

Economic Indicators	Mexico	Indonesia	Nigeria	Turkey
Inflation Rate (%)	3.15	1.68	15.75	14.60
GDP Growth Rate (%)	-8.60 {Q3 20}	-3.49 {Q3 20}	-3.62 {Q3 20}	6.70 {Q3 20}
Per Capita Income (\$)	10,118	4,193	2,222	8,957
MPR (%)	4.39	3.75	11.50	17.00
Exchange Rate (Per \$)	Mex\$20.22	Rp14,084	₦379	₺7.42
Foreign Reserves (bn)	\$195	\$135.90	\$36.34	\$85.83

Headlines

- The number of confirmed Covid-19 cases rose to 130,557 as the Nigeria Center for Disease Control (NCDC) reported 1,883 new cases in Nigeria. Global confirmed cases now stand at 103.53 million.
- The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) met last week and resolved to hold the monetary policy rate at 11.50% as well as holding constant all other policy parameters.
- The Q4 2020 Sectoral Distribution of Value Added Tax released by the National Bureau of Statistics (NBS) revealed that ₦454.69billion was generated as Value Added Tax (VAT) in Q4 2020 as against ₦424.71billion generated in Q3 2020 and ₦308.48billion generated in Q4 2019 representing 7.06% increase Quarter-on-Quarter and 47.39% increase Year-on-Year.
- In a bid to restructure and reposition the Nigeria Commodity Exchange (the Exchange) for the stabilization of food prices in Nigeria, the CBN plans to invest at least ₦50 billion into the Exchange. This is prior to obtaining all the necessary approvals required for the commencement operations of the Exchange within the next 90 days.
- The Nigerian Stock Exchange (NSE) in partnership with the International Finance Corporation (IFC) will host a workshop to promote gender equality among listed companies on Tuesday, 2nd February, 2021.
- The Nigerian National Petroleum Corporation (NNPC) in conjunction with DSV Engineering Limited and the Nigerian Content Development and Monitoring Board (NCDMB) last week, took the Final Investment Decision for the construction of a \$3.6billion gas processing and a 10,000metric tonne per annum methanol plant.

Equity Market

Market Performance

	22-Jan-21	01-Feb-21	% WTD	% YTD
Market Capitalization	21.449T	22.187T	+3.44	+5.32
NSE ASI	41,001.99	42,412.66	+3.44	+5.32
NSE – 30	1,683.74	1,720.95	+2.21	+4.93
NSE ASeM	729.87	729.87	0.00	0.00
NSE Consumer Goods	605.92	613.69	+1.28	+7.04
NSE Banking	410.39	424.04	+3.33	+7.89
NSE Insurance	241.80	245.91	+1.70	+29.77
NSE Oil and Gas	274.18	254.31	-7.25	+12.43
NSE Pension	1,455.48	1,492.60	+2.55	+7.49

Bonds and Treasury Bills Market Roundup

FGN Bonds Secondary Market: Last week closed bearish as average yield expanded by 98bps from 7.09% it traded the previous week to 8.07%. The APR-2023 bond witnessed the highest yield increase of 241bps to close at 5.90% while the JAN 2022 bond had the only yield decrease of 94bps to close at 1.33% from 2.27% it closed previously.

Treasury Bills Market: Last week closed bearish as average yield expanded by 53bps to close the week at 1.05% from 0.52 it closed at the previous week. The CBN issued a total of ₦187.30billion at the OMO bills auction in the week, this was subscribed by 154.62% as the CBN sold ₦181.98billion at the NTB auction. Subscription was highest at the 364-day tenor which recorded 170.48% subscription.

Open Market Operations: Last week closed bearish as average yield expanded by 74bps to close the week at 1.65% from 0.91% it closed at last week. The CBN issued a total of ₦145billion at the OMO bills auction in the week. All tenors were oversubscribed, 89-day tenor was oversubscribed by +47.5%, while 180-day and 362-day were oversubscribed by +13.33% and +34.81% respectively.

