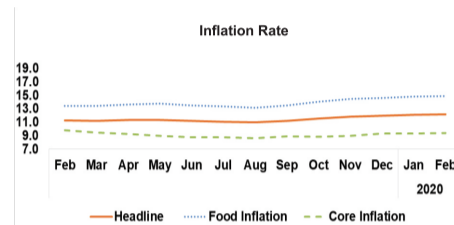
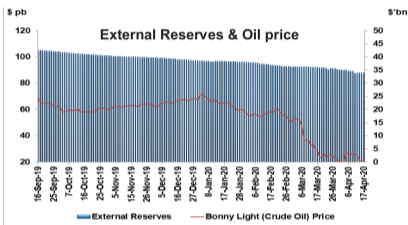
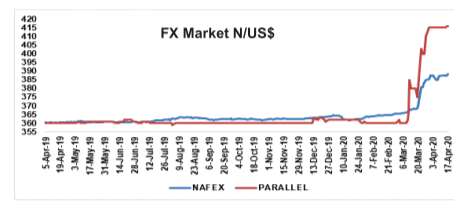
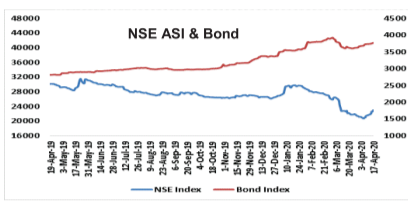


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.55	Q4 2019 — higher by 0.27% compared to 2.28% in Q3 2019
Broad Money Supply (N' trillion)	36.48	Increased by 2.9% in Nov' 2019 from N35.45 trillion in Oct' 2019
Credit to Private Sector (N' trillion)	26.7	Increased by 0.38% in Feb' 2020 from N26.6 trillion in Jan' 2020
Currency in Circulation (N' trillion)	2.18	Decreased by 3.11% in Feb' 2020 from N2.25 trillion in Jan' 2020
Inflation rate (%) (y-o-y)	12.2	Increased to 12.2% in February 2020 from 12.13% in January 2020
Monetary Policy Rate (%)	13.5	Adjusted to 13.5% in March 2019 from 14%
Interest Rate (Asymmetrical Corridor)	13.5 (+2/-5)	Lending rate changed to 15.5% & Deposit rate 8.5%
External Reserves (US\$ million)	33.91	April 15, 2020 figure — a decrease of 3.33% from April start
Oil Price (US\$/Barrel)	25.89	April 16, 2020 figure— a decrease of 17.23% from the previous week
Oil Production mbpd (OPEC)	1.85	March 2020, figure — an increase of 3.64% from February 2020 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	17/4/20	9/4/20	
NSE ASI	22,921.59	21,384.03	7.19
Market Cap(N'tr)	11.95	11.14	7.19
Volume (bn)	0.23	0.31	(26.45)
Value (N'bn)	2.61	5.02	(47.99)

MONEY MARKET

Indicators	Last Week	2 Weeks Ago	Change
	17/4/20	9/4/20	(Basis Point)
NIBOR			
Tenor			
Rate (%)			
17/4/20	9/4/20		
OBB	2.0000	2.8300	(83)
O/N	2.2500	3.1700	(92)
CALL	3.2000	3.6667	(47)
30 Days	11.1417	11.6881	(55)
90 Days	11.8898	12.1880	(30)

FOREIGN EXCHANGE MARKET

Market	Last Week	2 Weeks Ago	1 Month Ago
	Rate (N/\$)	Rate (N/\$)	Rate (N/\$)
	17/4/20	9/4/20	17/3/20
Official (N)	360.00	360.00	307.00
Inter-Bank (N)	388.45	386.58	368.17
BDC (N)	0.00	0.00	0.00
Parallel (N)	416.00	415.00	380.00

BOND MARKET

Indicators	Last Week	2 Weeks Ago	Change
	Rate (%)	Rate (%)	(Basis Point)
	17/4/20	9/4/20	
5-Year	7.25	7.60	(36)
7-Year	10.96	10.61	34
10-Year	10.39	10.87	(47)
15-Year	12.11	12.44	(32)
20-Year	11.99	12.32	(33)
30-Year	12.59	12.56	3

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

Market Analysis and Outlook: April 17 – April 24, 2020

Global Economy

The International Monetary Fund (IMF) has forecasted that global growth will shrink by 3% in 2020, barely 3 months after it predicted positive growth of 3.3%. It says the global economy will likely suffer the worst financial crisis since the great depression as governments worldwide grapple with the Covid-19 pandemic. The dramatic downgrade in this year's growth expectations is in sync with other institutions that warn that the coronavirus outbreak is bringing massive economic challenges. The World Trade Organization said that global trade will contract by between 13% and 32% this year. The Organization for Economic Coordination and Development has also warned the economic hit from the virus will be felt "for a long time to come." The IMF also revised global GDP growth for 2021 to 5.8% from a previously estimated 3.4% provided that the pandemic eases throughout the year. According to the National Bureau of Statistics of China, the Chinese economy contracted 6.8% year-on-year in the first quarter of 2020, following a 6% percent growth in the last three months of 2019. It is the first GDP contraction since records began in 1992, reflecting the severe damage caused by the COVID-19 outbreak after the authorities enforced a near two-month-long shutdown of all non-essential business activity. However, China's long term growth potential is not expected to be affected by the short term fallout of the coronavirus pandemic, as the country's economic fundamentals remain unchanged. In a separate development, the inflation rate in the Euro Area was reported at 0.7% year-on-year in March 2020 according to the European Statistical Office (EUROSTAT), the lowest since last October, as prices were hit by the Covid-19 outbreak and an oil price war between Saudi Arabia and Russia. The annual core inflation, which excludes volatile prices of energy, food, alcohol & tobacco and at which the ECB looks in its policy decisions, was also confirmed at 1%.

