**Global Economy**

In the U.K, gross domestic product (GDP) widened 1.1% year-on-year in the third quarter of 2019, the weakest growth rate since the second quarter of 2012. It is higher compared to a preliminary estimate of 1.0% and lower than the previous period's revised 1.2. According to the Office for National Statistics, private consumption continued to underpin activity amid low unemployment and a strong labor market.

**Oil Market**

Intra-day, oil prices extended its gains last week as the thawing trade relations between the United States and China supported global markets. Bunker light, Nigeria's benchmark crude increased 3.32% or $2.21 to close the week at $67.82 per barrel. Precious metal prices added 3.32% or $2.21 to close the week at $1821.81 per ounce.

**Money Market**

Rates on the money market mostly declined due to excess liquidity in the system. Short-term interest rates are likely to remain around current levels due to OMO maturity of N906 billion. The parallel market closed at N363.55/US$ from N363.12/US$. This represents a 0.24% rise in the rate compared to the previous month and majorly due to increases in the price of food. Core inflation liquidated to 8.99% when compared to 8.88% in the previous month and food inflation spiked to 14.48% from 14.09% in November 2019. Food items that saw the highest increases were bread & cereals, fish, meat, potatoes, yams & other tubers and fats & oil. Food inflation on a year-on-year basis was highest in Kebbi state (18.77%) and lowest in Bauchi state (12.44%).

**Domestic Economy**

Data from the National Bureau of Statistics revealed that inflation rate for November 2019 increased to 11.85% year-on-year from 11.61% in October 2019. This represents a 0.24% rise in the rate compared to the previous month and majorly due to increases in the price of food. Core inflation liquidated to 8.99% when compared to 8.88% in the previous month and food inflation spiked to 14.48% from 14.09% in November 2019. Food items that saw the highest increases were bread & cereals, fish, meat, potatoes, yams & other tubers and fats & oils. Food inflation on a year-on-year basis was highest in Kebbi state (18.77%) and lowest in Bauchi state (12.44%).

**Bond Market**

The bond market was bearish for the first time in two months as international investors sold off bonds in light of a rally in global yields as the year comes to an end. Consequently, market yields fell for most maturities across the curve. Yields on the five-, ten- and thirty-year bonds fell 1.1% year-on-year in the third quarter of 2019. In the U.K, gross domestic product (GDP) widened 1.1% year-on-year in the third quarter of 2019, the weakest growth rate since the second quarter of 2012. It is higher compared to a preliminary estimate of 1.0% and lower than the previous period's revised 1.2. According to the Office for National Statistics, private consumption continued to underpin activity amid low unemployment and a strong labor market.

**Commodities**

Oil prices extended its gains last week as the thawing trade relations between the United States and China supported global markets. Bunker light, Nigeria’s benchmark crude added 3.32% or $2.21 to close the week at $67.82 per barrel. Precious metal prices added 3.32% or $2.21 to close the week at $1821.81 per ounce and silver rose 3.7% or $0.274 to $74.77 per ounce for the week. This week, metal prices are expected to decline due to a crude oil inventory build up. Precious metal prices might trade lower amid increased risk appetite after US Treasury Secretary said Phase one trade pact early next year. Consequently, market yields fell for most maturities across the curve. Yields on the five-, ten- and thirty-year bonds fell 1.1% year-on-year in the third quarter of 2019. In the U.K, gross domestic product (GDP) widened 1.1% year-on-year in the third quarter of 2019, the weakest growth rate since the second quarter of 2012. It is higher compared to a preliminary estimate of 1.0% and lower than the previous period’s revised 1.2. According to the Office for National Statistics, private consumption continued to underpin activity amid low unemployment and a strong labor market.

**Markets & Money**

Market indicators for the week ended December 20th, 2019 showed that the Naira depreciated against all major currencies at the parallel market where it remained unchanged week-on-week. The official window saw a marginal decline as the NSTD/USD closed at N360.65/55, a kobo loss from the prior week, while at the Nigerian Autonomous Foreign Exchange (NAFEX) segment the local currency depreciated by 43k to close at N363.12/45 from N362.69/74 the previous week. The parallel market closed at N363.55 same as previous week. This week, rates are expected to vary around current levels due to OMO maturity of N906 billion.