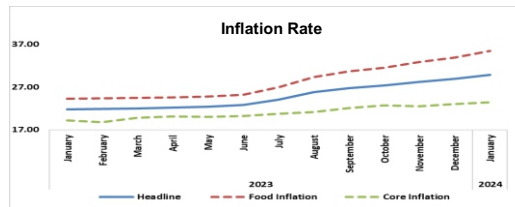
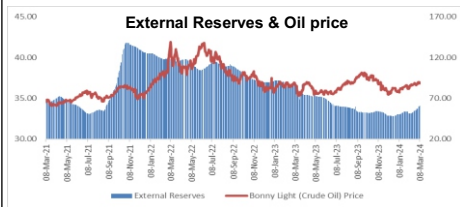
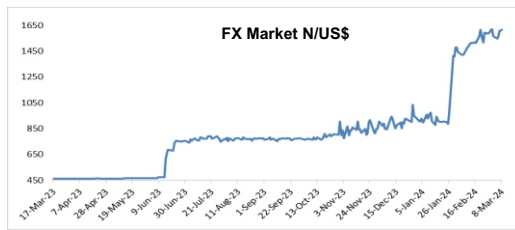
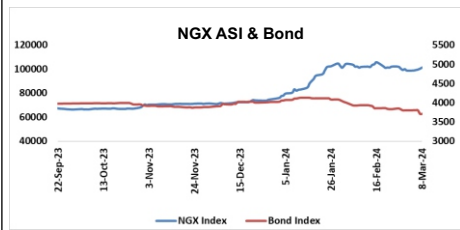


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.46	Q4 2023 — Higher by 0.92% compared to 2.54% in Q3 2023
Broad Money Supply (N' trillion)	93.72	Rose by 19.02% in January 2024 from N78.74 trillion in December 2023
Credit to Private Sector (N' trillion)	76.94	Rose by 23.06% in January 2024 from N62.52 trillion in December 2023
Currency in Circulation (N' trillion)	3.65	Unchanged in January 2024 from N3.65 trillion in December 2023
Inflation rate (%) (y-o-y)	29.9	Increased to 29.9% in January 2024 from 28.92% in December 2023
Monetary Policy Rate (%)	22.75	Adjusted to 22.75% in February 2024 from 18.75% in July 2023
Interest Rate (Asymmetrical Corridor)	22.75(+1/-7)	Lending rate changed to 23.75% & Deposit rate 15.75%
External Reserves (US\$ billion)	34.11	March 7, 2024 figure — an increase of 1.04% from March start
Oil Price (US\$/Barrel) (OPEC)	88.14	March 7, 2024 figure — an increase of 1.1% from the prior week
Oil Production mbpd (OPEC)	1.43	January 2024, figure — an increase of 6.72% from December 2023 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	8/3/24	1/3/24	
NGX ASI	101,330.85	98,751.98	2.61
Market Cap(N'tr)	57.29	54.04	6.03
Volume (bn)	0.36	0.37	(2.58)
Value (N'bn)	19.88	6.78	193.09

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	8/3/24	1/3/24	
OPR	29.82	27.16	266
O/N	31.00	28.19	281
CALL	31.78	26.64	514
30 Days	22.70	19.48	322
90 Days	23.15	20.19	296

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	8/3/24	1/3/24	8/2/24
NAFEX (N)	1615.85	1567.65	1451.37

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	8/3/24	1/3/24	
7-Year	18.01	16.54	146
10-Year	15.80	14.80	100
15-Year	18.46	17.63	83
20-Year	18.57	17.28	129
25-Year	17.86	17.82	4
30-Year	18.31	18.06	25

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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: March 8, - March 15, 2024

