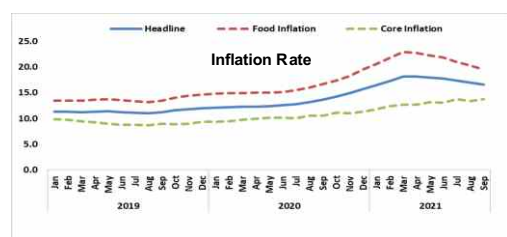
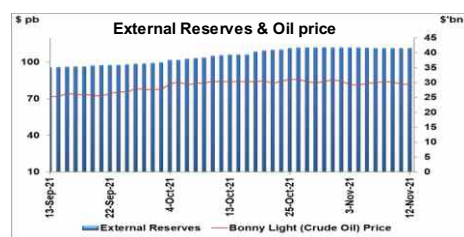
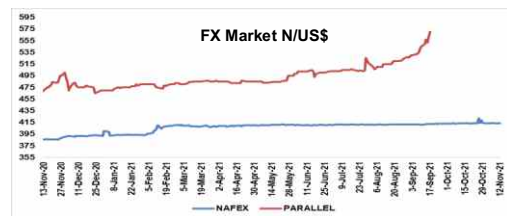


Access Bank Rateswatch

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) | 40.41 | declined by 1.27% in September 2021 from N40.93trillion in August 2021 |
| Credit to Private Sector (N' trillion) | 33.84 | Increased by 1.29% in September 2021 from N32.41 trillion in August 2021 |
| Currency in Circulation (N' trillion) | 2.84 | Increased by 2.16% in September 2021 from N2.84 trillion in August 2021 |
| Inflation rate (%) (y-o-y) | 16.63 | Decreased to 16.63% in September 2021 from 17.01% in August 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) | 41.53 | November 11, 2021 figure — an decrease of 0.62% from November start |
| Oil Price (US\$/Barrel)(OPEC) | 82.02 | November 11, 2021 figure— a decrease of 0.69% from the prior week |
| Oil Production mbpd (OPEC) | 1.35 | October 2021, figure — an decrease of 3.57% from September figure |



STOCK MARKET

| Indicators | Last Week | 2 Weeks Ago | Change (%) |
|------------------|-----------|-------------|------------|
| | 12/11/21 | 5/11/21 | |
| NSE ASI | 43,253.01 | 42,014.50 | 2.95 |
| Market Cap(N'tr) | 22.57 | 21.93 | 2.95 |
| Volume (bn) | 0.31 | 0.28 | 13.65 |
| Value (N'bn) | 4.65 | 2.38 | 95.13 |

MONEY MARKET

| NIBOR | | | |
|---------|--------------------|----------------------|----------------------|
| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
| | 12/11/21 | 5/11/21 | |
| OBB | 14.50 | 12.00 | 250 |
| O/N | 15.25 | 12.38 | 287 |
| CALL | 17.17 | 13.53 | 364 |
| 30 Days | 9.67 | 9.48 | 19 |
| 90 Days | 11.02 | 10.29 | 73 |

FOREIGN EXCHANGE MARKET

| Market | Last Week Rate (N/\$) | 2 Weeks Ago Rate (N/\$) | 1 Month Ago Rate (N/\$) |
|----------------|-----------------------|-------------------------|-------------------------|
| | 12/11/21 | 5/11/21 | 12/10/21 |
| Official (N) | 0.00 | 0.00 | 0.00 |
| Inter-Bank (N) | 413.88 | 413.95 | 413.30 |
| BDC (N) | 0.00 | 0.00 | 0.00 |
| Parallel (N) | 0.00 | 0.00 | 0.00 |

BOND MARKET

| AVERAGE YIELDS | | | |
|----------------|--------------------|----------------------|----------------------|
| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
| | 12/11/2021 | 5/11/2021 | |
| 5-Year | 4.26 | 4.03 | 23 |
| 7-Year | 9.63 | 10.59 | (96) |
| 10-Year | 9.33 | 9.31 | 2 |
| 15-Year | 12.67 | 12.65 | 3 |
| 20-Year | 12.23 | 12.19 | 4 |
| 25-Year | 12.31 | 12.31 | 0 |
| 30-Year | 13.01 | 13.01 | (1) |