Primary Market Auction Result

NTB – 27 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
91-Days	0.5500	7.50	20.18	11.39
182-Days	1.3000	54.59	55.98	47.48
364-Days	2.0000	125.20	213.45	123.11

FGN BOND – 20 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
Mar-27	7.98	50.00	91.84	70.90
Mar-35	8.74	50.00	106.37	83.43
Jul-45	8.95	50.00	40.07	16.03

OMO RESULT – 28 JANUARY 2021

Tenor	Rate (%)	Offer (₦'bn)	Sub (₦'bn)	Sales (₦'bn)
89-Day	1.51	20.00	29.50	20.00
180-Day	4.34	20.00	17.00	20.00
362-Day	5.74	110.00	148.29	110.00

Oil Price

Oil prices dipped last week due to demand worries over coronavirus variants and slow vaccine rollouts, which offset a bullish sentiment due to a cut in Saudi Arabian oil supply and falling U.S. oil inventories.

Global benchmark Brent crude futures gained 0.63% to settle at \$55.04 per barrel. The contract posted its fourth positive week in five.

U.S. West Texas Intermediate (WTI) crude futures settled 0.27% lower at \$52.20 per barrel. The contract registered its second straight negative week.

Top Three Gainers

Company	Open	Close	Gain (₦)	% Change
Champion Brew. Plc	1.95	3.11	1.16	↑59.49
Fidson Healthcare Plc	4.65	6.05	1.40	↑30.11
May & Baker Nigeria Plc	3.65	4.65	1.00	↑27.40

Top Three Losers

Company	Open	Close	Loss (₦)	% Change
Veritas Kapital Assurance Plc	0.28	0.20	-0.08	↓-28.57
Sovereign Trust Insurance Plc	0.33	0.26	-0.07	↓-21.21
Academy Press Plc	0.40	0.33	-0.07	↓-17.50

FGN Bond

Description	Yield (%) 22-01-2021	Yield (%) 29-01-2020	Change
14.50 15-Jul-2021	0.46	0.92	+0.46
12.75 27-Apr-2023	3.49	5.90	+2.41
12.50 22-Jan-2026	6.16	7.01	+0.85
16.28 17-Mar-2027	8.06	8.50	+0.44
13.98 23-Feb-2028	7.98	8.72	+0.74
15.00 28-Nov-2028	8.11	8.73	+0.62
8.50 20-Nov-2029	8.27	8.89	+0.62
12.50 27-Mar-2035	8.98	10.15	+1.17

Nigerian Treasury Bills

DTM	Maturity Date	Yield (%) 22-01-2021	Yield (%) 29-01-2020	Change
13	11-Feb-2021	0.13	0.62	+0.49
132	10-Jun-2021	0.60	0.62	+0.02
167	15-Jul-2021	0.45	0.89	+0.44
230	16-Sep-2021	0.60	1.56	+0.96
300	25-Nov-21	0.93	1.55	+0.62

FX Market

	Previous (₦/\$)	Current (₦/\$)
CBN Spot	379.00	379.00
I&E FX Window	394.17	394.13
CBN SMIS Window	380.69	380.69
Parallel Market	477.00	480.00

Commodities

Instrument	22-01-2021	29-01-2020	Change
Brent Crude	\$55.41	\$55.04	-0.37
WTI Crude	\$52.27	\$52.20	-0.07
Nigeria Bonny Light	\$54.72	\$54.41	-0.31
Gold	\$1,855.90	\$1,847.76	-8.14

CORPORATE ROUNDUP

- Transcorp Hotels Plc commemorated the listing of its Rights Issue of 2,642,124,511 additional Ordinary Shares valued at ₦10 Billion on the floor of the NSE on Thursday, 28 January 2021. The listing was commemorated with a digital Closing Gong Ceremony at the NSE where the Managing Director/Chief Executive Officer, Transcorp Hotels, Mrs Dupe Olushola had the honour of bringing the day's trading to a close.
- Members of the NSE were notified of the Memorandum Listing of Flour Mills of Nigeria Plc's ₦4,890,000,000, 5 Years 5.5% Series 4 (Tranche A) Fixed Rate Senior Unsecured Bond Due 2025 under the ₦70,000,000,000 Bond Issuance Program; and the ₦25,000,000,000, 7 Years 6.25% Series 4 (Tranche B) Fixed Rate Senior Unsecured Bond Due 2027 Under the ₦70,000,000,000 Bond Issuance Program.

GLOBAL ECONOMY UPDATE

In the stock market, Dow Jones Industrial Average declined 620.74 points, or 2.03%, to 29,982.62, the S&P 500 also dropped 1.93%, or 73.14 point to 3,714.24 and the Nasdaq Composite decreased by 266.46 points, or 2% to 13,070.7 last week.

OUTLOOK

We expect investors participation in the NTB market to be quiet as depressed yields persist.

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 #StaySafeS

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