

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	4.05	1.32	13.22	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 (%)	4.25	4.00	11.50	10.25
Exchange Rate (Per \$)	Mex\$22.44	Rp14,951	₦379	₺7.57
Foreign Reserves (bn)	\$193	\$137.04	\$35.76	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 58,324 as the Nigeria Center for Disease Control (NCDC) reported 126 new cases in Nigeria. Global confirmed cases now stand at 33.31 million.
- The Monetary Policy Committee (MPC) reduced the Monetary Policy Rate (MPR) by 100bps to 11.50% from 12.50%, widened the Asymmetric corridor to +100/-700bps (Previously: +200/-500bps), while holding the other parameters constant.
- The Central Bank of Nigeria (CBN) has recovered ₦400 billion out of the ₦600 billion lent to farmers under the Commercial Agriculture Credit Scheme (CACS). Also, the Electricity Distribution Companies in Nigeria are expected to repay in four months N9.96 billion of the N49.9 billion owed to the CBN under the Nigeria Electricity Market Stabilization Facility.
- The Debt Management Office (DMO) disclosed that Federal Government's bonds for the month of September 2020 worth ₦145 billion were oversubscribed to the tune of ₦215.22 billion,
- The National Pension Commission (PenCom) has imposed penalties and recovered ₦17.51 billion from defaulting employers from failure to remit deducted monthly pensions from their workers' salaries to their Retirement Savings with the respective Pension Fund Administrators

Equity Market

Market Performance

	18-Sept-20	25-Sept-20	% WTD	% YTD
Market Capitalization	13.365T	13.755T	+2.92	-1.95
NSE ASI	25,572.57	26,319.34	+2.92	-1.95
NSE - 30	1,085.51	1,123.50	+3.50	-4.61
NSE ASeM	728.51	728.51	0.00	-0.88
NSE Consumer Goods	432.78	458.69	+5.99	-22.63
NSE Banking	292.01	302.50	+3.59	-15.23
NSE Insurance	134.13	135.58	+1.08	+7.76
NSE Oil and Gas	189.79	191.99	+1.16	-26.87

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: The week remained bullish as average yield contracted by 48bps from 7.55% it traded the previous week to 7.07%. At the PMA, the DMO offered instruments worth ₦145.00 billion to investors through re-openings of the 12.50% January 2026 (Bid-to-offer: 3.4x; Stop rate: 6.00%), 12.50% March 2035 (Bid-to-offer: 1.8x; Stop rate: 8.52%), 9.80% July 2045 (Bid-to-offer: 1.0x; Stop rate: 8.90%) and 12.98% March 2050 (Bid-to-offer: 4.1x; Stop rate: 8.94%) bonds. Despite a total subscription of ₦360.22 billion, the DMO eventually allotted instruments worth ₦103.81 billion, resulting in a bid-cover ratio of 3.5x.

Treasury Bills Market: The week closed bearish as the average yield expanded by 8bps from 1.57% to close the week at 1.65%.

Open Market Operations: The week closed bullish as average yield contracted by 43bps to close the week at 1.85% from 2.28%. At the OMO auction, the CBN fully allotted ₦70 billion worth of bills - ₦10.00 billion of the 131-day, ₦10 billion of the 166-day and ₦50 billion of the 348-day - at respective stop rates of 4.77% (previously 4.86%), 7.60% (previously 7.68%), and 8.70% (previously 8.88%).

Primary Market Auction Result

NTB - 16 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.09	2.00	3.99	2.00
182-Days	1.50	8.39	15.47	8.39
364-Days	3.05	148.36	184.71	148.36

FGN BOND - 23 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Jan-26	6.00	25.00	83.83	66.97
Mar-35	8.52	40.00	71.40	25.43
Jul-45	8.90	40.00	41.06	6.81
Mar-50	8.94	40.00	163.93	4.60

OMO RESULT - 10 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
75-Day	4.86	10.00	12.00	10.00
180-Day	7.68	10.00	35.30	10.00
355-Day	8.94	50.00	216.75	50.00

Oil Price

Oil prices steadied last week, as the bullish impact of a fall in U.S. inventories was offset by a stronger dollar and a renewed wave of coronavirus cases in Europe that led several countries to reimpose travel restrictions.