Global Economy

The South African economy rose by 1.2% year-on-year in Q4 2023, following a negative figure of 0.7% posted in the previous quarter. Six (6) out of ten (10) industries contributed to the growth, with the transport sector contributing the most and expanding by 2.9%. Moreover, mining activity rebounded while manufacturing saw a slight uptick amidst fewer rotational power cuts. However, agriculture and trade experienced steep declines. On the expenditure side, household consumption rose by 0.2%, and changes in inventories contributed 1 percentage point (pp). However, government spending fell 0.3% and fixed investment shrank 0.2%. Net exports contribution was negative following increases of 0.6% and 4.0% in exports and imports, respectively. Quarter-on-quarter, the GDP grew by 0.1% in Q4 2023, following a 0.2% decrease in Q3 2023. South Africa's economy grew by 0.6% in full year 2023, down from 1.9% in 2022. In a separate space, the Bureau of Economic Analysis (BEA), the US recorded a \$67.4 billion trade gap in January 2024, the biggest in 9 months, compared to an upwardly revised \$63.5 billion gap in December. Exports edged up a meagre 0.1% to \$257.2 billion, with sales rising for non-monetary gold, passenger cars, consumer and capital goods, travel, and financial services, but falling for crude oil and fuel oil. Meanwhile, imports rose 1.1% to \$324.6 billion, led by passenger cars, trucks, buses, and special purpose vehicles, computer accessories, computers, semiconductors, travel, and financial services, while purchases went down for crude oil, cell phones and other household goods and transport. Deficits were recorded with China, European Union and Mexico while trade surpluses were recorded with Netherlands, Hong Kong and Australia.

Money Market

The settlement of Open Market Operation (OMO) and Nigerian Treasury Bills (NTB) auctions led to reduced liquidity in the financial system. As a result, the Open Repo Rate (OPR) and Overnight (ON) rates climbed to 29.82% and 31.00%, up from the previous week's 27.16% and 28.19%, respectively. Moreover, the rate for longer-term commitments, like the 90-day Nigerian Interbank Offered Rate (NIBOR), rose to 23.15% from 20.19%. Without significant capital injections, it is likely that money market rates will rise further as banks seek to meet their financial obligations.

Foreign Exchange Market

The foreign exchange market faced a liquidity shortage last week as the continuous demand for Dollars exceeded available supplies, resulting in the Naira depreciating by ₦48.20 to settle at ₦1,615.85. Without a substantial influx of capital, it is expected that the forex rate will remain near current levels throughout this week.

Bond Market

The weak sentiment persisted in the bond market as investors traded cautiously owing to the NTB auction. As a result, the average yields on the 7-, 10-, 15-, 20-, 25-, and 30-year bonds rose to 18.01%, 15.80%, 18.46%, 18.57%, 17.86, and 18.31%, respectively, up from 16.54%, 14.80%, 17.63%, 17.28%, 17.82%, and 18.06%. Furthermore, the Access Bank bond index fell by 90.94 points, closing at 3,715.66 points compared to the previous 3,806.60 points. Going into the new trading week, the weak sentiment might persist given the liquidity squeeze induced by the NTB auction debit.

Commodities

Oil prices increased further as heightened tensions in the Middle East continued to raise supply concerns, with a Houthi attack on a commercial vessel in the Red Sea which led to fatalities. Consequently, Bonny Light, Nigeria's benchmark crude price gained \$0.99 to close the week at \$88.14 per barrel (pb) from \$87.15pb posted in the preceding week. In another event, bullion prices looked further north. Consequently, gold price gained \$120.87 or 5.9% to sit at \$2,173.21 per ounce. Also, silver price gained \$1.66 or 7.3% to sit at \$24.31 per ounce. This week, oil prices may come under threat owing to increased oil production from non-OPEC+ (Organization of the Petroleum Exporting Countries Plus countries such as the US and lingering worries over China's economic growth. On the other hand, bullion prices might stay muted as investors digest the key US Jobs report for clues on the monetary easing.

Domestic Economy

Nigeria labour force survey for Q3 2023, conducted by the National Bureau of Statistics (NBS) revealed that the unemployment rate uptick to 5.0% from 4.2% recorded in the preceding quarter. Youth unemployment rate also rose to 8.6% in Q3 2023 relative to 7.2% posted in Q2 2023. Recall that a new methodology, which adopts a larger working age population of 15 years and above and a minimum of 1 hour a week considered as employed, was adopted.

Stock Market

As anticipated, Nigerian bourse as investors' interest were reignited country's equities - especially in the pension, banking and consumer goods segment of the market. Consequently, the All-Share Index (ASI) closed at 101,330.85 points, reflecting an increase of 2,578.87 points. Furthermore, the market capitalization rose by ₦3.26 trillion, concluding the week at ₦57.29 trillion. Going into the new trading week, market performance is expected to keep north as investors position themselves in dividend paying stocks, especially banking stocks, ahead of the release of full year financial results.

Monthly Macro Economic Forecast

Variables	Feb'24	Mar'24	April'24
Exchange Rate (NAFEX) (N/\$)	1500	1450	1400
Inflation Rate (%)	30.5	30	29.2
Crude Oil Price (US\$/Barrel)	80	82	85

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