



The Market Will “Always” Win

Ask Britain, Ghana or
Zimbabwe

- Presented by Bismarck Rewane
- October 5th, 2022

Outline



September Highlights

Fight the market at your own peril



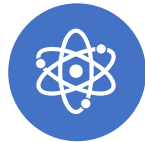
Domestic Economic Performance

Be weary of the calm before the storm



Stock Market

Fixed income securities takes up the winning baton



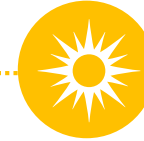
Political Update

2023 election: A game changer?



Aviation & Real Estate Industry

Rising costs amid squeezed income



October Outlook

Political uncertainties cloud economic reality





**“Never Bet
Against the House
in Vegas”**



SEPTEMBER HIGHLIGHTS

Global Highlights

- ✓ Musk agrees to buy twitter at \$54 per share
- ✓ Nigeria sues Facebook & Meta
- ✓ Ukraine drives back Russia
- ✓ James Bond is back to the screen
- ✓ Credit Suisse may be the next Lehman Brothers
- ✓ The economist calls it the weakest link in global finance



“Fight the Markets at Your Peril”



Global Highlights – The UK As Case Study

- ✓ Currency weakness due to policy rigidity in the face of market forces
- ✓ British PM cutting taxes in the face of fiscal unsustainability
- ✓ Pound crashes to lowest levels in decades £1.02/\$ (market backlash)
- ✓ Rebound after a loss of face and squandering political capital



Global Highlights – The UK As Case Study

- ✓ The last time the GBP was attacked was the savage onslaught on Maggie Thatcher
- ✓ She eventually lost the pound and her job
- ✓ Thanks to George Soros



Global Highlights – The UK As Case Study

- ✓ Now Soros is after Liz Truss
- ✓ Paul Krugman in his books arguing with Zombies
- ✓ Refers to dogmatic policy makers who fight markets as zombies

An overvalued currency is like searing blood to sharks in an ocean

Equities market reacting negatively to interest rate hikes





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Global Highlights



- ✓ Equities in a topsy-turvy
- ✓ Global tightening taking its toll on portfolios
- ✓ S&P 500 returned 26.89% in 2021
- ✓ 2022 is negative 20.97% YTD
- ✓ Bear market entrenched but recovery is almost imminent
- ✓ Buy the dip, but shine your eye

Global Highlights



Advanced Markets Performance

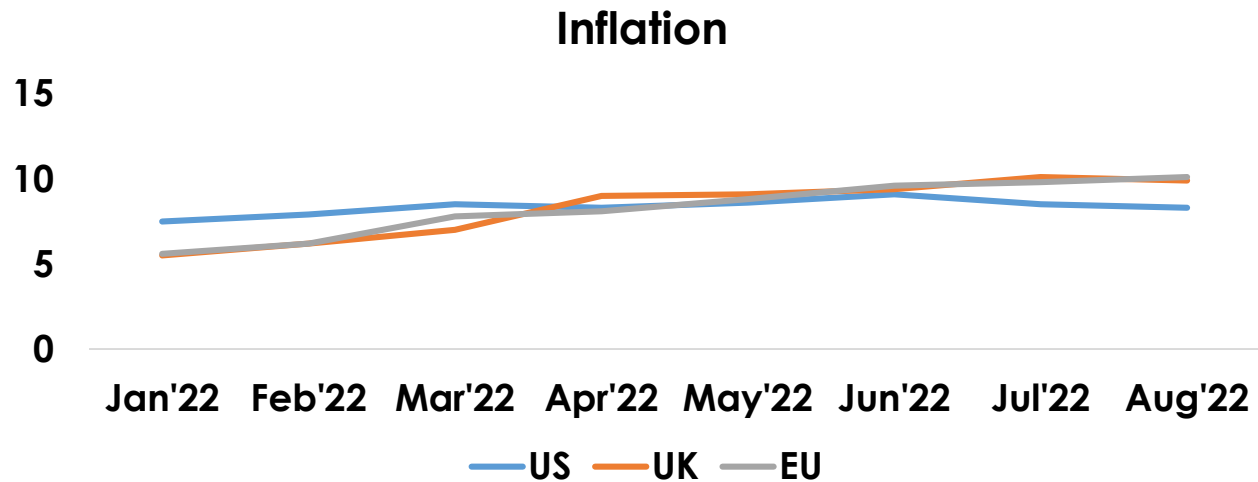


Covid-19 uncertainties

Interest rate hikes

Global Highlights

- ✓ Inflation tapering as policy makers make hard choices
- ✓ The U.S Inflation



- ✓ Policy makers putting the fight against inflation ahead of recession fears
- ✓ Brace for more turbulence

Global Highlights

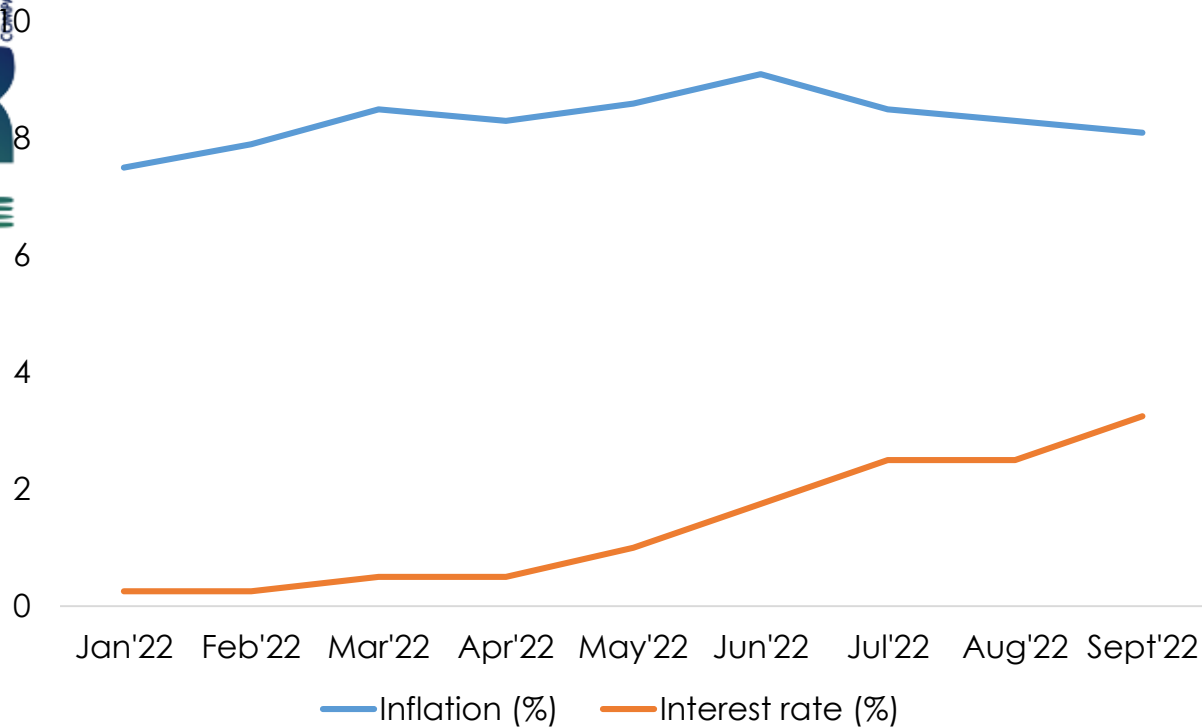
- ✓ The Ukraine war a catalyst of inflation
- ✓ The war is in a decisive phase - Drones VS Zombies
- ✓ Russia bluffs about nuclear option I, is it for real???
- ✓ The U.S raises the stakes based on the concept of mutually assured destruction
- ✓ Shoot **TODAY** and **DIE** tomorrow
- ✓ **MAD** Vs **SAD**
- ✓ Read Zbigniew Brzezinski's book "The Choice".

Global Highlights

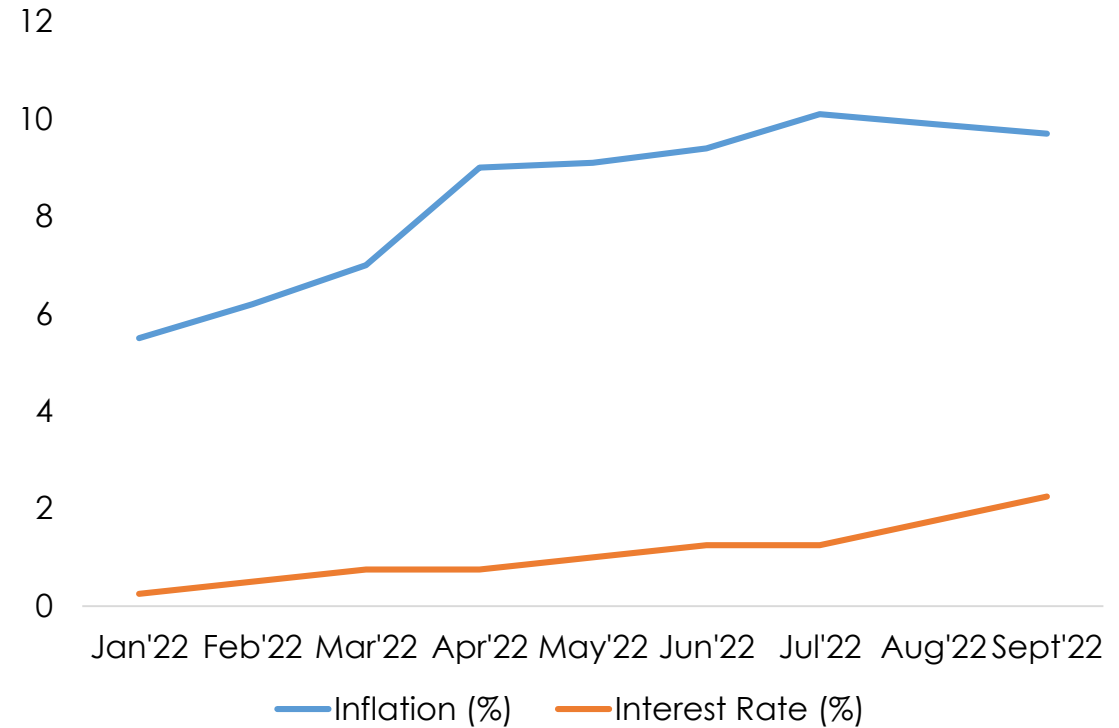
- ✓ Inflation beginning to taper as central banks aggressively increase interest rates



US Inflation Vs Interest Rate (%)



