

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	5.81	1.33	17.38	18.95
GDP Growth Rate (%)	+19.70 {Q2 21}	-0.74 {Q1 21}	+0.51 {Q1 21}	7.00 {Q1 21}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.55	3.50	11.50	19.00
Exchange Rate (Per \$)	Mex\$20.40	Rp14,501	₦410.13	₺8.54
Foreign Reserves (bn)	\$193	\$137.09	\$33.52	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 187,023 as the Nigeria Center for Disease Control (NCDC) confirms 388 more cases in Nigeria. Global confirmed cases now stand at 212.62 million.
- According to the National Bureau of Statistics (NBS), the consumer price index (CPI) which measures inflation increased by 17.38 percent (year-on-year) in July 2021. This is 0.37 percent points lower than the rate recorded in June 2021 (17.75) percent. (This implies that prices continued to rise in July 2021 but at a slower rate than it did in June 2021).
- Average price paid by consumers for premium motor spirit (petrol) increased by 15.51% year-on-year and decreased month-on-month by 0.18% to ₦165.91 in July 2021 from ₦165.61 in June 2021. States with the highest average price of premium motor spirit (petrol) were Adamawa (₦173.67), Kwara (₦170.40) and Plateau (₦170.40).
- The Central Bank of Nigeria (CBN) in its latest circular to Microfinance Banks (MFBs) cautions MFBs from engaging in non-permissible activities especially wholesale banking, foreign exchange transactions and others. The CBN will continue to monitor developments in the MFB sector and apply severe regulatory sanctions for breaches of extant regulations, including revoking the license of non-compliant MFBs (in line with Section 19 of the Guidelines).
- The Federal Government opened the bid for the concession of four international airport terminals in Lagos, Abuja, Port Harcourt, and Kano to firms or consortia with a track record in airport terminal management and a net worth of ₦30billion per bidder. Firms that meet the pre-qualification requirements shall execute a Non-disclosure Agreement before they can proceed to the Request for Proposal (RFP) stage.

Source: Research Desk of Kairos Capital Limited

Equity Market

Market Performance

	13-Aug-21	20-Aug-21	% WTD	% YTD
Market Capitalization	20.592T	20.571T	-0.10	-2.34
NGX ASI	39,522.34	39,483.08	-0.10	-1.96
NGX - 30	1,638.09	1,633.23	-0.30	-0.42
NGX ASeM	670.65	670.65	0.00	-8.11
NGX Consumer Goods	596.60	558.98	-6.31	-2.51
NGX Banking	381.01	377.87	-0.82	-3.85
NGX Insurance	189.89	188.07	-0.96	-0.75
NGX Oil and Gas	376.24	373.93	-0.61	+65.31
NGX Pension	1,525.76	1,516.20	-0.63	+9.19

Source: The Nigerian Exchange Limited

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: Last week closed bullish as average yield contracted by 18bps to close the week at 11.38% from 11.56% it closed at the previous week. The highest yield decrease was witnessed in the MAR-2027 issuance which rose by 76bps to close at 11.45% while the only yield increase was witnessed in the January-2022, increased by 43bps to close at 4.47%

Treasury Bills Market: Last week closed bearish as average yield expanded by 3bps to close the week at 4.69% from 4.67% it closed at the previous week.

Open Market Operations: Last week closed bullish as average yield contracted by 170bps to close the week at 5.95% from 7.65% it closed at last week.

Source: FMDQ Daily Quotation Pricelist

Primary Market Auction Result

NTB - 11 AUGUST 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	2.500	8.44	6.15	4.80
182-Days	3.500	16.06	5.10	3.75
364-Days	7.350	27.00	387.12	147.78

FGN BOND - 19 JULY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Feb-28	12.35	50.00	56.41	135.61
Mar-36	13.15	50.00	73.44	51.16
Mar-50	13.25	50.00	156.26	55.20

OMO RESULT - 15 JULY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
103-Day	7.00	5.00	5.50	5.00
173-Day	8.50	5.00	6.80	5.00

Source: The Central Bank of Nigeria (CBN) and the Debt Management Office

Oil Price

Oil prices closed out their biggest week of losses in more than nine months with another down day on Friday, as investors sold futures in anticipation of weakened fuel demand worldwide due to a surge in COVID-19 cases.

