

| Economic Indicators    | Mexico        | Indonesia     | Nigeria       | Turkey        |
|------------------------|---------------|---------------|---------------|---------------|
| Inflation Rate (%)     | 4.09          | 1.44          | 13.71         | 11.89         |
| GDP Growth Rate (%)    | -17.1 {Q2 20} | -3.49 {Q3 20} | -6.10 {Q2 20} | -9.91 {Q2 20} |
| Per Capita Income (\$) | 10,118        | 4,193         | 2,222         | 8,957         |
| MPR (%)                | 4.26          | 4.00          | 11.50         | 10.25         |
| Exchange Rate (Per \$) | Mex\$20.48    | Rp14,222      | ₦379          | ₺7.64         |
| Foreign Reserves (bn)  | \$194         | \$133.66      | \$35.61       | \$85.83       |

### Headlines

- The number of confirmed Covid-19 cases rose to 65,148 as the Nigeria Center for Disease Control (NCDC) reported 152 new cases in Nigeria. Global confirmed cases now stand at 54.86 million.
- The Petroleum Pricing Marketing Company (PPMC) announced a hike of the ex-depot price of Premium Motor Spirit (PMS) from ₦147.67 to ₦155.17 per litre, retail outlets and fuel marketers are now to sell within the range of ₦165 - ₦175 per litre.
- President Muhammadu Buhari signed the Banks and Other Financial Institutions Act (BOFIA) 2020 into law. The new legislation, which repealed the extant BOFIA 1991 as-amended is expected to strengthen confidence in the banking sector.
- The Federal Government of Nigeria (FGN) is set to borrow \$750 million from the World Bank on behalf of states, to stimulate local economies in Nigeria.
- The Debt Management Office (DMO) via its circular on Wednesday, November 11, 2020 plans to issue ₦80 billion worth FGN Bond: ₦40 billion via re-opening of the 12.50% FGN MAR 2035 and ₦40 billion via re-opening of 9.80% FGN JUL 2045 bonds. The auction date has been set for Wednesday, November 18, 2020.
- The naira weakened to ₦470 against the United States dollar in the parallel market last Friday despite the interventions of the CBN in the official window as the forex reserves stood at \$35.63bn, the lowest since August 24, 2020.

### Equity Market

#### Market Performance

|                       | 06-Nov-20 | 13-Nov-20 | % WTD  | % YTD  |
|-----------------------|-----------|-----------|--------|--------|
| Market Capitalization | 16.207T   | 18.308T   | +12.97 | +30.53 |
| NSE ASI               | 31,016.07 | 35,037.46 | +12.97 | +30.53 |
| NSE - 30              | 1,342.41  | 1,509.40  | +12.44 | +28.15 |
| NSE ASeM              | 728.51    | 728.51    | 0.00   | -0.88  |
| NSE Consumer Goods    | 549.19    | 611.54    | +11.35 | +3.15  |
| NSE Banking           | 380.70    | 435.40    | +14.37 | +22.02 |
| NSE Insurance         | 143.20    | 154.18    | +7.67  | +22.54 |
| NSE Oil and Gas       | 213.67    | 225.07    | +5.34  | -14.27 |
| NSE Pension           | 1,266.93  | 1,426.38  | +12.59 | +35.32 |

### Bonds and Treasury Bills Market Roundup

**FGN Bonds Secondary Market:** The week closed bearish after several weeks of bullish run as average yield contracted by 15bps from 3.93% it traded the previous week to 4.12%.

**Treasury Bills Market:** The week closed bullish as the average yield contracted by 39bps from 0.50% to close the week at 0.11%. At the NTB primary market auction held 11<sup>th</sup> of November 2020, the CBN allotted ₦167.82 billion across the 91-day, 182-day and 364-day instruments despite a total subscription of ₦603.12 billion. Rate on 91-day dropped to 0.035%, 182-day dropped to 0.15% and 364-day dropped to 0.30%. Overall, average rate declined by 45bps to 0.16% from 0.61% at the last auction.

**Open Market Operations:** The week closed bullish as average yield contracted by 1bps to close the week at 0.20% from 0.21% it closed at last week.

### Primary Market Auction Result

#### NTB – 11 NOVEMBER 2020

| Tenor    | Rate (%) | Offer (₦'bn) | Sub (₦'bn) | Sales (₦'bn) |
|----------|----------|--------------|------------|--------------|
| 91-Days  | 0.035    | 19.78        | 99.86      | 19.78        |
| 182-Days | 0.15     | 40.09        | 92.18      | 10.00        |
| 364-Days | 0.30     | 107.94       | 411.09     | 138.03       |

#### 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 – 12 NOVEMBER 2020

| Tenor   | Rate (%) | Offer (₦'bn) | Sub (₦'bn) | Sales (₦'bn) |
|---------|----------|--------------|------------|--------------|
| 131-Day | 2.55     | 10.00        | 26.11      | 10.00        |
| 187-Day | 5.99     | 10.00        | 37.51      | 10.00        |
| 355-Day | 7.05     | 50.00        | 343.72     | 50.00        |

### Oil Price

Oil prices fell more than 2% on Friday, pressured by swelling output from Libya and fears that rising coronavirus infections may slow the recovery in the global economy and fuel demand.