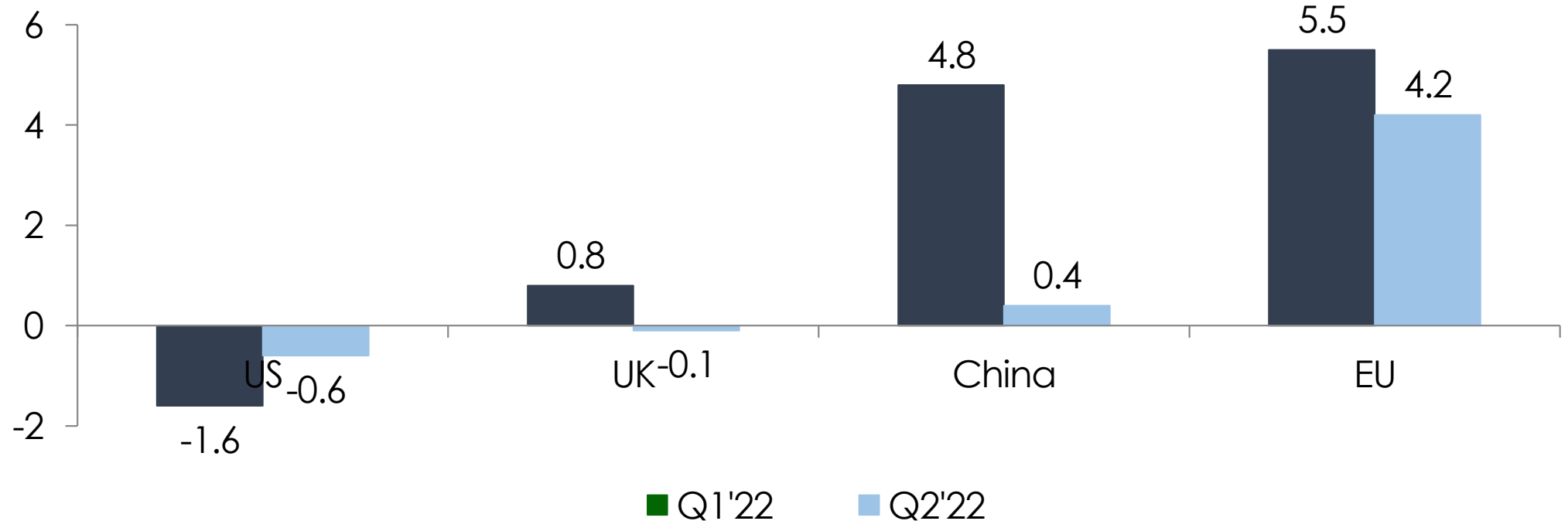
UK Inflation Vs Interest rate (%)



Global Highlights

- ✓ Heightened recession fears on aggressive monetary tightening
- ✓ Major economies already grappling with slow growth

GDP Growth (%)



Global Highlights

- ✓ OPEC cuts output by 2mbpd
- ✓ Brent crude up 4.7% to \$89.14pb
- ✓ Nigerian rig count falls on divestment and no clarity on fiscal incentives
- ✓ Oil rig count down 9.09% to 10 in August
- ✓ Domestic oil production fell by 10.19% to 0.97mbpd in August
- ✓ 400,000 barrels of oil lost to oil theft daily
- ✓ Equivalent to \$1.2bn per month



Global Highlights

- ✓ British economy sneezes - Nigeria catches a cold



Britain Sneezing



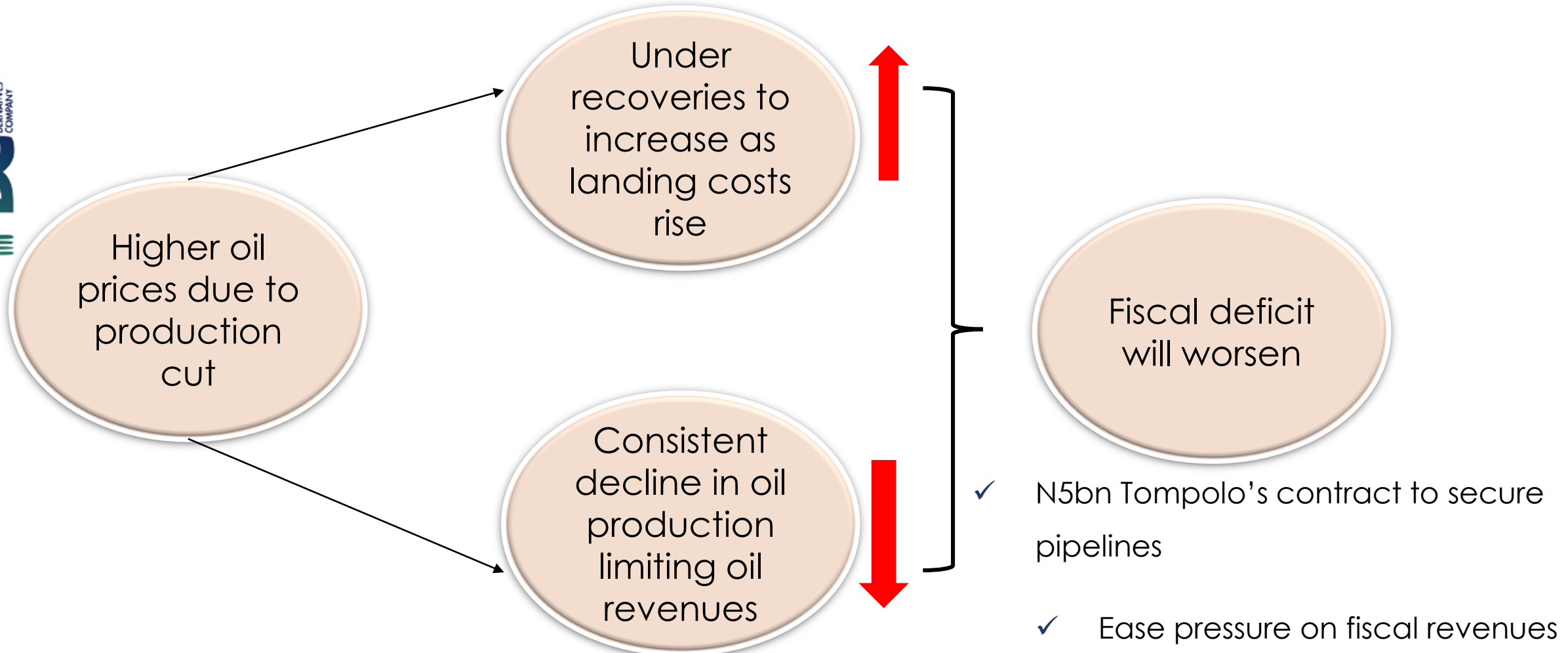
Nigeria catching
the cold



- ✓ U.K. is a major source of diaspora flows into Nigeria
- ✓ Nigerian total diaspora remittances peaked at \$24bn in 2019
- ✓ Down to \$19.2bn in 2021
- ✓ A recession in the U.K and a weaker pound is a double edged-sword
- ✓ British imports cheaper
- ✓ Medical and education tourism will grow

OPEC Production Cut – What Does it Mean for Nigeria

- ✓ Nigeria production down to 1.2mbpd according to NNPC
- ✓ NNPC reports a profits of N652bn



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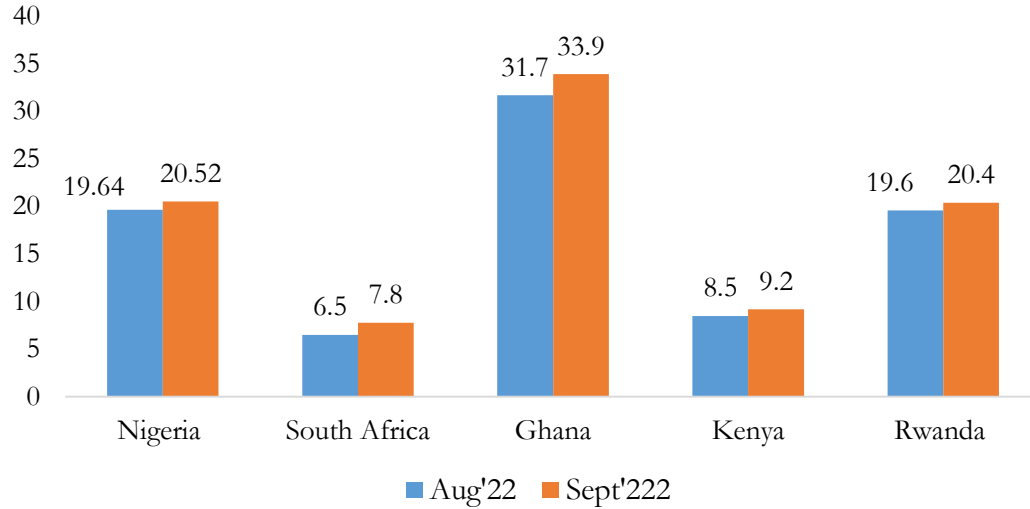


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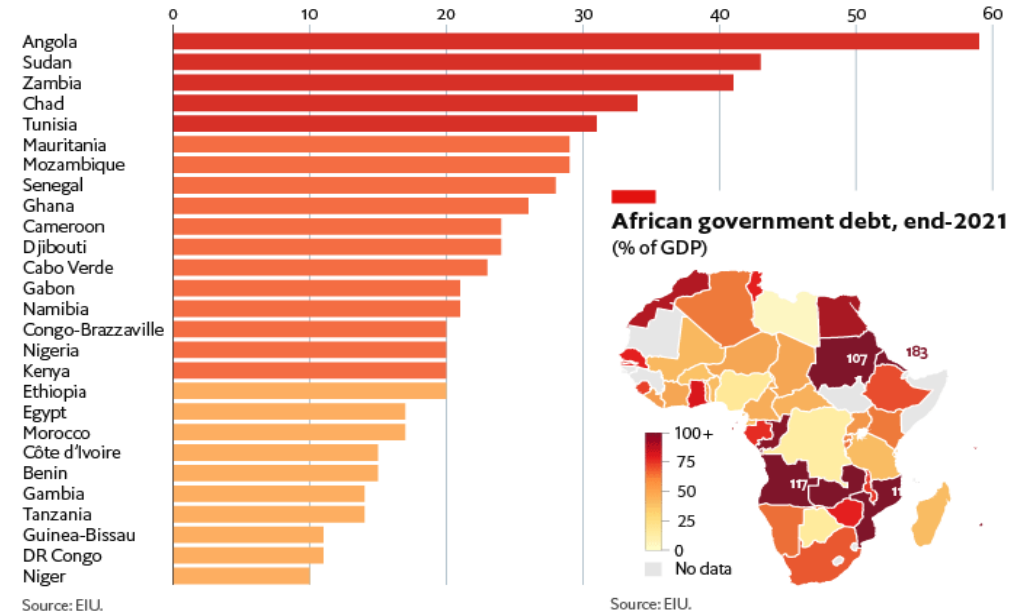
Regional Highlights



Inflation In SSA (%)



External debt service for selected African countries, 2021
(capital and interest payments on public debt as % of government revenue)



- ✓ Most African economies are grappling with spiraling inflation and debt problems
- ✓ Kenyan inflation up due to higher food and energy prices
- ✓ Global interest rate hikes compounding debt servicing obligations
- ✓ Increasing the probability of banks debt default and impairment charge

Regional Highlights

- ✓ Coup d'état in Burkina Faso as soldiers overthrow Damiba
 - ✓ 2nd attempt in 2022
- ✓ There have been 7 successful coup attempts in Africa in the last 3 years
 - ✓ 5 in the ECOWAS region
- ✓ Raising concerns about the failings of democratic institutions in poor countries



Domestic Highlights

- ✓ Nigerian main cocoa crop harvest disrupted by heavy rainfall and lack of sunshine
- ✓ Dampening optimism of a robust harvest at the beginning of September
- ✓ Cocoa supply shortages is more acute in the South West
 - ✓ Accounts for 70% of the country's annual production (250k-280k tons)
 - ✓ Cocoa output is expected to increase in October and November as the rainy spell ends and dry season emerges



Cocoa Supply Shortages – Impact on Nigeria

- ✓ Cocoa is Nigeria's 2nd largest non-oil export commodity
- ✓ Accounted for 0.45% of total export revenues in Q2'22



	Nbn
Cashew nuts	53.16
Cocoa	33.37
Sesame seeds	25.68



- ✓ Lower cocoa harvest means reduced export revenues and foreign exchange earnings
- ✓ Will increase fiscal burden and worsen currency pressures
- ✓ CBN R200bn policy good rhetoric, but tall order

