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HIGHLIGHTS

The World Bank has approved the sum of \$114.28 million to finance Nigeria's Coronavirus (COVID-19) Preparedness and Response Project (CoPREP). The fund comprises a \$100 million credit facility from the International Development Association (IDA), a member of the World Bank, and a \$14.28 million grant from the Pandemic Emergency Financing Facility... pg.1

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DEVELOPMENT FINANCE UPDATE

World Bank Approves \$114m for Nigeria's CoPREP

The World Bank has approved the sum of \$114.28 million to finance Nigeria's Coronavirus (COVID-19) Preparedness and Response Project (CoPREP). The fund comprises a \$100 million credit facility from the International Development Association (IDA), a member of the World Bank, and a \$14.28 million grant from the Pandemic Emergency Financing Facility. The CoPREP project is aimed to help prevent, detect and respond to the threat posed by COVID-19 at state level in Nigeria.

Its specific objectives include: to provide optimum care for the confirmed cases at treatment centers (tertiary medical centers) across all the states to minimize morbidity and prevent mortality; ensure risk information is given in all states at all levels, conduct active surveillance and contact tracing to limit human-to-human transmission including reducing secondary infections; ensure standard operating procedures and proto-

cols are available and widely disseminated across the country.

Others are to protect health care workers by ensuring adherence to standard infection prevention and control measures; to ensure resources are mobilized from all stakeholders for effective response; ensure the safety, security and welfare of all responders; ensure there is adequate medical commodities for screening and response; ensure first early cases are captured for research to understand the virus; ensure accountability and effective use of resources; and guarantee uninterrupted operations of the response.

CoPREP complements the Second Regional Disease Surveillance Systems Enhancement (REDISSE II) initiative already being financed by the World Bank and managed by the Nigerian Centre for Disease Control (NCDC). The REDISSE II project seeks to strengthen disease preparedness and rapidly contain epidemics in Nigeria.

Breakdown of World Bank Financing for Immediate COVID-19 Response (US\$, millions)

	REDISSE II (Uncommitted Funds)	Nigeria CoPREP		Total
		MPA FCTF	PEF	
Direct state support	10.50	90.00	—	100.50
Implementation of federal-level activities	71.93	10.00	14.28	96.21
Total	82.43	100.00	14.28	196.71

Source: World Bank

Outlook

While immediate financing has been made available by the Federal Government, private sector, and development partners to states that are currently the epicenters of

the pandemic, the amount from the World Bank will support in ensuring essential preparation, containment, and response measures are in place across all states of the federation.

ELECTRICITY GENERATION UPDATE

FG Releases NGN1.2 Billion for the Mambilla Power Plant Project

The Federal Government of Nigeria has released the sum of NGN1.2 billion to aid preparations ahead of commencement of construction of the Mambilla hydroelectric power project. The fund is for survey works and the sensitization of various host communities occupying the site earmarked for the construction of the power plant. Specifically, about NGN700 million was released for survey works, while NGN500 million will be for the sensitization of the host communities where the plant will be sited. Actual construction of the power plant is expected to commence immediately after the pre-construction activities have been completed.

