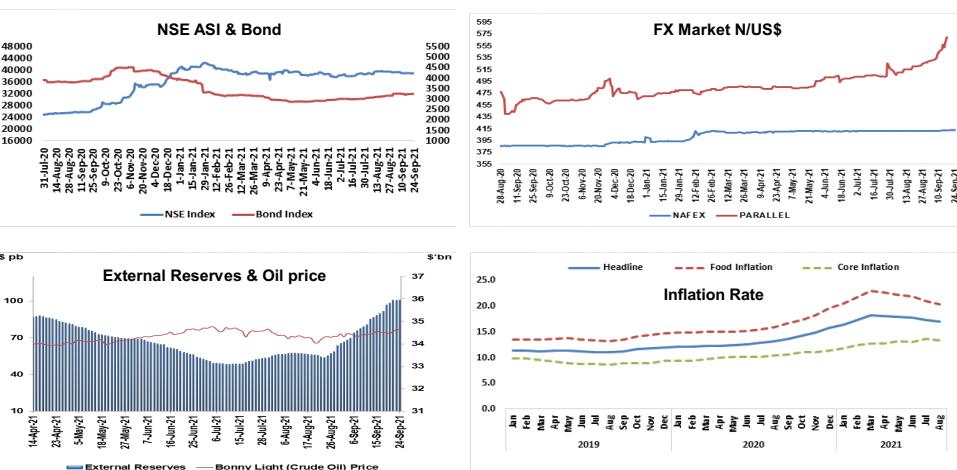


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	5.01	Q2 2021 — higher by 4.5% compared to 0.51% in Q1 2021
Broad Money Supply (N' trillion)	39.79	Increased by 0.89% in July 2021 from N39.44 trillion in June 2021
Credit to Private Sector (N' trillion)	32.84	Increased by 0.64% in July 2021 from N32.63 trillion in June 2021
Currency in Circulation (N' trillion)	2.81	Increased by 2.55% in July 2021 from N2.74 trillion in June 2021
Inflation rate (%) (y-o-y)	17.01	Decreased to 17.01% in August 2021 from 17.38% in July 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)	35.95	September 23, 2021 figure — an increase of 5.43% from September start
Oil Price (US\$/Barrel)(OPEC)	76.59	September 23, 2021 figure — an increase of 4.06% from the prior week
Oil Production mbpd (OPEC)	1.27	August 2021, figure — a decrease of 8.97% from July 2021 figure



STOCK MARKET			
Indicators	Last Week	2 Weeks Ago	Change (%)
	24/9/21	17/9/21	
NSE ASI	38,962.28	38,943.87	0.05
Market Cap(N'tr)	20.30	20.29	0.05
Volume (bn)	0.63	0.16	308.47
Value (N'b'n)	6.45	1.95	231.38

MONEY MARKET			
NIBOR			
Tenor	Last Week	2 Weeks Ago	Change
	Rate (%)	Rate (%)	(Basis Point)
24/9/21	17/9/21		
OBB	16.00	16.50	(50.0)
O/N	17.25	17.75	(50)
CALL	19.65	15.10	455.0
30 Days	9.47	10.54	(107)
90 Days	10.17	11.44	(127.3)

FOREIGN EXCHANGE MARKET			
Market	Last Week	2 Weeks Ago	1 Month Ago
	Rate (N/\$)	Ago Rate (N/Rate (N/\$))	\$)
	24/9/21	17/9/21	24/8/21
Official (N)	0.00	0.00	0.00
Inter-Bank (N)	412.78	412.30	411.28
BDC (N)	0.00	0.00	0.00
Parallel (N)	0.00	570.00	521.00

BOND MARKET			
AVERAGE YIELDS			
Tenor	Last Week	2 Weeks Ago	Change
	Rate (%)	Rate (%)	(Basis Point)
24/9/21	17/9/21		
5-Year	4.30	4.32	(2.1)
7-Year	9.79	10.00	(21.1)
10-Year	9.00	9.18	(17.6)
15-Year	12.54	12.76	(21.8)
20-Year	12.19	12.19	0.3
25-Year	12.41	12.41	0.0
30-Year	12.98	12.94	4

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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: September 17 – September 24, 2021

