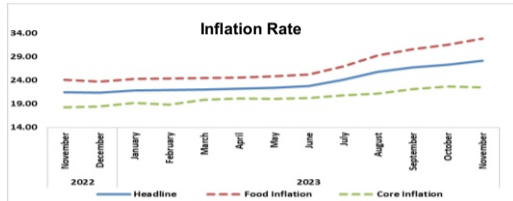
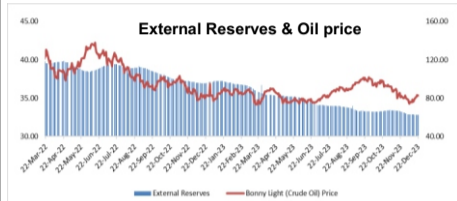
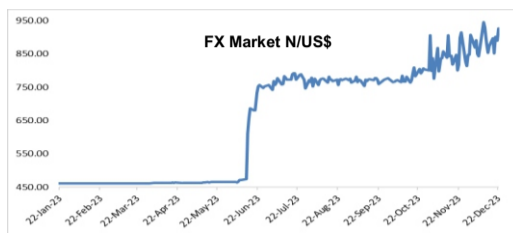
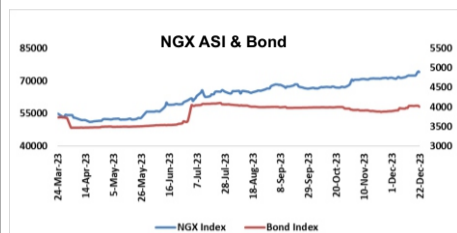


Access Bank Rateswatch

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 in August 2023 |
| Credit to Private Sector (N' trillion) | 58.60 | Rose by 7.01% in September 2023 from N54.76 trillion in 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) | 32.84 | December 20, 2023 figure — a decrease of 0.55% from December start |
| Oil Price (US\$/Barrel) (OPEC) | 82.44 | December 22, 2023 figure — an increase of 4.9% from the prior week |
| Oil Productionmbpd (OPEC) | 1.25 | November 2023, figure — a decrease of 7.41% from October 2023 figure |



STOCK MARKET

| Indicators | Last Week | 2 Weeks Ago | Change (%) |
|------------------|-----------|-------------|------------|
| | 22/12/23 | 15/12/23 | |
| NGX ASI | 74,023.27 | 72,389.23 | 2.26 |
| Market Cap(N'tr) | 40.51 | 39.61 | 2.26 |
| Volume (bn) | 0.42 | 0.31 | 37.81 |
| Value (N'bn) | 16.58 | 6.57 | 152.55 |

COMMODITIES MARKET

| Indicators | 22/12/23 | 1-week YTD Change (%) |
|------------------------|----------|-----------------------|
| Energy | | |
| Crude Oil (\$/bbl) | 82.44 | 4.94 (27.89) |
| Natural Gas (\$/MMBtu) | 2.57 | 2.80 (33.59) |
| Agriculture | | |
| Cocoa (\$/MT) | 4288.00 | 0.73 (121.49) |
| Coffee (\$/lb.) | 193.60 | 1.95 (48.69) |
| Cotton (\$/lb.) | 79.87 | (0.17) (3.06) |
| Sugar (\$/lb.) | 20.24 | (8.42) (32.03) |
| Wheat (\$/bu.) | 612.00 | (2.12) (41.18) |
| Metals | | |
| Gold (\$/t oz.) | 2048.20 | 0.73 (55.45) |
| Silver (\$/t oz.) | 24.36 | 1.54 (41.71) |
| Copper (\$/lb.) | 391.85 | 0.78 (19.54) |

MONEY MARKET

| NIBOR | | | |
|---------|--------------------|----------------------|----------------------|
| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
| | 22/12/23 | 15/12/23 | |
| OPR | 14.86 | 22.25 | (739.0) |
| O/N | 15.29 | 23.25 | (796) |
| CALL | 15.75 | 23.00 | (725.0) |
| 30 Days | 16.33 | 20.25 | (392) |
| 90 Days | 17.17 | 21.25 | (408.3) |

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
|----------|--------------------|----------------------|----------------------|
| | 22/12/23 | 15/12/23 | |
| 1 Mnth | 3.27 | 3.45 | (18) |
| 3 Mnths | 6.01 | 5.40 | 61 |
| 6 Mnths | 7.75 | 7.76 | (1) |
| 9 Mnths | 10.98 | 11.47 | (49) |
| 12 Mnths | 13.56 | 14.28 | (72) |

FOREIGN EXCHANGE MARKET

| Market | Last Week Rate (N/\$) | 2 Weeks Ago Rate (N/\$) | 1 Month Ago Rate (N/\$) |
|-----------|-----------------------|-------------------------|-------------------------|
| | 22/12/23 | 15/12/23 | 22/11/23 |
| NAFEX (N) | 927.38 | 874.23 | 817.91 |

ACCESS BANK NIGERIAN GOV'T BOND INDEX

| Indicators | Last Week | 2 Weeks Ago | Change (Basis Point) |
|------------------------|-----------|-------------|----------------------|
| | 22/12/23 | 15/12/23 | |
| Index | 4008.41 | 4030.51 | (0.55) |
| Mkt Cap Gross (N'tr) | 26.40 | 26.54 | (0.53) |
| Mkt Cap Net (N'tr) | 15.25 | 15.26 | (0.07) |
| YTD return (%) | 63.18 | 64.08 | (0.90) |
| YTD return (%) (US \$) | -296.92 | -273.56 | (23.36) |