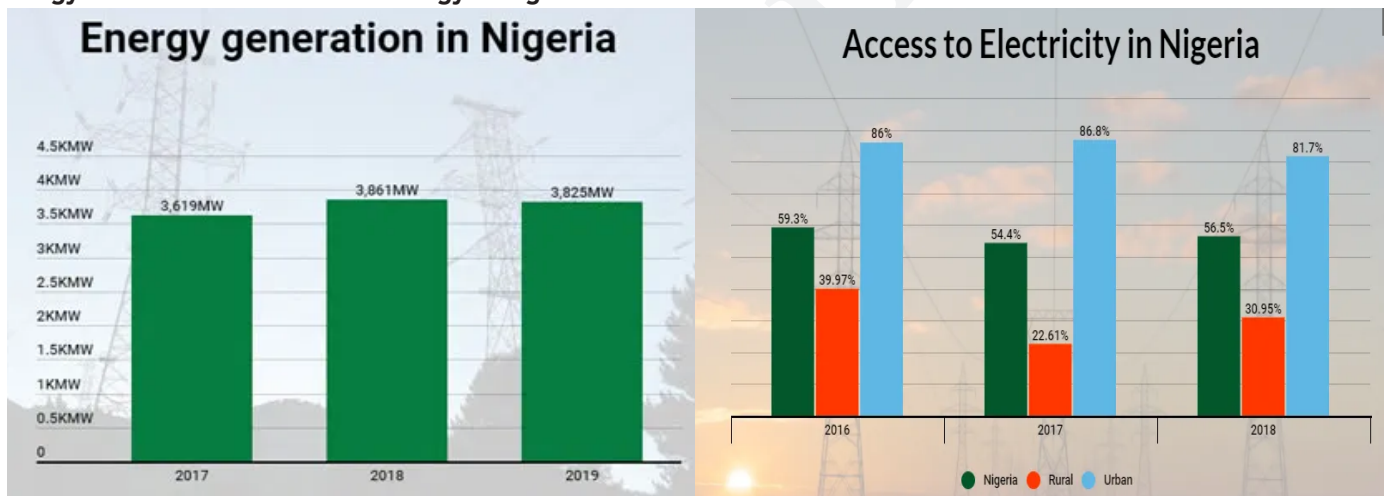
The project is estimated to cost about \$5.8 billion and will be financed by the Chinese Export Import (Exim) Bank with 85 per cent of the estimated cost, while the remaining 15 per

cent funding will be provided by the Federal Government of Nigeria. Upon completion, the plant will generate about 3 Gigawatts of electricity, increasing Nigeria's electricity generation capacity to 15.5 Gigawatts. The power plant is expected to commence operation in 2030.

Outlook

According to the World Bank, as at 2019, about 56.5 per cent of Nigeria's population had access to electricity, indicating that more than 40 per cent of the country's population lack access to electricity. Thus, the commencement of pre-construction activities at the Mambilla power plant project raises hope of increased generation capacity and improved access to electricity when the project is completed by 2030.

Energy Generation and Access to Energy in Nigeria



Source: The World Bank

BUSINESS EXPECTATION UPDATE

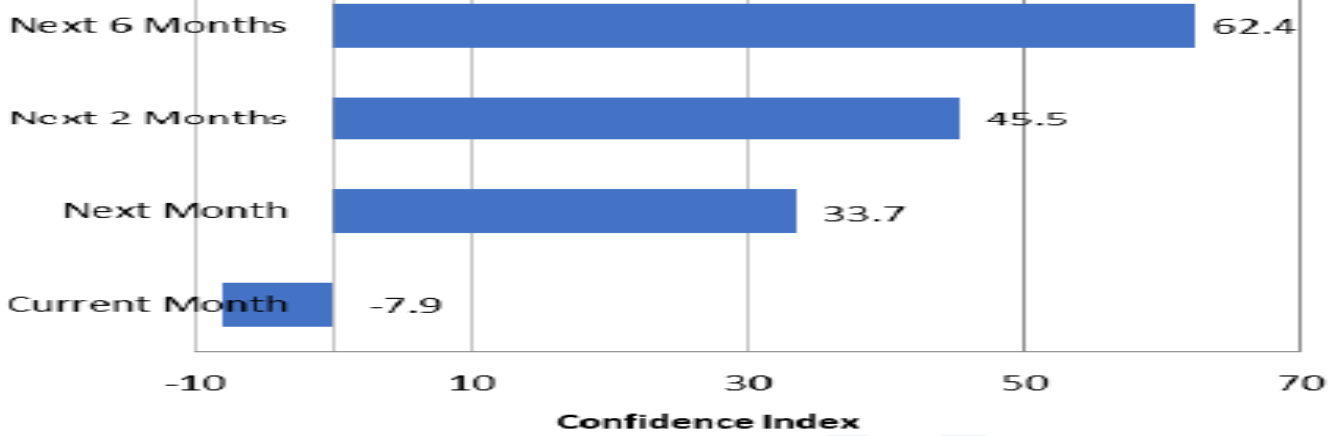
CBN's Survey Forecasts Positive Business Outlook in August

