

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.62	1.54	12.82	11.76
GDP Growth Rate (%)	-18.9 {Q2'20}	-5.32{Q2'20}	1.87 {Q1'20}	4.5{Q1'20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.50	4.00	12.50	8.25
Exchange Rate (Per \$)	Mex\$22.04	Rp14,786	₦379	₺7.22
Foreign Reserves (bn)	\$188	\$135.08	\$35.60	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 52,227 as the Nigeria Center for Disease Control (NCDC) reported 322 new cases in Nigeria. Global confirmed cases now stand at 23.58 million.
- According to the latest Consumer Price Index (CPI) report released by the National Bureau of Statistics (NBS), Nigeria's inflation rate rose by 12.82% (year-on-year) in July 2020 this is 0.26% points higher than the rate recorded in June 2020 (12.56%).
- The World Bank cleared 36 states in Nigeria for the US \$1.5 billion stimulus package meant for the immediate fiscal relief for Nigeria to cushion the economic effects of the COVID-19 pandemic in the country
- The Debt Management Office (DMO) released the FGN Savings Bond (FGNSB) allotment results for August 2020; ₦517.92 million was allotted across two tenors; ₦137.38 million FGNSB at 3.61% Due August 2022 and ₦380.55 million FGNSB at 4.61% Due August 2023.
- President Buhari approved ₦13.3 billion for Community Policing in Nigeria to improve the security infrastructure in Nigeria.
- The Nigeria Customs Service generated ₦837 billion between January and July 2020; projects total revenue of ₦1.47 billion, ₦1.70 billion and ₦1.76 billion for 2021, 2022 and 2023 respectively.
- The African Development Bank (AfDB) Group banned four Nigerian companies for engaging in fraudulent and deceitful practices in a press statement released last Thursday, August 20, 2020.

Equity Market
Market Performance

	14-Aug-20	21-Aug-20	% WTD	% YTD
Market Capitalization	13.146T	13.158T	+0.09	-6.04
NSE ASI	25,199.84	25,221.87	+0.09	-6.04
NSE - 30	1,067.29	1,069.73	+0.23	-9.18
NSE ASeM	740.58	740.58	0.00	+0.76
NSE Consumer Goods	414.47	422.28	+1.88	-28.77
NSE Banking	292.28	294.64	+0.81	-17.43
NSE Insurance	123.37	128.80	+4.40	+2.37
NSE Oil and Gas	189.10	187.36	-0.92	-28.64
NSE Pension	963.71	973.23	+0.99	-7.67

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: The week ended bearish as investors shifted focus to the recent PMA, thus the average yield expanded by 14bps from 7.85% it traded the previous week to 7.99%. At the PMA, the DMO offered instruments worth ₦150 billion to investors through re-openings - 12.50% JAN 2026 (Bid-to-offer: 1.3x; Stop rate: 6.7%), 12.50% MAR 2035 (Bid-to-offer: 1.2x; Stop rate: 9.35%), 9.80% JUL 2045 (Bid-to-offer: 1.0x; Stop rate: 9.75%) and 12.98% MAR 2050 (Bid-to-offer: 2.9x; Stop rate: 9.90%). Despite a total subscription of ₦242.22 billion, the DMO eventually allotted instruments worth ₦116.65 billion, resulting in a bid-cover ratio of 2.1x.

Treasury Bills Market: The week closed bullish as the average yield contracted by 3bps from 1.57% to close the week at 1.54%.

Open Market Operations (OMO): The week closed bullish as average yield contracted by 42bps to close the week at 3.59% from 4.01%. At the OMO auction, the Central Bank of Nigeria (CBN) offered instruments worth ₦80.00 billion across three tenors at respective stop rates of 4.90% (previously 4.92%), 7.71% (previously 7.74%), and 8.94% (previously 8.94%).

