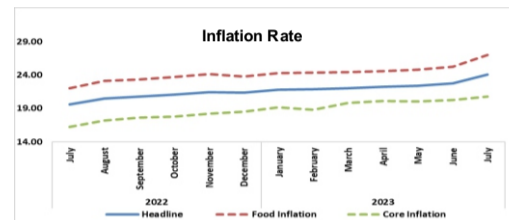
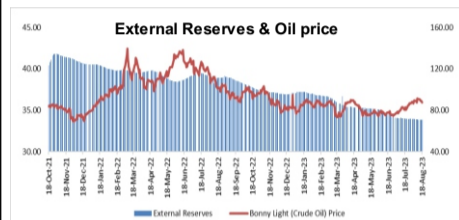
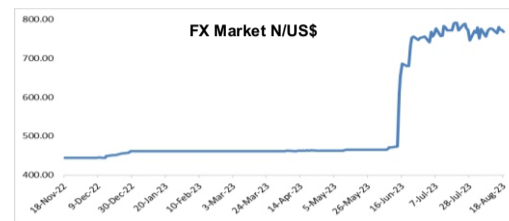
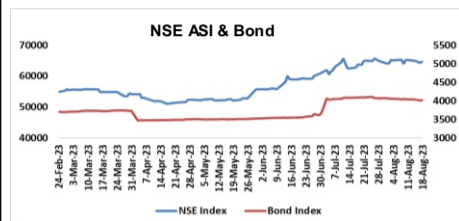


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.31 Q1 2023	— lower by 1.21% compared to 3.52% in Q4 2022
Broad Money Supply (N' trillion)	64.91	Rose by 16.33% in June 2023 from N55.80 trillion in May 2023
Credit to Private Sector (N' trillion)	52.81	Rose by 19.45% in June 2023 from N44.21 trillion in May 2023
Currency in Circulation (N' trillion)	2.60	Increased by 2.77% in June 2023 from N2.53 trillion in May 2023
Inflation rate (%) (y-o-y)	24.08	Increased to 24.08% in July 2023 from 22.79% in June 2023
Monetary Policy Rate (%)	18.75	Adjusted to 18.75% in July 2023 from 18.5% in May 2023
Interest Rate (Asymmetrical Corridor)	18.75(+1/ -3)	Lending rate changed to 19.75% & Deposit rate 15.75%
External Reserves (US\$ billion)	33.83	August 16, 2023 figure — a decrease of 0.12% from August start
Oil Price (US\$/Barrel) (Bonny Light)	87.44	August 18, 2023 figure — a decrease of 3.65% from the prior week
Oil Production mbpd (OPEC)	1.08	July 2023, figure — an decrease of 13.6% from June 2023 figure



STOCK MARKET

Indicators	Last Week 2 Weeks Ago		Change (%)
	18/8/23	11/8/23	
NSE ASI	64,721.09	65,325.37	(0.93)
Market Cap(N'tr)	35.42	35.57	(0.42)
Volume (bn)	0.54	0.79	(31.92)
Value (N'bn)	9.39	8.36	12.34

COMMODITIES MARKET

Indicators	18/8/23	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil (\$/bbl)	87.44	(3.65)	35.65
Natural Gas (\$/MMBtu)	2.58	(7.53)	(33.33)
Agriculture			
Cocoa (\$/MT)	3476.00	4.23	79.55
Coffee (\$/lb.)	147.80	(5.80)	13.52
Cotton (\$/lb.)	84.02	(1.81)	8.41
Sugar (\$/lb.)	23.83	0.08	55.45
Wheat (\$/bu.)	626.50	(5.04)	44.52
Metals			
Gold (\$/t oz.)	1894.42	(1.21)	43.78
Silver (\$/t oz.)	22.79	0.44	32.58
Copper (\$/lb.)	371.90	(0.03)	13.45

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	18/8/23	11/8/23	
OPR	19.6400	2.0000	1764
O/N	19.7900	2.8000	1699
CALL	23.6667	3.1250	2054
30 Days	14.0000	11.0000	300
90 Days	15.0000	11.9250	308

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	18/8/23	11/8/23	
1 Mnth	3.58	3.49	9
3 Mnths	5.17	6.89	(172)
6 Mnths	7.12	8.69	(157)
9 Mnths	9.29	8.69	60
12 Mnths	11.39	10.60	79

FOREIGN EXCHANGE MARKET

Market	Last Week 2 Weeks 1 Month Ago		
	Rate (N/\$)	Rate (N/\$)	Rate (N/\$)
	18/8/23	11/8/23	18/7/23
NAFEX (N)	768.18	776.36	789.47

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	18/8/23	11/8/23	
Index	4,009.40	4,035.21	(0.64)
Mkt Cap Gross (N'tr)	24.95	25.11	(0.64)
Mkt Cap Net (N'tr)	14.46	14.65	(1.30)
YTD return (%)	63.22	64.27	(1.05)
YTD return (%) (US \$)	-215.42	-225.97	10.55

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	18/8/23	11/8/23	
7-Year	10.67	10.69	(2)
10-Year	11.54	11.24	30
15-Year	14.58	14.47	11
20-Year	14.13	13.87	26
25-Year	14.13	15.03	(90)
30-Year	15.58	15.15	43

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: August 18 - August 25, 2023

