

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.15	1.55	15.75	14.97
GDP Growth Rate (%)	3.1 {Q3 20}	-2.19{Q4 20}	-3.62 {Q3 20}	6.70{Q3 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.00	3.75	11.50	17.00
Exchange Rate (Per \$)	Mex\$19.96	Rp14,011	₦379	₺7.03
Foreign Reserves (bn)	\$195	\$138.01	\$35.80	\$85.83

### Headlines

- The number of confirmed Covid-19 cases rose to 146,184 as the Nigeria Center for Disease Control (NCDC) reported 520 new cases in Nigeria. Global confirmed cases now stand at 109.41 million.
- The Federal Executive Council (FEC) approved a new Medium-Term Debt Management Strategy (MTDS) for Nigeria for the period 2020-2023. Under the new MTDS, domestic borrowings will be sourced through long-term instruments while for External Borrowings, concessional funding from multilateral and bilateral sources will be prioritized.
- The Debt Management Office (DMO), on behalf of the Federal Government of Nigeria (FGN) will offer for subscription by auction, ₦150billion worth of FGN Bond; ₦50billion via a 10-year re-opening, ₦50billion via a 15-Year re-opening and ₦50billion via a 25-year re-opening. The bond auction is set to hold on Wednesday, 17th of February 2021.
- The Securities and Exchange Commission (SEC) in a circular released on the 11<sup>th</sup> of February 2021, revealed that it has put on hold the granting of access to all persons and products affected by the Central Bank of Nigeria's (CBN) circular of February 5, 2021, for admission into the SEC Regulatory Incubation Framework until such persons are able to operate bank accounts within the Nigerian banking system.
- The Federation Account Allocation Committee (FAAC) disbursed the sum of ₦2.49trillion to the FGN in 2020 while States received a total of ₦2.30trillion in 2020. January and August had the highest Net Allocation disbursement with ₦243.45billion and ₦232.34billion respectively while December and November had the least with ₦160.59billion and ₦176.29billion respectively.
- According to the Statistician-General of the Federation, Nigeria is set to rebase the Gross Domestic Product (GDP) in 2021 to include information on 17 economic activities which would have more data on the present economic realities in the country.

### Equity Market

#### Market Performance

	05-Feb-21	12-Feb-21	% WTD	% YTD
Market Capitalization	21.819T	21.156T	-3.04	+0.47
NSE ASI	41,709.09	40,439.85	-3.04	+0.42
NSE - 30	1,689.05	1,627.23	-3.66	-0.79
NSE ASeM	729.87	729.87	0.00	0.00
NSE Consumer Goods	593.91	588.40	-0.93	+2.62
NSE Banking	414.39	378.10	-8.76	-3.80
NSE Insurance	231.14	216.20	-6.46	+14.09
NSE Oil and Gas	253.91	251.30	-1.03	+11.10
NSE Pension	1,448.26	1,395.05	-3.67	+0.46

### Bonds and Treasury Bills Market Roundup

**FGN Bonds Secondary Market:** Last week closed bearish as average yield expanded by 104bps from 8.00% it traded the previous week to 9.04%. The APR-2029 bond witnessed the highest yield increase of 189bps to close at 10.89% from 8.51% it closed previously.

**Treasury Bills Market:** Last week closed bearish as average yield expanded by 45bps to close the week at 1.48% from 1.03% it closed at the previous week. At the NTB-PMA that held last week, the CBN offered a total of ₦169.78billion at the auction and sold ₦130.88billion worth of instruments against a total subscription of ₦198.70billion. Compared to the previous auction held on the 27th of January 2021, stop rates rose by +81.82% (91-days), +53.85% (182-days), and +100.00%, (364-days) respectively.

**Open Market Operations:** Last week closed bearish as average yield expanded by 472bps to close the week at 6.68% from 1.96% it closed at last week.

