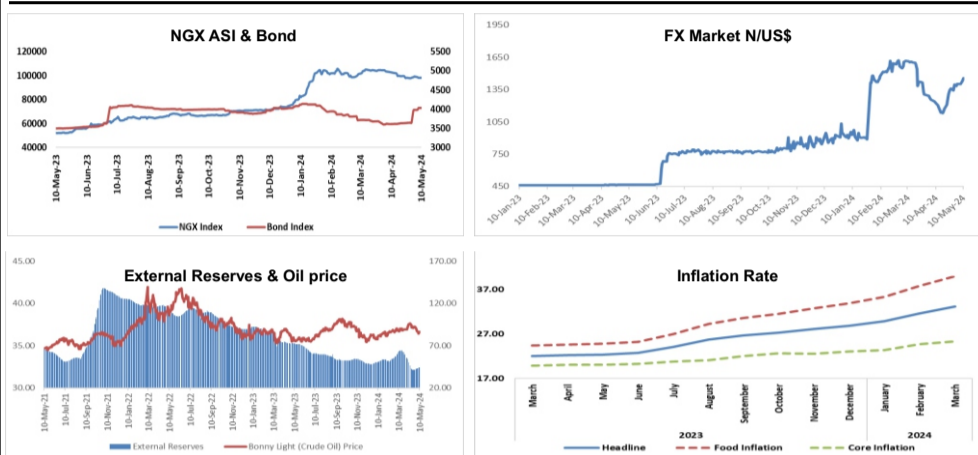


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.46	Q4 2023 — Higher by 0.92% compared to 2.54% in Q3 2023
Broad Money Supply (N' trillion)	92.34	Declined by 3.37% in March 2024 from N95.56 trillion in February 2024
Credit to Private Sector (N' trillion)	71.21	Declined by 11.93% in March 2024 from N80.86 trillion in February 2024
Currency in Circulation (N' trillion)	3.87	Rose by 4.88% in March 2024 from N3.69 trillion in February 2024
Inflation rate (%) (y-o-y)	33.2	Increased to 33.2% in March 2024 from 31.7% in February 2024
Monetary Policy Rate (%)	24.75	Adjusted to 24.75% in March 2024 from 22.75% in February 2024
Interest Rate (Asymmetrical Corridor)	24.75(+1/-3)	Lending rate changed to 25.75% & Deposit rate 21.75%
External Reserves (US\$ billion)	32.39	May 8, 2024 figure — an increase of 0.34% from May start
Oil Price (US\$/Barrel) (OPEC)	86.45	May 10, 2024 figure — a decrease of 0.48% from the prior week
Oil Production mbpd (OPEC)	1.23	March 2024, figure — a decrease of 6.82% from February 2024 figure



## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	10/5/24	3/5/24	
NGX ASI	98,248.73	99,255.86	(1.01)
Market Cap(N'tr)	55.57	56.14	(1.01)
Volume (bn)	0.28	0.39	(28.65)
Value (N'bn)	6.14	5.99	2.41

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	10/5/24	3/5/24	
OPR	28.0000	26.2500	175
O/N	28.6300	27.0800	155
CALL	29.3929	27.6000	179
30 Days	23.2143	24.3000	(109)
90 Days	24.1429	24.0000	14

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	10/5/24	3/5/24	12/4/24
NAFEX (N)	1455.51	1402.19	1205.06

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	10/5/24	3/5/24	
3-Year	19.45	19.45	(0)
5-Year	18.80	19.10	(30)
7-Year	19.75	19.51	24
10-Year	18.84	18.81	3
15-Year	18.27	18.55	(27)
20-Year	18.76	18.90	(14)
25-Year	17.58	18.65	(107)
30-Year	17.55	18.46	(92)

## COMMODITIES MARKET

Indicators	10/5/24	1-week Change (%)	YTD Change (%)
<b>Energy</b>			
Crude Oil (\$/bbl)	86.45	(0.48)	34.11
Natural Gas (\$/MMBtu)	2.27	12.38	(41.34)
<b>Agriculture</b>			
Cocoa (\$/MT)	8766.00	15.91	352.79
Coffee (\$/lb.)	199.45	(3.23)	53.19
Cotton (\$/lb.)	78.07	3.12	0.74
Sugar (\$/lb.)	19.47	1.14	27.01
Wheat (\$/bu.)	650.50	5.86	50.06
<b>Metals</b>			
Gold (\$/t oz.)	2363.90	2.71	79.41
Silver (\$/t oz.)	28.41	6.97	65.27
Copper (\$/lb.)	465.30	3.56	41.95

## NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	10/5/24	3/5/24	
1 Mnth	17.92	18.34	(42)
3 Mnths	18.17	18.52	(35)
6 Mnths	20.23	20.15	8
9 Mnths	22.71	22.99	(28)
12 Mnths	25.27	25.01	26

## ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	10/5/24	3/5/24	
Index	4,027.82	3979.92	1.20
Mkt Cap Gross (N'tr)	27.37	27.04	1.22
Mkt Cap Net (N'tr)	15.70	15.40	1.95
YTD return (%)	63.97	62.02	1.95
YTD return (%) (US \$)	-567.07	-513.21	(53.86)

## TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	39902.076	16.24	8-May-2024
182 Day	5439.365	17	8-May-2024
364 Day	134,019.981	20.7	8-May-2024