Firms in Nigeria showed optimism in their outlook for the macroeconomy in August with an overall Confidence Index (CI) of 33.7 index points, according to the Business Expectations Survey (BES) conducted by the Central Bank of Nigeria (CBN). The optimism was a major deviation from a pessimistic outlook that characterized July with -7.9 index points. Equal-

ly, respondent firms expressed optimism in the overall business outlook in September 2020 and in the next six month (January 2021) with 45.5 and 62.4 index points, respectively. The survey was carried out during the period July 13 -17, 2020 with a sample size of 1,050 businesses nationwide. The sample covered small, medium and large businesses, of both

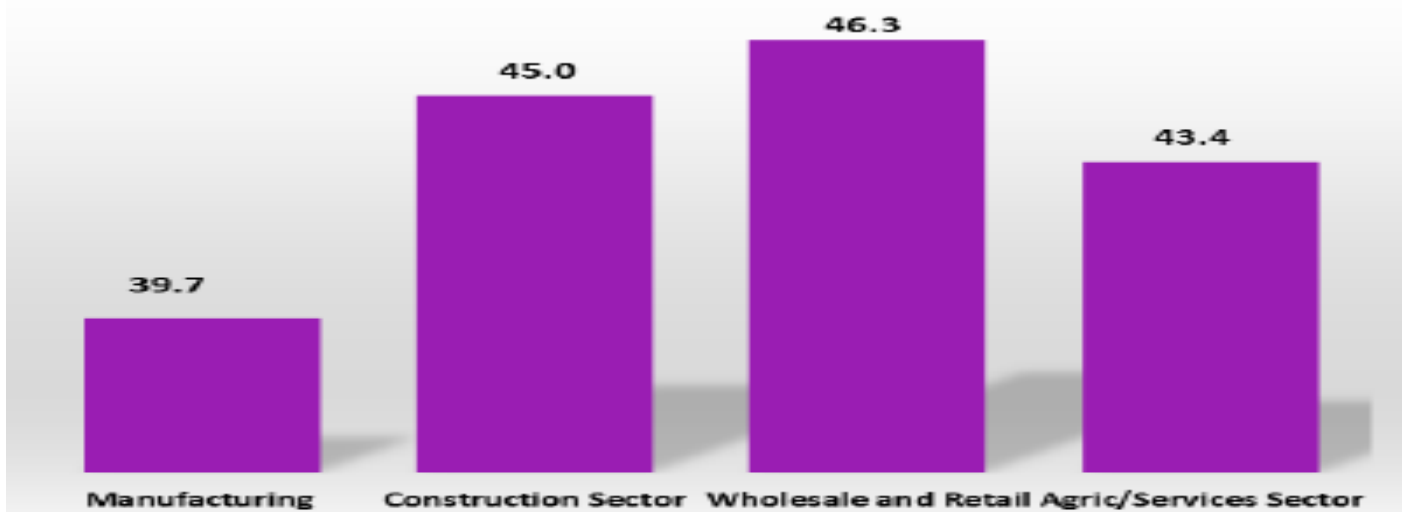
CBN's Survey Forecasts Positive Business Outlook in August

Overall Business Outlook on the Macro-Economy



Source: The Central Bank of Nigeria (CBN)

Businesses with Expansion Plans



Source: The Central Bank of Nigeria (CBN)

import-oriented and export-oriented businesses, in Agriculture, Services, Manufacturing, Wholesale and retail trade, and Construction sectors. The major drivers of optimism in August were Agric/services with 20.1 points, manufacturing 10.0 points, wholesale/Retail 2.4 points and construction 1.2 point.

Employment and Expansion Outlook

Respondent firms were optimistic about the volume of business activity and employment for August as outlook stood at 47.0 index points. Specifically, the wholesale/retail trade sector had the highest propensity to expand in August with an index 46.3 points, followed by Construction sector with an index of 45.0 points, Agric/services sector 43.4 points and Manufacturing sector with 39.7 points. Similarly, wholesale/

retail trade had the highest prospect for employment in August, with an index of 16.4 point followed by manufacturing sector 14.6 points, and Agric/services sector 3.1 points. Respondents were also optimistic about the volume of business activity and employment outlook in September 2020 and January 2021.

