

Daily Market Update

...A daily publication of Treasury Unit of Access Bank Plc.

Friday, 10 September 2021

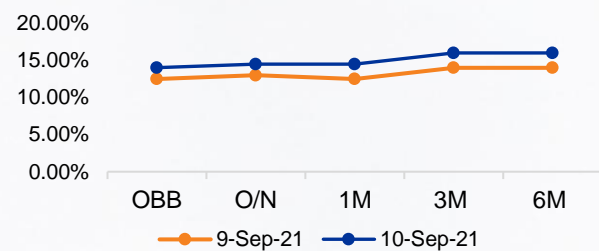
Money Market

System liquidity remained elevated to open the day with a credit balance of ₦67bn despite the previous days OMO sales of ₦50bn.

Despite this liquidity, OBB and O/N rates increased by 150bps to close the day at 14.00% and 14.50% respectively as Banks funded for their obligation.

We expect rates to decline opening the week barring any significant funding activity.

Money Market Rate Movement



Foreign Exchange

Closing the week, the NAFEX appreciated day on day by 21 kobo to close the week at \$/₦411.08

The paucity of funds continued at the Investors' and Exporters' Window as market participants continue to bid for various obligations. Consequently, the Naira weakened by ₦0.57 to close at \$/₦412. We expect stability in rates in the market next week.

As anticipated, the CBN released the result of its bi-weekly Retail SMIS auction today.

FX Rates	Current	Previous	%Δ
Indicative I&E Open	411.25	411.43	(0.04)
I&E Closing	412.00	411.67	0.08
NAFEX	411.08	411.29	(0.05)
BDC Rate	547.00	538.00	1.67

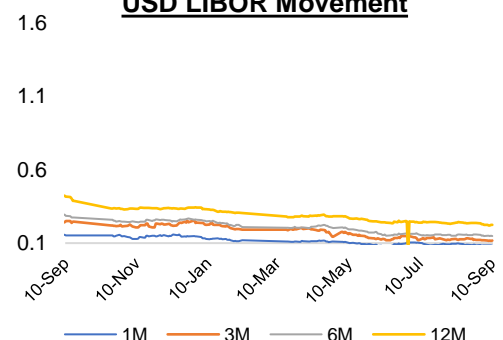
Treasury Bills

The Treasury bills market closed the week on a very quiet note, with a handful of trades consummated through the trading session as a result of the thin liquidity levels in the system. Although the bears were dominant in the market, we witnessed some interest on some short-tenured OMO and NTB maturities.

We expect market to trade with mixed sentiments in the coming week as market players continue to trade cautiously.

Treasury Bills

NTB Maturity	Rate(%)	OMO Maturity	Rate(%)
30-Sep-21	2.94	19-Oct-21	5.72
14-Oct-21	3.08	02-Nov-21	5.78
10-Feb-22	4.23	07-Dec-22	6.33
28-Apr-22	5.12	01-Mar-22	6.30
12-May-22	5.30	15-Mar-22	6.36





DOMESTIC NEWS

ACCESS BANK PARTNERS SME.NG TO SUPPORT DIGITISATION OF WOMEN-OWNED BUSINESSES IN NIGERIA

Access Bank, through the W Initiative, a brand dedicated to Inspiring, Connecting, and Empowering women in all categories, has partnered with SME.NG to provide a one-stop-shop solution for women entrepreneurs in Nigeria. The Bank, as an organization that sees providing female entrepreneurs with an opportunity to access easy finance, partnered with SME.NG to launch the Ebi marketplace; an online platform which will be Nigeria's first all-women's e-market place with a fusion of financial services, trading opportunities, access to advisory services, mentorship, networking and so much more.

Victor Etuokwu, the Executive Director of Retail Banking Division, while speaking on Access Bank's Interest in supporting female-owned businesses, said: "Women SMEs face major challenges in the areas of funding, business networks, technical know-how and business management amongst others. "It is therefore imperative to support the digitization of women-owned businesses in Nigeria by providing them with economic opportunities, business sustainability, and improving resilience to the negative effects of the economic downturn which would reduce the bottlenecks faced in running their businesses. "To this effect, Access Bank, through the W Initiative is set to on-board 1500 female entrepreneurs on the Ebi Marketplace platform to ensure viability and resilience to economic shocks".

GLOBAL NEWS

CHINA SELLS OIL RESERVES TO LOWER PRICES IN UNPRECEDENTED MOVE

China made an unprecedented intervention in the global oil market, releasing crude from its strategic reserve for the first time with the explicit aim of lowering prices. The announcement comes amid surging energy costs in China, not just for oil but also for coal and natural gas, and electricity shortages in some provinces that have forced some factories to cut production.

In a late statement on Thursday, the National Food and Strategic Reserves Administration said the country had tapped its giant oil reserves "to ease the pressure of rising raw material prices." It didn't offer further details, but people familiar with the matter said the statement referred to millions of barrels the government offered in mid-July. The Chinese stockpiling agency also said a "normalized" rotation of crude oil in the state reserves is "an important way for the reserves to play its role in balancing the market", indicating that it may continue to release barrels.

The agency said that putting national reserve crude oil on the market through open auctions "will better stabilize domestic market supply and demand". China is the world's largest oil importer and over the past decade has built a huge reserve of the commodity. The buffer differs from strategic petroleum reserves, known as SPR, held in the U.S. and Europe, which are mostly only tapped during supply outages and wars. China however is signaling it is willing to use its reserve to try to influence the market.

Sources: FMDQ, Access Bank Treasury Team, Abokifx, Bloomberg, Daily Independent.

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