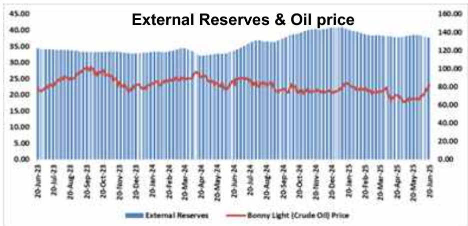
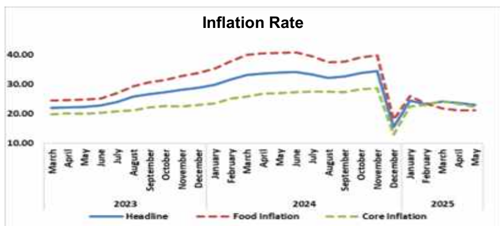
Access Bank Rateswatch

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)	22.97	Decreased to 22.97% in May 2025 from 23.71% in April 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)	37.71	June 19 2025 figure — a decrease of 0.58% from the prior week
Oil Price (US$/Barrel) (BONNY LIGHT)	81.00	June 20 2025 figure — an increase of 4.76% from the prior week
Oil Production mbpd (OPEC)	1.45	May 2025, figure — a decrease of 2.20% from April 2025 figure





STOCK MARKET

Indicators	Last Week 20/6/25	2 Weeks Ago 13/6/25	Change (%)
NGX ASI	118,138.22	115,429.54	2.35
Market Cap(N'tr)	74.53	72.79	2.40
Volume (bn)	0.52	0.93	(43.98)
Value (N'bn)	19.68	17.95	9.65

MONEY MARKET

NIBOR

Tenor	Last Week Rate (%) 20/6/25	2 Weeks Ago Rate (%) 13/6/25	Change (Basis Point)
OPR	28.1667	26.5000	167
O/N	28.9167	26.9933	192
CALL	27.6071	26.7357	87
30 Days	27.6786	27.1786	50
90 Days	28.1429	27.5714	57

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/$) 20/6/25	2 Weeks Ago Rate (N/ $) 13/6/25	1 Month Ago Rate (N/$) 20/5/25
NAFEX (N)	1551.63	1554.13	1593.80

BOND MARKET

AVERAGE YIELDS

Tenor	Last Week Rate (%) 20/6/25	2 Weeks Ago Rate (%) 13/6/25	Change (Basis Point)
3-Year	19.00	19.09	(8)
5-Year	19.05	19.18	(13)
7-Year	18.92	19.45	(53)
9-Year	18.87	19.28	(40)
10-Year	18.95	19.21	(26)
15-Year	18.21	18.74	(53)
20-Year	18.46	18.76	(31)
25-Year	18.13	18.13	(0)
30-Year	16.87	16.97	(9)

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

COMMODITIES MARKET

Indicators	20/6/25	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil ($/bbl)	81.00	4.76	2.02
Natural Gas ($/MMBtu)	3.96	10.61	(95.01)
Agriculture			
Cocoa ($/MT)	8108.00	(10.01)	318.80
Coffee ($/lb.)	316.50	(8.26)	143.09
Cotton ($/lb.)	66.98	(1.60)	(13.57)
Sugar ($/lb.)	16.48	(1.90)	7.50
Wheat ($/bu.)	591.75	9.53	36.51
Metals			
Gold ($/t oz.)	3367.57	(1.60)	155.59
Silver ($/t oz.)	35.96	(0.80)	109.19
Copper ($/lb.)	487.30	0.44	48.66

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%) 20/6/25	2 Weeks Ago Rate (%) 13/6/25	Change (Basis Point)
1 Mnth	17.45	17.83	(39)
3 Mnths	18.39	20.59	(219)
6 Mnths	20.01	22.37	(236)
9 Mnths	21.73	22.37	(64)
12 Mnths	22.56	23.19	(63)

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week 20/6/25	2 Weeks Ago 13/6/25	Change (Basis Point)
Index	5,303.07	5,230.89	1.38
Mkt Cap Gross (N'tr)	36.03	35.54	1.38
Mkt Cap Net (N'tr)	21.18	20.92	1.21
YTD return (%)	115.88	112.95	2.94
YTD return (%)(US $)	570.62	568.64	(1.98)

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

Market Analysis and Outlook: June 20, - June 27, 2025

Global Economy

The Federal Reserve held the federal funds rate steady at 4.25% - 4.50% for the fourth consecutive meeting in June 2025, in line with market expectations. Policymakers continue to evaluate the economic implications of President Trump's policies, including tariffs, immigration measures, and tax changes. While they acknowledged that uncertainty surrounding the economic outlook has eased somewhat, it remains elevated, reinforcing their data-driven stance. The Fed lowered its GDP growth forecast for 2025 to 1.4%, down from 1.7% projected in March, and for 2026 to 1.6% from 1.8%, while keeping the 2027 estimate unchanged at 1.8%. The unemployment rate is now expected to reach 4.5% in both 2025 and 2026, higher than the previous projections of 4.4% and 4.3%, respectively. Inflation, as measured by the personal consumption expenditures (PCE) index, is forecast at 3.0% in 2025, above the prior estimate of 2.7%, before easing to 2.4% in 2026 compared to the earlier forecast of 2.2%. The Fed signalled two 25-basis-point rate cuts in 2025, followed by one cut each in 2026 and 2027, reflecting a gradual easing cycle to balance persistent inflation pressures, moderating growth, and potential disruptions from evolving trade and fiscal policies. In the United Kingdom, inflation stood at 3.4% in May 2025, marginally lower than April's 3.5%. This decline was largely driven by falling transport costs, notably in airfares and petrol prices, which helped offset a rise in food inflation, from 3.4% to 4.4%, linked to sharp increases in chocolate and meat prices. Core CPI inflation, excluding energy and food, eased to 4.2% from 4.5%, while services inflation - a key metric for the Bank of England - fell to 5.3% from 5.8%. Despite these slight improvements, inflation remains well above the Bank's 2% target. Forecasts suggest inflation could peak at 3.7% in Q3 2025 before declining gradually towards 2% by early 2027. These dynamics, combined with sustained wage growth and potential spillovers from U.S. tariffs, led the Bank of England to leave interest rates unchanged at 4.25% in June. Market participants anticipate a measured, cautious path for any future rate reductions.

