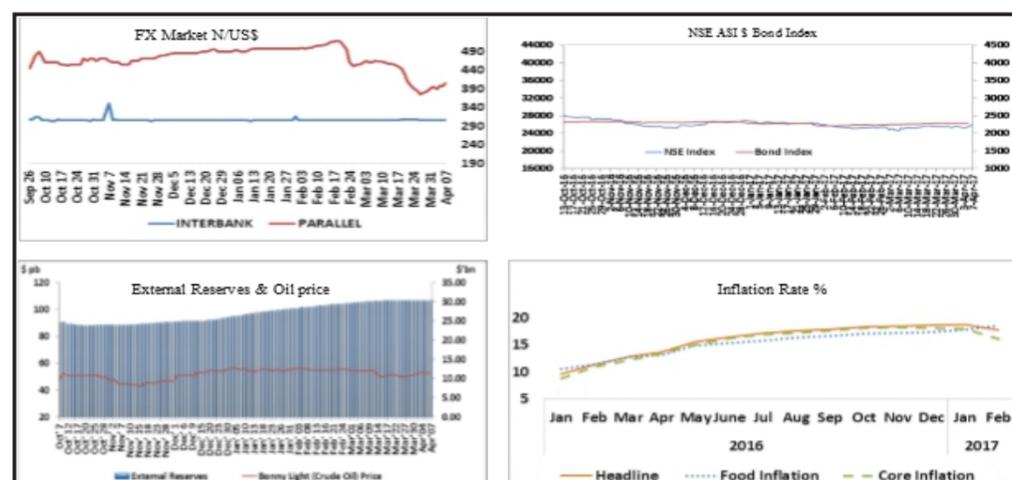


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	-1.30	Q4 2016 — an increase of 0.94% from -2.24 in Q3 2016
Broad Money Supply (M2) (N' trillion)	22.37	Decreased by 4.3% in Feb'2017 from N23.38 trillion in Jan'2017
Credit to Private Sector (N' trillion)	22.36	Increased by 0.09% in Feb'2017 from N22.34 trillion in Jan'2017
Currency in Circulation (N' trillion)	1.98	Decreased by 0.8% in Feb'2017 from N1.99 trillion in Jan'2017
Inflation rate (%) (y-o-y)	17.78	Declined to 17.78% in Feb'2017, from 18.72% in Jan'2017
Monetary Policy Rate (%)	14	Raised to 14% in July '2016 from 12%
Interest Rate (Corridor)	14 (+2/-5)	Lending rate changed to 16% & Deposit rate 9%
External Reserves (US\$ million)	30.33	April 05, 2017 figure — an increase of 0.07% from April-start
Oil Price (US\$/Barrel)	52.71	April 07, 2017 figure — an increase of 1.52% in 1 week.
Oil Production mbpd (OPEC)	1.61	Feb'2017 figure — an increase of 3.7% from Jan'2017 figure



STOCK MARKET

Indicators	Friday 7/4/17	Friday 31/3/17	Change(%)
NSE ASI	25,746.52	25,516.34	0.90
Market Cap(N'tr)	8.91	8.83	0.90
Volume (bn)	0.11	0.59	(81.82)
Value (N'bn)	0.91	94.26	(99.04)

MONEY MARKET

NIBOR			
Tenor	Friday Rate 7/4/17	Friday Rate 31/3/17	Change (Basis Point)
Call	15.0000	12.5417	246
7 Days	0.0000	0.0000	0
30 Days	16.3167	16.4549	(14)
60 Days	0.0000	0.0000	0
90 Days	20.0440	21.3882	(134)

FOREIGN EXCHANGE MARKET

Market	Friday (N/\$) 7/4/17	Friday (N/\$) 31/3/17	1 Month Rate (N/\$) 7/3/17
Official (N)	306.15	306.35	305.75
Inter-Bank (N)	306.15	306.35	305.75
BDC (N)	0.0	0.0	0.0
Parallel (N)	405.0	390.0	460.0

BOND MARKET

AVERAGE YIELDS			
Tenor	Friday 7/4/17 (%)	Friday 31/3/17 (%)	Change (Basis Point)
3-Year	0.00	0.00	0
5-Year	15.85	15.84	1
7-Year	15.81	15.80	1
10-Year	14.19	13.80	39
20-Year	15.73	15.79	(6)

DISCLAIMER

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Sources: CBN, Financial Market Dealers Association of Nigeria, NSE and Access Bank Economic Intelligence Group computation.

