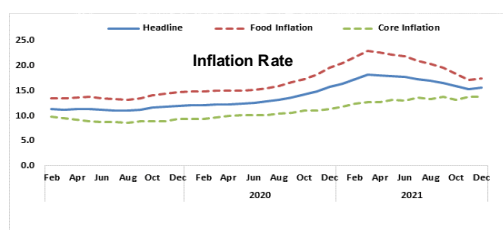
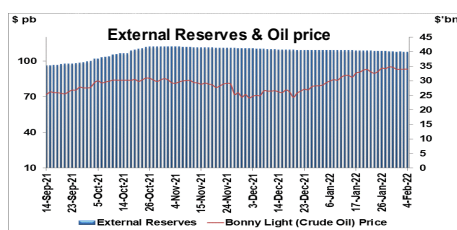
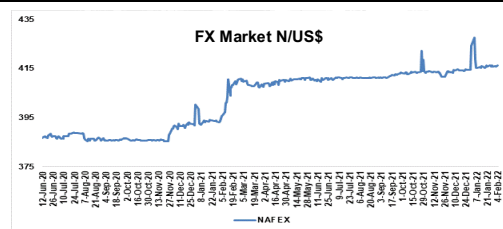
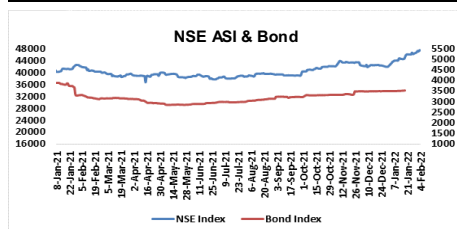


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

| Indicators | Current Figures | Comments |
|--|-----------------|--|
| GDP Growth (%) | 4.03 | Q3 2021 — lower by 0.98% compared to 5.01% in Q2 2021 |
| Broad Money Supply (N' trillion) | 43.95 | Rose by 3.15% in December' 2021 from N42.60 trillion in November' 2021 |
| Credit to Private Sector (N' trillion) | 35.73 | Rose by 0.98% in December' 2021 from N35.38 trillion in November' 2021 |
| Currency in Circulation (N' trillion) | 3.33 | Rose by 5.61% in December' 2021 from N3.15 trillion in November' 2021 |
| Inflation rate (%) (y-o-y) | 15.63 | Increased to 15.63% in December 2021 from 15.4% in November 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) | 39.98 | February 3, 2022 figure — a decrease of 1.33% from January start |
| Oil Price (US\$/Barrel) (Bonny Light) | 93.32 | February 1, 2022 figure — a decrease of 0.91% from the prior week |
| Oil Production mbpd (OPEC) | 1.34 | December 2021, figure — a decrease of 3.11% from November figure |



STOCK MARKET

| Indicators | Last Week | 2 Weeks Ago | Change (%) |
|------------------|-----------|-------------|------------|
| | 4/2/22 | 28/1/22 | |
| NSE ASI | 47,279.92 | 46,205.05 | 2.33 |
| Market Cap(N'tr) | 25.48 | 24.90 | 2.33 |
| Volume (bn) | 0.23 | 0.31 | (28.00) |
| Value (N'bn) | 2.39 | 5.03 | (52.61) |

MONEY MARKET

| NIBOR | | | |
|---------|--------------------|----------------------|----------------------|
| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
| | 4/2/22 | 28/1/22 | |
| OBB | 13.0000 | 1.0000 | 1200 |
| O/N | 13.2500 | 1.2500 | 1200 |
| CALL | 23.0000 | 8.5000 | 1450 |
| 30 Days | 9.5983 | 9.3541 | 24 |
| 90 Days | 10.9273 | 10.6540 | 27 |

FOREIGN EXCHANGE MARKET

| Market | Last Week Rate (N/\$) | 2 Weeks Ago Rate (N/\$) | 1 Month Ago Rate (N/\$) |
|----------------|-----------------------|-------------------------|-------------------------|
| | 4/2/22 | 28/1/22 | 4/1/22 |
| Official (N) | 0.00 | 0.00 | 0.00 |
| Inter-Bank (N) | 416.24 | 415.75 | 415.28 |
| 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) |
| | 4/2/22 | 28/1/22 | |
| 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 |

Disclaimer
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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: January 28, —February 4, 2022

