CENTRAL BANK OF NIGERIA

Economic Report For the First Half of 2015

Central Bank of Nigeria
Corporate Head Office
33 Tafawa Balewa Way
Central Business District
P. M. B. 0187, Garki
Abuja
Website: www.cbn.gov.ng

Tel: +234(0)946238707
+234(0)946238762
+234(0)946435900

ISSN 1597 - 2976

Vision

"By 2015, be THE MODEL CENTRAL BANK delivering PRICE and FINANCIAL SYSTEM STABILITY and promoting SUSTAINABLE ECONOMIC DEVELOPMENT".

Mission

To be proactive in providing a stable framework for the economic development of Nigeria, through effective, efficient and transparent implementation of monetary and exchange rate policy, and management of the financial sector.

The Central Bank of Nigeria

Established by the Central Bank of Nigeria (CBN) Act of 1958, the Principal objects of the Bank as contained in the new CBN Act, 2007 are to

- *ensure monetary and price stability*
- *issue legal tender currency in Nigeria*
- *maintain external reserves to safeguard the international value of the legal tender currency*
- *promote a sound financial system in Nigeria*
- *act as banker and provide economic and financial advice to the Federal Government of Nigeria*

MEMBERS OF THE BOARD OF DIRECTORS OF THE BANK AS AT JUNE 30, 2015

1.	**Godwin I. Emefiele, CON**	- *Governor (Chairman)*
2.	**Adebayo A. Adelabu**	- *Deputy Governor (Corporate Services)*
3.	**Sarah .O. Alade (Mrs), OON**	- *Deputy Governor (Economic Policy)*
4.	**Okwu J. Nnanna**	- *Deputy Governor (Financial System Stability)*
5.	**Suleiman A. Barau, OON**	- *Deputy Governor (Operations)*
6.	**Anastasia M. Daniel-Nwaobia**	- *Director (Permanent Secretary, Federal Ministry of Finance)*
7.	**Ahmed Idris**	- *Director (Accountant General of the Federation)*
8.	**Muhammad M. Kafarati**	- *Director*
9.	**Collins C. Chikeluba**	- *Director*
10.	**Anthony A. Adaba**	- *Director*
11.	**Stanley I. Lawson**	- *Director*
12.	**Ayuli Jemide**	- *Director*
	Yunusa M. Sanusi	- *Secretary to the Board*

MEMBERS OF THE COMMITTEE OF GOVERNORS OF THE BANK AS AT JUNE 30, 2015

1.	**Godwin I. Emefiele, CON**	- *Governor (Chairman)*
2.	**Adebayo A. Adelabu**	- *Deputy Governor (Corporate Services)*
3.	**Sarah .O. Alade (Mrs), OON**	- *Deputy Governor (Economic Policy)*
4.	**Okwu J. Nnanna**	- *Deputy Governor (Financial System Stability)*
5.	**Suleiman A. Barau, OON**	- *Deputy Governor (Operations)*
	Yunusa M. Sanusi	- *Secretary*

MEMBERS OF THE MONETARY POLICY COMMITTEE (MPC) AS AT JUNE 30, 2015

1.	**Godwin I. Emefiele, CON**	- *Governor (Chairman)*
2.	**Adebayo A. Adelabu**	- *Deputy Governor (Corporate Services)*
3.	**Sarah .O. Alade (Mrs), OON**	- *Deputy Governor (Economic Policy)*
4.	**Okwu J. Nnanna**	- *Deputy Governor (Financial System Stability)*
5.	**Suleiman A. Barau, OON**	- *Deputy Governor (Operations)*
6.	**Dahiru Balami**	- *Member*
7.	**Anastasia M. Daniel-Nwaobia (Mrs.)**	- *Permanent Secretary, Federal Ministry of Finance, Member*
8.	**Abdul-Ganiyu Garba**	- *Member*
9.	**Stanley I. Lawson**	- *Member*
10.	**Adedoyin R. Salami**	- *Member*
11.	**Chibuike C. Uche**	- *Member*
12.	**Shehu Yahaya**	- *Member*

DEPARTMENTAL DIRECTORS

1.	**Dipo T. Fatokun**	-	Banking & Payments System
2.	**Agnes O. Martins (Mrs.)**	-	Banking Supervision
3.	**Mahmoud K. Umar**	-	*Branch Operations*
4.	**Umma Dutse (Haj.)**	-	*Consumer Protection*
5.	**Ibrahim Mu'azu**	-	*Corporate Communications*
6.	**Yunusa M. Sanusi**	-	*Corporate Secretariat*
7.	**Olufemi A. Fabamwo**	-	*Currency Operations*
8.	**Mudashir A. Olaitan***	-	*Development Finance*
9.	**Tope O. Omage (Mrs.)**	-	*Finance*
10.	**Emmanuel U. Ukeje**	-	*Financial Markets*
11.	**Kevin N. Amugo**	-	*Financial Policy and Regulation*
12.	**Oghenekaro A. Olori**	-	*Governors' Department*
13.	**Chizoba V. Mojekwu (Ms.)**	-	*Human Resources*
14.	**John I. Ayoh**	-	*Information Technology*
15.	**Vivian I. Agu (Mrs.)**	-	*Internal Audit*
16.	**Alvan E. Ikoku**	-	*International Training Institute*
17.	**Amusa O. Ogundana***	-	*Legal Services*
18.	**Faozat A. O. Bello (Mrs.)**	-	*Medical Services*
19.	**Moses K. Tule**	-	*Monetary Policy*
20.	**Ahmad Abdullahi**	-	*Other Financial Institutions Supervision*
21.	**Lazarus M. Agbor**	-	*Procurement & Support Services*
22.	**Charles N.O. Mordi****	-	*Research*
23.	**Lamido A. Yuguda**	-	*Reserve Management*
24.	**Oluwafolakemi J. Fatogbe(Ms.)**	-	*Risk Management*
25.	**Ibitayo O. Amu**	-	*Security Services*
26.	**Sani I. Doguwa**	-	*Statistics*
27.	**Lametek E. Adamu**	-	*Strategy Management*
28.	**Olakanmi I. Gbadamosi**	-	*Trade & Exchange*
29.	**Abwaku Englama**	-	*Secondment to WAMI*

** Overseeing the Department*
*** Retired on April 20, 2015*

BRANCH CONTROLLERS/CURRENCY OFFICERS

1.	Obiageli A. Obiekwe (Mrs.)	-	Abakaliki
2.	Adeyemi A. Bedu	-	Abeokuta
3.	John N. Chukwudifu	-	Abuja
4.	Samuel O. Ogungbayi	-	Ado-Ekiti
5.	Rahmath A. O. Yusuf-Adeyemi (Mrs.)	-	Akure
6.	Elizabeth O. Agu (Mrs.)	-	Asaba
7.	Onyekachi Iheakwazu	-	Awka
8.	Muhammad M. Ladan	-	Bauchi
9.	Herbert F. Ekechukwu	-	Benin
10.	Asmau N. Babah (Mrs.)	-	Birnin-Kebbi
11.	Graham I. Kalio	-	Calabar
12.	Ibrahim A. Dibola	-	Damaturu
13.	Danjuma A. Mohammed	-	Dutse
14.	Patrick O. Okonkwor	-	Enugu
15.	Ishaku K. Jatau	-	Gombe
16.	Umar A. Ambursa	-	Gusau
17.	Musibau F. Olatinwo	-	Ibadan
18.	Monday O. Olotewo	-	Ilorin
19.	Mohammed S. Abdullahi	-	Jalingo
20.	Gin Y. M. Kurah	-	Jos
21.	Mohammed I. Gusau	-	Kaduna
22.	Amina P. Abubakar (Mrs.)	-	Kano
23.	Mohammed H. Adamu	-	Katsina
24.	Usman S. Sule	-	Lafia
25.	James O. Iyari	-	Lagos
26.	Musa B. Bafai	-	Lokoja
27.	Ibrahim Isyaku	-	Maiduguri
28.	Aninyei G. Olisamedua	-	Makurdi
29.	Dangusau K. Mohammed	-	Minna
30.	Macduff O. Efetabore	-	Osogbo
31.	Romanus K. Aligwe	-	Owerri
32.	Jude N. Ekwebelem	-	Port Harcourt
33.	Mohammed L. Idris	-	Sokoto
34.	Veronica E. Aqua	-	Umuahia
35.	Caulma C. Efegi	-	Uyo
36.	Alexander Nwosu	-	Yenagoa
37.	Yahaya A. Lawan	-	Yola

TABLE OF CONTENTS

TABLES

FIGURES

SUMMARY

POLICY FRAMEWORK	The maintenance of monetary and price stability was sustained as the thrust of monetary policy by the Central Bank of Nigeria (CBN) in the first half of 2015. Open Market Operations (OMO), remained the primary policy tool for monetary management, complemented by discount window operations, standing facilities, reserve requirements, and interventions in the foreign exchange market. The monetary policy rate (MPR) continued to serve as the anchor for short-term interest rates in the economy. The Bank sustained its tight monetary policy stance with a view to managing liquidity in the banking system and stabilising the exchange rate. Foreign exchange market pressures were also accentuated by liquidity injections by the Asset Management Corporation of Nigeria (AMCON), matured securities, and statutory revenue releases. To stem the pressure on exchange and inflation rates, the official foreign exchange window (rDAS) was closed on February 18, 2015. In order to ensure a sound and stable financial system, the Bank continued its supervisory and surveillance activities through on-site and off-site monitoring, and special investigations.
CBN OPERATIONS: Developmental Initiatives	The developmental initiatives of the Bank were sustained in the first half of the year. The initiatives included the: ₦200 billion Commercial Agricultural Credit Scheme (CACS); ₦200 billion SME Credit Guarantee Scheme (SMECGS) Fund; ₦200 billion SME Restructuring and Refinancing Facility (RRF); and ₦300 billion Power and Airline Intervention Fund (PAIF). Others were the: ₦213 billion Nigeria Electricity Market Stabilisation Facility; ₦220 billion Micro Small and Medium Enterprises Development Fund; Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL); Agricultural Credit Guarantee Scheme (ACGS); Interest Draw Back (IDB); Trust Fund Model (TFM); and Entrepreneurship Development Centres (EDCs).
Liquidity Management	The Bank employed various measures to manage liquidity in the banking system. These measures included: the retention of the MPR at 13.0 per cent with a symmetric corridor of ±200 basis points; the liquidity ratio of 30.0 per cent; and the harmonisation of CRR on public and private sector deposits at 31.0 per cent from the previous levels of 75.0 and 20.0 per cent, respectively. Following the closure of the rDAS window, all demand for foreign exchange was channeled to the inter-bank segment of the market. OMO was sustained as the primary tool for liquidity management, complemented by reserve requirements, standing facilities, discount window operations and interventions in the foreign exchange market.

Payments & Clearing System

To support government effort in the management of public finances, thereby promoting accountability and transparency, the CBN commenced implementation of the Federal government's independent revenue e-Collection Scheme under the Treasury Single Account (TSA). The Bank also: reviewed the guidelines on mobile money services; inaugurated various payments system boards; issued approved framework for the licensing of super agents under the agency banking scheme; and implemented the two-factor authentication for internal banking process. The Bank extended the Bank Verification Number (BVN) registration deadline to October 31, 2015 from the June 30, 2015 deadline.

Financial Sector Surveillance

The CBN intensified its regulatory and surveillance activities to ensure a safe and sound financial system. Consequently, in March 2015, the Bank, in conjunction with the Nigeria Deposit Insurance Corporation (NDIC), issued the approved Framework for the Regulation and Supervision of Domestic and Systemically Important Banks (SIBs) in Nigeria. It also reviewed the guidance notes and capital adequacy computation reporting template under the Basel II Accord. Furthermore, the CBN facilitated the formation of the College of Supervisors for Ecobank with the BCEAO; supported the drafting of Crisis Resolution Framework for the West Africa Monetary Zone (WAMZ); participated at the Community of Africa Bank Supervisors' (CABS) Working Group inaugural meeting on cross border supervision. The working group was saddled with the responsibility of developing the Cross Border Crisis Resolution Framework.

The number of foreign subsidiaries of Nigerian banks reduced to sixty (60) at end-June 2015, compared with sixty-one (61) at end-December 2014. However, the number of representative offices of Nigerian banks abroad increased to ten (10) from seven (7) at end-December 2014.

During the review period, examination of one (1) foreign bank subsidiary and a joint CBN/NDIC target risk assets examination of all domestic banks were carried out. In addition, ad-hoc spot checks were conducted on: banks' non-performing loans (NPLs); investment and utilisation of Eurobonds; and the collection and remittance of statutory government revenue. Infractions were observed, which included: the failure to issue certificate of capital importation to beneficiaries within the stipulated periods; incorrect rendition of returns to regulators; and failure to obtain evidence of repatriation of export proceeds.

The banking sector was adjudged sound at end-June 2015 as industry average CAR stood at 17.3 per cent, compared with

15.9 per cent recorded at end-December 2014 and 15.0 and 10.0 per cent benchmarks for banks with National and International authorisation, respectively. Industry liquidity ratio stood at 39.6 per cent at end-June, 2015, compared with 45.9 and 42.7 per cent at end-December and end-June 2014. The industry ratio of non-performing loans (NPLs) to total credit deteriorated to 4.7 per cent in the first half of 2015, compared with 3.5 per cent at end-December 2014. The increase in NPLs ratio was attributed to several factors, including inadequate risk mitigation measures by banks and impaired cash flow of obligors.

A report by the Bank revealed substantial compliance by banks with several provisions of the Code of Corporate Governance. Also, the Financial Reporting Council of Nigeria (FRCN) released the draft of the Code of Corporate Governance for public, private, and non-profit organisations. The objective of the Code was to provide standardised corporate governance guideline for all institutions within the regulatory ambit of the FRCN.

Financial Sector Surveillance

Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) spot check on ten (10) banks was conducted during the review period. The risk profiles of nine (9) were adjudged “above average”. The Bank also carried out the maiden AML/CFT compliance examination of banks and the joint cross-border AML/CFT examination on three (3) Nigerian banks operating in three (3) West African countries.

The Bank marked the 2015 Global Money Week with Global Walk for Money, Financial Fair/Exhibition, and the “Reach out and Mentoring Programme” for students of Nigerian secondary schools.

A total of 758 complaints against financial institutions were received out of which 481 were resolved. Total claims in local and foreign currencies amounted to ₦78.83 billion and US$745,744.26 and £6,000, compared with ₦7.38 billion, US$311,359.00 at end-June 2014. Total refunds by the institutions stood at ₦1.87 billion and US$957,920.05, compared with ₦3.87 billion and US$176,358 at end-June 2014. The Bank undertook examination and spot checks on twenty (20) banks to ascertain their level of compliance with consumer protection laws and regulations. The defaulting banks were directed to make appropriate refunds and ensure strict compliance henceforth.
In the first half of 2015, the number of fraud and forgery cases stood at 5,917, valued at ₦11.99 billion, compared with 11,447 and 5,197 cases valued at ₦25.81 billion and ₦16.8 billion recorded at the end of the preceding December and the

Financial Sector Surveillance

corresponding period of 2014, respectively. Actual loss incurred by banks was ₦1.9 billion, compared with ₦4.8 billion and ₦1.72 billion recorded at the end of the preceding-December and the corresponding period of 2014, respectively. The significant decrease in the actual loss reflected stronger internal control measures adopted by the banks and improved use of technology.

The Bank conducted examination and spot check on 110 microfinance banks (MFBs) and issued Regulatory Letters to 63 others for failure to meet the prudential minimum requirements. A risk-based examination conducted on 32 out of the 36 primary mortgage banks (PMBs) revealed that 14 PMBs had high composite risk rating. Moreover, the Bank issued a circular to finance companies (FCs) reminding them of the recapitalisation deadline of September 30, 2015.

FOREIGN EXCHANGE MANAGEMENT

The exchange rate of the naira to the US dollar depreciated during the review period owing to high speculative demand, reduced portfolio inflow, and low accretion to the external reserves. This reflected largely, the adverse effect of the falling global crude oil prices. Consequently, the Bank closed the retail Dutch Auction System (rDAS) window of the foreign exchange market in February 2015, reviewed downward the limit on the usage of naira denominated cards for transactions abroad, and excluded 41 items from being funded from the inter-bank market.

At the inter-bank and BDC segments, the average exchange rate of the naira to the US dollar were ₦194.04/US$ and ₦213.55/US$, representing 16.2 per cent depreciation, compared with the level in the corresponding half in 2014. Foreign exchange inflow into the economy declined by 36.0 and 31.2 per cent to US$52.12 billion against the respective levels in the first and second halves of 2014. Total foreign exchange outflow from the economy declined by 19.6 and 24.9 per cent to US$21.84 billion, from the levels at end-June and end-December 2014, respectively.

THE FINANCIAL SECTOR

In pursuance of the monetary and price stability objective, the CBN maintained a restrictive monetary policy stance and retained the monetary policy rate at 13.0 per cent during the review period. Key monetary aggregates moderated and were below the indicative benchmarks, compared with the levels in the preceding half-year. Reserve money, at₦5,945.76 billion, increased by 24.2 per cent, compared with 6.0 per cent decline at end-June 2014. Similarly, broad money supply (M_2) and narrow money supply (M_1) contracted to ₦18,811.4 billion and ₦6,542.4 billion or 0.5 and 5.3 per cent, respectively, relative to their levels at end-December 2014). The growth in M_2 was lower than the 15.2

per cent provisional indicative benchmark for fiscal 2015. Currency-in-circulation and currency outside banks also decelerated during the review period relative to the levels at end-June 2014.

Growth in credit to the domestic economy reflected the increase in the claims on the private sector and the Federal Government. Net domestic credit (NDC) grew to ₦21,409.8 billion or 11.1 per cent from end-December 2014, compared with the growth of 14.8 per cent at the end of the corresponding period of 2014. Net claims on government rose by 118.5 per cent to ₦ 2,251.46 billion at the end of the first half of 2015, compared with 85.8 per cent recorded at the end of the corresponding half of 2014. Credit to the private sector grew by 4.3 per cent to ₦18,897.3 billion at end-June 2015, compared with 4.6 per cent at the end of the first half of 2014.

THE FINANCIAL SECTOR

The money market was awash with liquidity for most of the first half of 2015. Consequently, rates moved in tandem with the liquidity levels. Average short-term rates in all segments were higher than their levels in the corresponding period of 2014. The weighted average inter-bank and Open-Buy-Back (OBB) rates increased over their levels at end-June 2014. The high average short-term rates despite the liquidity, was due to some unusual spikes, occasioned by the posting of the CRR debit after the harmonisation of CRR on public and private deposits and IT system downtime that affected DMBs ability to access balances on their accounts. While the weighted average prime lending rate fell by 0.09 percentage point to 16.63 per cent, the maximum lending rate stood at 26.4 per cent. Consequently, the spread between the average term deposit and maximum lending rates widened by 1.3 to 18.2 percentage points. With the year-on-year inflation rate at 9.2 per cent in June 2015, most deposit rates were negative in real terms.

Aggregate financial savings increased substantially by 16.2 per cent to ₦12,819.5 billion in the first half of 2015, compared with ₦11,032.9 billion and ₦9,511.0 billion at end of the preceding December and the corresponding period of 2014, respectively. DMBs sustained their dominance of depository institutions in the financial system, accounting for 95.2 per cent of the total financial savings, compared with 90.0 per cent in the preceding half year, while other savings institutions accounted for the balance.

The Nigerian Stock Exchange recorded eighteen (18) new listings, consisting of six (6) equities and twelve (12) debt issues in the first half of 2015. The All-Share Index (ASI) fell by 3.5 per cent to 33,456.8, while the aggregate market capitalisation rose by 1.2 per cent to close at ₦17.0 trillion, compared with ₦16.9 trillion at end-December 2014.

THE GOVERNMENT SECTOR

At ₦3,452.8 billion or 7.8 per cent of GDP, provisional gross federally-collected revenue in the first half of 2015 was lower than the proportionate budget estimate and the end-June 2014 level by 29.4 and 32.4 per cent, respectively. The decline reflected the fall in both oil and non-oil revenue. The oil and non-oil revenue constituted 59.4 and 40.6 per cent of the total revenue, respectively.

At ₦1,583.19 billion or 3.6 per cent of GDP, the estimated Federal Government's retained revenue was lower than both the proportionate budget estimate and the level in the corresponding period of 2014 by 14.8 and 15.8 per cent, respectively. The decline in retained revenue was attributed to the decrease in the share from the Federation Account.

The Federal Government estimated aggregate expenditure in the first half of 2015 stood at ₦2,259.66 billion or 5.1 per cent of GDP. This fell short of the proportionate budget estimate by 5.0 per cent, but exceeded the level in the corresponding period of 2014 by 6.2 per cent. The decline in total expenditure relative to the proportionate budget estimate was, largely, accounted for by the decline in statutory transfers during the period. Non-debt expenditure and debt service constituted 73.8 and 26.2 per cent of total expenditure, respectively. Fiscal operations of the Federal Government in the first half of 2015 resulted in an overall deficit of 1.5 per cent of GDP, compared with 0.6 per cent of GDP in the corresponding period of 2014. The deficit was financed mainly with overdraft from the CBN and the issuance of FGN Bonds.

The Federal Government consolidated debt stock at end-June 2015 stood at ₦10,428.49 billion or 11.8 per cent of GDP, representing an increase of 9.4 per cent over the level at end-December 2014. Of the total debt stock, domestic debt accounted for ₦8,396.59 billion or 80.5 per cent, while the external debt amounted to ₦2,031.90 billion (US$10.32 billion) or 19.5 per cent of the total.

THE REAL SECTOR

Provisional Data from the National Bureau of Statistics (NBS) indicated that the gross domestic product (GDP), at 2010 constant basic prices, grew by 3.1 per cent in the first half of 2015, compared with 6.4 per cent in the corresponding half of 2014. The growth in GDP was driven, largely, by the 4.5 per cent growth in the non-oil sector, while the oil sector contribution, fell by 7.5 per cent due mainly to the slump in global crude oil prices. Agriculture, construction, trade, and services also grew by 4.1, 8.7, 5.8, and 5.6 per cent respectively, while industry fell by 4.9 per cent.

THE REAL SECTOR

Average daily crude oil production, which stood at 1.9 mbd or 343.9 million barrels (mb) at end-June 2015, declined by 0.01 mbd or 4.0 per cent below the level in the first half of 2014. The average spot price of Nigeria's reference crude, the Bonny Light (37o API), fell by 47.4 per cent to US$58.54 per barrel, below its level in the first half of 2014.

Domestic prices increased in the first half of 2015. The all-items composite Consumer Price Index (CPI) stood at 173.2 (November 2009=100) at end-June 2015, compared with 158.6 and 164.4 at end-June and end-December 2014, respectively. The year-on-year headline inflation increased steadily and closed at 9.2 per cent, compared with 8.2 and 8.0 per cent at end-June and end-December 2014, respectively. Inflationary pressures were induced mainly by the persistent rise in prices of food and consumables, the 2015 general election-related spending, as well as the security challenges, especially in the North East.

EXTERNAL SECTOR

The continued decline in global oil prices and capital reversals, accentuated by apprehensions about the general elections, lowered external sector viability. The current account deficit was 3.1 per cent of GDP, while the capital and financial account registered a net foreign position of 1.9 per cent of GDP. The gross external reserves, at US$28.34 billion, fell by 24.1 per cent at end-June 2015 and could finance 6.7 months of current import of goods. External debt stock increased by 6.2 per cent to US$10.32 billion at the end of the first half of 2015 over the level at end-December 2014.

Global output moderated as the IMF revised growth projections downwards to 3.3 per cent in the first half of 2015 from an earlier 3.5 per cent. Structural bottlenecks and geo-political tensions in Europe and the Middle-East regions continued to influence global demand. Growth in the advanced economies was sustained resulting from acceleration in consumption and investment, improved labour conditions, easing financing conditions, and strengthening of the housing market. Growth in the emerging market economies was projected at 4.2 per cent in 2015, compared with 4.6 per cent in 2014, owing largely to lower growth in China, weak outlook for Russia and the expected slow growth in oil-exporting countries.

The global financial market was relatively stable in spite of the Greek debt crisis in the euro area and sluggish growth in China. Global monetary policy stance was largely accommodative as market expectations were shaped by the prospects of the US monetary policy normalisation, and the ECB quantitative easing programme. In the emerging market and developing economies, policy rates were lowered to stimulate growth.

Activities at most stock exchanges improved due to capital reversals from emerging market and developing economies and the recovery of the US economy. However, many currencies continued to depreciate against the US dollar as a result of sustained improvements in the US economy. Global inflation generally remained subdued, reflecting the decline in energy prices. In the emerging market and developing economies, inflation trended upward due to the rise in the cost of transport, and energy and power.

OUTLOOK FOR THE REST OF 2015

The outlook for the rest of the year is fairly optimistic, though actual outcome would as usual be shaped by both external and domestic developments. From the external front, there is no reason to believe that the international crude oil market would rebound anytime soon, given the sluggish recovery of the global economy. However, the World Bank has forecast a marginal increase in crude oil price, and this is expected to compensate for the decline in demand for the country's crude oil. Moreover, the reduction in the demand for Nigeria's crude by the US is expected to be off-set by the rising demand from emerging economies, especially China. The net effect would be a positive impact on the economy particularly, through the shoring up of government revenue. The pressure on the foreign exchange market is expected to abate with enhanced foreign exchange inflows associated with improved crude oil market condition and the Bank's proactive foreign exchange management measures. Ultimately, a gradual but steady accretion to external reserves is expected in the remaining part of the year.

