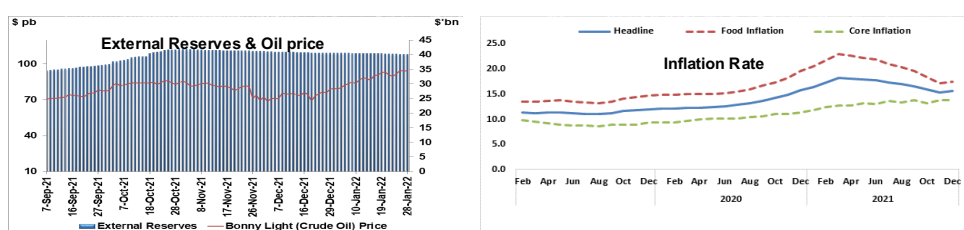
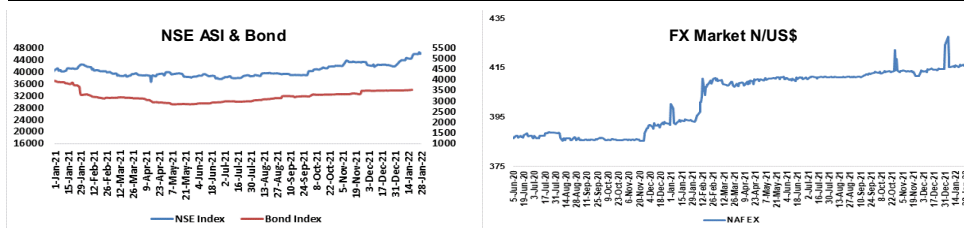


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	4.03	Q3 2021 — lower by 0.98% compared to 5.01% in Q2 2021
Broad Money Supply (N' trillion)	43.95	Rose by 3.15% in December' 2021 from N42.60 trillion in November' 2021
Credit to Private Sector (N' trillion)	35.73	Rose by 0.98% in December' 2021 from N35.38 trillion in November' 2021
Currency in Circulation (N' trillion)	3.33	Rose by 5.61% in December' 2021 from N3.15 trillion in November' 2021
Inflation rate (%) (y-o-y)	15.63	Increased to 15.63% in December 2021 from 15.4% in November 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)	40.15	January 27, 2022 figure — a decrease of 0.91% from January start
Oil Price (US\$/Barrel) (Bonny Light)	94.18	January 26, 2022 figure— an increase of 4.54% from the prior week
Oil Production mbpd (OPEC)	1.34	December 2021, figure — a decrease of 3.11% from November figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	28/1/22	21/1/22	
NSE ASI	46,205.05	45,957.35	0.54
Market Cap(N'tr)	24.90	24.76	0.55
Volume (bn)	0.31	0.28	11.31
Value (N'bn)	5.03	2.41	108.72

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	28/1/22	21/1/22	
OBB	1.00	15.00	(1400.0)
O/N	1.25	15.25	(1400)
CALL	8.50	19.67	(1116.7)
30 Days	9.35	7.15	220
90 Days	10.65	8.89	176.8

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	28/1/22	21/1/22	29/12/21
Official (N)	0.00	0.00	0.00
Inter-Bank (N)	415.75	415.78	424.11
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)
	28/1/22	21/1/22	
5-Year	0.00	3.72	(371.8)
7-Year	0.00	10.51	(1051.4)
10-Year	0.00	9.55	(954.8)
15-Year	0.00	12.90	(1289.8)
20-Year	0.00	12.58	(1257.7)
25-Year	0.00	12.00	(1200.3)
30-Year	0.00	13.15	(1315)

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: January 21, —January 28, 2022