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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: November 8 – November 12, 2021

Global Economy

The United Kingdom economy expanded by 0.6% in September 2021. This came in well above its previous rate of 0.2% in August 2021 and contributed largely to the growth; services output edged by 0.7% as human activities soared owing to large rise in face-to-face appointments at General Practitioner (GP) surgeries in England. Elsewhere in India, inflation rate advanced by 0.13% to finish at 4.48% in October 2021 from 4.35% in September 2021, marking the fourth consecutive month of retaining inflation within the target range of 2% - 6% set by its central bank. The Ministry of Statistics and Programme Implementation reported that price hikes were majorly attributed to food inflation. In addition, top 5 inflated items were oils & fats (33.5%), fuel & light (14.35%), non-alcoholic beverages (11.4%), transport & communication (10.9%) and health (7.57%) respectively. In a separate development, Brazil's business confidence index plunged to 56 points in November 2021, marking the lowest index point since April. The Brazil statistics bureau highlighted big declines in entrepreneurs' perception of future expectations (61.7 from 63.2), current conditions (52.3 from 53.5) and economic expectations (53.9 from 56.3).

Money Market

Rates across all borrowing buckets were elevated last week owing to the mop up from retail Secondary Market Intervention Sales (SMIS) FX auction and Cash Reserve Requirement (CRR) maintenance. Consequently, short term instruments such as the Open Buy Back (OBB) and Overnight (O/N) rates closed at 14.50% and 15.25% an increase from prior week figures of 12% and 12.38%. Similarly, slightly longer dated instruments like the 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) witnessed an uptick to 9.67% and 11.02% from 9.48% and 10.29% respectively the previous week. This week, we expect rates to plummet to single digit levels.

Foreign Exchange Market

Last week, the paucity of funds continued at the Investors' and Exporters' Window as bids continued to outweigh offers in the market. Nevertheless, the naira strengthened against the dollar at the Nigerian Autonomous Foreign Exchange (NAFEX) window for the week ended November 12, 2021. The NAFEX settled at N413.64/\$, a 0.06% or 24 kobo gain from the previous week's rate of N413.88/\$. This week, we expect stability in the market, boosted by the Central Bank's sustained supply of liquidity to the market.

Bond Market

Average bond yields rose last week. Trades were skewed towards the short-tenored maturities (2023 – 2028 bonds) with the 2028s quotes at 12.25%/12.18%. Yields on the 5-, 10-, 15- and 20-year debt papers finished higher at 4.26%, 9.33%, 12.67% and 12.23% from 4.03%, 9.31%, 12.65% and 12.19% respectively. The Access Bank bond index rose by 3.52 points to close at 3,331.71 points from 3,328.19. We expect a quiet opening this week, as local players gear up for the monthly bond auction.

Domestic Economy

The Central Bank of Nigeria (CBN) in a bid to stimulate the flow of credit to the real sector of the economy and reverse the nation's over-reliance on import, issued the Guidelines for the implementation of the 100 for 100 Policy for Production and Productivity (100 for 100 PPP) for eligible private companies with potential to immediately transform and catalyse the productive base of the economy. The circular pointed that the initiative shall select 100 private sector companies with projects that have potential to significantly increase domestic production and productivity, reduce imports, increase non-oil exports, and overall improvement in the foreign exchange generating capacity of the Nigerian economy. Furthermore, participants shall be renewed quarterly with a new set of companies selected for financing under the initiative. In addition, loan amount shall be a maximum of N5 billion per obligor with interest rate of about 5%. Any amount above N5 billion shall require the special approval of CBN's management. In another development, Nigeria's credit to private sector rose to N33.84 billion in September 2021 from N33.41 billion in August 2021 as reported by the CBN, representing the 7th consecutive month of surge in credit to private sector. The unrelenting expansion is due to the continuous intervention funds being pumped into the system by the apex bank.

