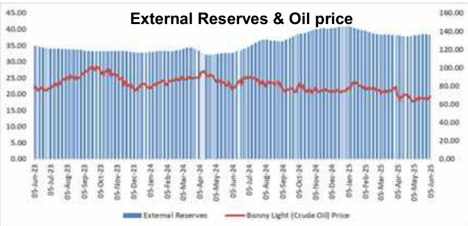
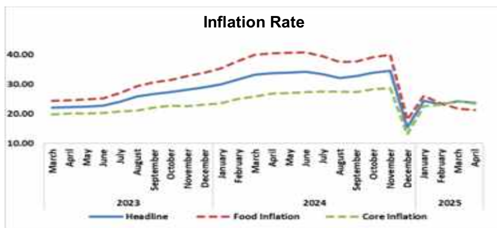
Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.84	Q4 2024 — Higher than 3.46% in Q3 2024
Broad Money Supply (N' trillion)	119.11	Increased by 4.27% in April 2025 from N114.22 trillion in March 2025
Credit to Private Sector (N' trillion)	77.91	Increased by 2.15% in April 2025 from N76.27 trillion in March 2025
Currency in Circulation (N' trillion)	5.01	Increased by 0.24% in April 2025 from N5.00 trillion in March 2025
Inflation rate (%) (y-o-y)	23.71	Decreased to 23.71% in April 2025 from 24.23% in March 2025
Monetary Policy Rate (%)	27.50	Retained at 27.50% in May 2025 the same as in February 2025
Interest Rate (Asymmetrical Corridor)	27.50(+5/-1)	Lending rate retained at 32.50% & Deposit rate 26.50%
External Reserves (US$ billion)	38.33	June 04 2025 figure — a decrease of 0.31% from the prior week
Oil Price (US$/Barrel) (BONNY LIGHT)	68.36	June 05 2025 figure — an increase of 4.00% from the prior week
Oil Production mbpd (OPEC)	1.49	April 2025, figure — an increase of 6.06% from March 2025 figure





STOCK MARKET

Indicators	Last Week 5/6/25	2 Weeks Ago 30/5/25	Change (%)
NGX ASI	114,616.75	111,742.01	2.57
Market Cap(N'tr)	72.28	70.46	2.57
Volume (bn)	1.46	1.90	(23.10)
Value (N'bn)	33.47	64.15	(47.82)

MONEY MARKET

NIBOR

Tenor	Last Week Rate (%) 5/6/25	2 Weeks Ago Rate (%) 30/5/25	Change (Basis Point)
OPR	26.50	26.50	0
O/N	26.96	26.95	1
CALL	26.83	26.74	9
30 Days	27.32	27.04	27
90 Days	27.91	27.56	34

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/$) 5/6/25	2 Weeks Ago Rate (N/$) 30/5/25	1 Month Ago Rate (N/$) 5/5/25
NAFEX (N)	1559.80	1589.00	1609.00

BOND MARKET

AVERAGE YIELDS

Tenor	Last Week Rate (%) 5/6/25	2 Weeks Ago Rate (%) 30/5/25	Change (Basis Point)
3-Year	19.10	19.11	(1)
5-Year	19.35	19.27	8
7-Year	19.45	19.45	0
9-Year	19.51	19.42	9
10-Year	19.19	19.21	(2)
15-Year	18.73	18.73	0
20-Year	18.79	18.84	(5)
25-Year	17.34	17.34	0
30-Year	16.97	16.97	0

COMMODITIES MARKET

Indicators	5/6/25	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil ($/bbl)	68.36	4.00	(13.90)
Natural Gas ($/MMBtu)	3.65	5.49	(5.68)
Agriculture			
Cocoa ($/MT)	10,063	4.91	419.78
Coffee ($/lb.)	359.40	4.75	176.04
Cotton ($/lb.)	68.01	4.31	(12.25)
Sugar ($/lb.)	16.67	(2.23)	8.74
Wheat ($/bu.)	545.25	2.44	25.78
Metals			
Gold ($/t oz.)	3346.42	2.08	153.99
Silver ($/t oz.)	35.47	7.58	106.34
Copper ($/lb.)	494.05	5.85	50.72