Domestic Economy

American based credit rating agency, Moody's Investors Service (Moody's), in a recent report affirmed Nigeria's B2 long-term issuer ratings and senior unsecured rating. The credit rating firm, however, maintained a negative outlook for the country. The negative outlook continues to reflect the downside risks to Nigeria's creditworthiness identified when the outlook on the sovereign's rating was changed to negative in 2019. However, these risks had increased since then, exacerbated by the oil price shock and the financial and economic implications of the coronavirus outbreak. It stated that the rapid and widening spread of the outbreak and related price shocks were creating an unprecedented credit shock across a wide range of regions and markets. In a separate development, the Central Bank of Nigeria (CBN) has warned of the need for the country to act proactively to ensure speedy economic recovery, as the post-COVID-19 era is expected to be filled with lots of uncertainties and challenges especially in developing countries like Nigeria. To achieve this, the apex bank has taken some proactive measures aimed at four strategic sectors that would support mass employment and wealth creation in the country. The four key areas of focus include; provision of affordable housing, renewable energy, cutting edge research, and light manufacturing.

Stock Market

Indicators at the Nigeria Stock Exchange (NSE) sustained an upward trend as the bourse remained bullish for the second consecutive week. The low price of stocks continues to support demand for equities. Consequently, the All Share Index (ASI) and Market capitalization climbed to 22,921.59 points and ₦11.95 trillion from 21,384.03 points and ₦11.14 trillion respectively the previous week. The rally was also helped by funds from the recently maturing securities that found their way to the

stock market. We expect market players to remain wary ahead of more corporate earnings release and March inflation data from the National Bureau of Statistics (NBS).

Money Market

Cost of borrowing slipped due to excessive liquidity in the system. Short term rates such as the Open Buy Back (OBB) and Overnight (O/N) slightly declined to 2% and 2.25% from 2.83% and 3.17% the prior week. Longer term rates such as the 30- and 90-day Nigerian Interbank Offered Rate (NIBOR) also tapered to 11.14% and 11.89% from 11.69% and 12.19%, respectively. This week, rates should remain stable barring any significant debit from the system.

Foreign Exchange Market

The naira depreciated across most market segments as the Nigerian Autonomous Foreign Exchange Rate (NAFEX) and parallel rate declined while the CBN official window remained steady. The NAFEX rate lost ₦1.87 to close at ₦388.45/US\$. The parallel market also dipped by ₦1 to close at ₦416/US\$. At the CBN Official window, the Naira remained stable to close at ₦360/US\$ same as two weeks ago. The paucity of funds, exacerbated by minimal economic activity, persisted last week in the Investors' and Exporters' Window. The demand for funds continued to outweigh the reduced supply from exporters and a few investors. We expect rates to trade around current levels this week as the apex bank continues to intervene in the market.

Bond Market

Average bond yields declined owing to bullish sentiment on medium tenured bonds as they were the most sought-after securities last week. As a result, demand was driven by local investors for the 2027, 2028 and 2029 maturities. Consequently, average yields for five-, ten-, fifteen-, and twenty years dropped to 7.25%, 10.39%, 12.11% and 11.99% from 7.6%, 10.87%, 12.44% and 12.32%. The Access Bank Nigerian Government Bond Index rose by 1% to 3,768.76 points. We expect cautious buying next week as yields currently appear unattractive.

Commodities

Data from Energy Information Administration (EIA) reflected that crude inventories had gone as high as 19.2 million barrels, causing oil prices to slump compared to preceding week. The International Monetary Fund (IMF) also slashed the 2020 global growth to -3% from the forecasted 3.3%, the worst growth level since the 30s, pressuring oil prices further. Bonny light, Nigeria's benchmark crude plunged 17.23% or \$4.46 per barrel to settle at \$21.43 per barrel. In contrast, precious metal prices soared as our retail sales and manufacturing data out of the United States heightened fears of a steep global recession due to coronavirus. Consequently, gold prices nudged up 1.04% to finish at \$1,700.58 per ounce from \$1,683.06 per ounce. Silver lost 6.37% to settle at \$15.36 per ounce due to profit booking by investors. This week, oil prices might gain support on news that the US President is preparing a plan to reopen the economy sooner than expected. Bullions might see a dip in prices as we expect profit booking by investors.

Monthly Macro Economic Forecast

Variables	Apr'20	May'20	Jun'20
Exchange Rate (NAFEX) (N/\$)	387	388	388
Inflation Rate (%)	12.38	12.40	12.27
Crude Oil Price (US\$/Barrel)	20	21	23