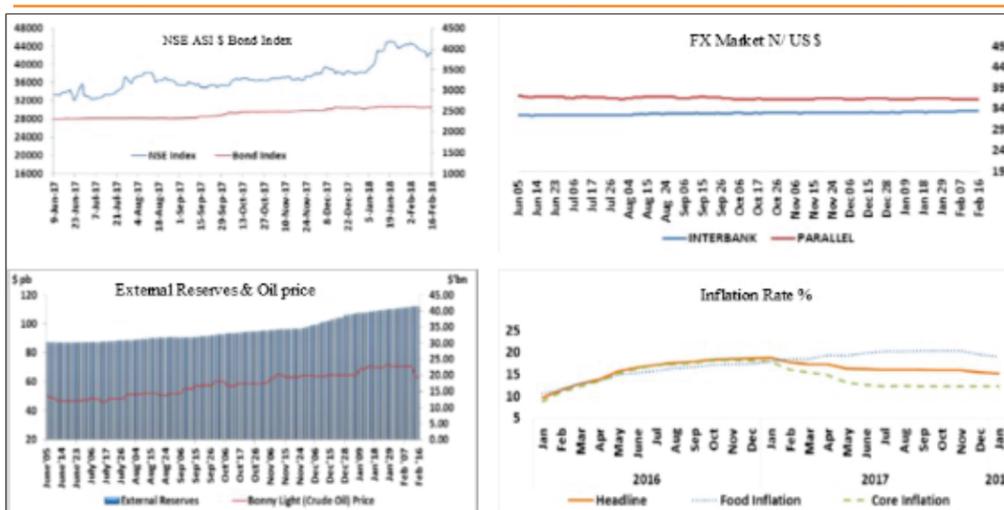


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	1.40	Q3 2017 — higher by 0.68% compared to 0.72% in Q2 2017
Broad Money Supply (M2) (N' trillion)	24.00	Increased by 7.04% in Dec' 2017 from N22.31 trillion in Nov 2017
Credit to Private Sector (N' trillion)	22.29	Increased by 1.50% in Dec' 2017 from N21.96 trillion in Nov 2017
Currency in Circulation (N' trillion)	2.15	Increased by 13.15% in Dec' 2017 from N1.90 trillion in Nov 2017
Inflation rate (%) (y-o-y)	15.13	Declined to 15.13% in Jan'2018 from 15.37% in Dec'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)	41.54	February 14, 2018 figure — an increase of 1.91% from Feb start
Oil Price (US\$/Barrel)	62.97	February 16, 2018 figure - a decrease of 10.6% in one week
Oil Production mbpd (OPEC)	1.82	Jan' 2018 figure — a decrease of 0.55% from Dec'2017 figure



STOCK MARKET

Indicators	Friday 16/02/18	Friday 9/02/18	Change(%)
NSE ASI	42,638.83	43,127.92	(1.13)
Market Cap(N'tr)	15.30	15.48	(1.13)
Volume (bn)	0.82	0.55	47.70
Value (N'bn)	8.06	4.49	79.42

MONEY MARKET

NIBOR			
Tenor	Friday Rate (%)	Friday Rate (%)	Change (Basis Point)
	16/02/18	9/02/18	
OBB	18.1700	43.3300	(2516)
O/N	19.5000	45.5000	(2600)
CALL	8.1000	46.1667	(3807)
30 Days	14.7120	15.1270	(42)
90 Days	15.0536	15.5093	(46)

FOREIGN EXCHANGE MARKET

Market	Friday (N/\$)	Friday (N/\$)	1 Month Rate (N/\$)
	16/02/18	9/02/18	16/01/18
Official (N)	305.95	305.85	305.75
Inter-Bank (N)	334.71	333.87	331.78
BDC (N)	360.50	360.50	360.50
Parallel (N)	363.00	363.00	364.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Friday (%)	Friday (%)	Change (Basis Point)
	16/02/18	9/02/18	
3-Year	0.00	0.00	0
5-Year	13.77	13.87	(9)
7-Year	14.00	14.16	(16)
10-Year	13.70	13.82	(13)
20-Year	13.45	13.69	(23)

Disclaimer

This report is based on information obtained from various sources believed to be reliable and no representation is made that it is accurate or complete. Reasonable care has been taken in preparing this document. Access Bank Plc shall not take responsibility or liability for errors or fact or for any opinion expressed herein. This document is for information purposes and private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior express consent of Access Bank Plc.

Market Analysis and Outlook: February 16 - February 23, 2018

Global Economy

In the U.S, consumer prices increased 2.1% year-on-year in January 2018, unchanged from its December figures. Index for all items less food and energy increased to 1.8%, while energy index rose 5.5% and food index climbed 1.7% year-on-year. Month-on-month the inflation rate advanced to 0.5% from 0.2% seen the previous month, data from the Bureau of Labour Statistics revealed. In a separate development, the Eurozone's gross domestic product (GDP) expanded by 0.6% in Q4 2017. According to the Statistical Office of the European Communities (EUROSTAT), the GDP grew at a slower pace in Germany, Italy, Spain, Austria and Latvia, dropping by an average of 11 basis point across the countries. While growth picked up in France, the Netherlands, Finland, Belgium, Portugal, Slovakia, Lithuania and Cyprus, increasing by an average of 35 basis point. Year-on-year, the Eurozone economy grew by 2.7% and GDP growth for full year 2017 was confirmed at 2.5%, higher than 1.8% recorded in 2016. This is the strongest pace of expansion in a decade. Elsewhere in Japan, the economy grew at a much slower pace of 0.1% quarter-on-quarter in Q4 2017 compared to 0.6% expansion in the previous quarter. This was due to negative contribution from net exports resulting from a surge in imports in Q4. Major contributors to GDP growth were household consumption and capital expenditure. Year-on-year, GDP expanded 0.5%, below the 2.2% expansion in Q3 2017.