Outlook

Going by the responses of the surveyed firms, business activities within the economy will witness gradual uptick in the short to medium term. Respondents anticipate increase in economic conditions as the index on economic growth rate was projected at 22.8 points for August and 31.7 and 51.4 points for September 2020 and January 2021, respectively.

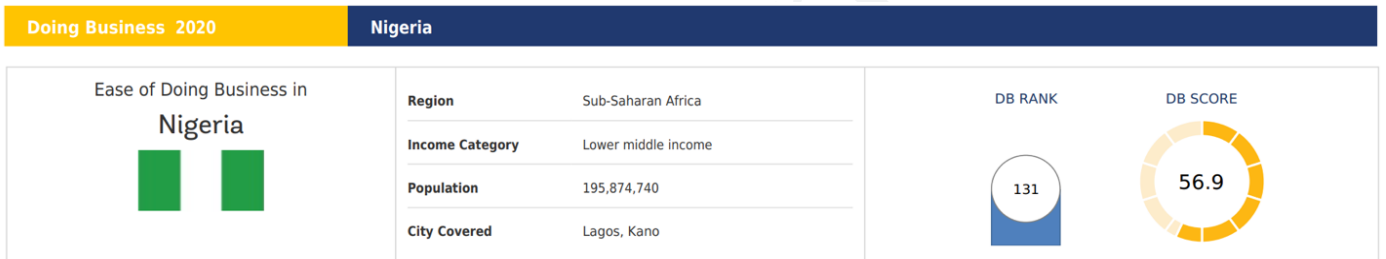
EASE OF DOING BUSINESS UPDATE

FG Signs Amended Companies and Allied Matters Bill 2020

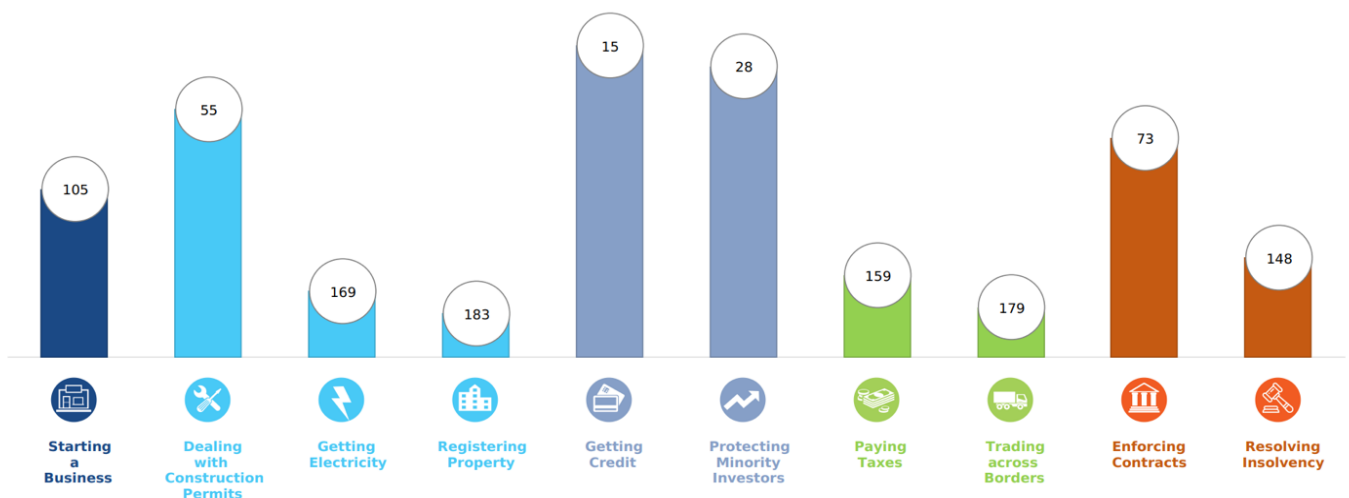
The President of the Federal Republic of Nigeria, President Muhammadu Buhari, has signed the amended Companies and Allied Matters Bill (CAMA) 2020, thereby repealing and replacing the extant Companies and Allied Matters Act (CAMA) 1990. This came on the back of the need to enhance ease of doing business in the country, as well as promote transparency and accountability among corporate entities and align Nigerian business standards with international best practices. The CAMA 2020 introduced several corporate legal innovations geared towards enhancing transparency and shareholder engagement, minimizing the compliance burden of small and medium enterprises (SMEs), regulating businesses and promoting a business-friendly climate in Nigeria.