BOND MARKET

| AVERAGE YIELDS | | | |
|----------------|--------------------|----------------------|----------------------|
| Tenor | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
| | 22/12/23 | 15/12/23 | |
| 7-Year | 12.90 | 12.91 | (0.9) |
| 10-Year | 12.01 | 12.05 | (3.1) |
| 15-Year | 15.22 | 15.13 | 8.6 |
| 20-Year | 14.84 | 14.84 | (0.7) |
| 25-Year | 15.72 | 15.80 | (7.4) |
| 30-Year | 16.19 | 16.22 | (3) |

TREASURY BILLS PMA AUCTION

| Tenor | Amount (million) | (N' Rate (%) | Date |
|---------|------------------|--------------|-------------|
| 91 Day | 1,101.072 | 9.0 | 13-Dec-2023 |
| 182 Day | 1,284.65 | 13.0 | 13-Dec-2023 |
| 364 Day | 11,199.078 | 15.75 | 13-Dec-2023 |

Disclaimer
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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: December 22, - December 29, 2023

Global Economy

The British economy recorded a negative growth of 0.1% quarter-on-quarter in Q3 2023, compared to no growth recorded in the prior quarter. On an annual basis, growth declined to 0.3% from 0.6% posted in the prior quarter. The Office for National Statistics revealed that the services sector fell 0.2% led by a 1.4% decline in information and communications, namely telecommunications and computer programming. On the expenditure side, household spending declined, mainly dragged by social protection, jewellery, clocks and watches, restaurants and hotels, food and non-alcoholic drinks, and furniture and household equipment. Also, business investment declined, mainly investment in transport equipment, other machinery and equipment, and dwellings. While government consumption grew by 0.8%, exports and imports shrank by 0.8% and 1%, respectively. In another event, data from the Ministry of Internal Affairs & Communications revealed that the annual inflation rate in Japan dropped to 2.8% in November 2023 from 3.3% in the prior month, pointing to the lowest print since July 2022. Meanwhile, the core inflation rate, which excludes fresh food but includes fuel costs, eased to 2.5% in November 2023, compared to 2.9% posted in October, posting the lowest reading since July 2022. Still, the core inflation print exceeded the Bank of Japan's (BOJ) 2% target for the 20th consecutive month, challenging the central bank's commitment to ultra-loose monetary policy. The BOJ maintained accommodative monetary settings during its December policy meeting and made no comments about possible adjustments towards policy normalization next year.

Foreign Exchange Market

The forex market continued to experience a shortage of funds with the persistent demand for Dollars exceeding its supply. Hence, the Naira depreciated by ₦53.15 to close at ₦927.38. This week, rates are expected to hover around similar levels barring any significant inflow of forex.

Bond Market

Improved buying activity was witnessed during last week for debt papers. Consequently, average yields on the 7-, 10-, 20-, 25-, and 30-year settled lower at 12.90%, 12.01%, 14.84%, 15.72% and 16.19% from 12.91%, 12.05%, 15.13%, 14.84%, 15.80% and 16.22%. However, the Access Bank bond index decreased by 22.10 points to close at 4,008.41 points from 4,030.51 points. Going into the new trading week, a quiet trading session is expected as market participants remain on the sidelines ahead of the festive holiday.

Commodities

Oil prices held weekly gains, advancing for the second consecutive week, underpinned by disruptions to global trade amid increased Houthi attacks on ships in the Red Sea. Bloomberg reported that oil shipments in the Red Sea dropped by more than 40% so far this week compared to the daily average over the previous three weeks. Consequently, Bonny Light, Nigeria's benchmark crude price rose by \$3.88 to close the week at \$82.44 per barrel (pb) from \$78.56pb posted in the preceding week. In another development, bullion prices gained for the 2nd consecutive week benefitting from a sharp decline in the Dollar and Treasury yields as traders piled on bets that the US Federal Reserve will start cutting interest rates next year. Subsequently, gold price gained \$14.84 or 0.7% to sit at \$2,048.20 per ounce. Also, silver gained \$0.37 or 1.5% to sit at \$24.36 per ounce. This week, oil prices might come under pressure owing to Angola's planned exit from the Organization of the Petroleum Exporting Countries (OPEC) after 16 years amid disagreements over the country's oil output quota for 2024. While Angola's exit is unlikely to impact global supply significantly, it highlights market concerns about commitment within the group to pledged production cuts. On the other hand, bullion prices are expected to look northwards as investors bet that major central banks will halt rate hikes given mixed economic performance.

Domestic Economy

The Debt Management Office (DMO) revealed that Nigeria's public debt soared to ₦87.91 trillion (\$114.35 billion) at the end of Q3 2023. This is 0.61% higher than ₦87.38 trillion (\$113.42 billion) recorded in Q2 2023 and 14.17% higher than DMO's 2023 projection of ₦77 trillion. While domestic debt accounted for 63.62% to settle at ₦55.93 trillion in Q3 2023 from ₦54.21 trillion recorded in Q2 2023, external debt contributed 36.38% of total public debt, settling at ₦31.98 trillion from ₦33.25 trillion, within the reference period.

Stock Market

As anticipated, the Bulls further registered their presence in the Nigerian equities market as stock rallies continued especially in the insurance segment of the market. As a result, the All-Share Index (ASI) rose by 1,634.04 points to close the week at 74,023.27. Also, market capitalization rose by ₦890 billion to close the week at ₦40.51 trillion. Going into trading this week, the stock market might reroute south as investors might engage in profit taking activities.

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 |

Money Market

The Federation Account Allocation Committee (FAAC) disbursement provided relief to the liquidity condition of the money market. Consequently, the Open Repo Rate (OPR) and Over Night (ON) declined to 14.86% and 15.29%

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