

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	4.05	1.42	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\$21.70	Rp14,890	₦379	₺7.74
Foreign Reserves (bn)	\$193	\$137.04	\$35.74	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 59,345 as the Nigeria Center for Disease Control (NCDC) reported 58 new cases in Nigeria. Global confirmed cases now stand at 35.40 million.
- The Federal Executive Council (FEC) at its recent meeting presided over by President Muhammadu Buhari approved the budget estimate of ₦13.08tn for the 2021 fiscal year which will be presented to the National Assembly this week.
- According to the data obtained from the Central Bank of Nigeria (CBN), Nigeria's foreign reserves advanced just at the marginal rate of 0.16% or \$58.464 million in the one month period from \$35.67 billion on the 29th of August, 2020 to \$35.72 billion on the 29th of September 2020.
- The latest report on Terms of Trade (TOT) by the National Bureau of Statistics (NBS) revealed that all region terms of trade in Nigeria decreased by -0.79% (from 101.21 in April 2020 to 100.42 in June 2020) due to weaker trade with Europe, Africa and Asia in Q2 2020.
- Following the expiration of the 4 years trading fee moratorium in the fixed income market, the Nigerian Stock Exchange (NSE) has received regulatory approval from the Securities and Exchange Commission (SEC) to revise its fee structure. The NSE can now charge 0.0005% (₦5 per 1 million) on debt instruments traded on its platform.
- The Nigeria Sovereign Investment Authority (NSIA) signed an MOU with CDC Group, (United Kingdom's publicly owned impact investor) to facilitate long-term inclusive growth and encourage private capital to scale up participation in high-impact sectors of the Nigerian economy.

Equity Market

Market Performance

	25-Sept-20	02-Oct-20	% WTD	% YTD
Market Capitalization	13.755T	14.105T	+2.55	+8.55
NSE ASI	26,319.34	26,985.77	+2.53	+0.54
NSE - 30	1,123.50	1,156.24	+2.91	-1.83
NSE ASeM	728.51	728.51	0.00	-0.88
NSE Consumer Goods	458.69	455.27	-0.75	-23.21
NSE Banking	302.50	315.33	+4.24	-11.63
NSE Insurance	135.58	136.45	+0.64	+8.45
NSE Oil and Gas	191.99	195.43	+1.79	-25.56
NSE Pension	1,035.79	1,059.65	+2.30	+0.53

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: The week remained bullish as average yield contracted by 24bps from 7.07% it traded the previous week to 6.83%. The January 2022 bond witnessed the highest yield decrease of 132bps to close at 2.60% from 3.92% it closed previously while the July 2034 bond had the highest yield increase of 51bps to close the week at 8.87% from 8.35% it closed previously.

Treasury Bills Market: The week closed bearish as the average yield expanded by 20bps from 1.65% to close the week at 1.85%. At the NTB PMA, the CBN rolled over ₦133.97 billion worth of instruments, with allotments of ₦10 billion of the 91-day, ₦17.60 billion of the 182-day and ₦106.37 billion of the 364-day - at respective stop rates of 1.08% (previously 1.09%), 1.49% (previously 1.50%), and 2.80% (previously 3.05%).

Open Market Operations: The week closed bearish as average yield expanded by 9bps to close the week at 1.94% from 1.85%.

Primary Market Auction Result

NTB - 30 SEPTEMBER 2020

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	1.08	10.00	11.77	1000
182-Days	1.49	17.60	19.20	17.60
364-Days	2.80	86.37	317.30	106.37

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 fell in the afternoon of Asian trading hours on Friday after U.S. President Donald Trump announced he tested positive for the coronavirus.

International benchmark Brent crude futures were down 2.42% to \$39.94 per barrel. U.S. crude futures also shed 2.43% to \$37.78 per barrel

WTI futures fell below \$40 this week and settled at \$37.01 Friday, falling 3.9% amid worries about the coronavirus and reports of a rise in OPEC output.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Total Nigeria Plc	80.00	96.80	16.80	↑21.00
Oando Plc	2.03	2.29	0.26	↑12.81
Sterling Bank Plc	1.16	1.28	0.12	↑10.34

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Cornerstone Insurance Plc	0.71	0.60	-0.11	↓-15.49
University Press Plc	1.42	1.24	-0.18	↓-12.68
E-Tranzact International Plc	2.61	2.35	-0.26	↓-9.96

FGN Bond

Description	Yield (%)		Change
	25-09-2020	02-10-2020	
14.50 15-Jul-2021	2.36	2.09	-0.27
12.75 27-Apr-2023	3.93	3.13	-0.80
12.50 22-Jan-2026	6.00	5.92	-0.08
16.28 17-Mar-2027	6.76	6.74	-0.02
13.98 23-Feb-2028	6.90	7.25	+0.35
15.00 28-Nov-2028	7.64	7.44	-0.20
8.50 20-Nov-2029	8.47	7.69	-0.78
12.50 27-Mar-2035	8.50	8.80	+0.30

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%)		Change
		25-09-2020	02-10-2020	
13	15-Oct-2020	0.91	1.00	+0.09
41	12-Nov-2020	0.97	1.21	+0.24
132	11-Feb-2021	1.17	1.21	+0.04
251	10-Jun-2021	2.36	2.34	-0.02
286	15-Jul-2021	2.52	2.64	+0.12

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	386.00	385.80
CBN SMIS Window	380.69	380.69
Parallel Market	467.00	465.00

Commodities

Instrument	25-09-2020	02-10-2020	Change
Brent Crude	\$41.92	39.27	-2.65
WTI Crude	\$40.04	37.01	-3.03
Nigeria Bonny Light	\$40.91	38.64	-2.27
Gold	\$1,861.05	\$1,899.70	+38.65

CORPORATE ROUNDUP

- Dangote Sugar Refinery Plc listed additional 146,878,241 ordinary shares on the NSE last week, the listing on NSE arose from the Scheme of Merger between Dangote Sugar Refinery Plc and Savannah Sugar Company Limited.
- Access Bank Plc and Sterling Bank Plc both obtained CBN's Approval-In-Principle (AIP) to restructure as Holding Companies.
- The Purple Group (formerly Purple Capital Partners) announced the change of name of its retail subsidiary Maryland Mall to Purple Maryland on October 1, 2020. Purple Maryland is a leading real estate development that incorporates retail, coworking private offices and entertainment experiences.
- FrieslandCampina WAMCO last week completed the acquisition of Nutricima Limited's dairy business in Nigeria.

GLOBAL ECONOMY UPDATE

Global equity markets were mixed as investors moved into the shares of beaten-down sectors on the heels of a sharp stock market sell-off the week before. However, stocks tumbled on Friday after President Donald Trump tested positive for COVID-19. Consequently, US (DJIA: +2.4%; S&P: +2.5%) stocks were up.

OUTLOOK

We expect trading in the Treasury bonds secondary market to remain bullish, as a significant portion of expected maturities is re-invested in the bonds market.

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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