Some Major Highlights of CAMA 2020

- Single-member/Shareholder Companies:** One of the major improvements in the bill is the provision of single-member/shareholder companies. Section 18 (2) of the new CAMA makes it possible to establish a private company with only one (1) member or shareholder.
- Minimum Share Capital:** Also, the new CAMA replaces the concept of "authorized share capital" with the concept of "minimum share capital". With minimum share capital, promoter(s) of a business need not pay for shares that are not needed at a specific time.
- Abolishment of Seal:** The new CAMA also abolished the need for the procurement of a common seal by companies.



Rankings on Doing Business topics - Nigeria



Topic Scores



FG Signs Amended Companies and Allied Matters Bill 2020

- Introduction of Electronic Filing:** The new CAMA made provisions for electronic filing, electronic share transfer and e-meetings for private companies. Consequently, certified true copies of electronically filed documents are admissible in evidence, with equal validity with the original documents. Also, it made provision for remote or virtual general meetings, provided that such meetings are conducted in accordance with the Articles of Association of the company.
- Introduction of Limited Liability Partnerships (LLPs):** The new CAMA introduced the concept of Limited Liability Partnerships (LLPs) and Limited Partnerships (LPs); aligning the Nigerian business environment with global best practices. This combines the organizational flexibility and tax status of a partnership with the limited liability of members of a company.
- Introduction of Statement of Compliance:** The new Act also introduced the Statement of Compliance which can be signed by an applicant or his agent, confirming therein that the requirements of the law as to registration have been complied with.

Outlook

The new Companies and Allied Matters Act (CAMA) 2020, which will replace the CAMA 1990, seeks to eliminate bottlenecks in the Nigerian business environment through legislative reforms. This is part of the continuous effort by the government to improve the competitiveness of the domestic economic and align the country's business environment with international best practices.

INTERNET CONNECTIVITY UPDATE

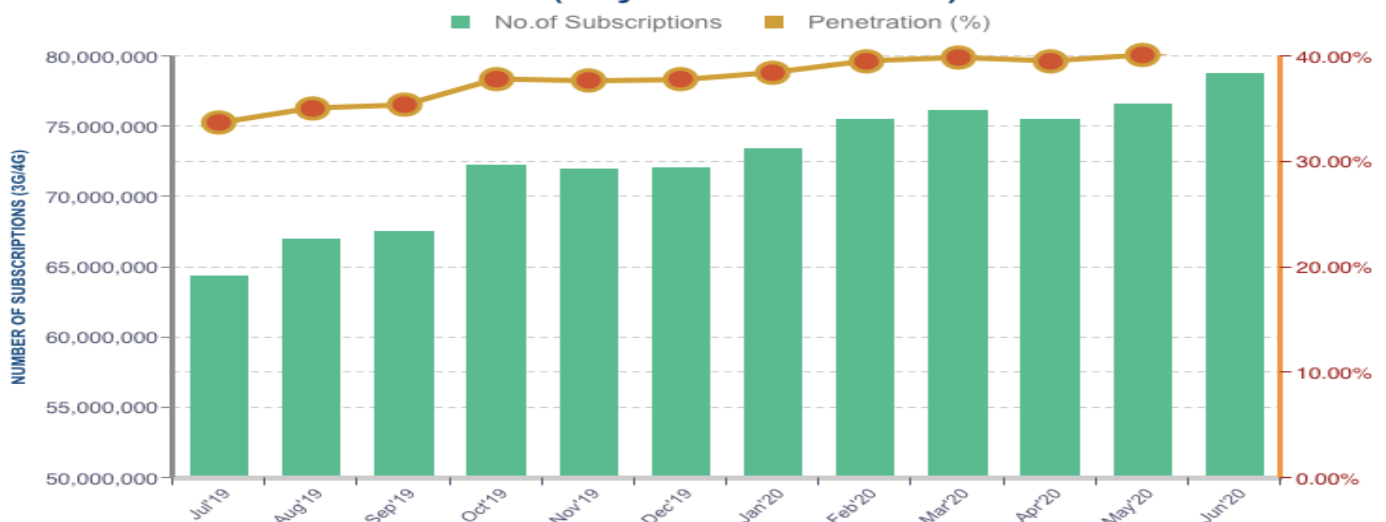
Nigeria's Broadband Subscriber Base Hits 79million in June 2020

