In the U.S., consumer prices rose by 2.2% year-on-year in January 2018, a slight increase from the 2.1% recorded the previous month. Inflation rate edged up as a result of higher prices of fuel, transportation services, energy and apparel. Month-on-month consumer prices eased to 0.2% from 0.2% gain in January according to the Bureau of Labor Statistics. Core inflation rose to 1.8% from February, largely driven by the UK, trade deficit in goods and services expanded by a huge gap to GBP 3.97 billion in February from GBP 0.61 billion in January 2018. According to the Office for National Statistics (ONS), this was largely as a result of increase in imports. The Category ‘Imports of goods supplied by non-EU countries and food and refreshment supplied by EU countries’ increased. Import of goods and services to the UK increased by 2.6% to GBP 56.72 billion in January versus GBP 54.28 billion in the prior month while exports increased at a slower rate to 1.6% GBP 35.01 billion in January versus GBP 33.07 billion. Inflation rose by 14.33% year-on-year in February 2018, 0.65% lower than the rate recorded in January 2018. It is the lowest inflation rate in four months according to the Reserve Bank of India. Among the Consumer Price Index (CPI) components, food inflation dipped to 3.38% in February 2018 from 4.58% in January, mainly contributed to the decline in prices of cereals and pulses. 

The Consumer Price Index (CPI) which measures inflation rose by 4.4% year-on-year in the month of February 2018, which is 0.8% lower than the 15.13% recorded in January 2018. This represents the thirteenth consecutive month of decline in the rate of inflation since January 2017. Food index increased by 17.59% (year-on-year) in February, slightly lower than 18.17% recorded in January, thus indicating decelerating pressure in the prices of food items. The core sub-index, which excludes prices of farm produce increased by 11.27% (year-on-year) in February, slightly lower than the 12.23% recorded in January. During the month, the highest increases were seen in the prices of bread & cereals, vegetables, meat, poultry, eggs, & other foods, coffee, tea, cocoa, milk, cheese & egg and fish. Others are Fuel and light, maintenance and repairs of personal transport equipment, maintenance and repair of personal transport equipment, Narcotics, Vehicle spare parts, Transporter service by air, repair of clothing and Hospital services. In a separate development, the Central Bank of Nigeria (CBN) in a recent publication introduced guidelines for the regulation of bills payments directed at protecting stakeholders in the system. The stakeholders include the payer, the biller, the payer’s bank, the biller’s bank and the payments service provider (PSP). The regulation mandates billers and payments service providers to provide customer support services by creating help desks to facilitate resolution of service issues in different payment methods such as cheques, cards, direct debit, instant payments and automated clearing houses. This, the regulatory body, titled ‘A Vessel for Bill Payments in Nigeria’ covers bill payments on various bill payment channels and any payment platform that seeks to integrate the payment side of commercial activity and merchant aggregators in Nigeria. Objectives of this regulation is to document the minimum standards that must be complied with for the processing of bill payment transactions; to identify standards in Bill Payment ecosystem space; and to ensure the enforcement of the vision of a ‘rationally utilised and internationally recognised’ payments system in Nigeria and to ensure adequate protection for the stakeholders in the Bill Payment system space. 

The All Share Index (ASI) lost 2.9% to 21,936.97 points in the previous week. Similarly, market capitalization fell by 3.5% to close at N1.31 trillion from N1.51 trillion the previous week. Market outlook maybe positive this week with the possibility of ambulances as investors take advantage of stocks with attractive valuations.

### Access Bank Rateswatch

**Stock Market**

- **Indexes:**
  - **NSE All-Share Index (ASI):**
    - 41,935.90
  - **Market Capitalisation (MC) (Trillion):**
    - 4,575.46
  - **Value (Trillion):**
    - 38,041.51

**Key Macroeconomic Indicators**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Current Figure</th>
<th>Change from Previous Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil Price (US$/Barrel)</td>
<td>65.79</td>
<td>Increase of 0.12% from a prior week</td>
</tr>
<tr>
<td>Inflation rate (%)</td>
<td>14.33</td>
<td>Declined to 14.33% in Feb’ 2018 from 15.13% in Jan’ 2018</td>
</tr>
<tr>
<td>GDP Growth (%)</td>
<td>1.92</td>
<td>Higher by 0.52% compared to 1.40% in Q3 2017</td>
</tr>
</tbody>
</table>

**Foreign Exchange Market**

- **Naira (N):**
  - 400.00
  - 400.00
- **Pound (GBP):**
  - 53.65
  - 53.65

**Money Market**

- **O/N Rates:**
  - 12.92
  - 9.17
- **Inter-Bank (N):**
  - 335.81
  - 335.67

**Commodities Market**

- **Wheat ($/bu.)**
  - 9.92
  - 9.92
- **Crude Oil ($/bbl):**
  - 0.12
  - 0.12

**Bond Market**

- **Federal Reserve:**
  - 1.60
  - 1.60

**Market Analysis and Outlook:**

- **March 16 - March 23, 2018**
  - Stock Market
    - Trading at the local bourse closed on a bearish note
  - Foreign Exchange Market
    - The local currency depreciated marginally at the parallel market to N365.51 from N362.58 the previous week.
  - Money Market
    - The direction of money market rates trended lower.
  - Bond Market
    - Last week, average bond yields moderated for the third consecutive week due to demand on short term placements. Positive counterparty sentiment towards short term placements resulted in lower yields.

**Sources:**

- CBRY (Financial Markets Dealers Association of Nigeria, NSE and Access Bank Economic Intelligence Group comparison.)
- CBN, Financial Times, Reuters, The Economist Intelligence Unit (TEIU), and Access Bank Economic Intelligence Group comparison.