Global Economy

In the UK, the Monetary Policy Committee of the Bank of England raised its key bank rate by 25 basis points (bps) to 0.5% during its February 2022 meeting. It is the first back-to-back increase since 2004, pushing borrowing costs to the highest level in 2 years although some policymakers voted for an even bigger 50bps rate hike. The Committee also voted to begin to reduce the stock of UK government bond purchases, financed by the issuance of central bank reserves, by ceasing to reinvest maturing assets. The central bank expects inflation to increase further in coming months, to close to 6% in February and March, before peaking at around 7.25% in April but to fall back to a little above the 2% target in two years' time. Policymakers also signalled further tightening would be appropriate in coming months if the economy develops broadly in line with current projections. Elsewhere, the Central Bank of Brazil unanimously decided to raise the Selic rate by 150 basis points to 10.75% last week. It was the eighth consecutive interest rate hike since it has started tightening, while the policymakers see another interest rate increase but by a lower amount at the next meeting. The committee kept mentioning that accordingly to the balance of risk it is appropriate for the tightening cycle to advance significantly into the restrictive scenario, in order to consolidate a disinflation process and anchor the expectations.

Domestic Economy

According to the circular by the Director, Financial Policy and Regulation Department, titled "Re: Guide To Charges By Banks, Other Financial And Non-bank Financial Institutions", the Central Bank of Nigeria (CBN) has reduced Automated Teller Machines (ATM) withdrawal charges, inter-bank transfer fees as it issues a downward review of charges for electronic banking transactions in its revised guidelines to charges by Banks, Other Financial Institutions (OFIs) and Non-Bank Financial Institutions. The CBN stated that the review was in response to "further evolution in the financial industry in the last few years." The new guide, according to the top bank, included a review of other bank charges in order to comply with market changes. There were some changes like withdrawals on ATMs being reduced from N65 to N35 after the third withdrawal within the same month. CBN also cut inter bank transfers to maximum of N50 per transaction from N300.

Stock Market

Indicators at the local stock exchange gained more traction as more positive financial score cards were released and buy-backs were conducted by blue-chip firms. The All share index (ASI) expanded by 2.23% week-on-week to close at 47,279.82 points. Also, market capitalization gained 57.9 billion to settle, for the week, at 25.5 trillion. This week, we expect that the market might witness some pushback or resistance as investors take profit from high stock prices.

Money Market

System liquidity was drained at the close of week ended February 4, 2022 as the apex bank conducted retail Secondary Market Intervention Sales (rSMIS). This outflow led short-dated placements such as Open Repo Rates (OPR) and Overnight (O/N) rates to spike up to 13% and 13.25% from 1% and 1.25% previous week. In the same vein, slightly longer dated instruments like the 30-day and 90-day Nigerian Interbank Offered Rate (NIBOR) trended higher. The 30-day and 90-day Nigeria Interbank Offered Rate (NIBOR) closed at 9.60% and 10.93% from 9.35% and 10.65% the prior week. We expect rates to decline this week on expected inflows from Open Market Operations (OMO) maturity.

Foreign Exchange Market

The illiquidity at the foreign exchange market persisted last week as local corporates continued to bid for funds to clear their outstanding obligations. This led to a depreciation in the naira at the Nigerian Autonomous Foreign Exchange fixing (NAFEX) window as the naira lost 49 kobo to close the day at 416.24/\$. This week, we expect rates to trade around prevailing levels as the CBN continues to intervene in the foreign exchange market amidst high demand for dollars.

Commodities

Crude oil prices remained above \$90 per barrel last week as demand recovery, falling stockpiles and supply disruptions combined to push crude prices higher. Frigid weather across the US disrupted some oil production in the Permian Basin region while further increased geopolitical tensions in Eastern Europe and the Middle East supported prices. Bonny light, Nigeria's benchmark crude dipped slightly by 0.91% to close the week at \$93.32/barrel from \$94.18/barrel posted in the prior week. In other news, price of precious metals rose, as a weaker dollar helped counteract pressure from a jump in US Treasury yields. Gold prices gained 1.64% or \$29.30 to settle at \$1,813.71 per ounce from \$1,784.41 per ounce. Also, silver rose 0.89% or 20 cents to \$22.63 per ounce. This week, oil prices is expected to remain around \$90 after a massive winter storm swept across the US and disrupted some oil production in the Permian Basin region. Bullions might be volatile as investors weigh prospects of a faster tightening from central banks around the world against jitters of persistently high inflation and geopolitical concerns in Ukraine.

Monthly Macro Economic Forecast

| Variables | Feb'22 | Mar'22 | Apr'22 |
|-------------------------------|--------|--------|--------|
| Exchange Rate (NAFEX) (N/\$) | 415 | 416 | 417 |
| Inflation Rate (%) | 15.04 | 14.97 | 14.64 |
| Crude Oil Price (US\$/Barrel) | 88 | 86 | 88 |

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