From the domestic end, the prospect of improved public finance management following the adoption of treasury single account (TSA) and the blockage of other sources of leakages in government revenues, the commitment to fiscal prudence on the part of the Federal Government, as well as the renewed war on corruption, among others, further underpin the optimism of the Nigerian economy for the rest of 2015. The agricultural sector is expected to sustain the moderate growth momentum given the fair distribution of rains in the year. Also, the war on the lingering insurgency in the North-East appears very winnable thereby, raising the prospects of improved food production. This development would help to moderate the inflationary pressure that is beginning to build-up. Overall, inflation is expected to close within the single-digit bracket by year- end.

Selected Macroeconomic and Social Indicators 1/

Indicator	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15 2/
Domestic Output and Prices					
GDP* at Current Mkt Prices (N' billion)	29,915.91	34,643.40	38,671.86	42,339.35	44,323.45
GDP* at Current Mkt Prices (US$' billion)	195.26	219.75	245.84	269.17	233.59
GDP* per Capita (N)	184,852.08	207,425.86	224,366.35	238,027.52	241,455.38
GDP* per Capita (US$)	1,206.52	1,315.75	1,426.32	1,513.26	1,272.50
Real GDP* Growth (Growth Rate %)	**6.62**	**3.79**	**4.94**	**6.38**	**3.14**
Oil Sector	17.31	-9.19	-13.77	-1.23	-7.49
Non-oil Sector	4.68	6.43	8.18	7.44	4.50
Sectoral Classification of GDP* (Growth Rate %)					
Agriculture	2.58	6.36	2.52	4.55	4.07
Industry 3/	14.64	1.81	1.14	7.12	-2.70
Services 4/	4.42	3.81	7.87	6.73	5.63
Oil Production (mbd)	2.14	2.09	1.99	1.91	1.90
Manufacturing Capacity Utilisation (%) 1/	55.73	57.03	57.60	59.30	56.28
Inflation Rate (%) (Year-over-Year)	10.20	12.90	8.40	8.20	9.17
Inflation Rate (%) (12-month moving average)	12.30	11.30	10.40	8.00	8.42
Core Inflation Rate (%) (Year-over-Year) 5/	11.50	15.20	5.50	8.10	8.40
Core Inflation Rate (%) (12-month moving average) 5/	12.10	12.70	10.70	7.40	7.01
Federal Government Finance (% of GDP*)					
Retained Revenue	4.37	5.49	5.07	4.44	3.57
Total Expenditure	6.55	6.39	6.14	5.03	5.10
Recurrent Expenditure	5.17	4.48	4.43	3.80	4.23
Of which: Interest Payments	0.75	0.89	1.01	1.13	1.34
Foreign	0.07	0.06	0.08	0.09	0.08
Domestic	0.68	0.83	0.93	1.04	1.26
Capital Expenditure and Net Lending	1.01	0.84	1.29	0.83	0.62
Transfers	0.36	1.06	0.42	0.39	0.25
Current Balance (Deficit(-)/Surplus(+))	-0.80	1.01	0.64	0.64	-0.65
Primary Balance (Deficit(-)/Surplus(+))	-1.42	-0.01	-0.06	0.54	-0.19
Overall Fiscal Balance (Deficit(-)/Surplus(+))	-2.17	-0.90	-1.07	-0.58	-1.53
Financing	**2.42**	**0.90**	**1.07**	**0.58**	**1.53**
Foreign	0.25	0.00	0.00	0.00	0.00
Domestic	2.17	0.90	1.07	0.58	1.53
Banking System	0.00	0.00	0.00	0.00	0.00
Non-bank Public	1.59	0.59	1.35	1.19	0.74
Others	0.58	0.31	-0.27	-0.69	0.56
Consolidated Government Debt Stock	**10.09**	**10.14**	**10.25**	**10.49**	**11.76**
External	1.38	1.26	1.39	1.72	2.29
Domestic	8.71	8.88	8.86	8.76	9.47

Selected Macroeconomic and Social Indicators 1/ (Cont...)

Indicator	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15 2/
Money and Credit (Growth Rate %)					
Reserve Money	11.88	-9.77	-12.64	-5.97	0.25
Narrow Money (M1)	-2.54	-6.49	-2.88	0.90	-5.25
Broad Money (M2)	1.35	0.71	3.08	12.03	-0.54
Net Foreign Assets	5.37	1.34	-9.49	-11.38	-14.42
Net Domestic Assets	13.94	-3.31	-0.18	18.55	7.54
Net Domestic Credit	-1.01	3.55	3.26	14.82	11.08
Net Credit to Government	-63.15	-3.63	-19.16	85.75	118.45
Credit to Private Sector	3.65	3.57	4.88	4.53	4.27
Money Multiplier for M2	5.89	5.37	4.82	3.38	3.16
Income Velocity of M2	4.92	5.14	4.96	4.82	4.71
Interest Rates (% per annum)					
Monetary Policy Rate (MPR) 6/	8.00	12.00	12.00	12.00	13.00
Repurchase Rate					
Reverse Repurchase Rate					
Treasury Bill Rate					
91-day	7.79	14.09	11.62	9.95	10.00
Inter-bank Call Rate	10.92	15.26	10.42	10.50	6.75
Deposit Rates					
Savings Rate	1.40	1.76	2.04	3.36	3.58
3-months Fixed	5.14	7.80	7.49	9.30	10.27
6-months Fixed	5.26	8.08	7.07	9.52	10.81
12-months Fixed	4.68	7.51	5.32	9.19	10.83
Prime Lending Rate	15.76	16.93	16.56	16.72	16.63
Maximum Lending Rate	22.02	23.44	24.58	25.52	26.43
External Sector					
Current Account Balance (% of GDP*)	5.21	3.02	4.50	1.12	-3.12
Goods Account	10.10	8.33	9.48	5.02	0.05
Services and Income Account	-10.45	-10.18	-9.30	-7.94	-7.65
Current Transfers	5.56	4.86	4.32	4.04	4.48
Capital and Financial Account Balance (% of GDP*)	-1.23	0.68	0.47	0.87	1.92
Overall Balance (% of GDP*)	0.29	-1.28	0.48	-2.04	-2.60
External Reserves (US $ million)	31,890.91	35,412.50	44,957.00	37,330.03	28,335.21
Number of Months of Import Equivalent	6.90	6.82	10.50	7.73	6.73
Debt Service Due (% of Exports of Goods and Services)					
Average Crude Oil Price (US$/barrel)	113.86	115.05	110.29	111.29	58.54
Average Rate (N/$1.00) (official/interbank)	153.21	157.65	157.30	157.29	194.04
End of Period Rate (N/$1.00) (official/interbank)	153.31	157.50	157.31	157.29	196.95
Average Bureau de Change Exchange Rate (N/$)	156.95	161.22	159.66	169.49	213.55
End Period Bureau de Change Exchange Rate (N/$)	159.00	164.00	162.00	168.00	225.50
Capital Market					
All Share Value Index (1984=100)	24,980.20	21,599.57	36,164.31	42,482.48	33,456.80
Value of Stocks Traded (Billion Naira)	373.50	468.17	1,110.38	579.98	557.13
Market Capitalization (Trillion Naira)	11.20	12.40	17.43	14.03	11.42
Social Indicators					
Population (million)	161.84	167.02	172.36	177.88	183.57
Population Growth Rate (%)	3.20	3.20	3.20	3.20	3.20
Life Expectancy at Birth (Years)	***	***	***	***	***
Adult Literacy Rate (%)	***	***	***	***	***
Incidence of Poverty 7/	***	***	***	***	***

1/ Revised
2/ Provisional
3/ Includes Construction
4/ Includes Trade
5/ Core Inflation is measured as the rate of change of all-item Consumer Price Index (CPI) less farm produce.
6/ MPR replaced MRR with effect from December 11, 2006.
7/ The incidence of poverty in Nigeria was projected to increase from 65.6 per cent in 1996 to 70.0 per cent in 2000. However, the result of a Nigeria Living Standard Survey of 2003/2004 from NBS (former FOS), showed that the incidence of poverty declined to 54.4 per cent in 2003/2004.

** June 2015 interbank market*

CENTRAL BANK OF NIGERIA
REPORT FOR THE FIRST HALF OF 2015

1.0 INTRODUCTION

In the first half of 2015, the thrust of monetary policy remained the maintenance of monetary and price stability. Accordingly, the strategy for monetary management was a hybrid approach, comprising a combination of interest rate corridor and monetary targeting, with the Monetary Policy Rate (MPR) serving as the anchor for short-term interest rates. To contain liquidity surfeit in the banking system and stabilise the exchange rate, the Bank sustained its restrictive monetary policy measures in the first half of 2015. The main instrument of monetary management was open market operations (OMO) complemented by reserve requirements, standing facilities, discount window operations, and interventions in the interbank foreign exchange market.

The major monetary policy benchmarks for 2015 and the outcome based on provisional data as at the end of the first half are shown in Table 1.

Table 1
Monetary Policy Benchmarks and Outcomes
(Growth in % except otherwise stated)

Key Variables	2012		2013		2014		June, 2015	
	Bench mark	Outcome	Bench mark	Outcome	Bench mark	Outcome	Bench mark	Outcome
Broad Money (M_2)	24.64	16.39	18.38	1.42	14.50	20.60	15.20	-0.54
Narrow Money (M_1)	34.71	19.07	18.38	-12.98	11.00	-1.82	9.91	-5.25
Base Money (Reserve)	8.23	33.06	8.69	-25.28	16.70	16.52	16.78	0.30
Aggregate credit to the domestic economy (Net)	52.17	-7.22	47.57	9.40	28.50	32.60	29.30	11.10
Credit to Government (Net)	61.47	-393.81	66.59	4.56	58.54	169.44	36.05	118.45
Credit to the private sector	47.50	6.83	46.20	7.14	15.85	11.93	26.06	4.27
Inflation rate	11.20	12.00	9.58	8.00	7.50	8.00	8.00	9.20
Real GDP	7.33	4.20	7.44	5.50	7.02	6.20	7.20	3.14

2.0 OPERATIONS OF THE CENTRAL BANK OF NIGERIA

2.1 Liquidity Management

In line with its restrictive monetary policy stance during the first half of 2015, the Bank deployed various tools of liquidity management to contain the effect of increased liquidity arising from fiscal injections in the banking system. The measures included: retention of the MPR at 13.0 per cent with a symmetric corridor of +/-200 basis points; the liquidity ratio at 30.0 per cent; and harmonisation of CRR on public and private sector deposits at 31.0 per cent from their previous rates of 75.0 and 20.0 per cent, respectively. These measures were complemented with the closure of the rDAS window, on February 18, 2015 and the directive that all demand for foreign exchange should be channeled to the inter-bank segment to stem pressure on the naira exchange rate. Consequently, reserve money, which stood at ₦5,930.90 billion at end-December 2014, increased marginally by 0.30 per cent to ₦5,945.80 billion at end-June 2015. This exceeded the second quarter indicative benchmark of ₦5,564.84 billion by 6.84 per cent.

The Bank's primary tool of liquidity management, OMO, was complemented by reserve requirements, standing facilities, and discount window operations. In addition, the Bank intervened in the foreign exchange market through the rDAS window up till February 18, 2015, and subsequently at the inter-bank segment. Primary market transactions in Nigerian treasury bills were also deployed in monetary management.

2.2 Monetary Policy Committee (MPC) Decisions

In the first half of 2015, the MPC held three (3) regular meetings, in January, March, and May. A summary of the key decisions of the Committee are presented in Table 2.

Table 2
Monetary Policy Committee Decisions During the First Half of 2015

Date of Meeting	Type of Meeting	Decisions
January 19 - 20, 2015	Regular	• Retained the MPR at 13.0 per cent with a corridor of +/ - 200 basis points around the midpoint; • Retained the CRR on private sector deposits at 20.0 per cent; • Retained CRR on public sector deposits at 75.0 per cent; and • Retained the liquidity ratio at 30.0 per cent.
March 23 – 24, 2015	Regular	• Retained the MPR at 13.0 per cent with a corridor of +/ - 200 basis points around the midpoint; • Retained the CRR on private sector deposits at 20.0 per cent; • Retained CRR on public secto r deposits at 75.0 per cent; and • Retained the liquidity ratio at 30.0 per cent.
May 18 – 19, 2015	Regular	• Retained the MPR at 13.0 per cent with a corridor of +/ - 200 basis points around the midpoint; • Retained the liquidity ratio at 30.0 per cent; and; • Harmonised the CRR on public and private sector deposits at 31.0 per cent.

Source: Central Bank of Nigeria MPC Communiqués

2.3 Developments in the Payments System

In its effort to enhance the efficiency of the National Payments System, the Bank undertook the following:

- Directed all deposit money banks, switches, and payments service providers to establish industry fraud desks, to manage fraud in electronic payments;
- Reviewed the Guidelines for Mobile Money Services in Nigeria;
- Inaugurated Payments System Boards to provide governance for various payments system initiatives;
- Issued approved framework for the licensing of super agents for agent banking;
- Extended the registration deadline for Bank Verification Number (BVN) to October 31, 2015;
- Commenced the implementation of the Federal Government's Independent Revenue e-Collection Scheme under the Treasury Single Account (TSA); and
- Began the implementation of the two-factor authentication for internal banking

process.

•In addition, the Bank directed DMBs to carry out the following on Nigerian issued cards to prevent fraud in non-EMV (Europay Master Card and Visa) environment:

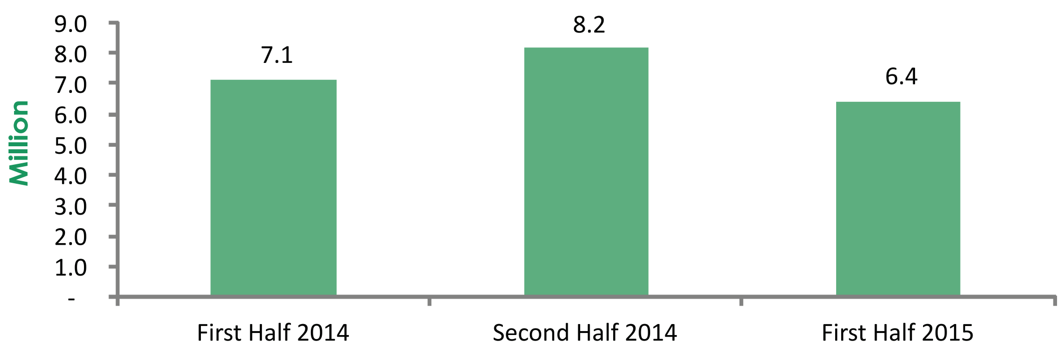
- Render returns on all their card frauds abroad to CBN not later than January 30, 2015. Subsequently, all card fraud occurring abroad should be rendered on the Nigeria Inter-Bank Settlement System (NIBSS) Fraud portal;
- Deploy the Anti-Fraud Solution Software on their cards management system, not later than January 30, 2015;
- Ensure that from February 1, 2015, only customers that expressly indicated their intention of travelling to non-EMV jurisdictions would have their cards default to the magnetic stripe and for the period indicated by the cardholder only;
- Carry out regular awareness campaign on how to avoid being defrauded in a non-EMV environment; and
- Ensure strict compliance on Payment Card Industry Data Security Standard (PCIDSS) and their vendors/partners involved in card processing activities.

2.3.1 Retail Payments System

2.3.1.1 Cheque

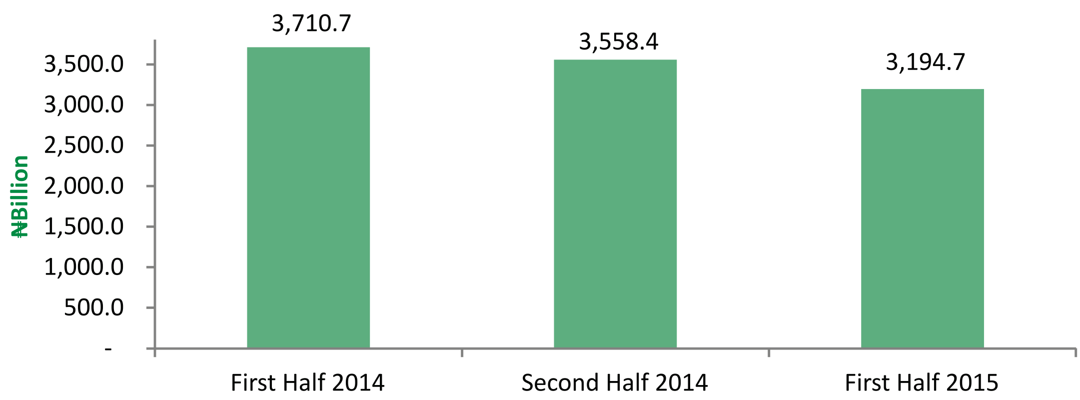
The volume and value of cheques decreased to 6.4 million and ₦3,194.7 billion in the first half of 2015, compared with 7.1 million and ₦3,710.7 billion in the corresponding first half of 2014. The decrease was attributed to consumers' preference for the use of e-payment channels.

Figure 1
Volume of Cheques Cleared
(Million)



Source: CBN

Figure 2
Value of Cheques Cleared
(N' Billion)

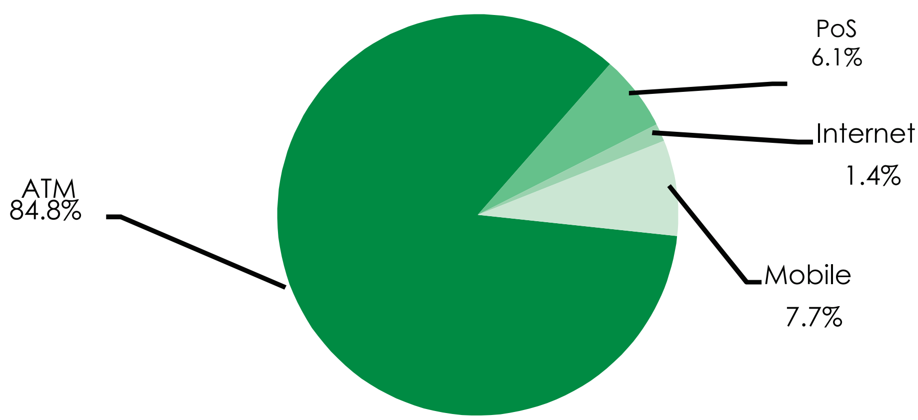


Source: CBN

2.3.1.2 Electronic Payments

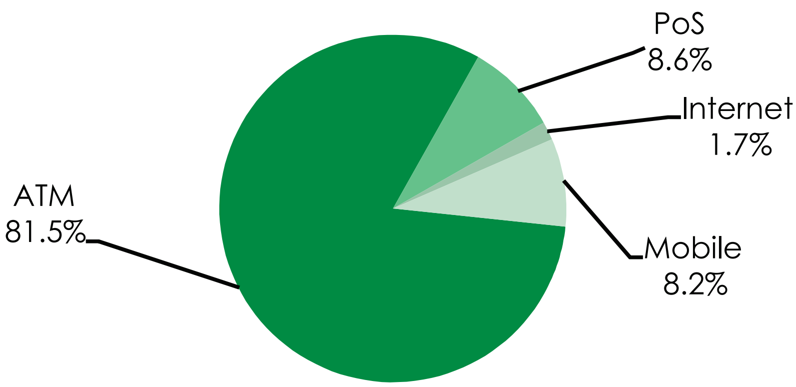
During the review period, the volume and value of electronic payments (comprising ATM, PoS, Mobile payments and Internet) increased by 22.2 and 20.0 per cent, to 243.6 million and ₦2,333.1 billion, respectively in the first half of 2015 above 199.3 million and ₦1,944.6 billion in the corresponding period of 2014. Analysis of the usage of e-payment channels for the review period indicated that ATM remained the most patronised, accounting for 84.8 per cent, followed by mobile payments and PoS terminal, with 7.7 and 6.1 per cent, respectively. The web (internet) was the least patronised, accounting for 1.4 per cent of the total. In terms of value, ATM accounted for 81.5 per cent; PoS, 8.6 per cent; mobile payments, 8.2 per cent; and the web (internet) 1.7 per cent.

Figure 3
Usage of E-payment Channels by Volume
(First Half 2015, Per cent)



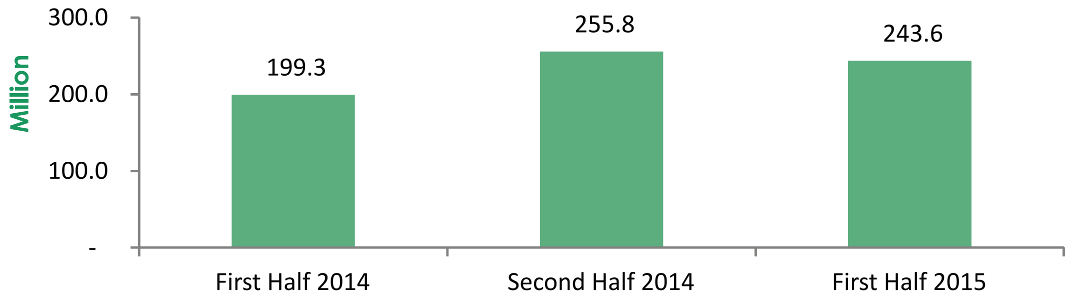
Source: CBN

Figure 4
Usage of E-payment Channels by Value
(First Half 2015, Per cent)



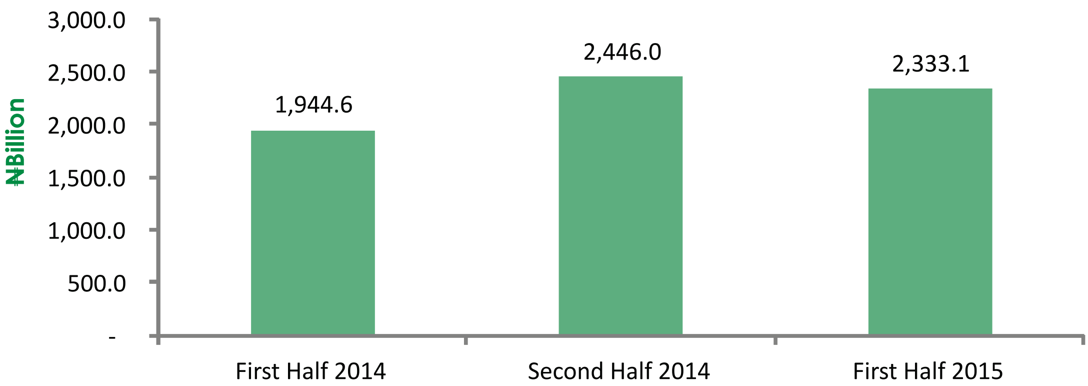
Source: CBN

Figure 5
Volume of Electronic Payments
(Million)



Source: CBN

Figure 6
Value of Electronic Payments
(N'Billion)

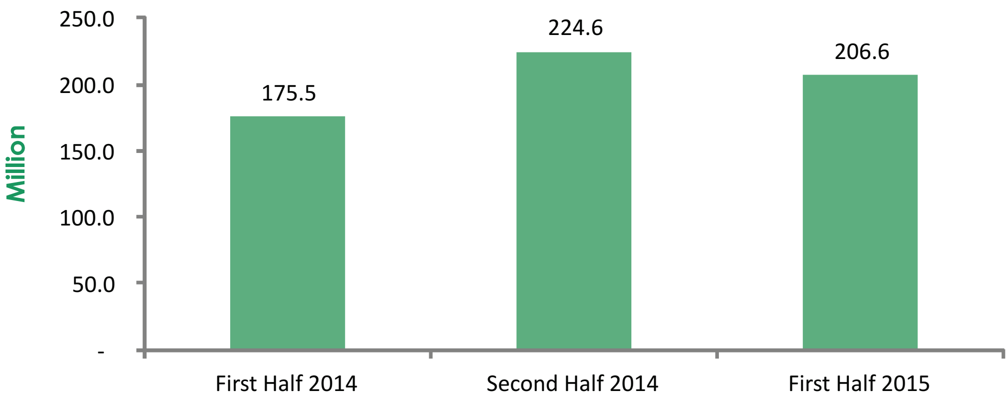


Source: CBN

2.3.1.2.1 ATM Transactions

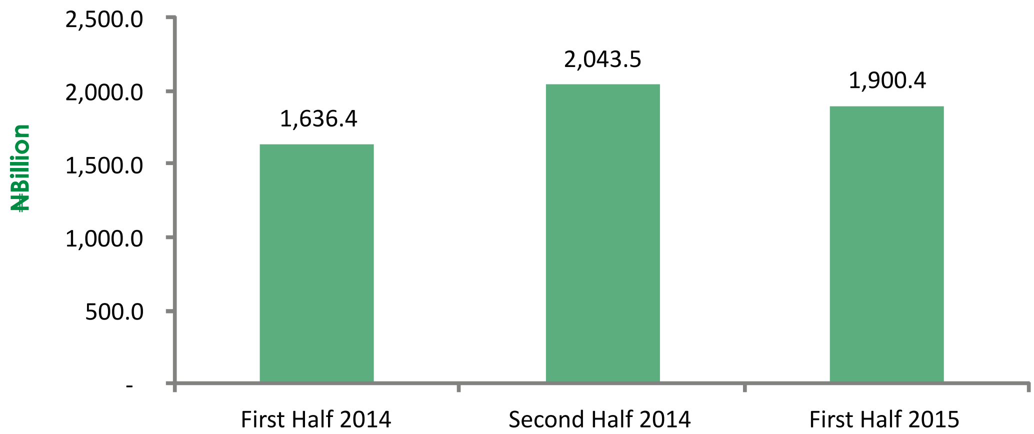
The number of ATMs stood at 15,699 in the first half of 2015, representing a decrease of 1.5 per cent below the figure in the second half of 2014. However, ATM transactions increased in volume and value by 17.7 and 16.1 per cent to 206.6 million and ₦1,900.4 billion, respectively, in the first half of 2015, above the levels in the corresponding period of 2014.

