

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.15	1.68	15.75	14.60
GDP Growth Rate (%)	-8.60 {Q3 20}	-3.49 {Q3 20}	-3.62 {Q3 20}	6.70 {Q3 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.29	3.75	11.50	17.00
Exchange Rate (Per \$)	Mex\$19.79	Rp14,068	₦379	₺7.40
Foreign Reserves (bn)	\$195	\$135.90	\$36.30	\$85.83

### Headlines

- The number of confirmed Covid-19 cases rose 110,387 as the Nigeria Center for Disease Control (NCDC) reported 1,444 new cases in Nigeria. Global confirmed cases now stand at 95.49 million.
- According to the inflation report released by the Nigerian Bureau of Statistics (NBS), the Consumer Price Index (CPI) which measures inflation rate increased by 15.75% (year-on-year) in December 2020; 0.86% points higher than the rate recorded in November 2020 (14.89%).
- The Debt Management Office (DMO) is to borrow about ₦450billion in the first quarter of 2021, this is according to the FGN Bond Issuance Calendar for 1<sup>st</sup> Quarter 2021 released recently.
- The Central Bank of Nigeria (CBN), on the authority of the DMO and on behalf of the Federal Government of Nigeria (FGN), will offer for Subscription by auction, ₦150billion across three re-openings (10 -year, 15-year and 25-year reopening) on Wednesday January 20, 2021.
- The CBN has issued new guidelines aimed at strengthening the payment system and development of other disruptive technologies relating to financial services.
- Nigeria, alongside 11 other African countries will get over \$5billion investment, over the next five years from the World Bank, to help restore degraded landscapes, improve agriculture productivity, and promote livelihoods.
- The FGN received ₦144billion in dividends from Nigeria Liquefied Natural Gas Company (NLNG) in 2020 fiscal year.

### Equity Market

#### Market Performance

	31-Dec-20	08-Jan-21	% WTD	% YTD
Market Capitalization	20.978T	21.530T	+2.63	+2.24
NSE ASI	40,120.22	41,176.14	+2.63	+2.25
NSE - 30	1,641.17	1,687.18	+2.80	+2.87
NSE ASeM	729.87	729.87	0.00	0.00
NSE Consumer Goods	588.16	606.48	+3.11	+5.78
NSE Banking	405.64	415.91	+2.53	+5.82
NSE Insurance	207.48	243.75	+17.48	+28.63
NSE Oil and Gas	255.97	274.53	+7.25	+21.37
NSE Pension	1,413.70	1,464.29	+3.58	+5.45

### Bonds and Treasury Bills Market Roundup

**FGN Bonds Secondary Market:** The week closed bearish as average yield expanded by 29bps from 6.44% it traded the previous week to 6.73% as investors braced up for the first bond issuance in 2021. The FGN Bond auction has been scheduled to hold on 20<sup>th</sup> January 2021 where the DMO will be offering ₦150billion FGN bond across three re-openings.

**Treasury Bills Market:** The week closed bearish as average yield expanded by 8bps to close the week at 0.51% from 0.43% it closed at the previous week. The CBN offered ₦232.36billion worth of bills across three segments at the PMA on Wednesday, 13<sup>th</sup> January 2021. The CBN sold ₦107.22billion worth of bills despite a subscription of ₦286.13billion as average stop rate increased by 42bps from 0.58% to 1%.

**Open Market Operations:** The week closed bullish as average yield contracted by 7bps to close the week at 0.78% from 0.85% it closed at last week.

### Primary Market Auction Result

#### NTB – 13 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	0.5000	12.76	23.57	15.91
182-Days	1.000	26.60	30.63	25.37
364-Days	1.500	193.00	231.93	65.93

#### FGN BOND – 16 DECEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Jan-26	-	-	-	-
Mar-35	6.945	30.00	90.89	20.00
Jul-45	7.000	30.00	43.17	10.00
Mar-50	-	-	-	-

#### OMO RESULT – 01 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
96-Day	1.51	10.00	38.85	10.00
180-Day	4.34	10.00	77.84	10.00
362-Day	5.74	60.00	502.76	60.00

### Oil Price

Oil prices fell more than 2% last Friday as concerns about Chinese cities in lockdown due to coronavirus outbreaks tempered a rally driven by strong import data from the world's biggest crude importer and U.S. plans for a large stimulus package.

