In the United States of America, unemployment rate dropped to 4.8% in September 2021 from previous week. Slightly longer dazed 5.2% in the previous month. According to the US Bureau of Labor Statistics, the unemployment rate in the month of August dropped to 4.8% from 5.2% in July 2021.

In India, the Reserve Bank of India (RBI) maintained its benchmark rate unchanged at 4%.

The decision was in line with policymakers aim to expect lender's charge to trend downwards.

The local unit strengthened against the greenback last week at the Nigerian Autonomous Foreign Exchange (NAFEX) market, closing at 413.05/$.

The strengthening of the naira could be attributed to the effort of the Central Bank of Nigeria (CBN) to curb illegal foreign demand for forex. This week, naira will likely trade around prevailing levels as the apex bank continues to supply dollars to meet legitimate transactions.

Domestic Economy
President Buhari presented the proposed 2022 budget with expenditure of N16.39 trillion and revenue of N10.13 trillion. The projected spending plan has a budget deficit of N6.26 trillion. The parameters & fiscal assumptions underpinning the 2022 appropriation were: oil price at $57 per barrel, oil production at 1.88 million.

Commodities Market
Oil prices soared last week as the Organization of Petroleum Exporting Countries (OPEC) and its allied partners confirmed their decision to continue its current output policy as demand for petroleum products rebounded.

This week, we expect oil prices to sustain the upward trend buoyed by muted output and services sector. This week, we expect market performance to slightly improve due to portfolio disposition in some countries for a bigger boost to production.

Bond Market
The bond market closed on a bearish note last week with uptick in yields on the 2036 and 2050 maturities as offers hovered around 13.05% and 13.20% respectively with minimal trades consumed across the actively traded instruments. Yields on the 5-, 7-, 10-, and 15-year debt papers closed higher at 4.6%, 10.03%, 9.20% and 12.27% from 4.08%, 6.91%, 9.20% and 12.70%, respectively. The Access Bank government bond index ascended 77.75 points to close at 3,302.300 points from 3,224.44 points. This week, we expect average yields to rise as buying interest by local players may likely be muted given the elevated bond yields in the market.

Market Analysis and Outlook: October 04 – October 08 2021

Global Economy
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Macro Economic Forecast

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