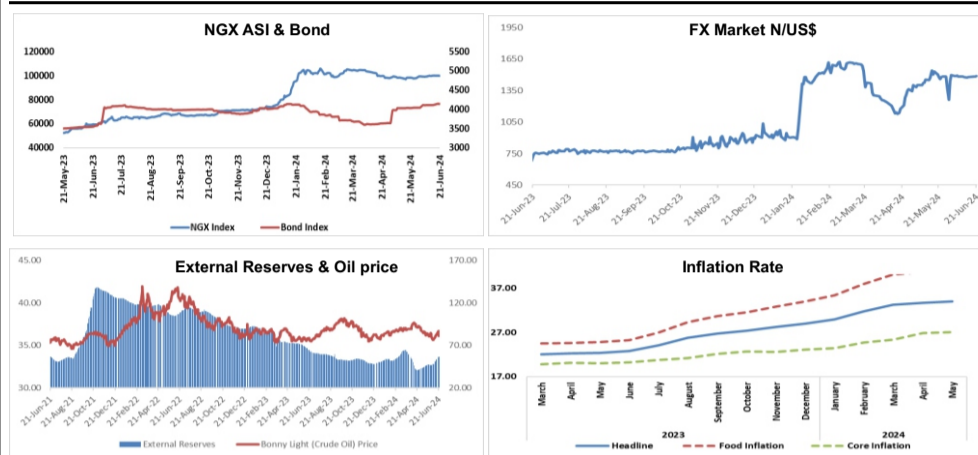


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.98	Q1 2024 — Lower by 0.48% compared to 3.46% in Q4 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)	33.95	Increased to 33.95 in May 2024 from 33.69% in April 2024
Monetary Policy Rate (%)	26.25	Adjusted to 26.25% in May 2024 from 24.75% in March 2024
Interest Rate (Asymmetrical Corridor)	26.25(+1/-3)	Lending rate changed to 27.25% & Deposit rate 23.25%
External Reserves (US\$ billion)	33.64	June 20, 2024 figure — an increase of 2.89% from the end of May
Oil Price (US\$/Barrel) (OPEC)	81.13	June 21, 2024 figure — a decline of 1.74% from the prior week
Oil Production mbpd (OPEC)	1.25	May 2024, figure — a decrease of 2.34% from April 2024 figure



## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	21/6/24	14/6/24	
NGX ASI	99,743.05	99,925.29	(0.18)
Market Cap(N'tr)	56.42	56.53	(0.18)
Volume (bn)	0.62	0.32	94.03
Value (N'bn)	11.35	4.95	129.21

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	21/6/24	14/6/24	
OPR	25.2500	25.6300	(38)
O/N	26.0357	26.2500	(21)
CALL	26.5417	27.1667	(63)
30 Days	24.0000	22.5417	146
90 Days	23.6429	23.3333	31

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	21/6/24	14/6/24	17/1/04
NAFEX (N)	1485.42	1479.76	1128.83

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	21/6/24	14/6/24	
3-Year	18.66	19.66	(100)
5-Year	18.66	18.87	(21)
7-Year	20.00	20.00	0
9-Year	19.99	19.98	1
10-Year	19.10	19.12	(3)
15-Year	18.77	18.29	48
20-Year	18.73	18.74	(1)
25-Year	17.50	17.36	14
30-Year	17.47	17.55	(8)

## COMMODITIES MARKET

Indicators	21/6/24	1-week Change (%)	YTD Change (%)
<b>Energy</b>			
Crude Oil (\$/bbl)	81.13	(1.74)	2.18
Natural Gas (\$/MMBtu)	2.72	(7.80)	(29.72)
<b>Agriculture</b>			
Cocoa (\$/MT)	8969.00	(7.35)	363.27
Coffee (\$/lb.)	225.05	0.56	72.85
Cotton (\$/lb.)	72.12	(0.19)	(6.94)
Sugar (\$/lb.)	19.10	(2.15)	24.59
Wheat (\$/bu.)	581.00	(6.06)	34.03
<b>Metals</b>			
Gold (\$/t oz.)	2340.00	(0.28)	77.60
Silver (\$/t oz.)	30.00	3.09	74.52
Copper (\$/lb.)	443.00	(0.40)	35.14

## NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	21/6/24	14/6/24	
1 Mnth	18.33	17.54	80
3 Mnths	19.00	20.51	(151)
6 Mnths	20.81	23.30	(249)
9 Mnths	23.57	23.30	27
12 Mnths	25.11	25.27	(15)

## ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	21/6/24	14/6/24	
Index	4,143.40	4,111.35	0.78
Mkt Cap Gross (N'tr)	28.15	27.93	0.79
Mkt Cap Net (N'tr)	16.04	16.06	(0.12)
YTD return (%)	68.68	67.37	1.31
YTD return (%) (US \$)	584.27	-580.68	1164.95

## TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	5,728.170	16.3	13-Jun-2024
182 Day	6,345.471	17.44	13-Jun-2024
364 Day	179,890,081	20.67	05-Jun-2024

## Market Analysis and Outlook: June 21, - June 28, 2024

### Global Economy

The annual inflation rate in Japan leading to a decline in rates. Open Repo accelerated to 2.8% in May 2024 from 2.5% in the previous month, pointing to the highest reading since February 2024, staying above the Central Bank's 2% target. There was a steep upswing in electricity prices as energy subsidies increased to 24.00% from 22.54%. This fully ended 14.7% against -1.1% in April 2024, reversing declines in the prior 15 months. The core inflation rate increased to 2.5% from April's 3-month low of 2.2%, compared with market forecasts of 2.6%.

