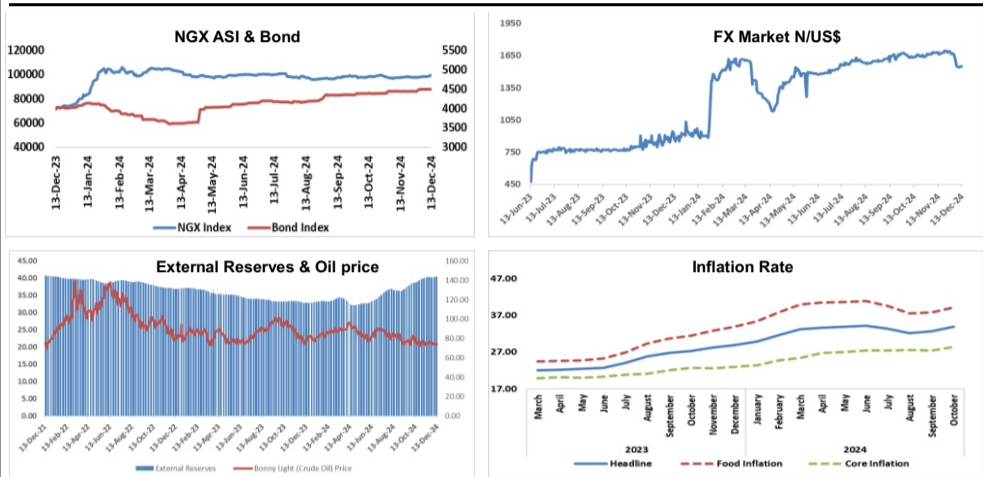


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.46	Q3 2024 — Higher than 3.19% in Q2 2024
Broad Money Supply (N' trillion)	107.66	Decreased by 1.6% in October 2024 from N109.41 trillion in September 2024
Credit to Private Sector (N' trillion)	73.95	Decreased by 2.49% in October 2024 from N75.83 trillion in September 2024
Currency in Circulation (N' trillion)	4.5	Rose by 5.52% in October 2024 from N4.31 trillion in September 2024
Inflation rate (%) (y-o-y)	33.88	Increased to 33.88% in October 2024 from 32.70% in September 2024
Monetary Policy Rate (%)	27.50	Adjusted to 27.5% in Nov 2024 from 27.25% in Sept. 2024
Interest Rate (Asymmetrical Corridor)	27.50(+5/-1)	Lending rate changed to 32.50% & Deposit rate 26.50%
External Reserves (US\$ billion)	40.48	Dec13 2024 figure — an increase of 0.42% from the prior week
Oil Price (US\$/Barrel) (OPEC)	73.94	Dec13, 2024 figure — an increase of 0.37% from the prior week
Oil Production mbpd (OPEC)	1.49	November 2024, figure — an increase of 11.4% from October 2024 figure



## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	13/12/24	6/12/24	
NGX ASI	99,378.06	98,210.75	1.19
Market Cap (N'trn)	60.24	59.53	1.19
Volume (bn)	0.54	1.04	(47.72)
Value (N'bn)	10.63	17.46	(39.12)

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	13/12/24	6/12/24	
OPR	32.5417	27.6667	488
O/N	32.9167	28.1667	475
CALL	32.6250	28.5417	408
30 Days	29.0000	28.1875	81
90 Days	29.1875	29.1850	0

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	13/12/24	13/11/24	8/10/24
NAFEX (N)	1549.50	1679.91	1630.90

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	13/12/24	6/12/24	
3-Year	19.62	19.63	(0)
5-Year	21.07	21.07	0
7-Year	21.88	21.82	5
9-Year	20.70	20.74	(4)
10-Year	20.02	19.89	13
15-Year	18.62	18.62	0
20-Year	19.32	19.29	3
25-Year	17.36	17.36	0
30-Year	16.99	16.99	0

## COMMODITIES MARKET

Indicators	13/12/24	1-week Change (%)	YTD Change (%)
<b>Energy</b>			
Crude Oil (\$/bbl)	73.94	(0.84)	(6.88)
Natural Gas (\$/MMBtu)	3.32	8.85	(14.21)
<b>Agriculture</b>			
Cocoa (\$/MT)	11096.00	11.66	473.14
Coffee (\$/lb.)	319.25	(0.85)	145.20
Cotton (\$/lb.)	11096.00	15665.84	14217.42
Sugar (\$/lb.)	20.59	(5.07)	34.31
Wheat (\$/bu.)	552.00	(0.94)	27.34
<b>Metals</b>			
Gold (\$/t oz.)	2661.53	1.09	102.00
Silver (\$/t oz.)	30.48	(1.61)	77.31
Copper (\$/lb.)	418.80	(0.48)	27.76

## NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	13/12/24	6/12/24	
1 Mnth	22.22	23.43	(121)
3 Mnths	24.45	25.56	(111)
6 Mnths	24.48	24.52	(4)
9 Mnths	25.79	25.99	(21)
12 Mnths	27.88	28.12	(23)

## ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	13/12/24	6/12/24	
Index	4,493.92	4495.52	(0.04)
Mkt Cap Gross (N'trn)	30.53	30.54	(0.03)
Mkt Cap Net (N'trn)	17.67	17.71	(0.23)
YTD return (%)	82.94	83.01	(0.07)
YTD return (%) (US \$)	-596.04	-623.48	27.44

## TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	2,916.01	18	04-Dec-2024
182 Day	10,613.26	18.5	11-Dec-2024
364 Day	888,433.64	22.8	11-Dec-2024

