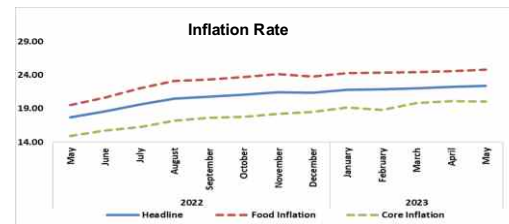
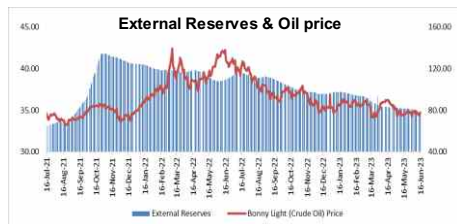
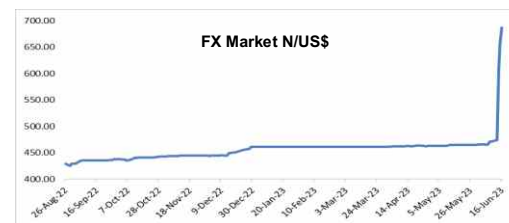


# Access Bank Rateswatch

## KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.31	Q4 2022 — lower by 1.21% compared to 3.52% in Q4 2022
Broad Money Supply (N' trillion)	56.04	Rose by 2.58% in April 2023 from N54.63 trillion in March 2023
Credit to Private Sector (N' trillion)	44.1	Rose by 2.39% in April 2023 from N43.07 trillion in March 2023
Currency in Circulation (N' trillion)	2.38	Increased by 41.67% in April 2023 from N1.68 trillion in March 2023
Inflation rate (%) (y-o-y)	22.41	Increased to 22.41% in May 2023 from 22.22% in April 2023
Monetary Policy Rate (%)	18.5	Adjusted to 18.5% in May 2023 from 18% in March 2023
Interest Rate (Asymmetrical Corridor)	18.5(+1/-7)	Lending rate changed to 19.5% & Deposit rate 11.5%
External Reserves (US\$ billion)	34.67	June 14, 2023 figure — a decrease of 1.20% from June start
Oil Price (US\$/Barrel) (Bonny Light)	77.90	June 16, 2023 figure — an increase of 0.64% from the prior week
Oil Production mbpd (OPEC)	1.18	May 2023, figure — an increase of 19.19% from April 2023 figure



## STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	16/6/23	9/6/23	
NSE ASI	58,974.36	55,930.97	5.44
Market Cap(N'tr)	32.11	30.45	5.44
Volume (bn)	0.62	0.57	7.16
Value (N'bn)	6.42	6.09	5.56

## MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	16/6/23	9/6/23	
OPR	11.6000	11.7000	(10)
O/N	12.1000	12.1000	0
CALL	11.9600	13.5600	(160)
30 Days	12.0200	12.7000	(68)
90 Days	12.8700	13.4700	(60)

## FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	16/6/23	9/6/23	16/5/23
NAFEX (N)	686.96	471.40	464.58

## BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	16/6/23	9/6/23	
7-Year	11.42	11.44	(2)
10-Year	11.06	11.04	3
15-Year	14.68	14.68	0
20-Year	14.49	14.51	(1)
25-Year	15.40	15.30	10
30-Year	15.55	15.47	8

### Disclaimer

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Sources: CBN, Financial Market Dealers Quotation, NSE, NBS, Energy Information Agency, Oilprice, Bloomberg and Access Bank Economic Intelligence Group computation.  
\* Crude oil (Bonny Light) is as at the previous day.

## Market Analysis and Outlook: June 16 - June 23, 2023

### Global Economy

The US Federal Reserve (Fed) left the target Rate (OPR) declined marginally to 11.60% for the funds rate unchanged at 5% - 5.25% from 11.70% posted in the preceding week in June 2023, but signalled rates may go to 5.6% by year-end if the economy and at 12.10%. On the other hand, longer-dated inflation do not slow down more. This is the placements such as the 30-day Nigerian first pause in the tightening campaign Interbank Offered Rate (NIBOR) also following 10 consecutive hikes that lifted declined to 12.02% from 12.70%. This week, borrowing costs to the highest level since we opine that there will be uptick in rates as September 2007. Policymakers said that market participants are expected to fulfil holding the target range steady allows them their fulfil their obligations.

to assess additional information and its implications for monetary policy but noted they would be prepared to adjust it if risks

### Foreign Exchange Market

Last week, there was a significant emerge that could impede the attainment of their goals. According to the U.S. Bureau of Labor Statistics, annual inflation rate declined to 4% in May 2023 from 4.9% printed in the prior month. The funds rate is now seen higher at 5.6% this year, compared to 5.1% projected in March. GDP growth and inflation rate are seen rising 1% and 3.2%, respectively at the end of the year. In another prior week. The demand pressure on the zone, the European Central Bank (ECB) raised interest rates by another 25 basis points (bps) during its June meeting, bringing the rate on main refinancing operations to 4%, the highest level since the 2008 financial crisis, and the rate on the deposit facility to a 22-year high of 3.5%.

This marked the 8th consecutive rate hike, even though the bloc entered a recession at the beginning of 2023, and as both the headline and core inflation rates remain

### Bond Market

The bond market closed the week on a quiet note as pockets of demand were witnessed across the curve. Yields on the 7-, and 20-significantly above the ECB's target of 2%. During a news conference, President Lagarde stated that the ECB had more ground to cover and would likely continue raising rates in July. ECB officials have already implemented an unprecedented 400 basis point increase in rates over the past year. This is the fastest tightening pace in the history of the bank.

### Domestic Economy

The annual inflation rate rose for the 4th consecutive month to a near 18-year high of 22.41% in May 2023, up from 22.22% in the prior month. Food inflation rate accelerated to 24.82% in May, after jumping by 24.61% in April, mainly on account of higher prices of vegetables, oils, bread, fruits, meat, and tubers. The annual core inflation rate, which excludes farm produce, was 20.06% in May, up from a record high of 20.14% in the prior month. On a monthly basis, consumer prices increased by 1.94% in May, the most in 7 years, up from a 1.91% rise in prior month.

### Stock Market

The Nigerian bourse extended the bullish run for the 4th consecutive week, posting impressive gains week-on-week as demand for the country equities surged on the recently announced pro-market policies. Investors remain cautious about global economic uncertainties, with weak Chinese economic data and further interest rate multiple exchange rates by allowing market forces to determine the fair value of the naira. Consequently, the All-Share Index (ASI) rose to 58,974.36 points gaining 3,043.39 points. Similarly, market capitalization ascended by N1.66 trillion closing at N32.11 trillion. Going into trading this week, we expected the demand momentum to slow as investors are poised to book profit from the recent rallies in the Nigerian stock market.

### Monthly Macro Economic Forecast

Variables	May'23	Jun'23	Jul'23
Exchange Rate (NAFEX) (N/\$)	463	650	650
Inflation Rate (%)	22.0	26	26
Crude Oil Price (US\$/Barrel)	85	83.5	80

### Money Market

Money market rates hovered around similar levels, as seen in the preceding week, due to low level of funding activities. Consequently, short-dated placements like the Open Repo

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