

Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS Current Figures Comments GDP Growth (%) Q1 2021 — higher by 0.40% compared to 0.11% in Q4 2020 **Broad Money Supply (N' trillion)** Increased by 1.88% in April' 2021 from N38.65 trillion in March' 2021 39.07 Credit to Private Sector (N' trillion) 31.82 Increased by 1.22% in April' 2021 from N31.44 trillion in March' 2021 Currency in Circulation (N' trillion) Decreased by 0.44% in April' 2021 from N2.81 trillion in March' 2021 2.8 Inflation rate (%) (y-o-y) 18.12 Decreased to 18.12% in April 2021 from 18.17% in March 2021 Monetary Policy Rate (%) 11.5 Adjusted to 11.5% in September 2020 from 12.5% Interest Rate (Asymmetrical Corridor) Lending rate changed to 12.5% & Deposit rate 4.5% 11.5 (+1/ -7) External Reserves (US\$ million) May 26, 2021 figure — a decrease of 1.49% from May start 34.27 Oil Price (US\$/Barrel) 68.21 May 27, 2021 figure — an increase of 4.03% from the prior week Oil Production mbpd (OPEC) 1.55 April 2021, figure — an increase of 5.09% from March 2021 figure



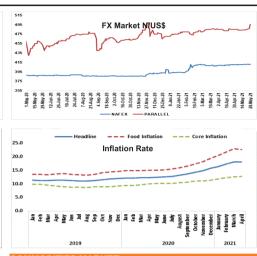
External Reserves — Bonny Light (Crude Cit) Price					
STOCK MARKET					
Indicators	Last Week	2 Weeks Ago	Change (%)		
	28/5/21	21/5/21			
NSE ASI	38,256.95	38,324.07	(0.18)		
Market Cap(N'tr)	19.94	19.98	(0.18)		
Volume (bn)	0.23	0.17	31.19		
Value (N'bn)	3.67	1.95	88.01		

MONEY MA	RKET		
NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	28/5/21	21/5/21	
овв	18.67	16.50	217.0
O/N	19.17	17.00	217
CALL	18.37	18.00	36.7
30 Days	11.18	11.20	(2)
90 Days	12.27	12.34	(7.1)

Market	Last Week	2 Weeks	1 Month Age
	Rate (N/\$)		(N/Rate (N/\$)
	28/5/21	21/5/21	28/4/21
Official (N)	0.00	0.00	379.00
Inter-Bank (N)	411.00	411.18	409.58
BDC (N)	490.00	0.00	0.00
Parallel (N)	495.00	485.00	485.00

BOND M	ARKET		
AVERAGE	YIELDS		
Tenor	Last Week	2 Weeks A	goChange
	Rate (%)	Rate (%)	(Basis Point)
	28/5/21	21/5/21	
5-Year	5.90	5.23	67.6
7-Year	12.43	12.49	(5.8)
10-Year	10.67	10.71	(4.3)
15-Year	14.06	14.00	5.9
20-Year	13.49	13.53	(4.3)
25-Year	14.05	14.15	(10.3)
30-Year	14.16	14.23	(7)

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COMMODITIES MARKET					
Indicators	28/5/21	1-week Change (%)	YTD Change (%)		
Energy					
Crude Oil \$/bbl)	68.21	4.03	5.82		
Natural Gas (\$/MMBtu)	3.02	2.72	(1.18)		
Agriculture					
Cocoa (\$/MT)	2461.00	(80.0)	27.12		
Coffee (\$/lb.)	162.85	6.93	25.08		
Cotton (\$/lb.)	83.47	(0.02)	7.70		
Sugar (\$/lb.)	17.58	4.58	14.68		
Wheat (\$/bu.)	666.75	(0.74)	53.81		
Metals					
Gold (\$/t oz.)	1900.43	1.13	44.24		
Silver (\$/t oz.)	27.82	0.07	61.84		
Copper (\$/lb.)	464.10	1.94	41.58		

YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	28/5/21	21/5/21	
1 Mnth	2.37	2.14	23
3 Mnths	3.43	3.79	(36)
6 Mnths	4.92	4.78	14
9 Mnths	7.18	7.33	(15)
12 Mnths	9.36	9.16	21

IGERIA INTERBANK TREASURY BILLS TRUE

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
Indicators	28/5/21	21/5/21	
Index	3602.60	3601.47	0.03
Mkt Cap Gross (N'tr)	11.85	11.84	0.16
Mkt Cap Net (N'tr)	7.88	7.88	(0.01)
YTD return (%)	46.66	46.61	0.05
YTD return (%)(US \$)	-61.97	-45.77	(16.20)

Tenor	Amount (N million)	' Rate (%)	Date
91 Day	2,878.85	2	31-Mar-2021
182 Day	3,240.39	3.5	31-Mar-2021
364 Day	138,711.88	8	31-Mar-2021

