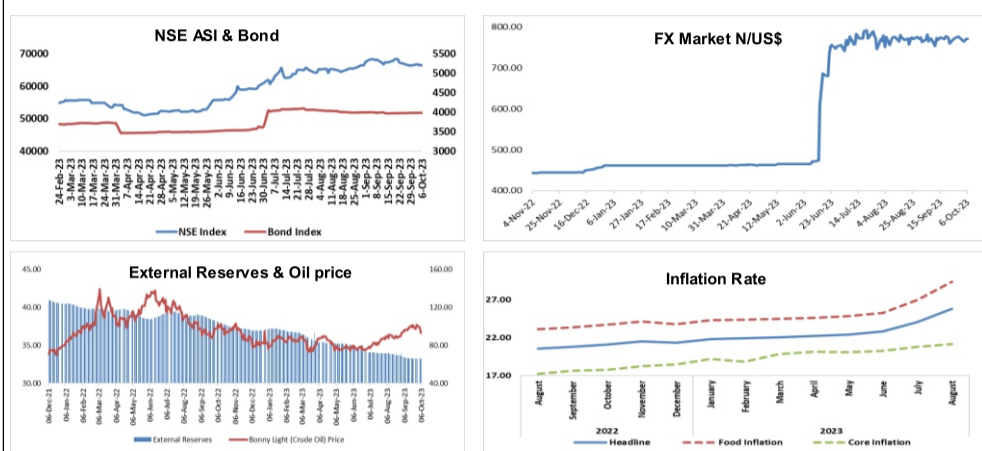


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS		
Indicators	Current Figures	Comments
GDP Growth (%)	2.51	Q2 2023 — lower by 0.2% compared to 2.31% in Q1 2023
Broad Money Supply (N' trillion)	65.45	Declined by 0.03% in August 2023 from N65.47 trillion in July 2023
Credit to Private Sector (N' trillion)	54.76	Rose by 1.11% in August 2023 from N54.16 trillion in July 2023
Currency in Circulation (N' trillion)	2.66	Increased by 2.70% in August 2023 from N2.59 trillion in July 2023
Inflation rate (%) (y-o-y)	25.80	Increased to 25.80% in August 2023 from 24.08% in July 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)	33.23	October 5, 2023 figure — a decrease of 0.002% from October start
Oil Price (US\$/Barrel) (Bonny Light)	93.26	October 6, 2023 figure — a decrease of 7.4% from the prior week
Oil Production mbpd (OPEC)	1.18	August 2023, figure — an increase of 9.26% from July 2023 figure



STOCK MARKET			
Indicators	Last Week	2 Weeks Ago	Change (%)
	6/10/23	29/9/23	
NSE ASI	66,454.57	66,382.14	0.11
Market Cap(N'tr)	36.51	36.33	0.49
Volume (bn)	0.37	0.29	27.67
Value (N'bn)	8.93	4.53	97.06

COMMODITIES MARKET			
Indicators	6/10/23	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil (\$/bbl)	93.26	(7.38)	44.68
Natural Gas (\$/MMBtu)	3.22	11.42	(16.80)
Agriculture			
Cocoa (\$/MT)	3,438.00	(0.43)	77.58
Coffee (\$/lb.)	145.25	(0.07)	11.56
Cotton (\$/lb.)	86.73	(2.25)	11.91
Sugar (\$/lb.)	26.22	(2.02)	71.04
Wheat (\$/bu.)	570.75	(2.10)	31.66
Metals			
Gold (\$/t oz.)	1,819.57	(2.78)	38.10
Silver (\$/t oz.)	21.05	(9.11)	22.45
Copper (\$/lb.)	362.00	(3.77)	10.43

MONEY MARKET			
NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	6/10/23	29/9/23	
OPR	1.0000	2.7000	(170)
O/N	1.7000	3.4000	(170)
CALL	1.3333	3.0000	(167)
30 Days	8.3333	7.5000	83
90 Days	10.0000	8.6667	133

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	6/10/23	29/9/23	
1 Mnth	3.16	3.38	(22)
3 Mnths	4.92	4.44	48
6 Mnths	7.03	7.13	(10)
9 Mnths	9.70	10.44	(74)
12 Mnths	12.56	13.94	(138)

FOREIGN EXCHANGE MARKET			
Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	6/10/23	29/9/23	6/9/23
NAFEX (N)	771.33	776.79	765.34

ACCESS BANK NIGERIAN GOV'T BOND INDEX			
Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	6/10/23	29/9/23	
Index	3,989.46	3,986.81	0.07
Mkt Cap Gross (N'tr)	25.40	25.08	1.28
Mkt Cap Net (N'tr)	14.53	14.30	1.61
YTD return (%)	62.41	62.30	0.18
YTD return (%) (US \$)	(229.74)	(227.28)	1.08

BOND MARKET AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	6/10/23	29/9/23	
7-Year	12.79	12.80	(1)
10-Year	12.19	12.17	2
15-Year	15.17	15.17	0
20-Year	14.89	14.89	0
25-Year	15.63	15.63	0
30-Year	15.92	15.84	7

TREASURY BILLS PMA AUCTION			
Tenor	Amount (million)	(N'Rate %)	Date
91 Day	1,101.72	6.5	13-Sep-2023
182 Day	918.383	7.0	13-Sep-2023
364 Day	150,180.915	12.98	13-Sep-2023