Global Economy

The Eurostat revealed that the consumer price inflation rate in the Euro Area printed at 5.3% in July 2023, lower than 5.5% posted in the prior month and the lowest since January 2022 mainly due to a further decline in energy prices. Also, cost eased for alcohol and tobacco and non-energy industrial goods. Meanwhile, core inflation rate which excludes prices for energy, food, alcohol & tobacco was unchanged at 5.5% and is now higher than the headline rate for the first time since 2021. Compared to June, the Consumer Price Index (CPI) in the Euro Area declined 0.1%. The European Central Bank (ECB) inflation target remains at 2%. In another space, the Office for National Statistics revealed that the annual inflation for the UK dropped to 6.8% in July 2023 from 7.9% reported in preceding month, pointing to the lowest level since February 2022. The drop was mainly due to a slump in fuel prices. Additionally, the core rate, which excludes volatile items such as energy and food, sat at 6.9%, unchanged from June's reading but remained outside the Bank of England's 2.0% target, providing the central bank with room to continue the ongoing policy tightening path. Transport prices declined further, pressured by a 24.9% slump in cost of fuels and lubricants. There were also notable downward effects from food and non-alcoholic beverages, furniture and household goods, recreation and culture and miscellaneous goods and services. On a month-on-month, consumer prices fell by 0.4%, the first decline since January, compared with consensus of a 0.5% decrease and after a 0.1% rise in June.

Domestic Economy

Data from the National Bureau of Statistics (NBS) affirmed Nigeria's annual inflation rate at 24.08%, a significant increase from 22.79% posted in the prior month. The rise in prices was fuelled by the implementation of recent policy reforms such as the removal of fuel subsidy and exchange rate unification. Food inflation rate sat at 26.98% in July up from 25.25% reported in the preceding month as transportation and storage costs soared coupled with pre-existing structural challenges. On the other hand, core inflation rate printed at a high of 20.80% from 20.27% recorded in the previous month owing to the pass-through effect of higher energy prices.

Stock Market

The local bourse closed in red as investors exited their positions in overbought equities, as anticipated. Profit taking in the banking and industrial goods segment weighed down the market leading index. Consequently, the Nigerian Exchange All-Share Index (ASI) declined to 64,721.09 points losing 604.28 points. Similarly, market capitalization descended by N15 billion closing at N35.42 trillion. Going into trading this week, we expect investors to maintain cautious trading pattern as they digest the impact of the recent developments in the fiscal and monetary space on the Nigerian stocks.

Money Market

Money market rates jumped significantly as market players anticipated the bond auction settlement debits. Consequently, the Open Repo Rate

(OPR) and Over Night (ON) rose to 19.64% and 19.79% from 2.00% and 2.80% recorded in the prior week, respectively. Also, longer-dated placements such as the 30-day Nigerian Interbank Offered Rate (NIBOR) ascended to 14.00% from 11.00%. This week, rates are expected to inch higher as banks fund their obligations.

Foreign Exchange Market

The Naira appreciated by N8.18 last week to close at N768.18/\$ at the end of the week. Thanks to improved supply of the greenback in the Nigerian forex market. We expect the naira to strengthen further this week as we anticipate the Central Bank of Nigeria (CBN) to continue to promote policies to defend the country's currency. Also, the recently secured \$3 billion crude oil repayment loan by Nigeria's state-oil firm from Afrexim Bank is expected to stabilize the country's forex market.

Bond Market

The Federal Government of Nigeria (FGN) bond market closed last week on a quiet note as counterparties maintained a cautious approach owing to the bearish sentiment that persisted in the market. Consequently, average yields on the 10-, 15-, 20-, 25- and 30-year debt papers closed higher at 11.54%, 14.58%, 14.13%, 15.27% and 15.58% from 11.24%, 14.47%, 13.87%, 15.03% and 15.15%. The Access Bank bond index declined further by 25.81 points to close at 4,009.40 points from 4,035.21 points. Going into a new trading week, the bearish trend might continue barring any significant change in market condition.

Commodities

Crude oil prices finished last week lower, as China's weakening economy and fears of further US interest rate hikes outweighed signs of tightening global supplies. The US oil benchmark is down nearly 4% and is on track to snap 7 straight weeks of gains. Weaker-than-expected economic data and a deepening property sector crisis in China added to concerns about the country's faltering economy, with a surprise rate cut from the central bank failing to appease the market. Bonny Light, Nigeria's benchmark crude, price declined by \$3.31 per barrel (pb) to close the week at \$87.44pb from \$90.75pb posted in the preceding week. In another news, gold price was weighed down by a strong Dollar and Treasury yields. Subsequently, gold price declined \$23.26 or 1.2% to sit at \$1,894.42 per ounce. However, silver gained, adding \$0.10 or 0.4% to sit at \$22.79 per ounce. This week, oil prices might stay muted as investors weigh the demand factors against the supply factors of the oil market. On the other hand, bullion prices might decline further as the body language of the Federal Reserve's suggests further interest rate hikes could be ahead due to upside risks to inflation, thus dampening the appeal to hold the non-yielding metal.

Monthly Macro Economic Forecast

Variables	Aug'23	Sep'23	Oct'23
Exchange Rate (NAFEX) (N/\$)	780	775	776
Inflation Rate (%)	24.5	24.79	24.9
Crude Oil Price (US\$/Barrel)	85	83.5	80

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