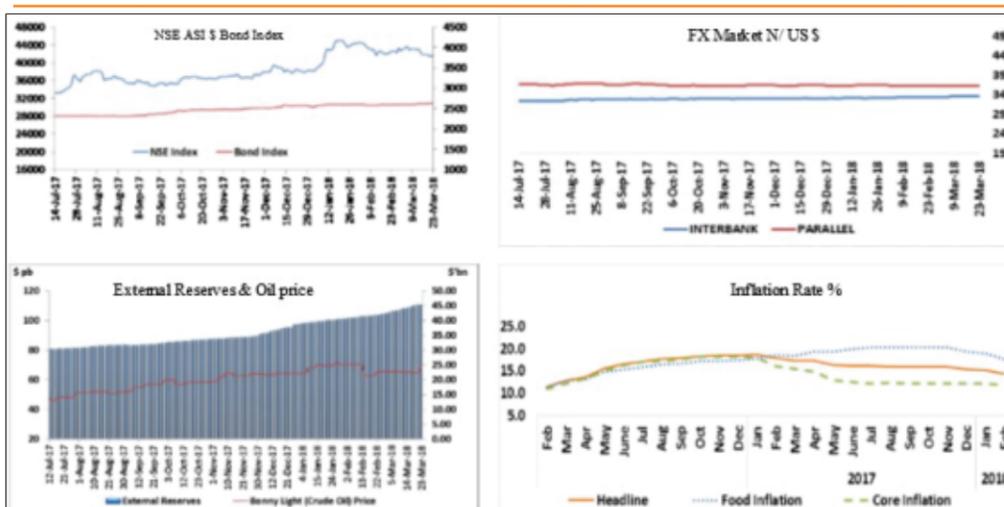


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	1.92	Q4 2017 — higher by 0.52% compared to 1.40% in Q3 2017
Broad Money Supply (M2) (N' trillion)	24.02	Increased by 0.79% in Feb' 2018 from N23.83 trillion in Jan 2018
Credit to Private Sector (N' trillion)	22.62	Increased by 2.88% in Feb' 2018 from N21.99 trillion in Jan 2018
Currency in Circulation (N' trillion)	1.94	Decreased by 0.42% in Feb' 2018 from N1.95 trillion in Jan 2018
Inflation rate (%) (y-o-y)	14.33	Declined to 14.33% in Feb' 2018 from 15.13% in Jan'2018
Monetary Policy Rate (%)	14	Raised to 14% in July '2016 from 12%
Interest Rate (Asymmetrical Corridor)	14 (+2/-5)	Lending rate changed to 16% & Deposit rate 9%
External Reserves (US\$ million)	45.36	March 21, 2018 figure — an increase of 6.40% from Feb start
Oil Price (US\$/Barrel)	69.1	March 23, 2018 figure - an increase of 5.03% from a prior week
Oil Production mbpd (OPEC)	1.81	Feb' 2018 figure — an increase of 1.40% from Jan'2018 figure



STOCK MARKET

Indicators	Friday 23/03/18	Friday 16/03/18	Change(%)
NSE ASI	41,472.10	41,935.90	(1.11)
Market Cap(N'tr)	14.98	15.00	(0.14)
Volume (bn)	0.56	0.43	31.26
Value (N'bn)	6.76	7.10	(4.77)

MONEY MARKET

NIBOR			
Tenor	Friday Rate (%)	Friday Rate (%)	Change (Basis Point)
	23/03/18	16/03/18	
OBB	14.0000	11.8300	217
O/N	15.0800	12.9200	216
CALL	8.6250	8.3125	31
30 Days	14.1722	15.2319	(106)
90 Days	15.4922	16.6040	(111)

FOREIGN EXCHANGE MARKET

Market	Friday (N/\$)	Friday (N/\$)	1 Month Rate (N/\$)
	23/03/18	16/03/18	23/02/18
Official (N)	305.70	305.75	305.95
Inter-Bank (N)	336.40	335.81	334.81
BDC (N)	360.00	360.00	360.87
Parallel (N)	362.00	363.00	362.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Friday (%)	Friday (%)	Change (Basis Point)
	23/03/18	16/03/18	
3-Year	0.00	0.00	0
5-Year	13.61	13.40	21
7-Year	13.59	13.69	(10)
10-Year	13.56	13.54	2
20-Year	13.49	13.46	4

Disclaimer

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Market Analysis and Outlook: March 23 - March 30, 2018

