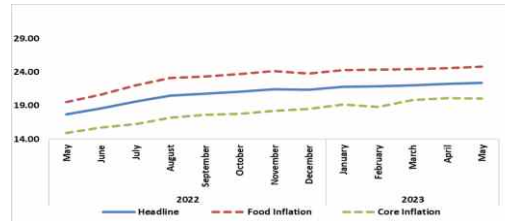
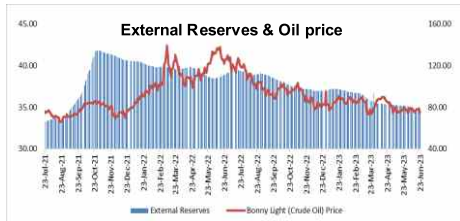
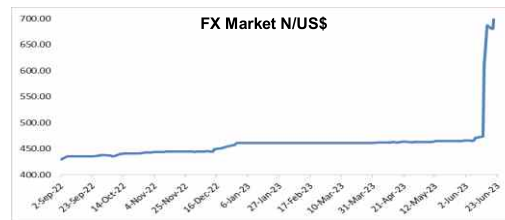
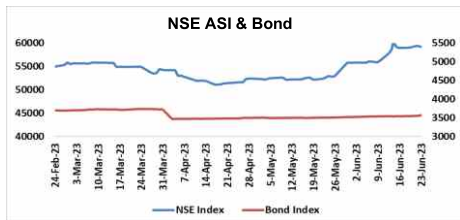


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.31	Q4 2022 — lower by 1.21% compared to 3.52% in Q4 2022
Broad Money Supply (N' trillion)	55.80	Declined by 0.43% in May 2023 from N56.04 trillion in April 2023
Credit to Private Sector (N' trillion)	44.21	Rose by 1.26% in May 2023 from N43.66 trillion in April 2023
Currency in Circulation (N' trillion)	2.53	Increased by 6.30% in May 2023 from N2.38 trillion in April 2023
Inflation rate (%) (y-o-y)	22.41	Increased to 22.41% in May 2023 from 22.22% in April 2023
Monetary Policy Rate (%)	18.5	Adjusted to 18.5% in May 2023 from 18% in March 2023
Interest Rate (Asymmetrical Corridor)	18.5(+1/-7)	Lending rate changed to 19.5% & Deposit rate 11.5%
External Reserves (US\$ billion)	34.35	June 23, 2023 figure — a decrease of 2.11% from June start
Oil Price (US\$/Barrel) (Bonny Light)	75.10	June 24, 2023 figure — an decrease of 3.59% from the prior week
Oil Production mbpd (OPEC)	1.18	May 2023, figure — an increase of 19.19% from April 2023 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	23/6/23	16/6/23	
NSE ASI	59,206.63	58,974.36	0.39
Market Cap(N'tr)	32.24	32.11	0.39
Volume (bn)	0.63	0.62	1.95
Value (N'bn)	9.15	6.42	42.44

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	23/6/23	16/6/23	
OPR	2.90	11.60	(870.0)
O/N	3.40	12.10	(870)
CALL	4.95	11.96	(701.0)
30 Days	8.61	12.02	(341)
90 Days	8.61	12.87	(426.0)

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	23/6/23	16/6/23	23/5/23
NAFEX (N)	756.35	686.96	465.08

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	23/6/23	16/6/23	
7-Year	11.40	11.42	(2.0)
10-Year	10.71	11.06	(34.8)
15-Year	14.40	14.68	(28.2)
20-Year	14.40	14.49	(9.5)
25-Year	15.35	15.42	(7.3)
30-Year	15.21	15.59	(38)

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 accept responsibility or liability for errors of fact or 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 written consent of Access Bank Plc.

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: June 23 - June 30, 2023

Global Economy resulted in a significant decline week-on-week of 870bps in both the Open Repo interest rate by 50 basis points (bps) to 5.0% at its June 2023 meeting, marking the 13th consecutive rate hike. This pushed the Rate (OPR) and Over Night (ON) to 2.90% and 3.40% from 11.60% and 12.10% recorded in the prior week, respectively. Similar, longer-dated persistent inflation. Policymakers have placed bets such as the 30-day Nigerian also pledged to deliver further rate hikes if Interbank Offered Rate (NIBOR) also the ongoing inflationary pressures persist. moved to the single digit space, decreasing Latest data revealed that British inflation to 8.61% from 12.02%. This week, rates are unexpectedly held steady at 8.7% in May expected to decline further as market 2023, defying expectations of a modest players anticipate Federation Account decline to 8.4% and remaining significantly Allocation Committee (FAAC) payments above the central bank's target of 2% into the system.