Market Analysis and Outlook: Apr 07 - Apr 14, 2017

Global Economy

In the United States, the goods and services deficit recorded in February was \$43.6 billion, recently released data by Bureau of Economic Analysis (BEA) showed. According to BEA, this was lower than \$48.2 billion deficit recorded in January. A breakdown showed exports increased by 0.2% to \$192.9 billion, boosted by rise in car shipments and industrial supplies. Exports of goods rose to \$128.5 billion from \$128.9 billion and exports of services climbed to \$64.4 billion. Exports rose to Canada, Japan, the European Union (EU) and Organization of Petroleum Exporting Countries (OPEC) but fell to Mexico, Brazil and China. Imports fell by 1.8% to \$236.4 billion. Imports of goods fell to \$193.4 billion from \$197.6 billion in January and import of services fell to \$43 billion from \$43.1 billion the previous month. Imports fell from China, OPEC, Brazil, Canada and the EU but rose to Mexico alone. Elsewhere in the Eurozone, the unemployment rate fell to 9.5% in February from 9.6% in January. According to European Union Statistics Agency (Eurostat), this is the lowest level recorded since May 2009. The number of unemployed persons dropped by 140,000 to 15.44 million in February. For the European Union (EU), the unemployment rate was 8% in February, slightly lower when compared to 8.1% in January and 8.9% the previous year. Among EU member states, the lowest unemployment rates were reported in Greece and Spain. In a separate development, Brazil recorded a trade surplus of \$7.14 billion in March 2017. This was 61.1% higher than \$4.44 billion surplus recorded a year earlier, Brazil government data revealed. Exports rose by 25.6% year-on-year to \$20.08 billion, driven by sales in crude oil and iron ore amongst others. Imports also increased by 11.9% to \$12.94 billion, mainly driven by purchases of fuels, intermediate and consumer goods. In the first quarter of 2017, exports rose by 20.4% to \$50.5 billion and imports also increased by 8.4% to \$36 billion. Resulting in a trade surplus of \$14.4 billion in the first quarter.

Local Economy

The International Monetary Fund (IMF) in its latest article IV report on Nigeria said that the country's budget deficit will probably be larger in 2017 than the Federal Government's estimates due to the fact that revenue from taxes and state companies will be lower than forecast. The Fund stated that the FGN's budget deficit may reach 3.7% of gross domestic product (GDP) this year, higher than its projected gap of 2.8%. It also added that the larger deficit may be financed domestically, further raising yields and crowding out private-sector credit. In another development, the Manufacturing Purchasing Managers' Index (PMI) declined at a slower rate to 47.7 index points in March 2017 when compared to 44.6 index points reported in February. This indicates a decline in the manufacturing sector for the third consecutive month. This was shown in the latest PMI report by the Central Bank of Nigeria. A composite PMI above 50 points indicates that the manufacturing sector is generally expanding, while a reading below 50 points indicates a contraction. Thirteen sub-sectors out of sixteen sub-sectors declined in February. Only appliances & components; food, beverage & tobacco products as well as textile, apparel, leather & footwear sub-sectors reported expansion in March.

Stock Market

The local bourse closed on a positive note last week as the major market indicators trended upwards. The All Share Index (ASI) gained 230.18 points to close at 25,746.52 points from 25,516.34 points the previous week, representing 0.9% increase. Similarly, market

capitalization gained 0.9% to close at N8.91 trillion from N8.83 trillion the previous week. The positive performance may be attributed to gains from stocks in the consumer goods sector and financial services sector. This week, we envisage the upward momentum in the market would be sustained, buoyed by positive investor sentiment following the impressive Q4'16 and full year results released by highly capitalized companies.

Money Market

The direction of money market rates was mixed for the third consecutive week. Short tenor placements such as Open Buy Back (OBB) and Over Night (O/N) rates climbed to 14.67% and 15.25% from 10.50% and 11.5% the previous week. Market liquidity was drained as a result of combined outflow from Secondary Market Intervention Sales (SMIS) and Open Market Operation (OMO) auction during the week. Longer tenured rates such as the 30-day and 90-day NIBOR fell to 16.31% and 20.04% from 16.45% and 21.39% respectively the previous week. This week, market liquidity may be boosted as a result of maturing treasury bills of N80 billion.

Foreign Exchange Market

The naira appreciated by 0.07% at the interbank segment last week to a new rate of N306.15/\$ from N306.35/\$ the previous week. In contrast, at the parallel market segment, the local unit depreciated to a rate of N405/\$, from the previous week's rate of N390/\$. The depreciation at the unofficial window occurred despite CBN sale of \$250 million in forwards and an undisclosed amount in spot transactions during the week. This week, naira is likely to remain stable at the interbank segment as the CBN tries to further improve dollar liquidity in the market.

Bond Market

Bond yields on the average fell across most maturities for the third consecutive week. The decline came as a result of more buying than selling activity in the market. Yields on the five-, ten- and twenty-year debt papers respectively closed at 15.85%, 15.81% and 15.73% from 15.84%, 15.80% and 15.79% for the corresponding maturities the previous week. The Access Bank Bond index rose by 4.90 points to close at 2,282.82 points from 2,277.91 points the prior week. This week yields are expected to continue on the southward trajectory due to liquidity boost from expected maturing bonds.

Commodities Market

Oil prices ticked higher last week after a US military's missile attack on a Syrian government airbase raised worries about a spreading conflict that could disrupt crude shipments. Bonny light, Nigeria's benchmark crude gained 79cents, or 1.5%, to settle at \$52.71 a barrel. In a similar vein, precious metal prices rose largely spurred by safe-haven buying following developments in Syria. As a result, gold climbed by 1.3% to \$1,262.96 per ounce, while silver rose 1.0% to \$18.37 per ounce. This week we see geopolitical uncertainties continuing to dictate the direction of oil prices. Precious metals prices will likely remain elevated, taking a cue from upcoming French elections and ongoing conflict in the Middle East.

MONTHLY MACRO ECONOMIC FORECASTS

Variables	Apr'17	May'17	Jun'17
Exchange Rate (Official) (N/\$)	305	305	305
Inflation Rate (%)	17.2	16.6	15.5
Crude Oil Price (US\$/Barrel)	50	50	50