Market Analysis and Outlook: May 28 – June 4, 2021

 $The \, US \, Bureau \, of \, Economic \, Analysis, \, reported \, that \, \, However, the \, slightly \, longer \, dated \, instruments \, like \, and \, reported \, than \, dated \, instruments \, like \, and \, reported \, than \, dated \, reported \, than \, dated \, reported \, reported \, than \, dated \, reported \, repo$ the economy expanded by an annualized 6.4% in Q1 the 30-day and 90-day Nigerian Interbank Offered 2021, matching the advance estimate and following Rate (NIBOR) settled lower at 11.18% and 12.27%a 4.3% expansion in the previous three-month from 11.2% and 12.34% the prior week. This week, period. Upward revisions to consumer spending rates are expected to decline this week following and non-residential fixed investment were offset by Cash Reserve Ratio (CRR) credit and Open Market downward revisions to exports and private Operations (OMO) maturity. inventory investment. Imports were revised up. In a

separate development, the unemployment rate in Foreign Exchange Market

Brazil rose to a record 14.7% in the Q1 2021 from The naira went in diverging direction across market 13.9% in the quarter ending December 2020 segments last week. The Nigerian Autonomous according to the Brazilian Institute of Geography Foreign Exchange (NAFEX) gained 18 kobo to close and Statistics. During the January-March period, at N411/US\$ from N411.18/US\$ following an Brazil became the global epicenter of the pandemic intervention by the CBN for foreign portfolio due to a resurgence in COVID-19 infections, which investors. The parallel market closed at N495/US\$ led to the reimposition of lockdowns across the from N485/US\$, depreciating by N10. This week, country and the cancellation of the world-famous rates are expected to meander around current carnival festival. The number of unemployed levels as the apex bank sustains its interventions in persons went up by 880,000 to an all-time high of the forex market.

14.81 million while those employed shrank by

529,000 to 85.9 million. The labour force Bond Market

participation rate was unchanged at 56.8% and the Average bond yields declined last week as very employment rate edged down by 0.5 percentage limited offers met the demand in the market, points to 48.4%. despite interests in the mid and long end of the

Domestic Economy

Data from the National Bureau of Statistics has 12.43%, 10.67%, 13.49%,14.05% and 14.16% revealed that the economy of Nigeria expanded from 12.49%, 10.71%, 13.53%, 14.15% and 0.51% year-on-year (y-o-y) in Q1 2021, following a 14.23%, respectively. The Access Bank 0.11% increase in the previous period. This marks Government Bond index increased by 1.12 points the second consecutive quarterly growth for the to settle at 3,602.60 points last week. This week, nation, following two contractions recorded in the we expect no significant movement in yields as second and third quarters of 2020, as COVID-19 investors' appetite remain unchanged for these lockdowns eased and oil prices rose. The oil sector instruments.

shrank -2.21% in Q1 2021, albeit slower than the

19.76% seen in Q4 2020 amid higher crude oil Commodities

production (1.72 million barrels per day, up from Crude oil prices surged up as solid economic data 1.56 mbps in Q4 2020). The non-oil sector for the US boosted prospects of strong fuel expanded at a slower pace of 0.79% compared to demand and as investors shrugged off concerns 1.69% in Q4 2020, driven by positive growth seen in over more crude supply from Iran. Bonny light, industries (0.94% vs -7.30%) and agriculture Nigeria's benchmark crude inched up 4.03% to (2.28% vs 3.42%). The services sector declined in close at \$68.21 per barrel. Precious metal went Q1 2021 (-0.39% vs 1.31%). The Q1 2021 growth southwards last week as treasury yields retreated rate was slower than the 1.87% growth rate and the dollar eased off of its more than two-week recorded in Q1 2020 but higher than 0.11% highs. Core inflation in the US, which exclude recorded in Q4 2020, indicative of a slow but volatile food and energy cost, surged 3.1% from a year earlier in April, the highest since the 1990s, continuous recovery.

adding to the bullish tone seen in safe-haven assets. This cemented expectations of a roaring

curves. Consequently, yields on the 7-, 10-, 20-,

25-, and 30-year debt papers finished lower at

Indicators on the Nigerian Stock exchange were comeback for the US economy and increased price negative as the bears retained their dominance, pressures, boosting the metal's appeal as an The downward trend was led by stocks in the inflation hedge. Consequently, gold prices jumped printing, agriculture, industrial goods, and financial 1.13% or \$21.31 to finish at \$1,900.43 per ounce sectors. Consequently, the All-Share Index (ASI) from \$1,879.12 per ounce. Silver settled at \$27.82 and market capitalization closed lower at 38,256.95 $\,$ per ounce, a 0.07% rise from previous week. This points and N19.94 trillion from 38,324.07 points week, oil prices are expected to remain bullish as and N19.98 trillion, respectively the preceding signs of a brighter global demand outlook more week. This week, we expect that investors will than offset concerns over potentially more Iranian position amidst changing sentiments in the hope of supply. Bullions might be pressured this week as improved liquidity and positive economic indices.

safe-haven appeal gets hit by bets for signs of faster global economic recovery.

Money Market

The cost of borrowing climbed up as banks funded Monthly Macro Economic Forecast

for the bi-weekly retail Secondary Marke Intervention Sales (rSMIS). The outflow of funds le to an increase in rates as short-term lender charge such as the Open Buy Back (OBB) and Overnight (O/N) rates edged up to 18.67% and 19.17% from 16.5% and 17% the previous week.

Variables	Jun'21	Jul'21	Aug21
Exchange Rate	411	412	411
d (NAFEX) (N/\$) Inflation Rate (%)	18.2	18.45	18.7
d Crude Oil Price (US\$/Barrel)	66	67	69

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.

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