Figure 7
Volume of ATM Transactions
(Million)



Source: CBN

Figure 8
Value of ATM Transactions
(₦' Billion)

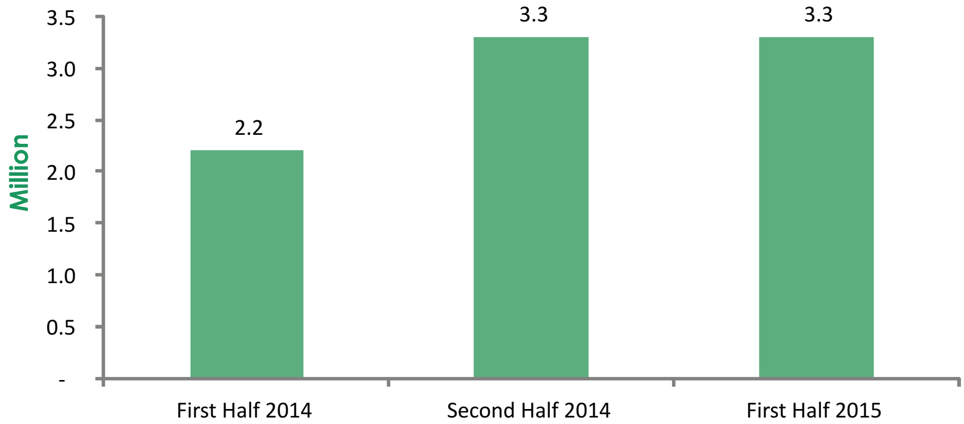


Source: CBN

2.3.1.2.2 Web Transactions

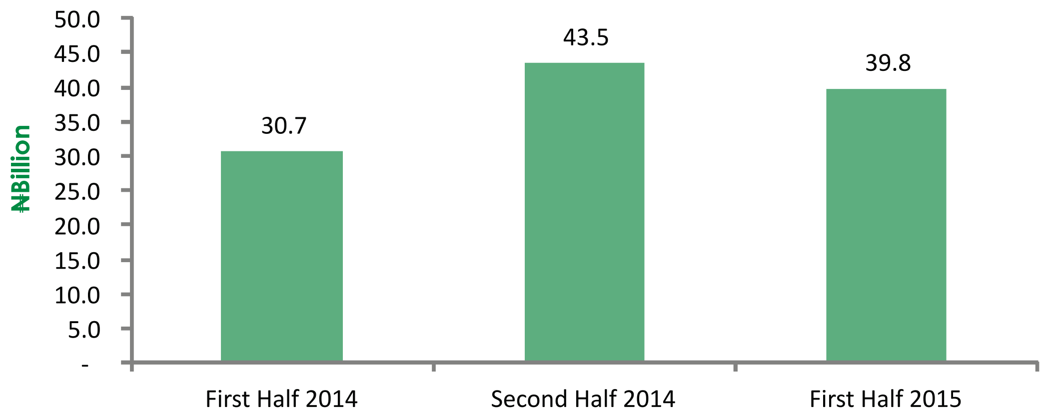
The volume and value of web-based transactions increased by 50.0 and 29.6 per cent to 3.3 million and ₦39.8 billion, respectively, in the first half of 2015, above the levels in the corresponding period of 2014. The development was due to increased awareness and acceptance of web payment.

Figure 9
Volume of Web Transactions
(Million)



Source: CBN

Figure 10
Value of Web Transactions
(₦'Billion)

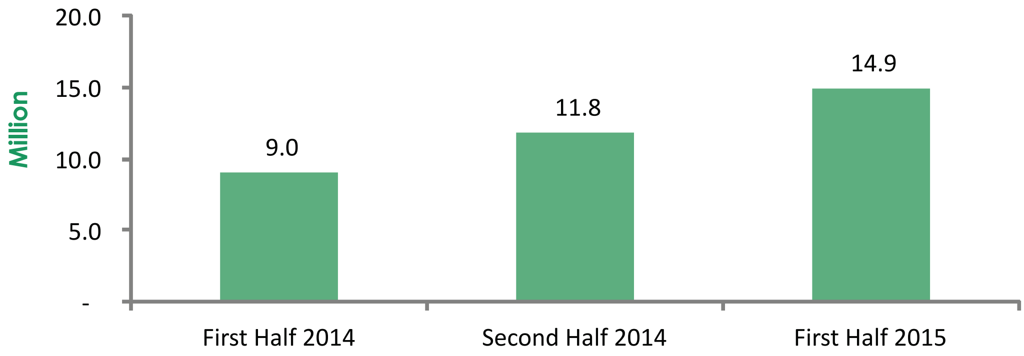


Source: CBN

2.3.1.2.3 Point of Sale (PoS) Transactions

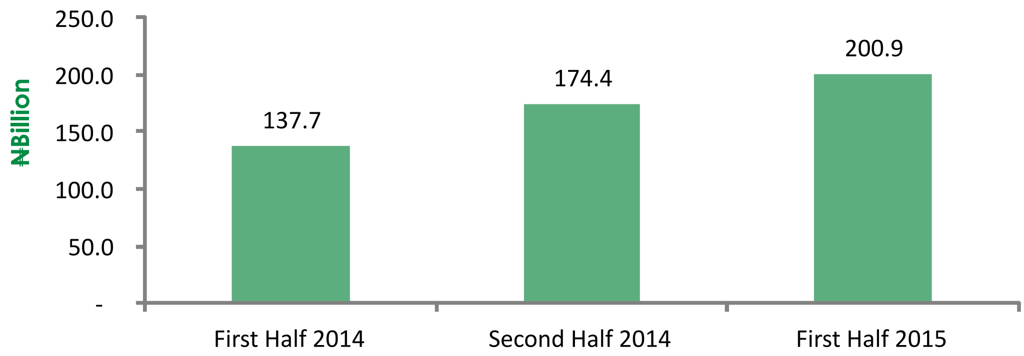
The number of PoS terminals in operation increased by 24.6 per cent to 102,855 in the first half of 2015 above the level at end-December 2014. PoS transactions increased in volume and value by 65.6 and 45.9 per cent to 14.9 million and ₦200.9 billion, respectively in the first half of 2015 above the levels in the corresponding period of 2014. The development was due to increased public confidence and acceptance of the usage of PoS.

Figure 11
Volume of PoS Transactions
(Million)



Source: CBN

Figure 12
Value of PoS Transactions
(₦'Billion)

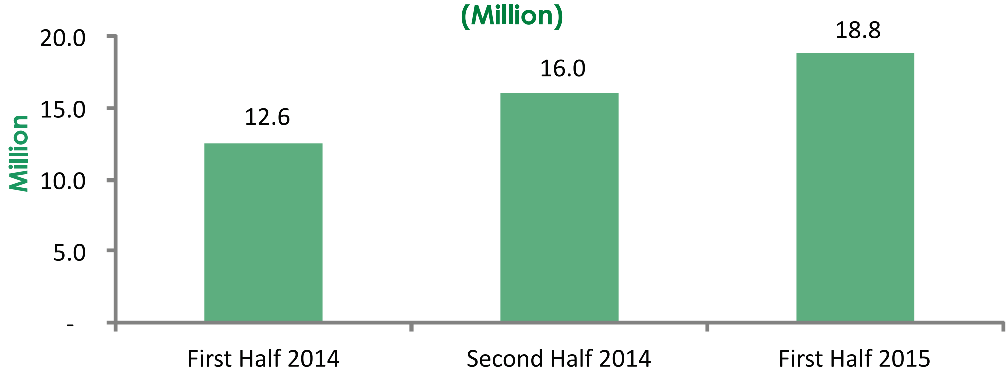


Source: CBN

2.3.1.2.4 Mobile Payments

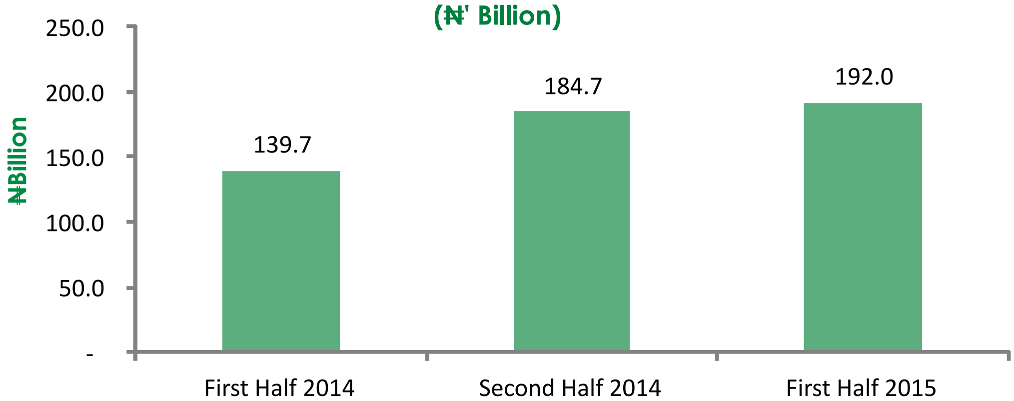
The volume and value of mobile payments increased by 49.2 and 37.4 per cent to 18.8 million and ₦192.0 billion, respectively, in the first half of 2015 above the levels in the corresponding period of 2014. The development was attributed to greater awareness of mobile payments.

Figure 13
Volume of Mobile Transactions
(Million)



Source: CBN

Figure 14
Value of Mobile Transactions
(₦' Billion)



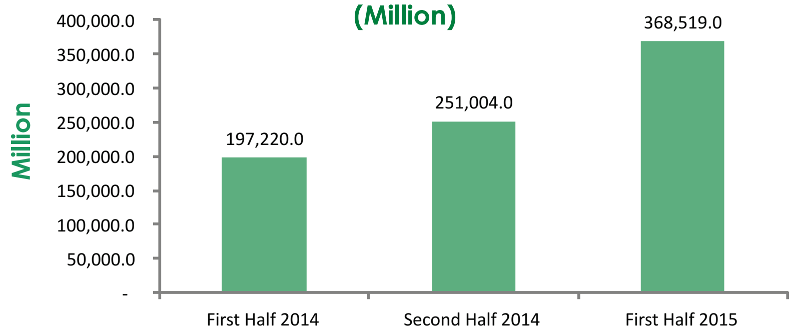
Source: CBN

2.3.2 Wholesale Payments System

2.3.2.1 Real Time Gross Settlement (RTGS) System

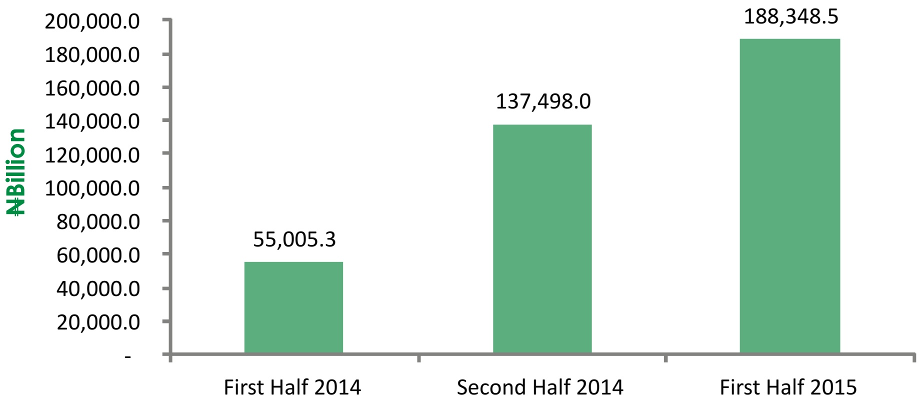
The volume and value of inter-bank transfers through the RTGS System (CBN Inter-bank Funds Transfer System - CIFTS) increased to 368,519 and ₦188,348.5 billion in the first half of 2015 above the levels in the corresponding period of 2014, indicating an increase of 86.8 and 242.4 per cent. The development was attributed to the deployment of a new RTGS that is more flexible with additional payment platforms.

Figure 15
Volume of RTGS Transactions
(Million)



Source: CBN

Figure 16
Value of RTGS Transactions
(₦' Billion)

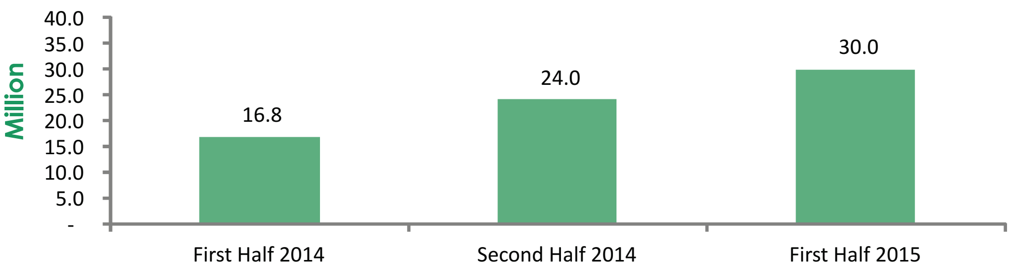


Source: CBN

2.3.2.2 Nigeria Inter-bank Settlement System Instant Payment

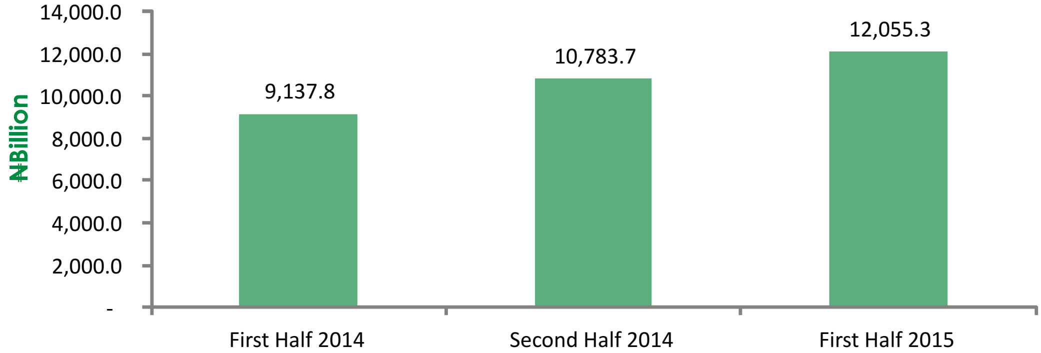
The volume and value of the NIBSS Instant Payment (NIP) transactions rose to ₦30.0 million and ₦12,055.3 billion, respectively, in the first half of 2015 above the levels in the corresponding period of 2014, indicating an increase of 78.6 and 31.9 per cent. The development was attributed to the growing awareness of the scheme as well as users' preference for quicker transfers.

Figure 17
Volume of NIP Transactions
(Million)



Source: CBN

Figure 18
Value of NIP Transactions
(₦'Billion)

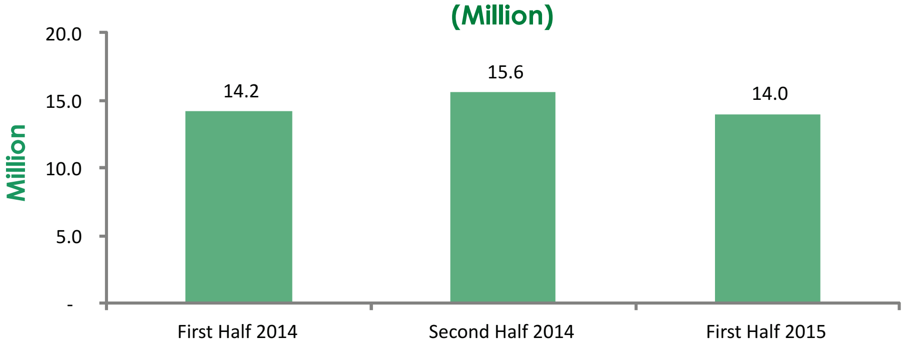


Source: CBN

2.3.2.3 Nigeria Interbank Settlement System Electronic Fund Transfer

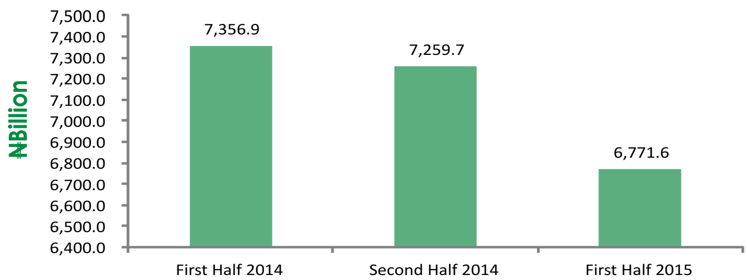
The volume and value of NIBSS Electronic Fund Transfer (NEFT) decreased to 14.0 million and ₦6,771.6 billion, respectively, in the first half of 2015 below the levels in the corresponding period of 2014, reflecting a decrease of 1.4 and 7.9 per cent. The development was as a result of the users' preference for NIP, which is an instant payment platform.

Figure 19
Volume of NEFT Transactions (check scaling)
(Million)



Source: CBN

Figure 20
Value of NEFT Transactions
(₦'Billion)



Source: CBN

2.3.3 CURRENCY OPERATIONS

2.3.3.1 Issuance of the Legal Tender

To meet the currency needs of the economy in 2015, the Bank approved an indent of 2,042.89 million pieces. This represented an increase of 16.07 per cent or 282.79 million pieces, compared with the 1,760.1 million pieces ordered in the corresponding half of 2014. The total indent was ordered from the Nigerian Security Printing and Minting (NSPM) Plc. Of the total, the NSPM Plc delivered 41.2 per cent or 842.03 million pieces in the first half of 2015, compared with 13.1 per cent or 229.8 million pieces delivered in the corresponding half of 2014. Cumulatively, delivery fell short of the target of 50.0 per cent at end-June 2015. Out of the one billion ₦100 centenary commemorative banknotes awarded in 2014, 520 million pieces or 52.0 per cent were delivered at end-June 2015.

The clean notes policy of the Bank was sustained in the first half of 2015 through the processing of banknotes into fit for re-circulation into the economy and unfit/soiled notes for disposal. A total of 230,055 boxes valued at ₦ 1,179.02 billion were processed, compared with 150,445 boxes valued at ₦965.83 billion in the corresponding period of 2014. This represented 52.9 and 22.1 per cent increase in volume and value, respectively, reflecting improved efficiency of the process during the review period. Furthermore, 89,450 boxes of unfit notes, valued at ₦467.83 billion, of various denominations, were withdrawn and destroyed at end-June 2015, compared with 147,987 boxes, valued at ₦608.44 billion in the corresponding first half of 2014.

To ensure sustained implementation of the Nigerian Cash Holding Scheme, the Bank collaborated with critical stakeholders to consider the proposal submitted by the Nigerian Interbank Settlement System (NIBSS) for the Integrated Cash Management platform. The Bank also commenced the gradual exit from the retail end of currency management. Consequently, a draft of the Banknote Fitness Standards was developed, while a report on the optimum number of CIT/Sorting Companies in Nigeria was being considered. The Bank reconstituted the Currency Review and Redesign Committee to undertake a comprehensive review of the entire currency series in line with international best practice.

2.3.3.2 Currency-in-Circulation (CIC)

Currency-in-circulation (CIC) at end-June 2015 stood at ₦1,562.35 billion, representing an increase of ₦65.61 billion or 4.2 per cent over the level at end-June 2014. However, CIC declined by 13.1 per cent when compared with the level at end-December 2014. The decline was attributed largely to the fall in the currency held by commercial banks and the increased use of e-payments channels.

At end-June 2015, there were 5,818.06 million pieces of banknotes and 2,001.84 million pieces of coins valued at ₦1,561.29 billion and ₦1.26 billion, respectively. This represented an increase of 4.2 and 1.6 per cent in the value of banknotes and coins, respectively, over the levels in the corresponding period of 2014. In terms of composition, the number and value of ₦5, ₦10, N20 and ₦50 constituted 54.3 and 3.2 per cent of total banknotes in circulation compared with 55.2 and 3.7 per cent, respectively, in the corresponding period of 2014.

At end-June 2015, the ₦1,000 and ₦50 banknotes in circulation fell by 10.9 and 69.6 per cent, respectively, while the ₦500, ₦200, ₦100, ₦20, ₦10 and ₦5 denominations rose by 30.9, 37.4, 22.7, 8.9, 12.9 and 43.0 per cent, respectively, over the levels in the first half of 2014.

Table 3
Structure of the CIC, 2011 - June 2015

	2011		2012		2013		Jun-14		Jun-15	
Coins	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)	Volume (million)	Value (₦ billion)
₦2	107.87	0.22	107.82	0.22	107.68	0.21	107.49	0.21	107.54	0.22
₦ 1	581.23	0.58	616.31	0.62	616.24	0.62	616.37	0.62	638.87	0.64
50k	529.72	0.26	581.07	0.29	579.50	0.29	579.77	0.29	679.93	0.29
25k	339.12	0.08	347.80	0.087	347.80	0.087	348.23	0.087	348.23	0.080
10k	302.89	0.03	315.31	0.032	315.31	0.031	315.55	0.032	296.04	0.030
1k	12.75	0.08	16.70	0.0017	16.70	0.0017	31.24	0.0031	31.24	0.0031
Sub Total	**1,873.58**	**1.26**	**1,985.01**	**1.25**	**1,983.23**	**1.24**	**1,998.65**	**1.24**	**2,001.84**	**1.26**
Notes										
₦1000	959.45	959.45	1,071.32	1,071.32	954.72	954.72	1,055.14	1,055.14	951.51	951.51
₦500	726.22	363.10	714.98	357.49	599.75	299.87	617.86	308.93	894.52	447.26
₦200	621.75	124.31	605.34	121.07	449.90	90.00	229.86	45.97	367.46	73.49
₦100	507.90	50.77	355.92	35.59	286.20	28.62	300.12	30.01	388.25	38.83
₦50	777.94	38.89	351.63	17.58	433.07	21.65	516.55	25.83	304.66	15.23
₦20	788.67	15.77	974.93	19.50	1,125.14	22.50	1,065.56	21.31	1,169.85	23.40
₦10	789.13	7.89	546.91	5.47	463.81	4.64	612.53	6.13	703.59	7.04
₦5	865.38	4.33	490.37	2.45	455.03	2.27	516.72	2.58	906.92	4.53
Sub-Total	**6,036.43**	**1,564.50**	**5,111.40**	**1,630.47**	**4,767.62**	**1,424.27**	**4,914.34**	**1,495.90**	**5,686.77**	**1,561.29**
Total	**7,910.01**	**1,565.76**	**7,096.41**	**1,631.72**	**6,750.85**	**1,425.51**	**6,912.99**	**1,497.14**	**7,688.61**	**1,562.55**

Source: Central Bank of Nigeria

2.4 Financial Sector Surveillance

2.4.1 Banking Supervision

The CBN intensified its regulatory and surveillance activities in the banking sector in the first half of 2015 to ensure a safe and sound financial system. In this regard, the Bank continued close monitoring of banks through risk-based supervision, review and regular appraisal of banks' periodic returns, spot checks, and special investigations, among others.

The CBN and the Nigeria Deposit Insurance Corporation (NDIC) issued the approved Framework for the Regulation and Supervision of Domestic Systemically Important Banks (SIBs) in Nigeria with effect from March 1, 2015. The Framework specified, among others, the methodology for identifying SIBs, higher loss absorbency and additional regulatory requirements such as liquidity, stress testing, disclosure and reporting requirements.

The implementation of the Basel II Accord in the Nigerian banking sector, which commenced in January 2014, progressed in the review period with the issuance of the revised guidance notes and capital adequacy ratio (CAR) reporting templates to the industry.

In an effort to surmount the challenges faced by on-site examiners in the application of IT Audit tools, the special in-house training code-named iSight Project for Examiners on ACL, Advanced Excel and SQL[1] continued in the first half of the year. From inception, five batches of twelve examiners each have graduated, out of which two batches graduated in the first half of 2015.

The Bank sustained its effort at enhancing capacity and information sharing among supervisors in other financial jurisdictions during the review period. In this regard, the Bank championed the formation of College of Supervisors for Ecobank with the BCEAO and also participated in the inaugural meeting in April 2015 in Abidjan, Cote D' Ivoire. Furthermore, the CBN supported the drafting of a Crisis Resolution Framework for the West African Monetary Zone (WAMZ). The draft was presented to member countries during the College of Supervisors of the West African Monetary Zone (CSWAMZ) meeting in April 2015. The Bank also participated in the Community of African Bank Supervisors' (CABS) Working Group inaugural meeting on Cross Border Supervision held on May 18, 2015 in Pretoria, South Africa. The Group was charged with the responsibility of developing Cross Border Crisis Resolution Framework for adoption by member countries.

