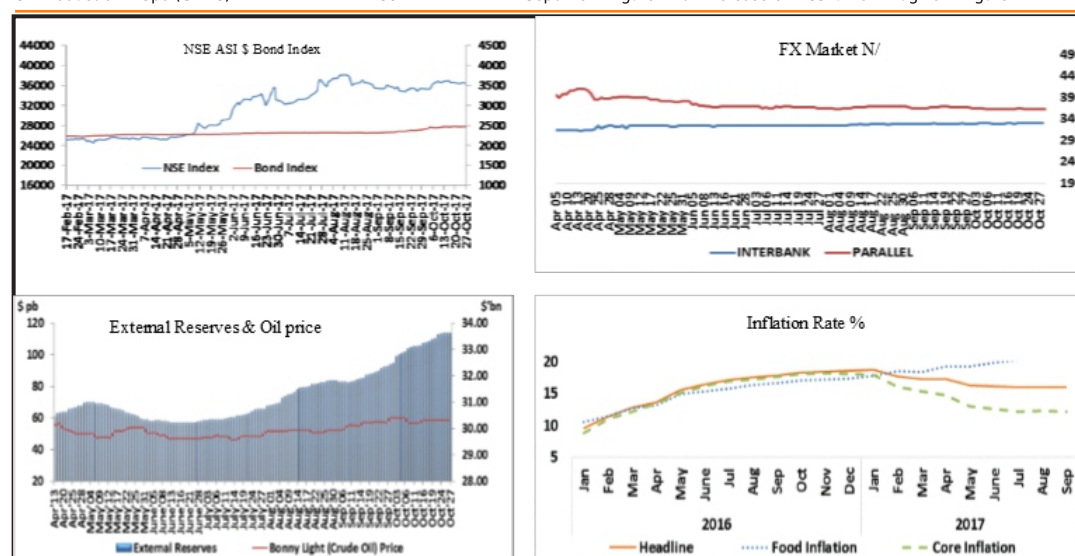


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	0.55	Q2 2017 — higher by 1.46% compared to -0.91% in Q1 2017
Broad Money Supply (M2) (N' trillion)	21.85	Decreased by 1.55% in Aug' 2017 from N22.19 trillion in July 2017
Credit to Private Sector (N' trillion)	21.99	Decreased by 0.79% in Aug' 2017 from N22.17 trillion in July 2017
Currency in Circulation (N' trillion)	1.87	Increased by 5.59% in Aug' 2017 from N1.77 trillion in July 2017
Inflation rate (%) (y-o-y)	15.98	Declined to 15.98% in September'2017 from 16.01% in August'2017
Monetary Policy Rate (%)	14	Raised to 14% in July '2016 from 12%
Interest Rate (Corridor)	14 (+2/-5)	Lending rate changed to 16% & Deposit rate 9%
External Reserves (US\$ million)	33.62	October 25, 2017 figure — an increase of 2.68 % from Oct start
Oil Price (US\$/Barrel)	58.42	October 27, 2017 figure - unchanged from a week prior
Oil Production mbpd (OPEC)	1.86	Sept' 2017 figure — an increase of 2.83% from Aug'2017 figure



STOCK MARKET

Indicators	Friday 27/10/17	Friday 20/10/17	Change(%)
NSE ASI	36462.26	36587.31	(0.34)
Market Cap(N'tr)	12.62	12.59	0.20
Volume (bn)	0.25	0.11	135.48
Value (N'bn)	3.01	1.88	59.75

MONEY MARKET

NIBOR			
Tenor	Friday Rate (%)	Friday Rate (%)	Change (Basis Point)
	27/10/17	20/10/17	
OBB	15.83	118.33	(10250.0)
O/N	18.75	110.00	(9125)
CALL	19.00	22.21	(321.4)
30 Days	20.37	21.19	(82)
90 Days	21.53	21.44	9.2

