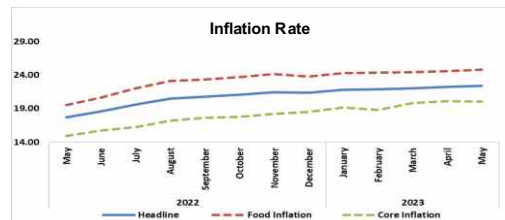
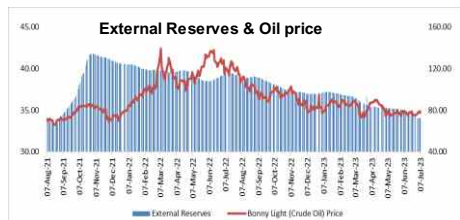
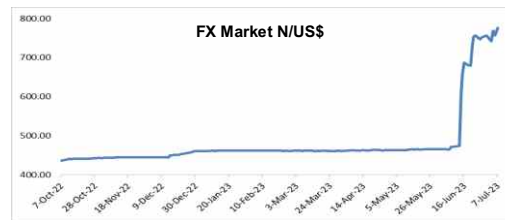
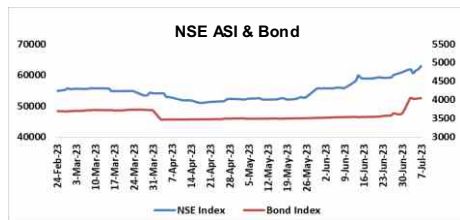


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

| Indicators                             | Current Figures | Comments   |
|--|-----------------|--|
| GDP Growth (%)                         | 2.31            | Q4 2022 — lower by 1.21% compared to 3.52% in Q4 2022            |
| Broad Money Supply (N' trillion)       | 55.80           | Declined by 0.43% in May 2023 from N56.04 trillion in April 2023 |
| Credit to Private Sector (N' trillion) | 44.21           | Rose by 1.26% in May 2023 from N43.66 trillion in April 2023     |
| Currency in Circulation (N' trillion)  | 2.53            | Increased by 6.30% in May 2023 from N2.38 trillion in April 2023 |
| Inflation rate (%) (y-o-y)             | 22.41           | Increased to 22.41% in May 2023 from 22.22% in April 2023        |
| Monetary Policy Rate (%)               | 18.5            | Adjusted to 18.5% in May 2023 from 18% in March 2023             |
| Interest Rate (Asymmetrical Corridor)  | 18.5*(+1/-7)    | Lending rate changed to 19.5% & Deposit rate 11.5%               |
| External Reserves (US\$ billion)       | 34.06           | July 06, 2023 figure — a increase of 0.12% from July start       |
| Oil Price (US\$/Barrel) (Bonny Light)  | 78.76           | July 07, 2023 figure — an increase of 7.2% from the prior week   |
| Oil Production mbpd (OPEC)             | 1.18            | May 2023, figure — an increase of 19.19% from April 2023 figure  |



## STOCK MARKET

| Indicators       | Last Week | 2 Weeks Ago | Change (%) |
|------------------|-----------|-------------|------------|
|                  | 7/7/23    | 30/6/23     |            |
| NSE ASI          | 63,040.41 | 60,968.27   | 3.40       |
| Market Cap(N'tr) | 34.33     | 33.20       | 3.40       |
| Volume (bn)      | 1.23      | 1.00        | 23.00      |
| Value (N'bn)     | 13.85     | 15.96       | (13.22)    |

## MONEY MARKET

| NIBOR   |                    |                      |                      |
|---------|--------------------|----------------------|----------------------|
| Tenor   | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
|         | 7/7/23             | 30/6/23              |                      |
| OPR     | 0.8600             | 1.3600               | (50)                 |
| O/N     | 1.2500             | 2.0000               | (75)                 |
| CALL    | 1.6200             | 1.7500               | (13)                 |
| 30 Days | 7.2440             | 6.6500               | 59                   |
| 90 Days | 8.6500             | 8.7750               | (13)                 |

## FOREIGN EXCHANGE MARKET

| Market  | Last Week Rate (N/\$) | 2 Weeks Ago Rate (N/\$) | 1 Month Ago Rate (N/\$) |
|---------|-----------------------|-------------------------|-------------------------|
|         | 7/7/23                | 30/6/23                 | 7/6/23                  |
| I&E (N) | 776.90                | 769.25                  | 464.67                  |

## BOND MARKET

| AVERAGE YIELDS |                    |                      |                      |
|----------------|--------------------|----------------------|----------------------|
| Tenor          | Last Week Rate (%) | 2 Weeks Ago Rate (%) | Change (Basis Point) |
|                | 7/7/23             | 30/6/23              |                      |
| 7-Year         | 10.10              | 9.79                 | 31                   |
| 10-Year        | 10.73              | 9.76                 | 97                   |
| 15-Year        | 14.39              | 14.40                | (1)                  |
| 20-Year        | 13.43              | 13.48                | (6)                  |
| 25-Year        | 14.59              | 15.35                | (76)                 |
| 30-Year        | 14.55              | 15.07                | (52)                 |

## DISCLAIMER

This report is based on information obtained from various sources believed to be reliable and no representation is made that it is accurate or complete. Reasonable care has been taken in preparing this document. Access Bank Plc shall not accept responsibility or liability for errors of fact or any opinion expressed herein. This document is for information purposes and private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior written consent of Access Bank Plc.