At end-June 2015 only one (1) on-site examination of UBA, Burkina Faso was conducted, while those on foreign subsidiaries of other banks were scheduled for the second half of the year.

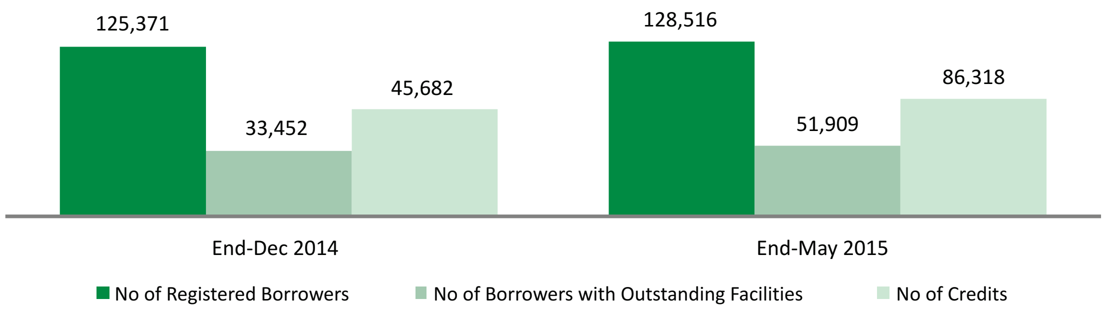
---

[1] *ACL and SQL data analytics is a data extraction and analysis software used for fraud detection and prevention, and risk management.*

Provisional data indicated that the Bank's Credit Risk Management System (CRMS) continued to be a veritable platform for the management of credit risk in the banking industry. The number of registered borrowers in the CRMS database stood at 128,516 at end-June 2015, representing an increase of 2.5 per cent over the number recorded at end-June 2014. The number of borrowers with outstanding facilities rose by 6.3 per cent to 51,909 during the review period, while the total number of credit facilities in the database rose by 10.2 per cent to 86,318 at end-June 2015. The development was attributed to the increased compliance by banks.

The number of private credit bureaux (PCBs) remained at three (3) at end-June 2015, and continued to complement the CRMS in the credit administration process. At end-June 2015, the number of persons registered in the PCB database (registered records) increased by 10.0 per cent to 32,214,018, compared with 29,285,471 at end-December 2014. The number of borrowers in the database at end-June 2015 stood at 17,683,008, compared with 17,043,822 at end-December 2014. However, the number of credit reports sold decreased by 28.8 per cent to 1,113,164 during the review period.

Figure 21
Credit Risk Management System (CRMS) Statistics
(End-June 2015)



Source: CBN

Following the nine-month parallel run of the Basel I and Basel II capital adequacy computation, the full adoption of Basel II commenced in October 2014. Consequently, all banks had been submitting their monthly capital adequacy computation using the Basel II capital adequacy ratio (CAR) reporting template. During the first half of the year, the Basel II guidance notes and CAR reporting template were reissued to the industry. By end-June 2015, the banks had submitted their internal capital adequacy assessment process (ICAAP) documents for the year ended December 31, 2014 for review, by the CBN.

2.4.2 Routine/Target Examination

A Joint CBN/NDIC target risk assets examination of all banks and discount houses was carried out in the first half of 2015. The examination was aimed at ascertaining the quality of banks' assets and the adequacy of loan loss provisioning. Where these were found to be inadequate, banks were required to make the necessary provisions prior to the approval for publication of their 2014 annual accounts. Also, monitoring/follow up of banks' responses to major observations of risk-based examination reports for High and Above Average composite-risk-rated banks as well as Medium and Low composite-risk-rated banks as at September 30, 2014 was conducted in the first half of the year. The aim was to ensure compliance with earlier recommendations by examiners during visits.

CBN undertook a number of ad-hoc investigations on banks. These included: spot checks on non-performing loans (NPLs) of selected banks; spot check on banks' investment and utilisation of Eurobonds; on-lending foreign loans; and other foreign loans received by all the banks. To ensure that government revenues collected by banks were remitted to the Federation Account within the stipulated period, the Bank conducted examination on the banks during the review period. The reports of the examinations were being reviewed by management.

2.4.3 Routine/Special Foreign Exchange Examinations

The examination of foreign exchange activities of the 24 banks for the period October 1, 2014 to March 31, 2015 was conducted to ascertain banks' compliance with extant foreign exchange laws and regulations. The major infractions observed included: failure to issue certificate of capital importation to beneficiaries within the stipulated period of 24 hours of receipt of funds; incorrect rendition of returns to regulators; failure to obtain evidence of repatriation of export proceeds; non-compliance with approved net-open–positions; and inadequate documentation for importation. Necessary regulatory actions were taken to address the observed infractions.

Following the continued pressure on the foreign exchange market, the CBN undertook a series of special/ad-hoc investigations into foreign exchange operations of banks in the first half of 2015. The focus was to determine the role of authorised dealers in the unabated depreciation of the naira, especially in the BDC segment. It was observed that some authorised dealers purchased foreign exchange forwards from the CBN and resold spot to customers at maturity.

2.4.4 Banking Sector Soundness

In the review period, the health of banks in the industry was adjudged sound. At end-June 2015, the industry average CAR for banks stood at 17.3 per cent, compared with 15.9 per cent recorded at end-December 2014 and 15.0 and 10.0 per cent benchmarks for banks with national and international authorisation, respectively. The industry liquidity ratio stood at 39.6 per cent at end-June 2015, compared with 45.9 and 42.7 per cent at end-December and end-June 2014, respectively. Assets quality of banks, measured by the ratio of non-performing loans to industry total, deteriorated from 2.9 per cent at end-December 2014 to 4.7 per cent at end-June 2015, compared with 3.5 per cent at the end of the corresponding period, and 5.0 per cent benchmark. The increase in the NPL ratio relative to the levels at end-December 2014 was attributed to inadequate risk mitigation measures taken by banks, and impaired cash flows of obligors, among others.

2.4.5 Compliance with the Code of Corporate Governance for Banks

In the first half of 2015, the Bank undertook the assessment of banks' returns on the revised code of corporate governance with the objective of monitoring compliance. A review of the returns showed that most of the banks complied substantially with several provisions of the Code. However, there was need for improvement in the level of compliance with respect to the provisions for the appointment of Non-Executive Directors.

During the review period, the Financial Reporting Council of Nigeria (FRCN) released an exposure draft of the Codes of Corporate Governance for public, private and non-profit organisations. The objective of the Codes was to provide standardised corporate governance guidelines for all institutions under the regulatory purview of the FRCN. The Codes were reviewed and comments on the Bank's position were forwarded to the FRCN.

2.4.6 Financial Crimes Surveillance/Anti- Money Laundering/Combating the Financing of Terrorism (AML/CFT)

The Money Laundering/Financing of Terrorism (ML/FT)[2] risk assessment was carried out at the head offices of ten (10) selected DMBs in the first half of 2015. The objectives of the exercise were to: test the ML/FT risk assessment tools (risk assessment matrix and control questionnaire); determine the reasonability of the results arrived at using the risk assessment tools; and re-calibrate the risk assessment matrix, if necessary.

Banks were rated either "Low", "Average", "Above Average" or "High". The overall risk for 9 of the 10 selected banks was "Above average", while that for one could not be determined due to lack of information. It was also observed that banks generally had difficulties in maintaining and providing accurate information necessary to populate Form 001 [ML/FT Monthly Risk Assessment Report]. These difficulties were due to lack of: understanding by banks of ML/FT risks management system; clear procedures for identifying and classifying ML/FT risks; and clear mechanisms for monitoring higher risk customers.

[2] *The Structural Risk + Inherent Risk (in customers, products, services, geographic zones and delivery channels) – Risk Mitigants/Controls) = Composite ML/FT Risk approach.*

In line with the recommendation of Financial Action Task Force (FATF), the CBN carried out a maiden AML/CFT compliance examination of banks in the first half of 2015. The exercise also involved an investigation of the massive deposits in foreign currency recorded by the banks pre- and post-general elections. Similarly, the Bank conducted its maiden joint cross-border AML/CFT examination of Nigerian banks operating in the West African region in conjunction with the regulators of the host countries. The different teams visited Togo, Ghana and Senegal for the examination of Diamond Bank, Zenith Bank and UBA, respectively.

2.4.7 Financial Literacy and Consumer Protection

The Bank marked the 2015 Global Money Week from March 9 – 17, 2015 with the following activities: Global Walk for Money; Financial Literacy Fair/Exhibition; and Reach Out and Mentoring Programme, particularly for students of secondary schools. In addition, the financial literacy sensitisation programme of the Bank was held in Asaba, Delta State, during the review period.

The Bank received 758 complaints from consumers against financial institutions in the first half of 2015, compared with 428 received in the corresponding period. A total of 481 complaints were resolved, compared with 497 complaints in the corresponding period of 2014. The complaints comprised excess charges, frauds, dishonoured guarantees, unauthorised deductions, and those related to cards and other electronic channels, among others. Total claims against the financial institutions during the review period in local and foreign currencies amounted to ₦8.83 billion and US$745,744.26 and £6,000, compared with ₦7.38 billion, US $311,359.00 at end-June 2014. Total refunds by the institutions stood at ₦1.87 billion, US$957,920.05, compared with ₦3.87 billion and US$176,358 at end-June 2014.

Following the successful integration of the Consumer Complaint Management System (CCMS) in the industry, all banks were required to upload their outstanding complaints into the platform. Consequently, training programmes were conducted for users and sensitisation of relevant stakeholders continued to ensure industry-wide acceptance and usage.

In addition, the Bank conducted compliance examination on twenty (20) banks to ascertain their levels of compliance with laws and regulations on consumer protection. The major findings of the examination included: compliance rate of 83.0 per cent on minimum disclosure requirements in the offer letter; 97.0 per cent of lending/facility fees; and 20.0 per cent with respect to upload of complaints on the CCMS. Overall, the exercise revealed substantial compliance by the institutions, while those that failed to comply in certain areas were directed to implement specific remedial actions, including making refunds, where applicable.

2.4.8 Fraud and Forgeries

During the review period, a number of fraud cases were reported, which included suppression and conversion of customers' deposit, theft, illegal funds transfer, cheque defalcation, and fraudulent ATM withdrawals, among others. The number of reported cases of fraud and forgeries stood at 5,917, valued at ₦11.99 billion, compared with 11,447 and 5,197 cases valued at N25.81 billion and ₦16.8 billion at end-December and the corresponding period of 2014, respectively. Of the amount, the actual loss incurred by banks was ₦1.9 billion, compared with ₦4.8 billion and ₦1.72 billion, respectively, recorded at end-December and the corresponding period of 2014. There was a significant decrease in the amount involved and the actual loss to the banking industry, when compared with the corresponding period in the previous year. This reflected stronger internal control measures adopted by the banks, and improved use of technology.

2.4.9 Cross Border Activities

The number of foreign subsidiaries of Nigerian banks reduced to sixty (60) from sixty-one (61) at end-December 2014, while the number of representative offices of Nigerian banks abroad increased to ten (10) from seven (7) at end-December 2014. The decrease in the number of subsidiaries was attributed to Keystone Bank's divestment of its subsidiary in Uganda, while the increase in the number of representative offices was due to approvals given to Access Bank to open new representative offices in India, Lebanon and United Arab Emirates (UAE).

2.4.10 Examination of Other Financial Institutions

During the review period, on-site examination was conducted on 110 microfinance banks (MFBs). The reports of the examination were being processed. Also, 63 MFBs identified to have infringed on the prescribed minimum prudential requirements, particularly for maintaining negative adjusted capital, portfolio-at-risk exceeding the permissible 5.0 per cent benchmark, liquidity ratio below the stipulated minimum of 20.0 per cent and non-performing insider-related credit facilities were issued with Regulatory Letters. The institutions were required to take corrective actions, including immediate injection of fresh capital to meet the minimum capital requirement, recovery of all non-performing credits, maintenance of adequate liquidity, and regularisation of all non-performing insider-related loans and advances. The Board of Directors of the concerned institutions were directed to take corrective actions to address the observed lapses before July 31, 2015, failure of which would constitute grounds for revocation of licence.

The Bank issued circulars to remind all finance companies (FCs) of their recapitalisation deadline of September 30, 2015 in line with the Revised Guidelines for Finance Companies in Nigeria. To this end, all FCs were required to provide update on their level of capitalisation and detailed plan of action to satisfy the minimum capital (shareholders' fund unimpaired by losses) of N100 million before the stipulated deadline. Responses so far received were being reviewed to ascertain compliance level.

A Risk Based examination was conducted on 32 primary mortgage banks (PMBs) out of the 36 PMBs in operation at end-June 2015. The exercise revealed that one (1) institution had Composite Risk Rating (CRR) of Low; six (6), Moderate; eleven (11), Above Average; and fourteen (14), High. The other four (4) PMBs were those granted extension to meet their recapitalisation requirements.

In addition, the risk-based examination of the three private Credit Bureaux was conducted. The examination report of two (2) institutions were issued in the review period, while the report of the remaining institution was being finalised. The exercise revealed that the capital of two (2) had been eroded by accumulated losses and were below the required minimum of N500 million. The Management of each institution was engaged on the issue and recapitalisation plans had been submitted to the Bank.

Furthermore, 102 bureaux-de-change (BDCs) were examined to assess their compliance with extant regulations on foreign exchange acquisition and utilisation. The reports revealed that 30 BDCs were compliant, while 72 BDCs or 70.6 per cent of those examined committed various infractions, which were classified as either administrative or documentation lapses. The administrative lapses included: failure to maintain basic accounting records; lack of basic office equipment and furniture; non-submission of annual audited accounts to the CBN for approval; relocation of business addresses without the CBN's prior approval; non-rendition of anti-money laundering returns to the Nigeria Financial Intelligence Unit (NFIU) of the Economic and Financial Crimes Commission (EFCC); and rendition of inaccurate or incomplete returns to the CBN. The documentation lapses included: failure to account for all foreign exchange sourced from the DMBs (autonomous market) and the CBN window; failure to maintain purchases and sales registers; maintaining sales margins above the permissible maximum spread of 3.5 per cent; sale of foreign exchange to customers in excess of the approved limit in a quarter; and failure to endorse or stamp customers' International Passports with the amount of foreign exchange purchased. Appropriate sanctions were imposed on errant BDCs.

A verification exercise was carried out during the period under review to confirm the number of BDCs that had complied with payment of the ₦35 million Mandatory Caution Fee. The exercise put the number of BDCs in this category at 2,688 as at June 24, 2015.
During the review period, 103 BDCs were barred from accessing the CBN window for their failure to meet the recapitalisation requirements. Similarly, penalty letters were written to 75 BDCs out of the 100 BDCs examined in October/November 2014. Furthermore, 2 BDCs were suspended indefinitely because their registered office addresses could not be located, while the licence of one (1) BDC was revoked for denying Examiners access to its books after it had earlier been sanctioned for other breaches. With the Bank's continued regulatory surveillance and zero tolerance for infractions, the BDCs were expected to ensure compliance with extant foreign exchange regulations, with a view to supporting and strengthening the restrictive monetary policy stance of the Bank.

2.5 Foreign Exchange Market and Management

On February 18, 2015, as part of the foreign exchange reforms in the market, the CBN discontinued the retail Dutch Auction System (rDAS) and mandated that all foreign exchange transactions be channeled to the interbank segment. The policy change was informed by the low accretion to external reserves arising from depressed global crude oil prices, high speculative demand and widening premium between the rates in the interbank and rDAS, resulting in high demand pressure in the foreign exchange market. Aggregate demand in the period rose by 284.5 and 255.4 per cent to US$99.54 billion, relative to the preceding half year and the corresponding period of 2014, respectively. The pressure was further exacerbated as total sales fell by 20.1 and 27.4 per cent to US$18.27 billion below the respective levels in the second and first halves of 2014.

As part of the efforts by the Bank at conserving the external reserves, the CBN in circulars dated April 13 and April 22, 2015, reviewed downward the limit on the usage of the naira denominated cards for transactions abroad from US$150,000.00 to US$50,000 per person, per annum with a daily cash withdrawal limit of US$300.00. In another circular dated June 23, 2015, the Bank excluded funding of the import of forty-one (41) items from the inter-bank segment of the foreign exchange market.

2.5.1 Spot Segment of the Foreign Exchange Market

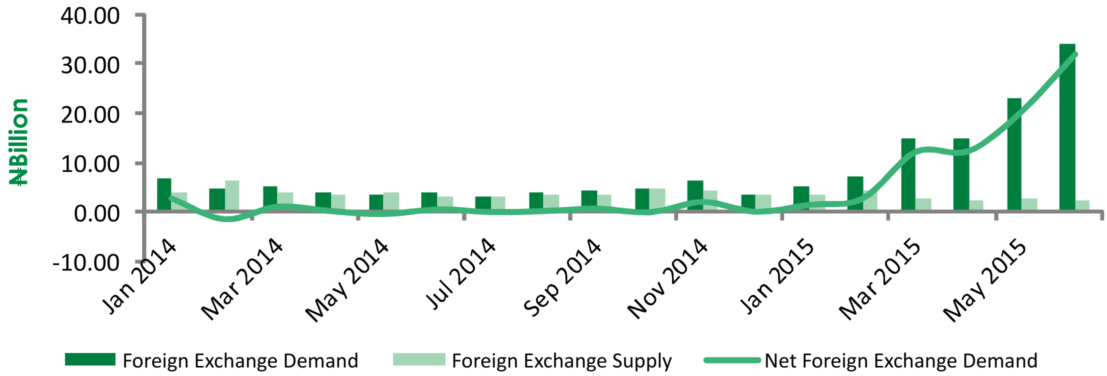
A total of fourteen (14) trading auctions were held at the spot segment of the foreign exchange market as against fifty (50) in the corresponding period in 2014 due to the closure of the rDAS segment in the first half of the year. Aggregate demand for foreign exchange grew to US$99.54 billion during the period under review, compared with US$28.01 billion and US$25.89 billion in the first and second halves of 2014, respectively. A disaggregation of total demand showed that rDAS-spot amounted to US$8.65 billion

(8.5%); BDCs, US$1.83 billion (1.9%); and interbank, US$89.06 billion (89.6%). The cumulative foreign exchange sold in the first half of 2015 fell by 20.1 and 27.4 per cent to US$18.27 billion, compared with the respective levels in the first and second halves of 2014. Of the total, sales to the inter-bank segment was US$9.67 billion (52.9%); the rDAS segment, US$3.18 billion (17.4%); and the BDC segment, US$1.83 billion (10.0%) others were accounted for by swaps and forwards transactions. The supply gap stood at US$81.26 billion in the review period.

2.5.2 Swaps and Forwards Transactions

As a proportion of total foreign exchange sales swap transactions valued at US$2.25 billion or 12.4 per cent of the total supply of foreign exchange were undertaken in the review period, while forwards contracts amounting to US$1.34 billion or 7.3 per cent of total were disbursed at maturity.

Figure 22
Demand, Supply and Net Demand of Foreign Exchange (US$' Billion)



Source: CBN

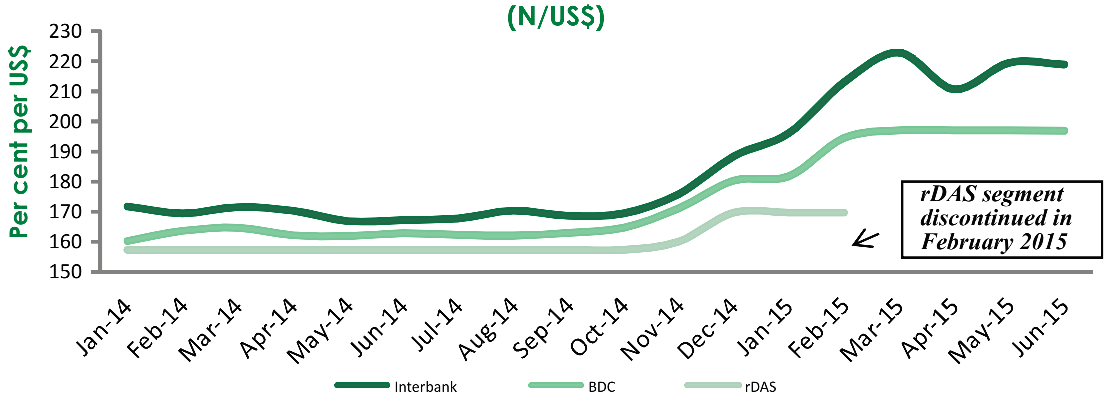
2.5.3 Exchange Rate Movements

The exchange rate of the naira to the US dollar depreciated during the review period, owing to low accretion to external reserves, reduced portfolio inflows and high speculative demand.

2.5.3.1 Spot Exchange Rates

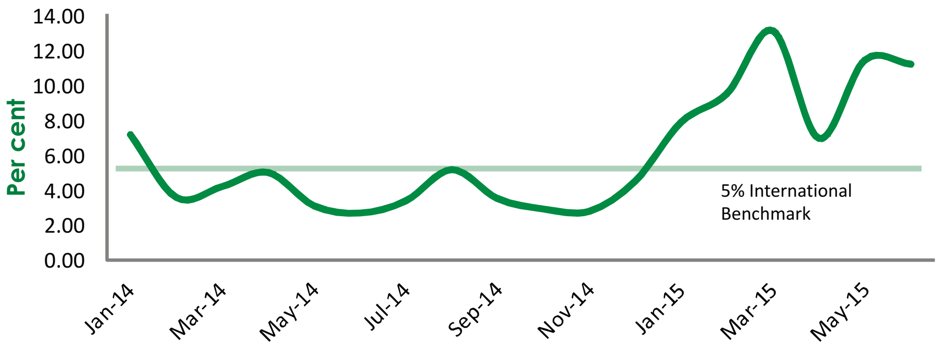
At the spot segment of the foreign exchange market, the exchange rate averaged ₦169.68/US$ in January and February 2015 and depreciated by 7.3 and 5.8 per cent relative to the levels in the first and second halves of 2014, respectively. Following the closure of the official segment of the foreign exchange market on February 18, 2015, the naira exchanged at an average of ₦194.04/US$ at the interbank segment, in the first half of 2015 and depreciated further by 16.2 and 13.8 per cent, compared with the levels in the first and second halves of 2014, respectively. Similarly, at the BDC segment, the naira depreciated by 20.6 and 18.8 per cent to ₦213.55/US$, compared with the rates in the first and second half of 2014, respectively. Consequently, the premium between the inter-bank and the BDC exchange rates widened to 10.1 per cent in the first half of 2015 from 4.3 and 3.7 per cent recorded in the first and second halves of 2014, respectively. The premium was above the international benchmark of 5.0 per cent.

Figure 23
Exchange Rate Movements
(N/US$)



Source: CBN

Figure 24
Interbank/Bureau-de-Change Foreign Exchange (N/US$) Premium
(Per cent)



Source: CBN

The end-period exchange rate of the naira against the US dollar depreciated by 8.6 and 17.3 per cent to ₦196.95/US$ at the interbank segment relative to the rate at end-December 2014 and end-June 2014, respectively. Similarly, the naira depreciated by 15.1and 25.5 per cent to ₦225.50/US$ at the BDC segment in the same period.

2.5.4 Foreign Exchange Flows

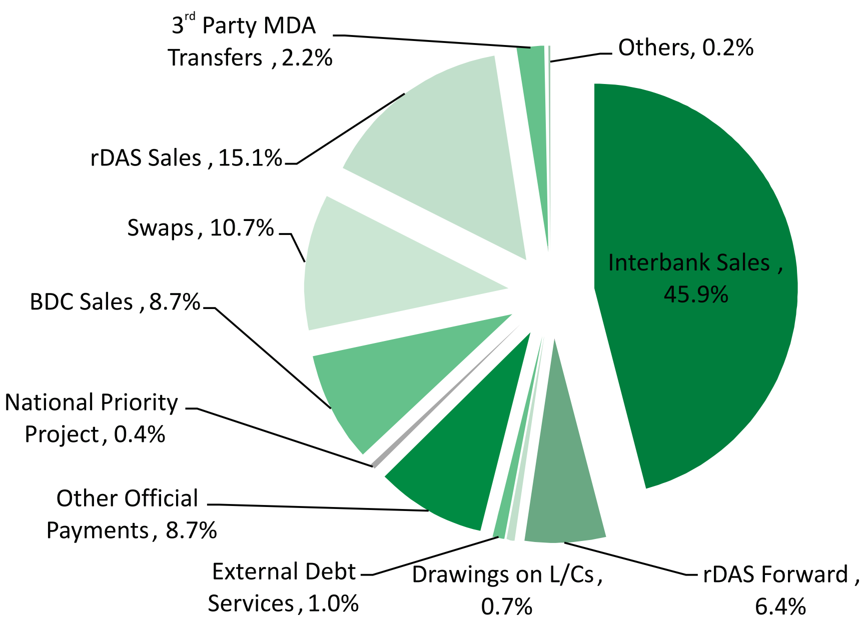
The cumulative inflow of foreign exchange into the economy, at US$52.12 billion, fell by 35.7 and 31.1 per cent below the levels in the second and first half of 2014, respectively. Of the total, inflow through autonomous sources accounted for 70.7 per cent, while the balance was accounted for by inflow through the CBN. Total foreign exchange outflow from the economy declined by 19.6 and 24.9 per cent to US$21.84 billion from the levels in the second and first halves of 2014, respectively. The moderation in outflow was due to the closure of the rDAS window and the increase in the number of items not eligible for funding from the inter- bank window. Consequently, the net foreign exchange inflow into the economy stood at US$30.29 billion, representing 43.8 and 34.9 per cent decline below the levels in the second and first half of 2014, respectively.

