

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	2.84	2.19	12.40	11.39
GDP Growth Rate (%)	1.7 {Q4 19}	2.97 {Q1 20}	1.87 {Q1 20}	4.5 {Q1 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	5.65	4.25	12.50	8.25
Exchange Rate (Per \$)	Mex\$22.63	Rp14,242	₦360	₺6.85
Foreign Reserves (bn)	\$184.17	\$130.54	\$36.17	\$85.83

### Headlines

- The number of confirmed Covid-19 cases rose to 20,244 as the Nigeria Center for Disease Control (NCDC) reports 436 new cases in Nigeria. Global confirmed cases also surged to 9.05 million.
- In a bid to dispel rumors regarding Nigeria's high indebtedness to China, the Debt Management Office (DMO), in one of its latest circulars, explained that as at March 31, 2020 Nigeria's total borrowings from China was \$3.121 billion representing only 3.94% of Nigeria's total debt of \$79.303 billion.
- The Central Bank of Nigeria (CBN) plans to earmark ₦432 billion to fund value chains of nine commodities in the wet season farming. The CBN also debits 26 banks the sum of ₦216.1 billion for Cash Reserve Requirement Ratio (CRR) compliance.
- The Securities and Exchange Commission (SEC) announced that henceforth all prospectuses issued to the general public must now include all the Commission's contact details, to enable investors confirm the clearance of the prospectus and registration of the securities with the Commission.
- The Federal Government of Nigeria (FGN) on June 19, 2020 released ₦4.5 billion Special Covid-19 allowance to 31 Federal Teaching Hospitals, Medical Centres across the country.

### Equity Market

#### Market Performance

	11-June-20	19-June-20	% WTD	% YTD
NSE ASI	25,182.67	24,826.75	-1.41	-7.51
NSE - 30	1,094.50	1,078.56	-1.46	-8.43
NSE ASeM	762.45	762.45	0.00	+3.74
NSE Consumer Goods	425.20	432.89	+1.81	-26.98
NSE Banking	300.00	290.81	-3.06	-18.50
NSE Insurance	135.76	131.54	-3.11	+4.55
NSE Oil and Gas	219.31	208.65	-2.62	-16.47
NSE Pension	1,009.65	1,005.79	-0.38	-4.58

### Bonds and Treasury Bills

Trading in the FGN bond secondary market was bullish as the average yield across instruments contracted by 72bps to close at 9.36%. At the auction, instruments worth ₦150.00 billion were offered to investors through reopenings - 12.75% APR 2023 (Bid-to-offer: 3.4x; Stop rate: 8.00%), 12.50% MAR 2035 (Bid-to-offer: 2.5x; Stop rate: 11.0%), and 12.98% MAR 2050 (Bid-to-offer: 4.7x; Stop rate: 12.2%). Despite subscriptions across instruments settling at ₦545.16 billion, the DMO eventually allotted instruments worth ₦100.0 billion, resulting in a bid-cover ratio of 5.5x.

Trading in the Treasury bills secondary market was bullish, as average yield in the space contracted by 47bps to 4.05% from 4.52% it closed previously. Across the segments, yields contracted at the (1) OMO market by 13bps to 4.85% from 4.98% it closed previously following improved trading volumes and (2) at the NTB market by 123bps to 2.17% from 3.40% it closed previously. The auction closed with the CBN rolling over ₦2 billion of the 91-day, ₦2 billion of the 182-day and ₦10.61 billion of the 364-day - at respective stop rates of 1.80% (previously 2.00%), 2.04% (previously 2.20%), and 3.75% (previously 4.02%). Also, At the OMO auction, the CBN fully allotted ₦80 billion worth of bills - ₦10 billion of the 82-day, ₦10 billion of the 159-day and ₦60 billion of the 341-day - at respective stop rates of 4.95%, 7.79%, and 8.99%.

