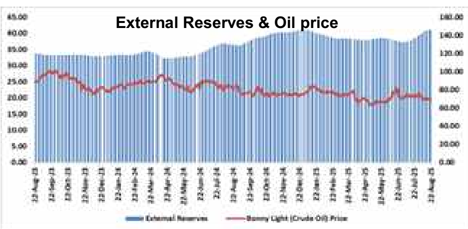
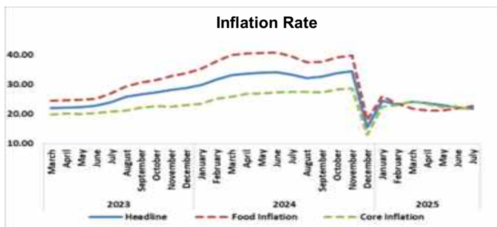
Access Bank Rateswatch

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)	117.50	Decreased by 1.27% in June 2025 from N119.01 trillion in May 2025
Credit to Private Sector (N' trillion)	76.14	Decreased by 2.17% in June 2025 from N77.83 trillion in May 2025
Currency in Circulation (N' trillion)	5.01	Decreased by 0.15% in June 2025 from N5.01 trillion in May2025
Inflation rate (%) (y-o-y)	21.88	Decreased to 21.88% in July 2025 from 22.22% in June 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)	41.08	August 21 2025 figure — an increase of 0.59% from the prior week
Oil Price (US$/Barrel) (BONNY LIGHT)	69.32	August 13 2025 figure — a decrease of 1.23% 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 22/8/25	2 Weeks Ago 15/8/25	Change (%)
NGX ASI	141,004.14	144,628.20	(2.51)
Market Cap(N'tr)	89.21	91.50	(2.51)
Volume (bn)	1.30	1.37	(5.16)
Value (N'bn)	47.84	13.92	243.61

MONEY MARKET

NIBOR

Tenor	Last Week Rate (%) 22/8/25	2 Weeks Ago Rate (%) 15/8/25	Change (Basis Point)
OPR	28.90	32.10	(320.0)
O/N	29.15	32.40	(325)
CALL	28.75	32.54	(378.6)
30 Days	29.17	30.64	(148)
90 Days	30.00	31.21	(121.2)

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/$) 22/8/25	2 Weeks Ago Rate (N/$) 15/8/25	1 Month Ago Rate (N/$) 22/7/25
NAFEX (N)	1536.79	1535.73	1537.25

BOND MARKET

AVERAGE YIELDS

Tenor	Last Week Rate (%) 22/8/25	2 Weeks Ago Rate (%) 15/8/25	Change (Basis Point)
3-Year	16.61	16.64	(3)
5-Year	16.89	16.90	(1)
7-Year	17.46	17.28	18
9-Year	17.81	17.52	29
10-Year	17.06	16.98	8
15-Year	15.96	15.77	19
20-Year	16.36	16.31	6
25-Year	15.70	15.70	0
30-Year	15.91	15.91	0

COMMODITIES MARKET

Indicators	22/8/25	1-week Change (%)	YTD Change (%)
Energy			
Crude Oil ($/bbl)	69.32	(1.23)	(12.70)
Natural Gas ($/MMBtu)	2.76	(6.44)	(28.68)
Agriculture			
Cocoa ($/MT)	7907.00	(3.91)	308.42
Coffee ($/lb.)	376.15	13.28	188.90
Cotton ($/lb.)	67.96	0.85	(12.31)
Sugar ($/lb.)	16.44	0.37	7.24
Wheat ($/bu.)	530.50	0.52	22.38
Metals			
Gold ($/t oz.)	3373.58	0.94	156.05
Silver ($/t oz.)	38.96	2.63	126.64
Copper ($/lb.)	454.30	(0.49)	38.59

NIGERIA INTERBANK TREASURY BILLS TRUE YIELDS

Tenor	Last Week Rate (%) 22/8/25	2 Weeks Ago Rate (%) 15/8/25	Change (Basis Point)
1 Mnth	16.13	16.07	6
3 Mnths	16.73	17.12	(39)
6 Mnths	18.37	18.41	(4)
9 Mnths	19.36	19.07	30
12 Mnths	20.74	19.38	136

ACCESS BANK NIGERIAN GOV'T BOND INDEX

Indicators	Last Week 22/8/25	2 Weeks Ago 15/8/25	Change (Basis Point)
Index	5635.31	5642.49	(0.13)
Mkt Cap Gross (N'tr)	38.29	38.33	(0.10)
Mkt Cap Net (N'tr)	22.89	22.98	(0.39)
YTD return (%)	129.41	129.70	(0.29)
YTD return (%)(US $)	-550.43	-549.24	(1.19)

TREASURY BILLS PMA AUCTION

Tenor	Amount (N'million)	Rate (%)	Date
91 Day	41,670.78	15.00	23-Jul-2025
182 Day	24,663.93	15.50	23-Jul-2025
364 Day	609,322.67	15.88	23-Jul-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 22 - August 29, 2025

