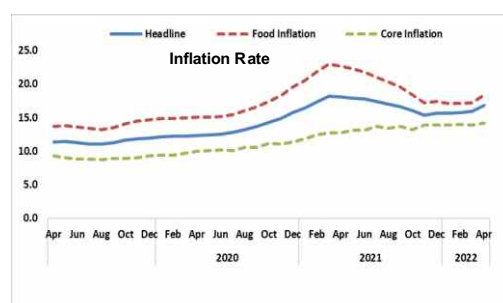
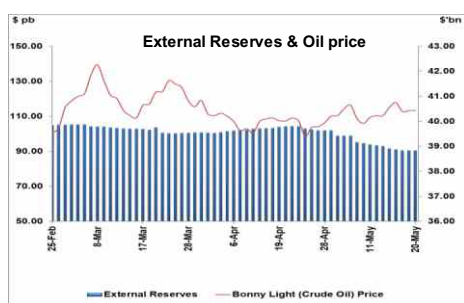
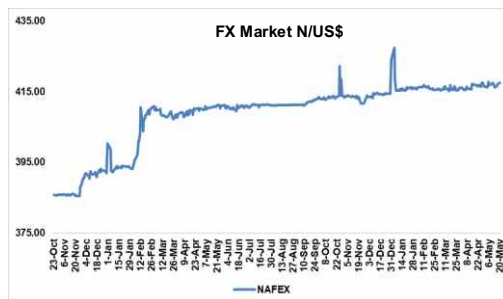


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.98	Q4 2021 — lower by 0.05% compared to 4.03% in Q3 2021
Broad Money Supply (N' trillion)	45.65	Rose by 2.03% in March 2022 from N44.74 trillion in February 2022
Credit to Private Sector (N' trillion)	36.37	Rose by 1.06% in March 2022 from N35.99 trillion in February 2022
Currency in Circulation (N' trillion)	3.246	Declined by 0.12% in March 2022 from N3.250 trillion in February 2022
Inflation rate (%) (y-o-y)	16.82	Increased to 16.82% in April 2022 from 15.92% in March 2022
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)	39.08	May 18, 2022 figure — a decrease of 1.50% from May start
Oil Price (US\$/Barrel) (Bonny Light)	113.32	May 19, 2022 figure — an increase of 2.66% from the prior week
Oil Production mbpd (OPEC)	1.32	April 2022, figure — a decrease of 2.22% from March figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	20/5/22	13/5/22	
NSE ASI	52,979.96	53,098.46	(0.22)
Market Cap(N'tr)	28.56	28.63	(0.23)
Volume (bn)	0.44	0.30	43.85
Value (N'bn)	0.00	3.57	(100.00)

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	20/5/22	13/5/22	
OBB	12.2500	8.6667	358
O/N	12.5000	9.1667	333
CALL	12.5800	10.7500	183
30 Days	10.5300	9.3300	120
90 Days	11.3100	10.2300	108

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	20/5/22	13/5/22	20/4/22
Official (N)	0	0	0.00
Inter-Bank (N)	417.46	416.25	416.75
BDC (N)	0	0	0.00
Parallel (N)	0	0	0.00

COMMODITIES MARKET

Indicators	20/5/22	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil (\$/bbl)	113.32	2.66	75.80
Natural Gas (\$/MMBtu)	8.06	3.60	108.27
Agriculture			
Cocoa (\$/MT)	2428.00	0.66	25.41
Coffee (\$/lb.)	215.85	(0.02)	65.78
Cotton (\$/lb.)	126.37	(13.45)	63.06
Sugar (\$/lb.)	20.07	6.64	30.92
Wheat (\$/bu.)	1195.25	1.98	175.72
Metals			
Gold (\$/t oz.)	1839.10	1.20	39.58
Silver (\$/t oz.)	21.83	5.10	26.99
Copper (\$/lb.)	430.90	5.32	31.45

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	20/5/22	13/5/22	
1 Mnth	3.11	3.07	4
3 Mnths	3.51	3.88	(37)
6 Mnths	3.95	4.39	(44)
9 Mnths	4.41	4.39	2
12 Mnths	4.93	4.84	9

TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	1911.9	1.74	11-May-2022
182 Day	2998.516	3	11-May-2022
364 Day	122559.889	4.7	11-May-2022

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: May 13 - May 20, 2022

Global Economy

Data from the Office for National Statistics revealed that UK's annual inflation rate soared to 9% in April 2022, the highest level since 1982, no significant inflow into the system. Consequently, short-dated placements such as Open Repo Rates squeeze on consumers' standard of living. The increase was underpinned by rising prices for housing and utilities, electricity, gas and other fuels, motor fuels and second-hand cars. Cost of transportation also continued to increase, with average petrol prices reaching 161.8 pence per litre in April, compared with 125.5 pence per litre a year earlier. In another news, Japan's annual inflation rose to 2.5% in April 2022, the highest level since October 2014, relative to 1.2% posted a month earlier. According to Japan's Ministry of Internal Affairs & Communications, this marks the 8th consecutive increase in annual inflation, with food prices rising at the fastest pace in 7 years. Additional upward pressures came from cost of fuel, light and water charges, clothes & footwear, culture & recreation, housing, furniture and education.

Money Market

Most banks funded their obligations through the Repo and Standing Lending Facility window as there was no significant inflow into the system. Consequently, short-dated placements such as Open Repo Rates increased to 12.25% and 12.50% from 8.67% and 9.17% respectively. Longer dated placements such as the 30-day Nigerian Interbank Offered Rate (NIBOR) rose to 10.53% from 9.33% the prior week. This week, rates are expected to decline with the Open Market Operations and Nigerian Treasury Bills maturities and the anticipated inflows from the Federation Account Allocation Committee.

Foreign Exchange Market

The paucity of funds left most of the demand for Dollars unmet as very few offers were available. Consequently, the Nigerian Autonomous Foreign Exchange fixing (NAFEX) lost N1.21 against the dollar to close the week at N417.46/\$. The naira is expected to hover around similar levels barring any significant activities.

Domestic Economy

Nigeria, just like most economies across the globe continues to grapple with increasing prices. Annual inflation rate printed at 16.82% in April 2022, the highest level since August 2021 compared to 15.92% posted in the preceding month. This increase was largely driven by higher food prices, increase in the price of deregulated petroleum products, and the pass-through effect of the exchange rate amongst other factors. Food inflation rose by 1.17% to print at 18.37% in April, spurred by seasonality effect, increased food demand due to the Easter celebration and the impact of the Ramadan fast on food supply. Also, core inflation rose by 0.27% to settle at 14.18% in April 2022.

Commodities

Oil prices picked up pace, last week, as investors expected a demand recovery in China and a looming EU ban on Russian oil, countering the fear about a global economic slowdown. Consequently, Bonny Light, Nigeria's benchmark crude rose by 2.66% to close last week at \$113.32/barrel from \$110.38/barrel posted in the preceding week. In a separate development, the prices of precious metal held their recent advance and was headed for its first weekly gain since mid-April, as continued softness in US economic data amid the Federal Reserve's aggressive monetary tightening fueled growth concerns. Consequently, the price of the yellow metal rose by 1.2% or \$21.79 to settle at \$1,839.10 per ounce. Also, the price of the white metal rose by 5.1% or \$1.06 to close at \$21.83 per ounce. This week, oil prices might remain high owing to the gradual reopening of the Chinese economy. Also, the brewing fear of a global recession is expected to keep the price of precious metals elevated.

Stock Market

Performance at the Nigerian Exchange Limited (NGX) slowed down as investors turned to safe-haven assets owing to the brewing fear of recession. This week, oil prices might remain high amidst hikes in interest rate by various central banks to curb soaring inflation. Albeit, the All-Share Index (ASI) remained well above 50,000 basis points, closing the week at 52,979.96 points losing 118.50 points. Similarly, market capitalization declined by 0.23% to finish the week at 28.56 trillion. This week, market performance might remain above the 50,000 points as investors position to hedge against the rising inflation while maintaining a well diversified portfolio.

Monthly Macro Economic Forecast

Variables	Apr'22	May'22	Jun'22
Exchange Rate (NAFEX) (N/\$)	415	416	417
Inflation Rate (%)	15.75	16	16.2
Crude Oil Price (US\$/Barrel)	110	100	98

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