

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	5.81	1.52	17.38	18.95
GDP Growth Rate (%)	+19.70 {Q2 21}	+7.07 {Q2 21}	+5.01 {Q2 21}	7.00 {Q1 21}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.52	3.50	11.50	19.00
Exchange Rate (Per \$)	Mex\$20.23	Rp14,431	₦410.26	₺8.39
Foreign Reserves (bn)	\$193	\$137.34	\$33.57	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 191,345 as the Nigeria Center for Disease Control (NCDC) confirms 362 more cases in Nigeria. Global confirmed cases now stand at 217.22 million.
- According to the National Bureau of Statistics (NBS), Nigeria's Gross Domestic Product (GDP) grew by 5.01% (year-on-year) in real terms in the second quarter of 2021, marking three consecutive quarters of growth following the negative growth rates recorded in the second and third quarters of 2020. The Q2 2021 growth rate was higher than the -6.10% growth rate recorded in Q2 2020 and the 0.51% recorded in Q1 2021 year on year, indicating the return of business and economic activities near levels seen prior to the nationwide implementation of COVID-19 related restrictions.
- The Federation Accounts Allocation Committee (FAAC) shared a total of ₦760.717 billion in July 2021 Federation Account Revenue to the Federal, States, and Local Government Councils. The ₦760.717 billion total distributable revenue comprised distributable statutory revenue of ₦617.705 billion; distributable Value Added Tax (VAT) revenue of ₦140.555 billion and Exchange Gain of ₦2.457 billion. The Federal Government received ₦321.226 billion, the State Governments received ₦222.514 billion, and the Local Government Councils received ₦166.562 billion.
- The Nigerian National Petroleum Corporation (NNPC) expended a total of ₦541.65 billion as subsidy on petrol between February and July this year. In a document presented to the FAAC for August 2021, ₦25.374 billion was spent on what the corporation termed under-recovery or value shortfall in February, it was ₦60.39 billion in March and ₦61.966 billion in April.

Source: Research Desk of Kairos Capital Limited

Equity Market

Market Performance

	20-Aug-21	27-Aug-21	% WTD	% YTD
Market Capitalization	20.571T	20.573T	+0.01	-2.33
NGX ASI	39,483.08	39,485.65	+0.01	-1.95
NGX - 30	1,633.23	1,629.18	-0.25	-0.67
NGX ASeM	670.65	670.65	0.00	-8.11
NGX Consumer Goods	596.60	556.59	-0.43	-2.92
NGX Banking	377.87	378.99	+0.30	-3.57
NGX Insurance	188.07	190.07	+1.06	+0.30
NGX Oil and Gas	373.93	374.23	+0.08	+65.44
NGX Pension	1,516.20	1,513.75	-0.16	+9.01

Source: The Nigerian Exchange Limited

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: Last week closed bullish as average yield contracted by 23bps to close the week at 11.15% from 11.38% it closed at the previous week.

Treasury Bills Market: Last week closed bearish as average yield expanded by 26bps to close the week at 4.95% from 4.69% it closed at the previous week. The CBN sold ₦307.33 billion worth of notes against ₦157.21 billion offered at its NTB auction last week. The 91-day, 182-day & 364-day notes were allotted at 2.50%, 3.50%, and 6.80% respectively. Compared to the previous auction, rates on the 91-day & 182-day were unchanged while the 364-day paper fell by 55bps.

Open Market Operations: Last week closed bearish as average yield expanded by 9bps to close the week at 6.04% from 5.95% it closed at last week.

Source: FMDQ Daily Quotation Pricelist

Primary Market Auction Result

NTB - 25 AUGUST 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	2.500	3.12	4.84	3.54
182-Days	3.500	32.71	24.17	22.86
364-Days	6.800	365.11	387.12	280.93

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 - 26 AUGUST 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Day	7.00	10.00	17.00	10.00
159-Day	8.50	10.00	18.00	10.00
355-Day	10.10	40.00	117.07	40.00

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

Oil Price

Oil prices rose 2% on Friday, posting their biggest weekly gains in over a year, as energy firms began shutting U.S. production in the Gulf of Mexico ahead of a major hurricane expected to hit early next week.