Brent crude fell \$1.32, or 2.34%, to settle at \$55.10 per barrel, after gaining 0.6% on Thursday. U.S. West Texas Intermediate crude settled \$1.21, or 2.26%, lower at \$52.36 per barrel, having risen more than 1% the previous session.

### Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Japaul Gold & Ventures Plc	0.97	1.52	0.55	↑56.70
Mutual Benefits Assurance Plc	0.28	0.42	0.14	↑50.00
Royal Exchange Plc	0.23	0.34	0.11	↑47.83

### Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Cutix Plc	2.40	2.09	-0.31	↓-12.92
Daar Communications Plc	0.30	0.27	-0.03	↓-10.00
Chellarams Plc	2.51	2.26	-0.25	↓-9.96

### FGN Bond

Description	Yield (%) 08-01-2021	Yield (%) 15-01-2021	Change
14.50 15-Jul-2021	0.46	0.50	+0.04
12.75 27-Apr-2023	3.48	3.53	+0.05
12.50 22-Jan-2026	6.31	6.49	+0.18
16.28 17-Mar-2027	6.34	7.75	+1.41
13.98 23-Feb-2028	6.83	8.26	+1.43
15.00 28-Nov-2028	7.23	7.72	+0.49
8.50 20-Nov-2029	7.51	7.56	+0.05
12.50 27-Mar-2035	8.00	8.32	+0.32

### Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 08-01-2021	Yield (%) 15-01-2021	Change
27	11-Feb-2021	0.15	0.18	+0.03
146	10-Jun-2021	0.35	0.39	+0.04
181	15-Jul-2021	0.50	0.50	0.00
244	16-Sep-2021	0.58	0.70	+0.12
314	25-Nov-21	0.68	0.93	+0.25

### FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	393.50	394.67
CBN SMIS Window	380.69	380.69
Parallel Market	472.00	475.00

### Commodities

Instrument	08-01-2021	15-01-2021	Change
Brent Crude	\$55.99	\$55.10	-0.89
WTI Crude	\$52.24	\$52.04	-0.20
Nigeria Bonny Light	\$54.91	\$54.33	-0.58
Gold	\$1,848.88	\$1,828.45	-20.43

### CORPORATE ROUNDUP

- The Nigerian Stock Exchange (NSE) will hold its annual Market Recap for 2020 and 2021 Outlook on Tuesday, 19 January 2021. The event will hold virtually and open to members of the stockbroking community, analysts, regulators, media, and other stakeholders in the capital market. Interested participants can register via the link: <http://bit.ly/nse-2021-outlook>.
- FMDQ has approved the quotation of the Total Nigeria PLC ₦2.25 billion Series 1 and ₦12.75 billion Series 2 Commercial Papers under its ₦30.00 billion CP Issuance Programme, Mixta Real Estate PLC ₦2.00 billion Series 32 Commercial Paper under its ₦20.00 billion CP Issuance Programme, as well as the registration of the Valency Agro Nigeria Limited ₦20.00 billion Commercial Paper Programme, on its platform.

### GLOBAL ECONOMY UPDATE

In the stock market, Dow Jones Industrial Average declined 177.26 points, or 0.57%, to 30,814.26 the S&P 500 also dropped 0.72%, or 27.29 point to 3,768.25 and the Nasdaq Composite dropped by 114.14 points, or 0.87% to 12,998.50 last week.

### OUTLOOK

This week, we expect investor's to shift focus to the FGN Bond first primary market auction for the year as the DMO sets to offer ₦150billion worth of bond across the three re-openings at the PMA scheduled to hold on Wednesday, 20<sup>th</sup> January 2021

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 #StaySafeS

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