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%) 5/6/25	2 Weeks Ago Rate (%) 30/5/25	Change (Basis Point)
1 Mnth	17.83	18.07	(24)
3 Mnths	18.71	19.15	(44)
6 Mnths	20.21	20.47	(26)
9 Mnths	22.24	22.64	(40)
12 Mnths	23.23	23.92	(68)

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week	2 Weeks Ago	Change (Basis Point)
Indicators	5/6/25	30/5/25	
Index	5,222.58	5,161.91	1.18
Mkt Cap Gross (N'tr)	35.48	35.07	1.17
Mkt Cap Net (N'tr)	20.91	20.58	1.58
YTD return (%)	112.61	110.14	2.24
YTD return (%)(US $)	-582.04	(595.02)	(2.18)

TREASURY BILLS PMA AUCTION

Tenor	Amount (N'million)	Rate (%)	Date
91 Day	114,296.15	18.5	09-Apr-2025
182 Day	107,088.95	19.5	09-Apr-2025
364 Day	905,557.60	19.63	09-Apr-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: June 5 - June 13, 2025

Global Economy

The European Central Bank (ECB) reduced key interest rates by 25 basis points, citing revised inflation and economic projections that indicate continued progress toward its 2% price stability target at its June meeting. Accordingly, the interest rates on the deposit facility, main refinancing operations, and marginal lending facility will be lowered to 2.00%, 2.15%, and 2.40%, respectively, effective 11 June 2025. The decision to cut the deposit facility rate - the primary instrument through which the Governing Council steers the monetary policy stance - reflects an updated assessment of the inflation outlook, the underlying price pressures and the transmission strength of monetary policy. Headline inflation is now forecast at 2.0% in 2025, down from a previous estimate of 2.3% and at 1.6% in 2026, compared to an earlier projection of 1.9%, with a return to the 2.0% target expected in 2027. Core inflation, which excludes volatile items such as energy and food, is projected at 2.4% in 2025, easing to 1.9% in both 2026 and 2027. Real GDP growth in the euro area is projected at 0.9% in 2025, 1.1% in 2026 (a slight revision from 1.2%) and 1.3% in 2027, supported by rising real incomes, a resilient labour market and stronger public investment. Nonetheless, global trade policy uncertainty may weigh on exports and dampen private investment. ECB President Christine Lagarde signalled that the institution is nearing the end of its rate-cutting cycle, suggesting a potential pause following this adjustment. In the United States, the trade deficit contracted significantly in April 2025 to $61.6 billion - the smallest shortfall since August 2023 - down from $138.3 billion in March. This sharp narrowing was primarily driven by a 16.3% drop in imports, which fell to a six-month low of $351 billion after peaking at a record $419.4 billion in March, when companies accelerated purchases in anticipation of new tariffs. The most substantial declines occurred in imports of pharmaceutical products, finished metal shapes, passenger vehicles, cell phones, and household items. Meanwhile, exports rose by 3% to an all-time high of $289.4 billion, bolstered by robust sales of finished metal shapes, non-monetary gold, and computers. Although still the largest, the trade deficit with China narrowed to $19.7 billion from $24.2 billion in March. The deficit with the European Union declined significantly to $17.9 billion from $48 billion, while the gap with Vietnam edged slightly higher to $14.5 billion from $14 billion.