The total inflow through autonomous sources declined by 35.8 and 30.2 per cent to US$36.84 billion, below the respective levels at end-December and end-June 2014, respectively. This was due to the reduction in the inflows from non-oil export, external accounts and invisible purchases through banks by 33.40, 84.86 and 29.62 per cent, respectively, over the preceding period.

Total invisible purchases comprised purchases from ordinary domiciliary accounts (US$17.21 billion) and total OTC purchases by banks (US$17.16 billion). Of the total OTC purchases, capital importations, other OTC purchases, foreign exchange purchases by banks from oil companies and home remittances fell by 47.6, 41.6, 24.6 and 20.6 per cent to US$5.42 billion, US$6.00 billion, US$5.26 billion and US$0.48 billion, respectively, compared with the levels in the preceding period.

Foreign exchange inflow through the CBN fell by 35.5 and 33.2 per cent from the levels in the second and first halves of 2014, respectively, to US$15.28 billion, due largely to the drastic decline in crude oil export earnings. Consequently, receipts from crude oil sales fell by 46.5 and 56.1 per cent to US$9.24 billion in the review period from the levels in the preceding and the corresponding halves of 2014, respectively. The loss of key markets by the country also contributed to the decline in oil receipts in addition to the persistent fall in crude oil prices. The non-oil receipts through the Bank also fell by 0.8 per cent to US$6.05 billion, from the level in the second half of 2014, driven largely by the decline of 83.95 per cent in other financial receipts. It, however, increased by 224.9 per cent, compared with the level in the first half of 2014. A disaggregation of non-oil inflow through the Bank showed that swaps, rDAS purchases, and interest earnings on external reserves and investments were US$4.06 billion, US$0.65 billion and US$0.07 billion, respectively, in the review period. The balance was accounted for by other official receipts.

Figure 25
Foreign Exchange Disbursements through the CBN
(First Half 2014)



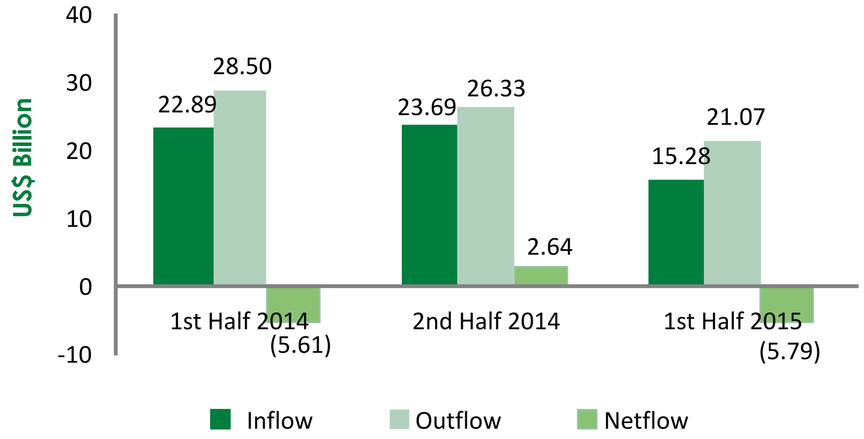
Source: CBN

Foreign exchange outflow through the CBN fell by 20.0 and 26.1 per cent to US$21.07 billion below the levels in the second and first halves of 2014, respectively. This was attributed, largely, to the closure of the rDAS segment. Of the total outflow through the Bank, rDAS utilisation accounted for US$18.27 billion of which BDC sales, US$1.83 billion (10.0%); and swap contracts, US$2.25 billion (12.3%). Of the total rDAS transactions, sales at the rDAS segment stood at US$3.18 billion (17.4%); inter-bank sales, US$9.67 billion (52.9%) and forward contracts US$1.34 billion (7.3%).

Outflow in respect of 'Other' official payments through the Bank declined by 40.0 and 23.9 per cent to US$1.85 billion below the levels in the preceding and corresponding halves of 2014, respectively. Of this, payments to international organisations and embassies amounted to US$0.29 billion; parastatals and estacode, US$0.64 billion; Joint Venture Cash (JVC) calls, US$0.89 billion; and miscellaneous, US$0.02 billion. Outflow through drawings on letters of credit (L/Cs); external debt service and national priority projects amounted to US$0.14 billion, US$0.21 billion, and US$0.09 billion, respectively.

Overall, the total foreign exchange transactions through the Bank resulted in a net outflow of US$5.79 billion in the first half of 2015, compared with US$2.64 billion and US$5.60 billion in the second and first halves of 2014, respectively.

Figure 26
Foreign Exchange Transactions through the CBN
(First Half 2015, US$' Billion)



Source: CBN

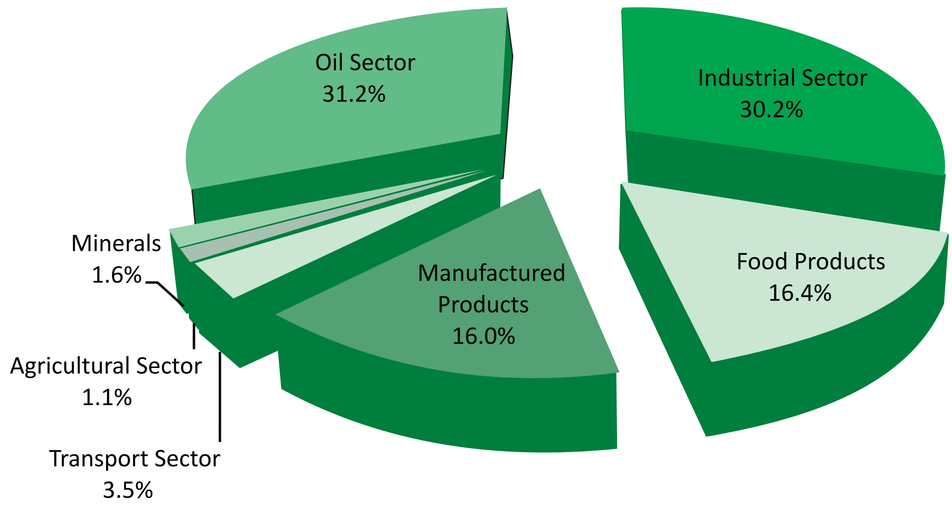
2.5.5. Sectoral Utilisation of Foreign Exchange

The aggregate sectoral utilisation of foreign exchange in the first half of 2015 fell by 27.2 and 26.8 per cent to US$24.10 billion, from the respective levels in the second and first halves of 2014. A disaggregation of imports showed that visible (goods) trade declined by 18.8 and 14.2 per cent to US$14.27 billion from the levels in the preceding half and corresponding half of 2014, respectively. Invisible trade also declined by 36.6 and 39.6 per cent during the same period.

Analysis of the foreign exchange utilisation for visible trade showed that oil sector imports, industrial sector, food and manufactured products fell by 13.9, 7.3, 11.9 and 18.2 per cent to US$4.45 billion, US$4.32 billion, US$2.34 billion, and US$2.28 billion, compared with the respective levels in the corresponding period of 2014. Similarly, the amount of foreign exchange utilised for transport and agricultural sectors declined by 46.6 and 36.7 per cent, respectively, compared with the first half of 2014. Foreign exchange utilisation for the importation of minerals, however, increased by 27.0 per cent, above the level in the corresponding period of 2014.

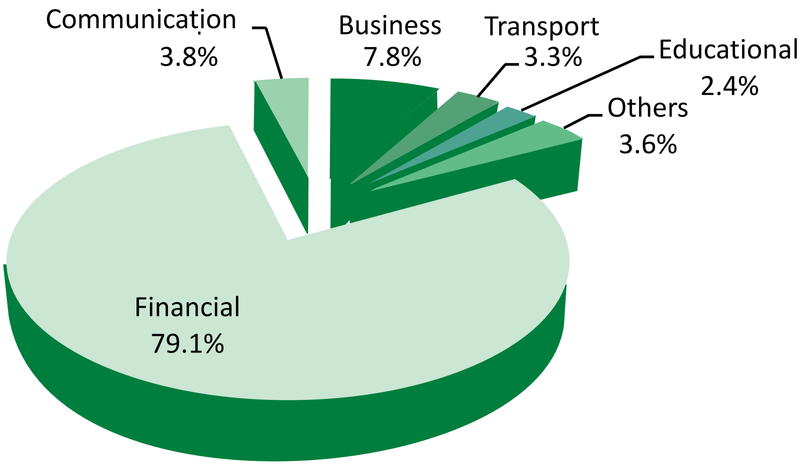
The total value of foreign exchange utilised for invisibles (services) in respect of financial, business, communication and distribution services declined by 41.2, 50.4, 13.3 and 35.5 per cent to US$7.77 billion, US$0.76 billion, US$ 0.32 billion and US$0.03 billion, respectively, relative to the levels in the first half of 2014. Similarly, the amount of foreign exchange used for transport services fell by 47.7 per cent to US$0.38 billion, compared with the level in the corresponding period of 2014. Other services collectively amounted to US$0.15 billion and accounted for 1.5 per cent of invisible transactions, during the review period. Foreign exchange payments for education, and construction and engineering services grew by 67.8 and 9.3 per cent to US$0.23 billion and US$0.05 billion, respectively, over the levels in the first half of 2014.

Figure 27
Sectoral Utilisation of Foreign Exchange (Visibles)
(First Half 2015)



Source: CBN

Figure 28
Sectoral Utilisation of Foreign Exchange (Invisibles)
(First Half 2015)



Source: CBN

2.5.6 Foreign Exchange Receipts by Top Hundred (100) Exporters

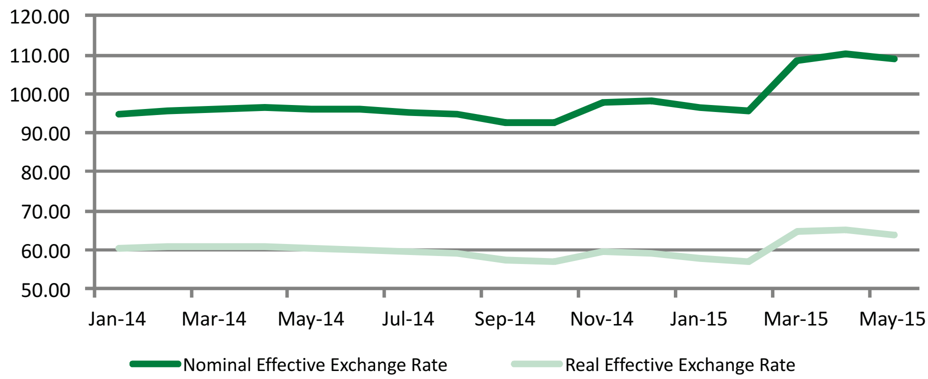
Analysis of export proceeds of the top 100 exporters in the first half of 2015 showed that total earnings declined by 23.8 per cent to US$831.17 million below the receipts in the corresponding period of 2014. Ranking of the exporters by earnings indicated that Olam Nigeria Limited retained the first position with proceeds valued at US$92.54 million, compared with US$178.44 million in the first half of 2014. The company exported largely cocoa beans, sesame seeds, cotton lints, and dried ginger to the Netherlands, Greece, Turkey and the United Kingdom. Bolawole Enterprises Nigeria Limited ranked second with exports valued at US$61.08 million, from US$54.12 million in the corresponding period of 2014. Its main export product was cocoa beans to the Netherlands and South Africa. The British American Tobacco (BAT) Nigeria Limited, and AIS Trades and Industries Limited ranked third and fourth with proceeds that amounted to US$40.85 million and US$40.59 million, respectively. BAT Nigeria Limited exported cigarettes to Ghana, Liberia, Guinea, South Africa and Cote'dvoire, while the latter exported cashew nuts and split dried ginger to the United Kingdom, the United Arab Emirates, India, Guinea and Canada. Mamuda Industries Nigeria Limited ranked fifth largest exporter with earnings of US$31.31 million from the exports of split dried ginger and leather to Canada, Malaysia, Spain, India and Italy. The sixth major exporter was Notore Chemical Industries Limited with proceeds valued at US$25.81 million, from the exports of granular urea fertilizer and anhydrous ammonia to Morocco, Portugal, China, Italy and India.

Fresh page limited was the 99th top exporter with export earnings of US$0.144 million from the export of raw cashew nuts to India. The Tradelinks Afro Asia Limited ranked 100th, from the export of raw cashew nuts to Bulgaria valued at US$0.142 million.

2.5.7 Nominal Effective Exchange Rate (NEER) and Real Effective Exchange Rate (REER) Indices

The average 13-currency Nominal Effective Exchange Rate (NEER) index at 104.90, increased by 9.36 and 10.17 per cent at end-June 2015 over the levels in the first and second halves of 2014. Similarly, the average Real Effective Exchange Rate (REER) index (based on a 13-currency basket) increased by 2.32 and 5.94 per cent above the levels in the first and second halves of 2014 to 62.10 in the review period.

Figure 29
Nominal Effective Exchange Rate (NEER) and Real Effective Exchange Rate (REER) January 2014 – June 2015



Source: CBN

Table 4
Nominal and the Real Effective Exchange Rate indices (November 2009=100)

2014	**Nominal Effective Exchange Rate (NEER)**	**Real Effective Exchange Rate (REER)**
Jan	94.96	60.43
Feb	95.84	60.93
Mar	96.26	61.06
Apr	96.37	61.02
May	96.08	60.53
Jun	96.01	60.20
Jul	95.23	59.47
Aug	94.84	58.96
Sep	92.67	57.32
Oct	92.75	57.07
Nov	97.70	59.62
Dec	98.10	59.27
2015		
Jan	96.53	57.69
Feb	95.77	57.09
Mar	108.55	64.52
Apr	110.20	65.25
May	108.87	64.04
Jun	109.45	64.03

Source: CBN

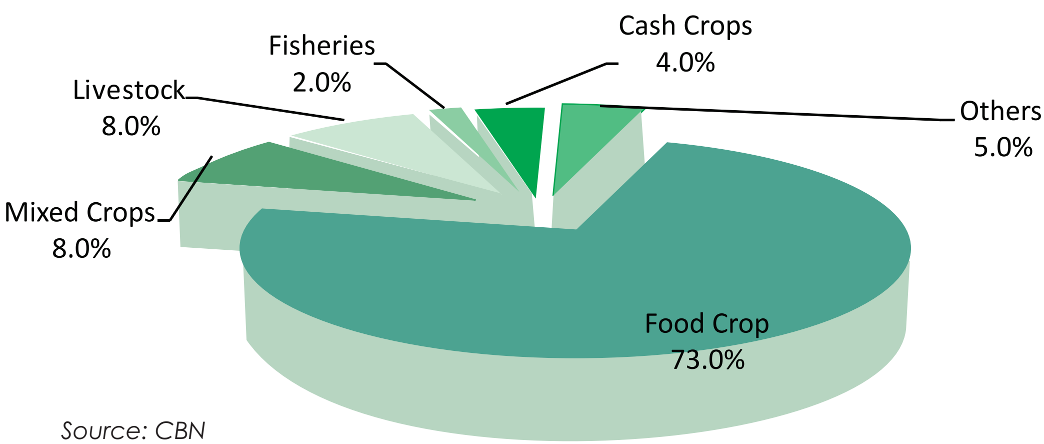
2.6 Development Finance Operations

2.6.1 Agricultural Credit Guarantee Scheme Fund (ACGSF)

During the first half of 2015, the volume and value of guaranteed loans under the ACGSF decreased by 18.9 and 9.0 per cent to 28,702 and ₦5.44 billion, respectively, below the levels in the corresponding period in 2014. Of the total volume of loans guaranteed by purpose, food crops accounted for 20,997 (73.2%); livestock, 2,378 (8.3%); mixed crops, 2,133 (7.4%); cash crops, 1,100 (3.8%); fisheries, 680 (2.4%); and others, 1,414 (4.9%).

Analysis by category of borrowers showed that individuals accounted for ₦5.37 billion, (98.7%); informal groups ₦0.024 billion, (0.44%); cooperatives ₦0.009 billion, (0.17%); and companies, ₦0.035 billion (0.65%). The sum of ₦4.36 billion was repaid for 25,287 projects in the first half of 2015. In the review period, 1,467 claims valued at ₦13.70 million were settled, thus bringing the total claims settled from inception to ₦615.60 million. The cumulative number of loans guaranteed from inception of the scheme to end-June 2015, was 960,565, valued at ₦89.90 billion. Also, the cumulative repayment amounted to ₦60.84 billion for 722,845 projects.

Figure 30
Sectoral Distribution of ACGSF Loans (By Purpose)
(First Half 2015)



Source: CBN

2.6.2 Interest Drawback Programme (IDP)

The number and value of IDP claims settled in the first half of the year increased by 11.3 and 12.9 per cent to 14,582 and ₦193.33 million, respectively, in the corresponding period of 2014. This brought the cumulative number and value of IDP claims settled from inception to 270,894 and ₦2.45 billion, respectively.

2.6.3 The Trust Fund Model (TFM)

During the first half of 2015, no new Memorandum of Understanding (MoU) was signed. Thus, since inception in 2002, state governments, multinational agencies, local government councils (LGCs), non-governmental organisations (NGOs) and individuals signed fifty-eight (58) MoUs with pledged sum of ₦5.56 billion.

2.6.4 Entrepreneurship Development Centres (EDCs)

In the first half of 2015, the three existing Central Bank of Nigeria EDCs trained 3,671 entrepreneurs made up of 1,975 males and 1,696 females, thus exceeding the target in the review period. A breakdown of the performance showed that Maiduguri (North-East), trained 1,048; Makurdi (North-Central), 1,153; and Calabar (South-South), 1,470, respectively. Furthermore, 3,228 participants undertook business internship, while 3,100 jobs were created by the EDC graduates in the review period.

Table 5
Performance of EDCs
(Half year, 2015)

S/N	Geo-Political Zones	No Trained	Males Trained	Female Trained	Internship	Job Created	Link age
1	Calabar	1,470	767	703	1,285	1,552	483
2	Makurdi	1,153	729	424	1,153	968	419
3	Maiduguri	1,048	479	569	790	580	535
	TOTAL	**3,671**	**1,975**	**1,696**	**3,228**	**3,100**	**1,437**

Source: CBN

Also, three new EDC Outreach Centres established in Kano (North-West), Ibadan (South-West), and Minna (North-Central), commenced operation in the first quarter of 2015, and trained 2,329 entrepreneurs, made up of 1,300 males and 1,029 females, while 1,016 others benefitted under the business internship programme, in the first half of 2015.

Table 6
Performance of EDCs Outreach Centres (Half year, 2015)

S/N	Geo-Political Zones	No Trained	Males Trained	Female Trained	Internship
1	Kano	691	570	121	223
2	Ibadan	590	251	339	3
3	Minna	1,048	479	569	790
	TOTAL	**2,329**	**1,300**	**1,029**	**1,016**

Source: CBN

2.6.5 ₦200 Billion Commercial Agriculture Credit Scheme (CACS)

The Bank continued to fund large ticket agricultural projects with emphases on seven focal commodities, namely wheat, cotton, fish, rice, sugar, dairy products and oil palm. In the review period, the sum of ₦24.47 billion was released to twenty-five (25) private projects and one (1) state government through twenty (20) participating banks. Analysis of number of projects financed by value chain revealed that production accounted for 65.4 per cent while processing and input supplies recorded 26.9 per cent and 7.7 per cent, respectively.

Table 7
Analysis of CACS Financed Projects by Value Chain
(First Half 2015)

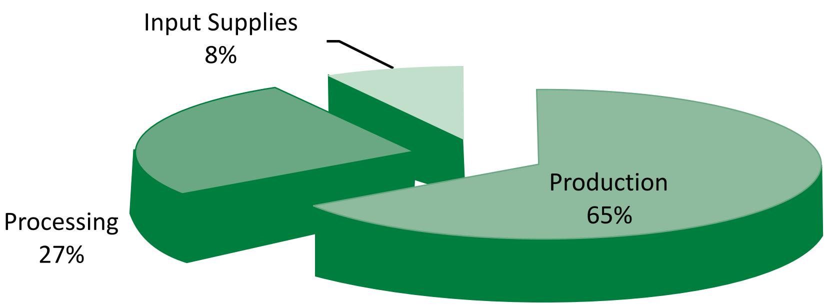
Category	Number of Projects	Per cent	Value {₦' billion }	Per cent
Production	17	65.4	16.39	67.0
Processing	7	26.9	7.89	32.2
Input Suplies	2	7.7	0.19	0.8
Total	26	100.0	24.47	100.0

Source: CBN

Analysis by value, revealed that production accounted for ₦16.39 billion; processing, ₦7.89 billion; and input supplies, ₦0.19 billion, respectively.

At end-June 2015, the cumulative amount disbursed under the scheme, which is revolving since inception, stood at ₦287.49 billion to 333 private and 37 state government projects.

Figure 31
Analysis of CACS Financed (Privately-Sponsored Projects) by Value Chain
(First Half 2015)



Source: CBN

2.6.6 ₦200 Billion SME Restructuring and Refinancing Facility (RRF)

Under the RRF scheme, the Bank continued to disburse funds in support of the SME sector from the RRF repayment account. The sum of ₦22.0 billion was released to the Bank of Industry (BOI) for disbursement between January and June, 2015, compared with ₦17.8 billion released in the corresponding period of 2014. Thus, the cumulative amount disbursed by the BOI to the deposit money banks participating under RRF from inception in March, 2010 to June, 2015 amounted to ₦360.73 billion for 602 projects. Also, the sum of ₦8.99 billion was fully repaid in the review period.

2.6.7 ₦200 Billion SME Credit Guarantee Scheme (SMECGS)

In the first half of 2015, two (2) projects valued at ₦140.0 million were guaranteed under the Scheme, compared with four (4) projects valued at ₦155.23 million in the same period in 2014. At end-June 2015, eighty-one (81) projects valued at ₦3.77 billion had been guaranteed from inception in April 2010, while repayments of ₦2.44 billion for thirty-six (36) projects received was repaid in the review period.

2.6.8 The ₦300 Billion Real Sector Support Facility (RSSF)

In a bid to further provide low interest rate, long-term financing to SME/Manufacturing and Start-ups as well as create jobs in the real sector of the economy, the RSSF was set-up in the fourth quarter of 2014. The Fund would be accessed at a single-digit interest rate of 9.0 per cent. In the first half of 2015, the sum of ₦3.5 billion was released to one (1) project engaged in cassava processing for the production of starch and glucose.

2.6.9 ₦300 Billion Power and Airline Intervention Fund (PAIF) Initiative

PAIF, meant to address the paucity of long-term credit and acute power shortage in the country, remained relevant in the first half of 2015. The sum of ₦13.26 billion was released to the Bank of Industry (BOI) for two (2) projects, one (1) power (₦9.92 billion) and one (1) airline (₦3.34 billion). Cumulative disbursement from inception of the initiative stood at ₦249.61 billion for fifty-five (55) projects; of which thirty-nine (39) for power projects received ₦128.85 billion, while sixteen (16) airline projects had ₦120.76 billion. The sum of ₦11.71 billion was repaid at end-June 2015. Thus, the cumulative repayment since inception in 2010, stood at ₦53.10 billion by fifty-one projects.

Table 8
Summary of projects financed under PAIF (from inception to Half year, 2015)

S/N	Type	No. of Obligors	No. of Projects	Amount (₦)	%	No. of Repayments as at End-June 2015
1	Airline projects	10	16	120,762,597,372	48.38	4,737,881,175.61
2	Power projects	27	39	128,851,659,192	51.62	6,976,024,393.87
	Total	**37**	**55**	**249,614,256,565**	**100**	**11,713,905,569.68**

Source: CBN

2.6.10 Nigeria Incentive-Based Risk Sharing System for Agricultural Lending (NIRSAL)

In the first half of the year, NIRSAL executed six (6) Credit Risk Guarantee (CRG) valued at ₦ 700.46 million for projects of various counter parties under the NIRSAL CRG and Growth Enhancement Scheme (GES) CRG. The sum of ₦140.71 million was paid as claim, comprising fourteen (14) CRG projects (₦50.45 billion) and eighteen (18) GES projects (₦90.26 billion). Consequently, the cumulative Interest Draw Back (IDB) paid stood at ₦734.30 million.

2.6.11 ₦213 Billion Nigeria Electricity Market Stabilisation Facility (NEMSF)

The Bank established the ₦213 billion Nigerian Electricity Market Stabilisation Facility (NEMSF) in the fourth quarter of 2014. The NEMSF was aimed at facilitating the settlement of legacy gas debt and payment of outstanding obligations due to market participants, service providers and gas suppliers. The disbursement of NEMSF facility began in February, 2015. At end-June, the sum of ₦64.76 billion had been disbursed to NESI Stabilisation Strategy Ltd to refinance eighteen participants.

