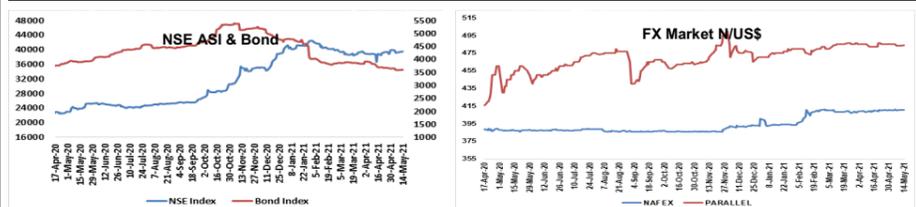


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	0.11	Q4 2020 — higher by 3.73% compared to -3.62% in Q3 2020
Broad Money Supply (N' trillion)	38.46	Decreased by 0.71% in March' 2021 from N38.73 trillion in February' 2021
Credit to Private Sector (N' trillion)	31.25	Increased by 2.43% in March' 2021 from N30.50 trillion in February' 2021
Currency in Circulation (N' trillion)	2.81	Increased by 1.04% in March' 2021 from N2.78 trillion in February' 2021
Inflation rate (%) (y-o-y)	18.17	Increased to 18.17% in March 2021 from 17.33% in February 2021
Monetary Policy Rate (%)	11.5	Adjusted to 11.5% in September 2020 from 12.5%
Interest Rate (Asymmetrical Corridor)	11.5 (+1/-7)	Lending rate changed to 12.5% & Deposit rate 4.5%
External Reserves (US\$ million)	34.61	May 10, 2021 figure — a decrease of 0.52% from May start
Oil Price (US\$/Barrel)	66.21	May 13, 2021 figure— a decrease of 1.34% from the prior week
Oil Production mbpd (OPEC)	1.55	April 2021, figure — an increase of 5.09% from March 2021 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	14/5/21	7/5/21	
NSE ASI	39,481.89	39,198.75	0.72
Market Cap(N'tr)	20.55	20.43	0.59
Volume (bn)	0.01	0.24	(94.54)
Value (N'bn)	0.18	2.39	(92.56)

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	14/5/21	7/5/21	
OBB	26.88	14.75	1213
O/N	28.88	15.25	1363
CALL	19.77	14.70	507
30 Days	9.85	9.23	62
90 Days	10.48	10.20	28

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	14/5/21	7/5/21	14/4/21
Official (N)	379.00	379.00	379.00
Inter-Bank (N)	410.65	409.96	409.54
BDC (N)	0.00	0.00	0.00
Parallel (N)	484.00	483.00	482.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	14/5/21	7/5/21	
5-Year	5.24	5.25	(1)
7-Year	12.37	12.22	15
10-Year	10.62	10.62	0
15-Year	13.91	14.12	(21)
20-Year	13.45	13.53	(8)
25-Year	14.10	14.29	(19)
30-Year	13.98	14.14	(16)

Disclaimer
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Sources: CBN, Financial Market Dealers Quotation, NSE, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.
* Crude oil (Bonny Light) is as at the previous day.

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

Global Economy

United Kingdom's gross domestic product contracted (OBB) and Overnight (O/N) rates surged to 26.88% by 6.1% year-on-year in Q1 2021, a fifth consecutive and 28.88% from 14.75% and 15.25% the previous period of contraction according to the Office for week. The slightly longer dated instruments such as National Statistics. Household consumption dropped 30-day and 90-day Nigerian Interbank Offered Rate 10.4% (vs -9.2% in Q4) and fixed investment shrank (NIBOR) settled higher at 9.85% and 10.48% from 3.7% (vs -2.6% in Q4). Meanwhile, net external 9.23% and 10.2% the prior week. This week, rates are demand contributed positively to the GDP, as exports expected to decline due to anticipated Open Market dropped by 12.2% and imports dipped at a faster Operation (OMO) maturity. 13.6%. Public investment, however, grew 4.8%, the most since the second quarter of 2019. The level of **Foreign Exchange Market**