U.S. West Texas Intermediate (WTI) crude futures fell 60 cents, or 1.5%, to \$39.33 a barrel on Thursday, while Brent crude futures dropped 47 cents, or 1.1%, to \$41.30 a barrel.

Top Three Gainers

Top Three Losers

Company	Open	Close	Gain (₦)	% Change
Nigerian Brew. Plc	42.00	52.55	10.55	↑25.12
Cornerstone Insurance Plc	0.61	0.71	0.10	↑16.39
Lafarge Africa Plc	13.00	15.05	2.05	↑15.77

Company	Open	Close	Loss (₦)	% Change
AIICO Insurance Plc	0.90	0.72	-0.18	↓-20.00
Red Star Express Plc	3.61	3.00	-0.61	↓-16.90
Oando Plc	2.30	2.03	-0.27	↓-11.74

FGN Bond

Nigerian Treasury Bills

Description	Yield (%) 18-09-2020	Yield (%) 25-09-2020	Change
14.50 15-Jul-2021	2.41	2.36	-0.05
12.75 27-Apr-2023	3.93	3.93	0.00
12.50 22-Jan-2026	6.63	6.00	-0.63
16.28 17-Mar-2027	7.62	6.76	-0.86
13.98 23-Feb-2028	7.68	6.90	-0.78
15.00 28-Nov-2028	7.91	7.64	-0.27
8.50 20-Nov-2029	8.52	8.47	-0.05
12.50 27-Mar-2035	9.62	8.50	-1.12

DTM	Maturity Date	Yield (%) 18-09-2020	Yield (%) 25-09-2020	Change
20	15-Oct-2020	0.82	0.91	+0.09
48	12-Nov-2020	0.94	0.97	+0.03
139	11-Feb-2021	1.35	1.17	-0.18
258	10-Jun-2021	2.15	2.36	+0.21
293	15-Jul-2021	2.41	2.52	+0.11

FX Market

Commodities

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	386.00	386.00
CBN SMIS Window	380.69	380.69
Parallel Market	465.00	467.00

Instrument	18-09-2020	25-09-2020	Change
Brent Crude	\$43.15	\$41.92	-1.23
WTI Crude	\$41.11	\$40.04	-1.07
Nigeria Bonny Light	\$42.60	\$40.91	-1.69
Gold	\$1,950.39	\$1,861.05	-89.34

CORPORATE ROUNDUP

- United Capital Plc listed its ₦10 billion 5 Year 12.5% Senior Unsecured Fixed Rate Series I Bonds Due 2025 under the ₦30,000,000,000 Debt Issuance Programme on Tuesday, 22 September 2020 on the Nigerian Stock Exchange (NSE).
- The NSE lifted the suspension placed on trading in the shares of R.T. Briscoe Nigeria Plc after suspending the Company with five other listed Companies on September 1st, 2020 for outstanding financial statements with the Exchange.
- The Board of Julius Berger Plc has approved the Company's planned diversification into Agro-Processing at its meeting held on September 22nd, 2020 to align with the strategic objective of the Government to stimulate value creation in Nigeria.

GLOBAL ECONOMY UPDATE

Global equities were set for a dire week, with many major markets headed for their worst weeks since the peak of the coronavirus panic. Consequently, US (DJIA: -3.0%; S&P: -2.2%) and European (STOXX Europe: -3.3%; FTSE 100: -2.7%) shares were on track to end the week lower.

OUTLOOK

In the coming week, at the NTB segment, we expect the focus to shift to the primary market, where the CBN will be rolling over ₦113.97 billion worth of instruments.

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

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