Domestic Highlights

- ✓ Energy prices soaring according to the NBS price watch



Cooking gas



101.17%
N4,456.56/5kg



Kerosene



102.38%
N806.52/litre



Diesel



209.54%
N786.88/litre



PMS



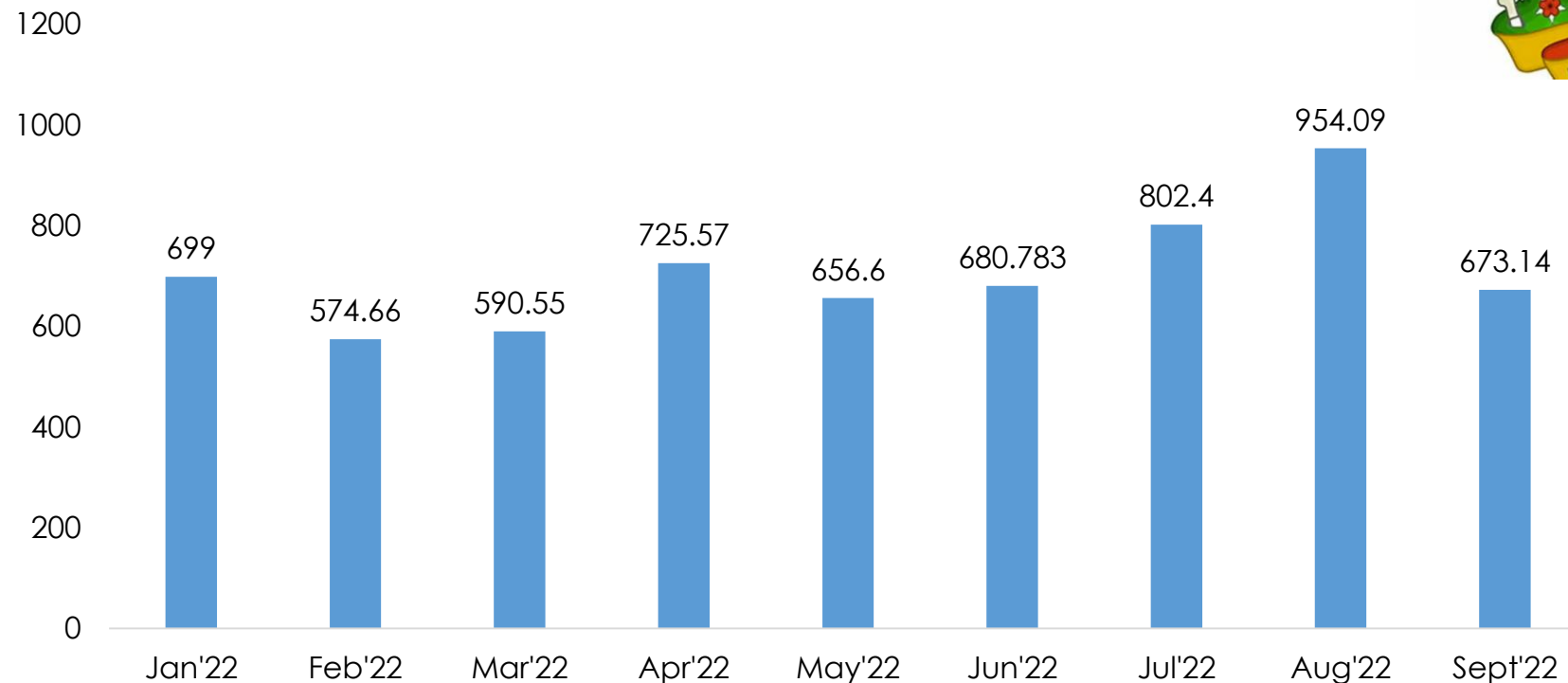
14.89%
N189.46/litre

Domestic Highlights

- ✓ FAAC has slipped to N673.14bn in September
- ✓ Because of normalizing the CIT lump payment



FAAC (Nbn)



Domestic Highlights

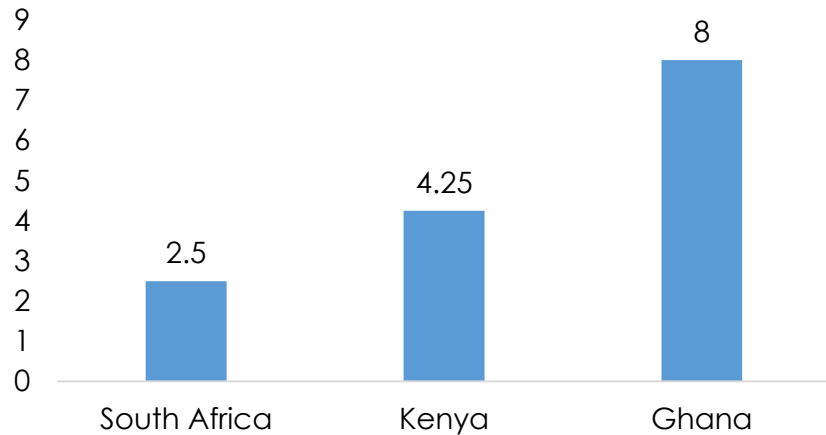
- ✓ Average opening position of banks increased by 88.79% to N187.64bn
- ✓ Opening balance was negative for two consecutive days
- ✓ MPR raised by 150bps to 15.5%pa
- ✓ Cumulative increase of 400bps in the last 3 meetings
 - ✓ Equivalent to the cumulative increase in the last decade
- ✓ General level of interest rates increasing
 - ✓ Zenith announced a lending rate of 25%pa (*price leader*)
 - ✓ Other banks will follow suit



Domestic Highlights

- ✓ N6.96trn CRR debit to banks punitive – *pressure on liquidity & profitability*
- ✓ 32.5% of total deposits (N21.43trn)
- ✓ Nigeria has one of the highest CRR in the world

CRR (%)



- ✓ Some banks already have CRR above the new limit
- ✓ Fidelity (41.6%)
- ✓ GTCo (42.5%)



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**DOMESTIC
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Inflation Causative Factors – The Usual Suspects



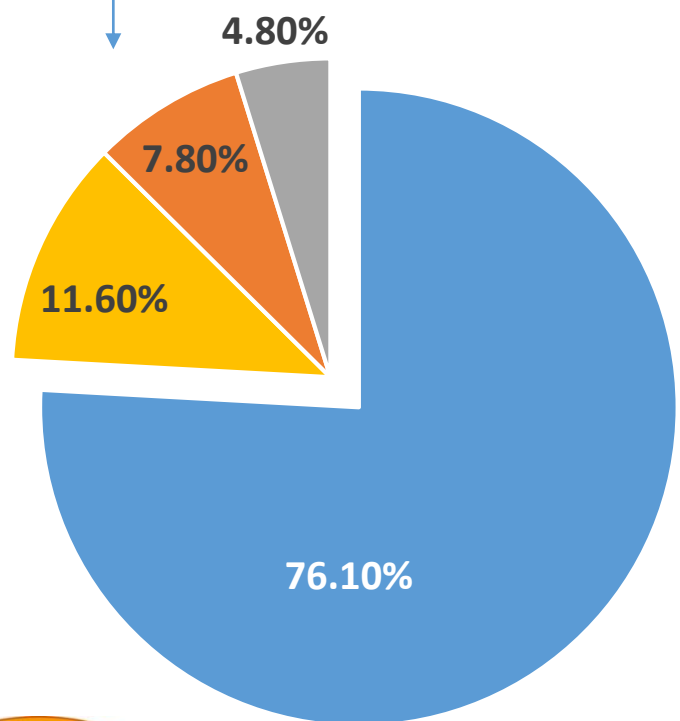
June



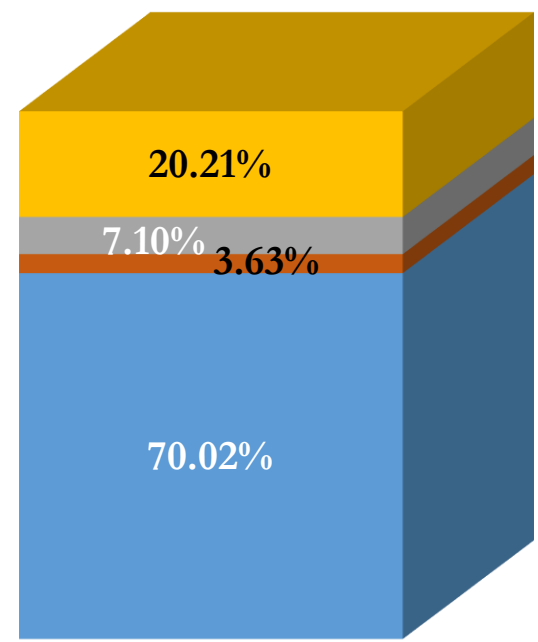
2 Months later



August



- Diesel and Aviation Fuel
- Money growth (M3)
- Exogenous Shocks
- Exchange Rate



The updated data shows that the contribution of

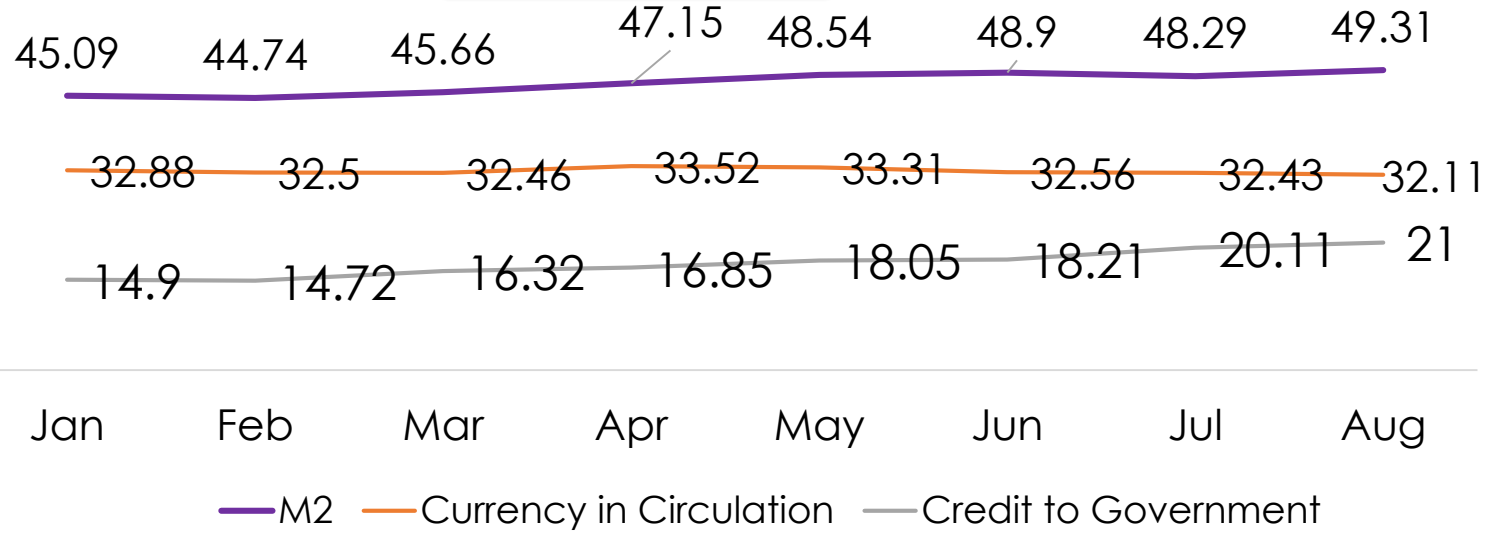
- ✓ exchange rate & exogenous shocks decreased
- ✓ money supply and diesel prices increased in intensity, &
- ✓ exchange rate still the largest contributor



Impacts decomposition of inflation's causative factors (short term analysis)

Money Supply




Money Supply



Contributes
7.60% in
Inflation

- ✓ Money supply maintains upward trend
- ✓ Supported by increase ways and means advances (N21 trn)- **40% of total money supply**
- ✓ However, increasing at a slower pace as currency in circulation declines
- ✓ Due to monetary policy tightening