Commodities

Oil prices edged up as demand outpaced supply on the expectation that post-pandemic demand will continue to grow in the months ahead. Bonny light, Nigeria's benchmark crude rose marginally by 0.49% to settle at \$82.02 barrel from \$81.53. Separately, precious metal prices rallied up as both gold and silver trended northwards. Gold prices gained last week fuelled by the US inflation spike hence, the increased demand as a hedge against inflation. Consequently, gold prices climbed 1.86% or \$34 to settle at \$1,847.44 per ounce from \$1,813.07 per ounce. In the same vein, silver finished at \$24.96 per ounce, 0.92% higher than the previous week helped by the US Fed's & the Bank of England's decision to retain anchor rates. This week, we expect oil prices to retain its ascending trend supported by the sustained supply tightening. Safe haven assets will also exhibit a leaping US inflation slump.

COMMODITIES MARKET

| Indicators | 12/11/21 | 1-week Change (%) | YTD Change (%) |
|------------------------|----------|-------------------|----------------|
| Energy | | | |
| Crude Oil (\$/bbl) | 82.02 | 0.60 | 27.24 |
| Natural Gas (\$/MMBtu) | 5.08 | (9.77) | 66.23 |
| Agriculture | | | |
| Cocoa (\$/MT) | 2530.00 | 3.27 | 30.68 |
| Coffee (\$/lb.) | 213.20 | 3.65 | 63.75 |
| Cotton (\$/lb.) | 114.91 | 2.41 | 48.27 |
| Sugar (\$/lb.) | 20.01 | 0.20 | 30.53 |
| Wheat (\$/bu.) | 828.50 | 8.09 | 91.12 |
| Metals | | | |
| Gold (\$/t oz.) | 1847.44 | 1.86 | 40.22 |
| Silver (\$/t oz.) | 24.96 | 3.40 | 45.20 |
| Copper (\$/lb.) | 438.15 | 0.77 | 33.66 |

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
|----------|--------------------|----------------------|----------------------|
| | 12/11/21 | 5/11/21 | |
| 1 Mnth | 2.92 | 3.22 | (30) |
| 3 Mnths | 3.79 | 3.81 | (2) |
| 6 Mnths | 4.80 | 5.07 | (27) |
| 9 Mnths | 6.05 | 6.53 | (48) |
| 12 Mnths | 6.87 | 7.44 | (57) |

ACCESS BANK NIGERIAN GOV'T BOND INDEX

| Indicators | Last Week | 2 Weeks Ago | Change (Basis Point) |
|------------------------|-----------|-------------|----------------------|
| | 12/11/21 | 5/11/21 | |
| Index | 3,331.71 | 3328.19 | 0.11 |
| Mkt Cap Gross (N'tr) | 14.75 | 14.73 | 0.14 |
| Mkt Cap Net (N'tr) | 9.85 | 9.86 | (0.10) |
| YTD return (%) | 0 | 35.49 | 0.14 |
| YTD return (%) (US \$) | 73.21 | 73.29 | 0.08 |

TREASURY BILLS PMA AUCTION

| Tenor | Amount (N' million) | Rate (%) | Date |
|---------|---------------------|----------|-------------|
| 91 Day | 4,612.62 | 2.5 | 29-Sep-2021 |
| 182 Day | 2,090.68 | 3.5 | 29-Sep-2021 |
| 364 Day | 108,712.23 | 7.5 | 29-Sep-2021 |

Stock Market

Performance at the Nigerian stock market remained positive due to investors buy sentiments in large and medium capitalised stock. The All Share Index (NSE ASI) inched up 2.95% week-on-week to 43,253.01 points. In the same vein, market capitalization increased by 2.95% to end the week at N22.57 trillion from N21.93 trillion. The drivers of the market performance included services, agriculture and financial services sectors. This week we envisage a bullish momentum from investors as the naira continues to appreciate.

Monthly Macro Economic Forecast

| Variables | Nov'21 | Dec'21 | Jan'21 |
|-------------------------------|--------|--------|--------|
| Exchange Rate (NAFEX) (N/\$) | 413 | 412 | 411 |
| Inflation Rate (%) | 16.24 | 16.03 | 15.96 |
| Crude Oil Price (US\$/Barrel) | 80 | 72 | 70 |

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