Table 9
Summary of Disbursements under NEMSF (Half year, 2015)

S/N	NESI PARTICIPANT	No	Amount Disbursed in June 2015(₦)	Cumulative Amount Disbursed(₦)
1	DISCOs	5	4,469,986.55	41,055,703,962
2	GENCOs	7	6,827,294,999	18,457,878,439
3	GASCOs	6	5,241,925,612	5,241,925,612
	TOTAL	18	**12,073,690,598**	**64,755,508,014**

Source: CBN

2.6.12 The ₦ 220 Billion Micro Small and Medium Enterprises Development Fund (MSMEDF)

In order to address the observed low uptake of the Fund, the Bank engaged the Participating Financial Institutions (PFIs) to determine the immediate and remote reasons for their non-participation. The feedback from the PFIs indicated that most of the institutions could not afford the required 75 per cent collateral cover and the 6 per cent spread was not adequate to cover their operational cost. Consequently, the MSMEDF Guidelines was amended to reflect a reduction of interest rate for PFIs from 3 to 2 per cent, step down the financial asset collateral requirement from 75 to 50 per cent, removal of corporate governance structure from the checklist for PFIs, and a reduction from 2 years audited account to the current year.

In the first half of 2015, the sum of ₦45.42 billion was disbursed to various entrepreneurs through 24 state governments, 13 DMBs and 56 MFBs. Analysis of disbursements indicated that 61.7 per cent of the 25,210 beneficiaries were female, while others were male micro-enterprises owners. Of the 67 SMEs that accessed the Fund through DMBs, thirteen or 19.4 per cent were owned and managed by women. Cumulative disbursement from inception to end-June 2015 stood at ₦ 48.59 billion.

Table 10
MSMEDF Commercial Wholesale Component Activity Summary: January to June, 2015

WHOLESALE FUND	**Wholesale Amount**	**198.00 Billion (₦)**
	Wholesale Amount Disbursed (Jan uary to June, 2015)	45,422
	Cumulative Wholesale Amount Disbursed (Inception to June, 2015)	48,592
	Wholesale Balance (As at June, 2015)	149,407

Source: CBN

2.6.13 Financial Inclusion

The Bank sustained its effort to enhance financial inclusion in Nigeria to 80 per cent in 2020. It inaugurated two committees, namely the Financial Inclusion Technical Committee to provide technical support and the Steering Committee for policy guidance. Also, the Financial Inclusion products, channels, special intervention and financial literacy working groups were constituted to address specific issues that would accelerate progress towards the 2020 targets.

In addition, the Bank signed a tripartite letter of understanding with the Federal Ministry of Finance and the Bill and Melinda Gates Foundation to support the development of an efficient digital payment system in the country. The project would address infrastructure gap and enhance the adoption of electronic payments at all levels.

A field survey for the geo-spatial mapping of financial services access points across Nigeria was concluded in the period. The exercise would show the spatial distribution of places where Nigerians could transact in financial services and provide guidance for policy.

ECONOMIC REPORT

3.0 GLOBAL ECONOMIC DEVELOPMENTS

3.1 Global Output

Global output growth was modest in the first half of 2015. Global growth was revised downwards to 3.3 per cent from the earlier projection of 3.5 per cent by the International Monetary Fund (IMF), which was lower than the growth of 3.4 per cent recorded in 2014. The slower growth was due mainly to the lull in activities in North America in the first quarter of 2015, the dampening effects of lower commodity prices, tighter external financing conditions and the on-going rebalancing of the Chinese economy. Other factors that slowed down growth included: weak investment and aging population in the advanced economies; structural bottlenecks; and geo-political tensions in Europe and the Middle East.

Growth in the advanced economies was projected at 2.1 per cent in 2015, up from 1.8 per cent in 2014 due largely to acceleration in consumption and investment in the US, occasioned by lower fuel prices, improved labour market conditions, easing financing conditions, and strengthening of the housing market. In the US, growth was estimated at 2.5 per cent in 2015, up from 2.4 per cent in 2014. The euro area economy was projected to expand to 1.5 per cent in 2015 above 0.8 per cent in 2014 due to recovery in domestic demand and increase in inflation.

In emerging market and developing economies, growth was projected to slow to 4.2 per cent from 4.6 per cent in 2014 and to increase to 4.7 per cent in 2016. The major factors responsible for the decline included: lower growth in China; weaker outlook for Russia; and the downward revisions of growth in the commodity-exporting-countries. Growth in China was projected to slow down to 6.8 per cent in 2015 from 7.4 per cent in 2014, which has significant regional spillovers. India's economy was projected to expand by 7.5 per cent in 2015. The Brazilian economy was projected to contract by 0.1 per cent in 2015, but would pick-up by 1.0 per cent in 2016. As at end-June 2015, the Russian ruble depreciated substantially following the drop in oil prices and the continuing geo-political tensions in the region. Consequently, economic activities weakened and the economy was projected to slow by 3.4 per cent in 2015 from 0.6 per cent in 2014. This would adversely affect the performance of other economies in the Commonwealth of Independent States (CIS).

In sub-Saharan Africa (SSA), growth was projected to slow to 4.4 per cent in 2015 from 5.0 per cent in the preceding year, reflecting lower commodity prices and the effects of

Ebola epidemic. Growth in Nigeria was projected to slow down to 4.8 per cent in 2015, due largely to falling crude oil prices and insecurity. In South Africa, growth is projected to improve to 2.0 per cent in 2015 from 1.5 per cent in 2014, due to lower oil prices and more competitive rand exchange rate. The biggest risk to the South African economy was identified as power outages.

In the Middle East and North Africa region, growth slowed to 2.6 from 2.7 per cent in 2014, on account of continuing geopolitical tensions, declining oil prices, and policy uncertainty. Most of the region's oil-exporting countries experienced large losses in exports and fiscal revenues.

In the first half of 2015, the assessment of risks to global growth was more balanced but still tilted to the downside. A greater boost to demand from oil prices was an important upside risk, while the downside risks were related to geopolitical tensions, disruptive asset price shifts in financial markets, and stagnation and low inflation in the advanced economies.

3.2 Global Commodity Prices

Globally, most commodity prices declined due to weak demand from slowing growth, the appreciation of the US dollar, ample supply, leading to the buildup of inventories as well as macroeconomic risks from the developments in Greece and China. Crude oil prices remained weak, although with a temporary rebound in the later part of the first half of 2015. This trend was expected to persist for the rest of the year.

The FAO Food Price Index declined by 10.44 per cent to 166.4 points in June 2015 from 185.8 points in December 2014. When compared with 208.9 points in the corresponding half of 2014, it declined by 20.34 per cent. All the sub-indices: meat; cereals; vegetable oils; and sugar showed a downward trend.

Similarly, metal price index declined by 10.42 per cent to 133.2 at end-June 2015, from the level at end-December 2014 and by 17.67 per cent, when compared with the level in the first half of 2014. The decline reflected weak demand in China, the Greek debt crisis, and increases in supply. Metal demand from China slowed in the first half of the year due to weakness in infrastructure spending, construction, manufacturing, and industrial sectors.

3.3 Global Inflation

Global inflation remained low, due largely to decline in energy prices. In the OECD countries, annual consumer price inflation remained subdued, falling to 0.4 per cent in April 2015 and 0.6 per cent a piece in May and June, 2015. Among major advanced economies, the US and Europe experienced significantly low inflation rates and in some cases, deflation during the first half of 2015. Inflation in the US was below the Federal Reserve Bank's target of 2.0 per cent although it rose from negative 0.2 per cent in April 2015 to 0.0 per cent in May 2015 and 0.1 per cent in June, 2015. In the euro area, inflation was in negative territory in the first quarter of 2015, but rose to 0.3 per cent in May 2015 and 0.2 per cent in June, 2015. The rise in inflation in the second quarter of 2015 could be attributed to the massive quantitative easing embarked upon by the European Central Bank (ECB) from March 2015. Inflation in advanced economies was forecast at 0.4 per cent in 2015, while those of the US, euro area and the United Kingdom were all projected at 0.1 per cent apiece, and Japan at 1.0 per cent.

Inflation also remained largely subdued in emerging and developing market economies. China's annual inflation rate eased slightly to 1.2 per cent in May 2015, compared with 1.5 per cent recorded in April 2015. In contrast, in Brazil and Russia, inflation remained elevated as currency depreciation led to higher import prices. In India, inflation rose to 5.01 per cent in May 2015 from 4.87 per cent in April 2015. This was attributed to the rise in the cost of transport and prices of fuel and light.

In sub-sahara Africa, inflation was expected to remain contained due to low global food and fuel prices. There was, however, the likelihood of a small uptick in headline inflation rate in 2015, reflecting the pickup in domestic prices in Nigeria and Angola, the region's largest oil exporters, as the impact of the exchange rate depreciation and cuts in fuel subsidies (in Angola), feeds through. In other oil-exporting countries, minor change was expected. Among oil importers, the impact of the decline in oil and commodity prices was projected to marginally drive down inflation rate in 2015.

3.4 International Financial Markets

The global financial market remained relatively stable despite heightened risks in the euro area following the Greek debt crisis and continued slowdown in the Chinese economy. Monetary policy remained broadly accommodatiive both in the developed and emerging market economies. Liquidity concerns in the global financial market were shaped by market expectations about the prospects of the US monetary policy normalisation. Other factors included: quantitative easing programme, involving monthly injections of €60.0 billion over an 18 month period from March 2015; and the continuing quantitative and qualitative monetary easing by the Bank of Japan (BoJ). Accordingly, policy rates in the advanced economies were largely unchanged in the review period.

In contrast, most emerging market and developing economies lowered their policy rates to stimulate growth in response to the dampening effect of weak external demand and commodity prices. These included China, Russia and India, while South Africa held rates constant throughout the review period. A few countries such as Brazil, Ghana, and Kenya raised their policy rates in response to inflationary pressures and exchange rate depreciation.

The performance of most stock markets in advanced countries improved due partly to capital reversals from emerging market and developing economies and stronger performance of the US economy. Major European indices such as the French CAC 40, the German DAX and the Russian MICEX indices increased by 12.1, 11.6, and 18.5 per cent, respectively. In the UK, the FTSE 100 index, fell marginally by 0.7 per cent. In North America, the S&P 500, and the Mexican Bolsa indices rose by 0.2 and 4.4 per cent, respectively, while the Canadian S&P/TSX Composite Index decreased by 0.5 per cent.

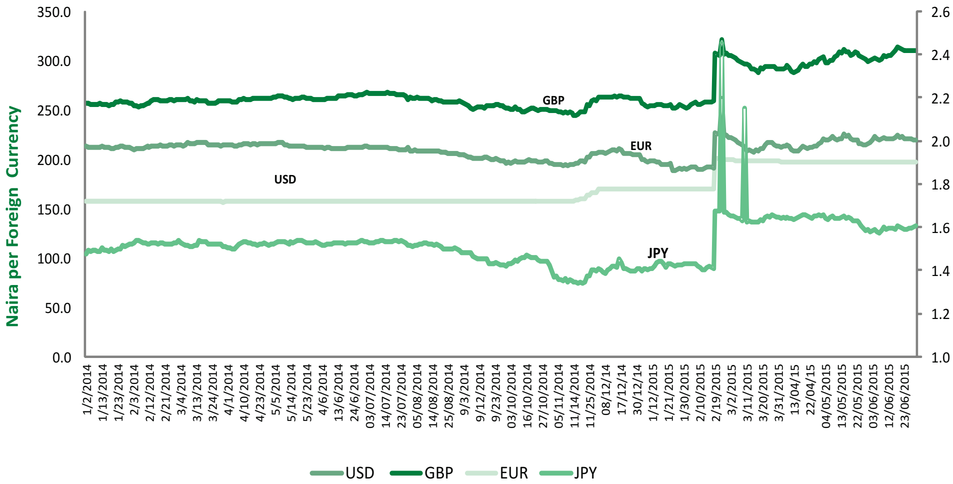
Major stock markets in Asia were bullish during the review period. The Japanese Nikkei, the Chinese Shanghai SE A and the Indian BSE Sensex indices rose by 16.0, 32.0, and 1.0 per cent, respectively. In Africa, the Nigerian NSE ASI, Kenyan NSE 20, and Egyptian EGX Case 30 indices decreased by 3.5, 4.0, and 6.2 per cent, respectively, while the South African JSE, and the Ghanaian GSE increased by 4.1 and 4.0 per cent, respectively.

Generally, most currencies across the world continued to depreciate against the US dollar in the period under review. This was due largely to sustained improvements in the US economy, resulting in increased investor appetite for dollar-denominated assets, fuelling capital reversals and decline in global commodity prices. In the advanced economies, the Japanese yen, the euro and the Canadian dollar depreciated by 1.92, 7.78, and 4.13 per cent, respectively.

In the emerging markets economies, the Brazilian real recorded the highest depreciation of 14.19 per cent. Other emerging market currencies, including the Mexican peso, the Indian rupee and the South African rand depreciated by 5.99, 0.96, and 4.77 per cent, respectively.

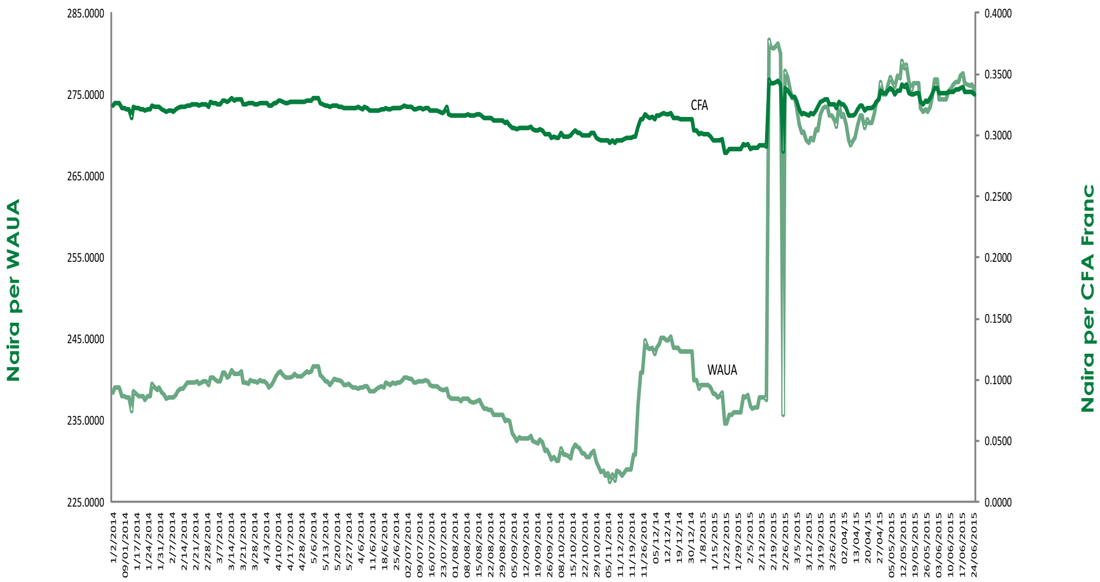
In sub-Saharan Africa, the Nigerian naira and the Kenyan shilling depreciated by 13.85 and 8.72 per cent, respectively, while the Ghanaian cedi recorded the largest depreciation of 25.98 per cent.

Figure 32
Performance of the Naira against Major Currencies



Source: CBN

Figure 33
Performance of the Naira against Regional Currencies



Source: CBN

Table 11
Indices of Selected International Stock Markets
(As at June 30, 2015)

Country	Index	End-June, 2014	End-Dec, 2014	End-June, 2015	% Change Dec 14 - Jun 15	% Change Jun 14 - Jun 15
AFRICA						
Nigeria	ASI	42,482.48	34,657.15	33,456.83	-3.5	-21.2
South Africa	JSE African AS	50,945.26	49,770.60	51,806.95	4.1	1.7
Kenya	Nairobi NSE 20	4,885.04	5,112.65	4,906.07	-4.0	0.4
Egypt	EGX CSE 30	8,162.20	8,926.58	8,371.53	-6.2	2.6
Ghana	GSE All Share	2,373.38	2,261.02	2,352.23	4.0	-0.9
NORTH AMERICA						
US	S&P 500	1,960.23	2,058.90	2,063.11	0.2	5.2
Canada	S&P/TSX Composite	15,146.01	14,632.44	14,553.33	-0.5	-3.9
Mexico	Mexico Bolsa (IPC)	42,737.17	43,145.66	45,053.70	4.4	5.4
SOUTH AMERICA						
Brazil	Bovespa Stock	53,168.22	50,007.41	53,080.88	6.1	-0.2
Argentina	Merval	6,537.61	7,830.30	11,656.81	48.9	78.3
Colombia	COLCAP	1,705.99	1,512.98	1,331.35	-12.0	-22.0
EUROPE						
UK	FTSE 100	6,743.94	6,566.09	6,520.98	-0.7	-3.3
France	CAC 40	4,422.84	4,272.75	4,790.20	12.1	8.3
Germany	DAX	9,833.07	9,805.55	10,944.97	11.6	11.3
Russia	MICEX	1,476.38	1,396.61	1,654.55	18.5	12.1
ASIA						
Japan	NIKKEI 225	15,162.10	17,450.77	20,235.73	16.0	33.5
China	Shanghai SE A	2,144.74	3,389.39	4,479.90	32.2	108.9
India	BSE Sensex	25,413.78	27,499.42	27,780.83	1.0	9.3

Source: Bloomberg

Table 12
Exchange Rates of Selected Countries
(Value in Currency Units to US$)

	Currency	31-Dec-13	31-Dec-14	30-Jun-15	Dec 31, 2014 - June 30, 2015 %App/Dep	YTD % App/Dep
AFRICA		a	d	d		
Nigeria	Naira	157.27	169.68	196.95	-13.85	-20.15
South Africa	Rand	10.52	11.57	12.15	-4.77	-13.42
Kenya	Shilling	86.30	90.60	99.25	-8.72	-13.05
Egypt	Pound	6.95	7.15	7.63	-6.29	-8.91
Ghana	Cedi	2.38	3.22	4.35	-25.98	-45.29
NORTH AMERICA						
Canada	Dollar	1.06	1.16	1.21	-4.13	-12.40
Mexico	Peso	13.10	14.75	15.69	-5.99	-16.51
SOUTH AMERICA						
Brazil	Real	2.36	2.66	3.10	-14.19	-23.87
Argentina	Peso	6.52	8.47	9.09	-6.82	-28.27
Colombia	Peso	1929.51	2376.51	2606.00	-8.81	-25.96
EUROPE						
UK	Pound	0.60	0.64	0.64	0.00	-6.25
Euro Area	Euro	0.73	0.83	0.90	-7.78	-18.89
Russia	Ruble	32.87	60.74	55.27	9.90	-40.53
ASIA						
Japan	Yen	105.26	119.78	122.12	-1.92	-13.81
China	Yuan	6.05	6.21	6.20	0.16	-2.42
India	Rupee	61.80	63.04	63.65	-0.96	-2.91
YTD = Year to Date						

Source: bloomberg

3.5 World Economic Outlook for the Rest of 2015

The moderation in global growth witnessed towards the end of the first half, might continue in the rest of 2015, as key drivers responsible for the slowdown, (notably, the uneven recovery in the euro area and Japan, slowdown in China and weak demand) were still in place. The IMF projected a decline in global growth to 3.3 per cent for the rest of the year.

The outlook for advanced economies showed prospects for improvement, while growth in emerging markets and developing economies was projected to be lower, primarily reflecting weaker prospects for some large emerging market economies and oil-exporting countries. Advanced economies were projected to grow by 2.1, and 2.4 per cent in 2015 and 2016, respectively, from 1.8 per cent in 2014. The rebound was expected to be driven by the United States and the United Kingdom, which were expected to grow by 2.5 and 2.4 per cent, respectively.

Global inflation was likely to be subdued on account of weak demand and lower commodity prices. Global inflation could rise if the broadly accommodative monetary policy stance of key advanced economies and continued depreciation of currencies of the emerging market and developing economies were not contained.

Bond yields and risk premia in emerging market economies had risen broadly in line with those of advanced economy instruments. However, improvements in some advanced economies, particularly the United States may likely accentuate capital reversals in the rest of 2015 and lead to further currency depreciation.

The on-going quantitative easing programme in the euro area and Japan, coupled with the monetary stimulus required to prop up the slowing Chinese economic growth might offset the effects of the expected US monetary policy normalization, thereby leaving global monetary conditions accommodative for the rest of the year. These developments, coupled with the growth of the US economy, could sustain improved performance of international stock markets.

4.0 DEVELOPMENTS IN THE DOMESTIC ECONOMY

4.1 Monetary and Credit Developments

Excess liquidity in the banking system and the depreciation of naira exchange rate constituted major challenges to monetary policy in the first half of 2015. Consequently, the CBN sustained its restrictive monetary policy stance, keeping the policy rate at 13.0 per cent and liquidity ratio at 30.0 per cent throughout the period. The cash reserve ratio on private sector at 20.0 per cent and on public sector at 75.0 per cent was harmonised in May 2015 at 31.0 per cent. Growth in reserve money, broad and narrow money supply was sluggish, compared with their levels at the end of the preceding December. Also, both currency-in-circulation and currency outside banks fell below their levels at end-December 2014, but remained relatively stable throughout the period. Aggregate credit (net) to the domestic economy grew by 13.0 per cent due, largely, to the significant growth in net claims on the Federal Government. Similarly, consumer credit slowed in tandem with the growth in credit to the private sector.

4.1.1 Reserve Money

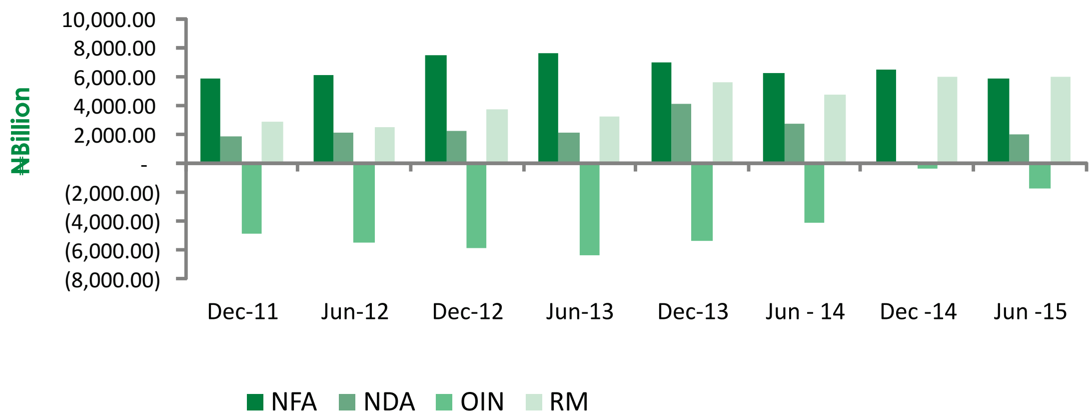
At ₦5,945.76 billion, reserve money, rose by 0.3 per cent above its level at end-December 2014, in contrast to the decline of 6.0 per cent at the end of the corresponding period of 2014. The increase in the sources of reserve money relative to the level at end-December 2014, reflected the rise in net domestic asset of the CBN, while the corresponding increase in the uses of reserve money was attributed wholly to the increase in bank deposits with the CBN.

