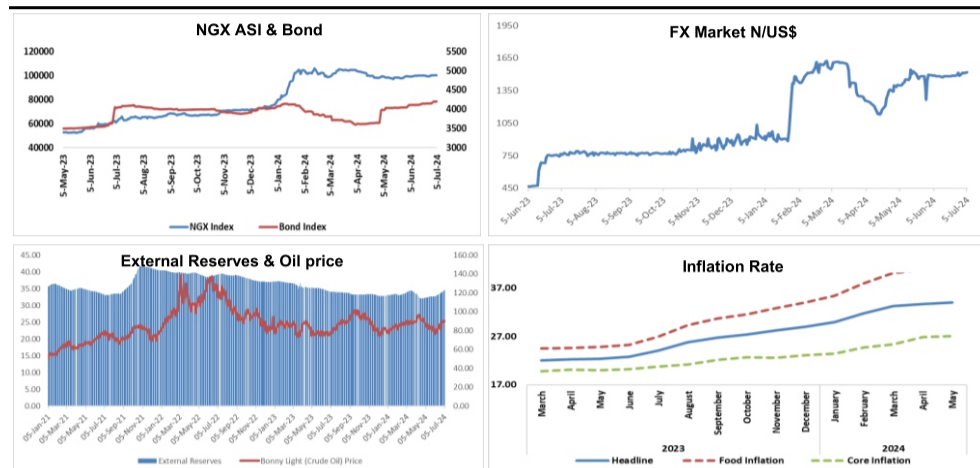


# Access Bank Rateswatch

## 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)	96.97	Increased by 5.01% in April 2024 from N92.34 trillion in March 2024
Credit to Private Sector (N' trillion)	72.92	Increased by 2.4% in April 2024 from N71.21 trillion in March 2024
Currency in Circulation (N' trillion)	3.92	Rose by 1.39% in April 2024 from N3.86 trillion in March 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)	34.66	July 4, 2024 figure — an increase of 4.97% from the start of the year
Oil Price (US\$/Barrel) (OPEC)	90.18	July 05, 2024 figure — an increase of 0.58% 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 (%)
	5/7/24	28/6/24	
NGX ASI	100,022.03	100,057.49	(0.04)
Market Cap (N'trn)	56.58	56.60	(0.04)
Volume (bn)	0.41	0.51	(19.04)
Value (N'bn)	6.02	9.88	(39.08)

## MONEY MARKET

NIBOR				
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)	
	5/7/24	28/6/24		
OPR	32.06	24.17	789	
O/N	32.53	25.00	753	
CALL	32.43	24.85	758	
30 Days	25.13	23.30	183	
90 Days	26.08	24.10	198	

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	5/7/24	28/6/24	5/6/24
NAFEX (N)	1521.73	1488.21	1490.53

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	5/7/24	28/6/24	
3-Year	18.65	18.65	(1)
5-Year	18.69	18.68	1
7-Year	20.19	20.19	0
9-Year	21.37	21.07	30
10-Year	18.79	18.79	1
15-Year	18.62	18.76	(14)
20-Year	18.77	18.76	1
25-Year	17.50	17.50	(0)
30-Year	17.57	17.51	6

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

## Market Analysis and Outlook: July 5, - July 12, 2024

### Global Economy

In the general election, the opposition Labour Party of the United Kingdom (ON) defeated the ruling Conservatives after a 14-year reign with a sizable parliamentary majority. Blue-chip stocks, government bond prices, and the value of the pound all rose as the Labour Party easily won a parliamentary election. The largest winners were British domestic-focused mid-cap stocks. Meanwhile, the S&P Global UK Construction PMI dropped from 54.7 in May 2024 to 52.2 in June 2024. This indicates a fourth consecutive month of a rising construction activity, albeit at a softer pace. Commercial activity was still the primary driver of growth, and it rose significantly. In a different area, Canada's unemployment rate increased from 6.2% in May 2024 to 6.4% in June 2024 - the highest level since January 2022 and higher than the 6.3% predicted by the market. The number of unemployed persons increased by 42,000 from the previous month to 1,400,000, mostly because of increases in unemployment for the youth to 13.5% and core-aged men to 5.6%. Meanwhile, net employment decreased by 1,400 from the prior month to 20,516,400, which was significantly less than the projected growth of 22,500.

### Foreign Exchange Market

The Nigeria Autonomous Foreign Exchange Fixing (NAFEX) experienced an increase in demand for dollars, as a result, the Naira declined in value, depreciating by ₦33.52 to close the week at ₦1,521.73/\$. This week, it is expected that the market could trade at elevated levels barring any significant market activities.

### Bond Market

The FGN Bond market opened on a quiet note last week as market participants traded cautiously in anticipation of Q3 2024 Bond Calendar. Average yields on 5-, 9-, and 30-year bonds saw slight increases to 18.69%, 21.37%, and 17.57% from 18.68%, 21.07%, and 17.51% respectively. Access Bank bond index increased marginally by 49.28 points, closing at 4,195.13 points compared to 4,145.85 points. We expect similar market sentiment to persist this week given the weak appetite for the bond market.

### Domestic Economy

Nigeria's PMI slipped from 52.1 in the previous month to a seven-month low of 50.1 in June 2024, pointing to a general slowdown in the private sector of the nation. Due to rising pricing pressure and declining domestic demand, both new orders and output grew more slowly. In the meantime, work backlogs decreased for the first time in four months and employment increased slightly for the second consecutive month. To beat anticipated price increases in the future, purchasing activity and stockpiles surged. Regarding prices, June saw a little increase in the rate of input inflation for the second consecutive month, making it the highest since March. This was connected to depreciating currencies and rising raw material prices, especially for animal feed. Consequently, businesses increased their own selling prices by a significant amount in June. Lastly, business confidence remained among the lowest on record in June.

### Stock Market

The bullish sentiment in the stock market waned as investors engaged in profit taking activities. Mainly the industrial and consumer goods sector witnessed selloffs which drove the market southwards. Consequently, the All-Share Index (ASI) declined marginally to 100,022.03 points falling short by 35.46 points. Similarly, market capitalization descended by ₦20 billion closing at ₦56.58 trillion. Going into trading this week, the bears might continue to dominate the market, mopping up gains from previous trading sessions.

### Money Market

Liquidity shrunk in the money market attributed to the OMO auction settlement that took place last week, leading to significant increase in rates.

### Monthly Macro Economic Forecast

Variables	Jul - 2024	Aug - 2024	Sep - 2024
Exchange Rate (NAFEX) (N/\$)	1,450	1,380	1,350
Inflation Rate (%)	33.60	33.15	32.85
Crude Oil Price (US\$/Barrel)	85.55	88.70	90.00

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