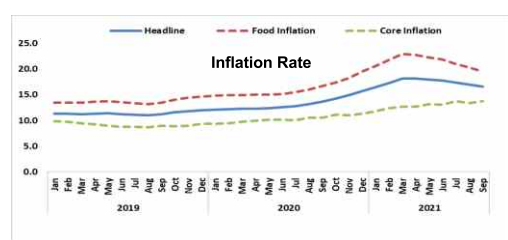
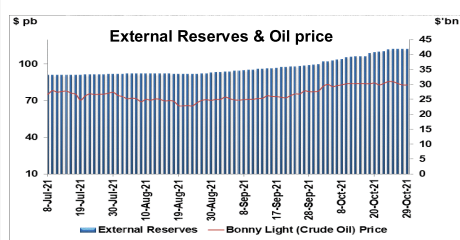
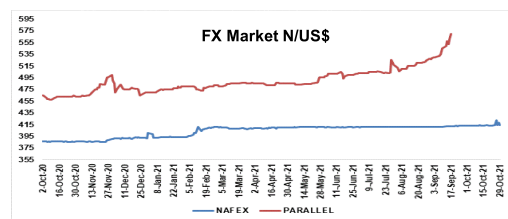
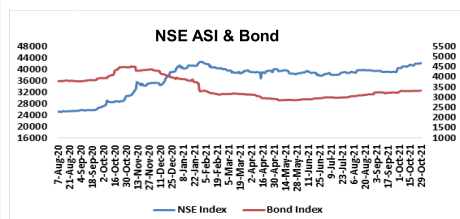


Access Bank Rateswatch

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)	40.88	Increased by 2.84% in August' 2021 from N39.75trillion in July 2021
Credit to Private Sector (N' trillion)	33.36	Increased by 1.52% in August' 2021 from N32.86 trillion in July' 2021
Currency in Circulation (N' trillion)	2.78	Decreased by 1.07% in August' 2021 from N2.81 trillion in July' 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)	41.75	October 26, 2021 figure — an increase of 11.14% from October start
Oil Price (US\$/Barrel)(OPEC)	85.42	October 27, 2021 figure— a decrease of 0.28% from the prior week
Oil Production mbpd (OPEC)	1.45	September 2021, figure — an increase of 11.96% from August 2021 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	29/10/21	22/10/21	
NSE ASI	42,038.60	41,763.26	0.66
Market Cap(N'tr)	21.94	21.79	0.66
Volume (bn)	1.13	0.51	121.43
Value (N'bn)	13.78	5.87	134.90

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	29/10/21	22/10/21	
OBB	18.00	19.00	(100.0)
O/N	18.50	19.25	(75)
CALL	26.50	17.43	906.7
30 Days	9.65	11.47	(181)
90 Days	10.79	12.60	(180.5)

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	29/10/21	22/10/21	29/9/21
Official (N)	0.00	0.00	0.00
Inter-Bank (N)	413.95	413.44	413.05
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)
	29/10/21	22/10/21	
5-Year	4.06	4.17	(11.2)
7-Year	10.48	10.23	25.0
10-Year	9.23	9.27	(4.1)
15-Year	12.59	12.76	(16.7)
20-Year	12.10	12.31	(21.6)
25-Year	12.85	12.82	2.7
30-Year	12.95	12.98	(3)

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Market Analysis and Outlook: October 22 – October 29, 2021

Global Economy

In the US, the economy grew an annualized 2% on quarter in Q3 2021, slowing sharply from 6.7% in Q2 as reported by the U.S. Bureau of Economic Analysis. It is the weakest growth of pandemic recovery as an infusion of government stimulus continued to fade as a surge in COVID-19 cases and global supply constraints weighed on consumption and production. Elsewhere, the European Statistical Office (EUROSTAT) reported that the Euro Area economy advanced by 2.2% on quarter in the three months to September 2021, following a downwardly revised 2.1% growth in the previous period. Growth was mainly supported by strong domestic demand and exports, while supply chain disruptions, shortages of raw materials, and rising consumer prices weighed on the recovery. Among the bloc's biggest economies, France posted the fastest pace of expansion, advancing by 3% in the third quarter, followed by Italy (2.6%), Spain (2%), and Germany (1.8%). On a yearly basis, the Euro Area economy grew by 3.7%, slightly above forecast of 3.5%. In a separate development, the Central Bank of Brazil announced its sixth interest rate hike in 2021 and the biggest in almost two decades at its October meeting, raising the Selic rate by 150 basis points to 7.75%. The Committee said that recent questioning regarding the fiscal framework increased the risk of deanchoring inflation expectations and this pace is the most appropriate to guarantee inflation convergence to the targets at the relevant horizon, which includes 2022 and 2023. Policymakers foresee an adjustment of the same magnitude at their final meeting of the year. Turning to the Brazilian economy, growth indicators released since the last meeting show an evolution slightly below expectations.