The local unit depreciated against the dollar across to the pandemic at the end of 2019. Elsewhere, India's most market segments last week except at the trade deficit in goods widened to \$15.1 billion in April official window where the rate remained unchanged. 2021, from \$6.76 billion in the same period last year as The Nigerian Autonomous Foreign Exchange (NAFEX) revealed by the Ministry of Commerce and Industry, lost 69 kobo to close at N410.65/US\$ from India, as both domestic and foreign demand N409.96/US\$ despite the Central Bank of Nigeria rebounded from last year's record declines. Exports injecting funds into the market to meet FX requests. The parallel market settled at N484/US\$ from gems & jewellery, jute manufacturing including floor N483/US\$, depreciating by N1. The CBN official covering, carpet, handicrafts excluding handmade window was stable at N379/US\$ from prior week carpet, and leather & leather products, among others. figures. We expect rates across the different market Imports jumped 167.05% to \$45.72 billion, as segments to meander around current levels due to purchases of both oil and non-oil products rose the financial watchdog intervention in the FX market. sharply.

Domestic Economy

Data from the Nigerian Stock Exchange revealed that closed the week on an active note due to short total transaction at the nation's bourse increased by covering from local players. There were improved bids 5.99% to N228.49 billion in March 2021 from N215.58 especially on the long end of the curve (2045, 2049 billion in February 2021. In March 2021, the total value and 2050 bonds) forcing yields further southwards. of transactions executed by domestic investors Yields on the 5-, 15-, 20-, 25-, and 30-year debt outperformed transactions executed by foreign papers finished lower at 5.24%, 13.91%, 13.45%, investors by circa 64%. Total domestic transactions 14.10% and 13.98% from 5.25%, 14.12%, 13.53%, increased by 22.37% to N187.85 billion in March 2021 14.29% and 14.14% respectively. The Access Bank from N153.51 billion in February. However, total Government Bond index increased by 16.01 points to foreign transactions decreased by 34.53% to N40.64 settle at 3,609.07 points last week. This week, we billion from N62.07 billion between February and expect this trend to calm, as market players position March 2021. Retail investors outperformed themselves for May's bond auction where a total of institutional investors by 16%. A comparison of N150 billion will be offered by the Debt Management Office (DMO). (February 2021) revealed that retail transactions increased by 101.77% to N108.55 billion in March 2021 **Commodities**

Crude oil price slumped last week amid deepening institutional composition of the domestic market fears over coronavirus situations in India. The head of decreased by 20.47% to N79.30 billion in March 2021 the main Indian health agency said that lockdown from N99.71 billion in February 2021. The performance restrictions should remain in place in all districts for of the current month when compared to the another six to eight weeks. Bonny light, Nigeria's performance in March 2020 (N242.91 billion) revealed benchmark crude plummeted 1.34% to close at that total transactions decreased by 5.94%. \$66.21 per barrel. Precious metal prices climbed following general dollar weakness on concerns over the pace of the US economic recovery after economic

Stoke Market

The bulls gained control of the bourse as investors data showed US retail sales stalled in April, compared continued to buy the dip in hunt for value. The upward to market expectations of a 1% increase. trend was led by stocks in the transportation, oil & gas Consequently, gold prices jumped 0.98% or \$17.79 to and financial sectors. Consequently, the All-Share finish at \$1,837.75 per ounce from \$1,819.96 per Index (ASI) and market capitalization closed higher at ounce. Silver settled at \$27.41 per ounce, a 0.22% rise 39,481.89 points and N20.55 trillion from 39,198.75 from previous week. This week, oil prices might points and N20.43 trillion, respectively the preceding decline further as OPEC+ started this month by week. This week, we expect investors will reposition gradual easing of its oil production curbs, pumping an their portfolio in lieu of anticipated Q1 corporate extra 350,000 barrels a day. Bullions might continue to benefit from safe-haven demand stemming from the ongoing coronavirus crisis.

Money Market

The cost of borrowing surged last week as banks funded for the biweekly FX Auction (Retail Secondary Market Intervention Sales and other FX interventions), Cash Reserve Ratio (CRR) debit and Nigeria Treasury Bill (NTB) Auction. The debit led to a rise in rates as short-term lender's charge such as the Open Buy Back

Monthly Macro Economic Forecast

Variables	May'21	Jun'21	Jul'21
Exchange Rate (NAFEX) (N/\$)	408	408	410
Inflation Rate (%)	18.5	18.9	19.77
Crude Oil Price (US\$/Barrel)	66	67	69

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