FOREIGN EXCHANGE MARKET

Market	Friday (N/\$)	Friday (N/\$)	1 Month Rate (N/\$)
	27/10/17	20/10/17	27/09/17
Official (N)	305.75	305.65	305.80
Inter-Bank (N)	329.25	329.25	329.00
BDC (N)	362.00	362.00	362.00
Parallel (N)	363.00	363.00	365.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	27/10/17	20/10/17	
3-Year	0.00	0.00	0.0
5-Year	15.21	14.82	38.8
7-Year	15.14	14.65	49.1
10-Year	15.03	14.81	21.4
20-Year	14.87	14.82	5.5

Disclaimer

This report is based on information obtained from various sources believed to be reliable and no representation is made that it is accurate or complete. Reasonable care has been taken in preparing this document. Access Bank Plc shall not take responsibility or liability for errors or fact or for any opinion expressed herein. This document is for information purposes and private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of Access Bank Plc.

Sources: CBN, Financial Market Dealers Association of Nigeria, NSE and Access Bank Economic Intelligence Group computation.

Market Analysis and Outlook: October 27 - November 03, 2017

Global Economy

In the United Kingdom, the Gross Domestic Product (GDP) grew by 1.5% year-on-year in Q3 2017, unchanged from the previous quarter but lower than Q1 2017 (2%). The slowdown witnessed may be attributed to the fall in construction output, according to the Office of National Statistics (ONS). Construction output grew by 2.8% in Q3 2017, slower than the growth of 4.1% in Q2 2017. Total production grew by 1.6% in Q3 2017, higher than 0.2% increase in the previous quarter. The manufacturing, services and the auto sector were the major drivers of growth in Q3 2017. Elsewhere in East Asia, consumer prices in Japan rose by 0.7% year-on-year in the month of September 2017, unchanged from the previous month. Figures from the Ministry of Internal Affairs & Communications revealed that prices of food increased at a faster pace. Food inflation increased by 1% from 0.9% in August and core inflation climbed by 0.7% in September, same as in the previous month. In a separate development, the Central Bank of Brazil cut its "selic" rate by 75 basis points to 7.5% at its October meeting. This follows a 100 basis points cut at their September meeting. The decision of the Committee was guided by the slow rise in the inflation rate over the past seven months due to moderate economic activities and a stronger real (Brazil's currency). The Monetary Policy Committee of Brazil's Central Bank viewed a moderate reduction in the pace of easing as appropriate.

Local Economy

The Nigerian Stock Exchange published the Domestic & Foreign Portfolio investment report for the month of September. The report revealed that the total number of transactions at the nation's bourse significantly decreased in the month of September by 67.36% to N129.52 billion from N396.86 billion recorded in August. Foreign transactions decreased by 59.55% to N84.27 billion from N208.34 billion the prior month. Domestic transactions did likewise, declining by 68.77% to N45.25 billion from N188.52 billion in August. A decrease of 70.74% in monthly foreign inflows was recorded at N48.42 billion from N165.47 billion in August. Foreign outflows fell by 16.38% to N35.85 billion in September from N42.87 billion in the previous month. Total foreign portfolio investments (FPI) transactions from January to September 2017 rose by 78.60% to N1.655 trillion from N927.08 billion recorded in the same period of 2016. In another development, the Federation Accounts Allocation Committee (FAAC) shared the sum of N637.70 billion among the Federal, States and Local Governments in the month of September 2017 from the revenue generated in August. According to figures released by the National Bureau of Statistics (NBS), the gross statutory revenue of N637.70 billion received for the month was higher than the N467.85 billion received in August by N169.85 billion. The amount disbursed comprised N550.99 billion from the statutory account and N86.71 billion from Value Added Tax (VAT). A breakdown of the sum disbursed among the three tiers, revealed that the Federal Government received N273.09 billion, states received N173.81 billion and the local governments received N131.04 billion. The oil producing states received N41.97 billion as the 13% derivation fund. Revenue generating agencies such as Nigeria Customs Service (NCS), Federal Inland Revenue Service (FIRS) and Department of Petroleum Resources (DPR) received N4.59 billion, N9.60 billion and N1.58 billion respectively.

