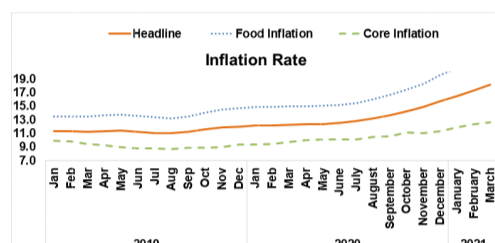
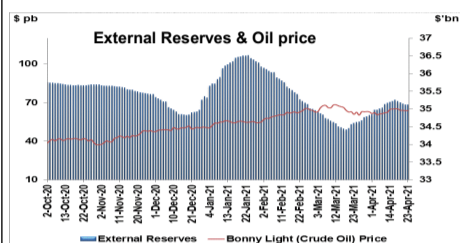
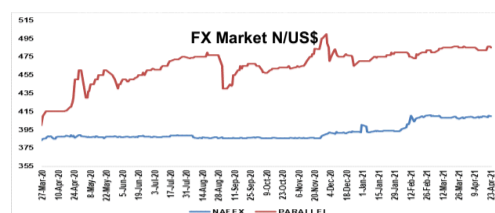
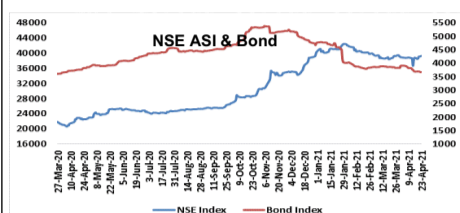


Access Bank Rateswatch

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)	35.12	April 22, 2021 figure — an increase of 0.79% from April start
Oil Price (US\$/Barrel)	65.70	April 23, 2021 figure— a decrease of 0.74% from the prior week
Oil Production mbpd (OPEC)	1.48	March 2021, figure — an increase of 0.47% from February 2021 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	23/4/21	16/4/21	
NSE ASI	39,300.24	38,808.01	1.27
Market Cap(N'tr)	20.57	0.00	0.00
Volume (bn)	0.28	0.00	0.00
Value (N'bn)	2.92	2.24	30.47

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	23/4/21	16/4/21	
OBB	15.88	25.00	(912.0)
O/N	16.75	28.33	(1158)
CALL	14.83	21.33	(650.0)
30 Days	7.32	7.72	(39)
90 Days	8.58	8.31	26.3

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	23/4/21	16/4/21	23/3/21
Official (N)	379.00	379.00	379.00
Inter-Bank (N)	410.13	409.83	409.31
BDC (N)	0.00	0.00	0.00
Parallel (N)	485.00	482.00	486.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	23/4/21	16/4/21	
5-Year	4.49	4.50	(1.4)
7-Year	11.03	11.04	(0.9)
10-Year	9.84	9.72	11.6
15-Year	13.20	13.10	10.2
20-Year	12.87	12.44	43.3
25-Year	13.80	13.88	(7.8)
30-Year	13.80	13.92	(12)

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: April 23 – April 30, 2021

Global Economy

The European Central Bank (ECB) left its monetary policy unchanged during its April meeting, as policymakers took a wait-and-see approach after last month's decision to conduct emergency bond purchases at a significantly higher pace over Q2. The ECB noted that although inflation has picked up over recent months due to temporary factors, underlying price pressures remain subdued in the context of significant economic slack and weak demand. The European financial watchdog noted that economic activity is seen rebounding firmly in the course of 2021, but the near-term economic outlook remained uncertain. In a separate development, the Japan Manufacturing Purchasing Manager Index (PMI) rose to 53.3 in April 2021 from a final 52.7 a month earlier. This was the third straight month of growth in factory activity and the fastest pace since April 2018, as a recovery in the economy from the COVID-19 pandemic gained traction. Both output and new orders advanced solidly, with the pace of growth for both variables the quickest since H1 2018. In addition, export sales growth accelerated, rising for the third month in a row and at the sharpest rate since January 2018. Buying levels also rose at a faster pace, and employment continued to grow amid a further rise in backlogs of works.

