

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	4.05	1.32	13.22	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 (%)	4.50	4.00	12.50	8.25
Exchange Rate (Per \$)	Mex\$20.97	Rp14,768	₦379	₺7.51
Foreign Reserves (bn)	\$193	\$137.04	\$35.81	\$85.83

## Headlines

- The number of confirmed Covid-19 cases rose to 57,242 as the Nigeria Center for Disease Control (NCDC) reported 97 new cases in Nigeria. Global confirmed cases now stand at 31.24 million.
- Nigeria's headline inflation maintained its uptrend, as it expanded by 40bps in August 2020 to 13.22% year on year (July: 12.82%), the twelfth consecutive month of increase and the highest reading in 28 months.
- The Federal Inland Revenue Service (FIRS) clarified the initial directive on completion of self-certification forms for all bank account holders, FIRS stated that the policy only affects non-residents and citizens with tax residence in more than one country.
- The Nigerian National Petroleum Corporation (NNPC) announced a 858% leap in its trade surplus from ₦2.12 billion in June 2020 to ₦20.36 billion in July 2020.
- The Central Bank of Nigeria (CBN) inaugurated the ₦200 billion family home financing scheme in support of the Federal Government of Nigeria's (FGN) quest for providing 300,000 homes across the 36 states and the Federal Capital Territory.
- The 275<sup>th</sup> meeting of the Monetary Policy Committee (MPC) is scheduled to hold on, September 21<sup>st</sup> and 22<sup>nd</sup>, 2020 at the MPC meeting room, 11<sup>th</sup> floor, CBN headquarters, Abuja.
- The FGN is set to provide financial support for 1.7 million businesses and individuals in next three (3) months.

## Equity Market

### Market Performance

	11-Sept-20	18-Sept-20	% WTD	% YTD
Market Capitalization	13.351T	13.365T	+0.10	+3.14
NSE ASI	25,591.95	25,572.57	-0.08	-4.73
NSE - 30	1,086.63	1,085.51	-0.10	-7.84
NSE ASeM	728.51	728.51	0.00	-0.88
NSE Consumer Goods	432.21	432.78	+0.13	-27.00
NSE Banking	293.97	292.01	-0.67	-18.17
NSE Insurance	134.11	134.13	+0.01	+6.60
NSE Oil and Gas	191.77	189.79	-1.03	-27.71
NSE Pension	988.88	989.52	-0.06	-6.12

## Bonds and Treasury Bills Market Roundup

**FGN Bonds Secondary Market:** The week remained bullish as average yield contracted by 12bps from 7.67% it traded the previous week to 7.55%. The highest yield decrease was witnessed in the April-2029 bond which declined by 48bps to close at 8.03% compared to 8.52% the previous week while the highest yield increase was seen in the July-2021 bond which increased by 8bps to close at 2.41% compared to 2.34% the previous week.

**Treasury Bills Market:** The week closed bullish as the average yield contracted by 15bps from 1.72% to close the week at 1.57%. At the PMA, demand continued to outweigh supply, as there was an oversubscription of 1.3x on the ₦158.75 billion worth of bills on offer. The auction closed with the CBN allotting ₦2.00 billion of the 91-day, ₦8.39 billion of the 182-day and ₦148.36 billion of the 364-day - at respective stop rates of 1.09% (previously 1.10%), 1.50% (previously 1.55%), and 3.05% (unchanged).

**Open Market Operations:** The week closed bullish as average yield contracted by 13bps to close the week at 2.28% from 2.41%.

## Primary Market Auction Result

### NTB - 16 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.09	2.00	3.99	2.00
182-Days	1.50	8.39	15.47	8.39
364-Days	3.05	148.36	184.71	148.36

### 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 - 10 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
75-Day	4.86	10.00	12.00	10.00
180-Day	7.68	10.00	35.30	10.00
355-Day	8.94	50.00	216.75	50.00

## Oil Price

The 22<sup>nd</sup> Meeting of the Joint Ministerial Monitoring Committee (JMCC) set up by OPEC took place via videoconference on Thursday 17<sup>th</sup> September, 2020. The Committee reviewed the monthly report prepared by its Joint Technical Committee (JTC) and developments in the global oil market since its last meeting on 19<sup>th</sup> August, 2020.

