

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.62	1.32	12.82	11.77
GDP Growth Rate (%)	-18.9 {Q2 20}	-5.32 {Q2 20}	-6.10 {Q2 20}	-9.91 {Q2 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.47	4.00	12.50	8.25
Exchange Rate (Per \$)	Mex\$21.61	Rp14,792	₦379	₺7.41
Foreign Reserves (bn)	\$188	\$135.08	\$35.68	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 55,005 as the Nigeria Center for Disease Control (NCDC) reported 100 new cases in Nigeria. Global confirmed cases now stand at 27.30 million.
- The Central Bank of Nigeria (CBN) reviewed the minimum interest payable on savings deposits. Interest on local currency savings deposits is now subject to a minimum of 10% per annum of Monetary Policy Rate (MPR).
- The Federation Account Allocation Committee (FAAC) disbursed the sum of ₦547.31 billion to the three tiers of government in June 2020 from the revenue generated in May 2020, this represented a decline of 9.71% from the ₦606.2 billion disbursed in May 2020.
- The CBN has instructed banks to place a “post-no-debit (freeze) the account of thirty-eight (38) firms over forex infractions stemming from moving forex abroad without the required authorization and committing economic sabotage.
- Nigeria’s total foreign trade drops to ₦6.24 trillion, a 27.46% decrease year on year in Q2 2020 when compared to ₦8.61 trillion recorded in Q1 2020. Total import for the period stood at ₦4.02 trillion while total export was ₦2.22 trillion indicating a negative trade balance of ₦1.8 trillion.
- The Pipeline and Product Marketing Company (PPMC) announced the increase in Premium Motor Spirit (PMS) pump price from N143.80 to ₦151.56 per litre. This price increase took effect from September 2, 2020.

Equity Market

Market Performance

	28-Aug-20	04-Sept-20	% WTD	% YTD
Market Capitalization	13.203T	13.358T	+1.17	-4.61
NSE ASI	25,309.37	25,605.64	+1.17	-4.61
NSE – 30	1,074.57	1,088.70	+1.31	-7.57
NSE ASeM	740.58	728.51	-1.63	-0.88
NSE Consumer Goods	426.99	433.37	+1.49	-26.90
NSE Banking	293.97	302.09	+2.76	-15.34
NSE Insurance	132.41	135.00	+1.96	+7.30
NSE Oil and Gas	187.36	194.20	+3.65	-26.03
NSE Pension	973.72	995.27	+2.21	-5.58

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: The week ended bearish following sell-off from investors, thus the average yield expanded by 9bps from 7.97% it traded the previous week to 8.06%. The highest yield increase was witnessed in the March-2036 bond which declined by 98bps to close at 10.01% compared to 9.05% the previous week while the highest yield decline was seen in the March-2025 bond which increased by 32bps to close at 5.91% compared to 6.23% the previous week.

Treasury Bills Market: The week closed bullish as the average yield contracted by 10bps from 2.02% to close the week at 1.92%.

Open Market Operations (OMO): At the OMO auction, the CBN offered bills worth ₦100 billion, with allotments of ₦10 billion of the 82-day, ₦10 billion of the 180-day and ₦80 billion of the 355-day - at respective stop rates of 4.86% (previously 4.87%), 7.68% (previously 7.68%), and 8.94% (previously 8.94%). The week closed bullish as average yield contracted by 31bps to close the week at 2.81% from 3.12%.

Primary Market Auction Result

NTB – 26 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.15	20.37	31.18	20.37
182-Days	1.80	31.75	56.37	55.85
364-Days	3.34	145.48	134.37	121.38

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)
82-Day	4.86	10.00	5.56	5.56
180-Day	7.68	10.00	9.80	9.80
355-Day	8.94	80.00	79.08	30.00

Oil Price

Oil prices fell more than 3% on Friday, resulting in the biggest weekly decline since June 2020 as concerns around a slow economic recovery from the COVID-19 pandemic added to worries about weak oil demand.

Brent crude, the international benchmark, settled \$1.41, or 3.2%, lower at \$42.66 per barrel.

West Texas Intermediate crude fell \$1.60, or 3.8%, to settle at \$39.77 per barrel.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Royal Exchange Plc	0.26	0.33	0.07	↑26.92
Cornerstone Insurance Plc	0.56	0.66	0.10	↑17.86
Union Diagnostic & Clinical Services Plc	0.24	0.27	0.03	↑12.50

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
The Initiates Plc	0.70	0.57	-0.13	↓-18.57
Lasaco Assurance Plc	0.31	0.26	-0.05	↓-16.13
Tripple Gee and Company Plc	0.50	0.44	-0.06	↓-12.00

FGN Bonds

Description	Yield (%)		Change
	28-08-2020	04-09-2020	
14.50 15-Jul-2021	2.99	2.81	-0.18
12.75 27-Apr-2023	5.29	5.49	+0.20
12.50 22-Jan-2026	6.64	6.67	+0.03
16.28 17-Mar-2027	8.11	8.09	-0.02
13.98 23-Feb-2028	8.39	8.15	-0.24
15.00 28-Nov-2028	8.40	8.39	-0.01
8.50 20-Nov-2029	8.68	8.70	+0.02
12.50 27-Mar-2035	9.41	10.00	+0.59

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%)		Change
		28-08-2020	04-09-2020	
27	01-Oct-2020	1.30	1.30	0.00
41	15-Oct-2020	1.35	1.35	0.00
69	12-Nov-2020	1.25	1.25	0.00
160	11-Feb-2021	1.31	1.70	+0.39
279	10-Jun-2021	2.34	2.55	+0.21

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	385.67	386.13
CBN SMIS Window	380.69	380.69
Parallel Market	477.00	440.00

Commodities

Instrument	28-08-2020	04-09-2020	Change
Brent Crude	\$45.81	\$42.66	-3.15
WTI Crude	\$42.93	\$39.77	-3.16
Nigeria Bonny Light	\$44.15	\$41.10	-3.05
Gold	\$1,964.95	\$1,933.83	-31.12

CORPORATE ROUNDUP

- Nine Companies released their results last week; Access Bank Plc emerged as the firm with the highest growth in revenue for the week with a 22.31% growth in revenue from ₦324.38 million to ₦396.76 million in its Q2 2020 audited results for the period ended June 30, 2020. On the other hand, University Press Plc recorded the least growth with a 66.64% decline in revenue from ₦95.94 million to ₦32.01 million in their unaudited account for the period ended 30th June 2020.
- WAPIC Insurance Plc changed its name to Coronation Insurance Plc sequel to the approval of the Corporate Affairs Commission
- Access Bank Plc appointed Mr. Hassan M.T. Usman FCA as an Independent Non-Executive Director following the approval by CBN

GLOBAL ECONOMY UPDATE

Global equities were set to close lower in the week as profit-taking on US technology and other high-flying stock sectors ensued on Thursday. Consequently, US (DJIA: -1.3%; S&P: -1.5%) and European (STOXX Europe: -0.7%; FTSE 100: -1.9%) stocks were down at the end of the week.

OUTLOOK

At the NTB segment, we expect focus to shift to the primary market, where the CBN will be offering ₦128.06 billion worth of instruments to investors.

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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