### Primary Market Auction Result

#### NTB - 10 FEBRUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.000	19.78	30.62	24.67
182-Days	2.000	10.00	21.89	16.06
364-Days	4.000	140.00	146.19	90.15

#### FGN BOND - 20 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Mar-27	7.98	50.00	91.84	70.90
Mar-35	8.74	50.00	106.37	83.43
Jul-45	8.95	50.00	40.07	16.03

#### OMO RESULT - 11 FEBRUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
96-Day	7.0000	10.00	36.78	10.00
187-Day	8.5000	20.00	46.25	19.00
362-Day	10.1000	140.00	232.29	140.00

### Oil Price

Oil prices edged higher on Friday, buoyed by hopes for a U.S. stimulus bill, but a weaker demand outlook from OPEC and the International Energy Agency capped gains.

Brent crude advanced 2.11% to \$62.43 a barrel after rising to a session high of \$62.83, the highest since Jan. 22, 2020. U.S. West Texas Intermediate settled 2.11% higher at \$59.47 per barrel after rising to a session high of \$59.82, the highest since the 9<sup>th</sup> of January 2020.

### Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Mutual Benefits Assurance Plc	0.38	0.42	0.04	↑10.53
Morison Industries Plc	0.50	0.55	0.05	↑10.00
McNichols Plc	0.73	0.80	0.07	↑9.59

### Top Three Losers

Company	Open	Close	Loss (₦)	% Change
N.Nig. Flour Mills Plc	8.65	7.02	-1.63	↓-18.84
Nem Insurance Plc	2.50	2.05	-0.45	↓-18.00
Royal Exchange Plc	0.36	0.30	-0.06	↓-16.67

### FGN Bond

Description	Yield (%) 05-02-2021	Yield (%) 12-02-2021	Change
14.50 15-Jul-2021	0.90	1.59	+0.69
12.75 27-Apr-2023	5.91	7.50	+1.59
12.50 22-Jan-2026	7.50	8.40	+0.90
16.28 17-Mar-2027	8.42	9.90	+1.48
13.98 23-Feb-2028	8.37	10.00	+1.63
15.00 28-Nov-2028	8.46	10.26	+1.80
8.50 20-Nov-2029	8.68	10.41	+1.73
12.50 27-Mar-2035	10.11	10.45	+0.34

### Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 05-02-2021	Yield (%) 12-02-2021	Change
69	15-Apr-2021	0.47	0.47	0.00
125	10-Jun-2021	0.62	1.19	+0.57
160	15-Jul-2021	0.89	1.72	+0.83
223	16-Sep-2021	1.12	1.97	+0.85
293	25-Nov-21	1.66	2.00	+0.34

### Commodities

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	396.17	404.67
CBN SMIS Window	380.69	380.69
Parallel Market	480.00	473.00

Instrument	05-02-2021	12-02-2021	Change
Brent Crude	\$59.34	\$62.43	+3.09
WTI Crude	\$56.85	\$59.47	+2.62
Nigeria Bonny Light	\$58.93	\$60.77	+1.84
Gold	\$1,810.80	\$1,824.77	+13.97

### CORPORATE ROUNDUP

- The Nigerian Stock Exchange (The Exchange) is proposing amendments to the Rulebook of The Exchange (Issuers' Rules): Rules Governing Transactions With Related Parties or Interested Persons and has invited market participants to participate in its rule making process. The Exchange wants to receive comments not later than the close of business on Wednesday, 24 February 2021. Comments should be set out in a Microsoft Word document attached to an electronic mail to Mr. Oluwatoyin Adenugba, Head, Rules and Interpretation at The Exchange via [oadenugba@nse.com.ng](mailto:oadenugba@nse.com.ng).
- 11 Plc, formerly Mobil Oil Nigeria Plc plans to delist from the Exchange by the first quarter of 2021 to enable it explore strategic opportunities, alliances and collaborations that could bolster earnings and/or provide synergized benefits with little or no regulatory obligations. Shareholders who do not consent to the exit proposal will be in the frame to sell their stakes at ₦213.90 per ordinary share.

### GLOBAL ECONOMY UPDATE

In the stock market, Dow Jones Industrial Average increased 27.70 points, or 0.09%, to 31,458.40, the S&P 500 also increased 0.47%, or 18.45 points to 3,934.83 and the Nasdaq Composite decreased by 69.70 points, or 0.50% to 14,095.47 last week.

### OUTLOOK

We expect investors to focus on the Bond PMA where the DMO on behalf of the FGN will offer ₦150billion worth of bonds across three re-openings on Wednesday, 17<sup>th</sup> of February 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 #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

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