The JMCC supported, and recommended, to the OPEC and Non-OPEC Ministerial Meeting, the request of several underperforming participating countries in the Declaration of Cooperation (DoC) to extend compensation period till end of December 2020 for members who didn't conform to production cuts.

The next meetings of the JTC and the JMCC are scheduled for 15<sup>th</sup> and 19<sup>th</sup> October, 2020, respectively.

### Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
WAPIC Insurance Plc	0.33	0.37	0.04	↑12.12
Learn Africa Plc	1.04	1.14	0.10	↑9.62
Unity Bank Plc	0.52	0.57	0.05	↑9.62

### Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Associated Bus Company Plc	0.36	0.30	-0.06	↓-16.67
NEM Insurance Plc	2.25	2.03	-0.22	↓-9.78
Tripple Gee and Company Plc	0.44	0.40	-0.04	↓-9.09

### FGN Bonds

Description	Yield (%)		Change
	11-09-2020	18-09-2020	
14.50 15-Jul-2021	2.34	2.41	+0.07
12.75 27-Apr-2023	3.86	3.93	+0.07
12.50 22-Jan-2026	6.62	6.63	+0.01
16.28 17-Mar-2027	7.72	7.62	-0.10
13.98 23-Feb-2028	7.86	7.68	-0.18
15.00 28-Nov-2028	8.29	7.91	-0.38
8.50 20-Nov-2029	8.74	8.52	-0.22
12.50 27-Mar-2035	9.64	9.62	-0.02

### Nigerian Treasury Bills

DTM	Maturity Date	Yield (%)		Change
		11-09-2020	18-09-2020	
13	01-Oct-2020	1.30	0.75	-0.55
27	15-Oct-2020	1.35	0.82	-0.53
55	12-Nov-2020	1.38	0.94	-0.44
146	11-Feb-2021	1.44	1.35	-0.09
265	10-Jun-2021	2.11	2.15	+0.04

### FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	386.00	386.00
CBN SMIS Window	380.69	380.69
Parallel Market	455.00	465.00

### Commodities

Instrument	11-09-2020	18-09-2020	Change
Brent Crude	\$39.83	\$43.15	+3.32
WTI Crude	\$37.33	\$41.11	+3.78
Nigeria Bonny Light	\$38.98	\$42.60	+3.62
Gold	\$1,940.40	\$1,950.39	+9.99

### CORPORATE ROUNDUP

- The Nigerian Stock Exchange (NSE) has received a confirmation from the Securities and Exchange Commission (SEC) to extend the Prestige Assurance Plc Rights Issue by two (2) weeks. The offer will now close on Wednesday, 30 September 2020.
- The CBN grants operational license for merchant banking to Greenwich Trust Limited, which will be known as Greenwich Merchant Bank Limited. The license allows Greenwich Merchant Bank to upscale and offer diverse services as corporate banking, investment banking, financial advisory services, securities dealing, treasury wealth and asset management. etc.

### GLOBAL ECONOMY UPDATE

Global equities rebounded this week amid fresh hopes for a coronavirus vaccine, a flurry of initial public offerings and corporate deal-making. Consequently, US (DJIA: +0.9%; S&P: +0.5%) shares were on track to end the week higher.

### OUTLOOK

In the coming week, we expect focus to shift to the FGN Bond PMA as the DMO is set to offer instruments worth ₦145 billion through re-openings of the 12.50% Jan 2026, 12.50% Mar 2035, 9.80% Jul 2045 and 12.98% Mar 2050 bonds.

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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