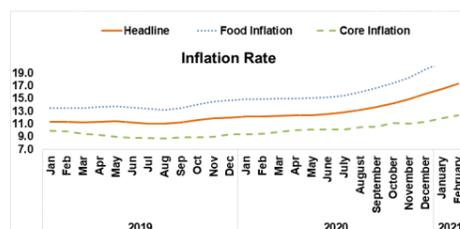
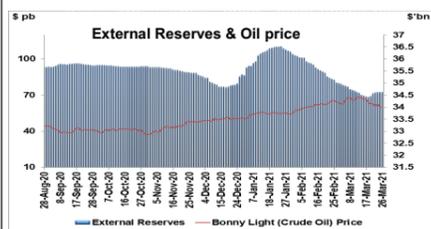
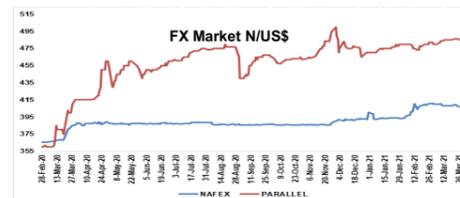
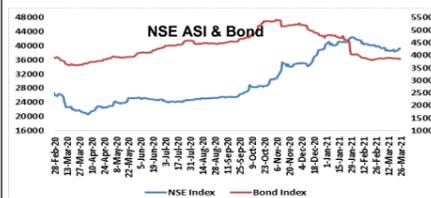


KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	0.11	Q4 2020 — higher by 3.73% compared to -3.62% in Q3 2020
Broad Money Supply (N' trillion)	39.34	Decreased by 0.6% in January' 2021 from N39.57 trillion in December' 2020
Credit to Private Sector (N' trillion)	30.55	Increased by 1.4% in January' 2021 from N30.15 trillion in December' 2020
Currency in Circulation (N' trillion)	2.83	Decreased by 2.7% in January' 2021 from N2.91 trillion in December' 2020
Inflation rate (%) (y-o-y)	17.33	Increased to 17.33% in February 2021 from 16.47% in January 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)	34.62	March 24, 2021 figure — a decrease of 1.07% from March start
Oil Price (US\$/Barrel)	61.39	March 25, 2021 figure— a decrease of 8.84% from the prior week
Oil Production mbpd (OPEC)	1.49	February 2021, figure — a decrease of 12.04% from January 2021 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	26/3/21	19/3/21	
NSE ASI	39,216.20	38,382.39	2.17
Market Cap(N'tr)	20.52	20.08	2.17
Volume (bn)	0.25	0.29	(13.66)
Value (N'bn)	2.79	4.02	(30.56)

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	26/3/21	19/3/21	
OBB	10.50	25.00	(1450.0)
O/N	10.75	25.50	(1475)
CALL	13.25	20.75	(750.0)
30 Days	4.22	3.10	112
90 Days	5.83	4.84	99.0

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	26/3/21	19/3/21	26/2/21
Official (N)	379.00	379.00	379.00
Inter-Bank (N)	407.15	408.04	410.48
BDC (N)	0.00	0.00	0.00
Parallel (N)	485.00	485.00	482.00

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	26/3/21	19/3/21	
5-Year	3.20	3.42	(21.9)
7-Year	8.80	7.50	130.5
10-Year	8.14	8.06	8.2
15-Year	11.50	11.07	43.1
20-Year	10.98	10.83	15.4
25-Year	11.84	11.20	64.2
30-Year	11.67	11.22	45

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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: March 26 – April 2, 2021

