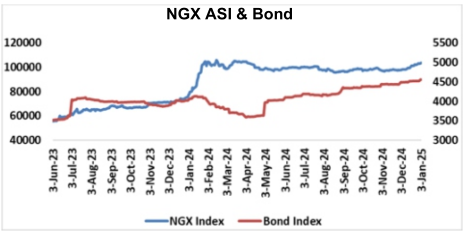
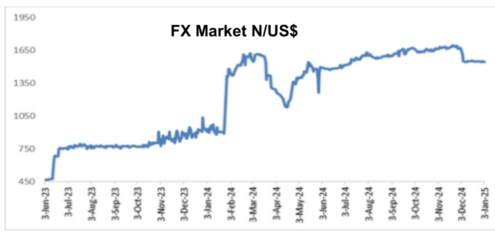
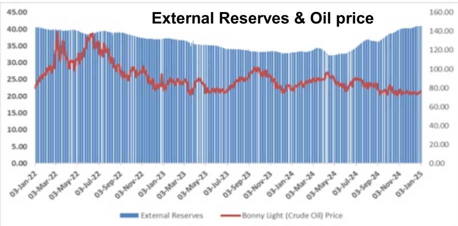
Access Bank Rateswatch

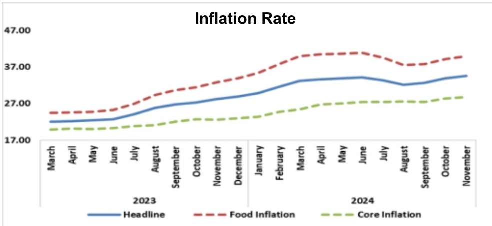
KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.46	Q3 2024 — Higher than 3.19% in Q2 2024
Broad Money Supply (N' trillion)	108.97	Increased by 0.90% in Nov 2024 from N108.00 trillion in October 2024
Credit to Private Sector (N' trillion)	75.96	Increased by 2.6% in Nov 2024 from N74.07 trillion in October 2024
Currency in Circulation (N' trillion)	4.88	Rose by 7.25% in Nov 2024 from N4.55 trillion in October 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)	40.88	Jan 02 2024 figure — an increase of 0.02% from the prior week
Oil Price (US$/Barrel) (OPEC)	76.37	Jan 02 2025 figure — an increase of 2.30% 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 (%)
	3/1/25	27/12/24	
NGX ASI	103,586.33	102,133.30	1.42
Market Cap (N'trn)	63.17	61.91	2.02
Volume (bn)	0.71	0.45	57.01
Value (N'bn)	8.24	17.49	(52.86)

COMMODITIES MARKET

Indicators	3/1/25	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil ($/bbl)	76.37	3.79	(3.82)
Natural Gas ($/MMBtu)	3.49	(7.67)	(9.82)
Agriculture			
Cocoa ($/MT)	11,075	3.48	472.06
Coffee ($/lb.)	321.15	(0.76)	146.66
Cotton ($/lb.)	67.97	(0.89)	(12.30)
Sugar ($/lb.)	19.67	2.13	28.31
Wheat ($/bu.)	539.25	(0.42)	24.39
Metals			
Gold ($/t oz.)	2647.01	1.24	100.90
Silver ($/t oz.)	29.82	0.91	73.47
Copper ($/lb.)	406.40	(1.65)	23.98

MONEY MARKET

NIBOR

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	3/1/25	27/12/24	
OPR	26.75	26.50	25
O/N	27.25	27.11	14
CALL	27.42	27.67	(25)
30 Days	27.28	27.26	2
90 Days	28.31	28.16	14

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	3/1/25	27/12/24	
1 Mnth	24.92	23.79	114
3 Mnths	25.39	26.25	(86)
6 Mnths	24.97	25.22	(24)
9 Mnths	26.04	26.02	2
12 Mnths	27.60	27.80	(20)

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/$)	2 Weeks Ago Rate (N/ $)	1 Month Ago Rate (N/$)
	3/1/25	27/12/24	3/12/24
NAFEX (N)	1543.50	1549.00	1658.36

BOND MARKET

AVERAGE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	3/1/25	27/12/24	
3-Year	19.62	19.62	(0)
5-Year	20.85	20.85	0
7-Year	21.98	21.97	0
9-Year	21.12	21.10	2
10-Year	20.26	20.15	10
15-Year	18.63	18.63	0
20-Year	19.81	19.80	1
25-Year	17.37	17.37	0
30-Year	16.99	16.99	(0)

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
Indicators	3/1/25	27/12/24	
Index	4,562.40	4,527.19	0.78
Mkt Cap Gross (N'trn)	31.00	30.76	0.78
Mkt Cap Net (N'trn)	17.81	17.62	1.08
YTD return (%)	85.73	84.30	1.70
YTD return (%)(US $)	(596.68)	(596.70)	(0.00)

TREASURY BILLS PMA AUCTION

Tenor	Amount (N' million)	Rate (%)	Date
91 Day	8,804.04	18	11-Dec-2024
182 Day	10,613.26	18.5	11-Dec-2024
364 Day	888,433.64	22.8	11-Dec-2024

