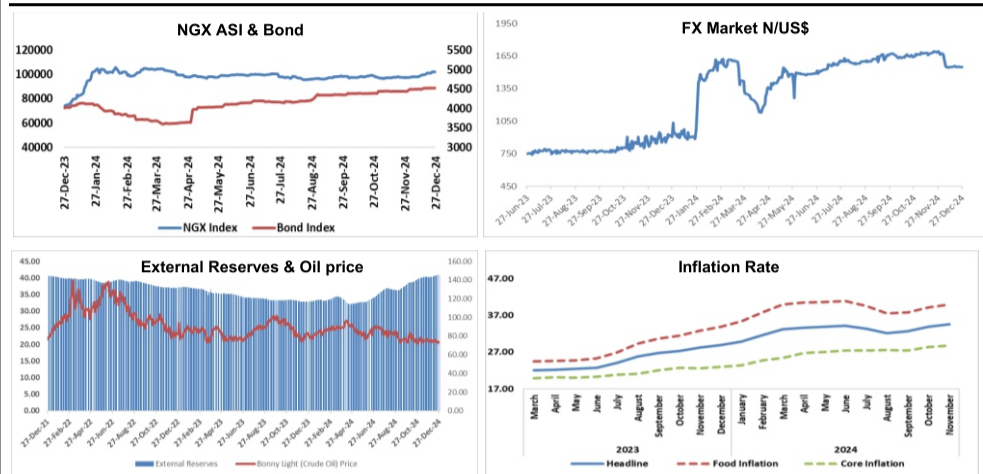


# Access Bank Rateswatch

## 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)	34.60	Increased to 34.60% in November 2024 from 33.88% in October 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)	40.85	Dec 24 2024 figure — an increase of 0.07% from the prior week
Oil Price (US\$/Barrel) (OPEC)	73.45	Dec 24 2024 figure — a decrease of 0.69% 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 (%)
	27/12/24	20/12/24	
NGX ASI	102133.30	101,129.09	0.99
Market Cap (N'trn)	61.91	61.30	0.99
Volume (bn)	0.45	0.52	(12.38)
Value (N'bn)	17.49	16.49	6.06

## MONEY MARKET

NIBOR				
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)	
	27/12/24	20/12/24		
OPR	26.50	31.79	(529.2)	
O/N	27.11	32.33	(523)	
CALL	27.67	32.55	(488.3)	
30 Days	27.26	28.70	(144)	
90 Days	28.16	30.10	(194.0)	

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	27/12/24	20/12/24	27/11/24
NAFEX (N)	1549.00	1548.07	1689.66

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	27/12/24	20/12/24	
3-Year	19.62	19.62	(0)
5-Year	20.85	21.14	(29)
7-Year	21.97	21.95	2
9-Year	21.10	20.70	40
10-Year	20.15	20.12	3
15-Year	18.63	18.63	0
20-Year	19.80	19.79	1
25-Year	17.37	17.36	0
30-Year	16.99	16.99	(0)

## COMMODITIES MARKET

Indicators	27/12/24	1-week Change (%)	YTD Change (%)
<b>Energy</b>			
Crude Oil (\$/bbl)	73.58	0.18	(7.33)
Natural Gas (\$/MMBtu)	3.78	5.00	(2.33)
<b>Agriculture</b>			
Cocoa (\$/MT)	10703.00	(12.39)	452.84
Coffee (\$/lb.)	323.60	(1.46)	148.54
Cotton (\$/lb.)	68.58	1.46	(11.51)
Sugar (\$/lb.)	19.26	(0.57)	25.64
Wheat (\$/bu.)	541.50	1.59	24.91
<b>Metals</b>			
Gold (\$/t oz.)	2614.51	(0.27)	98.44
Silver (\$/t oz.)	29.55	1.03	71.90
Copper (\$/lb.)	413.20	1.14	26.05

## NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	27/12/24	20/12/24	
1 Mnth	23.79	23.84	(5)
3 Mnths	26.25	26.48	(23)
6 Mnths	25.22	25.38	(16)
9 Mnths	26.02	26.04	(2)
12 Mnths	27.80	27.78	2

## ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	27/12/24	20/12/24	
Index	4527.19	4524.96	0.05
Mkt Cap Gross (N'trn)	30.76	30.74	0.07
Mkt Cap Net (N'trn)	17.62	17.64	(0.11)
YTD return (%)	84.30	84.21	0.09
YTD return (%) (US \$)	-596.70	-596.21	(0.49)

