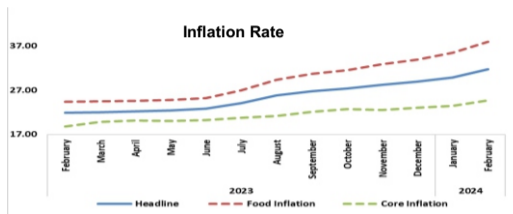
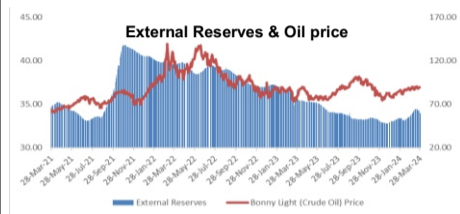
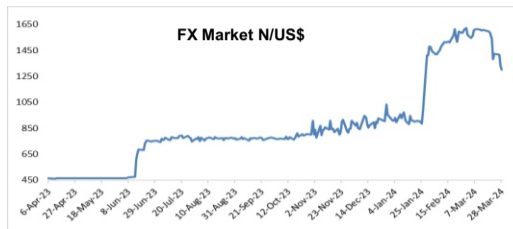
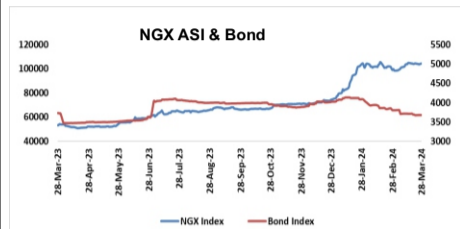


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	3.46	Q4 2023 — Higher by 0.92% compared to 2.54% in Q3 2023
Broad Money Supply (N' trillion)	95.56	Rose by 1.96% in February 2024 from N93.72 trillion in January 2024
Credit to Private Sector (N' trillion)	80.86	Rose by 5.09% in February 2024 from N76.94 trillion in January 2024
Currency in Circulation (N' trillion)	3.69	Rose by 1.1% in February 2024 from N3.65 trillion in January 2024
Inflation rate (%) (y-o-y)	31.7	Increased to 31.7% in February 2024 from 29.9% in January 2024
Monetary Policy Rate (%)	24.75	Adjusted to 24.75% in March 2024 from 22.75% in February 2024
Interest Rate (Asymmetrical Corridor)	24.75(+1/-3)	Lending rate changed to 25.75% & Deposit rate 21.75%
External Reserves (US\$ billion)	33.95	March 26, 2024 figure — an increase of 0.56% from March start
Oil Price (US\$/Barrel) (OPEC)	89.21	March 26, 2024 figure — an increase of 1.93% from the prior week
Oil Production mbpd (OPEC)	1.32	February 2024, figure — a decrease of 7.69% from January 2024 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	28/3/24	22/3/24	
NGX ASI	104,562.06	104,647.37	(0.08)
Market Cap(N'tr)	59.12	59.17	(0.08)
Volume (bn)	0.62	0.51	23.34
Value (N'bn)	16.95	14.24	19.10

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	28/3/24	22/3/24	
OPR	27.2900	26.2200	107
O/N	28.2100	27.2900	92
CALL	27.0000	25.2000	180
30 Days	23.2000	20.2000	300
90 Days	25.1000	20.8500	425

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	28/3/24	22/3/24	28/2/24
NAFEX (N)	1303.33	1422.85	1616.83

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	28/3/24	22/3/24	
7-Year	20.15	19.81	34
10-Year	17.36	16.93	43
15-Year	18.94	18.93	0
20-Year	19.28	19.20	8
25-Year	18.64	18.79	(14)
30-Year	18.53	18.63	(10)

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

Market Analysis and Outlook: March 28, - April 5, 2024

Global Economy

In its March 2024 meeting, the Bank of the MPC. Consequently, the Open Japan (BoJ) raised its key short-term Repo Rate (OPR) and Over Night (ON) interest rate to approximately 0% to 0.1%, rose to 27.29% and 28.21% from 26.22% ending 8 years of negative interest rates. This marks the first interest rate hike since 2007, spurred by inflation surpassing the central bank's 2% target for over a year and major companies in the country committing to a significant salary increase of 5.28%, the largest wage hike seen in over 3 decades. Additionally, the BoJ discontinued yield curve control for 10-year government bonds and ceased purchasing ETFs and J-REITs. Furthermore, the BoJ announced a gradual reduction in the pace of corporate bond purchases. However, the bank emphasized its readiness to swiftly respond to a sudden surge in long-term government Bond purchases. In contrast, the South African Reserve Bank (SARB) unanimously decided to maintain its key repo rate at 8.25% on March 27th, 2024, marking the fifth consecutive meeting at levels not seen since 2009. Policymakers underscored that risks to the inflation outlook were predominantly skewed upwards. Headline inflation accelerated for the second consecutive month, reaching 5.6% in February, up from January's 5.3%, nearing the upper limit of the central bank's target range of 3 - 6%. The inflation projection for the current year was slightly adjusted upward to 5.1%. The SARB upheld its growth forecasts at 1.2% for 2024.

Foreign Exchange Market

During trading last week, the forex market experienced an improved supply of the Dollar as offshore counterparties sourced Naira for their Nigerian Treasury Bills (NTB) auction bid. Hence, the Naira gained ₦119.52 to close at ₦1,303.33. This week, more supply of forex is expected, thus providing a boost for the Naira.

Bond Market

Last week, most market participants traded cautiously ahead of the outcome of the NTB auction. As the market progressed, improved bids were witnessed on long-dated maturities as market participants cherry-picked high-yielding instruments. As a result, the average yields on the 25- and 30-year bonds declined to 18.64%, and 18.53%, respectively, down from 18.79%, and 18.63%. Furthermore, the Access Bank bond index rose slightly by 3.07 points, closing at 3,681.48 points compared to the previous 3,678.40 points. Going into the new trading week, cherry-picking is expected to continue due to inadequate high-yielding investment alternatives in the market.

Domestic Economy

To combat inflationary pressures, manage inflation expectations, and stabilize the exchange rate, the Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) raised the key Monetary Policy Rate (MPR) by 200 basis points (bps) to a new record high of 24.75% on March 26th, 2024. This decision follows a significant 400bps increase during the February 2024 meeting, marking the largest surge in borrowing costs in 17 years. Since the tightening campaign commenced in May 2022, there has been a cumulative increase of 1,325bps. Policymakers have affirmed their dedication to maintaining this tightening cycle. In February of this year, the annual inflation rate reached a fresh high not seen since 1996, soaring to 31.7%. This surge was primarily attributed to the ripple effects stemming from the removal of fuel subsidies and the free-floating of the Naira.

Stock Market

The bearish sentiment was the dominant theme on the Nigerian Bourse last week as the market responded to yet another MPR hike. Sell pressure remained pronounced, particularly in the consumer goods segment. Consequently, the All-Share Index (ASI) concluded at 104,562.06 points, marking a decrease of 85.31 points. Furthermore, market capitalization saw a decline of ₦50 billion, settling at ₦59.12 trillion at the end of the week. As the new trading week commences, there is anticipation for a turnaround in performance, with investors positioning themselves for dividend announcements, notably within the banking sector, which could potentially drive the market towards positive territory.

Monthly Macro Economic Forecast

Variables	Feb'24	Mar'24	April'24
Exchange Rate (NAFEX) (N/\$)	1500	1450	1400
Inflation Rate (%)	30.5	30	29.2
Crude Oil Price (US\$/Barrel)	80	82	85

Money Market

Liquidity shrunk in the money market riding on the back of the hawkish stance

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