Table 13
Sources and Uses of Reserve Money

	Dec 12	Jun-13	Dec 13	Jun-14	Dec 14	Jun-15
Foreing assets (net)	7,393,557.68	7,561,183.53	**7,043,927.36**	**6,343,984.91**	**6,244,718.92**	**5,795,959.61**
Foreign Assets	7,395,331.5	7,614,112.5	7,048,706.3	6,724,347.5	6,244,718.9	7,646,654.5
Long-term Foreign Liabilities	311.5	311.5	4,757.3	-	-	-
Short-term foreign Liabilities	1,462.2	52,617.4	21.6	380,362.5	-	1,850,694.9
Net credit to Government	(3,574,376.4)	(3,519,920.5)	(2,289,104.9)	(2,913,883.1)	(2,141,684.2)	(769,517.4)
Claims on Government	733,354.5	451,404.9	678,134.4	541,780.7	922,379.3	1,527,410.0
Fed. Government Deposits	4,307,730.9	3,971,325.4	2,967,239.3	3,455,663.8	3,064,063.4	2,296,927.5
Net credit to Private Sector	3,661,512.3	4,223,762.4	4,182,273.9	4,169,964.0	4,642,838.9	4,864,940.6
Claims on private sector	4,708,311.8	4,703,313.2	4,599,388.3	4,702,336.0	4,859,887.7	5,093,071.5
Private sector deposits	1,046,799.6	479,550.8	417,114.4	532,371.9	217,048.8	228,130.9
Net claims on DMBS	(1,583,300.3)	(3,380,269.2)	(3,043,227.6)	(2,428,441.7)	(2,035,145.2)	(2,148,916.7)
Claims on DMBS	1,052,556.0	915,469.7	806,531.6	993,896.5	774,249.0	1,400,075.2
CBN Securities	2,635,856.3	4,295,738.9	3,849,759.2	3,422,338.2	2,809,394.2	3,548,991.9
Other Assets Net	(1,238,872.8)	(706,143.1)	(265,694.9)	349,033.0	186,528.6	(383,246.0)
Other Assets	6,790,896.4	7,182,339.6	1,929,856.0	1,543,454.6	1,782,121.4	1,641,281.1
Other liabilities	8,029,769.2	7,888,482.7	2,195,550.9	1,194,421.6	1,595,592.8	2,024,527.1
RESERVE MONEY	3,704,483.6	3,236,152.9	5,090,244.8	4,786,356.0	5,930,946.0	5,945,762.1
Currency in Circulation	1,631,717.2	1,425,507.8	1,776,413.1	1,496,742.1	1,797,978.9	1,562,346.1
Banks' Deposit with CBN	2,072,766.4	1,810,645.1	3,313,831.6	3,289,614.0	4,132,967.1	4,383,416.0

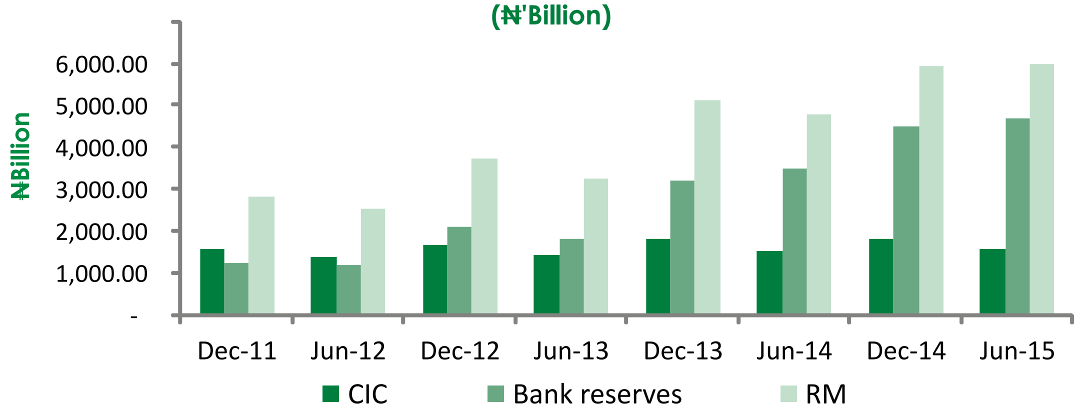
Source: CBN

Figure 34 (a)
Reserve Money and its Components: Sources (₦' Billion)



Source: CBN

Figure 34 (b)
Reserve Money and its Components: Uses
(₦'Billion)



Source: CBN

4.1.2 Broad Money (M_2)

Growth in money supply (M_2) decelerated in the first half of 2015, reflecting the restrictive monetary policy stance of the Bank. Broad money supply fell by 0.5 per cent to ₦18,811.4 billion at end-June 2015, in contrast to the growth of 12.0 per cent at the end of June 2014. The development reflected the decline in net foreign assets and other assets (net) of the banking system, which overwhelmed the 11.1 per cent growth in aggregate credit (net).

4.1.3 Narrow Money (M_1)

Narrow money supply (M_1) fell by 5.3 per cent to ₦6,542.4 billion at end-June 2015, in contrast to the growth of 0.9 per cent at the end of the corresponding period of 2014. The development reflected the decline of 17.6 and 2.0 per cent in currency outside banks and demand deposits, respectively. The decline in currency outside banks reflected the growing confidence and increased usage of e-payments in the economy derived largely from the positive impact of the cash-less policy.

4.1.4 Quasi Money (QM)

Quasi money grew by 2.2 per cent to ₦12,269.0 billion at end-June 2015, compared with the growth of 21.1 per cent at end-June 2014. The development reflected the expansion in savings and time deposits in commercial banks, especially foreign currency deposits, which grew by 4.3 per cent.

4.1.5 Currency-in–Circulation (CIC) and Deposits at the CBN

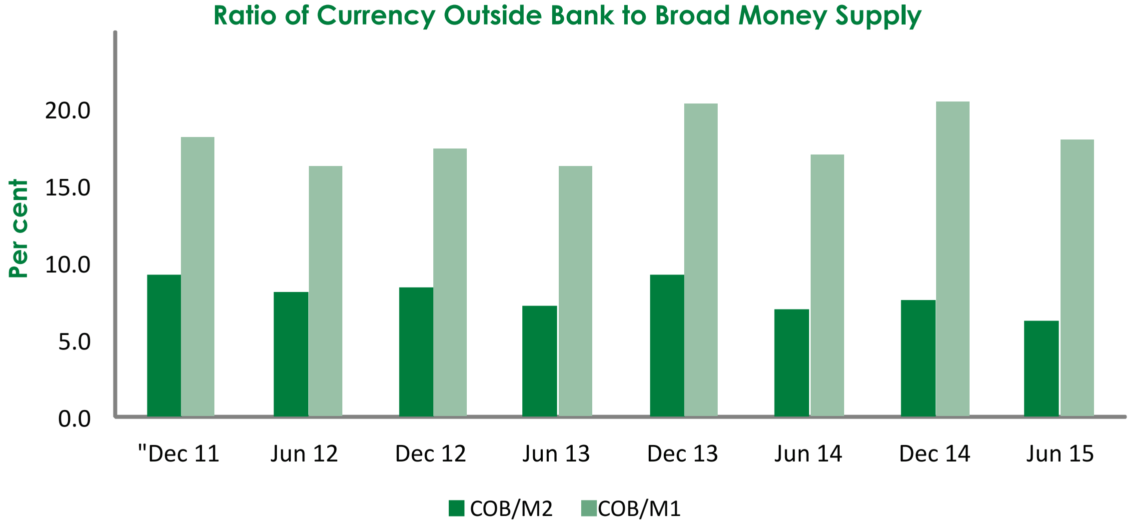
Currency-in-circulation fell by 13.1 per cent to ₦1,562.3 billion, compared with the decline of 15.7 per cent at the end of the corresponding period of 2014. As a proportion of reserve money, CIC, was 26.3 per cent compared with 31.3 per cent at the end of the first half of

2014. However, banks' deposit with the CBN grew by 6.1 per cent at end-June 2015, in contrast to a decline of 0.7 per cent at the end of the corresponding period of 2014. The growth in deposit at the CBN reflected the respective increase of 128.3 and 23.3 per cent in the demand deposits of merchant banks and non-interest banks.

4.1.6 Currency Outside Banks (COB)

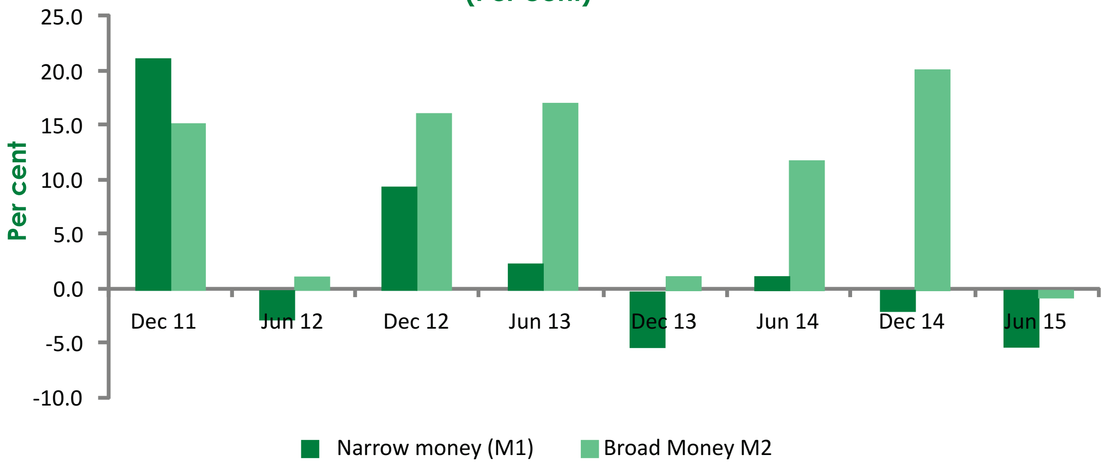
Currency outside banks fell by 17.6 per cent to ₦1,184.0 billion at end-June 2015, compared with the decline of 16.3 per cent at end-June 2014. As a ratio of broad money, COB constituted 6.3 per cent, a slight decline from 6.9 per cent at the end of the corresponding period of 2014, reflecting the positive impact of the cash-less policy.

Figure 35
Ratio of Currency Outside Bank to Broad Money Supply



Source: CBN

Figure 36
Growth in Money Supply
(Per cent)



Source: CBN

4.1.7 Drivers of Growth in Money Supply

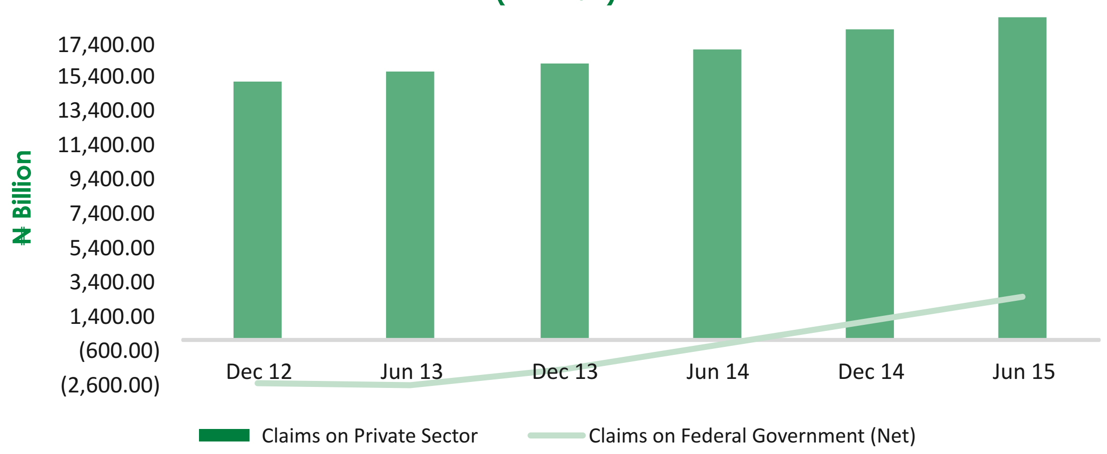
4.1.7.1 Net Foreign Assets (NFA)

Net foreign assets fell by 14.4 per cent to ₦ 5,951.5 billion at the end of the review period, compared with the decline of 11.4 per cent at end-June 2014. The development reflected the 7.2 and 78.1 per cent decline in NFA of the CBN and banks, respectively. As a percentage of M2, NFA constituted 31.6 per cent at the end of the review period, compared with 43.7 per cent at the end of the corresponding period of 2014. The contribution of NFA to the growth of M_2 was negative 6.1 per cent, compared with negative 6.3 per cent a year ago.

4.1.7.2 Net Domestic Credit (NDC)

Net domestic credit (NDC) grew by 11.1 per cent to ₦21,409.8 billion at the end of the first half of 2015, compared with the growth of 14.8 per cent at the end of the corresponding period of 2014. The development reflected mainly, the significant increase in net claims on the Federal Government as the growth in private sector credit remained slow at 4.3 per cent.

Figure 37
Distribution of Aggregate Credit to the Economy
(₦'Billion)



Source: CBN

4.1.7.2.1 Net Credit to the Government (NCg)

Credit to the Federal Government rose by 118.5 per cent to ₦2,512.5 billion at the end of the first half of 2015, compared with the growth of 85.8 per cent recorded at the end of the corresponding half of 2014. The increase in net claims on the Federal Government reflected, wholly, the rise in investment in treasury securities by the banking system, particularly, the Nigerian treasury bills, which grew by 256.0 per cent.

4.1.7.2.2 Credit to the Private Sector (Cp)

Credit to the private sector grew by 4.3 per cent to ₦18,897.3 billion at end-June 2015, compared with 4.5 per cent at the end of the corresponding period of 2014. The development reflected the 4.6 per cent increase in claims on the core private sector, compared with the 6.7 per cent growth at the end of the first half of 2014. The contribution of claims on the private sector to the growth of total monetary assets stood at 4.1 percentage points, compared with the 4.7 percentage points at the end of the corresponding half of 2014.

4.1.7.3 Other Assets (net) (OAN)

Other assets (net) of the banking system fell by 16.9 per cent at end-June 2015, in contrast to the growth of 9.6 per cent recorded at the end of the corresponding period of 2014. The development reflected largely the 7.9 per cent decline in unclassified assets of the CBN. The contribution of other assets (net) of the banking system to the growth of broad money was negative 7.96 percentage points at the end of the review period.

Table 14
Growth in Monetary Aggregates Over Preceding December
(Per cent)

	June '13	Dec '13	Jun '14	Dec '14	Jun '15
Domestic Credit (Net)	3.55	14.47	14.82	32.6	11.08
Claims on Federal Government (Net)	(3.63)	32.50	85.75	169.44	118.45
Foreign Assets (Net)	1.34	(4.26)	(11.38)	(19.68)	(14.42)
Other Assets (Net)	(7.39)	(19.92)	9.58	2.53	(16.88)
Total Monetary Assets (M_2)	0.71	1.32	12.03	20.55	(0.54)
Quasi-Money	7.33	7.36	21.07	38.73	2.17
Money Supply (M_1)	(6.49)	(5.23)	0.90	(1.82)	(5.25)
Total Monetary Assets (M_2)	0.71	1.32	12.03	20.55	(0.54)

Source: CBN

4.1.8 Sectoral Distribution of Credit

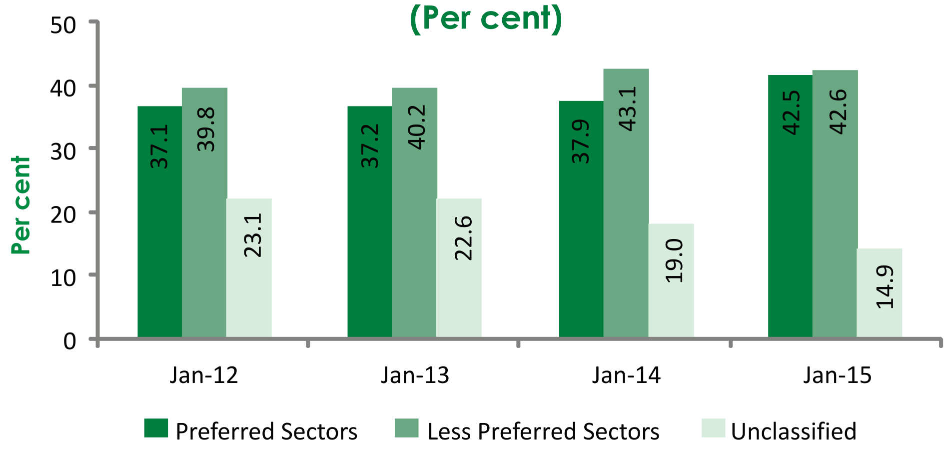
Total bank loans and advances to the private sector of the economy grew by 4.2 per cent to ₦13,804.2 billion at the end of the first half of 2015 and was 2.7 percentage points lower than the level recorded at the end of the second half of 2014. Of the total loans outstanding, credit to the oil and gas sub-sector accounted for the highest share (23.78 per cent), followed by manufacturing (13.98 per cent) and general commerce (13.84 per cent). The share of agriculture, forestry and fishing (3.80 per cent) was 0.1 percentage point lower than their share at the end of the second half of 2014.

Table 15
Credit to the Core Private Sector:
(Percentage Share)

	Share in Outstanding (per cent)						
	Jun 12	**Dec 12**	**Jun 13**	**Dec 13**	**Jun 14**	**Dec 14**	**Jun 15**
1. Preferred Sectors	**37.1**	**39.5**	**37.2**	**36.8**	**37.9**	**40.9**	**42.5**
Agriculture	3.7	3.9	4.2	3.4	4.0	3.9	3.6
Solid Minerals	18.9	21.7	20.6	21.5	22.0	25.0	23.9
Exports	0.7	0.8	0.1	0.04	0.10	0.03	1.1
Manufacturing	13.8	13.1	12.3	11.8	11.9	12.0	13.8
2. Less Preferred Sectors	**39.8**	**38.3**	**40.2**	**41.4**	**43.1**	**44.0**	**42.6**
Real Estate	6.8	6.6	7.3	7.3	7.6	8.1	8.9
Public Utilities	0.3	0.4	0.7	2.2	2.3	3.4	0.8
Transport and Communications	11.6	11.9	13.5	13.9	14.8	14.0	9.4
Finance & Insurance	3.9	3.1	3.2	3.2	3.1	4.4	6.0
Government	7.4	7.8	6.9	7.2	6.9	5.9	9.3
Import & Dom. Trade (General Comm.)	9.8	8.5	8.6	7.6	8.3	8.2	8.2
3. Unclassified	**23.1**	**22.2**	**22.6**	**21.8**	**19.0**	**15.1**	**14.9**
Total (1+2+3)	**100**	**100**	**100**	**100**	**100**	**100**	**100**

Source: CBN

Figure 38
Sectoral Distribution of Banks' Credit
(Per cent)



Source: CBN

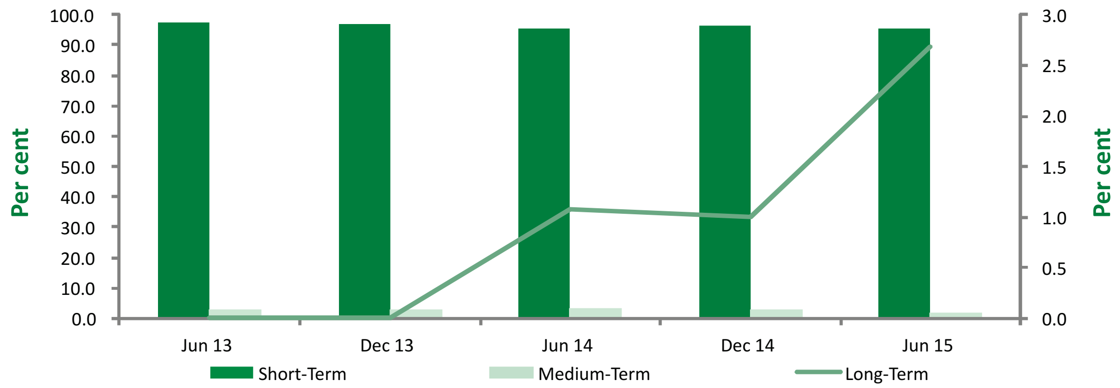
4.1.9 Maturity Structure of DMBs' Outstanding Loans and Advances, and Deposit Liabilities

The structure of bank credit in the first half of 2015 indicated that credit of short-term maturities remained dominant. Credit maturing within one year accounted for 44.5 per cent, a decline when compared with 56.6 per cent at the end of the first half of 2014. The medium-term (≥ 1yr and < 3yrs) and long-term (3yrs and above) maturities stood at 18.8 and 36.7 per cent, respectively, compared with 16.8 and 26.6 per cent at the end of the corresponding period of 2014.

Similarly, deposits of below one-year maturity constituted 95.5 per cent (of which 73.0 per cent had maturity of less than 30 days), the same as in the first half of 2014. Further analysis showed that the medium and long-term deposits constituted 1.8 and 2.7 per cent, respectively, compared with 3.4 and 1.1 per cent recorded at end-June 2014.

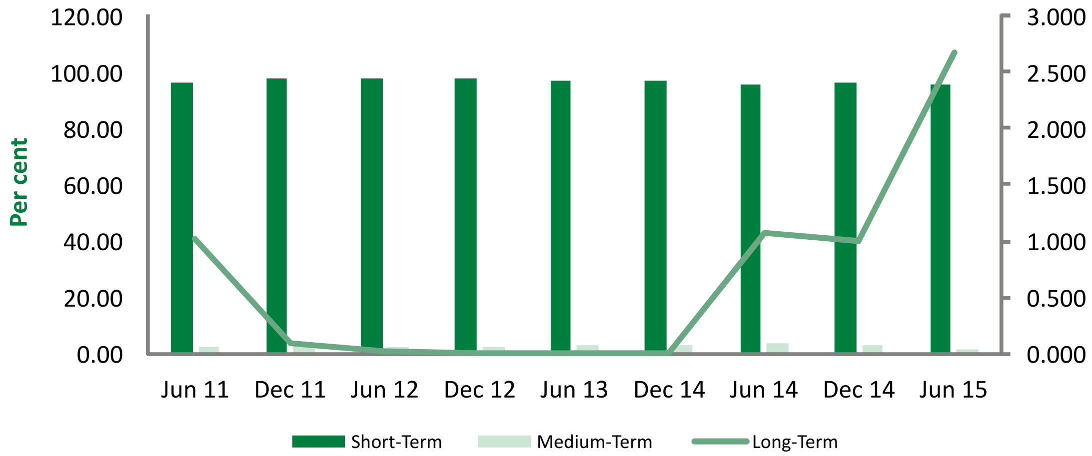
Although some improvements were observed with the credit structure during the review period, the challenge of maturity mismatch remained a constraint to the ability of banks to create long-tenored risk assets and limited lending to the real sector.

Figure 39
Distribution of Bank Loans and Advances by Maturity



Source: CBN

Figure 40
Maturity Structure of Banks Deposits



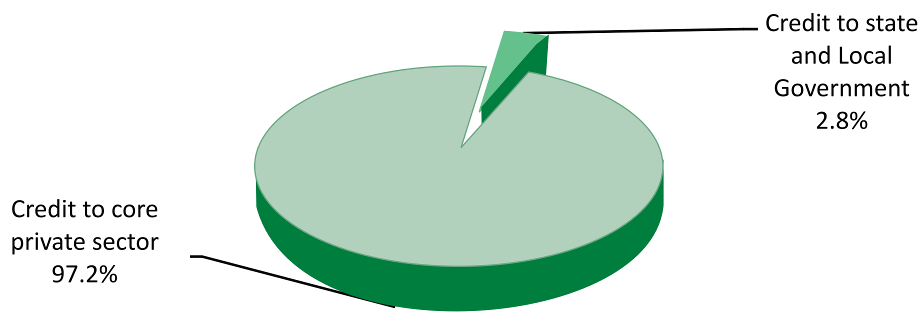
Source: CBN

Table 16
Maturity Structure of Banks Assets and Liabilities

Assets (Loans and Advances)	Jun 13	Dec 13	Jun 14	Dec 14	Jun 15
Tenor					
0-30 days	31.1	27.5	31.5	24.6	24.3
31-90 days	10.7	12.7	11.0	12.3	7.8
91-181 days	7.7	4.9	6.7	7.0	7.7
181-365 days	6.6	7.5	7.4	5.6	4.6
Short-Term	56.0	52.6	56.6	49.6	44.5
Medium-Term (Above 1yr and below 3yrs)	19.8	19.1	16.8	19.5	18.8
Long-Term (3 Years and Above)	24.2	28.3	26.6	30.9	36.7
Liabilities					
0-30 days	77.5	74.51	72.72	73.69	73.0
31-90 days	11.4	14.33	13.59	13.63	13.61
91-181 days	4.5	4.69	5.48	5.5	4.42
181-365 days	3.8	3.62	3.76	3.49	4.45
Short-Term	97.2	97.15	95.55	96.31	95.49
Medium-Term (Above 1yr and below 3yrs)	2.8	2.84	3.38	2.69	1.83
Long-Term (3 Years and Above)	0.003	0.01	1.07	1.00	2.68
Total	**100**	**100**	**100**	**100**	**100**

Source: CBN

Figure 41
Distribution of Private Sector Credit
(End-June 2015)



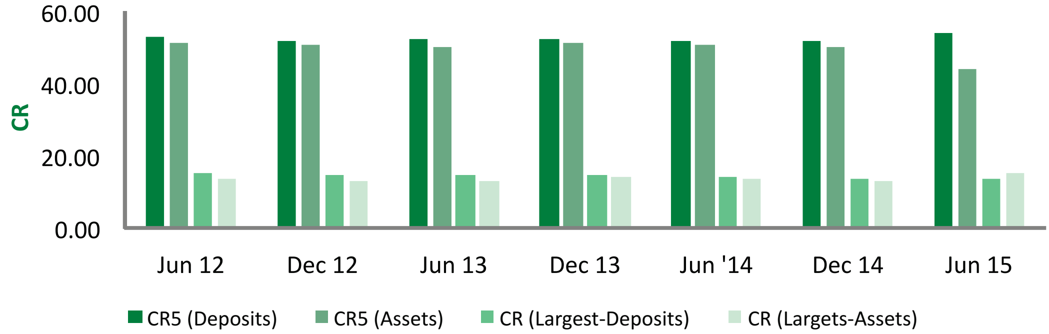
Source: CBN

4.1.10 Market Structure of the Banking Industry

The banking system remained largely oligopolistic in the first half of 2015. Available data showed that the average market share of assets and deposits of the five largest banks (concentration ratio, CR5) stood at 44.4 and 54.3 per cent, respectively, compared with 50.9 and 51.9 per cent at the end of the first half of 2014. The market share of the largest bank, with respect to assets and deposits, stood at 15.6 and 14.1 per cent, respectively, compared with 13.2 per cent and 14.1 per cent at the end of the second half of 2014. During the review period, a total of 17 banks had market shares ranging from 0.16 to 7.8

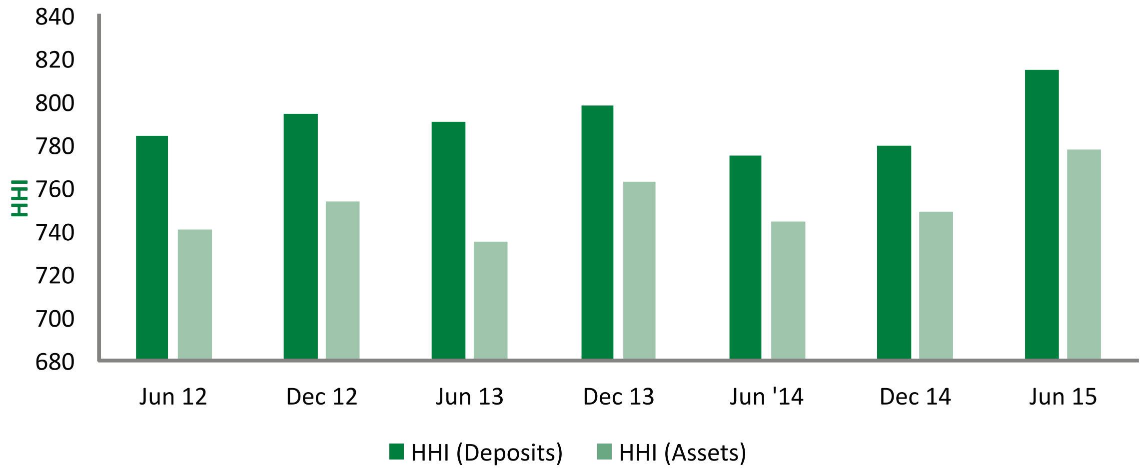
per cent in assets and 0.14 to 7.06 per cent in deposits, reflecting low competition in the market. This was supported by the respective Herfindahl-Hirschman Index (HHI) of the industry (on a scale of 100 to 10,000) at 778.07 and 814.53 for assets and deposits, respectively.