Stock Market

Performance at the local bourse closed on a bearish note in the week ended October 27, 2017 as a result of mixed sentiments. The negative performance was despite the influx of impressive earnings reports as traders booked profits after the rally of the previous week. The All Share Index (ASI) lost 125.05 points to close at 36,462.26 points from 36,587.3 points the previous week, representing a decline of 0.3%. Meanwhile, market capitalization ascended by 0.2% to close at N12.62 trillion from

N12.59 trillion the previous week. Activities in the oil & gas and consumer goods sector dragged market indicators downwards. This week, market indicators may likely trend upwards as investors rebalance their investment portfolios amidst positive macro-economic fundamentals.

Money Market

Cost of borrowing at the money market fell across most placements last week as liquidity was injected into the system. Liquidity was boosted in the market due to total inflow of about N412 billion from Futures maturity, Open Market Operation (OMO) maturity and Federal Accounts Allocation Committee (FAAC) fund. Short dated placements such as Open Buy Back (OBB) and Over Night (O/N) rates declined to 15.83% and 18.75% from 118.33% and 110% respectively the previous week. Longer dated rates such as the 30-day Nigerian Interbank Offered Rate (NIBOR) also fell to 20.37% from 21.19% the previous week. This week, rates may likely trend northwards due to primary market auction which will be held during the week.

Foreign Exchange Market

The Naira remained unchanged at the interbank segment of the foreign exchange market from the previous week's rate of N329.25/\$1. In the same light at the parallel segment, the local currency remained unchanged at N363/\$1, same rate quoted in the prior week. The stability witnessed at both segments reflects the Central Bank of Nigeria's (CBN) continuous effort in availing foreign currency to participants in the market. With the nation's foreign reserves on the rise, it is believed that the apex bank has the capacity to keep up its effort of providing the needed FX liquidity to the market. Foreign reserve position as at close of last week stood at \$33.62 billion.

Bond Market

Bond yields rose on the average for the first time in six weeks. This was largely due to sell-offs on longer tenor bonds following the bond auction which took place during the week. Yields on the seven-, ten- and twenty-year debt papers climbed to 15.14%, 15.03% and 14.87% from 14.65%, 14.81% and 14.82% for the corresponding maturities the previous week. The Access Bank Bond index fell by 3.71 points to close at 2,475.26 points from 2,478.97 points the previous week. This week, yields may further trend upwards due to tight liquidity in the system.

Commodities Market

Oil prices have sustained their current high buoyed by comments from Saudi Arabia's crown prince backing the extension of OPEC — led output cuts, amidst a record breaking 120% compliance with the oil production cut deal according to the Joint Ministerial Monitoring Committee (JMCC). OPEC oil prices increased by 1.68% to \$56.45 per barrel from \$55.52 per barrel the previous week. However, Bonny light, the Nigerian benchmark crude, remained at \$58.42 per barrel last week. In contrast, prices of precious metals closed lower last week as the bears reigned supreme. This drop in prices of bullion metal was as result of a rising dollar and a plunge in the euro currency. Gold declined by 1.2% or \$15.91 to \$1,266.46 an ounce, silver also went down by 2.6% or 45 cents to settle at \$16.66 an ounce. This week oil prices are expected to continue their current trend due to higher demand from households as a result of winter. Precious metals outlook remains gloomy as expectation of a rate hike from the Federal Reserve continues to put pressure on it.

MONTHLY MACRO ECONOMIC FORECASTS

Variables	Nov'17	Dec'17	Jan'18
Exchange Rate (Interbank) (N/\$)	328.50	328.32	327.90
Inflation Rate (%)	15.96	15.85	15.8
Crude Oil Price (US\$/Barrel)	59	57	57