## Market Analysis and Outlook: May 10, - May 17, 2024

### Global Economy

Data from the US Bureau of Economic Analysis revealed that the US economy grew by an annualized 1.6% in Q1 2024 down from 3.4% recorded in the previous quarter. It was the lowest growth since the contractions in the first half of 2022. A slowdown was seen for consumer spending, mainly due to a fall in goods consumption while spending on services rose faster. Non-residential investment also eased, due to structures while investment in equipment rebounded and the one on intellectual property products accelerated. Government spending rose way less, and exports slowed sharply while imports soared. On the other hand, residential investment grew at a double-digit pace. In a different space, the Office for National Statistics disclosed that the British economy grew 0.6% in Q1 2024 ending the recession it entered last year, preliminary estimates showed. It also marks the strongest expansion in over 2 years, with services rising 0.7% amid widespread growth across the sector, although land transport services via pipelines (excluding rail transport) soared 6.4%. Also, the production sector grew 0.8%, with manufacturing making the largest contribution while the construction sector fell. In expenditure terms, household consumption went up, led by spending on housing, water and fuels, recreation and culture, restaurants, and hotels. Net tourism, on the other hand, contributed negatively to growth. Government spending rose 0.3%, reflecting higher activity in health and transport. Gross fixed capital formation increased while imports fell more than exports.

### Domestic Economy

According to the Central Bank of Nigeria (CBN), the amount of currency outside banks surged to ₦3.63 trillion in March 2024, representing 93.8% of the total currency in circulation (CIC), which stood at ₦3.87 trillion in the same period. The currency outside the banking system surged by 150.34% year-on-year from ₦1.44 trillion recorded in March 2023. The trend indicates a consistent rise in currency outside banks since the reversal of currency redesign. On the other hand, credit to the private sector declined month-on-month by 11.93% to settle at ₦71.21 trillion in March 2024 from ₦80.86 trillion recorded in the prior month. The decline was due to the hawkish stance of the CBN.

### Stock Market

Performance of the local bourse rerouted south as investors took profit from previous rallies. Stocks in the consumer goods segment pulled market performance into the negative zone. Consequently, the All-Share Index (ASI) declined to 98,248.73 points, marking a decrease of 1,007.13 points. Furthermore, market capitalization saw a decline of ₦570 billion, settling at ₦55.57 trillion at the end of the week. Entering the new trading week, the market is poised to head north, buoyed by the impressive Q1 2024 results, particularly in the banking sector, which are anticipated to boost investors' confidence in the equities market.

### Money Market

Liquidity shrunk in the money market as participants were debited for the Nigerian Treasury Bills (NTB) and Open Market

Operations (OMO) auctions. Consequently, the Open Repo Rate (OPR) and Over Night (ON) rate rose to 28.00% and 28.63% from 26.25% and 27.08% recorded in the prior week. However, the 30-day Nigerian Interbank Offered Rate (NIBOR) decreased to 23.21% from 24.30%. This week, if no significant inflow is recorded, rates could inch higher as banks fund their obligations.

### Foreign Exchange Market

The forex market continued to experience a shortage of funds with the persistent demand for Dollars surpassing its supply. Hence, the Naira weakened against the Dollar, losing ₦53.32 to settle at ₦1,455.51. This week, the likely intervention of the CBN is expected to provide relief to the forex market.

### Bond Market

As anticipated, the bulls maintained a firm grip on the bond market as investors continued to add FGN bonds to their portfolios. As a result, the average yields on the 5-, 15-, 20-, 25-, and 30-year bonds declined to 18.80%, 18.27%, 18.76%, 17.58%, and 17.55% from 19.10%, 18.55%, 18.90%, 18.65% and 18.46%. Access Bank bond index increased by 47.91 points, closing at 4,027.82 points compared to 3,979.92 points. This week, an active market is expected as local players shift focus to the Bond auction where the Debt Management Office (DMO) is set to offer a total of ₦450bn across the 2029, 2031, and 2033 (newly issued), instruments.

### Domestic Economy

Oil prices fell further following reports that Russian Deputy Prime Minister Alexander Novak indicated the Organization of the Petroleum Exporting Countries Plus (OPEC+) could consider increasing crude production. As a result, Bonny Light, Nigeria's benchmark crude, declined by \$0.42, closing the week at \$86.45 per barrel (pb) compared to \$86.87pb in the previous week. In a different event, bullion price rebounded driven by traders' expectations of a Federal Reserve interest rate cut following recent economic data. Recent data revealed a higher-than-expected increase in the number of Americans filing for unemployment benefits last week, indicating a gradual cooling of the labour market. As a result, investors anticipate that the Fed will initiate its easing cycle in September. Consequently, gold price rose by \$62.48 or 2.7% to reach \$2,363.90 per ounce. Also, silver prices rose by \$1.85 or 7.0%, settling at \$28.41 per ounce. This week, oil prices are expected to rise, riding on improving global demand outlook and ongoing hostilities in the Middle East. On the other hand, robust investments in the over-the-counter market, continued central bank purchases, a burgeoning demand from Asia, stalled Middle East ceasefire talks, and escalating Ukraine tensions are expected to keep bullion prices at higher levels.

### Monthly Macro Economic Forecast

Variables	Apr'24	May'24	Jun'24
Exchange Rate (NAFEX) (N/\$)	1150	1100	1080
Inflation Rate (%)	33.0	32.8	31.4
Crude Oil Price (US\$/Barrel)	90	91.5	92.3

**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, NGX, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.

For enquiries, contact: Oluwaseun Oloaye (Team Lead, Economic Intelligence) (01) 2712123 [oluwaseun.olaoeye@accessbankplc.com](mailto:oluwaseun.olaoeye@accessbankplc.com)