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

Market Analysis and Outlook: January 03, - January 10, 2025

Global Economy

The UK's Composite PMI remained steady at 50.5 in December 2024, unchanged from November and slightly below market expectations of 50.7, according to preliminary estimates. This figure, which matched a one-year low, marked the 14th consecutive month of private-sector expansion. The resilience was driven by growth in the services sector, where the PMI increased to 51.4 from 50.4 in the previous month. This offset a deeper contraction in manufacturing, with its PMI dropping to 47.3 from 48.0, though it remained at its highest level in nearly a year. Despite these gains, total new orders declined for the first time in 13 months, signaling potential weakness in consumer spending. Additionally, firms cut jobs at the fastest pace since the global financial crisis, excluding the pandemic period, amid concerns over rising payroll taxes introduced in the UK's latest budget. Wage pressures persisted, fueling inflation across industries, while business confidence fell to a two-year low, reflecting a more cautious outlook. In Japan, the Composite PMI improved to 50.8 in December 2024 from 50.1 in November, marking the second consecutive month of private-sector growth and the strongest pace since September. The expansion was primarily led by faster growth in the services sector, while manufacturing output contracted for the fourth straight month. New orders surged, particularly in the service sector, contributing to employment growth and reduced work backlogs. However, foreign sales weakened further, adding to external challenges. Input prices rose at the fastest rate in four months, driven by the yen's depreciation, prompting firms to raise selling prices at the sharpest pace since May. Despite the gains, business sentiment declined to its second-lowest level in over three years, weighed down by labour shortages and high inflation.

Domestic Economy

Nigeria's Purchasing Manager's Index (PMI) rose significantly from 49.6 in November 2024 to 52.7 in December 2024, signaling a return to expansion in the nation's private sector. This marked the highest PMI reading since December 2023, driven by higher output across all four major sectors. New orders also increased for the second consecutive month, with the growth rate reaching its strongest level since May. Improved business conditions prompted companies to ramp up hiring and spending, reflecting a more optimistic outlook. However, strong inflationary pressures persisted, with purchase prices rising due to a weakened currency, higher fuel costs, and elevated transportation expenses. These factors also contributed to increased personnel costs. In response, businesses adjusted by raising production prices at a slightly faster rate than in November, highlighting the ongoing challenge of managing costs amid an improving but inflation-sensitive environment.

Stock Market

Nigeria's equities market started 2025 on a strong and positive note, buoyed by heightened investor activity that drove significant gains. The All-Share Index (ASI) surged by 1,453.33 points to close at 103,586.33, marking a robust performance. Market capitalization also expanded by ₦1.25 trillion, reaching ₦63.17 trillion. The outlook for the week remains optimistic, with investors likely to focus on stocks that offer compelling valuations.

Money Market

Despite a slight improvement in market liquidity last week, rates saw a marginal increase. The Open Repo Rate (OPR) and Overnight (ON) rate both rose to 26.75% and 27.25%, respectively, up from the previous week's levels of 26.50% and 27.11%. Meanwhile, the 30-day Nigerian Interbank Offered Rate (NIBOR) eased slightly to 27.42%, compared to 27.26% recorded earlier. Looking ahead, we expect rates to remain around similar levels this week.

Foreign Exchange Market

The Naira appreciated last week, driven by active participation from the Central Bank of Nigeria (CBN) on the sell side. The currency gained ₦5.50, closing at ₦1,543.50 by the end of the week. Looking ahead, the exchange rate is expected to remain stable around this level this week, barring any significant market disruptions.

Bond Market

The FGN bond market remained subdued throughout last week, as uncertainty over market direction continued to limit activity. This resulted in a muted trading environment, with slight increases in the average yields for the 9-, 10-, and 20-year bonds, which closed at 21.12%, 20.26%, and 19.81%, respectively, up from 21.10%, 20.15%, and 19.80%. Additionally, the Access Bank Bond Index rose by 35.21 points, reaching 4,562.40, compared to 4,527.19 in the previous period. Looking ahead, we expect a quiet trading session this week as market participants reassess their positions for the new year.

Commodities

Gold prices remained stable around $2,647 per ounce at the close of the previous week, positioning for a weekly gain. The market was primarily driven by safe-haven demand, anticipated ongoing central bank purchases, and heightened geopolitical tensions, particularly between Russia and Kyiv and Israel and Gaza City. Additionally, a recent survey by the World Gold Council suggested that major central banks may increase their gold purchases over the next 12 months. Investors were also assessing the potential impacts of a possible second Donald Trump presidency and China's initiatives to stimulate its economy. Meanwhile, crude oil futures traded at approximately $76.37 per barrel last week, nearing their highest level in over two months and positioning for a second consecutive weekly gain. Prices were supported by optimism about China's economic outlook, following President Xi Jinping's commitment to promoting growth in the world's largest oil-importing nation. The continued decline in U.S. crude inventories further bolstered prices. However, the broader outlook for the year remains uncertain due to concerns over potential oversupply and the possibility of OPEC+ production being reactivated. Traders are also closely monitoring geopolitical developments, including the potential implications of Donald Trump's return to the White House.

Monthly Macro Economic Forecast

Variables	Jan - 2025	Feb - 2025	Mar - 2025
Exchange Rate (NAFEX) (N/$)	1,500	1,500	1,480
Inflation Rate (%)	33.60	31.80	30.05
Crude Oil Price (US$/Barrel)	75.00	76.50	77.00

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