Foreign Exchange Market

The credit led to a dip in rates as short-term lender's charges such as the Open Buy Back (OBB) and Overnight (O/N) rates edged downwards to 15.88% and 16.75% from 25% and 28.33% the previous week. The slightly longer dated instruments such as 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) settled at 7.32% and 8.58% from 7.72% and 8.31% the prior week. This week, rates may rise due to anticipated retail Secondary Market Intervention Sales (rSMIS). The naira depreciated across most major market segments last week. The Nigerian Autonomous Foreign Exchange (NAFEX) and the parallel market rates both depreciated. The official rate was untouched from prior week figure. The NAFEX rate lost 30 kobo to close at N410.13/US\$ from N409.83/US\$ as the paucity of funds experienced in the market persisted. The parallel market rate dipped N3 to settle at N485/US\$. The official rate was stable at N379/US\$.

Bond Market

Performance of the bond market was mixed last week following the end of the bond auctions. Local players sold some of their winnings at par while others cherry-picked select maturities across the bond curve at these elevated levels. Yields on the 10-, 15- and 20-year debt papers closed higher at 9.84%, 13.20%, and 12.87% from 9.72%, 13.10%, and 12.44%, respectively. The Access Bank Government Bond index declined by 15.31 points to settle at 3,684.85 points last week. This week, the bearish sentiments may persist as investors' appetite for bond remain weak.

Domestic Economy

The Central Bank of Nigeria in a recent circular instructed all deposit money banks (DMB) and forex dealers to accept both old series and lower denominations of United States Dollars (USD) that are legal tender for deposit from their customers. The CBN warned that it will not hesitate to sanction any DMB or other authorised forex dealers who refuse to accept old series or lower denominations from their customers. The forex dealers were also advised to desist from defacing/stamping US Dollars banknotes as such notes always fail authentication test during processing or sorting. In a separate development, the Federal Government has approved a revised national policy on Micro Small and Medium Enterprises (MSMEs) for 2021-2025. This update was made known by Small and Medium Enterprise Development Agency (SMEDAN). The agency, that seeks to protect the interest of small businesses, noted that there is a need to keep stakeholders abreast with the newly approved revised National Policy on MSMEs. There was no strategic policy document to guide the development of MSMEs prior to the agency's establishment in 2003. The agency ensured that the first official national policy on MSMEs was approved in 2007 with a provision for four-year review.

Commodities

Oil prices dipped last week following a surprise build in US crude inventories and renewed pandemic-propelled demand concerns. The latest Energy Information Administration (EIA) showed the US crude inventories increased by 0.594 million barrels last week, while gasoline stocks grew by 0.086 million barrels. Bonny light, Nigeria's benchmark crude tapered 0.74% to close at \$65.70 per barrel. Precious metal prices climbed spurred on by safe-haven bids stemming from rising coronavirus infections in countries from India to Japan. Adding to the bullish tone, demand from China has bounced back from low levels, with Beijing permitting domestic and international banks to import large amounts of gold into the country. Consequently, gold prices rose 0.62% or \$11.98 to finish at \$1,786.90 per ounce from \$1,775.82 per ounce. Silver settled at \$26.14 per ounce, a 0.77% jump from previous week. This week, oil prices might continue the bearish momentum as Tehran might see sanctions lifted, and more Iranian barrels could return to the market if negotiations to revive the 2015 nuclear deal are successful. Upbeat US jobs data and a stronger dollar might put pressure on bullions prices this week. This week, performance may decline as market participants shift portfolios to higher yielding assets such as the treasury bills.

Stock Market

The bulls gained an upper hand last week as trading indicators trended higher on highly capitalized stocks. The upward trend was supported by stocks in the consumer goods, publishing and financial sectors. Consequently, the All-Share Index (ASI) and market capitalization closed at 39,300.24 points and N20.57 trillion from 38,808.01 points and N20.3 trillion, respectively the preceding week. This week, performance may decline as market participants shift portfolios to higher yielding assets such as the treasury bills.

Monthly Macro Economic Forecast

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

Money Market

The cost of borrowing declined last week following Open Market Operations (OMO) maturity of N20 billion.

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