Nigeria's broadband subscriber base stood at 78.78 million as at June 2020, according to the Nigerian Communications Commission (NCC). This represents an increase of 2.8 per cent or about 2.17 million subscribers when compared with 76.62 million subscribers recorded as at May 2020 and

a 22.39 per cent increase when compared with 64.37 million subscribers recorded in July 2019.

Consequently, broadband penetration grew to 41.3 per cent in June 2020 from 40.1 per cent and 33.31 per cent recorded in preceding month and corresponding month in 2019,

BROADBAND SUBSCRIPTIONS/PENETRATION DATA (July 2019 - June 2020)



Source: Nigerian Communications Commission (NCC)



Nigeria's Broadband Subscriber Base Hits 79million in June 2020

respectively.

Also, the data revealed that the total number of internet subscriptions as at June 2020, reached 143.73 million, increasing 1.8 per cent when compared to 141.16 million subscriptions recorded in the preceding month. Global System for Mobile communications (GSM) network services provided the highest number of active internet subscribers with 143.32 million subscribers representing 99.7 per cent of the total internet subscriptions recorded in the period under review this was followed by Voice over Internet Protocol (VoIP) with 390,643 subscribers, while Fixed Wired accounted for 10,084 subscribers.

Outlook

Nigeria's broadband base has maintained a steady growth pattern in recent times attributable to rising demand for telecommunication and internet subscriptions. This has translated into improved contribution of the sector to Gross Domestic Product (GDP). According to the National Bureau of Statistics (NBS), the telecommunication industry contributed about 11 per cent GDP in Q1, 2020. With the expected rise of digital economy, increasing internet demand will continue to drive growth the sector in the short to medium term.

CAPITAL MARKET WEEKLY UPDATE

Equities Market Update

In the outgone trading week, the local bourse posted a bullish performance as the All Share Index (ASI) appreciated by 1.41 per cent. The ASI, which opened at 24,693.73 index points, closed at 25,041.89 index points. This is the third consecutive week of appreciation of the index. The increase in the ASI is largely attributed to the Banking Index and the Oil & Gas Index both gaining 4.94 per cent and 4.81 per cent respectively.

Overall, four indices appreciated compared to one index which depreciated in the outgone week, bringing the year to date depreciation to 6.71 per cent. Specifically, the Banking Index, Oil and Gas Index, Consumer Goods Index and Industrial Goods Index all appreciated by 4.94 per cent, 4.81 per cent, 0.72 per cent and 0.10 per cent respectively while the insurance index depreciated by -0.28 per cent. Investors gained NGN320 billion as market capitalization appreciated by 1.41 per cent to NGN13.063 trillion from NGN12.743 trillion.

During the trading week under review, a total turnover of 1.065 billion shares worth NGN10.798 billion in 20,482 deals were traded by investors on the floor of the Exchange in contrast to a total of 421.984 million shares valued at NGN5.337

billion that exchanged hands last week in 11,801 deals. Trading in the top three equities FBN Holdings Plc, UACN Plc and Access Bank Plc accounted for 320.196 million shares worth NGN1.802 billion in 2,639 deals, contributing 30.06 per cent and 16.69 per cent to the total equity turnover in volume and value respectively.