### Foreign Exchange Market

Monthly, the CPI rose by 0.5%, the most since last October. The latest result put the Bank of Japan on track to further raise interest rates in the coming months. In March, the central bank increased interest rates for the first time since 2007, escaping from eight years of negative interest rates due to rising wages and elevated inflation. In another region, UK's inflation rate slowed to 2% in May 2024 from 2.3% in April, this is in line with Bank of England's 2% target and the lowest since July 2021. This was led by a slowdown in the cost of food to 1.7% from 2.9% in the previous month. Prices also eased for restaurants and hotels, and recreation and culture to 5.8% and 3.9% respectively from 6% and 4.4% in April 2024. However, prices accelerated for transport to 0.5% from 0.1% in the previous month. The annual core inflation rate eased to 3.5%, the lowest since October 2021, from 3.9% in April.

### Bond Market

The bond market traded on a calm note, with minimal trading activity across the bond curve. Average yields on 3-, 5-, 10-, 20-, and 30-year bonds saw slight increases to 18.66%, 18.66%, 19.10%, 18.73%, and 17.47% from 18.66%, 18.87%, 19.12%, 18.74%, and 17.55%, respectively. Access Bank bond index increased marginally by 32.04 points, closing at 4,143.40 points compared to 4,111.35 points. We expect improved post-auction market activities next week as DMO is expected to borrow c.N450bn across the NIGB 2029, NIGB 2031 and NIGB 2033 papers.

### Domestic Economy

Nigeria's inflation rate rose continued its upward momentum in May 2024, with the latest data from the National Bureau of Statistics (NBS) indicating that the headline index rose to 33.95%, up from 33.69% in April 2024. However, the pace of price increases in May was slower than in the previous month. The rise in the headline index was mainly due to a surge in prices, as shown by the year-on-year increase in both food and core inflation rates to 40.66% and 27.04% respectively in May 2024, compared to 40.53% and 26.84% in April. Notably, the month-on-month (m/m) inflation rate in May (2.14%) was the lowest this year (April: 2.29%), supporting the view that inflationary pressures are easing somewhat. This is further evidenced by the decline in food inflation on a m/m basis, which fell to 2.28% in May from 2.50% in April.

### Commodities

Gold prices recorded a second consecutive weekly increase last week, driven by rising demand amid expectations of interest rate cuts by the U.S. Federal Reserve. Gold has benefited from a run of soft economic data. Silver prices climbed above \$30 per ounce, hitting its highest level in two weeks, and tracking a rise in gold prices as weaker-than-expected US economic data bolstered bets that the Federal Reserve will cut interest rates twice this year. Meanwhile, signs of slowing industrial demand for metals dampened investor sentiment, with industry groups in China calling for lower production of solar panels as overcapacity drove down prices. Crude oil prices had a bullish run in the past week, however at the close of the week Bonny Light declined marginally by 1.6% on a week-on-week basis to \$81.13/barrel. The bullish run in Crude oil prices was driven by worries that global oil demand growth could be hit by a strong U.S. dollar and negative economic news from some parts of the world. Data released on last week showed that US crude stockpiles declined by 2.547 million barrels last week, exceeding forecasts for a 2-million-barrel draw. Additionally, the outlook improved as expectations rose that major central banks would implement multiple interest rate cuts this year, with the European Central Bank, Swiss National Bank, and Bank of Canada already beginning their easing cycles.

### Stock Market

The Nigerian Exchange experienced bearish dominance last week as investors adopted a cautious trading approach following the release of the country's inflation data, which negatively impacted investor confidence. Consequently, the All-Share Index (ASI) declined to 99,734.05 points, marking a decline of 182.24 points. Furthermore, market capitalization saw a downward movement of ₦103.08 billion to settle at ₦56.42 trillion at the end of the week. As trading begins this week, we anticipate that investors will continue to exercise caution in the equity market, shifting their assets to fixed-income securities due to the higher yields these investments currently offer.

### Monthly Macro Economic Forecast

Variables	June'24	July'24	Aug'24
Exchange Rate (NAFEX) (N/\$)	1450	1380	1300
Inflation Rate (%)	32.8	31.5	30.2
Crude Oil Price (US\$/Barrel)	84.5	85.4	87.5

### Money Market

Despite last week's OMO auction, market liquidity stayed in surplus,

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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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