### Primary Market Auction Result

#### NTB - 17 JUNE 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.80	2.00	13.59	2.00
182-Days	2.04	2.00	15.23	2.00
364-Days	3.75	10.61	60.18	10.61

#### FGN BOND - 17 JUNE 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Apr-23	8.00	40.00	137.65	32.99
Mar-35	11.00	50.00	123.56	16.22
Mar-50	12.15	60.00	283.95	50.79

#### OMO RESULT - 18 JUNE 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
82-Day	4.95	10.00	20.04	10.00
159-Day	7.79	10.00	24.00	10.00
341-Day	8.99	60.00	123.54	60.00

### Oil Price

Oil prices have shrugged off concerns about rising coronavirus infections, with WTI hitting \$40 per barrel in early trading last Friday, a three-month high.

With OPEC+ compliance presently at 87% for May, the Joint Ministerial Monitoring Committee (JMMC), observed individual country conformity levels and reiterated the critical importance that all Participating Countries achieve their 100% level in the production cut agreement. Iraq and Kazakhstan presented plans on how they would increase their compliance, a move welcomed by oil markets.

Major oil producers guilty of overproducing inclusive of Nigeria and Angola will submit plans for compliance with the production cut agreement by June 22, 2020

## Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Honeywell Flour Mill Plc	0.92	1.08	0.16	↑17.39
Nestle Nigeria Plc	995.00	1094.50	99.50	↑10.00
Cutix Plc	1.60	1.76	0.16	↑10.00

## Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Neimeth International Pharmaceuticals Plc	2.57	1.54	-1.03	↓40.08
NPF Microfinance Bank Plc	1.87	1.40	-0.47	↓25.13
Prestige Assurance Plc	0.70	0.57	-0.13	↓18.57

## FGN Bonds

Description	Yield (%) 11-06-2020	Yield (%) 19-06-2020	Change
14.50 15-Jul-2021	4.90	4.80	-0.10
12.75 27-Apr-2023	8.52	7.28	-1.24
12.50 22-Jan-2026	9.78	8.49	-1.29
16.28 17-Mar-2027	10.41	9.95	-0.46
13.98 23-Feb-2028	10.65	9.41	-1.24
15.00 28-Nov-2028	10.85	9.54	-1.31
8.50 20-Nov-2029	10.97	10.24	-0.73
12.50 27-Mar-2035	11.30	10.79	-0.51
12.98 27-Mar-2050	12.30	12.08	-0.22

## Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 11-06-2020	Yield (%) 19-06-2020	Change
13	02-Jul-2020	3.02	3.02	0.00
104	01-Oct-2020	3.79	2.01	-1.78
118	15-Oct-2020	3.43	2.01	-1.42
146	12-Nov-2020	2.69	2.02	-0.67
237	11-Feb-2021	3.06	3.06	0.00

## FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	361.00	361.00
I&E FX Window	385.75	386.50
CBN SMIS Window	380.69	380.69

## Commodities

Instrument	11-06-2020	19-06-2020	Change
Brent Crude	\$38.73	\$42.19	+3.46
WTI Crude	\$36.26	\$39.75	+3.49
Nigeria Bonny Light	\$37.87	\$41.80	+3.93
Gold	\$1730.80	\$1743.95	+13.15

## CORPORATE ROUNDUP

- Four out of the five firms that declared their results last week declared growth in revenue. Regency Assurance recorded 26% growth in earnings from ₦2.03 billion to ₦2.05 billion in its Q1'2020 Unaudited accounts to emerge as the firm with the highest growth in revenue for the week while McNichols Plc recorded 5.70% loss in earnings from ₦179.34 million to ₦169.23 million in its Q1'2020 Financial Statements to emerge as the firm with the lowest growth rate amongst the five companies.
- The Nigerian Stock Exchange (NSE) notifies listing members that the ₦100 Billion, 5 Years 12.50% Fixed Rate Series 1 Senior Unsecured Bonds due 2025 under the ₦300 Billion Debt Issuance Program of Dangote Cement Plc were on Monday, 15 June 2020 listed. The bond was oversubscribed by 100%.

## GLOBAL ECONOMY UPDATE

Stocks alternated between gains and losses during a volatile trading session that saw the Dow move from a gain of 371 points to a loss of 320 points. The Dow gained 1.04% for the week, its fourth positive week in five, the S&P gained 1.86% for the week, its fourth positive week in five and the Nasdaq gained 3.73% for the week, its fourth positive week in five

## OUTLOOK

We expect tight liquidity next week as investors focus on the side of the market that gives more yield.

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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