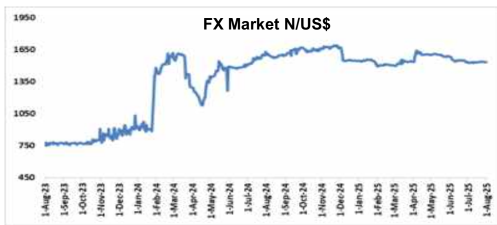
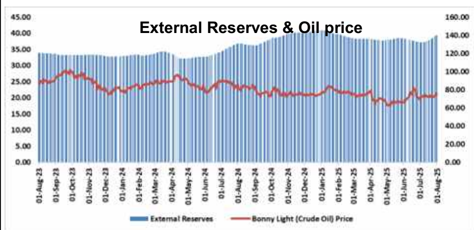
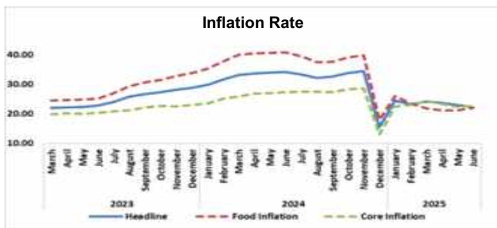
Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.13	Q1 2025 — a slower pace than the 3.76% recorded in Q4 2024
Broad Money Supply (N' trillion)	119.01	Decreased by 0.25% in May 2025 from N119.30 trillion in April 2025
Credit to Private Sector (N' trillion)	77.83	Decreased by 0.32% in May 2025 from N78.08 trillion in April 2025
Currency in Circulation (N' trillion)	5.01	Decreased by 0.0011% in May 2025 from N5.01 trillion in April 2025
Inflation rate (%) (y-o-y)	22.22	Decreased to 22.22% in June 2025 from 22.97% in May 2025
Monetary Policy Rate (%)	27.50	Retained at 27.50% in July 2025 the same as in May 2025
Interest Rate (Asymmetrical Corridor)	27.50(+5/-1)	Lending rate retained at 32.50% & Deposit rate 26.50%
External Reserves (US$ billion)	39.36	July 30 2025 figure — an increase of 1.52% from the prior week
Oil Price (US$/Barrel) (BONNY LIGHT)	74.76	August 1 2025 figure — an increase of 3.13% from the prior week
Oil Production mbpd (OPEC)	1.51	June 2025, figure — an increase of 3.62% from May 2025 figure







STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	1/8/25	25/7/25	
NGX ASI	141,263.05	134,452.93	5.07
Market Cap(N'tr)	89.37	85.06	5.08
Volume (bn)	1.08	0.71	51.20
Value (N'bn)	26.85	24.23	10.80

MONEY MARKET

NIBOR

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	1/8/25	25/7/25	
OPR	26.50	26.50	0
O/N	26.90	26.92	(2)
CALL	26.88	26.88	0
30 Days	27.62	26.24	138
90 Days	28.37	26.89	148

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/$)	2 Weeks Ago Rate (N/$)	1 Month Ago Rate (N/$)
	1/8/25	25/7/25	1/7/25
NAFEX (N)	1534.83	1537.25	1532.80

BOND MARKET

AVERAGE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	1/8/25	25/7/25	
3-Year	16.70	17.27	(57)
5-Year	16.71	16.17	54
7-Year	16.60	16.19	41
9-Year	16.72	16.12	60
10-Year	16.62	16.48	14
15-Year	15.82	15.81	1
20-Year	16.20	16.18	2
25-Year	15.70	15.59	11
30-Year	15.85	15.55	30

COMMODITIES MARKET

Indicators	1/8/25	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil ($/bbl)	74.76	3.13	(5.84)
Natural Gas ($/MMBtu)	3.10	(1.27)	(19.90)
Agriculture			
Cocoa ($/MT)	7,553	(8.36)	290.13
Coffee ($/lb.)	293.45	(1.94)	125.38
Cotton ($/lb.)	66.52	(2.73)	(14.17)
Sugar ($/lb.)	16.18	(1.10)	5.54
Wheat ($/bu.)	518.75	(3.31)	19.67
Metals			
Gold ($/t oz.)	3344.16	0.41	153.81
Silver ($/t oz.)	36.86	(3.94)	114.43
Copper ($/lb.)	440.50	(24.08)	34.38

