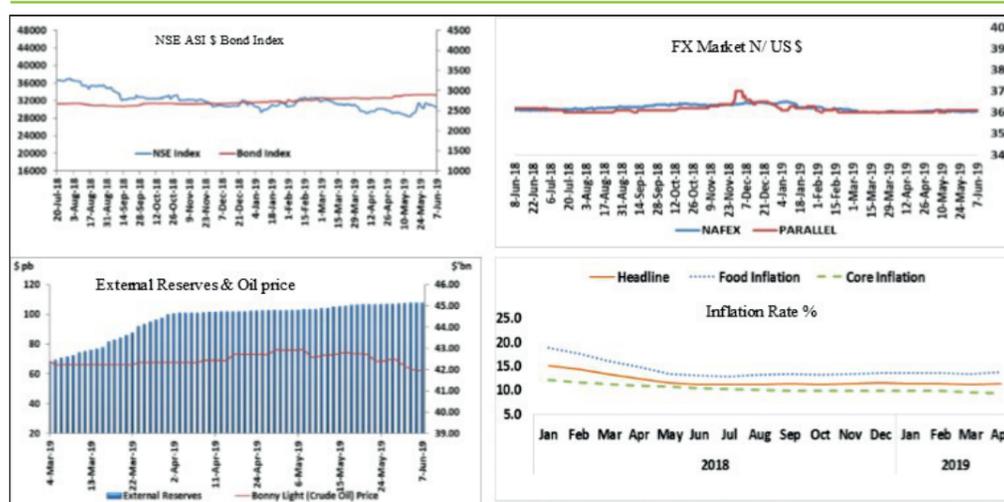


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

GDP Growth (%)	2.01	Q1 2019 — lower by 0.38% compared to 2.39% in Q4 2018
Broad Money Supply (M2) (N' trillion)	35.17	Increased by 3.95% in Apr' 2019 from N33.83 trillion in Mar' 2019
Credit to Private Sector (N' trillion)	24.90	Increased by 3.76% in Apr' 2019 from N23.99 trillion in Mar' 2019
Currency in Circulation (N' trillion)	21.59	Increased by 0.25% in Apr' 2019 from N21.53 trillion in Mar' 2019
Inflation rate (%) (y-o-y)	11.37	Increased to 11.37% in April 2019 from 11.25% in March 2019
Monetary Policy Rate (%)	13.5	Adjusted to 13.5% in March 2019 from 14%
Interest Rate (Asymmetrical Corridor)	13.5 (+2/-5)	Lending rate changed to 15.5% & Deposit rate 8.5%
External Reserves (US\$ million)	45.14	June 3, 2019 figure — an increase of 0.78% from May start
Oil Price (US\$/Barrel)	62.36	June 6, 2019 figure — a decrease of 4.47% from the previous week
Oil Production mbd (OPEC)	1.82	April 2019 figure — a increase of 5.27% from March 2019 figure



STOCK MARKET

Indicators	Friday 7/06/19	Friday 31/05/19	Change(%)
NSE ASI	30,432.13	31,069.37	(2.05)
Market Cap(N'tr)	13.40	13.68	(2.06)
Volume (bn)	0.31	0.20	53.78
Value (N'bn)	3.90	2.60	49.92

MONEY MARKET

NIBOR			
Tenor	Friday Rate (%)	Friday Rate (%)	Change (Basis Point)
	7/06/19	31/05/19	
O/N	11.4300	4.9300	650
CALL	9.3750	4.7857	459
30 Days	12.0536	10.8143	124
90 Days	13.5177	11.9616	156

FOREIGN EXCHANGE MARKET

Market	Friday (N/\$)	Friday (N/\$)	1 Month Rate (N/\$)
	7/06/19	31/05/19	7/05/19
Official (N)	306.95	306.95	307.00
Inter-Bank (N)	0.00	360.47	360.99
BDC (N)	0.00	0.00	0.00
Parallel (N)	361.00	361.00	361.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Friday (%)	Friday (%)	Change (Basis Point)
	7/06/19	31/05/19	
3-Year	0.00	0.00	0
5-Year	14.59	14.12	47
7-Year	14.53	14.27	26
10-Year	14.54	14.35	19
20-Year	14.57	14.36	22
30-Year	14.69	14.69	0

Disclaimer

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Market Analysis and Outlook: June 07– June 14, 2019

Global Economy

In the US, trade deficit narrowed down to \$50.8 billion in the month of April, lower than the revised amount of \$51.9 billion in the preceding month. According to the US Census Bureau, politically sensitive goods caused trade deficit with China to rise by 29.7% to \$26.9 billion. Exports from the US dropped by \$4.6 billion in the reference month to \$206.8 billion. A drop in the sale of capital goods caused goods exports to fall by \$4.4 billion to \$136.9 billion. This decline was as a result of the grounding of Boeing civilian aircrafts after the recent deadly crashes. Imports to the US also plunged by \$5.7 billion to \$257.6 billion as goods import slumped on lower purchases of capital goods such as civilian aircraft engines. Trade deficit also widened with the European Union (EU), Japan and Canada, while it shrank with Mexico. In East Asia, the unemployment rate in Japan inched lower to 2.4% in the month of April from 2.5% in the previous month. The number of unemployed persons declined by sixty thousand in the preceding month to 1.68 million in the reference month, according to Statistics Japan. In South America, Brazil recorded a trade surplus of \$6.42 billion in May 2019 from \$6.07 billion a year ago. Imports jumped 12.9% year-on-year and exports rose 10.7%. The Ministry of Development, Industry and Foreign Trade (MDIC) revealed that the climb in exports was majorly supported by higher sales of manufactured goods. And higher imports were driven by increased purchases of intermediate and capital goods. Exports rose to the US, EU and ASEAN countries but fell to China and Argentina. Imports went up from China, the US, ASEAN countries and Argentina but declined from the EU. The economy recorded a trade surplus of \$22.81 billion between January and May 2019.