Domestic Economy

Nigeria's headline inflation moderated for the second consecutive month, easing to 22.97% in May 2025 from 23.71% in April. The decline largely reflects favorable base effects and marginal naira appreciation, which helped ease import-driven price pressures. Food inflation, still elevated, edged lower to 21.14% from 21.26%, while core inflation eased to 22.28% from 23.39%, indicating a broad-based softening in underlying price dynamics. On a monthly basis, consumer prices slowed to 1.53% in May, down from 1.86% previously, signalling a gradual inflation slowdown.

Stock Market

The Nigerian stock market extended its bullish run last week, with both the All-Share Index (ASI) and market capitalization climbing by 2.4%. The rally was primarily fueled by strong investor interest in financial services and consumer goods stocks. The ASI gained 2,708.68 points to close at 118,138.22, while total market capitalization expanded by ₦1.75 trillion to ₦73.53 trillion. Looking ahead, positive sentiment is expected to continue this week, supported by solid investor confidence in Nigerian equities and the boost from higher global oil prices. This optimism may further attract both domestic and foreign portfolio inflows, strengthening market momentum

Money Market

Market liquidity tightened last week, largely due to OMO auction settlements, which pushed funding rates higher. The Open Buy Back (OPR) and Overnight (O/N) rates rose to 28.17% and 28.92% respectively, up from 26.50% and 26.99% in the previous week. Similarly, the 30-day Nigerian Interbank Offered Rate (NIBOR) inched up to 26.68% from 27.18% a week earlier. Short-term rates are expected to remain around these levels this week in the absent any major shifts in underlying market conditions. However, investors are expected to be watching for further policy actions or liquidity injections that could ease funding pressures.

Foreign Exchange Market

The Central Bank of Nigeria (CBN) intervened in the market last week by injecting liquidity into the foreign exchange space to bolster activity and support exchange rate stability. This move contributed to a modest strengthening of the naira, which appreciated by ₦2.50 to close at ₦1,551.63 per US dollar. Looking ahead, the exchange rate is expected to remain within a similar range this week, provided there are no major changes in system liquidity that might disrupt the current market balance.

Bond Market

The Federal Government Bond market traded on a bullish note last week, with improved demand recorded across the curve. By the final trading day, yields on the 3-, 5-, 7-, 15-, 20-, and 30-year benchmark bonds declined to 19.00%, 18.92%, 18.21%, 18.46%, 18.76%, and 16.87% respectively, compared to 19.09%, 19.18%, 19.45%, 18.74%, 18.76%, and 16.97% the previous week. Meanwhile, the Access Bank Bond Index added 72.18 points to close at 5,303.07. Looking ahead, we anticipate the bullish sentiment to persist this week, driven by sustained investor appetite for high-yielding maturities that will continue to support market activity. Investors will also be watching for macroeconomic signals that could influence yields.

Commodities

Gold fell to $3,367.57 per ounce last week, posting its first weekly loss in three weeks with a decline of 1.60%. The drop was driven by investor sell-offs as market participants sought to cover losses in other asset classes amid rising geopolitical tensions in the Middle East. The conflict between Israel and Iran escalated further, with Israel intensifying strikes on key government and security sites in Tehran following reports of an Iranian missile hitting a major Israeli hospital. Meanwhile, attention shifted to Washington, where President Donald Trump is weighing direct military action against Iran, with a decision expected within the next two weeks. Adding to market uncertainty, the Federal Reserve's latest projections signalled weaker economic growth, elevated inflation, and higher unemployment for 2025. Persistent inflation may limit the scope for rate cuts, weighing on non-yielding assets like gold. Crude oil futures ended the week at $81 per barrel, securing a third consecutive weekly gain as the deepening Middle East conflict stoked fears of regional supply disruptions. Despite the heightened geopolitical risk, reports indicated that Iran maintained crude exports, loading 2.2 million barrels per day last week, the highest volume in five weeks. Oil prices also drew support from a sharper-than-expected drop in U.S. crude inventories, with official data showing the largest weekly decline in a year. Market watchers are increasingly focused on the potential for shipping disruptions through the Strait of Hormuz, a critical chokepoint for global oil flows. Looking ahead, sustained geopolitical uncertainty and supply-side dynamics are likely to keep oil prices elevated in the near term. Further escalation could trigger emergency stockpile releases or coordinated policy responses from major economies to stabilize supply and prices.

Monthly Macro Economic Forecast

Variables	July-2025	Aug.-2025	Sept.-2025
Exchange Rate (NAFEX) (N/$)	1,520	1,500	1,500
Inflation Rate (%)	22.35	21.55	20.80
Crude Oil Price (US$/Barrel)	75.00	70.00	70.00

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