Global Economy

The Federal Reserve raised the target range for the federal funds rate by 25 basis points (bps) to 1.5% to 1.75% during its March meeting. According to the Federal Open Market Committee (FOMC), the labour market has continued to strengthen and economic activity has been increasing at a moderate rate. Unemployment has stayed low as jobs have risen. The Committee also opines that further gradual adjustments in the monetary policy stance would drive the economy to expand at a moderate pace in the medium term. The Fed also raised its growth forecast for 2018 and 2019 to 2.7% and 2.4% from 2.5% and 2.1% respectively. Elsewhere in the United Kingdom, the Bank of England (BoE) kept its Bank rate at 0.5% during its March meeting. The Bank reiterated that tightening of the monetary policy over the forecast period (2018 - 2020) would be needed to return inflation sustainably to its target (2%). The Bank observed that inflation fell to a seven-month low of 2.7% in February, however, steady increase in wage growth to 2.8% in January meant that inflationary pressures were building. In another development, Japan's trade surplus narrowed by 99.6% in February to JPY 3 billion from JPY 805 billion a year earlier. Imports climbed by 16.5% to JPY 6.460 trillion in February from the previous month. Exports however, rose at a slower pace by 1.8% to JPY 6.463 from a month earlier. Exports rose to the European Union, the U.S. and South Korea but fell to China and Taiwan.

Local Economy

The Central Bank of Nigeria (CBN) introduced the Non-Oil Export Stimulation Facility (NESF) to engender growth in the non-oil sector of the economy and foreign reserve accretion. The objectives of the facility are to improve access of exporters to concessionary finance to expand and diversify the non-oil export baskets, attract new investments, shore up non-oil export sector productivity, support non-oil export-oriented companies and broaden the scope of export financing instruments. The participating financial institutions are Deposit Money Banks (DMBs) and Development Finance Institutions (DFIs). The CBN in its recent circular FPR/DIR/GEN/CIR/06/032 informed all participating financial institutions that implementation of the NESF has commenced.

Stock Market

Trading activities at the Nigerian Stock Exchange (NSE) closed on a bearish note for the second consecutive week despite the release of impressive earnings and dividend pay-outs by quoted companies. The All Share Index (ASI) extended losses by 1.1% or 463.80 points to close at 41,472.10 points from 41,935.90 points the previous week. Similarly, market capitalization fell by 0.1% to close at N14.98 trillion from N15 trillion the previous week. The market was dragged down by stocks in the consumer goods and industrial sectors. This week some bargain hunting may be witnessed as investors take position on low priced stocks.

Money Market

The direction of money market rates trended upwards in the week ended March 23, 2018 due to CBN mop up through Open Market

Operation (OMO) auction. Short-dated placements such as Open Buy Back (OBB) and Over Night (O/N) rates climbed to 14% and 15.08% from 11.83% and 12.92% respectively the previous week. Longer dated placements however, trended downwards. The 30-day and 90-day NIBOR closed lower at 14.17% and 15.49% from 15.23% and 16.60% the prior week. This week, rates may trend lower due to expected Federal Accounts Allocation Committee (FAAC) and retail Secondary Market Intervention Sales refund (SMIS).

Foreign Exchange Market

The naira depreciated at the interbank window by 59kobo to close at N336.40/\$ from N335.81/\$ the previous week. The local currency however appreciated slightly at the official market to N305.70/\$ from N305.75/\$ the previous week. At the parallel market, the local currency appreciated marginally to N362/\$, from N363/\$ the previous week. The relative stability reflects the Central Bank of Nigeria's (CBN) continuous effort of providing foreign currency to market participants. This week, we envisage the naira remaining around current levels, sustained by the Central Bank of Nigeria (CBN).

Bond Market

The direction of bond yields was mixed due to the bond auction that took place during the week. Bond yields on short dated placements declined while those on longer dated placements rose. Yields on the five-, seven-, ten- and twenty-year debt papers settled at 13.61%, 13.59%, 13.56% and 13.49% from 13.40%, 13.69%, 13.54% and 13.46% respectively the previous week. The Access Bank Bond index increased marginally by 1.65 points or 0.06% to close at 2,622.76 points from 2,621.11 points the previous week. This week, the expected retail SMIS refund might provide liquidity in the system thus causing yields to drop.

Commodities Market

Oil prices gained for the second consecutive week supported by tensions in the Middle East as well as global demand. The Organization of Petroleum Exporting Countries (OPEC) reference crude rose by 6.35% to \$66.19 per barrel from \$62.24 per barrel the previous week. Nigeria's benchmark crude, Bonny light, rose to \$69.1 per barrel from \$65.79 per barrel the previous week. The prices of precious metals trended upwards for the second consecutive week after U.S. President Donald Trump signed a presidential memorandum that could impose tariffs on up to \$60 billion of imports from China after a 30-day consultation period. Gold price climbed by 1.6% to \$1,342.04 an ounce from \$1,320.61 an ounce the previous week. Silver also rose by 0.2% to \$16.53 from \$16.49 an ounce the previous week. Concerns on increasing global supply continues to limit gains on oil price. The possibility of a trade war would continue to support precious metals prices.

MONTHLY MACRO ECONOMIC FORECASTS

Variables	Mar'18	Apr'18	May'18
Exchange Rate (Official) (N/\$)	335.85	336.02	337.50
Inflation Rate (%)	14.14	13.96	13.74
Crude Oil Price (US\$/Barrel)	65	67	68