Sources: CBN, Financial Market Dealers Quotation, NSE, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.  
\* Crude oil (Bonny Light) is as at the previous day.

## Market Analysis and Outlook: July 07 - July 14, 2023

### Global Economy

The US Bureau of Labour Statistics Market liquidity remained elevated this revealed that the unemployment rate in week and as a result the Open Repo Rate the US decreased slightly to 3.6% in June (OPR) and Over Night (ON) declined to 2023, which is lower than May's 7-month 0.86% and 1.25% from 1.36% and 2.00% high of 3.7%. The jobless rate has recorded in the prior week, respectively. fluctuated between 3.4% and 3.7% since However, longer-dated placements such March 2022, indicating a consistently as the 30-day Nigerian Interbank Offered tight labour market and allowing the Rate (NIBOR) rose to 7.24% from 6.65%. Federal Reserve the flexibility to continue This week, rates are expected to hover raising interest rates to combat inflation. around similar levels owing to liquidity The number of unemployed people boost in the system.

### Money Market

decreased by 140 thousand to 5.96 million and employment levels rose by 273 thousand to 160.99 million. The so-called U-6 unemployment rate, which also includes people who want to work, but have given up searching and those working part-time because they cannot find full-time employment, rose to 6.9% in June from 6.7% in May. The labour force participation rate was unchanged at 62.6%, remaining at its highest level since March 2020. In another news, according to the State Administration of Foreign Exchange, China posted a current account surplus of \$81.5 billion during the first quarter of 2023, picking up from a \$85.3 billion surplus in the same period last year. The goods and services deficit rose by 408.12 points to close at \$47.2 billion from \$14.1 billion in March 2023 to 4.4% in April 2023, Light, Nigeria's benchmark crude, price a 10-basis point decrease. The NPLs of commercial banks have been declining despite increasing credit to the private sector, demonstrating the sound condition of financial institutions. Write-offs, facility restructuring, Global Standing Instruction (GSI), and prudent credit risk management are all responsible for the ongoing fall in NPLs. When the borrower is in default and has not made the required number of payments, the loan is said to be non-performing.

### Foreign Exchange Market

At the Investors' & Exporters' (I&E) market, the bids of the willing buyers also included those who want to work, but have given up searching and those who are working part-time because they cannot find full-time employment, rose to 6.9% in June from 6.7% in May. The labour market will continue to trade with mixed sentiment barring any significant market activities.

### Bond Market

The FGN Bond market sustained its active momentum last week as cherry-picking was seen for long-tenured bonds. Consequently, yields on the 15-, 20-, 25- and 30-year debt papers closed lower at 14.39%, 13.43%, 14.59%, and 14.55% a year ago, as both exports and imports declined 7.4% to two-year 15.07%. The Access Bank bond index widened to \$47.2 billion from \$14.1 billion in March 2023 to 4.4% in April 2023, Light, Nigeria's benchmark crude, price a 10-basis point decrease. The NPLs of commercial banks have been declining despite increasing credit to the private sector, demonstrating the sound condition of financial institutions. Write-offs, facility restructuring, Global Standing Instruction (GSI), and prudent credit risk management are all responsible for the ongoing fall in NPLs. When the borrower is in default and has not made the required number of payments, the loan is said to be non-performing.

### Domestic Economy

According to data from the Central Bank of Nigeria (CBN), the ratio of banks' Non-Performing Loans (NPLs) dropped from 4.5% in March 2023 to 4.4% in April 2023, Light, Nigeria's benchmark crude, price a 10-basis point decrease. The NPLs of commercial banks have been declining despite increasing credit to the private sector, demonstrating the sound condition of financial institutions. Write-offs, facility restructuring, Global Standing Instruction (GSI), and prudent credit risk management are all responsible for the ongoing fall in NPLs. When the borrower is in default and has not made the required number of payments, the loan is said to be non-performing.

### Commodities

Last week, oil prices held advance, underpinned by supply cuts from major oil producers and a large drawdown in US crude stockpiles. Consequently, Bonny Light, Nigeria's benchmark crude, price a 10-basis point decrease. The NPLs of commercial banks have been declining despite increasing credit to the private sector, demonstrating the sound condition of financial institutions. Write-offs, facility restructuring, Global Standing Instruction (GSI), and prudent credit risk management are all responsible for the ongoing fall in NPLs. When the borrower is in default and has not made the required number of payments, the loan is said to be non-performing.

### Stock Market

Positive sentiment was sustained on the Nigerian Exchange as investors continued to price economic optimism into stocks. Stocks in the pension, oil and gas, industrial goods, consumer goods segment rallied on increasing interest in the country's equities. Consequently, the All-Share Index (ASI) rose to 63,040.41 points gaining 2,072.14 points week-on-week. Similarly, market capitalization ascended by N1.13 trillion closing at N34.32 trillion week-on-week. Going into trading this week, the stock market is expected to remain in the green zone as more inflows from both domestic and foreign investors are anticipated.

### Monthly Macro Economic Forecast

| Variables                     | May'23 | Jun'23 | Jul'23 |
|-------------------------------|--------|--------|--------|
| Exchange Rate (NAFEX) (N/\$)  | 463    | 650    | 650    |
| Inflation Rate (%)            | 22.0   | 26     | 26     |
| Crude Oil Price (US\$/Barrel) | 85     | 83.5   | 80     |

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