

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.54	1.55	16.47	14.97
GDP Growth Rate (%)	3.1 {Q3 20}	-2.19{Q4 20}	+0.11 {Q4 20}	6.70{Q3 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.04	3.50	11.50	17.00
Exchange Rate (Per \$)	Mex\$20.42	Rp14,085	₦379	₺6.97
Foreign Reserves (bn)	\$195	\$138.01	\$35.47	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 152,074 as the Nigeria Center for Disease Control (NCDC) reported 521 new cases in Nigeria. Global confirmed cases now stand at 111.96 million.
- Nigeria exits from recession as growth in agriculture and telecommunications offset a sharp drop in oil production. The Gross Domestic Product (GDP) grew by 0.11% (year-on-year) in real terms in Q4 2020 compared with a decline of 3.6% in Q3 2020
- The Consumer Price Index (CPI) which measures inflation increased by 16.47% (year-on-year) in January 2021, 0.71% points higher than the rate recorded in December 2020 (15.75%). On month-on-month basis, the Headline index increased by 1.49% in January 2021. This is 0.12% points lower than the rate recorded in December 2020 (1.61%).
- The Debt Management Office (DMO), on behalf of the Federal Government of Nigeria (FGN) offered for subscription by auction, ₦150billion worth of FGN Bond across three instruments. Total subscriptions received from competitive bids for the instruments was ₦189.51 billion, indicating a 126.34% oversubscription level.
- A Bureau of Public Enterprises (BPE) document submitted to the National Assembly showed that the Federal Government plans to earn a total of ₦493.4billion from the sale and or concession of about 36 of its assets across the country.
- From the CBN's 2020 Half Year Financial Market Department (FMD) Activity Report, the total value of FGN Bonds offered from January 2020 to June 2020 was ₦615billion compared to the ₦700billion offered in the corresponding period of 2019, indicates a decrease of 12.14%.

Equity Market

Market Performance

	12-Feb-21	19-Feb-21	% WTD	% YTD
Market Capitalization	21.156T	21.026T	-0.61	-0.15
NSE ASI	40,439.85	40,186.70	-0.63	-0.21
NSE - 30	1,627.23	1,612.56	-0.90	-1.68
NSE ASeM	729.87	729.87	0.00	0.00
NSE Consumer Goods	588.40	582.30	-1.04	+1.56
NSE Banking	378.10	380.13	+0.54	-3.28
NSE Insurance	216.20	212.59	-1.67	+12.18
NSE Oil and Gas	251.30	262.85	+4.60	+16.20
NSE Pension	1,395.05	1,393.86	-0.09	+0.38

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: Last week closed bearish as average yield expanded by 38bps from 9.04% it traded the previous week to 9.42%. At the FGN bonds auction that held last week, the DMO offered three (3) Instruments; 16.2884% FGN MAR 2027 (Re-opening 10-Year Bond), 12.50% FGN MAR 2035 (Re-opening 15-year) and 9.8% FGN JUL 2045 (Re-opening 25-year bond) with a total face value of ₦150 billion to investors. Total subscriptions received from competitive bids for the instruments was ₦189.51 billion, indicating a subscription level of 126.34%.

Treasury Bills Market: Last week closed bearish as average yield expanded by 4bps to close the week at 1.52% from 1.48% it closed at the previous week.

Open Market Operations: Last week closed bullish as average yield contracted by 32bps to close the week at 6.36% from 6.68% 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 – 17 FEBRUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Mar-27	10.25	50.00	77.05	33.62
Mar-35	11.25	50.00	72.33	28.90
Jul-45	11.80	50.00	40.13	18.03

OMO RESULT – 18 FEBRUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Day	7.0000	20.00	52.68	20.00
180-Day	8.5000	20.00	54.40	20.00
362-Day	10.1000	140.00	350.73	140.00

Oil Price

Oil prices fell from recent highs for a second day last Friday as Texas energy firms began to prepare for restarting oil and gas fields shuttered by freezing weather.

Brent crude futures fell 1.6% to settle at \$62.91 per barrel, while the U.S. West Texas Intermediate (WTI) crude futures settled 2.12% lower at \$59.24 per barrel.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Portland Paints & Products Nigeria Plc	2.84	3.25	0.41	↑14.44
Julius Berger Nig. Plc.	18.00	20.30	2.30	↑12.78
United Capital Plc	5.65	6.35	0.70	↑12.39

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Consolidated Hallmark Insurance Plc	0.46	0.33	-0.13	↓-28.26
Royal Exchange Plc	0.30	0.25	-0.05	↓-16.67
Vitafoam Nig Plc	9.30	7.80	-1.50	↓-16.13

FGN Bond

Description	Yield (%) 12-02-2021	Yield (%) 19-02-2021	Change
14.50 15-Jul-2021	1.59	1.48	-0.11
12.75 27-Apr-2023	7.50	7.42	-0.08
12.50 22-Jan-2026	8.40	9.60	+1.20
16.28 17-Mar-2027	9.90	9.96	+0.06
13.98 23-Feb-2028	10.00	10.45	+0.45
15.00 28-Nov-2028	10.26	10.57	+0.31
8.50 20-Nov-2029	10.41	10.70	+0.29
12.50 27-Mar-2035	10.45	10.95	+0.50

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 12-02-2021	Yield (%) 19-02-2021	Change
55	15-Apr-2021	0.47	0.47	0.00
111	10-Jun-2021	1.19	1.19	0.00
146	15-Jul-2021	1.72	1.10	-0.62
209	16-Sep-2021	1.97	1.97	0.00
279	25-Nov-21	2.00	2.02	+0.02

Commodities

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	404.67	410.00
CBN SMIS Window	380.69	380.69
Parallel Market	473.00	478.00

Instrument	12-02-2021	19-02-2021	Change
Brent Crude	\$62.43	\$62.91	+0.48
WTI Crude	\$59.47	\$59.24	-0.23
Nigeria Bonny Light	\$60.77	\$62.09	+1.32
Gold	\$1,824.77	\$1,784.05	-40.72

CORPORATE ROUNDUP

- The Nigerian Stock Exchange (The Exchange) notified Dealing Members that additional units of the FGN Bonds issued in January 2021 were listed on The Exchange on Monday, 15 February 2021.
- Nigerian Companies hit a new milestone in debt capital raise in 2020 with the low interest rates market as Corporate Debt Issuances hit a phenomenal record of ₦1.114 trillion in 2020.
- Dufil Prima Foods Plc opened its Series 3 and 4 Commercial Paper Issuances under its ₦30billion Commercial Paper Programme which is scheduled to close on 26 February 2021. The tenor for the instrument is 182 days and 268 days with an implied yield at 4% and 5% respectively.

GLOBAL ECONOMY UPDATE

In the stock market, Dow Jones Industrial Average increased 0.98 points to 31,494.32, the S&P 500 decreased -0.19%, or -7.26 points to 3,906.71 and the Nasdaq Composite increased by 9.11 points, or 0.07% to 13,874.46 last week.

OUTLOOK

We expect investors participation in the NTB market to be bearish as rates are starting to pick up and as investors gear up for the next NTB-PMA auction scheduled to hold on Wednesday, 24th of February 2021 where the CBN will offer ₦128.22billion worth of instruments across three tenors; 91-day (₦20.37billion), 182-day (₦55.85billion) and 364-day (₦60.00billion).

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
12th Floor, Elephant House
214, Broad street, Marina,
Lagos Island,
Nigeria.

Email: 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