

# Daily Market Update

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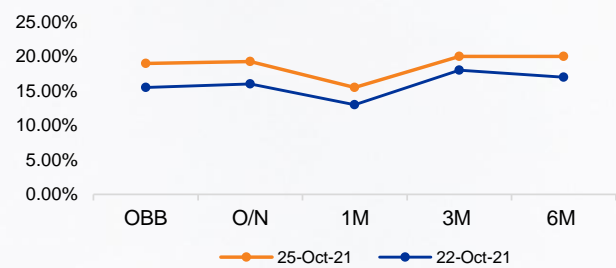
## Money Market

The illiquidity in the market persisted opening the week in a repo of ₦46bn. due to the bond Auction debit last week Friday.

Despite this illiquidity, OBB and O/N rates decreased by 350bps to close the day at 15.50% and 16.00% respectively as market participants preferred to cover their obligations at the CBN tenored repo window.

Opening tomorrow, we expect a decline in rates closing tomorrow given the anticipated OMO credit of ₦93bn.

Money Market Rate Movement



## Foreign Exchange

The week started with the CBN injecting funds into the market for SMEs and Invisibles transactions.

Nevertheless, the paucity of funds at the Investors' and Exporters' Window continued during trading today in continuation with the recent trend, however, the Naira remained stable against the US Dollar to close at \$/₦415.07.

The NAFEX rate weakened marginally by ₦0.30 to close at \$/₦413.74 and we expect rates to continue to trade at these levels tomorrow.

### FX Rates

	Current	Previous	%Δ
Indicative I&E Open	414.05	414.10	0.01
I&E Closing	415.07	415.07	0.00
NAFEX	413.74	413.44	(0.07)

## Treasury Bills

The Treasury Bills secondary market opened on a slightly bullish note today as market participants traded cautiously. This sentiment persisted for most of the trading session with very few trades consummated by market close. Consequently, closing rates remained largely unchanged from opening levels.

Tomorrow, an OMO maturity of ₦93.00bn is to be credited to the system and as such, we expect some bullish interest as market participants look forward to the NTB auction scheduled for Wednesday.

### Treasury Bills

NTB Maturity	Rate(%)	OMO Maturity	Rate(%)
11-Nov-21	3.25	02-Nov-21	5.63
13-Jan-22	3.73	07-Dec-21	6.43
28-Apr-22	5.53	01-Mar-22	6.15
9-Jun-22	6.16	15-Mar-22	6.20
8-Sep-22	6.48	16-Aug-22	6.65





## DOMESTIC NEWS

### CBN'S E-NAIRA FOR LAUNCH TODAY

President Muhammadu Buhari will unveil the Central Bank Digital Currency (CBDC), known as the e-Naira, today at the State House, Abuja. The Central Bank of Nigeria (CBN) had in February barred banks and financial institutions from dealing in or facilitating transactions in cryptocurrencies, warning of “severe regulatory sanctions” and freezing accounts of firms it said are using them. CBN Governor Godwin Emefiele has said the e-Naira would operate as a wallet against which customers could hold funds in their bank account.

“The e-Naira, therefore, marks a major step forward in the evolution of money and the CBN is committed to ensuring that the e-Naira, like the physical Naira, is accessible by everyone,” the bank said in a statement. According to experts, Nigerians were turning to crypto for business, to protect their savings as the naira loses value, and to send payments abroad because it is often hard to obtain United States’ dollars.

## GLOBAL NEWS

### OIL PARES GAINS AFTER TOPPING \$85 AS IRAN NUCLEAR TALKS NEAR

Oil pared gains after hitting \$85 a barrel for the first time since 2014 with traders focused on upcoming talks between Iran and the European Union that may lead to a revival of a 2015 nuclear deal.

Futures in New York were little changed after earlier rising as much as 2% on Monday. Iran and the European Union will hold discussions in Brussels on Wednesday, the Islamic Republic’s lead negotiator said. The meeting is a prelude to the resumption of broader talks in Vienna on how to revive the pact that gave Iran sanctions relief in exchange for curbs on its nuclear program. The U.S. special envoy for Iran said talks were at a “critical phase,” and a period of “more intense diplomacy” to end the standoff was approaching.

“As long as they are talking, there is a chance a deal gets done,” said Bob Yawger, director of the futures division at Mizuho Securities USA. Still, over the past 12 months oil has more than doubled and is fanning inflationary concerns. So far, there appears to be little end in sight for the rally, and Wall Street has been steadily upping its views of the market, expecting prices to trade higher for longer. Goldman Sachs Group Inc. says consumption is on the cusp of returning to pre-Covid levels, while the Organization of Petroleum Exporting Countries and its allies have been restrained in easing the draconian supply cuts imposed in 2020 to salvage prices.

**Sources:** FMDQ, Access Bank Treasury Team, Bloomberg, BBC, The Nation.

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