Global Economy

The US economy advanced by an annualized 4.3% in Q4 Last week, average interbank lending rates declined as 2020, higher than 4.1% in the second estimate according systemic liquidity was boosted by Open Market Operations (OMO) maturity of N43 billion. Short-dated placements such as the Open Buy Back (OBB) and Over Night (O/N) rates tapered to 10.5% and 10.75% from 25% and 25.5% the previous week. The slightly longer dated instruments such as 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) settled at 4.22% and 4.84% from 3.1% and 4.84% the prior week. This week, 2020, the GDP contracted 3.5%, the most since 1946 and short-dated placements such as OBB and ON are following a 2.2% growth in 2019. Elsewhere, Brazil's expected to remain firmly in the double digits territory as current account deficit shrank to \$2.3 billion in February 2021 from \$4.7 billion in the same month of the previous Intervention Sales (rSMIS) which will wipe out liquidity year. The services deficit decreased to \$1.4 billion, from \$2.3 billion a year earlier, while the goods surplus narrowed to \$0.4 billion from \$1.8 billion in January 2020, due to a

Foreign Exchange Market

The local unit was majorly stable against the greenback across most market segments last week. The parallel market and CBN official window were unchanged at N485/US\$ and N379/US\$ from preceding week figures. However, the Nigerian Autonomous Foreign Exchange (NAFEX) rate gained 89 kobo to close at N407.15/US\$ from N408.04/US\$. We expect the naira to continue to

Domestic Economy

At the end of its second meeting for 2021, the Monetary Policy Committee of the Central Bank of Nigeria (CBN) left window given expected CBN interventions in the forex all rates unchanged. The Monetary Policy Rate (MPR) was retained at 11.5% with the asymmetric corridor of +100/-

Bond Market

Similarly, the cash reserve requirement was maintained at 27.5% and liquidity ratio was also kept at 30%. According to the CBN governor, market witnessed increased participation especially from local players across the curve. Winners from the auction sought to exit their positions, while unsuccessful participants bought at levels of 10 basis points lower than where the auction closed. Yields on the 7-, 10-, 15-, 20-, 25-, and 30-year debt papers finished at 8.8%, 8.14%, 11.5%, 10.98%, 11.84%, and 11.67% from 7.5%, 8.06%, 11.07%, 10.83%, 11.20% and 11.22%, respectively. The Access Bank Government Bond index declined by 36.08 points to settle at 3,838.83 points last week. This week, we expect some cherry picking across the curve given the coupon payments (inflow of funds) on the 2035 and 2050

Commodities

The price of crude oil slumped, dragged down by renewed concerns about global fuel demand on the back of vaccine delays in some countries as well as fresh COVID-19 lockdowns in Europe. Bonny light, Nigeria's benchmark crude plunged 8.84% to close at \$61.39 per barrel. Precious metal prices dipped as a stronger dollar and a renewed rise in US Treasury yields hammered bullion's appeal. The dollar index emerged as the sole preferred safe-haven on expectations of a huge US economic rebound while the outlook in Europe remains more vulnerable due to rising Covid-19 cases. Consequently, gold prices declined by 0.66% or \$5.72 to finish at \$1,730.52 per ounce from \$1,736.24 per ounce. Silver settled at \$25.20 per ounce, a 3.34% drop from previous week. This week, oil prices might recover on fears of a supply squeeze if the Suez Canal remains blocked by a container ship. Safe haven assets might remain pressured by a stronger greenback and rising yields.

Stock Market

The Nigerian Stock market rebounded after almost two months of a bearish run. The stock market gains were driven by price appreciation in large and medium capitalised stocks. Attractive dividend and bonus declarations by some quoted companies contributed to the growth. Consequently, the All-Share Index (ASI) and market capitalization closed at 39,216.20 points and N20.52 trillion from 38,382.39 points and N20.08 trillion, respectively the preceding week. This week, we expect that the market might return to negative territory due to attractive alternative investments such as treasury bills.

Monthly Macro Economic Forecast

Variables	Apr'21	May'21	Jun'21
Exchange Rate (NAFEX) (N/\$)	408	408	410
Inflation Rate (%)	18.29	18.9	19.5
Crude Oil Price (US\$/Barrel)	66	67	69

Money Market

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