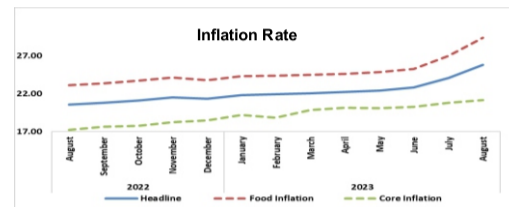
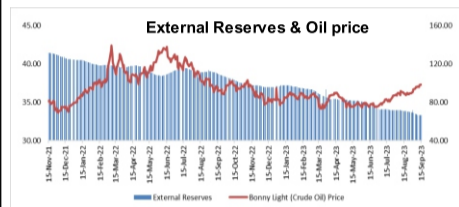
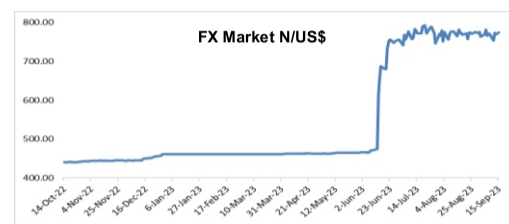
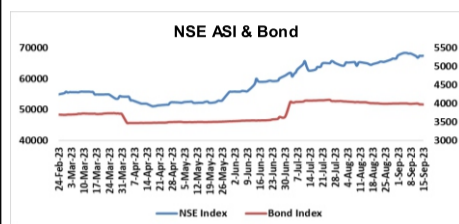


Access Bank Rateswatch

KEY MACROECONOMIC INDICATORS

Indicators	Current Figures	Comments
GDP Growth (%)	2.51	Q2 2023 —lower by 0.2% compared to 2.31% in Q1 2023
Broad Money Supply (N' trillion)	65.47	Rose by 0.86% in July 2023 from N64.91 trillion in June 2023
Credit to Private Sector (N' trillion)	54.16	Rose by 2.56% in July 2023 from N52.81 trillion in June 2023
Currency in Circulation (N' trillion)	2.59	Decreased by 0.38% in July 2023 from N2.60 trillion in June 2023
Inflation rate (%) (y -o-y)	25.80	Increased to 25.80% in August 2023 from 24.08% in July 2023
Monetary Policy Rate (%)	18.75	Adjusted to 18.75% in July 2023 from 18.5% in May 2023
Interest Rate (Asymmetrical Corridor)	18.75(+1/ -3)	Lending rate changed to 19.75% & Deposit rate 15.75%
External Reserves (US\$ billion)	33.29	September 13, 2023 figure — a decrease of 0.83% from September start
Oil Price (US\$/Barrel) (Bonny Light)	94.19	September 13, 2023 figure — an increase of 4.2% from the prior week
Oil Production mbpd (OPEC)	1.18	August 2023, figure — an increase of 9.26% from July 2023 figure



STOCK MARKET

Indicators	Last Week	2 Weeks Ago	Change (%)
	15/9/23	8/9/23	
NSE ASI	67,395.74	68,138.25	(1.09)
Market Cap(N'tr)	36.89	37.29	(1.08)
Volume (bn)	0.41	0.48	(14.50)
Value (N'bn)	5.23	8.23	(36.41)

MONEY MARKET

NIBOR			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	15/9/23	8/9/23	
OPR	23.6429	17.8300	581
O/N	24.4167	18.7500	567
CALL	25.1667	11.4500	1372
30 Days	10.1667	9.7700	40
90 Days	10.6667	11.1500	(48)

FOREIGN EXCHANGE MARKET

Market	Last Week Rate (N/\$)	2 Weeks Ago Rate (N/\$)	1 Month Ago Rate (N/\$)
	15/9/23	8/9/23	15/8/23
NAFEX (N)	774.63	770.65	781.30

BOND MARKET

AVERAGE YIELDS			
Tenor	Last Week Rate (%)	2 Weeks Ago Rate (%)	Change (Basis Point)
	15/9/23	8/9/23	
7-Year	12.82	11.30	152
10-Year	12.14	11.95	19
15-Year	15.19	15.07	12
20-Year	14.84	14.66	18
25-Year	15.63	15.35	28
30-Year	15.91	15.60	31

Disclaimer
This report is based on information obtained from various sources believed to be reliable and no representation is made that it is accurate or complete. Reasonable care has been taken in preparing this document. Access Bank Plc shall not accept responsibility or liability for errors of fact or any opinion expressed herein. This document is for information purposes and private circulation only and may not be reproduced, distributed or published by any recipient for any purpose without prior written consent of Access Bank Plc.