Primary Market Auction Result
NTB - 12 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.20	19.78	30.61	19.78
182-Days	1.39	10.00	31.11	10.00
364-Days	3.20	27.00	56.47	27.00

FGN BOND - 19 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Jan-26	6.70	25.00	32.68	25.42
Mar-35	9.35	40.00	48.82	21.45
Jul-45	9.75	45.00	46.44	16.09
Mar-50	9.90	40.00	114.29	53.69

OMO RESULT - 13 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
103-Day	4.90	10.00	5.56	5.56
173-Day	7.71	10.00	9.80	9.80
362-Day	8.94	30.00	79.08	30.00

Oil Price

Oil prices dropped last Friday from the previous trading day as the economic recovery worldwide runs into stumbling blocks due to renewed coronavirus lockdowns, even as major global crude oil producers limit crude supply.

Brent crude futures were down 84 cents, or 1.9%, at \$44.35 a barrel, heading for a nearly 2% weekly fall.

West Texas Intermediate crude futures settled 48 cents, or 1.12%, lower at \$42.34 per barrel from \$42.82 last Thursday.

Bonny Light price also dropped to \$43.12 on Friday from \$44.68 on Tuesday.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Lasaco Assurance Plc	0.26	0.33	0.07	↑26.92
International Breweries Plc	2.85	3.60	0.75	↑26.32
Cornerstone Insurance Plc	0.49	0.58	0.09	↑18.37

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Royal Exchange Plc	0.31	0.26	-0.05	↓-16.13
Associated Bus Company Plc	0.47	0.40	-0.07	↓-14.89
Conoil Plc	16.90	15.25	-1.65	↓-9.76

FGN Bonds

Description	Yield (%) 14-08-2020	Yield (%) 21-08-2020	Change
14.50 15-Jul-2021	3.17	2.85	-0.32
12.75 27-Apr-2023	5.59	5.63	+0.04
12.50 22-Jan-2026	6.61	6.66	+0.05
16.28 17-Mar-2027	7.82	7.79	-0.03
13.98 23-Feb-2028	8.00	8.14	+0.14
15.00 28-Nov-2028	8.15	8.42	+0.27
8.50 20-Nov-2029	8.34	8.66	+0.32
12.50 27-Mar-2035	9.33	9.48	+0.15

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 14-08-2020	Yield (%) 21-08-2020	Change
41	01-Oct-2020	1.20	1.30	+0.10
55	15-Oct-2020	1.20	1.35	+0.15
83	12-Nov-2020	1.21	1.61	+0.40
174	11-Feb-2021	1.25	1.31	+0.06
293	10-Jun-2021	2.95	2.34	-0.61

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	381.00	381.00
I&E FX Window	386.00	386.00
CBN SMIS Window	380.69	380.69
Parallel Market	475.00	477.00

Commodities

Instrument	14-08-2020	21-08-2020	Change
Brent Crude	\$44.80	\$44.35	-0.45
WTI Crude	\$42.01	\$42.34	+0.33
Nigeria Bonny Light	\$44.05	\$43.12	-0.93
Gold	\$1,945.35	\$1,940.23	-5.12

CORPORATE ROUNDUP

- Five Companies released their results last week; as Northern Nigeria Flour Mills Plc emerged as the firm with the highest growth in revenue for last week with a 68.97% growth in revenue from ₦1.13 billion to ₦1.91 billion in its Q1 unaudited results for the period ended June 30, 2020. On the other hand, Standard Alliance Insurance Plc recorded the least growth with a 25.70% decline in revenue from ₦5.06 billion to ₦3.76 billion in its Audited result for the period ended 31 December 2018.
- Consolidated Hallmark Insurance Plc lists additional 2,032,500,000 Ordinary Shares on the daily official list of the Nigerian Stock Exchange. The Company's total issued and fully paid Shares has now increased from 8,672,000,000 to 10,704,500,000 ordinary shares of 50 kobo each. This was following completion of its Rights Issue of 2,032,500,000 Ordinary Shares of 50 kobo each at 52 kobo per share which was 100% subscribed.

GLOBAL ECONOMY UPDATE

Global equities were mostly mixed in the week weighed down by the U.S. Federal Reserve's sobering outlook on a post-pandemic recovery. In the US (DJIA: -0.7%; S&P: +0.4%), stocks were mixed with the stimulus-fueled rally leading the S&P to new all-time highs.

OUTLOOK

At the NTB segment, we expect market participants to shift their focus to next week's PMA, where the CBN will be rolling over ₦197.60 billion worth of maturing bills.

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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