Fixed Income Securities Update (FG Bonds)

There was an increase in the volume and value of Federal Government Bonds traded this week as a total of 56,530 units of Federal Government Bonds valued at NGN58.664 million were traded this week in 15 deals compared with a total of 11,909 units valued at NGN15.732 million were transacted last week in 8 deals.

Recent Developments

- **Honeywell Flour Mills Plc**

Honeywell Flour Mills Plc has announced the closure of its register for the year ended 31st March, 2020 with a proposed dividend of NGN0.04 per ordinary shares of NGN0.50 with the qualification date, closure date, AGM date and the payment date set at 16th September, 2020, 17th September,

Equities Market Update

FG BONDS

	Security	Deals	Volume	Value
1	FGS202011	1	50,000.00	51,619,388.59
2	FGS202261	1	5,000.00	5,349,048.91
3	FGSUK2024S1	1	400.00	492,074.73
4	FGS202139	2	205.00	215,648.25
5	FGS202127	1	200.00	205,688.81
6	FGS202129	1	200.00	209,017.02
7	FGSUK2025S2	1	200.00	236,930.03
8	FGS202255	2	200.00	205,509.43
9	FGS202259	3	55.00	57,450.34
10	FGS202249	1	50.00	52,011.71
11	FGS202141	1	20.00	21,211.28
	TOTAL	15	56,530	58,663,979.10

Source: NSE

2020, 30th September, 2020 and 30th September, 2020 respectively.

- **Consolidated Hallmark Insurance Plc**

Consolidated Hallmark Insurance Plc has announced the closure of its register for the half year ended 30th June, 2020 with a proposed bonus scrip of one share for every fifteen shares previously held with the qualification date, closure date and AGM date set at 18th August, 2020, 19th to 25th August, 2020, and 26th August, 2020 respectively. While the AGM will be taking place at the Conference Room of Consolidated Hallmark Insurance Plc, 266 Ikorodu Road, Obanikoro, Lagos State.

- **Flour Mills of Nigeria Plc**

Flour Mills of Nigeria Plc has announced the closure of its register for the year ended 31st March, 2020 with a proposed dividend of NGN1.40 per ordinary shares of NGN0.50 with the qualification date, closure date, AGM date and the payment date set at 14th August, 2020, 17th August, 2020, 10th September, 2020 and 14th September, 2020 respectively.

- **Custodian Investment Plc**

Custodian Investment Plc has announced the closure of its register for the year ended 30th June, 2020 with a proposed dividend of NGN0.10 per ordinary shares of NGN0.50 with the qualification date, closure date, and the payment date set at 21st August, 2020, 24th August, 2020, and 1st September, 2020.

- **Cornerstone Insurance Plc**

Cornerstone Insurance Plc has announced the closure of its register for the half year ended 30th June, 2020 with a proposed bonus scrip of seven new shares for every thirty shares previously held with the qualification date, closure date, and the AGM date set at 12th August, 2020, 13th to 17th August, 2020, and 26th August, 2020 respectively. The AGM will take place at Function Room, MUSON Centre, Onikan, Lagos.

- **MTN Nigeria Communications Plc**

MTN Nigeria Communications Plc has announced the closure of its register for the half year ended 30th June, 2020 with a proposed interim dividend of NGN3.50 with the qualification

Equities Market Update

SECTOR INDICES

	07-Aug-20	WTD	YTD
NSE 30	1,070.58	1.65%	-9.11 %
Consumer goods	405.36	0.72%	-31.63%
Oil & Gas	178.53	4.81%	-32.00%
Banking	292.37	4.94%	-18.07%
Industrial	1,147.87	0.10%	6.72%
Insurance	122.00	-0.28%	-3.04%

Source: The Nigerian Stock Exchange (NSE)

TOP FIVE GAINERS AND LOSERS

Gainers	Price (NGN)	WoW	Losers	Price (NGN)	WoW
NEIMETH	1.82	21.33%	UACN	6.20	-11.43%
UAC-PROP	0.96	18.52%	TOTAL	79.10	-9.91%
HONYFLOUR	19.30	13.20%	ARDOVA	12.15	-9.67%
SEPLAT	350.00	12.83%	CUSTODIAN	5.00	-9.09%
STANBIC	33.00	10.00%	SUNUASSUR	0.20	-9.09%

Source: The Nigerian Stock Exchange (NSE)

date, closure date, and the payment date set at 14th August, 2020, 17th August, 2020, and 24th August, 2020 respectively.