Market Analysis and Outlook: September 15, - September 22, 2023

Global Economy

Annual inflation rate for the American economy accelerated for the 2nd consecutive month to 3.7% in August from 3.2% recorded in July. Oil prices have been on the rise in the previous two months, which coupled with base effects from last year, pushed the inflation higher. The U.S. Bureau of Labor Statistics revealed that in August 2023, energy cost fell 3.6%, much less than a 12.5% drop in July, with prices declining at a smaller pace for fuel oil and gasoline. Also, cost of transportation services increased more. On the other hand, inflation slowed for electricity prices, food, shelter, new vehicles, and apparel. Also, faster decreases were seen in cost for utility gas service, medical services and used cars and trucks. Core inflation rate however, which excludes food and energy, slowed for the fifth month to 4.3%. In separate space, the Ministry of Statistics and Programme Implementation (MOSPI) revealed that annual inflation in India eased to 6.83% in August 2023 from 7.44% in July which was the highest since April 2022. Food inflation fell to 9.94% from 11.51% which was the highest since January 2020. Cost of vegetables, cereals, pulses, and milk increased at a slower pace while prices rose faster for spices. Despite the slowdown in August, inflation stayed above the central bank target of 2 - 6% for the 2nd consecutive month. Monsoons have been below normal due to El Nino, impacting agricultural production and prompting a spike in food prices, especially vegetables. The government then subsidised vegetable prices and ban exports of some cereals including sugar and rice.

Domestic Economy

Latest report from the National Bureau of Statistics (NBS) revealed that the annual inflation rate accelerated to 18-year high of 25.8% in August 2023, up from 24.08% printed in the preceding month as the country continues to contend with rising prices. Inflation rate continued to soar as the effect of fuel subsidy removal and exchange rate unification becomes more evident on standard of living. Food inflation climbed further to 29.34% in August from 26.98% in July, also impacted by insecurity in major food-producing areas and activities of middlemen in the food distribution channels. The annual core inflation rate, picked up to 21.15% from 20.47% in the previous month.

Stock Market

Equities on the floor of the Nigerian Exchange retreated this week as investors jittered following the Central Bank of Nigeria's decision to prohibit commercial banks in the country from distributing dividends from one-off foreign exchange gains after several banks reported robust half-year earnings, bolstered by currency devaluation. Also, weak demand in the consumer goods stocks weighed down the market leading index. As a result, the All-Share Index (ASI) lost 742.51 points to close at 67,395.74 points. Similarly, market capitalization descended by ₦400 billion to close the week at ₦36.89 trillion. Going into trading this week, we expect cautious trading pattern to be the dominant theme as investors digest the impact of the recently released inflation

rate and await interest rate decision of the country's monetary policy committee later this month.

Money Market

The Cash Reserve Requirement (CRR) debits by the Apex Bank and anticipation of the Bond auction settlement truncated liquidity in the money market. Consequently, the Open Repo Rate (OPR) and Over Night (ON) rose to 23.64% and 24.42% from 17.83% and 18.75% recorded in the prior week, respectively. Also, longer-dated placements such as the 30-day Nigerian Interbank Offered Rate (NIBOR) rose to 10.17% from 9.77%. Without any significant inflow, rates are expected to stay elevated, this week, as banks fund their obligations.

Foreign Exchange Market

The forex market traded calmly during due to the modest supply of Dollars available to willing buyers. Hence, the Naira depreciated by ₦3.98 to close at ₦774.63/\$. This week, forex rate is expected to remain stable as the CBN continues to defend the Naira.

Bond Market

The Federal Government Bond (FGN) Bond market ended last week on a quiet note with minimal interest express across the curve. Consequently, average yields on the 7-, 10-, 15-, 20-, 25- and 30-year debt papers closed higher at 12.82%, 12.14%, 15.19%, 14.84%, 15.63% and 15.91% from 11.30%, 11.95%, 15.07%, 14.66%, 15.35% and 15.60%. The Access Bank bond index declined further by 14.71 points to close at 3,976.46 points from 3,991.17 points. Going into a new trading week, the bond market is expected to maintain the existing calm trend as investors assess the impact of the higher inflation figure on the return of their investments

Commodities

Oil prices strengthened, scaling fresh 10-month highs amid an improving global demand outlook, and tightening supplies. Consequently, Bonny Light, Nigeria's benchmark crude, price rose by \$4.00 per barrel (pb) to close the week at \$98.19pb from \$94.19pb posted in the preceding week. In a separate news, gold price was muted as investors continued to fret about interest rate prospects. Subsequently, gold price lost \$6.99 or 0.4% to sit at \$1,917.81 per ounce. Also, silver gained \$0.01 or 0.0% to sit at \$23.04 per ounce. This week, China's central bank cash reserve requirements cut, which lifted the demand outlook in the world's top crude importer, and growing expectations that major central banks are nearing the end of their tightening cycles are expected to aid positive sentiments for oil prices. On the other hand, promising Chinese economic data and a weaker Dollar are expected to boost bullion prices.

Monthly Macro Economic Forecast

Variables	Aug'23	Sep'23	Oct'23
Exchange Rate (NAFEX) (N/\$)	780	775	780
Inflation Rate (%)	24.5	26.04	26.80
Crude Oil Price (US\$/Barrel)	85	83.5	80