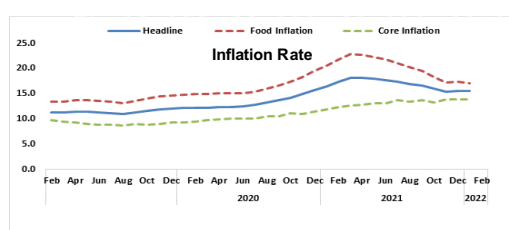
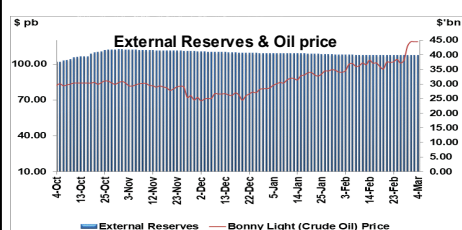
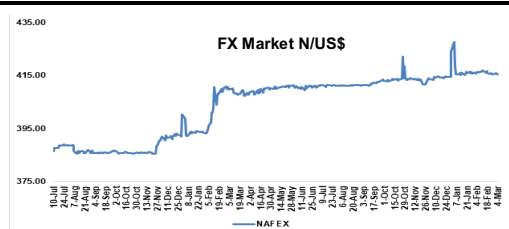
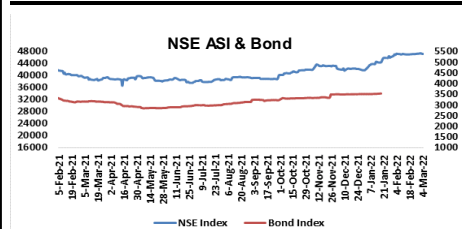


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.98	Q4 2021 — lower by 0.05% compared to 4.03% in Q3 2021
Broad Money Supply (N' trillion)	44.56	Rose by 1.7% in January' 2022 from N43.82 trillion in December' 2021
Credit to Private Sector (N' trillion)	35.45	Rose by 0.73% in January' 2022 from N35.19 trillion in December' 2021
Currency in Circulation (N' trillion)	3.29	Declined by 1.12% in January' 2022 from N3.33 trillion in December' 2021
Inflation rate (%) (y-o-y)	15.6	Decreased to 15.6% in January 2022 from 15.63% in December 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)	39.87	March 3, 2022 figure — a decrease of 0.28% from February start
Oil Price (US\$/Barrel) (Bonny Light)	118.75	March 2, 2022 figure— an increase of 16.56% from the prior week
Oil Production mbpd (OPEC)	1.4	January 2022, figure — an increase of 6.15% from November figure



## Market Analysis and Outlook: February 25 - March 4, 2022

### Global Economy

India's trade deficit expanded to \$21.2 billion in February 2022, from \$13.1 billion in the corresponding period last year, as revealed by the Ministry of Commerce and Industry, India. Imports surged 35% on year to \$55 billion and higher purchases of electronic goods (28.9%) and petroleum and crude products (66.6%). At the same time, exports rose by 22.4% to \$33.8 billion amid higher sales of petroleum products (+66.3%), engineering goods (+31.3%) and chemicals (+24.7%). Considering the April-February period of 2021-22, the trade deficit expanded to \$176 billion compared to \$89 billion a year ago. In a separate development, the Brazilian economy expanded by 1.6% year-on-year in Q4 2021, slowing from a 4% expansion in the previous three-month period according to the Brazilian Institute of Geography and Statistics. It is the fourth consecutive quarter of economic expansion, led by services (3.3%). Meanwhile, declines were seen in industry (-1.3%) and agriculture (-0.8%). On the expenditure side, fixed investment grew 3.4%, household consumption rose 2.1% and government spending went up 2.8%. Meanwhile, net trade contributed negatively to the GDP as exports (3.3%) rose less than imports (3.7%). Considering the full year of 2021, the GDP grew 4.6%, the most since 2010, recovering from a 3.9% pandemic-induced contraction.

### Foreign Exchange Market

The local currency gained ground against the dollar last week, as the CBN continued efforts to increase dollar supply to the forex market and foreign portfolio investors. The naira at the Nigerian Autonomous Foreign Exchange fixing (NAFEX) window gained 16 kobo to close the day at N415.30/\$. Rates are expected to trade within a tight band this week as the monetary authority sustains its intervention program.