Domestic Economy

Moody's Global Ratings has upgraded Nigeria's credit rating from Caa1 to B3, reflecting notable improvements in the country's external and fiscal fundamentals. The agency cited reduced inflationary pressures, supported by recent policy adjustments, as a key driver of the upgrade. Early signs suggest that both inflation and domestic borrowing costs are beginning to ease, reinforcing confidence in the durability of the ongoing reforms. At the same time, Moody's revised Nigeria's outlook from positive to stable, projecting further gains in external and fiscal performance, albeit potentially at a slower pace should oil prices weaken.

Stock Market

The Nigerian equity market ended last week's four-day trading session on a robust note, driven by heightened investor interest in telecommunications, oil & gas, and banking stocks. The benchmark All-Share Index (ASI) climbed by 2,874.74 points to settle at 114,616.75, while total market capitalization grew by ₦1.81 trillion to ₦72.28 trillion. As the new trading week commences, bullish momentum is expected to continue, supported by sustained investor confidence in Nigerian equities following the recent upgrade of the country's credit rating.

Money Market

Liquidity conditions remained relatively stable last week, with money market rates showing minimal variation. The Open Buy Back (OPR) rate held steady at 26.50% compared to the previous week, while the Overnight (O/N) lending rate edged up marginally to 26.96% from 26.95%. Likewise, the 30-day Nigerian Interbank Offered Rate (NIBOR) rose slightly to 26.83% from 26.74% recorded the prior week. Looking ahead, short-term rates are expected to remain close to their current levels this week unless significant shifts occur in market fundamentals.

Foreign Exchange Market

The foreign exchange market experienced a significant boost in United States dollar liquidity last week, primarily supported by increased inflows from Foreign Portfolio Investors. Additionally, the market traded on a firm note, buoyed by Moody's credit rating upgrade. This enhanced supply and positive outlook contributed to the Naira's appreciation, with the closing rate strengthening by ₦29.20 to $/₦1,559.80. Looking ahead, this favourable sentiment is expected to sustain further gains in the Nigerian Naira in the near term.

Bond Market

The Federal Government Bond market traded cautiously last week, with limited activity throughout the period. By the last trading day of the week, yields on the 5- and 9-year benchmark bonds edged up slightly to 19.35% and 19.51%, respectively, compared to 19.27% and 19.41% recorded the previous week. Meanwhile, the Access Bank Bond Index gained 60.67 points, closing at 5,222.58. Looking ahead, a similar trend is expected this week, barring any significant market developments.

Commodities

Gold prices continued their upward trajectory last week, reaching nearly a one-month high of $3,346 per ounce. This rise was driven by a series of weak United States economic data and a dovish stance from the Federal Reserve, which heightened demand for safe-haven assets. Weekly jobless claims surged to 247,000 in the final week of May - the highest since early October 2024 and above market expectations of 235,000. Additionally, first-quarter productivity declined more sharply than initially reported, while the trade deficit narrowed primarily due to a reduction in imports. The Services PMI reflected the sector's first contraction in nearly a year. Rising geopolitical and trade tensions further increased market uncertainty. Recently, the United States doubled tariffs on steel and aluminium imports to 50%, raising concerns over renewed trade conflicts with key global partners. Crude oil futures rose to $68.36 per barrel last week, marking a 4.0% increase from the previous week, driven by expectations of stronger summer demand. As the peak travel season approaches, markets anticipate higher fuel consumption, which has supported prices despite persistent oversupply concerns. In the United States, crude inventories fell by 4.3 million barrels last week - the largest draw since November - reinforcing the view of rising demand. On the supply front, Saudi Arabia is pushing for a significant OPEC+ production increase of at least 411,000 barrels per day in August, with the possibility of an extension into September. Meanwhile, Saudi Arabia reduced July crude prices for Asia to near four-year lows, signalling softer demand from the region.

Monthly Macro Economic Forecast

Variables	June 2025	July 2025	August 2025
Exchange Rate (NAFEX) (N/$)	1,550	1,500	1,500
Inflation Rate (%)	22.50	21.35	20.79
Crude Oil Price (US$/Barrel)	65.00	65.00	65.00

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