Furthermore, the core inflation rate accelerated to a 31-year high of 7.1%. The **Foreign Exchange Market** BoE initiated the rate hikes nearly a year ago, making it the first major continued to be influenced by the market's central bank to take such action and limited supply of Dollars. Consequently, resulting in the fastest policy tightening in the Naira at the Investors' & Exporters' over 30 years. In a separate development, (I&E) window weakened by 10.1% to close the Ministry of Internal Affairs & the week at N756.35/\$ relative to Communications revealed that the N686.96/\$ traded the prior week. This Japanese annual inflation rate declined to week, more market stability is expected as 3.2% in May 2023 from April's 3-month more market participants remain aware of high of 3.5%. Cost of furniture & household the changes in the forex market.

utensils slowed while prices of fuel, light, and water charges decreased for the fourth **Bond Market** month in a row, mainly due to electricity. In The Bond market witnessed a strong contrast, inflation was unchanged for both bullish momentum as demand was seen housing and education. At the same time, across board largely due to the removal of prices quickened for transport, clothes, rate cap on interbank placement and high medical care, and miscellaneous. Also, system liquidity. The market witnessed food prices rose the most since September aggressive bids across board which led a 1976. Core inflation also dropped to 3.2% drop in average yields. Consequently, in May from a 3-month peak of 3.4% in yields on the 7-, 10-, 15-, 20-, 25- and 30-April, staying outside the Bank of Japan's year debt papers closed lower at 11.40%, 2% target for the 14th month. On a 10.71%, 14.40%, 14.40%, 15.35%, and monthly basis, consumer prices were flat in 15.21% from 11.42%, 11.06%, 14.68%, 14.49%, 15.42% and 15.59%. The Access Bank bond index rose slightly by 4.81 points to close at 3,569.94 points from 3,543.72 points. The bullish run is expected to persist barring any significant change in market activity.

Domestic Economy

Nigeria's public debt continues to expand, hitting N49.85 trillion in Q1 2023 from market activity. N46.25 trillion posted in Q4 2022, reflecting a growth of 7.78%. Domestic **Commodities** debt grew faster than external debt as the Oil prices rerouted southwards as further former grew by 9.66% while the latter grew monetary tightening and hawkish by 5.03%. According to the Debt messaging from major central banks hurt Management Office (DMO), domestic debt the outlook for the global economy and accounted for 60.6% to settle at N30.21 energy demand. Consequently, Bonny trillion in Q1 2023 from N27.55 trillion Light, Nigeria's benchmark crude, price fell recorded in Q4 2022 while external debt by \$2.80 per barrel (pb) to close the week at contributed 39.4% of total public debt, \$75.10pb from \$77.90pb posted in the preceding week. In another development, trillion, for the reference period. bullion prices shredded more gains, hovering at its lowest levels in 3 months as aggressive monetary tightening and

Stock Market

The stock market remained in the green hawkish messaging from major central zone at the end of the week bolstered by banks weighed on the metal. investors' increased buy-interest in Subsequently, gold price lost \$43.45 or Nigerian equities. Stocks in the pension 2.2% to sit at \$1,920.82 per ounce. and consumer goods contributed to the Similarly, silver price lost \$1.73 or 7.2% to increase in the market leading index. sit at \$22.30 per ounce. This week, oil Consequently, the All-Share Index (ASI) prices might remain muted as investors rose to 59,206.63 points gaining 232.27 assess the impact of policy outcome on points. Similarly, market capitalization demand and the global economy. On the ascended by N120 billion closing at N32.24 other hand, bullion prices might remain in trillion. Going into trading this week, we the south zone as higher interest rates expected the positive trend to continue raise the opportunity cost of holding non-given the renewed investor's confidence in yielding bullion. the Nigerian market.

Money Market

A recent update from the regulator advised the market of a removal of the cap and floor on interbank rates which anchored on the MPR of 18.5% with the asymmetric corridor of +100/-700 basis points. With the market awash with liquidity, this

Monthly Macro Economic Forecast

Variables	May'23	Jun'23	Jul'23
Exchange Rate (NAFEX) (N/\$)	463	650	650
Inflation Rate (%)	22.0	26	26
Crude Oil Price (US\$/Barrel)	85	83.5	80

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