- Cutix Plc**

Cutix Plc has announced the closure of its register for the year ended 30th April, 2020 with a proposed dividend of NGN0.125 per ordinary shares of NGN0.50 with the qualification date, closure date, AGM date and the payment date set at 13th November, 2020, 16th to 20th November, 2020, 27th September, 2020 and 30th November, 2020 respectively.

The AGM will take place at No. 17, Osita Onyejianya Street, Umuanuka, Otolu Nnewi, Anambra State.

Outlook

In the outgone trading week, the Nigerian equities market witnessed a third consecutive week of upward turn, after several weeks of depreciation. The bullish sentiment is largely attributed to increasing investors' confidence. In future trading sessions, mixed performance of buy sentiment and profit-taking are expected.



WEEKLY OIL & GAS MARKET REVIEW

Oil Market Weekly Review (August 3rd – August 7th, 2020)

At the close of trading on Friday, August 7th, Oil prices fell nearly 2 per cent due to concerns the global recovery could falter from a resurgence of coronavirus cases. The rise in infections remains the dominant issue for the fuel demand outlook. Brent crude fell 69 cents to settle at \$44.40 a barrel. U.S. West Texas Intermediate (WTI) crude fell 73 cents, to end at \$41.22 a barrel. Brent rose 2.5 percent for the week, while WTI gained 2.4 percent.

Earlier at the beginning of the week on Monday, August 3rd, Oil prices were up more than 1 per cent on positive economic data from the United States, Europe and Asia, but investors remained concerned about rising COVID-19 cases globally and oversupply as OPEC begins to lift supply cuts. Brent crude settled at \$44.15 a barrel, rising 63 cents. U.S. WTI crude rose 74 cents, to end at \$41.01 a barrel.

On Tuesday, August 4th, Brent oil futures closed at their highest since early March on hopes the United States is making progress on a new economic stimulus package, as well as

curbing the coronavirus spread. Brent rose 28 cents, to settle at \$44.43 a barrel, its highest close since March 6. U.S. WTI crude rose 69 cents, to \$41.70, its highest finish since July 21. During midweek trading on Wednesday August 5th, Oil prices rose to their highest since early March after U.S. crude inventories fell sharply and the dollar weakened, but mounting coronavirus infections had investors worried about the demand outlook. Brent crude ended the session up 74 cents, at \$45.17 a barrel, while WTI oil settled 49 cents, at \$42.19 a barrel. Both contracts gained over 4 per cent earlier in the session.

On Thursday, August 6th, Oil prices hovered below five-month highs, falling after a session in which bearish sentiment about fuel demand counteracted optimism about Iraq's supply cuts, pushing the benchmarks in and out of positive territory. Brent crude settled down 8 cents at \$45.09 a barrel, while U.S. crude fell 24 cents to \$41.95 after a four-day streak of gains.

Oil & Gas Price Movement: August 03 – 07, 2020

Date	03/08/2020	04/08/2020	05/08/2020	06/08/2020	07/08/2020
WTI Crude (\$)	41.01 ↑	41.70 ↑	42.19 ↑	41.95 ↓	41.22 ↓
Brent Crude (\$)	42.94 –	44.43 ↑	45.17 ↑	45.09 ↓	44.04 ↓
Natural Gas (\$)	2.101 ↑	2.193 ↑	2.191 ↓	2.165 ↓	2.238 ↑

Source: New York Mercantile Exchange. ↑ indicates an increase in price. ↓ indicates a price reduction – indicates no change * indicates intraday price

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