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Market Analysis and Outlook: October 06, - October 13, 2023

Global Economy

The U.S. Bureau of Labor Statistics revealed that unemployment rate in the US was at 3.8% in September 2023, and remaining unchanged from the previous month. Still, the result consolidated evidence that the labour market remains tight on historical standards, adding leeway for the Federal Reserve (Fed) to leave borrowing costs at restrictive levels for a prolonged period. The number of unemployed individuals was essentially unchanged at 6.36 million people. The 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, edged lower to 7% after touching a 15-month high of 7.1% in August. In the meantime, the labour force participation rate was also unchanged at 62.8%, the highest since February 2020. In a separate event, the Reserve Bank of India kept its benchmark policy repo at 6.5% for the 4th consecutive meeting for 2023 held in October. Policymakers said the decision remains to align inflation to the RBI's tolerance range of 4% ± 2% while supporting economic growth. India's annual inflation slowed to 6.83% in August from a 15-month high of 7.44% due to moderating food prices. Additionally, the central bank maintained its economic growth and headline inflation forecast for the fiscal year 2024 at 6.5% and 5.4%, respectively, while softening its core inflation forecast by 140 bps to 4.9%. The RBI also left both the marginal standing facility (MSF) and bank rates unchanged at 6.75% while holding the standing deposit facility (SDF) rate at 6.25%.

Foreign Exchange Market

Consequently, the Open Repo Rate (OPR) and Over Night (ON) declined to 1.00% and 1.70% from 2.70% and 3.40% recorded in the prior week, respectively. However, longer-dated placements such as the 30-day Nigerian Interbank Offered Rate (NIBOR) rose to 8.33% from 7.50%. This week, rates are expected to look northwards as banks fund their obligations. Amidst the burgeoning demand for the greenback, the intervention of the Central Bank of Nigeria (CBN) was sufficient to keep the exchange rate from dwindling further. Hence, the Naira appreciated by ₦5.46 to close at ₦771.33/\$. This week, the Naira is expected to exchange the Dollar at a relatively similar rate barring any significant inflow of the latter.

Bond Market

The bond market closed on a quiet note as investors maintain caution while trading. Consequently, while the average yield on the 7-year debt paper declined to settle at 12.79% from 1.80%, the average yield on the 15-, 20-, and 25-year debt paper remained unchanged at 15.17%, 14.89% and 15.63%. However, the Access Bank bond index rose further by 2.66 points to close at 3,989.46 points from 3,986.81 points. Going into a new trading week, minimal activities are expected on the bond market due to investors' weak appetite for long debt instruments.

Commodities

Oil prices reversed gains, moving back to the double-digit space, primarily due to concerns about weakening global demand, despite tight supply worries. Additionally, Russia allowed diesel fuel exports via ports again after a recent ban, but gasoline exports remained restricted. Analysts noted signs of demand reduction, possibly linked to decreased seasonal travel. Consequently, Bonny Light, Nigeria's benchmark crude, price declined by \$7.43 per barrel (pb) to close the week at \$93.26pb from \$100.69pb posted in the preceding week. In another news, declined by 8.34% to settle at ₦37.16 billion in August, domestic portfolio remaining close to its lowest levels in 7 months amid concerns that the US Fed will keep interest rates elevated for an extended period due to inflationary risks. Subsequently, gold price lost \$52.01 or 2.8% to sit at \$1,819.57 per ounce. Also, silver lost \$2.11 or 9.1% to sit at \$21.05 per ounce. This week, oil prices might remain depressed largely owing to demand concerns. On the other hand, bullion prices might steady as await further reports on the US economy to envisage the policy stance of the Fed.

Domestic Economy

Total equity transaction for the month of August 2023 declined significantly, falling to ₦262.56 billion from ₦702.98 billion recorded in the previous month. This reflects a decline of 62.65% month-on-month. The decline could be attributed to the reaction of market participants to the reaction of market participants to the widening real return and the negative ripple effect of policy reforms implemented in earlier months. While the foreign portfolio equity transactions declined by 8.34% to settle at ₦37.16 billion in August, domestic portfolio equity plummeted by 65.97% to settle at ₦225.40 billion for the reference period.

Stock Market

The bulls overtook the local bourse as interest in Nigerian stocks were reignited ahead of the third quarter earnings season. Pension, banking, industrial and consumer goods stock rallied to provide a boost for the market's positive performance. As a result, the All-Share Index (ASI) rose by 72.43 points to close at 66,454.57 points. Similarly, market capitalization ascended by ₦180 billion to close the week at ₦36.51 trillion. Going into trading this week, cherry picking activities is expected to continue as investors take positions in fundamentally sound stocks.

Monthly Macro Economic Forecast

Variables	Aug'23	Sep'23	Oct'23
Exchange Rate (NAFEX) (N/\$)	780	775	780
Inflation Rate (%)	24.5	26.04	26.80
Crude Oil Price (US\$/Barrel)	85	83.5	80

Money Market

The money market was awash with liquidity owing to the anticipated inflow of the Federation Account Allocation Committee (FAAC) disbursement.

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

For enquiries, contact: Oluwaseun Olaye (Team Lead, Economic Intelligence) (01) 2712123 oluwaseun.olaye@accessbankplc.com