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	1/8/25	25/7/25	
1 Mnth	15.99	15.90	9
3 Mnths	17.26	16.53	73
6 Mnths	17.86	17.66	20
9 Mnths	19.10	18.85	25
12 Mnths	19.89	18.91	98

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
	1/8/25	25/7/25	
Index	5,639.59	5,636.33	0.06
Mkt Cap Gross (N'tr)	38.31	38.29	0.05
Mkt Cap Net (N'tr)	23.27	23.26	0.04
YTD return (%)	129.58	129.45	0.10
YTD return (%)(US $)	548.87	(549.63)	(0.14)

TREASURY BILLS PMA AUCTION

Tenor	Amount (N'million)	Rate (%)	Date
91 Day	72,634.45	17.8	18-Jun-2025
182 Day	63,557.33	18.35	18-Jun-2025
364 Day	1,097,383.19	18.84	18-Jun-2025

Sources: CBN, Financial Market Dealers Quotation, NGX, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.

Market Analysis and Outlook: August 1, - August 8, 2025

Global Economy

After a modest contraction in the first quarter, the U.S. economy bounced back strongly in Q2 2025, reinforcing investor confidence in the underlying resilience of domestic demand. According to the advance estimate released by the U.S. Bureau of Economic Analysis, real GDP grew at an annualized rate of 3.0% between April and June, a sharp turnaround from the 0.5% decline recorded in Q1 2025. The rebound was largely driven by a significant contraction in imports, which provided a technical boost to headline GDP figures. More importantly, consumer spending remained robust, underscoring household resilience in the face of elevated interest rates and persistent price pressures. These dynamics point to a domestic economy that continues to power ahead, despite pockets of weakness. However, the recovery was not without its caveats. Private sector investment and exports both declined during the quarter, tempering the strength of the overall expansion and revealing uneven performance across the key components of aggregate demand. Nevertheless, the headline growth rate suggests that the U.S. economy remains strong fundamentals, buoyed by a dynamic consumer sector and a temporary narrowing in the trade deficit. In the Eurozone, inflationary trends continued to stabilize. Preliminary data for July 2025 show headline consumer price inflation holding steady at 2.0% year-on-year, in line with June and slightly above market expectations of 1.9%. This marks the second consecutive month that inflation has met the European Central Bank's official target, offering some reassurance amid a complex monetary landscape. A moderation in services inflation, to 3.1% in July from 3.3% in June, helped contain broader price pressures, even as inflation in food, alcohol, and tobacco accelerated to 3.3% from 3.1%. Meanwhile, non-energy industrial goods prices ticked higher to 0.8% from 0.5%, reflecting modest supply-side cost adjustments. Energy prices continued their downward trajectory, falling 2.5% after a 2.6% decline in the previous month. Core inflation, which excludes volatile items such as energy and food, remained unchanged at 2.3% - its lowest level since January 2022. The persistence of lower core inflation provides the ECB with additional breathing room to calibrate policy, even as headline inflation remains at target.

Domestic Economy

The International Monetary Fund (IMF), in its July 2025 World Economic Outlook (WEO), has revised upward Nigeria's economic growth projections, citing momentum in key non-oil sectors. The Fund now expects Nigeria's real GDP to expand by 3.4% in 2025 and 3.2% in 2026 - up from its earlier forecasts of 3.0% and 2.7%, respectively, as published in the April 2025 edition. These upward revisions of 0.4 and 0.5 percentage points reflect modest improvements in macroeconomic performance and sectoral resilience. According to the IMF, the more optimistic outlook is primarily underpinned by sustained growth in the telecommunications and digital services industries, key drivers within the broader Services sector. These segments continue to benefit from deepening digital adoption, rising mobile penetration and expanding investment in infrastructure and fintech innovation. However, the report underscores several persistent downside risks that could temper this growth trajectory. These include widespread insecurity in agricultural zones, which threatens food supply and rural livelihoods; stubbornly high inflation, which may erode household purchasing power and dampen consumption; chronic infrastructural deficits, particularly in energy and transport; and tight monetary conditions that could constrain credit access for businesses and consumers alike.