Global Economy

The United Kingdom's annual inflation rate accelerated to 3.8% in July 2025, up from 3.6% in June and marginally above market expectations of 3.7%. This marks the highest reading since January 2024, underscoring persistent price pressures despite the Bank of England's tightening stance. Core inflation also edged higher to 3.8%, pointing to broad-based stickiness beyond volatile items. The sharpest upward driver came from transport, where inflation more than doubled to 3.2% (from 1.7%), fuelled by a striking 30.2% surge in airfares during the peak summer holiday season alongside rising motor fuel and sea fare costs. Hospitality added to the upward pressure, with restaurant and hotel inflation climbing to 3.4% from 2.6% on the back of higher accommodation charges. Offsetting this were softer price gains in housing and household services, where inflation eased to 6.2% from 6.7%. On a monthly basis, CPI rose by 0.1%, slower than June's 0.3% but still above expectations, reflecting the uneven pace of disinflation. Across Asia, Japan offered a contrasting picture as inflation continued to cool. Annual CPI eased to 3.1% in July, down from 3.3% in June, its lowest level since November 2024. The decline was driven primarily by energy disinflation - electricity prices slipped by 0.7% following a steep 5.5% rise previously, while gas prices remained flat after earlier gains. Price momentum also slowed across household items (2.5% vs. 2.7%) and recreation (2.6% vs. 2.8%). Education costs contracted sharply at -5.6%, reflecting policy-driven tuition relief. However, upward price pressures lingered in food, which surged 7.6%, the highest since February, largely due to a dramatic 90.7% increase in rice prices, despite government interventions. Core inflation matched the headline rate at 3.1%, down from 3.3%, marking a five-month low, while monthly inflation held steady at 0.1%. The divergence between the UK and Japan highlights the complex inflation environment shaping global monetary policy. Conversely, Japan's moderation in headline and core inflation strengthens the Bank of Japan's case for maintaining accommodative policy, especially as food shocks and energy volatility remain transitory.

Domestic Economy

Nigeria's external reserves rose to $41.05 billion as of August 20, 2025, the highest level in nearly four years and up from $39.54 billion at the start of the month. This 3.8% ($1.5 billion) increase reflects stronger oil receipts, improved crude output, rising non-oil exports, reduced imports, and sustained foreign exchange reforms by the Central Bank of Nigeria (CBN). It marks the strongest reserve position since December 2021, signalling a significant turnaround after months of depletion from debt repayments and market pressures. Supporting this trend, FMDQ data shows total FX inflows into the market climbed 24% month-on-month in July 2025 to about $3.8 billion, up from $3.1 billion in June. The rebound underscores renewed investor confidence as policy reforms improve liquidity and transparency in the FX market. With stronger reserves, the CBN has greater capacity to stabilize the naira, manage external shocks, and reassure foreign investors.

Stock Market

The Nigerian equities market extended its losing streak last week, weighed down by persistent sell-offs across key sectors, including industrials, oil & gas, consumer goods and insurance. As a result, the NGX All-Share Index (ASI) declined by 2.51%, shedding 3,624.06 points to close at 141,004.14. Market capitalization mirrored the downturn, dipping by ₦2.29 trillion to settle at ₦89.21 trillion. The pullback underscores a shift in investor sentiment, moving away from broad-based accumulation to more selective positioning, as market participants booked recent gains and adopted a cautious stance in anticipation of fresh catalysts.

Money Market

System liquidity improved last week, buoyed by OMO maturities flowing into the market, which in turn eased pressure on money market rates. Consequently, the Open Buy Back (OBB) and Overnight (O/N) rates declined to 28.90% and 29.15%, respectively, from 32.10% and 32.40% in the prior week. Similarly, the 30-day Nigerian Interbank Offered Rate (NIBOR) moderated to 29.17% from 30.64%. Looking ahead, we anticipate that rates will remain around current levels this week, supported by additional liquidity injections from treasury bills maturities and coupon payments.

Foreign Exchange Market

The foreign exchange market maintained relative stability last week, though demand continued to dominate on the buy side. Market spreads narrowed following CBN interventions, yet exchange rates stayed elevated due to limited dollar supply. As a result, the naira weakened marginally by ₦1.06, closing at ₦1,536.79/$. Looking ahead, we anticipate improved liquidity this week, supported by renewed inflows from Foreign Portfolio Investors (FPIs). Nonetheless, sustained demand pressures are expected to remain a key driver of market direction.

Bond Market

The FGN bond market traded on a bearish note last week, as investor attention shifted toward the more attractive OMO and Treasury bills auctions. This preference weighed on demand for longer-dated instruments, pushing yields higher across key maturities. By the end of the week, benchmark yields on the 7-, 9-, 10-, and 20-year bonds closed at 17.46%, 17.81%, 17.06%, and 16.36%, respectively, compared with 17.28%, 17.52%, 16.98%, and 16.31% in the prior week. Reflecting this softer sentiment, the Access Bank Bond Index slipped by 7.18 points to settle at 5,635.31. Looking ahead, market activity is expected to pick up, with sentiment likely improving as investors rebalance positions in anticipation of upcoming liquidity inflows.

Commodities

Gold prices inched higher last week, closing at $3,373.58 per ounce after trading within a narrow band, following April's record high of $3,500. The uptick was supported by signals of a more accommodative Federal Reserve stance and sustained demand for safe-haven assets. Fed Chair Jerome Powell noted a shifting balance of risks between a cooling labour market and lingering inflation concerns, citing downward payroll revisions and rising unemployment. This has fuelled expectations of a potential 25bps rate cut at the September policy meeting. On the geopolitical front, prospects for a Russia-Ukraine peace deal dimmed as Russia launched its largest drone and missile attack in over a month, while accusing Kyiv of rejecting a "lasting and fair settlement." Against this backdrop, gold advanced by 0.9% over the week. Meanwhile, crude oil futures settled at $69.32 per barrel, pressured by fading optimism over a swift U.S.-brokered resolution to the Russia-Ukraine conflict. Additional headwinds emerged as Washington imposed a 25% tariff on Indian goods, effective August 27, intensifying scrutiny of India's purchases of discounted Russian crude, which accounts for nearly 35% of its imports. On the supply side, prices found some support after U.S. inventory data revealed the largest nationwide draw since mid-June. However, persistent builds at Cushing storage highlighted underlying demand weakness, keeping sentiment cautious.

Monthly Macro Economic Forecast

Variables	Aug.-2025	Sept.-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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