to next week's Primary Market Auction (PMA), where the CBN will be rolling over ₦33.84 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 #WearNoseMasks #MaintainSocialDistancing #ObeyTheGuidelines #StayatHome #StaySafe

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