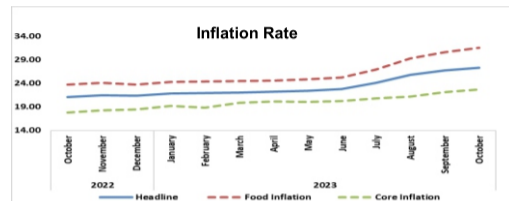
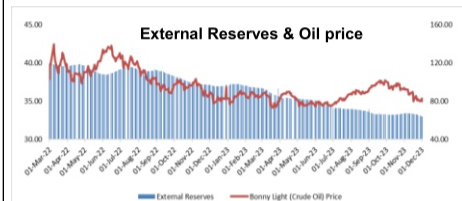
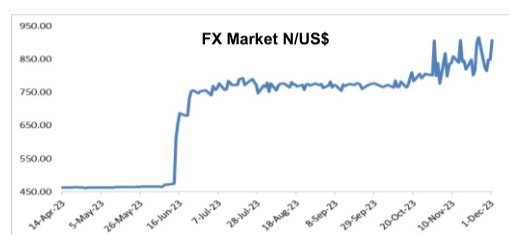
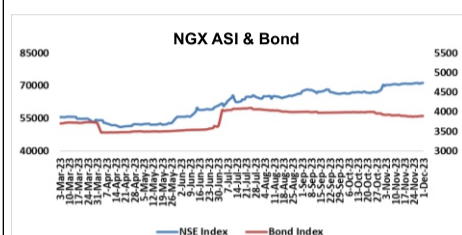


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.54	Q3 2023—Higher by 0.03% compared to 2.51% in Q2 2023
Broad Money Supply (N' trillion)	67.18	Rose by 2.64% in September 2023 from N65.45 trillion August 2023
Credit to Private Sector (N' trillion)	58.60	Rose by 7.01% in September 2023 from N54.76 trillion August 2023
Currency in Circulation (N' trillion)	2.76	Increased by 3.76% in September 2023 from N2.66 trillion in August 2023
Inflation rate (%) (yo-y)	27.33	Increased to 27.33% in October 2023 from 26.72% in September 2023
Monetary Policy Rate (%)	18.75	Adjusted to 18.75% in July 2023 from 18.5% in May 2023
Interest Rate (Asymmetrical Corridor)	18.75(+1/ -3)	Lending rate changed to 19.75% & Deposit rate 15.75%
External Reserves (US\$ billion)	33.00	November 30, 2023 figure — a decrease of 1.20% from November start
Oil Price (US\$/Barrel) (Bonny Light)	79.90	December 1, 2023 figure — a decrease of 4.33% from the prior week
Oil Productionmbpd (OPEC)	1.35	October 2023, figure —an increase of 0.3% from September 2023 figure



## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	1/12/23	24/11/23	
NGX ASI	71,365.25	71,230.48	0.19
Market Cap(N'tr)	39.32	39.17	0.38
Volume (bn)	0.36	0.58	(38.04)
Value (N'bn)	10.23	4.27	139.47

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	1/12/23	24/11/23	
OPR	15.7500	23.7500	(800)
O/N	16.3200	24.5800	(826)
CALL	17.2500	24.2500	(700)
30 Days	16.7500	20.0000	(325)
90 Days	16.7500	19.6667	(292)

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	1/12/23	24/11/23	1/11/23
NAFEX (N)	907.33	915.11	799.32

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	1/12/23	24/11/23	
7-Year	14.30	15.12	(82)
10-Year	13.04	13.48	(44)
15-Year	16.48	16.48	0
20-Year	16.19	16.19	0
25-Year	17.13	17.13	0
30-Year	17.55	17.54	1