Interest Rate Market Structure Adjustment

Tenor	Sept 14	Sept 28	% Change
91-day	5.5	6.49	0.99 
182-day	6.0	7.5	1.50 
364-day	9.75	12.0	2.25 

**MPR at
15.5%**

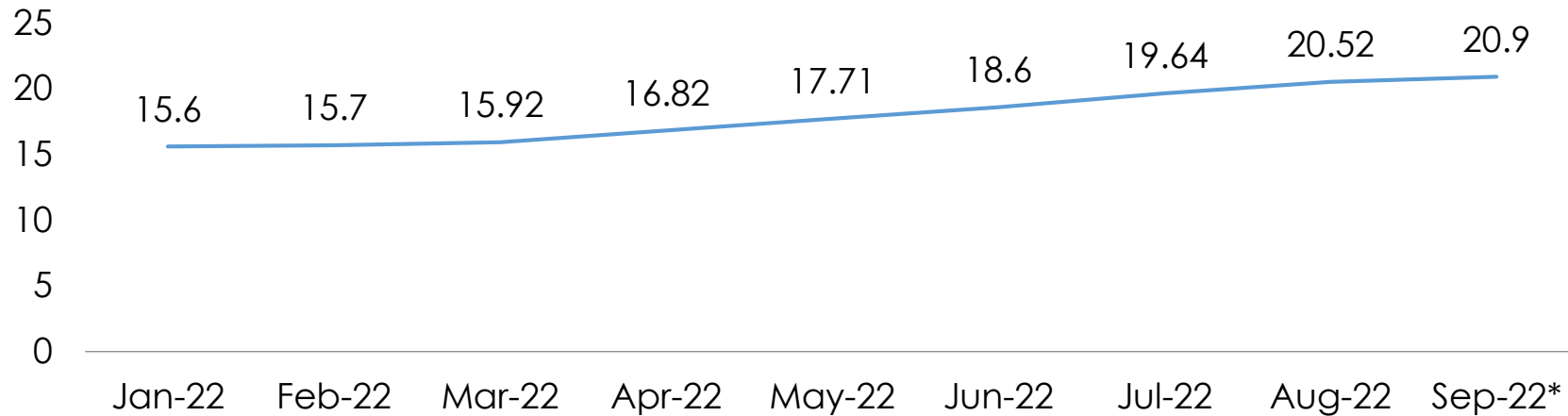


- ✓ Increase in general interest rate as MPC hikes MPR to 15.5%pa
 - ✓ Reduction in negative real rate of return
- ✓ MPC to fall while MPS will increase
- ✓ Will reduce equity prices
- ✓ Borrowing cost for corporate and government to rise
 - ✓ Resulting in higher debt burden for the government
 - ✓ And lower margins for corporate firms

Inflation Expectations

- ✓ Inflation expected to sustain its upward trend in September
- ✓ Albeit at a slower pace

Nigeria's Headline Inflation



Why inflation failed to decline in September



Dwindling forex inflows

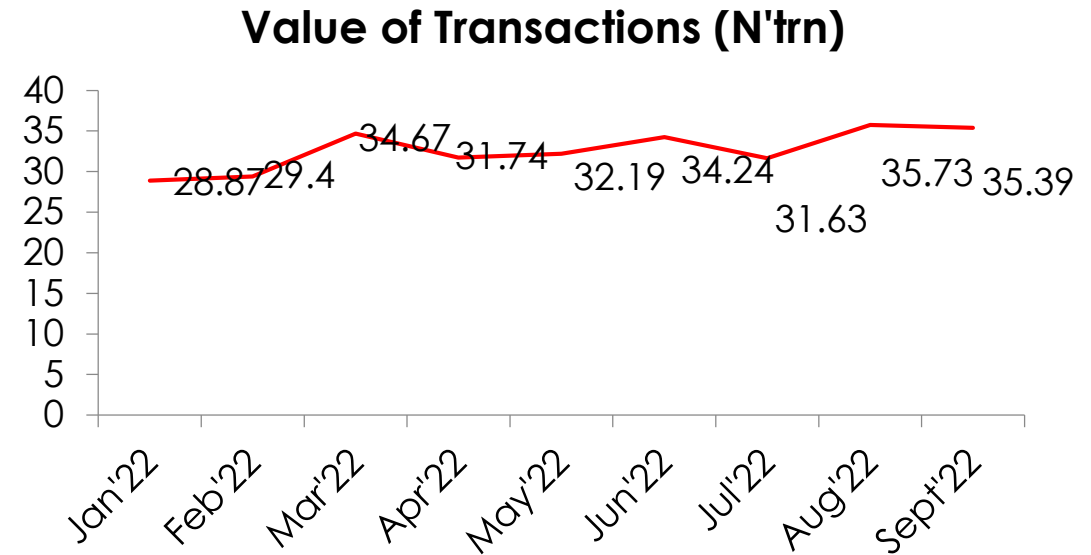


Interest rates were unattractive



Impact of Inflation on Value of Transactions (MV = PT)

Channels	Aug'22 (N'bn)	Sep'22 (N'bn)	% Change
Cheques	290.69	265.93	-8.52 ↓
POS	711.17	735.57	-3.43 ↓
NIP	33,238.49	32,842.31	-1.19 ↓
NEFT	1,493.54	1,548.04	3.65 ↑

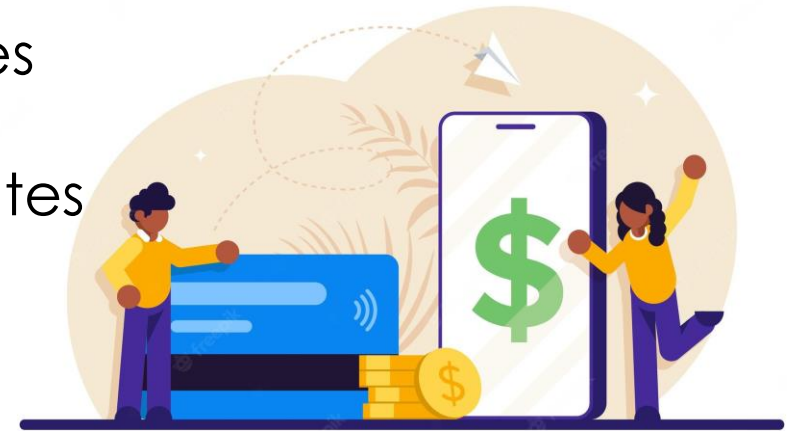


Value of transaction totaled N35.39trn in September

- ✓ Down 0.95% from N35.73trn in August
- ✓ Consumers' confidence deteriorating due to high inflationary pressures
- ✓ High interest environment are encouraging savings
- ✓ Value of transactions likely to decline further to N34.5trn in October due to interest rate hike

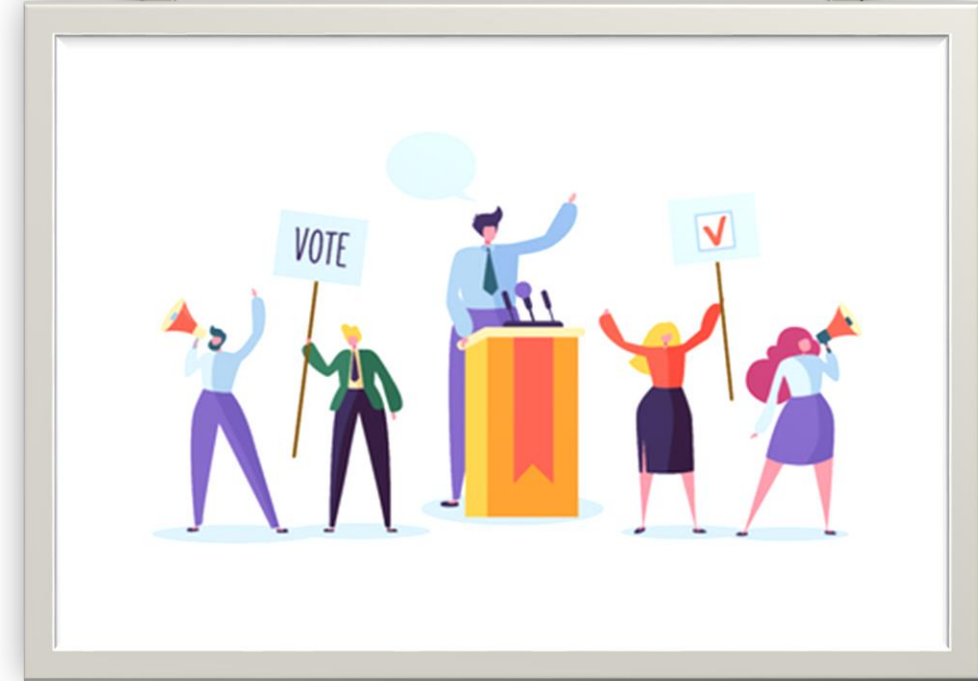
Impact of Inflation on Value of Transactions ($MV = PT$)

- ✓ Velocity of circulation declined to 1.02x in Q2'22 compared to 0.44 in Q1'22
 - ✓ Indicating the decline in the value of transactions
 - ✓ Consumers become conservative as inflation bites
 - ✓ Reflecting tight liquidity system as interest rates increase
- ✓ Velocity of circulation to decline further as CBN further mops-up liquidity

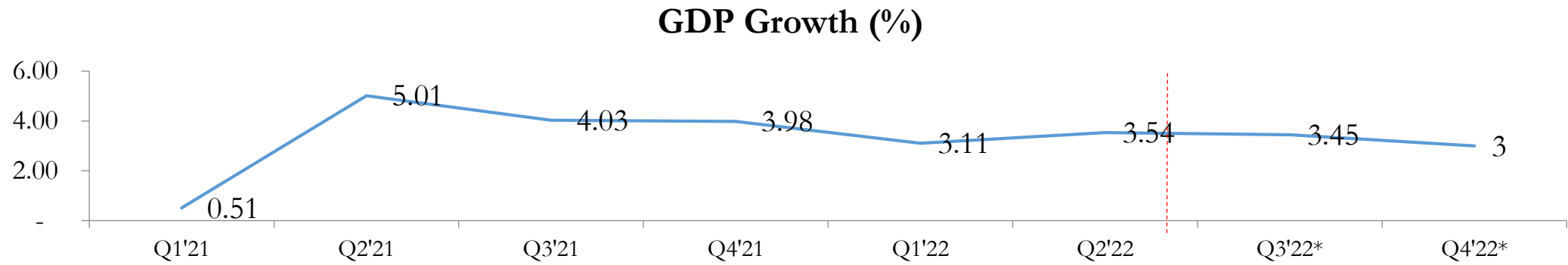


Political Campaign & Inflation

- ✓ Liquidity to increase due to political campaign and election spending
- ✓ An increase in aggregate demand without a corresponding increase in aggregate supply will stoke inflation



GDP Growth Outlook



- ✓ IMF predicts a growth rate of 3.4% in 2022
- ✓ Growth to slow in Q4'22 due to
 - ✓ Supply shocks
 - ✓ Forex scarcity
 - ✓ Weak purchasing power
- ✓ 2023 election to divert manpower to campaign activities



Structure of a Perfect Market

Assumptions of a perfect market

- ✓ Easy entry and exit
- ✓ Homogeneity of the product – same product everywhere
- ✓ Heterogeneity of consumers /players
- ✓ Perfect information
- ✓ Price efficiency