## 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 27, - January 03, 2024

### Global Economy

The annual inflation rate in the Eurozone rose to 2.2% in November 2024, up from 2.0% in October but slightly below the preliminary estimate of 2.3%. This year-end uptick aligns with expectations, primarily driven by base effects as the sharp declines in energy prices recorded last year no longer influence the annual calculation. Energy prices contracted at a slower pace of -2.0% compared to -4.6% in October, while the cost of non-energy industrial goods increased marginally to 0.6% from 0.5% in the prior month. Conversely, inflation for services moderated to 3.9% from 4.0%, consistent with the preliminary estimate, and prices for food, alcohol, and tobacco softened to 2.7% from 2.9%. On a monthly basis, the Consumer Price Index (CPI) declined by 0.3%, in line with advance estimates, while core inflation was confirmed at 2.7%. Among Member States, the lowest annual inflation rates were recorded in Ireland (0.5%), Lithuania, and Luxembourg (both at 1.1%). In contrast, the highest rates were observed in Romania (5.4%), Belgium (4.8%), and Croatia (4.0%). Compared to October 2024, annual inflation fell in four Member States, remained unchanged in three, and rose in twenty. In Asia, Japan's annual inflation rate climbed to 2.9% in November 2024, up from 2.3% in October, marking its highest level since October 2023. Food prices surged at the steepest rate in eight months, increasing to 4.8% from 3.5% in October, with fresh vegetables and other fresh foods driving the spike. Meanwhile, electricity prices surged to 9.9% from 4.0% in the prior month, and gas prices accelerated to 5.6% from 3.5%, reflecting the impact of the withdrawal of energy subsidies since May. Core inflation reached a three-month high of 2.7% in November, up from 2.3% in October, surpassing estimates of 2.6%. On a monthly basis, the CPI rose by 0.6%, the highest increase in 13 months.

### Foreign Exchange Market

The Naira remained relatively stable last week, supported by reduced volatility during the holiday season. The currency depreciated slightly by ₦0.93, closing at ₦1,549.00. Looking ahead, the exchange rate is anticipated to maintain its stability around this level, provided there are no significant market disruptions.

### Bond Market

The bond market recorded robust activity last week, particularly in medium-term securities, leading to slight increases in average yields across select tenors. The 7-, 9-, 10-, and 20-year bonds closed at 21.97%, 21.10%, 20.15%, and 19.80%, respectively, up from 21.95%, 20.70%, 20.12%, and 19.79% in the prior period. Looking ahead, trading activity is expected to moderate as market participants scale back transactions in the final days of the 2024 fiscal year.

### Commodities

Crude oil futures climbed above \$73.45 per barrel at the close of last week, posting a modest weekly gain amid subdued year-end trading. The increase followed China's announcement of additional economic measures, including expanded flexibility for officials to use government bond proceeds to stimulate growth, potentially boosting demand from the world's largest oil consumer. Supporting the uptick, API data revealed a fifth consecutive drop in commercial crude inventories, pending confirmation from official data. Meanwhile, the World Bank raised its growth forecast for China for 2024 and 2025, though it highlighted ongoing challenges in the property sector and weak consumer confidence. Elsewhere, reports indicated that major European energy companies are prioritizing oil and gas investments over renewables for short-term profitability, a trend expected to persist into 2025. Despite recent gains, crude oil remained on track for an annual decline of nearly 9%, with prices largely steady since mid-October. Gold eased below \$2,610 per ounce last week, surrendering gains from the prior session amid thin holiday trading. Investors awaited clearer signals about the US economic trajectory under the incoming Trump administration and evaluated the Federal Reserve's monetary policy outlook. Recent moderate US PCE inflation data tempered expectations of limited Fed rate cuts next year, suggesting a greater likelihood of additional reductions, which could benefit non-yielding gold. Nonetheless, gold's safe-haven appeal remained strong, supported by escalating geopolitical risks stemming from the Russia-Ukraine conflict and heightened tensions in the Middle East. On track for an impressive 27% annual gain - its best performance since 2010 - gold's rally has been driven by robust central bank purchases, geopolitical uncertainties, and accommodative monetary policies from major central banks.

### Domestic Economy

Nigeria's trade balance reached ₦5.81 trillion in Q3 2024, according to the latest Foreign Trade in Goods Statistics report released by the National Bureau of Statistics (NBS). The total merchandise trade value for the quarter amounted to ₦35.16 trillion, reflecting a 13.26% increase compared to Q2 2024 and a substantial 81.35% rise relative to Q3 2023. Exports accounted for 58.27% of the total trade value, reaching ₦20.48 trillion—a 16.76% growth from ₦17.55 trillion recorded in Q2 2024. Import trade volume for the quarter stood at ₦14.67 trillion. Crude oil continued to dominate Nigeria's export portfolio, contributing ₦14.67 trillion, or 65.44% of total exports. Non-crude oil exports comprised ₦7.08 trillion, representing 20.92% of total export activity.

### Stock Market

The Nigerian Exchange Group (NGX) maintained robust performance, with the market firmly in the green zone as investor activity intensified, pushing the All-Share Index (ASI) beyond the 100,000-point threshold. Year-to-date gains now stand at an impressive 38.41%, reflecting heightened investor interest in Nigerian equities as the year draws to a close. The ASI advanced by 1,004.21 points last week to close at 102,133.30, while market capitalization increased by ₦608.74 billion, reaching ₦61.91 trillion. Looking ahead, the bullish momentum is expected to persist this week as investors strategically position themselves in stocks with strong fundamentals, leveraging year-end market opportunities.

### 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

### Money Market

Liquidity conditions in the money market improved last week, bolstered by FAAC inflows that drove a decline in rates. The Open Repo Rate (OPR) and Overnight (ON)

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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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