Domestic Economy

President Muhammadu Buhari unveiled the Central Bank Digital Currency (CBDC), known as the e-Naira after postponement from the earlier scheduled October 1. The Governor of the Central Bank of Nigeria (CBN), Godwin Emefiele, at the unveiling ceremony noted that the e-Naira would operate as a wallet against which customers could hold funds in their bank account. In the first 24 hours after it was unveiled, the e-Naira continued to attract the interest of Nigerians with about 200,000 wallets downloaded. The Central Bank of Nigeria (CBN) also alerted Nigerians to the activities of fraudulent individuals and imposters working to swindle unsuspecting members of the public through false e-Naira disbursement claims. The fraudsters are luring Nigerians with claims that the Central Bank is disbursing N50 billion e-Naira currency to citizens. The CBN Director, Corporate Communications, Mr. Osita Nwanisobi, said its attention had been drawn to criminal and illegal activities of some individuals including a fraudulent twitter handle, @enaira_cbdc purported to belong to the Central Bank. He said the impostor handlers and fraudulent persons had been posting messages related to the e-Naira with the intent of wooing unsuspecting Nigerians with claims that the CBN is making financial disbursements. According to him, the impostors were bent on defrauding innocent and unsuspecting members of the public through the links attached to their messages for application to obtain e-Naira wallets and become beneficiaries of the said N50 billion e-Naira currency disbursement.

Stock Market

Performance at the bourse remained positive due to investors buy sentiments on large and medium sized capitalised stock. Consequently, the Nigerian Stock Exchange All Share Index (NSE ASI) inched up 0.78% week-on-week to 41,763.26 points. Similarly, market capitalization added N170 billion, or 0.78%, to end the week at N21.79 trillion from N21.62 trillion. The drivers of the growth included consumer goods, printing and financial services sectors. This week, we expect that the market will

remain upbeat as market participants cherry-pick fundamentally sound stocks, while also positioning for full year 2021 dividends.

Money Market

Cost of borrowing at the market for short term debt remained elevated as market participants funded their operating account to accommodate the FX Auction and Cash Reserve Ratio (CRR) debits by the CBN. Accordingly, the Open Buy Back (OBB) and Overnight (O/N) rates closed at 18% and 18.5% a marginal decline from prior week figures of 19% and 19.25%. Similarly, slightly longer dated instruments like the 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) dropped to 9.65% and 10.79% from 11.47% and 12.60%, respectively. This week, we expect rates to decline as monthly statutory disbursements of about N438 billion from the federation account comes into the coffers of states and local governments.

Foreign Exchange Market

The naira depreciated against the dollar at the Nigerian Autonomous Foreign Exchange (NAFEX) window for the week ended October 29, 2021. Intra-week activities saw the local currency hit a low of N422.17/\$ before recovering to close at N413.95/\$, a 0.12% or 51 kobo loss from previous week. The naira will likely lose more ground to the dollar this week as the CBN effect more price adjustments on the local currency.

Bond Market

Average bond yields declined last week following demand for the 2050 bond, the most sought after, with trades consummated around the 13% handle. There was also renewed interest on the 2037 bond, which traded 5 basis points lower than where it closed at the auction (12.90%). The off-the-run bonds remained inactive, although we continue to see interest on the 2034 maturity at 12.30%. Yields on the 5-, 10-, 15-, 20- and 30- year debt papers closed lower at 4.06%, 9.23%, 12.59%, 12.10% and 12.95% from 4.17%, 9.27%, 12.76%, 12.31% and 12.98% respectively. The Access Bank bond index rose by 16.08 points to close at 3,327.68 points from 3,311.60. We expect the market to continue to trade cautiously as we approach the penultimate month of the year.

Commodities

Oil prices pared off gains amid easing concerns over supply tightness and as traders await announcements from the OPEC+ meeting next week. Bonny light, Nigeria's benchmark crude dipped marginally 0.28% to settle at \$85.42 barrel from \$85.66. Separately, precious metal prices went in different directions as gold prices went up while silver dipped. Gold prices recorded one month of consecutive gains amidst a broadly subdued US dollar. Consequently, gold prices climbed 0.6% or \$10.66 to finish at \$1,797.47 per ounce from \$1,786.81 per ounce. Silver settled at \$24.05 per ounce, 1.47% lower than the prior week on the back of profit taking by investors. This week, we expect oil prices will come under fire due to news that Iran agreed to resume talks with Western powers. Bullions might be pressured as the dollar index rebounds from a 1-month low and Treasury yields climbed higher.

Monthly Macro Economic Forecast

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