Brent futures rose \$1.63, or 2.3%, to settle at \$72.70 a barrel, while U.S. West Texas Intermediate (WTI) crude rose \$1.32, or 2.0%, to settle at \$68.74.

Source: CNBC

Top Three Gainers

Company	1.33	1.83	0.50	↑37.59
Updc Plc.	1.40	1.85	0.45	↑32.14
Morisson Industries Plc.	0.46	0.56	0.10	↑21.74
Consolidated Hallmark Insurance Plc.				

Source: The Nigerian Exchange Limited

FGN Bond

Description	Yield (%)		Change
	20-08-2021	27-08-2021	
12.75 27-Apr-2023	9.76	9.44	-0.32
12.50 22-Jan-2026	11.10	10.62	-0.48
16.28 17-Mar-2027	11.45	11.13	-0.32
13.98 23-Feb-2028	11.55	11.40	-0.45
15.00 28-Nov-2028	11.67	11.48	-0.19
8.50 20-Nov-2029	11.82	11.57	-0.25
12.50 27-Mar-2035	12.63	12.60	-0.03
12.98 27-Mar-2050	12.80	12.70	-0.1

Source: FMDQ Daily Quotations Pricelist

FX Market

	Previous (₦/\$)	Current (₦/\$)
I&E FX Window	411.67	412.00
CBN SMIS Window	380.69	380.69
Parallel Market	520.00	524.00

Source: FMDQ Daily Quotations Pricelist, Abokifx

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Associated Bus Company Plc.	0.39	0.33	-0.06	↓-15.38
Unilever Nigeria. Plc.	15.00	13.50	-1.50	↓-10.00
Ikeja Hotel Plc.	1.40	1.26	-0.14	↓-10.00

Source: The Nigerian Exchange Limited

DTM	Maturity Date	Yield (%)		Change
		20-08-2021	27-08-2021	
20	16-Sep-2021	2.83	2.96	+0.13
90	25-Nov-2021	4.58	3.29	-1.29
167	10-Feb-2022	4.19	4.84	+0.65
244	28-Apr-2022	5.99	6.31	+0.32

Source: FMDQ Daily Quotations Pricelist

Commodities

Instrument	20-08-2021	27-08-2021	Change
Brent Crude	\$65.18	\$72.70	+7.52
WTI Crude	\$62.14	\$68.74	+6.60
Nigeria Bonny Light	\$64.71	\$70.02	+5.31
Gold	\$1,787.59	\$1,817.24	+29.65

Source: Oilprice and the Business Insider

CORPORATE ROUNDUP

- Nigerian Exchange (NGX) Limited announced the release of digital-only version of the 2021 edition of its annual Factbook (X-Factbook) on Thursday, 26 August 2021, after 41 years in print. The digital X-Factbook, available for purchase at <https://xfactbook.ngxgroup.com>, presents a completely new way for users to conveniently access comprehensive and diverse information on the Nigerian capital market.
- The Nigerian Exchange (NGX) Limited notified trading license holders that additional units of the Federal Government of Nigeria (FGN) Bonds issued in August 2021 were listed on the Nigerian Exchange Limited on Wednesday, 25 August 2021. The additional units of the bond (12.98% FGN MAR 2050) issued were 104,814,900, taking the total outstanding units as at August 2021 to 715,536,872 units.

GLOBAL STOCK MARKET UPDATE

In the stock market, Dow Jones Industrial Average increased +242.68points to 35,455.80 the S&P 500 increased by +0.88%, or +39.37points to 4,509.37 and the Nasdaq Composite increased by +183.69, or +1.23% to 15,129.50 last week.

OUTLOOK

We expect activity this week to be dictated by the market liquidity situation as investors seek high-yield instruments.

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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