

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	4.01	1.42	13.71	11.75
GDP Growth Rate (%)	-17.1 {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 (%)	4.28	4.00	11.50	10.25
Exchange Rate (Per \$)	Mex\$21.25	Rp14,690	₦379	₺8.32
Foreign Reserves (bn)	\$194	\$135.153	\$35.69	\$85.83

## Headlines

- The number of confirmed Covid-19 cases rose to 62,964 as the Nigeria Center for Disease Control (NCDC) reported 111 new cases in Nigeria. Global confirmed cases now stand at 46.82 million.
- The Nigerian Stock Exchange (NSE) in its recent data on Domestic & Foreign Portfolio participation for September, total value traded grew 42.9% m/m to ₦135.00 billion in September 2020 from ₦94.50 billion in August 2020. This was largely driven by transactions executed by domestic investors (+71.1% m/m to ₦94.90 billion) compared to foreign investors (+2.7% m/m to ₦40.10 billion).
- According to the Central Bank of Nigeria (CBN) Consumer Expectations Survey Report for Q3 2020; consumers' overall confidence outlook dipped in Q3 2020, as consumers were pessimistic in their outlook. The index at -21.2 point was 25.0 points lower than the index in the corresponding period of 3.8 points in 2019.
- The Nigerian Treasury Bills auction last week Wednesday conducted by the CBN recorded oversubscription of ₦667.1 billion with stop rates at 0.34%, 0.50% and 0.98% for the 91-day, 182-day and 364-day respectively.
- Data from the National Bureau of Statistics (NBS) revealed that the Federal Account Allocation Committee (FAAC) disbursed ₦682.06 billion in September 2020, a 0.84% increase in FAAC from ₦676.41 billion recorded in August 2020.
- The CBN unveils framework for ₦12.5 billion Nigeria Youth Investment Fund (N-YIF); NIRSAL Microfinance Bank was listed as the eligible participating financial institution for the scheme.
- Power generation hits new peak of 5,520.4 MW on October 30, 2020 surpassing 5,459 MW recorded on October 28, 2020.

## Equity Market

### Market Performance

	23-Oct-20	30-Oct-20	% WTD	% YTD
Market Capitalization	14.999T	15.958T	+6.39	+13.74
NSE ASI	28,697.06	30,530.69	+6.39	+13.74
NSE - 30	1,230.28	1,319.45	+7.25	+12.02
NSE ASeM	728.51	728.51	0.00	-0.88
NSE Consumer Goods	486.68	546.09	+12.21	-7.89
NSE Banking	344.86	372.61	+8.05	+4.42
NSE Insurance	137.36	145.11	+5.64	+15.33
NSE Oil and Gas	202.73	215.33	+6.22	-17.98
NSE Pension	1,153.53	1,235.76	+7.13	+17.24

## Bonds and Treasury Bills Market Roundup

**FGN Bonds Secondary Market:** The week remained bullish as average yield contracted by 16bps from 4.24% it traded the previous week to 4.08%. The January 2022 bond witnessed the highest yield decline of 78bps to close the week at 2.35% from 3.13% while the March 2027 bond witnessed the highest yield increase of 34bps to close the week at 3.68% from 3.34%.

**Treasury Bills Market:** The week closed bearish as the average yield expanded by 12bps from 0.42% to close the week at 0.54%. At last week's auction, the CBN offered bills worth ₦154.38 billion with allotments of ₦7.50 billion of the 91-day, ₦6 billion of the 182-day and ₦140.87 billion of the 364-day bills – at respective stop rates of 0.34% (previously 1%), 0.50% (previously 1%) and 0.98% (previously 2%).

**Open Market Operations:** The week remained the same as average yield closed at 0.49% same as last week.

## Primary Market Auction Result

### NTB – 28 OCTOBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	0.34	49.84	84.89	7.50
182-Days	0.50	10.62	41.64	6.00
364-Days	0.98	93.92	694.96	140.87

### FGN BOND – 21 OCTOBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Jan-26	-	-	-	-
Mar-35	4.97	15.00	169.20	22.50
Jul-45	6.00	15.00	66.67	27.50
Mar-50	-	-	-	-

### OMO RESULT – 22 OCTOBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
138-Day	3.74	10.00	28.26	10.00
180-Day	6.80	10.00	46.76	10.00
362-Day	8.00	80.00	239.41	80.00

## Oil Price

Brent crude slipped for a third day and settled 19 cents, or 0.5%, lower at \$37.46 per barrel, after touching a five-month low in the previous session. December Brent contract expires on Friday.

U.S West Texas Intermediate (WTI) crude settled 38 cents, or 1.1%, lower at a five-month low of \$35.79 per barrel.

### Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Portland Paints & Products Nigeria Plc	2.05	2.71	0.66	↑32.20
FCMB Group Plc	2.44	3.13	0.69	↑28.28
Tripple Gee & Company Plc	0,36	0.46	0.10	↑27.78

### Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Morison Industries Plc	0.60	0.54	-0.06	↓-10.00
Prestige Assurance Plc	0.60	0.54	-0.06	↓-10.00
Cutix Plc	1.90	1.73	-0.17	↓-8.95

### FGN Bond

Description	Yield (%) 23-10-2020	Yield (%) 30-10-2020	Change
14.50 15-Jul-2021	0.80	0.89	+0.09
12.75 27-Apr-2023	3.18	2.63	-0.55
12.50 22-Jan-2026	3.30	3.25	-0.05
16.28 17-Mar-2027	3.34	3.68	+0.34
13.98 23-Feb-2028	4.00	3.44	-0.56
15.00 28-Nov-2028	3.94	3.73	-0.21
8.50 20-Nov-2029	4.03	4.02	-0.01

### Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 23-10-2020	Yield (%) 30-10-2020	Change
13	12-Nov-2020	0.40	0.40	0.00
104	11-Feb-2021	0.33	1.00	+0.67
223	10-Jun-2021	0.34	0.41	+0.07
258	15-Jul-2021	0.46	0.33	-0.13
321	16-Sep-2021	0.77	0.71	-0.06

### 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	463.00	463.00

### Commodities

Instrument	23-10-2020	30-10-2020	Change
Brent Crude	\$41.77	\$37.94	-3.83
WTI Crude	\$39.78	\$35.72	-4.06
Nigeria Bonny Light	\$41.54	\$37.31	-4.23
Gold	\$1,901.55	\$1,878.95	-22.60

### CORPORATE ROUNDUP

- Chemical and Allied Products Plc and Portland Paints and Products Nigeria Plc notified the NSE on its proposed merger between the entities. The Proposed Merger will be executed by way of a Scheme of Merger which will involve the transfer of all Portland Paints' assets, liabilities and business undertakings including real property and intellectual property rights to CAP.
- Nigerian Breweries Plc informed the NSE and the investing public of a rearrangement of the next tranche of the Nigerian Breweries Plc's Commercial Paper ("CP") programme. The CP opened on 26th October, 2020 and was launched in three Series - 9, 10 and 11. Series 9 would be for a tenor of 120 days, Series 10 and 11 would be for 183 days and 240 days respectively.

### GLOBAL ECONOMY UPDATE

In the US, the DJIA (-5.9%) and S&P (-4.5%) were on track for another weekly loss, as earnings-driven rebound on Thursday which waned on Friday failed to wipe off losses accumulated earlier in the week due to coronavirus fears and election uncertainty

### OUTLOOK

Next week, we expect investors' focus to shift from Treasury bills due to the low yield environment with more attention given to FGN bonds as investors await fresh issuance of bills from the CBN next month.

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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