Stock Market

The Nigerian equities market sustained its bullish momentum into July, building on the gains recorded in June and pushing the year-to-date (YTD) performance to an impressive 35.89% as of month-end. In the final week of July alone, the market advanced by 5.07% week-on-week, fuelled by renewed investor appetite for stocks in the banking, consumer goods, and industrial sectors. The benchmark NGX All-Share Index (ASI) surged by 6,810.12 points to close at 141,263.05, while total market capitalization expanded by ₦4.32 trillion, reaching a record ₦89.37 trillion. These gains reflect robust investor confidence, supported by favourable macroeconomic expectations and improved corporate earnings prospects. Looking ahead, bullish sentiment is expected to persist into the new trading week, driven largely by optimism around strong earnings releases, particularly from Tier-1 banks.

Money Market

Money market liquidity remained broadly stable last week despite the impact of Open Market Operation (OMO) auction settlements. The Open Buy Back (OBB) rate held steady at 26.50%, while the Overnight (O/N) rate edged slightly lower to 26.90%, down from 26.92% in the previous week, indicating minimal pressure on overnight funding conditions. In contrast, the 30-day Nigerian Interbank Offered Rate (NIBOR) rose to 27.62% from 26.24%, reflecting a marginal tightening of short-term interbank funding costs, possibly in response to adjustments in banks' liquidity positioning post-OMO. With system liquidity showing signs of equilibrium and no major liquidity injections or withdrawals anticipated in the immediate term, short-term interest rates are expected to remain relatively stable this week.

Foreign Exchange Market

The foreign exchange market appreciated marginally last week, supported by fresh supply from Foreign Portfolio Investors (FPIs), which helped ease pressure on the Naira. As a result, the local currency gained ₦2.42, closing at ₦1,534.83 per U.S. dollar. Heading into this week's trading, cautious sentiment is expected to dominate, with exchange rates likely to respond to the pace of demand and any fresh liquidity injections.

Bond Market

The bond market traded on a relatively quiet last week, as weak sentiment dampened overall activity. By the close of trading, yields on the 5-, 7-, 15-, 20-, and 30-year benchmark bonds rose to 16.71%, 16.60%, 15.82%, 16.20%, and 15.85%, respectively, from 16.17%, 16.19%, 15.81%, 16.18%, and 15.55% recorded the previous week. The Access Bank Bond Index also advanced marginally, adding 3.26 points to close at 5,639.59. Looking ahead, we expect a similar trend to persist this week barring any significant change in market activity.

Commodities

Gold prices surged to $3,344 per ounce last week, bolstered by signs of a cooling U.S. labour market and growing expectations of a Federal Reserve rate cut in September. The latest U.S. nonfarm payrolls report revealed the addition of just 73,000 jobs in July, well below the consensus estimate of 100,000, while prior figures for May and June were significantly revised downward. At the same time, personal consumption expenditures (PCE) inflation data came in stronger than expected, underscoring persistent price pressures and complicating the Federal Reserve's policy calculus. In the energy markets, crude oil futures ended the week at $74.76 per barrel, weighed down by speculation that OPEC+ may authorize another production increase at its upcoming meeting. After years of coordinated supply cuts, the alliance has gradually pivoted toward output expansion in 2025, largely in response to mounting political pressure from U.S. President Donald Trump, who has openly called for increased oil production to curb gasoline prices. Adding to geopolitical uncertainty, President Trump signed a sweeping executive order last week imposing new tariffs, ranging from 10% to 41%, on imports from countries including Canada, India, and Taiwan for failing to finalize bilateral trade agreements by his August 1 deadline. Despite downward pressure from supply expectations, oil prices still managed to close over 3% higher for the week, buoyed in part by Trump's threat to impose 100% secondary tariffs on Russian oil buyers, raising fears of supply disruptions and further inflaming global trade tensions.

Monthly Macro Economic Forecast

Variables	Aug - 2025	Sep - 2025	Oct - 2025
Exchange Rate (NAFEX) (N/$)	1,500	1,480	1,450
Inflation Rate (%)	21.15	20.70	20.00
Crude Oil Price (US$/Barrel)	70.00	72.50	72.50

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