**Market Analysis and Outlook: May 14 – May 21, 2021**

**Global Economy**

Unilever’s £4.8bn pound Sterling item of spray contract is its first in a series of major acquirements aimed at enhancing its global footprint and dominating the market. The factory, which produces the firm’s well-known brands such as Brooke Bond, Lipton, and PG Tips, is one of the largest in the UK and is expected to create over 1,000 new jobs. The deal is part of the company’s strategy to expand its presence in the UK and Europe, and to increase its market share in the competitive tea market. The acquisition is expected to be completed by the end of 2021.

**Oil Price (Brent)**

**Interest Rate (Asymmetrical Corridor)**

**Monetary Policy Rate (%)**

**Inflation rate (%) (y)**

**Credit to Private Sector (N’trillion)**

**Domestic Economy**

**Bond Market**

The Federal Government of Nigeria bond market data from the Nigerian Stock Exchange revealed that the week on the active note due to the reduction in total transactions at the nation’s bonds market increased by 5.94%.

**FOREIGN EXCHANGE MARKET**

**FOREX MARKET N/US$**

**30 Days**

**6 Months**

**Commodities Market**

**ENERGY**

**Agriculture**

**COTTON (S/M)**

**CATTLE (N)**

**Wheat (N)**

**Feta (N)**

**Sugar (N)**

**Robert (N)**

**Stocks Market**

**Commentaries**

**Domestic Economy**

The Bank of England kept UK GDP growth forecast for 2021 at 7.25% and 6.5% for 2022, while the inflation rate is expected to remain at 0.5% in 2021 and 2% in 2022. The Bank also increased its asset purchase program (APP) to £895 billion from £870 billion, with an increase in the bond buying rate to 10% per quarter.

**Domestic Activity**

The Nigerian Stock Exchange (NSE) recorded a total transaction of N39.78 billion on its platform, representing a 5.94% decrease from N42.48 billion recorded in the previous week. The decline in total transactions was mainly due to a decrease in retail transactions.

**Monthly Macroeconomic Forecast**

**Access Bank Rateswatch**

**Key Macroeconomic Indicators**

**Indicators**

**Current Figures**

**Comments**

**GDP Growth (%)**

**Decelerated by 0.2% in Quarter 1 (Q1) 2021 and 2.3% in Quarter 2 (Q2) 2021**

**30 Days**

**CALL**

**Tenor**

**NIBOR**

**Value (N’bn)**

**Volume (bn)**

**Newly Raised Rate (%)**

**11.5**

**Adjusted to 11.5% in September 2020 from 12.5%**

**Interest Rate (Asymmetrical Corridor)**

**11.5%**

**Leaving rates unchanged to 12.5% & Deposit rate 4.5%**

**External Reserve (US$ billion)**

**34.61**

**May 10, 2021 figure – a decrease of 0.52% from May start**

**Oil Price (US$/Barrel)**

**69.21**

**May 13, 2021 figure – a decrease of 1.54% from the prior week**

**STOCK MARKET Indicators**

**Market Last Week (%)**

**7/5/21**

**30 Days**

**DBB**

**3.22**

**1213**

**N7.25**

**COTTON**

**145/21**

**370%**

**279.00**

**279.00**

**3605**

**493.56**

**493.56**

**BDC (N)**

**0.00**

**0.00**

**Parallel (N)**

**484.00**

**484.00**

**482.00**

**DIVIDEND MARKETS**

**VOLUME INDICES**

**Tenor Last Week (%)**

**5-Year**

**7-Year**

**10-Year**

**15-Year**

**20-Year**

**25-Year**

**30-Year**

**Index**

**3,669.07**

**3596.09**

**0.45**

**Mkt Cap Gross (%)**

**11.86**

**11.81**

**0.45**

**Mkt Cap Net (%)**

**7.33**

**7.90**

**0.41**

**Yield (%)**

**46.42**

**46.27**

**0.94**

**Yield (Y/OBS) (%)**

**45.46**

**46.11**

**9.85**

**10-Day**

**30-Day**

**1-Year**

**5-Year**

**10-Year**

**15-Year**

**20-Year**

**25-Year**

**30-Year**

**Interest (N) Rate (%)**

**Rate (%)**

**101 Day**

**3,274.95**

**2,513.88**

**182 Day**

**3,240.39**

**2,513.88**

**364 Day**

**3,186.11**

**2,513.88**

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**Sources:** CBN, Financial Market Dealers Quotation, NSE, ABS, Energy Information Agency, OPEC, Bloomberg and Access Bank Economic Intelligence Unit.

**Crude oil (Brent crude) is as of the previous day.**