## Disclaimer

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

## Market Analysis and Outlook: December 01, - December 08, 2023

### Global Economy

The Indian economy expanded 7.6% year-on-year in Q3 2023, following a strong 7.8% growth in the previous period, higher than the Reserve Bank of India projection of 6.5%. According to the Ministry of Statistics and Programme Implementation (MOSPI), the GDP performance was championed by a growth increase in the manufacturing, construction, utilities, mining, financial, real estate, and professional services sectors. Meanwhile, the farm sector grew a meagre 1.2%, dragged down by heavy rainfall across the country. On the expenditure side, government spending rebounded sharply, and gross fixed capital formation rose faster, namely, infrastructure spending mostly financed by central and state governments. At the same time, exports recovered, and imports increased more. On the other hand, private spending slowed. In another territory, the Caixin China General Manufacturing Purchasing Managers Index (PMI) rose to 50.7 points in November 2023 from 49.5 points posted in October, pointing to the highest reading since August. Both output and buying levels returned to growth, amid recent efforts from Beijing to revive a sluggish economy. Also, new orders rose the most in 4 months while chain performance meanwhile improved slightly for the second month in a row. Prices data indicated that cost pressures remained subdued, with input costs rising modestly. At the same time, efforts to attract and secure sales curbed pricing power, and output charges were broadly unchanged. Finally, sentiment improved to a 4-month peak.

### Foreign Exchange Market

Forex supply shortage worsened last week owing to the maturity of the NGUS November 29, 2023 FX futures. Notwithstanding, the Naira appreciated slightly by ₦7.78 to close at ₦907.33. This week, the rate might hover around similar levels except for a significant inflow to improve supply to match increasing demand. The FGN Bond market closed last week with relatively mixed sentiment. There was an increased supply of instruments relative to demand on the long-end maturities while strong demand was seen on the short-end of the curve given the scarcity of instruments. Consequently, average yields on the 7-, and 10-year settled lower at 14.30% and 13.04% from 15.12%, and 13.48%. Also, the Access Bank bond index increased by 13.38 points to close at 3,895.38 points from 3,882.00 points. Going into the new trading week, the bullish momentum is expected to wane as market participants trade cautiously ahead of the monthly Bond auction.

### Commodities

Crude oil extended losses, facing downward pressure from scepticism over voluntary oil output cuts by Organization of the Petroleum Exporting Countries Plus (OPEC+) producers for the first quarter of next year. While the cartel collectively agreed to an additional 1 million barrel-a-day output reduction, individual members will announce their specific cuts. Saudi Arabia is expected to extend its voluntary cut of 1 million barrels a day. Consequently, Bonny Light, Nigeria's benchmark crude price declined by \$3.62 to close the week at \$79.90 per barrel (pb) from \$83.52pb posted in the preceding week. In a separate event, bullion prices headed for another weekly advance as weaker-than-expected US inflation data bolstered bets that the Federal Reserve (Fed) is done with its tightening cycle and may start cutting interest rates next year. Subsequently, gold price gained \$39.65 or 2.0% to sit at \$2,036.40 per ounce. Also, silver gained \$1.27 or 5.3% to sit at \$25.14 per ounce.

### Domestic Economy

President Bola Ahmed Tinubu has presented the 2024 federal budget tagged "Budget of Renewed Hope" to the National Assembly. The aggregate expenditure of N27.50 trillion is to be sponsored by N18.32 trillion, thus leaving a deficit of N9.18 trillion to be financed by borrowings. The 2024 proposed budgeted expenditure and revenue exceed the 2023 budget by 10.8% and 65.79%, respectively. The 2024 budget proposal adopted a \$77.96 per barrel oil benchmark price and an oil production estimate of 1.78 million barrels per day. Similarly, GDP, inflation and exchange rate forecasts were held at 3.76% and 21.40% and N750/\$, respectively.

### Stock Market

The Nigerian stock market sustained its positive momentum last week as industrial goods stocks remained attractive to investors. As a result, the All-Share Index (ASI) rose by 134.77 points to close the week at 71,3645.25 points. However, market capitalization descended by ₦150 billion to close the week at ₦39.32 trillion. Going into trading this week, sustained interest is expected to persist in fundamentally sound stocks.

### Money Market

The inflow of the Federation Account Allocation Committee disbursement eased the illiquidity witnessed in the money market. Consequently, the Open Repo Rate (OPR) and Over Night (ON)

### Monthly Macro Economic Forecast

Variables	Nov'23	Dec'23	Jan'24
Exchange Rate (NAFEX) (N/\$)	780	750	700
Inflation Rate (%)	28.2	29.5	27.1
Crude Oil Price (US\$/Barrel)	87	85	85

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