Brent crude fell 8% in the week, settling down \$1.27, or 1.9%, to \$65.18 a barrel, its lowest since April. U.S. West Texas Intermediate (WTI) crude for September settled down \$1.37, or 2.2%, to \$62.32 a barrel on Friday, to lose more than 9% for the week.

Source: CNBC

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Honeywell Flour Mill Plc.	2.05	3.00	0.95	↑46.34
Pharma-Deko Plc.	1.19	1.72	0.53	↑44.54
Courteville Business Solutions Plc.	0.24	0.31	0.07	↑29.17

Source: The Nigerian Exchange Limited

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Meyer Plc.	0.59	0.20	-0.39	↓-66.10
SCOA NIG. Plc.	1.95	1.59	-0.36	↓-18.46
CHI Plc.	0.53	0.46	-0.07	↓-13.21

Source: The Nigerian Exchange Limited

FGN Bond

Description	Yield (%) 13-08-2021	Yield (%) 20-08-2021	Change
12.75 27-Apr-2023	9.79	9.76	-0.03
12.50 22-Jan-2026	11.15	11.10	-0.05
16.28 17-Mar-2027	12.22	11.45	-0.77
13.98 23-Feb-2028	11.90	11.55	-0.35
15.00 28-Nov-2028	11.99	11.67	-0.32
8.50 20-Nov-2029	12.10	11.82	-0.28
12.50 27-Mar-2035	12.63	12.63	0.00
12.98 27-Mar-2050	12.80	12.80	0.00

Source: FMDQ Daily Quotations Pricelist

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 13-08-2021	Yield (%) 20-08-2021	Change
27	16-Sep-2021	2.83	2.96	0.13
97	25-Nov-2021	4.58	4.59	0.01
174	10-Feb-2022	4.19	4.31	0.12
251	28-Apr-2022	5.99	5.49	-0.50

Source: FMDQ Daily Quotations Pricelist

FX Market

	Previous (₦/\$)	Current (₦/\$)
I&E FX Window	410.80	411.67
CBN SMIS Window	380.69	380.69
Parallel Market	515.00	520.00

Source: FMDQ Daily Quotations Pricelist, Abokifx

Commodities

Instrument	13-08-2021	20-08-2021	Change
Brent Crude	\$71.10	\$65.18	-5.92
WTI Crude	\$68.97	\$62.14	-6.83
Nigeria Bonny Light	\$69.76	\$64.71	-5.05
Gold	\$1,779.79	\$1,787.59	+7.80

Source: Oilprice and the Business Insider

CORPORATE ROUNDUP

The Nigerian Exchange (NGX) Limited notified trading license holders that the August 2021 Issue of the Federal Government of Nigeria (FGN) Savings Bonds were listed on the Exchange on Tuesday, 18th August 2021. The two bond instruments (8.864% FGNSB AUG 2023 and 9.864% FGNSB AUG 2024), have coupon rates of 8.864% and 9.864% with a tenor of 2 years and 3 years respectively.

GLOBAL STOCK MARKET UPDATE

In the stock market, Dow Jones Industrial Average increased +225.96points to 35,120.08, the S&P 500 increased by +0.81%, or +35.87points to 4,441.57 and the Nasdaq Composite increased by +172.88, or +1.19% to 14,714.66 last week.

OUTLOOK

We expect activity to shift to the NTB-PMA scheduled to hold on Wednesday, 25th of August 2021, where the CBN will offer ₦157.21billion worth of instruments across three tenors; 91-day (₦3.12billion), 182-day (₦32.71billion) and 364-day (₦121.38billion).

We at Kairos Capital cannot overemphasize the benefits of observing laid down safety precautions this period. Do not forget to #WashYourHands #WearNoseMasks #MaintainSocialDistancing #ObeyTheGuidelines #StayatHome #StaySafe

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