

# Daily Market Update

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

Tuesday, 14 September 2021

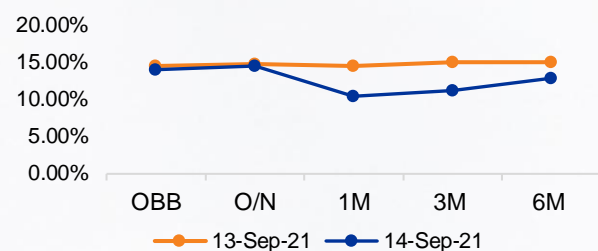
## Money Market

Market remained largely illiquid with opening volume at ₦14bn. It was improved further by the OMO maturity of ₦38bn that hit the system today.

Nonetheless, OBB and Overnight rates remained relatively stable to close at 14.00% and 14.50% as counterparties continue to access the CBN tenored-repo window for liquidity.

We expect the rates to hover around these levels tomorrow barring any significant funding activity.

### Money Market Rate Movement



## Foreign Exchange

Rates at the Investors' & Exporters' window strengthened by 67kobo to close at \$/₦412.08 despite the illiquidity in the market with local corporates bidding for funds to clear their outstanding obligations.

The NAFEX rate also weakened against the Greenback by ₦0.20 to close at \$/₦411.93 during today's trading session and we anticipate that rates will trade at similar levels tomorrow.

FX Rates	Current	Previous	%Δ
Indicative I&E Open	412.18	412.46	0.07
I&E Closing	412.08	412.75	0.16
NAFEX	411.93	411.63	(0.07)
BDC Rate	550.00	550.00	0.55

## Treasury Bills

Despite the OMO maturity of ₦38bn today, the Treasury Bills secondary market opened on a quiet note as market participants traded cautiously. This trend persisted for most of the trading session and consequently, closing rates remained largely unchanged from opening levels.

Tomorrow, we expect the quiet trend to persist as the attention of market players shifts to the NTB auction, where the DMO is scheduled to offer the sum of ₦155.88bn across the 91-, 182- and 364-day maturities.

### Treasury Bills

NTB Maturity	Rate(%)	OMO Maturity	Rate(%)
30-Sep-21	2.58	19-Oct-21	5.11
14-Oct-21	2.75	02-Nov-21	5.63
10-Feb-22	4.17	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

### CBN TO ESTABLISH NIGERIAN INTERNATIONAL FINANCIAL CENTRE TO ATTRACT FOREIGN INVESTORS

The Central Bank of Nigeria (CBN) has announced that the Nigerian International Financial Centre (NIFC) will be established to act as a gateway for funds and investments into the country. According to the CBN, the center will be driven by technology and payment system infrastructure. Emefiele said, "Central Bank, will, in the next 12 months be establishing the Nigerian International Financial Centre (NIFC). The NIFC will act as an international gateway for Capital and investments, driven by technology and payment system infrastructure." He said that the new financial center will bring together local and foreign banks to create global champions. According to Emefiele, the NIFC would be a 24-hour financial center that will complement London, New York, and Singapore financial hubs, allowing Nigerian efforts like Infracorp Plc, a N15 trillion infrastructure fund that will be formed in October 2021, to accelerate. & Commissions, there is the potential for earnings to recover. "He added that the NIFC will complement other CBN efforts such as the Nigerian Commodity Exchange and the National Theatre's creative hubs for Nigerian youths, as well as the e-Naira project, which will be launched in October 2021.

"The NIFC will take advantage of our existing laws such as the BOFIA 2020, NEPZA and other CBN regulations to create a fully global investment and financial hub where monies, ideas, and technology will move freely without hindrance," Emefiele added.

## GLOBAL NEWS

### US INFLATION SLOWS AS PRICES PRESSURES EASE

Underlying U.S. consumer prices increased at their slowest pace in six months in August as used motor vehicle prices tumbled, suggesting that inflation had probably peaked, though it could remain high for a while amid persistent supply constraints. The broad slowdown in price pressures reported by the Labor Department on Tuesday aligns with Federal Reserve Chair Jerome Powell's long-held belief that high inflation is transitory. Still, economists cautioned it was too early to celebrate and expected the U.S. central bank to lay out plans in November to start scaling back its massive monthly bond-buying program. "Inflation remains troublingly strong, even if it is not exploding like it did earlier in the year," said James McCann, deputy chief economist at Aberdeen Standard Investments in Boston. "If we continue to see further step-downs in inflation over the next six months, that should ease the pressure on the Fed to quickly follow tapering with interest rate rises."

The consumer price index excluding the volatile food and energy components edged up 0.1% last month. That was the smallest gain since February and followed a 0.3% rise in July.

The so-called core CPI was held back by a 1.5% decline in prices for used cars and trucks, which ended five straight monthly increases. Robust rises in prices of used cars and trucks, as well as services in industries worst affected by the COVID-19 pandemic, were the key drivers behind a heating up of inflation at the start of the

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

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