Brent crude was down 72 cents, or 1.7%, at \$42.78 a barrel. U.S. West Texas Intermediate (WTI) crude futures settled down 99 cents, or 2.4%, to \$40.13 a barrel.

### Top Three Gainers

| Company                            | Open | Close | Gain (₦) | % Change |
|------------------------------------|------|-------|----------|----------|
| Oando Plc                          | 2.70 | 4.00  | 1.30     | ↑48.15   |
| Japaul Oil & Maritime Services Plc | 0.23 | 0.33  | 0.10     | ↑43.48   |
| N NIG. Flour Mills Plc             | 5.50 | 7.70  | 2.20     | ↑40.00   |

### Top Three Losers

| Company                             | Open | Close | Loss (₦) | % Change |
|-------------------------------------|------|-------|----------|----------|
| Ikeja Hotel Plc                     | 1.11 | 1.00  | -0.11    | ↓-9.91   |
| Global Spectrum Energy Services Plc | 4.65 | 4.19  | -0.46    | ↓-9.89   |
| Morison Industries Plc              | 0.54 | 0.49  | -0.05    | ↓-9.26   |

### FGN Bond

| Description       | Yield (%) 06-11-2020 | Yield (%) 13-11-2020 | Change |
|-------------------|----------------------|----------------------|--------|
| 14.50 15-Jul-2021 | 0.69                 | 0.18                 | -0.51  |
| 12.75 27-Apr-2023 | 2.68                 | 1.89                 | -0.79  |
| 12.50 22-Jan-2026 | 3.17                 | 3.43                 | +0.26  |
| 16.28 17-Mar-2027 | 3.65                 | 3.66                 | +0.01  |
| 13.98 23-Feb-2028 | 3.69                 | 4.15                 | +0.46  |
| 15.00 28-Nov-2028 | 3.95                 | 4.44                 | +0.49  |
| 8.50 20-Nov-2029  | 4.19                 | 4.64                 | +0.45  |
| 12.50 27-Mar-2035 | 5.11                 | 5.05                 | -0.06  |

### Nigerian Treasury Bills

| DTM | Maturity Date | Yield (%) 06-11-2020 | Yield (%) 13-11-2020 | Change |
|-----|---------------|----------------------|----------------------|--------|
| 62  | 14-Jan-2021   | 0.35                 | 0.06                 | -0.29  |
| 90  | 11-Feb-2021   | 1.00                 | 0.07                 | -0.93  |
| 209 | 10-Jun-2021   | 0.41                 | 0.11                 | -0.30  |
| 244 | 15-Jul-2021   | 0.33                 | 0.13                 | -0.20  |
| 307 | 16-Sep-2021   | 0.39                 | 0.15                 | -0.24  |

### 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 | 464.00          | 470.00         |

### Commodities

| Instrument          | 06-11-2020 | 13-11-2020 | Change |
|---------------------|------------|------------|--------|
| Brent Crude         | \$39.45    | \$42.78    | +3.33  |
| WTI Crude           | \$37.14    | \$40.12    | +2.98  |
| Nigeria Bonny Light | \$39.36    | \$42.66    | +3.30  |
| Gold                | \$1,951.25 | \$1,890.41 | -60.84 |

### CORPORATE ROUNDUP

- The Nigerian Stock Exchange (NSE) announced that a market-wide circuit breaker kicked in on Thursday, November 12, 2020, at 12:55p.m, when the NSE All-Share Index (NSE ASI) rose beyond the set threshold of 5%, triggering a 30-minute trading halt of all stocks. This was the first time that the circuit breaker had kicked in since its introduction in 2016.
- GT Bank has notified the NSE of the Court-Ordered-meeting, slated to hold on 4<sup>th</sup> of December 2020. This is in consideration of its conversion to a Financial Holding Company by means of a Scheme of Arrangement.

### GLOBAL ECONOMY UPDATE

In the past week, the equity market was caught between the rapidly spreading virus and the promise of a vaccine which resulted in a mixed performance with the Dow up 4% but the Nasdaq down about 0.5%, as investors sold off technology and communications services stocks.

### OUTLOOK

Next week, we expect investors' focus to shift to the FGN Bond primary market auction where the DMO will be offering ₦80 billion worth of instruments to participating 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

For enquiries, please contact us at:

Kairos Capital Limited  
12<sup>th</sup> Floor, Elephant House  
214, Broad street, Marina,  
Lagos Island,  
Nigeria.

Email: [info@kairoscapitalng.com](mailto:info@kairoscapitalng.com)

Tel: +234(0) 908 748 2175

Follow us on:    

Disclaimer- The information contained herein is provided for informational purposes only, without any express or implied warranty of any kind, including warranties of accuracy, completeness, or fitness for any particular purpose. The information contained herein is not intended to be and does not constitute financial, investment or any other form of advice. No one should make any financial or investment decision without undertaking a thorough and independent due diligence and consultation with a professional and competent financial advisor