Local Economy

The Consumer Price Index (CPI) which measures inflation rose by 15.13% year-on-year in the month of January 2018, which is 0.24% points lower than the 15.37% recorded in December 2017. This represents the twelfth consecutive month of decline in the rate of inflation since January 2017. The food index increased by 18.92% (year-on-year) in January, slightly lower than 19.42% recorded in December, thus indicating declining pressure in the prices of food items. The core sub-index, which excludes prices of farm produce remained unchanged from last month figure at 12.10% year-on-year in January. During the month, the highest increases were seen in the prices of bread & cereals, vegetables, meat, potatoes, yams, & other tubers, coffee, tea & cocoa, milk, cheese & egg, oil & fats, and fish. Others are garments, clothing materials and other articles of clothing, non-durable household goods, hairdressing salons and personal grooming establishments, accommodation services, maintenance and repair of personal transport equipment, vehicle spare parts, and fuel and lubricants for personal transport equipment. In a separate development, the Central Bank of Nigeria (CBN) in a recent publication, abolished the charging of commission by authorised dealers on retail foreign exchange transactions (invisible transactions such as Business Travel Allowance (BTA), Personal Travel Allowance (PTA), Medical and School Fees.

Stock Market

The local bourse closed on a negative note for the second consecutive week ended February 16, 2018. Major performance indicators closed in the red when compared to the previous week as panic selling held sway. The All Share Index (ASI) shed 1.1% or 489.09 points to close at 42,638.83 points from 43,127.92 points the previous week. Similarly, market capitalization fell by 1.1% to close at N15.30 trillion from N15.47 trillion the previous week. Market indicators closed in the red on stocks in the banking and consumer

goods sectors. This week, we envisage positioning for dividend paying stocks ahead of earnings declaration season.

Money Market

Market rates moderated last week as liquidity was boosted through Retail Secondary Market Intervention Sales (SMIS) refund of over N150 billion and Open Market Operations (OMO) maturity of N68 billion. Short-dated placements such as Open Buy Back (OBB) and Over Night (O/N) rates declined to 18.17% and 19.5% from 43.33% and 45.5% respectively the previous week. Longer dated placements did likewise as the 30-day and 90-day NIBOR closed lower at 14.71% and 15.05% from 15.13% and 15.51% the prior week. This week, liquidity is expected to tighten as a result of another Retail Secondary Market Intervention Sales (SMIS).

Foreign Exchange Market

Last week, the naira exchange rate to the dollar remained stable at the parallel market at N363/\$. In contrast, at interbank window and the official market, the naira depreciated slightly by 0.25% and 0.03% to close at N334.71/\$ and N305.95/\$ from N333.87/\$ and N305.85/\$, despite the apex bank's foreign currency liquidity injection during the week. This week, the naira is expected to remain around current levels due to the apex bank's continuous market intervention.

Bond Market

Average bond yields trended lower in the week ended February 16, 2018. This resulted from a rally witnessed on local bonds due to the significant oversubscription on the Eurobond auction during the week. Yields on the five-, seven-, ten- and twenty-year debt papers settled lower at 13.77%, 14%, 13.70% and 13.45% from 13.87%, 14.16%, 13.82% and 13.69% respectively the previous week. The Access Bank Bond index rose by 18.59 points to close at 2,602.54 points from 2,583.96 points the previous week. The bond auction expected to hold this week will determine the trend of the market as a new ten-year bond is to be unveiled as well as the reopening of the year 2021 bond.

Commodities Market

Oil prices were dragged down for the third consecutive week due to concerns of oversupply from U.S. shale production. Data released by the Energy Information Administration (EIA) revealed that the U.S. had oil inventory build-up of 3.6 million barrels last week. Bonny light, Nigeria's benchmark crude declined to \$62.97 per barrel from \$70.44 per barrel the previous week. The prices of precious metals were driven by a weak dollar as well as investors looking to hedge against inflation. Gold price advanced 3.1% to \$1,355.84 an ounce from \$1,314.48 an ounce the previous week. Silver followed, rising by 2.7% to \$16.82 from \$16.38 an ounce the previous week. This week, oil prices may pick up as Saudi Arabia has revealed plans to cut additional 100,000 bpd of its oil production next month as well as keep its exports below 7 million bpd in a bid to help clear the global oversupply. For precious metals, a weaker dollar may continue to support prices.

MONTHLY MACRO ECONOMIC FORECASTS

Variables	Feb'18	Mar'18	Apr'18
Exchange Rate (Official) (N/\$)	331.33	331.12	332.93
Inflation Rate (%)	15.10	15.05	15.00
Crude Oil Price (US\$/Barrel)	67	68	69