### Commodities

Crude oil prices soared last week on fears of further supply disruptions from Russian sanctions over its invasion of Ukraine. The US took aim at Russia's oil refining sector with new export curbs and targeted Belarus with sweeping new export restrictions, but has so far stopped short of targeting Russia's oil and gas exports amid concerns over energy prices. Bonny light, Nigeria's benchmark crude jumped by 16.56% to close the week at \$118.75/barrel from \$101.88/barrel posted in the prior week. In other news, price of precious metals climbed up as investors remained on edge over the Russia-Ukraine conflict. Markets were rattled earlier in the day following reports of a Russian attack in Europe's largest nuclear power plant located in Ukraine. Gold prices rose by 3.43% or \$64.64 to settle at \$1,949.72 per ounce while silver rose by 5.44% or \$13 to close at \$25.21 per ounce. This week, oil prices might decline amid speculations of a deal with Iran that could allow it to increase crude exports. The OPEC+ alliance that includes Russia also stuck to a planned output increase of 400,000 barrels a day in April despite the market turmoil brought by the war in Ukraine. On the other hand, safe bullions might see a dip as investors balance geopolitical risks and adjust expectations on how fast the central banks will raise interest rates. The conflict between Russia and Ukraine added to inflationary risks and growth concerns, supporting gold, but higher interest rates raise the opportunity cost of holding the non-yielding bullion.

### Domestic Economy

In a recent guideline by the Central Bank of Nigeria titled "Operating Guidelines for RT200 Non-Oil Export Repatriation Rebate Scheme.", the CBN has said it will pay exporters N65 for every \$1 sold into the economy through the Investors & Exporters window. The RT200 programme is designed to help ease the inadequacy of forex supply and the constant pressure on the exchange rate, according to the CBN governor. The monetary authority believes that the RT200 will help the country raise \$200 billion in forex earnings from non-oil proceeds over the next 3-5 years. The FX programme is anchored on five key agendas which include: value-adding exports facility; non-oil commodities expansion facility; non-oil FX rebate scheme; dedicated non-oil export terminal and bi-annual non-oil export summit.

### Stock Market

Profit-taking in blue-chip stocks, particularly those in the financial services, consumer goods, and technology and communication sectors, caused the All Share Index (ASI) to fall last week by 0.13% to 47,268.61 points, down from 47,328.42 points the previous week. Similarly, the market capitalisation fell 0.13%, or N3.2 billion, to N25.48 trillion, down from N25.50 trillion the week before. This week, we expect investors to book profits on holdings that have risen strongly in recent weeks.

### Monthly Macro Economic Forecast

Variables	Mar'22	Apr'22	May'22
Exchange Rate (NAFEX) (N/\$)	415	416	417
Inflation Rate (%)	15.04	14.97	14.64
Crude Oil Price (US\$/Barrel)	95	92	94

## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	4/3/22	25/2/22	
NSE ASI	47,268.61	47,328.42	(0.13)
Market Cap(N'tr)	25.48	25.51	(0.13)
Volume (bn)	0.18	0.25	(29.21)
Value (N'bn)	2.12	2.75	(22.90)

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	4/3/22	25/2/22	
OBB	13.3300	14.7500	(142)
O/N	13.8300	15.0000	(117)
CALL	17.5000	15.5000	200
30 Days	9.6040	9.5983	1
90 Days	10.5573	10.5040	5

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	4/3/22	25/2/22	4/2/22
Official (N)	0.00	0.00	0.00
Inter-Bank (N)	415.30	415.46	416.24
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)
	4/3/22	25/2/22	
5-Year	0.00	0.00	0
7-Year	0.00	0.00	0
10-Year	0.00	0.00	0
15-Year	0.00	0.00	0
20-Year	0.00	0.00	0
25-Year	0.00	0.00	0
30-Year	0.00	0.00	0

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## COMMODITIES MARKET

Indicators	4/3/22	1-week Change (%)	YTD Change (%)
<b>Energy</b>			
Crude Oil (\$/bbl)	118.75	16.56	84.22
Natural Gas (\$/MMBtu)	4.83	8.54	24.81
<b>Agriculture</b>			
Cocoa (\$/MT)	2,558.00	(2.14)	32.13
Coffee (\$/lb.)	221.70	(7.10)	70.28
Cotton (\$/lb.)	119.06	1.27	53.63
Sugar (\$/lb.)	18.89	7.27	23.22
Wheat (\$/bu.)	1,209.00	40.62	178.89
<b>Metals</b>			
Gold (\$/t oz.)	1,949.72	3.43	47.98
Silver (\$/t oz.)	25.21	5.44	46.66
Copper (\$/lb.)	483.15	7.49	47.39

## NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	4/3/22	25/2/22	
1 Mnth	2.51	2.78	(27)
3 Mnths	3.26	3.34	(8)
6 Mnths	3.67	3.98	(30)
9 Mnths	3.96	4.38	(42)
12 Mnths	4.43	4.82	(40)

## ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	4/3/22	25/2/22	
Index	0.00	0.00	0.00
Mkt Cap Gross (N'tr)	0.00	0.00	0.00
Mkt Cap Net (N'tr)	0.00	0.00	0.00
YTD return (%)	0.00	0.00	0.00
YTD return (%) (US \$)	0.00	0.00	0.00

## TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	5,364.28	2.24	23-Feb-2022
182 Day	11,032.25	3.3	23-Feb-2022
364 Day	11,032.25	4.35	23-Feb-2022

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.

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