

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.62	1.32	12.82	11.77
GDP Growth Rate (%)	-18.9 {Q2 20}	-5.32 {Q2 20}	-6.10 {Q2 20}	-9.91 {Q2 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.47	4.00	12.50	8.25
Exchange Rate (Per \$)	Mex\$21.61	Rp14,792	₦379	₺7.41
Foreign Reserves (bn)	\$188	\$135.08	\$35.68	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 55,005 as the Nigeria Center for Disease Control (NCDC) reported 100 new cases in Nigeria. Global confirmed cases now stand at 27.30 million.
- The Central Bank of Nigeria (CBN) reviewed the minimum interest payable on savings deposits. Interest on local currency savings deposits is now subject to a minimum of 10% per annum of Monetary Policy Rate (MPR).
- The Federation Account Allocation Committee (FAAC) disbursed the sum of ₦547.31 billion to the three tiers of government in June 2020 from the revenue generated in May 2020, this represented a decline of 9.71% from the ₦606.2 billion disbursed in May 2020.
- The CBN has instructed banks to place a “post-no-debit (freeze) the account of thirty-eight (38) firms over forex infractions stemming from moving forex abroad without the required authorization and committing economic sabotage.
- Nigeria's total foreign trade drops to ₦6.24 trillion, a 27.46% decrease year on year in Q2 2020 when compared to ₦8.61 trillion recorded in Q1 2020. Total import for the period stood at ₦4.02 trillion while total export was ₦2.22 trillion indicating a negative trade balance of ₦1.8 trillion.
- The Pipeline and Product Marketing Company (PPMC) announced the increase in petrol pump price from N143.80 to ₦151.56 per

Equity Market

Market Performance

	28-Aug-20	04-Sept-20	% WTD	% YTD
Market Capitalization	13.203T	13.358T	+1.17	-4.61
NSE ASI	25,309.37	25,605.64	+1.17	-4.61
NSE - 30	1,074.57	1,088.70	+1.31	-7.57
NSE ASeM	740.58	728.51	-1.63	-0.88
NSE Consumer Goods	426.99	433.37	+1.49	-26.90
NSE Banking	293.97	302.09	+2.76	-15.34
NSE Insurance	132.41	135.00	+1.96	+7.30
NSE Oil and Gas	187.36	194.20	+3.65	-26.03
NSE Pension	973.72	995.27	+2.21	-5.58

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: The week ended bearish following sell-off from investors, thus the average yield expanded by 9bps from 7.97% it traded the previous week to 8.06%. The highest yield increase was witnessed in the March-2036 bond which declined by 98bps to close at 10.01% compared to 9.05% the previous week while the highest yield decline was seen in the March-2025 bond which increased by 32bps to close at 5.91% compared to 6.23% the previous week.

Treasury Bills Market: The week closed bullish as the average yield contracted by 10bps from 2.02% to close the week at 1.92%.

Open Market Operations (OMO): At the OMO auction, the CBN offered bills worth ₦100 billion, with allotments of ₦10 billion of the 82-day, ₦10 billion of the 180-day and ₦80 billion of the 355-day - at respective stop rates of 4.86% (previously 4.87%), 7.68% (previously 7.68%), and 8.94% (previously 8.94%). The week closed bullish as average yield contracted by 31bps to close the week at 2.81% from 3.12%.

Primary Market Auction Result

NTB – 26 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.15	20.37	31.18	20.37
182-Days	1.80	31.75	56.37	55.85
364-Days	3.34	145.48	134.37	121.38

FGN BOND – 19 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Jan-26	6.70	25.00	32.68	25.42
Mar-35	9.35	40.00	48.82	21.45
Jul-45	9.75	45.00	46.44	16.09
Mar-50	9.90	40.00	114.29	53.69

OMO RESULT – 13 AUGUST 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
82-Day	4.86	10.00	5.56	5.56
180-Day	7.68	10.00	9.80	9.80
355-Day	8.94	80.00	79.08	30.00

Oil Price

Oil prices fell more than 3% on last Friday, resulting in the biggest weekly decline since June 2020 as concerns around a slow economic recovery from the COVID-19 pandemic added to worries about weak oil demand.

Brent crude, the international benchmark, settled \$1.41, or 3.2%, lower at \$42.66 per barrel.

West Texas Intermediate crude fell \$1.60, or 3.8%, to settle at \$39.77 per barrel.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Royal Exchange Plc	0.26	0.33	0.07	↑26.92
Cornerstone Insurance Plc	0.56	0.66	0.10	↑17.86
Union Diagnostic & Clinical Services Plc	0.24	0.27	0.03	↑12.50

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
The Initiates Plc	0.70	0.57	-0.13	↓-18.57
Lasaco Assurance Plc	0.31	0.26	-0.05	↓-16.13
Tripple Gee and Company Plc	0.50	0.44	-0.06	↓-12.00

FGN Bonds

	Yield (%)	Yield (%)	
Description	28-08-2020	04-09-2020	Change
14.50 15-Jul-2021	2.99	2.81	-0.18
12.75 27-Apr-2023	5.29	5.49	+0.20
12.50 22-Jan-2026	6.64	6.67	+0.03
16.28 17-Mar-2027	8.11	8.09	-0.02
13.98 23-Feb-2028	8.39	8.15	-0.24
15.00 28-Nov-2028	8.40	8.39	-0.01
8.50 20-Nov-2029	8.68	8.70	+0.02
12.50 27-Mar-2035	9.41	10.00	+0.59

Nigerian Treasury Bills

		Yield (%)	Yield (%)	
DTM	Maturity Date	28-08-2020	04-09-2020	Change
27	01-Oct-2020	1.30	1.30	0.00
41	15-Oct-2020	1.35	1.35	0.00
69	12-Nov-2020	1.25	1.25	0.00
160	11-Feb-2021	1.31	1.70	+0.39
279	10-Jun-2021	2.34	2.55	+0.21

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	385.67	386.13
CBN SMIS Window	380.69	380.69
Parallel Market	477.00	440.00

Commodities

Instrument	28-08-2020	04-09-2020	Change
Brent Crude	\$45.81	\$42.66	-3.15
WTI Crude	\$42.93	\$39.77	-3.16
Nigeria Bonny Light	\$44.15	\$41.10	-3.05
Gold	\$1,964.95	\$1,933.83	-31.12

CORPORATE ROUNDUP

- Nine Companies released their results last week; Access Bank Plc emerged as the firm with the highest growth in revenue for the week with a 22.31% growth in revenue from ₦324.38 million to ₦396.76 million in its Q2 2020 audited results for the period ended June 30, 2020. On the other hand, University Press Plc recorded the least growth with a 66.64% decline in revenue from ₦95.94 million to ₦32.01 million in their unaudited account for the period ended 30th June 2020.
- WAPIC Insurance Plc changed its name to Coronation Insurance Plc sequel to the approval of the Corporate Affairs Commission
- Access Bank Plc appointed Mr. Hassan M.T. Usman FCA as an Independent Non-Executive Director following the approval by CBN

GLOBAL ECONOMY UPDATE

Global equities were set to close lower in the week as profit-taking on US technology and other high-flying stock sectors ensued on Thursday. Consequently, US (DJIA: -1.3%; S&P: -1.5%) and European (STOXX Europe: -0.7%; FTSE 100: -1.9%) stocks were down at the end of the week.

OUTLOOK

At the NTB segment, we expect focus to shift to the primary market, where the CBN will be offering ₦128.06 billion worth of instruments to investors.

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