Global Economy

In the US, the economy expanded an annualized 6.9% on quarter in Q4 2021, much higher than 2.3% in Q3 according to the US Bureau of Economic Analysis. It is the strongest GDP growth in five quarters with the biggest upward contribution coming from private inventories (4.9 percentage points), namely motor vehicle dealers as companies had been drawing down stocks since the beginning of 2021. Personal consumption increased 3.3%, pushed higher by a 4.7% surge in services spending, namely health care, recreation, and transportation. Meanwhile, net trade made no contribution to growth as exports jumped 24.5% led by consumer goods, industrial supplies, foods, and travel; and imports went up 17.7%. Considering full 2021, the economy advanced 5.7%, the most since 1984. In a separate development, the South African Reserve Bank (SARB) lifted its benchmark repo rate by 25 basis points (bps) to 4% at its January 2022 meeting. This is the second straight hike due to increased inflation risks and despite the economy still recovering from the fourth wave of Covid-19 infections driven by the Omicron variant. Policymakers believe a gradual rise in the repo rate will be sufficient to keep inflation expectations well anchored and moderate the future path of interest rates. In December, headline inflation accelerated further to 5.9%, above market expectations of 5.7% and moved closer to the top of the SARB's target range of 3-6%. Headline Consumer Price Index (CPI) forecast has been revised slightly higher to 4.9% in 2022 (vs 4.3% in November) but lowered to 4.5% in 2023 (vs 4.6%). The central bank's model indicates gradual normalisation in the first quarter of 2022, and into 2023 and 2024.

Domestic Economy

The Nigerian stock market maintained its bullish momentum as it crossed the 46,000 mark, reaching levels not seen since the stock market crash in 2008. The All share index (ASI) further grew by 0.54% week-on-week to close at 46,205.05 points. Also, market capitalization gained N13.7 billion to settle, for the week, at N24.9 trillion. The decision to maintain the bench interest rate, Monetary Policy Rate (MPR), by the central bank might have boosted the positive sentiment witnessed in the market. This week, we expect that the market will remain in positive territory as investors continue to reposition their portfolios in anticipation for full year 2021 financial score cards from corporates.

Stock Market

Market was flush with liquidity as funds from various sources such as FG allocation to States on VAT distribution, Federation Account Allocation Committee (FAAC) disbursement, Open Market Operations (OMO) repayment of 110bn and bond maturity hit the system. This inflows forced short-dated placements such as Open Repo Rates (OPR) and Overnight (O/N) rates to plunge to 1% and 1.25% from 15% and 15.25% previous week. On the other hand, slightly longer dated instruments like the 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) moved in the opposite direction, trending higher. The 30-day and 90-day Nigeria Interbank Offered Rate (NIBOR) closed at 9.35% and 10.65% from 7.15% and 8.89% the prior week. We expect rates to rise this week following the bi-weekly retail

Secondary Market Intervention Sales (rSMIS) to hold this week.

Money Market

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Foreign Exchange Market

The central bank of Nigeria intervened in the market last week by providing funds for foreign portfolio investors, SMEs, Personal Travel Allowance (PTA)/ Business Travel Allowance (BTA), medicals and other invisible transactions. This led to a slight appreciation in the local currency at the Nigerian Autonomous Foreign Exchange fixing (NAFEX) window as the naira gained 3 kobo to close the day at 415.75/\$. This week, we expect rates to trade at such tight levels as the apex bank continues to intervene in the forex market.

Commodities

Oil price surged upwards as markets remained concerned over Russia-Ukraine tensions. Also, US President threatened to sanction Russia's president if the latter orders an invasion of Ukraine, prompting analysts to warn that a potential conflict could negatively impact oil production at a time when supply could not keep up with demand. Bonny light, Nigeria's benchmark crude increased by 4.54% to close the week at \$94.18/barrel from \$90.09/barrel posted in the prior week. In other news, price of precious metals fell, as the dollar and Treasury yields jumped following hawkish updates from the Federal Reserve. The US central bank indicated last week that it would likely hike interest rates in March and begin reducing its balance sheet soon after and investors are pricing in as many as five rate increases this year. Gold prices dipped 2.67% or \$48.93 to settle at \$1,784.41 per ounce from \$1,833.34.03 per ounce. Also, silver dropped by 8.04% or \$1.96 to \$22.43 per ounce. This week, OPEC+ is also expected to stick to their plan and ratify another modest production increase of 400,000 bpd further propping up oil prices. Mixed clues on the Russia-Ukraine story and the market's consolidation ahead of the Fed's preferred inflation gauge might help see bullions recover this week.

Monthly Macro Economic Forecast

Variables	Feb'22	Mar'22	Apr'22
Exchange Rate (NAFEX) (N/\$)	415	416	417
Inflation Rate (%)	15.04	14.97	14.64
Crude Oil Price (US\$/Barrel)	86	84	88

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