Global Economy

The Central Bank of Brazil raised its key previous week. Slightly longer dated benchmark rate by 100 basis points to 6.25% instruments like the 30-day and 90-day on September 22nd. It is the fifth interest rate Nigerian Interbank Offered Rate (NIBOR) hike in 2021 and policymakers see another closed lower at 9.47% and 10.17% from interest rate increase by the same margin at 10.54% and 11.44% the prior week. This the next meeting. The policymakers week, we expect rates to decline supported considered that, at the present stage of the by the Federation Accounts Allocation tightening cycle, this pace is the most Committee (FAAC) disbursement into the appropriate to guarantee inflation system.

convergence to the target at the relevant

Foreign Exchange Market

Committee to obtain more information regarding the state of the economy and the persistence of shocks. Elsewhere, the Bank of Japan (BoJ) left its key short-term interest rate stable at -0.1% and kept the target for the 10-year government bond yield at around 0% during its September meeting by an 8-1 vote. The BoJ reiterated it will not hesitate to take more easing measures if necessary while expecting short-and-long-term policy rates to remain at their present or lower levels.

Bond Market

At the bond auction held last week, the market witnessed improved rates on the 2036 and 2050 maturities as offers hovered around 12.65% and 12.90% respectively with

Domestic Economy

Nigeria has raised \$4 billion through few trades consummated across the actively Eurobonds according to the Debt Management Office (DMO). The amount was and 15- year debt papers closed lower at raised after an intensive two days of virtual meetings with investors across the globe. In a statement issued last week, the DMO Access Bank bond index ascended by 15.55 explained that the order book climaxed at points to close at 3,232.03 points from \$12.2 billion, which enabled the Federal Government of Nigeria (FGN) to raise \$1 billion this week as investors continue to trade more than the \$3 billion it initially announced. cautiously.

Commodities Market

been described as, "one of the biggest Crude oil prices were boosted by growing fuel financial trades to come out of Africa in 2021" demand and falling US crude inventories. and "an excellent outcome". According to the Disruptions in US Gulf Coast production DMO, bids for the Eurobonds were received from investors in Europe and America, as well have led to sharp draws in US and global as Asia. There was also good participation by inventories. Bonny light, Nigeria's local investors. According to the statement, benchmark crude edged up 2.89% to settle at the size of the Order Book and the quality of \$75.73 barrel. Separately, precious metal investors demonstrates confidence in Nigeria. prices declined, its third straight weekly loss The Eurobonds were issued in three tranches, hit by a series of hawkish signals from major namely 7-year - \$1.25 billion at 6.125% per central banks. The Federal Reserve confirmed annual; 12-year - \$1.5 billion at 7.375% per tapering could begin as soon as November annual as well as 30-year - \$1.25 billion at 8.25% per annum at. and interest rate hikes could follow earlier than expected. Consequently, gold prices dipped by 0.73% or \$12.82 to finish at \$1,752.43 per ounce from \$1,765.25 per ounce. Silver settled at \$22.59 per ounce, 2.21% lower than the prior week. This week, we expect oil prices to rise amid tighter supplies and a strong appetite for riskier assets like crude oil, as well as high hopes for an economic recovery following COVID-19.

Stock Market

The bullish run persisted at the local stock market for the week ended September 24, 2021. The financial services, consumer goods, pharmaceutical, agriculture and oil & gas sectors were majorly responsible for the uptrend. The All Share Index (ASI) added 0.05% to 38,962.28 points from 38,943.87 points the preceding week. Market capitalization also grew by N9.6 billion to close at N20.28 trillion during the same period. This week we expect that the market might be volatile as investors take position ahead of Q3 earnings scorecard releases.

Money Market

Systemic liquidity remained low throughout the week as no Open Market Operations (OMO) maturity inflows were recorded. This situation was further worsened by the bond auction debit of 275 billion. Short term lending rates remained mostly at the same levels as the Open Buy Back (OBB) and Overnight (O/N) rates closed at 16% and 17.25% compared to 16.5% and 17.75% the

Monthly Macro Economic Forecast

Variables	Oct'21	Nov'21	Dec'21
Exchange Rate (NAFEX) (N\$)	411	412	411
Inflation Rate (%)	16.81	16.5	16.01
Crude Oil Price (US\$/Barrel)	70	72	70

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