The Demand Curve Facing the Perfectly Competitive Firm

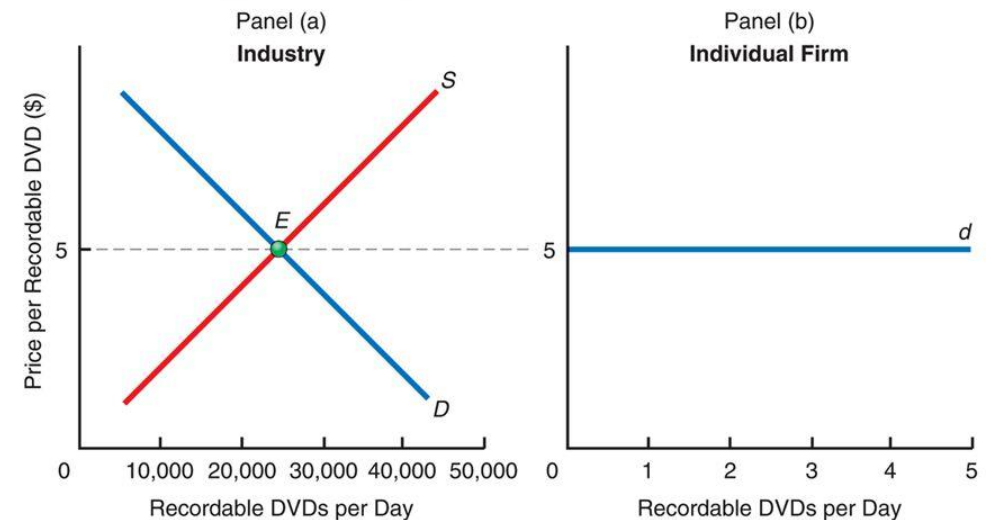


Figure 24-1, Panels (a) and (b)

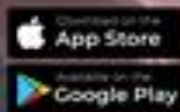


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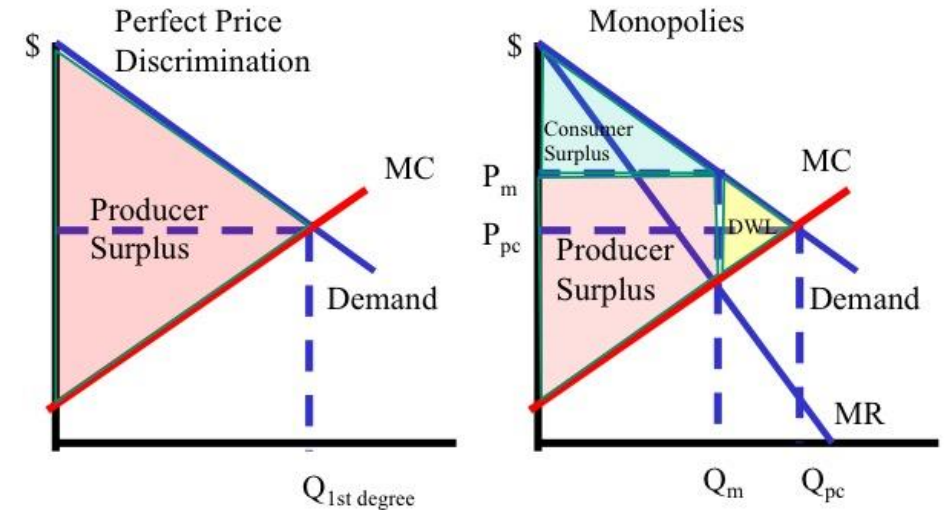
Conditions of a Price Discriminatory Monopoly

- ✓ Price discriminatory monopoly is a form of an imperfect market

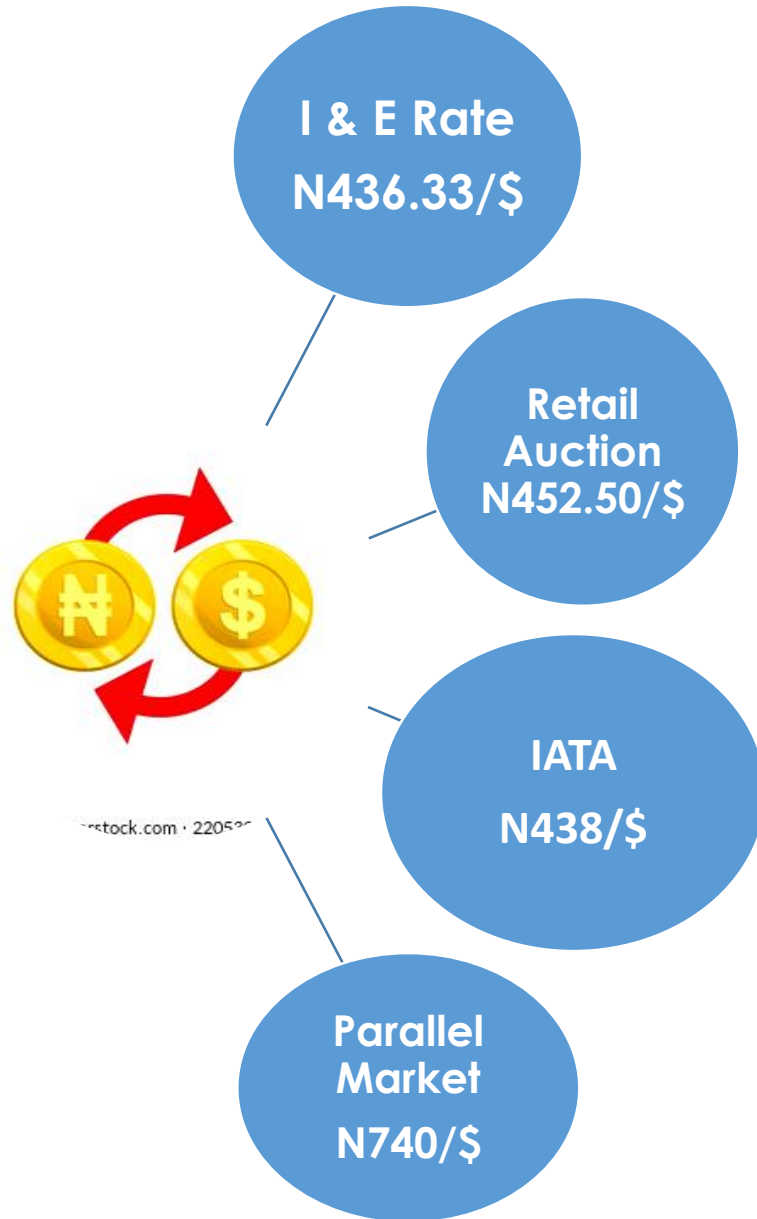
Conditions of a an imperfect market

- ✓ Different slope of demand
- ✓ Different price elasticity of demand
- ✓ Barriers to entry

First Degree or Perfect Price Discrimination

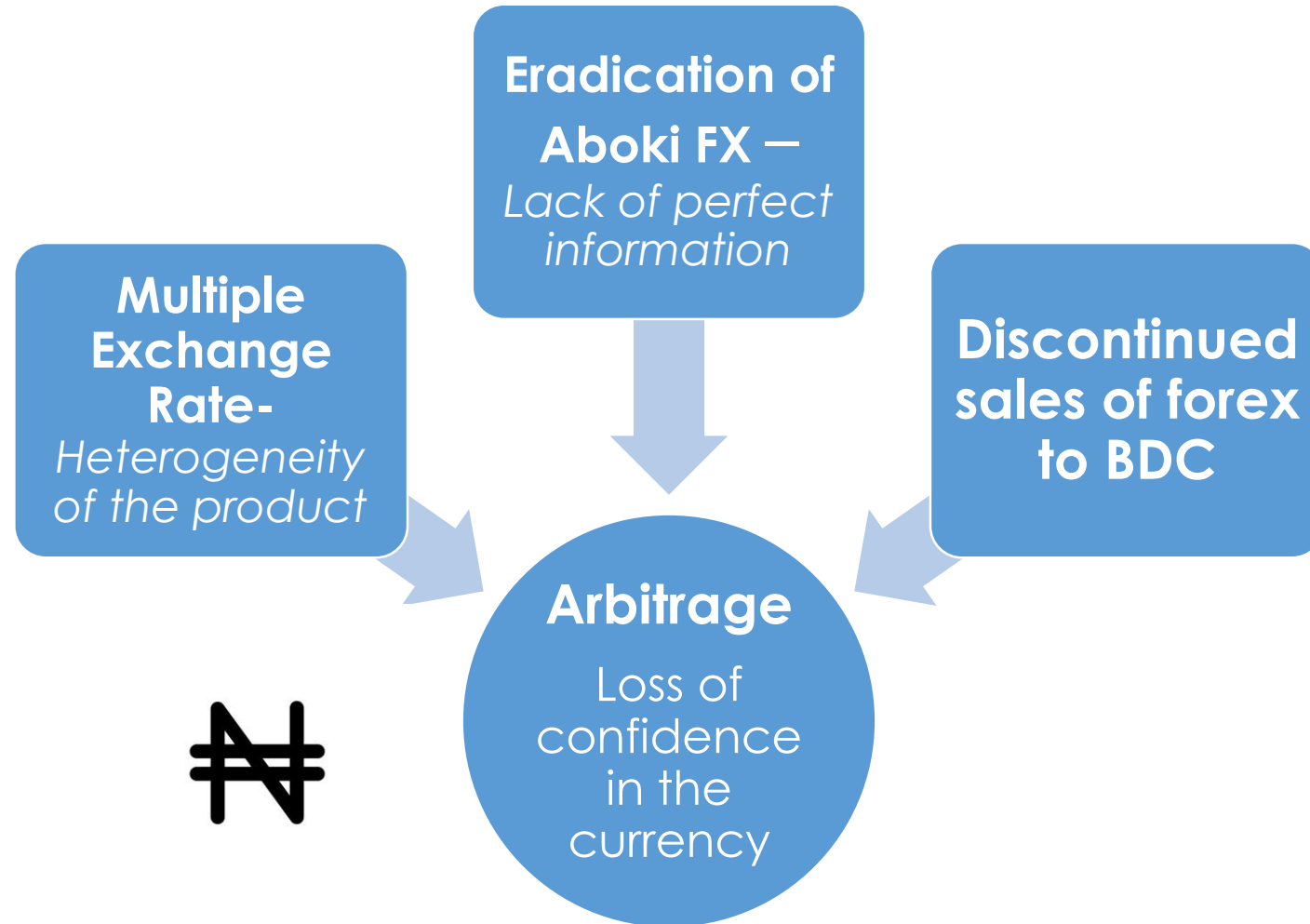


Structure of Nigerian Forex Market



- ✓ The Nigerian forex market reflects a price discriminatory monopoly
- ✓ Different prices for the same commodity
- ✓ There are four exchange rate windows

Distortions in the Forex Market



- ✓ The more imperfect your market, the more vicious
 - ✓ Markets are ruthless

Forex Markets – Parallel Market is More Efficient Now



Imports – Traders,
manufacturers, etc.



School fees –
international students



External debt
servicing

Official

5%

70%

100%

Parallel

95%

30%

0%

- ✓ Most of the price discriminatory monopoly conditions are not met
- ✓ Giving room for distortions and market failure
- ✓ Supply has dried up
- ✓ No effective supply

Major Source of Dollar Inflows Declining...

