Global Economy

In the United Kingdom, the unemployment rate remained stable at 4.5% in the first quarter of 2017. This was lower than the 5.0% recorded in the same period of the previous year. Figures gotten from the Office for National Statistics (ONS) revealed that the employment rate remained at 81.4%, as the number of employed persons went up by 109,000.

In Europe, the European Union's inflation rose by 1.4% year-on-year in May 2017, slower than 1.9% seen in April. The slower rate was as a result of slower increases in the prices of fuel, heating oil and telecommunication. Figures from European Union National Statistics Agency (Eurostat) showed that the lowest annual rates were recorded in Ireland, France and the Netherlands.

In India, the country's Wholesale Price Index (WPI) increased to 3.4% in May 2017 from 2.7% in April 2017. This was due to higher inflation in transportation fuel and lubricants, raw food articles and manufactured goods. The overall prices rose by 2.4%, down from 2.5% in April. Month-on-month, consumer prices declined by 0.1%. In a separate development, Japan's core inflation rate remained at 0.1%.

The monthly inflation rate in South Korea was -0.3% in May 2017, lower than 0.4% in April 2017. Core inflation rate also declined to 0.4% from 0.7%.

In South Korea, Taiwan, Germany and Thailand.

Bond Market

Low yields on the average rose across most maturities last week. This was largely due to sell-offs on longer tenor bonds following the bond auction which took place during the week. Yields on the five-, seven-, and ten-year debt papers climbed to 16.53%, 16.50% and 15.54% from 16.25%, 16.16% and 16.46% respectively for the corresponding maturities in the previous week. The Access Bank Bond Index fell by 1.77 points to close at 16.31 points, while the central bank sold 119.8 billion as well as futures settlement of about 21.21% from 19.55% and 21.28% the previous week.

In the Eurozone, consumer prices rose at a rate of 1.4% year-on-year in May 2017, slower than 1.76% in April. According to figures revealed from the Office for Harmonized Indices of Consumer Prices (CPI), the inflation rate rose to 1.6% from 1.5% in April. Month-on-month, consumer prices declined by 0.1%. In a separate development, the Swiss National Bank announced that it had kept its interest rate at -0.75%.

Commodities Market

Prices remained subdued as the global crude glut persisted despite the Organization of Petroleum Exporting Countries (OPEC) deep cut. U.S. oil production is currently at 1.8 million barrels per day growth, which is almost twice the expectation of International Energy Agency (IEA). OPEC's price deferred by 0.60% to $42.58 per barrel from $43.58 per barrel the previous week. However, Brent oil, the Nigerian benchmark crude, remained at $45.96 per barrel last week. In contrast, prices of precious metals starred higher last week, as equities fell and the dollar eased, following a tumble in crude oil prices. Gold rose by 0.1% to $1,256.75 an ounce and silver by 0.2% to $16.76 an ounce. This week of prices may likely continue as various factors, including the doubt cast on production in Libya and Nigeria. For precious metals, economic and financial market policy uncertainty will continue to hold sway over precious metals.

Stock Market

The Nigerian stock exchange market halted its bull trend after four consecutive weeks as major market indicators trended downwards. The All Share Index (ASI) lost 1,608.41 points to close at 32,122.14 points from 33,810.56 points the previous week, representing a 5.0% decline.

SOURCES: CBN, Financial Market Dealers Association of Nigeria, NSE and synthesized from various reports.

Money Market

The last reported figures showed that the three highest average rates were recorded in Estonia, Latvia and Lithuania. German inflation remained 2.4% in May 2017 from 2.3% in April and Italy's inflation rate was 1.5% in May 2.2% in April. With the exception of energy alone, the figures for May sourced from the Eurostat show more prices rose from 1.2% in March from 1.3%. The Eurozone inflation rate declined to 1.4% in May from 2.1% in April. Month-on-month, consumer prices declined by 0.1%. In a separate development, Japan's core inflation rate remained at 0.1%.

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