## Market Analysis and Outlook: December 13, - December 20, 2024

### Global Economy

The annual inflation rate in the United States rose to 2.7% in November 2024, up from 2.6% in October, driven by low base effects from the prior year and aligning with market expectations. This increase underscores persistent economic pressures and may signal a pause in the Federal Reserve's policy adjustments. Key contributors to inflation include elevated rent prices, rising used car costs, and increasing car insurance premiums. Consumer spending, particularly among wealthier households supported by assets like stocks and real estate, remains resilient despite these pressures. On a monthly basis, the Consumer Price Index (CPI) rose by 0.3%, the largest monthly increase since April, exceeding October's 0.2% gain. Shelter costs climbed by 0.3%, accounting for nearly 40% of the overall increase. The core CPI, which excludes food and energy, grew 3.3% year-over-year and 0.3% month-over-month, consistent with October's levels and market forecasts. In Asia, Japan's economy recorded an annualized growth rate of 1.2% in Q3 2024, surpassing both the preliminary estimate and market consensus of 0.9%. While this represents the second consecutive quarter of annual growth, it is a marked slowdown from the 2.2% expansion in Q2. Capital expenditure decelerated sharply due to rising interest rates, and government spending declined significantly. However, private consumption showed robust growth, bolstered by wage increases, even as external demand continued to drag on GDP for the third consecutive quarter.

### Domestic Economy

Nigeria's oil production has shown significant recovery in recent months, reaching its highest level in 2024 this November. Total output, including crude oil and condensates, rose to 1.69 million barrels per day (mbpd), while crude oil production alone (excluding condensates) stood at 1.485 mbpd. This marks a 13.3% month-on-month increase from October's 1.3 mbpd of crude oil output. Compared to the 1.2 mbpd recorded in March 2024, the steady rebound underscores a positive trajectory for Nigeria's oil sector, offering promising support for the 2025 budget. The surge to 1.7 mbpd (including condensates) can be attributed to enhanced government efforts to bolster security at oilfields, effectively curbing pipeline theft and sabotage activities.

### Stock Market

The Nigerian stock market sustained its upward momentum as investors showed strong interest in insurance, oil & gas, and banking stocks. As a result, the All-Share Index (ASI) advanced by 1,167.31 points to close at 99,378.06, while market capitalization increased by ₦707.61 billion, reaching ₦60.24 trillion. Looking ahead, the market is expected to maintain its positive momentum, supported by intensified bargain hunting and reduced selling pressure, as investors focus on high-value opportunities.

### Money Market

Market liquidity experienced a sharp decline at the close of last week, primarily due to the settlement of OMO auctions conducted during the period. This liquidity squeeze triggered a significant rise in the Open Repo Rate (OPR) and Overnight (ON) rate, which

climbed to 32.54% and 32.92%, respectively, up from the prior week's 26.09% and 26.88%. Similarly, the 30-day Nigerian Interbank Offered Rate (NIBOR) inched higher to 29.00% from 28.91%. Looking ahead, interest rates are expected to remain at these elevated levels in the near term.

### Foreign Exchange Market

The Naira recorded a slight week-on-week depreciation as demand outpaced available supply. Over the period, the currency weakened by ₦3.00, closing at ₦1,549.50. Looking ahead, the exchange rate is expected to remain stable at this level, barring any significant market disruptions.

### Bond Market

The Bond market began last week on a subdued note and remained quiet throughout the trading sessions, as participants adopted a cautious stance amid tight system liquidity. Consequently, average yields on select tenors recorded marginal increases, with the 7-, 10-, and 20-year bonds closing at 21.88%, 20.02%, and 19.32%, respectively, compared to the prior week's 21.82%, 19.89%, and 19.29%. Meanwhile, the Access Bank Bond Index dipped slightly, declining by 1.60 points to 4,493.92 from 4,495.52. Looking ahead, we anticipate a more active market this week as local investors turn their attention to the Bond auction, where the DMO plans to offer ₦120 billion across the 2029 and 2031 maturities.

### Commodities

Crude oil futures approached \$74 per barrel last week, marking a three-week high driven by optimism surrounding higher demand in 2025. This sentiment was fueled by China's economic stimulus measures and the potential for supply disruptions due to tighter U.S. sanctions on Iran and Russia. Notably, Chinese crude imports rose in November for the first time in seven months, with expectations of sustained elevated imports into next year. However, the International Energy Agency (IEA) projects that non-OPEC+ producers will increase supply by 1.5 million barrels per day in 2025, outpacing the forecasted demand growth of 1.1 million barrels per day. Meanwhile, gold prices dipped below \$2,661 per ounce last week, reversing earlier gains amid uncertainty over Federal Reserve rate cuts in 2025. Prices declined following a sharper-than-expected rise in U.S. factory gate costs in November, heightening inflation concerns. Despite this, dovish central bank policies provided some support, resulting in a marginal weekly increase. Rate traders predominantly expect a 25-basis-point cut at the Fed's December meeting. Additionally, the SNB, BoC, and ECB implemented rate cuts last week, while BoJ officials signalled a pause in rate changes.

### Monthly Macro Economic Forecast

Variables	Dec - 2024	Jan - 2025	Feb - 2025
Exchange Rate (NAFEX) (N/\$)	1,500	1,450	1,450
Inflation Rate (%)	34.10	32.20	30.05
Crude Oil Price (US\$/Barrel)	76.00	74.50	74.00

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Sources: CBN, Financial Market Dealers Quotation, NGX, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.

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