- ✓ Nigerian forex market in a perfect storm – major source of forex inflows falling

Source of dollar inflows



- ✓ **Oil revenue – major source of forex earnings**
- ✓ Oil production down to 1.1mbpd (below OPEC quota of 1.8mbpd)
- ✓ Oil theft estimated at 400,000bpd



- ✓ **Non-oil exports**
- ✓ Down 5.61% to \$675.08mn in Q2 from \$715.19mn in Q1



- ✓ **Foreign Direct Investment**
- ✓ Declined by 5.02% in Q2 to \$147.16mn from \$154.97mn in Q1



- ✓ **Foreign Portfolio Investment**
- ✓ Fell by 20.91% to \$757.32 in Q2 from \$957.56mn in Q1

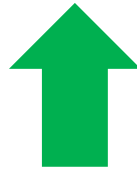


- ✓ **Diaspora Remittances**
- ✓ Increased leakages through unofficial channels

Impact of Exchange Rate Market Structure Failure on the Economy

- ✓ Naira depreciation is major stoking factor of inflation

Fertilizer Supply

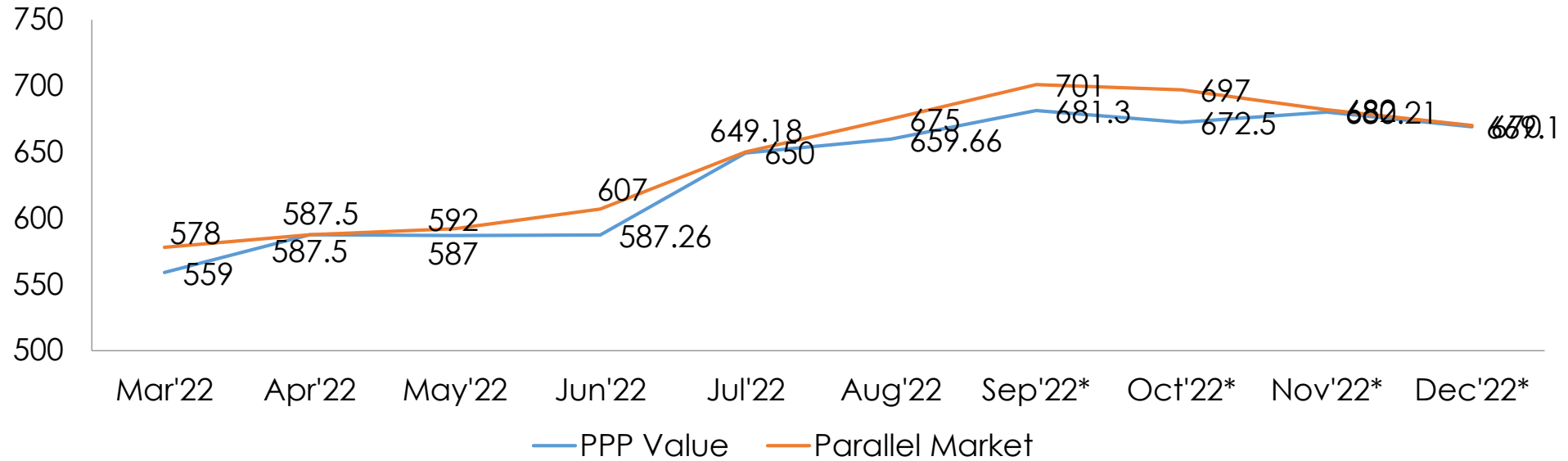


Additional 3 million tonnes per annum

- ✓ Dollar scarcity fueling smuggling of fertilizer bags to other countries
- ✓ Leading to spike in fertilizer prices
- ✓ Limiting local use of fertilizers
- ✓ Resulting in lower agricultural output

Forex Market Outlook

PPP Value and Parallel Market Rate



- ✓ Naira likely to depreciate towards N750/\$ before a major correction
- ✓ CBN's ability to defend the naira will be affected by declining reserves
- ✓ Oil prices fell by 33% in the last 3 months

Why the Correction?

- ✓ 1-year t/bill rate up to 12%p.a
- ✓ I & E rate heading towards N450/\$
- ✓ 160,000bpd west pipeline opens up this week
- ✓ Tompolo deal may salvage \$700mn a month
- ✓ The forex racket may be dented



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POLITICAL UPDATE

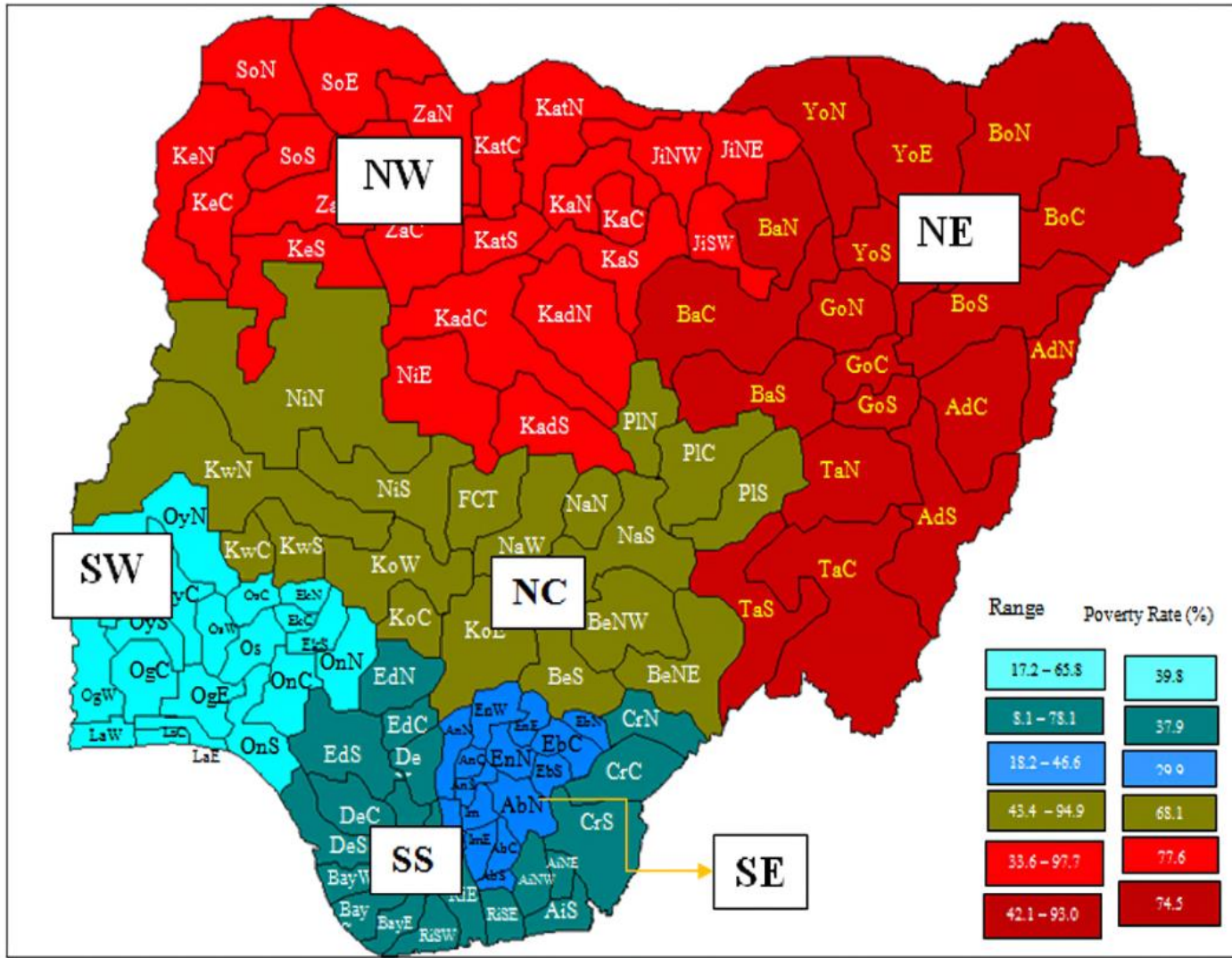
The Glove are Off and Gladiators in Hiding

- ✓ Stressed, resentful and angry urban dwellers are becoming a majority
- ✓ The gloves are finally off and the dirty tricks departments are alive
- ✓ Campaigns commenced on September 28
- ✓ The Labour Party, which is mostly endeared to the youths is gaining ground
- ✓ The leading parties are busy settling domestic squabbles
- ✓ Cash begins to flow, NWC members are cashing out
- ✓ Drama from the PDP's VP selection is still eating the party in the flesh

Political Parties Zonal Concentration



Political Parties Zonal Concentration



- ✓ Poverty concentrated in the Northwest and Northeast regions
- ✓ PDP and APC have larger concentration in the Northern Zone
- ✓ Urbanization will affect South eastern votes
- ✓ Poverty stricken areas more vulnerable to voter buying

Political Calculus Equation – 2023 Elections Success

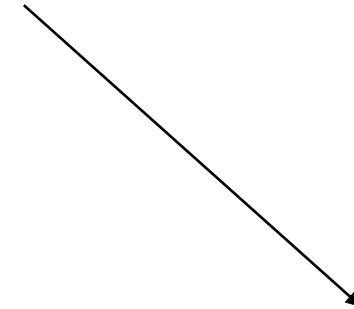
$$E = f(D) + K$$



Election Success



Dynamic Variables



Constant Factors

Political Calculus Equation – Constant Factors



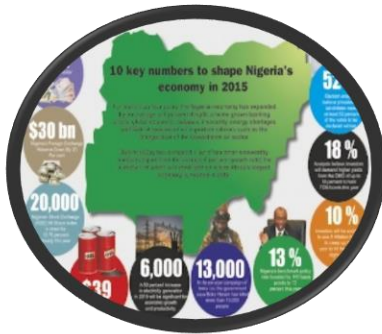
Cultural, Ethnic and Language Diversity



Federal Structure



Anthropological Structure



Economic Structure



Religious Sentiment



Institutional Structure

Political Calculus Equation – Dynamic Variables



Population and
Registered Voters



Population Structure



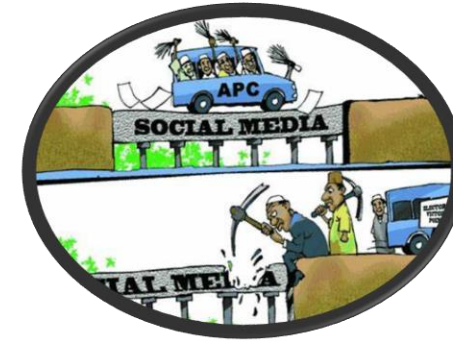
Electoral Umpire and Electoral Act



Economy



Social Indicators



Social and Mainstream Media

Trends of Political Success Dynamic Variables

Registered Voters

	2015	2023	%
Population(Mn)	181.1	217.6	+20.2
Registered Voters (Mn)	68.83	95.01	+38.1
Urbanization Rate (%)	47.88	58.3	+10.52

Population Structure

	2015	2023	%
Median Age (years)	17.8	18.1	0.3
Gender (Male) composition (%)	49.35 (50.65)	49.31 (50.69)	0.04
Literacy Rate (%)	66.7	69.0	+2.3

Electoral Umpire

	2015	2023
Technology	Less prominent	Prominent
Transparency	Partial	Fully
Electoral Act	Constant	Changed

Economy

	2015	2023	%
GDP Growth (%)	2.97	3.33	+0.36
Per Capita (\$)	2687.48	2421.62	-9.89
Inflation	9.01	20.52	+11.51

Trends of Political Success Dynamic Variables

Social Indicator

	2015	2023	%
Poverty Rate %	36.5	72.2	-35.7
Unemployment Rate (%)	11.4	33.3	-21.9
Peace index (%)	2.78	2.72	-0.05
Misery Index (%)	20.41	53.82	-33.41

Social and Mainstream Media

	2015	2023	%
Penetration Rate (%)	22.1	58.2	+36.1

- ✓ Dynamic variables have changed significantly
- ✓ Social and economic variables have deteriorated
- ✓ There are more urbanization and social media penetration

Election Outcome – What If Analysis

If Dynamic Variables Outperform constant factors

Elections will reflect:



Anger



Frustration



Resentment



Enthusiasm

- ✓ Game Changer
- ✓ Unexpected becomes Expected
- ✓ The election becomes unusual

IT'S TIME TO **CARE** ABOUT **YOUR SALT**

Refined, Iodized & Purified



Election Outcome – What If Analysis

If Constant Factors Outperform Dynamic Variable

Elections will reflect:



Deep Pocket



Cannibalization



Ethnic Biasness

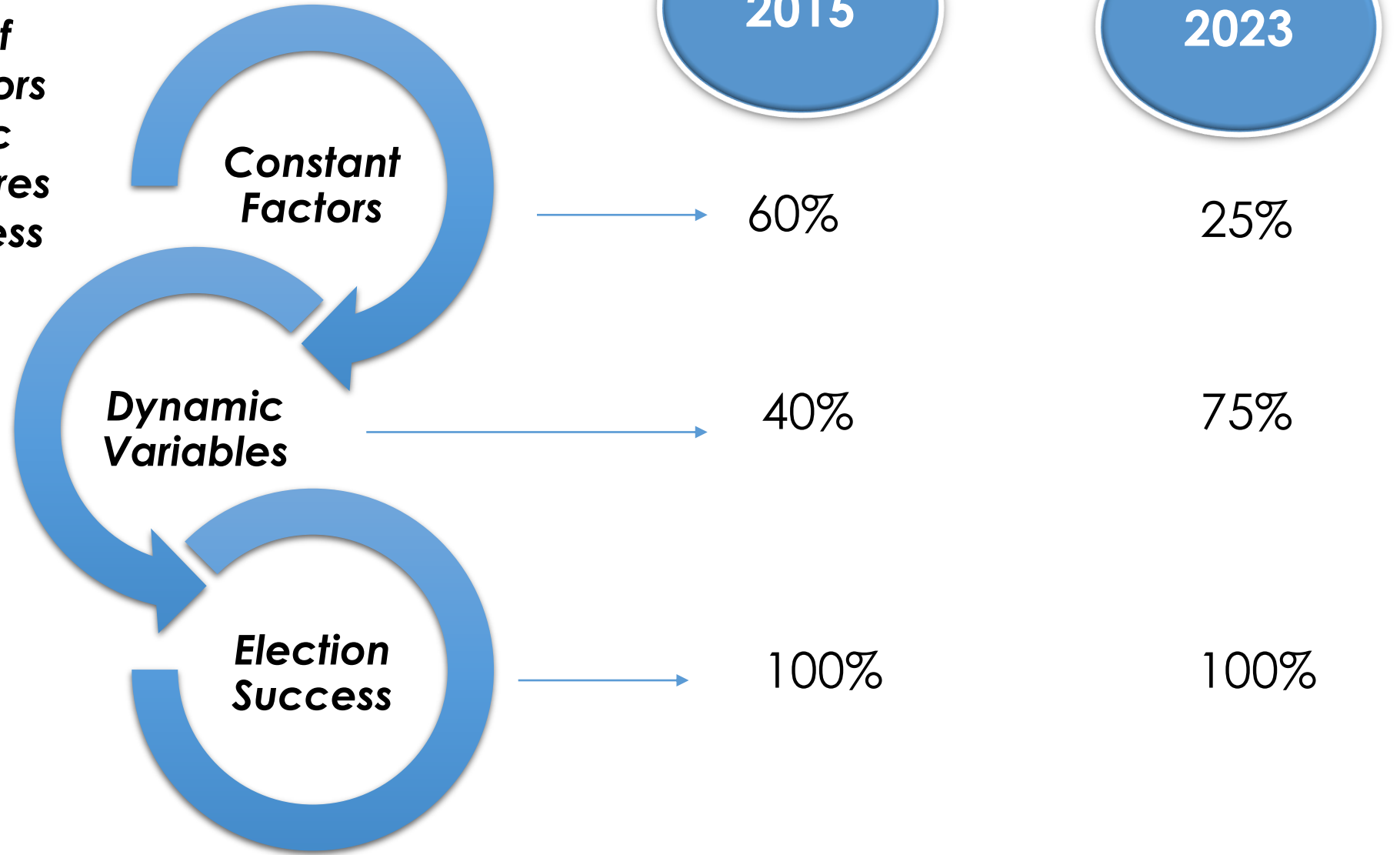


Religious Influence

- ✓ Old stories
- ✓ Parameters remain the same
- ✓ Election is identical to the previous ones

What FDC is Seeing?

Interaction of constants factors and dynamic variables ensures election success



Likely Outcome Based on What We are Seeing

Will the election be won in the first round??

No
Assigned Probability =
65%

Yes
Assigned Probability = 35%

- ✓ Right now it's a toss up in a 3 way competitive race
- ✓ There will be a runoff election
- ✓ Resulting in 2 contestants and a Kingmaker
- ✓ Initial momentum with the disruptors

Likely Outcome Based on What We are Seeing



- ✓ Whoever wins will be faced with
- ✓ A stock pile of debt- **N42.85trn**
- ✓ Maturing obligations
- ✓ Misaligned currency
- ✓ High inflation and interest rates
- ✓ An opportunity for reforms

Doing nothing is not an option



STOCK MARKET REVIEW

All Investors Gasping for Breath

- ✓ If you borrowed, you are dead
- ✓ But you are not alone
- ✓ Why is it all falling apart
 - ✓ Hawkish monetary stance
 - ✓ Recession fears
 - ✓ Squeezed corporate margins
 - ✓ Currency weakness

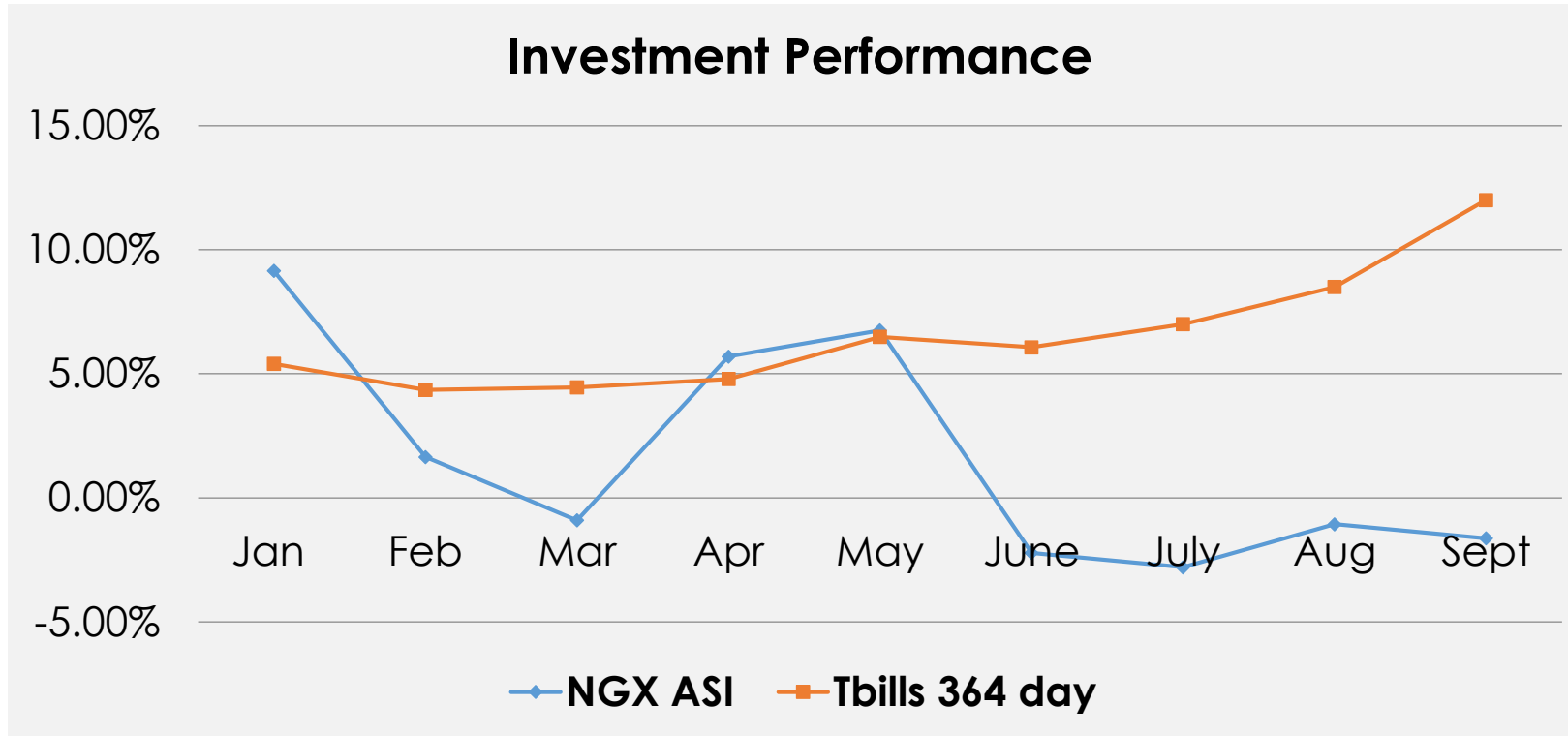


A Sea of Red Ink in all Markets

✓ Underwhelming return on investment across board

Asset Classes	Q3'22 Return	Inflation rate	Real rate of return
US equities	↓ 5.28%	20.52%	-25.80%
Nigerian equities	↓ 5.39%	20.52%	-25.91%
NTB (364 days)	12.00%	20.52%	-8.52%
Real Estate	↑ 35%	20.52%	14.48%
Bitcoin	↓ 2.67%	20.52%	-23.19%

T/Bills Now Attractive

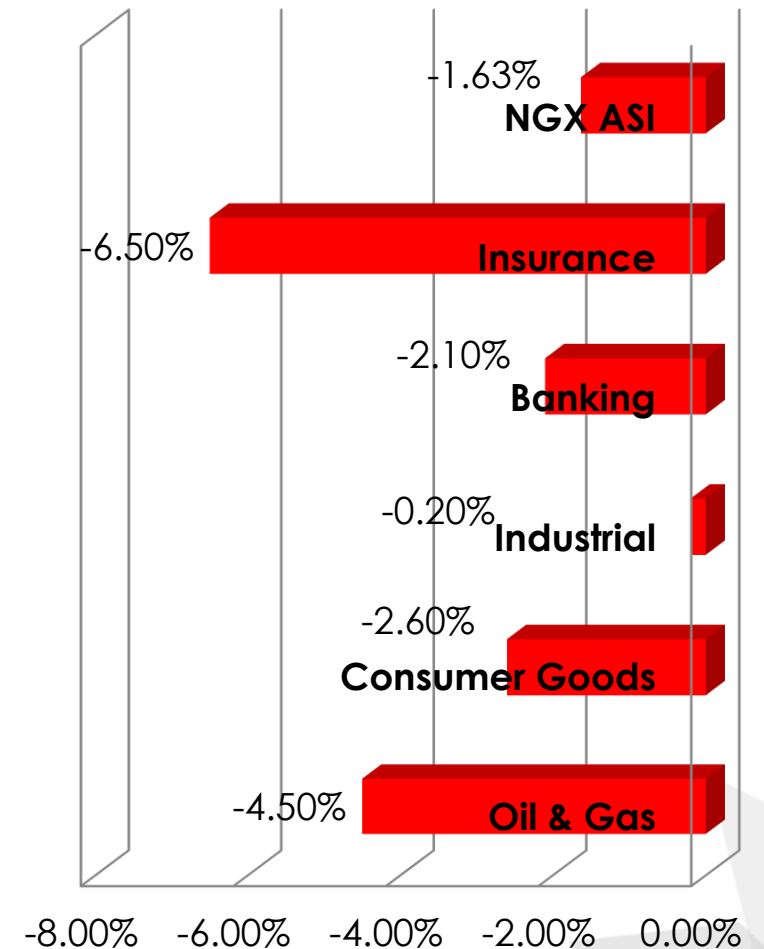


T/Bill rate (12%) > Average Dividend yield (7%)

Market Sucks Without Airtel, Gained Only 1% YTD

- ✓ NGX dipped further by 5.39% in Q3'2022 from 2.79% loss in Q2'22
- ✓ YTD return moderated to 14.8% (16.7% in August 2022)
- ✓ Airtel Africa account for 28% of total market cap (YTD return of 109%)
- ✓ All indices made a negative return in September 2022
- ✓ Investors preference for attractive fixed income yields over stocks
- ✓ Investors weighed the impact of high inflation, supply chain disruption, fx challenges on corporate earnings and share price movement

September 2022



Equities Market -Q4'22 Outlook

- ✓ Investors are bottom fishing- Looking for hidden value
- ✓ Speculators are being crushed
 - ✓ Just look at bitcoin and cryptos
- ✓ Domestic investors would like to see prices fall
 - ✓ To ensure a higher dividend yield
 - ✓ For MTN's dividend yield to reach 12%, the price will have to fall to N118
 - ✓ For Airtel's dividend yield to reach 12%, the price will have to fall to N154



What Should Investors Be Doing Now?