Domestic Economy

The Foreign Trade report for Q1 2019 as released by the National Bureau of Statistics (NBS) revealed that total trade grew by 2.5% quarter-on-quarter to N8.24 trillion, even as trade balance remained positive at N831.6 billion. This growth was supported by both a rise in imports and exports. The value of total imports rose 3.39% to N3.70 trillion in the reference quarter. And the value of total exports in Q1 2019 increased by 1.78% quarter-on-quarter to N4.54 trillion. Exports trade was dominated by crude oil exports which contributed 74.45% to the value of total exports. The value of crude oil exports, non-crude oil exports and non-oil exports at the end of the quarter was N3.38 trillion, N1.16 trillion and N604.44 billion. The top five export trading partners who constitute about 50% of total exports were India (16.43%), Spain (10.74%), Netherlands (8.94%), South Africa (7.18%) and France (6.67%). And the top five import trading partners who constitute about 60% of total imports were China (26.4%), Swaziland (14.3%), US (8.8%), India (6.6%) and Netherlands (4.1%). Some of the agricultural exports that were majorly traded are Sesamum seeds, good fermented Nigerian cocoa beans, superior quality raw cocoa beans, cashew nuts, frozen shrimps and prawn. In other news, a total volume of 557.08 million transactions valued at N34.02 trillion were recorded in Q1 2019, according to the Selected Banking Sector report on the National Bureau of Statistics (NBS) website. Credit to the private sector stood at N15.21 trillion as at Q1 2019, higher than N15.13 trillion in the previous quarter. The highest credit allocation in the period under review was to Oil & Gas (N3.49 trillion) and the Manufacturing sectors (N2.23 trillion). NIBSS Instant Payment (NIP) transactions dominated the volume of transactions recorded. The

volume of NIP transaction was valued at N24.17 trillion..

Stock Market

The All Share Index (ASI) pushed lower in the week ended June 7th, 2019 as investors took profit from the rally of the previous week. The index dropped by 2.05% to settle at 30,432.13 index points from 31,069.37 index points the previous week. Similarly, market capitalization lost 2.06% to close at N13.40 trillion from N13.68 trillion last week. The oil & gas and consumer goods sectors contributed to the decline in the ASI. Year-to-date, the ASI has declined by 2.05%. This week, we expect profit taking to continue.

Money Market

Rates at the money market inched upwards last week due to retail Secondary Market Intervention Sales (SMIS) and OMO auction. Short-dated placements such as Open Buy Back (OBB) and Over Night (O/N) rates closed higher at 10.86% and 11.43% from 4.14% and 4.93% respectively the previous week. Likewise, the 30- and 90-day NIBOR closed at 12.05% and 13.52% from 10.81% and 11.96% respectively the previous week. This week, we expect rates to remain at prevailing levels due to limited activity.

Foreign Exchange Market

The local currency recorded relative stability against the dollar across all market segments in the week ended June 7th, 2019. At the NAFEX window the local currency witnessed a marginal appreciation of 3 kobo to close at N360.44/\$. Meanwhile, the official window ended at N306.95/\$, same as the previous week. And the parallel market also remained unchanged at N361/\$. This week, we expect that stability in rates will prevail.

Bond Market

Average bond yields ticked higher across all segments in the week ended June 7th, 2019 as the bears dominated with sell-offs. Yields on the five-, seven-, ten- and twenty-year debt instruments closed higher at 14.59%, 14.53%, 14.54% and 14.57% from 14.12%, 14.27%, 14.35% and 14.36% respectively. The Access Bank Bond index dipped by 11.39 points to close at 2,884.31 points from 2,895.70 points the previous week. This week, we do not anticipate any deviation in yields from the previous week.

Commodities

Oil prices remained pressured in the week ended June 6th, 2019 due to the ongoing global trade disputes. Bonny Light, Nigeria's benchmark reference crude declined by 4.47% or \$2.92 to settle at \$62.36 per barrel. Consequently, the OPEC benchmark crude, shed \$6.22, or 9.27% to \$60.88 per barrel. Precious metals prices shot up last week on trade worries and a possible US rate cut. Gold prices edged higher by \$41.17 or 3.18% to \$1,336.19 an ounce and silver prices climbed by 43 cents or 2.96% to \$14.94 an ounce. This week, oil prices may be bolstered by signs that OPEC and other oil producers would extend their output reduction deal. For precious metals, the bullish trend may be sustained due to the possibility of a shift in the Federal Open Market Committee policy.

MONTHLY MACRO ECONOMIC FORECASTS

Variables	Jun'19	Jul'19	Aug'19
Exchange Rate (Interbank) (N/\$)	361	362	362
Inflation Rate (%)	11.30	11.23	11.21
Crude Oil Price (US\$/Barrel)	65	67	67