- ✓ In times of turmoil stay the course
 - ✓ Do not panic
- ✓ Back to basics
- ✓ Look for stocks that are dominant in their industries
- ✓ Sectors that outperform the national GDP
- ✓ Never change direction in a storm, you will crash
- ✓ Markets are not for the faint hearted
- ✓ See your cardiologist, you may need him

*770#

Start now. Dial *770#



Contact Us: trueserve@fidelitybank.ng



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The background features a dramatic sunset sky with a large, bright sun on the left and another on the right. Several commercial aircraft are silhouetted against the sky, flying towards the viewer. A large white diamond shape is centered over the image, containing the word "AVIATION" in bold black letters.

AVIATION

Aviation – Global IATA in Upbeat

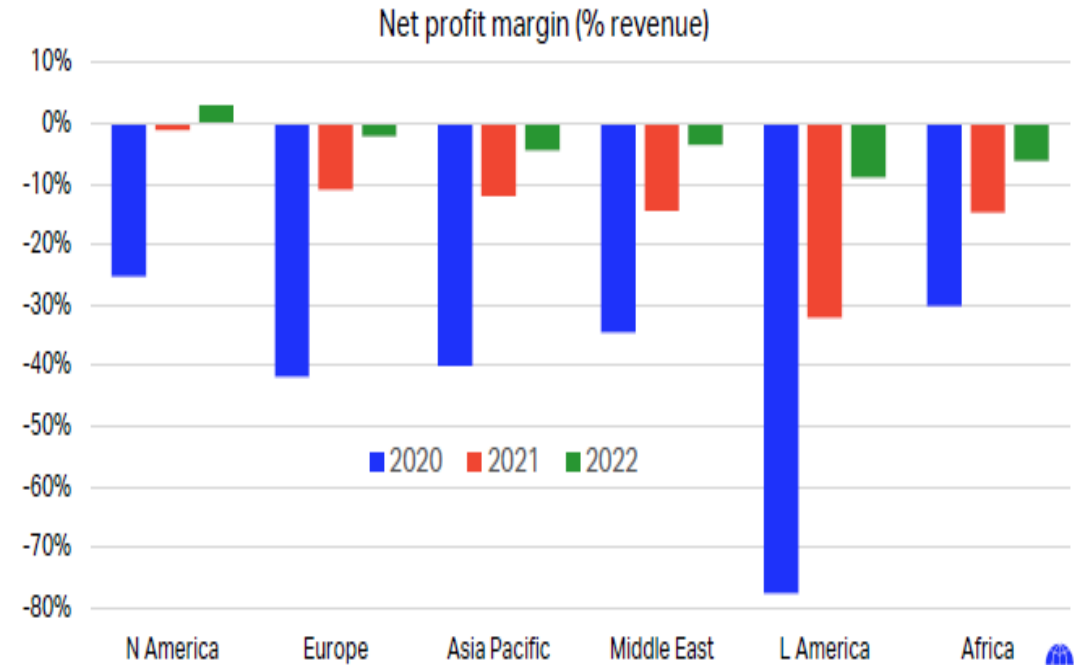
- ✓ Passenger traffic back to pre-covid levels in summer 2022
- ✓ Margins are compressed because jet fuel price are at record highs
- ✓ The Ukraine war is a dampening demand, but consumers are resolute
- ✓ Surge in traffic is due to forced savings during the covid period
- ✓ Total load factor up and nearing break even
- ✓ Industry recovery remains uneven, international RPK's are accelerating
- ✓ Strong dollar making US tourists to be on a roll

Aviation – Global IATA in Upbeat

- ✓ Air cargo prices are more competitive
- ✓ Cargo growth is flattening
- ✓ North America returns to profitability in 2022
- ✓ Financial performance is improving in all regions



North America returns to profitability in 2022 But financial performance is improving in all regions



Source: IATA Economics.



Aviation – Global IATA in Upbeat

- ✓ Cost are a key industry challenge this year

Turbulent times

- Easing and lifting of travel restrictions
- Willingness to travel
- Cargo
- Business model developments
- The possibility of energy abundance

TAILWIND



and

- Debt burden and cost
- Labor costs
- Energy costs
- Climate change costs
- Geopolitical conflict



HEADWIND

Nigeria - Blocked Funds and the Hang Over

- ✓ Nigeria/Blocked funds and the hang over
- ✓ The CBN released 50% of the backlog which was 33% of arrears
- ✓ The backlog has built-up again
- ✓ Airlines are restricting tickets to high fare buckets
- ✓ Cutting back on capacity
- ✓ B/A, Lufthansa on 5 flights a week to Lagos



Nigeria -Blocked Funds and the Hang Over

- ✓ CBN is insisting that Air Peace be allowed reciprocal landing slots at Heathrow
- ✓ Landing slots at Heathrow are auctioned and are prohibitively expensive
- ✓ Air Peace is bleeding cash on the Lagos-Dubai route
- ✓ Even with Emirates operating only 4 flights a week to Dubai from Lagos
- ✓ Local flights prices are sharply higher
- ✓ But facing consumer resistance

Aviation – Global IATA in Upbeat

- ✓ Load factors are high but carriers are loosing their shirt
- ✓ The exchange rate effect on their leases are killing them
- ✓ Azman shut down for a few days and are back in the skies
- ✓ Ibom Air seems to be efficient, liquid and profitable
- ✓ Reputed for super on-time performance and no cancellation is sweeping the stakes
- ✓ Air Nigeria pie in the sky – ***Is this for real???***

Nigeria -Blocked Funds and the Hang Over

- ✓ Air Nigeria is supposed to take off this year
- ✓ ET is technical partner and manager of the new airline
- ✓ Sovereign Wealth Fund has denied any participation
- ✓ Equity of \$300m in a struggling industry with a history of losses
- ✓ In Nigeria they say seeing is believing



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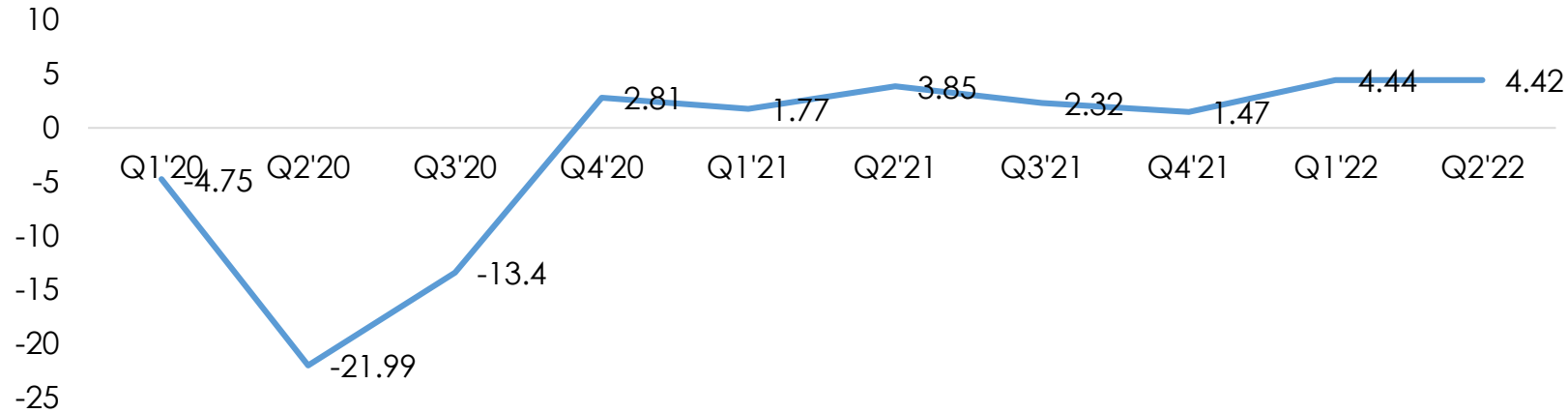


**REAL ESTATE
UPDATE**

Real Estate and Currency Pressure



Real Estate Sector (%)



- ✓ Real estate sector maintained positive growth in Q2'2022 but slow as
 - ✓ Naira depreciation pushed up cost of building materials
 - ✓ Spiraling inflation increasing maintenance costs
- ✓ Demand for rented apartment is rising as outright purchase is challenged by combined effect of inflation and exchange rate turbulence

A pair of blue binoculars is mounted on a tripod, positioned in the foreground. The background features a sunset or sunrise over a body of water, with a warm orange and yellow glow on the left side of the frame. The binoculars are the central focus, pointing towards the right.

OCTOBER OUTLOOK

*Political uncertainties cloud economic
reality*

Outlook For October

- ✓ Inflation will spike to 20.9%
- ✓ Monthly inflation falling as we approach a tipping point
- ✓ Higher interest rates on T/Bills will hurt the stock market big time
- ✓ Expect a crushing October especially in the banking sector
- ✓ Investors will allow prices fall to the point where dividend yields will equal T/Bill rates
- ✓ Oil prices will hold steady at \$90pb after OPEC plus meeting
- ✓ The pound will fall back as the Toy party wobbles and speculators come back

Outlook For October

- ✓ Campaign expenditure on goodies will push up prices in the short term but will fade quickly
- ✓ The naira will fall towards N750/\$ before quickly correcting back to 720/\$
- ✓ The CBN will allow the I & E rate to fall towards 450/\$ which will force the parallel market to appreciate further to N690/\$
- ✓ The political gladiators will emerge playing to old sectional

Corporate Humour

The intuitive mind is a sacred gift and the rational mind is a faithful servant

– *Albert Einstein*

Faith is jumping into nothing and landing on something.

– *Anonymous*

Love all but trust me.

– *Anonymous*

Corporate Humour

You are more likely to be shot by a fat cop if you run.

– *Dennis Miller*

A bird in hand is going to poop on you.

– *Anonymous*

Only good girls keep diaries. Bad girls don't have the time.

– *Anonymous*

Corporate Humour

Adam was the luckiest man in the world he had no mother-in-law.

– *Sholem Aleichem*

Today is the tomorrow you worried about yesterday.

– *Anonymous*

Save and earn interest
don't borrow and pay it.

– *Anonymous*

Corporate Humour

Beware of little expenses. A small leak will sink a great ship.

– *Anonymous*

Women don't box because they don't want to weigh in.

– *Anonymous*

I have been rich and I have been poor. Believe me rich is better.

– *Anonymous*

Corporate Humour

Hard work without talent is a shame, but talent without hard work is a tragedy.

– *Robert Half*

“Every life should have nine cats”

– *Anonymous*

It takes a woman twenty years to make a man of her son and another woman twenty minutes to make a fool of him.

– *Helen Rowland*

Corporate Humour

“We live in an age where pizza gets to your home before the police”

– *Jeff Marder*

*Thank
you*



Bismarck J. Rewang, MD/CEO
Financial Derivatives Company Ltd.
Lagos, Nigeria
01-6320213