Figure 42a
Market Concentration Ratios of Banks (Assets and Deposits)



Source: CBN

Figure 42b
Measures of Competition in Banks: Herfindahl- Hirschman Index

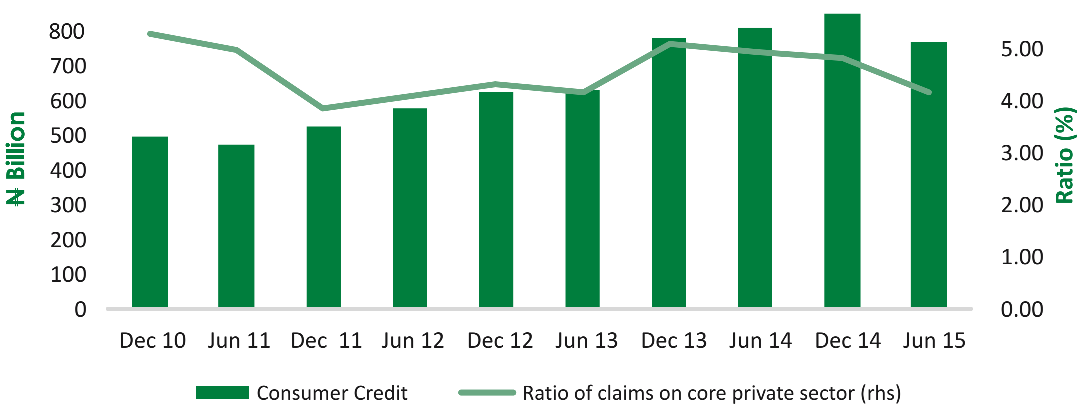


Source: CBN

4.1.11 Consumer Credit

At ₦767.96 billion, consumer credit fell by 9.6 per cent at the end of the review period, in contrast to the growth of 3.5 per cent at the end of the corresponding period of 2014. At that level, consumer loans constituted 4.2 per cent of the total credit to the core private sector, compared with 4.9 per cent at the end of the corresponding half of 2014.

Figure 43
Consumer Credit and Ratio of Claims on Core Private Sector (₦' Billion)



Source: CBN

4.1.12 Money Market Developments

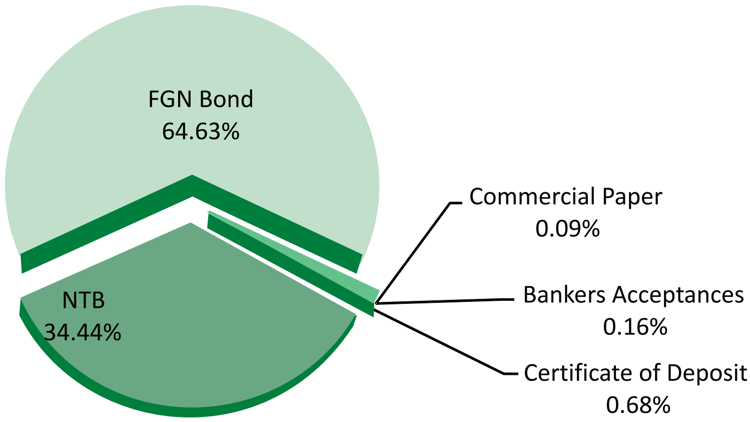
Financial market activities in the first half of 2015 reflected the trend in liquidity conditions in the banking system. Short-term interest rates, particularly the Open-Buy-Back (OBB) and overnight call, moved in tandem with the banking system liquidity. The release of Statutory Revenue Allocation to the three tiers of government and the payment of matured CBN bills buoyed banking system liquidity during the period. However, the execution of the NNPC mandate, coupled with the implementation of the harmonised Cash Reserve Requirement (CRR) for both private and public sector deposits resulted in liquidity shortfalls in the same period, thereby causing some spikes in the short-term rates. The Monetary Policy Committee (MPC) met three times in the review period, in which the monetary policy rate (MPR) was retained at 13.00 per cent with the symmetric corridor for lending and deposit at ± 200 basis points. The liquidity ratio and the net foreign currency trading position limit were also retained at 30.00 and 0.05 per cent, respectively. The Monetary Policy Committee (MPC), at its May 2015 meeting, removed the dichotomy between CRR of public and private sector fund, by harmonising both to 31.00 per cent. The maintenance period was also changed from fortnightly to weekly.

Following the closure of the rDAS window in the early part of the year, the CBN intervened regularly in the interbank foreign exchange market to provide the needed liquidity and sustain stability in the exchange rate. On the average, weekly intervention stood at US$91.70 million, amounting to US$9.54 billion in the first half of 2015, compared with US$299.55 million in the corresponding half of 2014 and US$3.30 billion in the preceding half of 2014. Furthermore, the Bank reviewed a list of imported goods that were not valid for funding at the official foreign exchange window. The policy was designed to curb pressure in the foreign exchange market arising from the importation of goods that could be produced in the country.

4.1.12.1 Money Market Assets Outstanding

Provisional data indicated that money market asset outstanding at the end of the first half of 2015 stood at ₦ 8,201.5 billion, showing an increase of 7.2 and 14.2 per cent above the levels at end-December 2014 and the corresponding half of 2014, respectively. The development relative to the corresponding half year reflected, mainly, the increase of ₦930.58 billion (21.3 per cent) and ₦89.08 billion (3.3 per cent) in the FGN Bonds and Nigerian Treasury Bills Outstanding, respectively.

Figure 44
Money Market Assets Outstanding
(End-June 2015)



Source: CBN

A breakdown of the money market assets outstanding at the end of the first half of 2015 showed that 64.63 per cent of the outstanding assets was held in FGN Bond, while, 34.44, 0.68, 0.16 and 0.09 per cent were NTBs, Certificates of Deposits, Bankers Acceptances, and Commercial Paper, respectively.

4.1.12.2 Primary Market

At the Nigerian treasury bill auction, ₦414.08 billion worth of 91-day bills was offered and sold with bid rates ranging from 9.79 to 11.20 per cent, compared with the range of 9.95 to 11.95 per cent in the corresponding half of 2014. For the 182- and 364-day auction, ₦452.59 billion and ₦1,367.12 billion worth of bills were offered and sold at the bid rates of 12.7 to 14.85 per cent and 12.8 to 15.89 per cent, respectively. Total subscription at the auction stood at ₦5,213.20 billion, compared with ₦5,609.37 billion in the corresponding half of 2014. The decrease in the review period was attributed to low patronage by foreign investors at the 364- day tenor.

The bid-to-cover ratios for the various tenors were 1.2, 1.8 and 2.9 for the 91-, 182- and 364-day, respectively. The high (above 2.0) bid-to-cover ratio for the 364-day tenors indicated investors' preference for the issues.

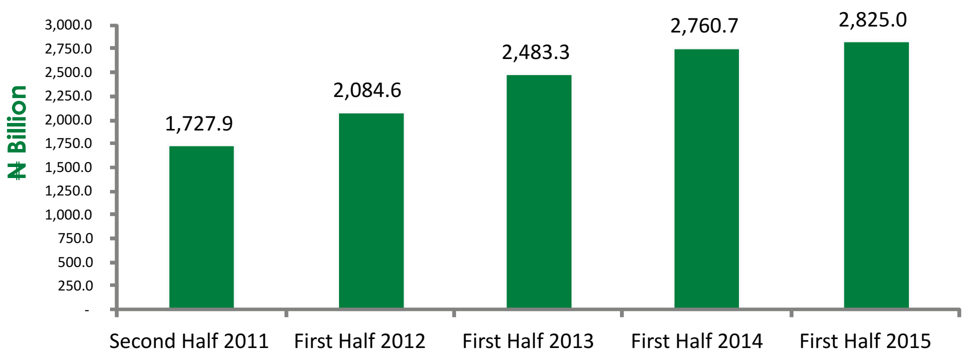
Thus, total NTB outstanding at end-June 2015 stood at ₦2,825.0 billion, showing an increase of 3.26 per cent over the ₦2,735.9 billion at the end of the first half of 2014.

Table 17
Bid-Cover Ratios of Selected Securities

TENOR (DAY)	91-day	182-day	364-day	TOTAL (₦bn)
OFFER AMOUNT (₦bn)	414.08	452.59	1367.12	2,233.80
TOTAL SUBSCRIPTION (₦bn)	477.291	812.69	3923.22	5,213.20
ALLOTMENT (₦bn)	414.08	452.59	1367.12	2,233.80
BID COVER RATIO	1.15	1.80	2.87	
BID RANGE	9.20-11.62	9.45-12.75	9.54-12.99	

Source: CBN

Figure 45
Nigerian Treasury Bills Outstanding
(₦'Billion)

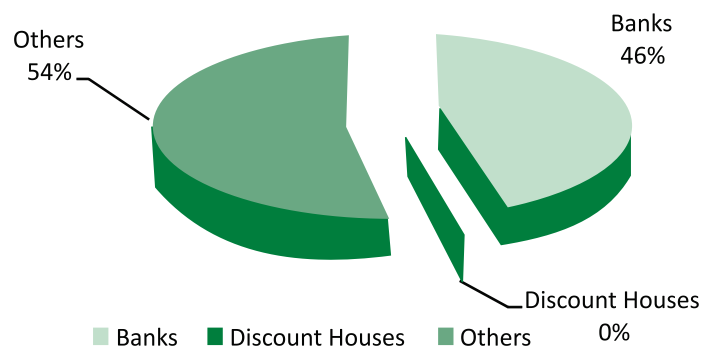


Source: CBN

4.1.12.3 Federal Government of Nigeria Bonds

During the review period, the CBN in collaboration with the Debt Management Office, issued a new tranche of the 10-year FGN Bond, while 5- 10- and 20-year tranches were reopened. The term-to-maturity of the bonds ranged from 4 years 8 months to 19 years, 6 months. Total FGN Bonds offered was ₦468.22 billion, while public subscription and sale stood at ₦872.12 billion and ₦449.72 billion, respectively. The high demand for the securities was attributed to the liquidity surfeit in the banking system, investors' preference for risk-free long-term instruments, and the attractive coupon yields on the bonds. A total of N500.0 billion 4.0% FGN April 2015 bond matured and was repaid.

Figure 46
Distribution of FGN Bonds
(End-June 2015, per cent)



Source: CBN

Thus, the total value of bonds outstanding at end-June 2015 was ₦5,300.42 billion, compared with ₦4,369.8 billion at end-June 2014, and represented an increase of 21.3 per cent.

4.1.12.4 Open Market Operations (OMO)

In line with the restrictive monetary policy stance of the CBN, OMO auctions were conducted to mop-up the excess liquidity in the banking system.

4.1.12.5 OMO Auctions

Total subscription and sales amounted to ₦5,355.0 billion and ₦4,261.72 billion, respectively, while total CBN bills offered was ₦2,080.00 billion. The bid rates ranged from 10.25 to 18.00 per cent. In the corresponding period of 2014, the amount sold was ₦4,484.93 billion, while total subscription was ₦5,705.2 billion. CBN bills valued at ₦3,609.32 billion matured and were repaid in the review period, translating to a net withdrawal of ₦652.4 billion in the first half of 2015.

4.1.12.6 The Two-Way Quote Trading in NTBs

Activity at the two-way quote trading platform remained passive in the review period, same as in the corresponding half year of 2014.

4.1.12.7 Tenored Repurchase Transactions

Requests for repurchase transactions amounting to ₦54.38 billion was received and granted for tenors ranging from 5 to 43 days at 16.00 to 16.50 per cent. There was no request for repo in the corresponding period of the preceding year as authorised dealers preferred to access the overnight standing facility window to bridge the liquidity shortfall.

4.1.12.8 Central Bank of Nigeria (CBN) Standing Facilities

In the first half of 2015, the Bank continued to provide deposit money banks and discount houses access to standing facilities window to square up their positions either through the Standing Lending Facility (SLF) or the Standing Deposit Facility (SDF). There was greater recourse to the SDF than the SLF during the review period. Applicable rates for the SDF and SLF remained at 11.00 and 15.00 per cent, respectively.

4.1.12.8.1 Standing Lending Facility (SLF)

Total request for SLF (inclusive of intra-day lending facility (ILF) that converted to overnight repo) in the first half of 2015 was ₦2,826.28 billion. The daily average request was ₦33.4 billion in 87 working days. In comparison with the corresponding period of 2014, the total SLF demanded stood at ₦3,487.9 billion, translating to a daily average of ₦29.7 billion. The development was attributed to the inflow from the matured FGN Bonds and the NTBs.

4.1.12.8.2 Standing Deposit Facility (SDF)

Patronage of the SDF window reflected liquidity surfeit in the system. The daily average amount for the SDF in the first half of 2015 was ₦79.57 billion, compared with ₦376.1 billion in the corresponding period of 2014. The significant decline was attributed to the cap of ₦7.50 billion placed on remunerable deposit per day, in November 2014.

4.1.12.9 Inter-Bank Funds Market

The value of Inter-bank transactions stood at ₦4,555.17 billion in the first half of 2015, compared with ₦13,739.75 billion in the first half of 2014. The unsecured call and tenored segments amounted to ₦932.08 billion in the first half of 2015, compared with ₦87.5 billion in the first half of 2014. At the Open-Buy-Back (OBB) segment, the value of transactions increased to ₦3,612.10 billion in the first half of 2015, compared with ₦3,558.8 billion in the first half of 2014. The lower level of transactions at the unsecured segment was attributed, largely, to the launch of new Real Time Settlement System (RTSS) and Scripless Securities Settlement System (S4), both of which facilitated the transfer of securities and settlement, as well as DMBs' preference to trade using securities in the OBB segment of the market.

4.1.13 Interest Rate Developments

Money market rates moved in tandem with the level of liquidity in the banking system during most of the first half of 2015. Short-term rates in all the segments of the money market were higher than their levels in the corresponding period of 2014. The high average short-term rates, despite increased liquidity in the system, was due to the harmonisation of CRR on public and private deposits which increased the CRR. The monthly weighted average inter-bank and OBB rates ranged from 6.99 to 24.25 per cent and 8.70 to 27.20 per cent, respectively. Weighted average inter-bank rate in the first half of 2015 stood at 12.84 per cent, compared with 10.43 in the corresponding half of 2014. The OBB average rate increased to 15.95 per cent above 10.88 in the corresponding period of 2014.

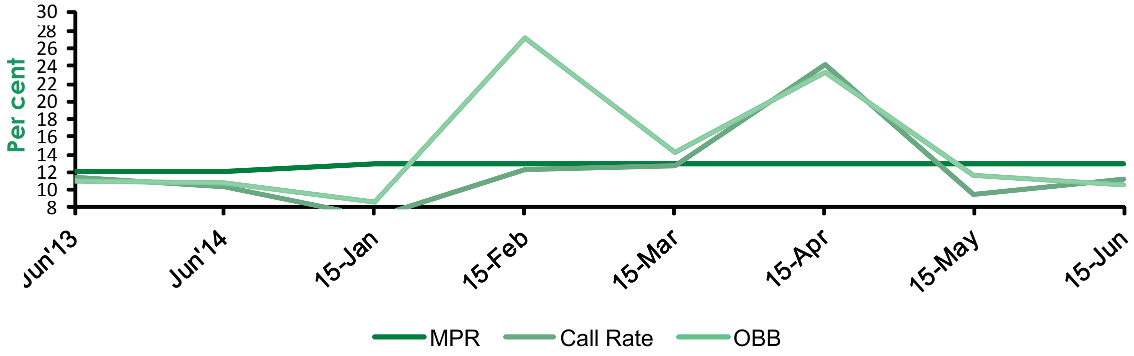
Table 18
Money Market Rates
(Per cent)

WEIGHTED AVERAGE				
Month	MPR	Call Rate	OBB	NIBOR 30-days
Jan-15	13.0	6.99	8.69	13.70
Feb-15	13.0	12.37	27.19	15.47
Mar-15	13.0	12.7	14.31	15.89
Apr-15	13.0	24.25	23.20	15.17
May-15	13.0	9.55	11.69	14.61
Jun-15	13.0	11.19	10.64	15.45
Average 2015 First Half	13.0	12.84	15.95	15.05
Average 2014 First Half	13.0	10.43	10.88	12.14

Source: CBN

The weighted average of the Nigeria Inter-bank Offered Rate (NIBOR) for the 30-day tenor was 15.05 per cent, compared with the 12.14 per cent in the corresponding half of 2014.

Figure 47
Money Market Rates
(Per cent)



Source: CBN

4.1.13.1 Money Market Rates

4.1.13.1.1 Deposit Rates

The average deposit rates fell at the end of the first half of 2015. Average term deposit rates declined by 0.37 percentage point to 8.22 per cent below the level in the corresponding half of 2014. Average rates on deposits of various maturities fell from a range of 4.82 to 9.99 per cent in the first half of 2014 to a range of 4.28 to 9.45 per cent at the end of the first half of 2015. The developments in interest rates followed the liquidity conditions in the banking system. With the year-on-year inflation rate at 9.2 per cent in June 2015, most deposit rates were negative in real terms.

4.1.13.1.2 Lending Rates

In the first half of 2015, the weighted average prime lending rate fell by 0.09 percentage point to 16.63 per cent, while average maximum lending rate rose by 0.91 percentage point to 26.4 per cent. Consequently, the spread between the average term deposits and maximum lending rates widened by 1.27 percentage points to 18.20 percentage points.

Table 19
DMBs Deposits and Lending Rates
(Per cent)

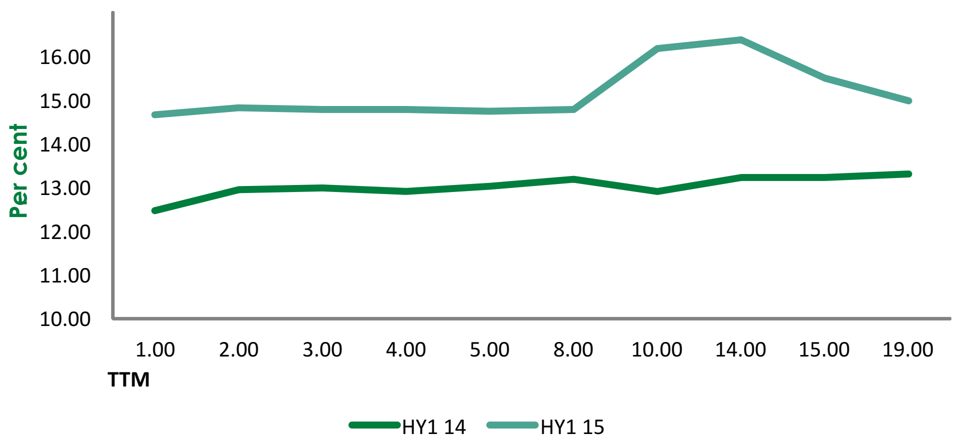
Month	Savings	Average Term Deposit	Prime Lending	Maximum Lending
Jan-15	3.48	8.66	16.9	26.0
Feb-15	3.47	8.61	16.8	26.3
Mar-15	3.76	8.34	16.9	26.6
Apr-15	3.60	7.23	16.0	26.4
May-15	3.60	7.37	16.1	26.4
Jun-15	3.60	9.14	17.24	26.84
Average 2015 First Half	3.58	8.23	16.63	26.43
Average 2014 First Half	3.36	8.59	16.7	25.52

Source: CBN

4.1.14 Yields on Fixed Income Securities

Average yields on fixed income securities were higher in the first half of 2015, compared with their levels in the corresponding period of 2014. The yield curve was flat in the short and medium segments, but slightly higher at the long-end. Overall, the yield curve was normal, but the spread between the long and short-term yields narrowed from 0.85 percentage point in 2014 to 0.32 percentage point in 2015. The higher yields in 2015 reflected investors' expectations arising from the restrictive monetary policy stance of the Bank.

Figure 48
Yield on Fixed Income Securities
(Per cent)



Source: CBN

4.1.15 Institutional Savings

Aggregate financial savings rose by 16.2 per cent to ₦12,819.5 billion in the first half of 2015, compared with ₦11,032.9 billion and ₦9,511.0 billion at the end of the preceding half year and the corresponding period of 2014, respectively. DMBs remained the dominant depository institutions in the financial system, accounting for 95.2 per cent of the total financial savings, compared with 90.0 per cent in the preceding half year. Other saving institutions, namely PMBs, life insurance companies, pension fund custodians, the Nigerian Social Insurance Trust Fund (NSITF), and MFBs accounted for the balance.

4.1.16 Other Financial Institutions

4.1.16.1 Development Finance Institutions

Provisional data indicated that total assets of the six (6) Development Finance Institutions (DFIs) namely: Bank of Industry (BOI); Federal Mortgage Bank of Nigeria (FMBN); Nigerian Export-Import Bank (NEXIM); Bank of Agriculture (BOA); the National Economic Reconstruction Fund (NERFUND) and The Infrastructure Bank (TIB) increased by 11.95 per cent to ₦986.8 billion at end-June 2015, compared with ₦881.5 billion at end-December 2014. Similarly, the aggregate net loans and advances of the institutions increased by 14.5 per cent to ₦805.70 billion, from ₦703.7 billion at end-December 2014. The increase relative to the preceding half year was attributed largely to the rise in the financial performance of the NERFUND. A disaggregation of the asset base of the institutions indicated that BOI, FMBN, NEXIM, BOA, NERFUND and TIB accounted for 66.5, 20.9, 5.6, 4.5, 1.7 and 0.8 per cent, respectively, of the total. Similarly, each of these institutions accounted for 72.7, 18.3, 5.0, 2.1, 1.8 and 0.2 per cent of the gross loans and advances, respectively.

4.1.16.2 Microfinance Banks (MFBs)

Provisional data indicated that the total assets/liabilities of the reporting MFBs increased to ₦356.03 billion at end-June 2015, compared with ₦300.73 billion at end-December 2014, reflecting an increase of 18.4 per cent. However, the paid-up capital decreased by 0.6 per cent to ₦81.94 billion from ₦82.44 billion at end-December 2014, while the shareholders' funds increased by 6.6 per cent to ₦97.03 billion at end-June 2015, compared with ₦91.01 billion at end-December 2014. The paid-up capital recorded in 2015 excluded the capital of MFBs in security-prone zone of the North East.

Total deposit liabilities and net loans and advances increased by 9.3 per cent each to ₦159.40 billion and ₦178.12 billion at end-June 2015, compared with ₦145.83 billion and N162.91 billion, respectively, at end-December 2014. Reserves of these institutions, also increased by ₦6.51 billion to ₦15.09 billion at end-June 2015, compared with ₦8.6 billion at end-December 2014.

Investible funds available to the sub-sector in the first half of 2015 amounted to ₦56.04 billion. The funds were sourced mainly from increase of ₦21.65 billion, ₦13.57 billion, ₦11.73 billion and ₦6.51 billion in long-term loans, deposit liabilities, other liabilities and reserves, respectively. The funds were utilised mainly to increase loans and advances (₦15.21 billion), bank balances (₦14.79 billion), other assets (₦ 8.84 billion), short term investments (₦ 7.59 billion) and placements with other banks (₦ 6.79 billion).

4.1.16.3 Discount Houses

Total assets/liabilities of the two (2) discount houses (DHs) in operation during the first half of 2015 increased by 31.1 per cent to ₦175.41 billion at end-June 2015, compared with ₦ 133.8 billion and ₦ 173.14 billion at the end of the preceding December and the corresponding period of 2014, respectively. Aggregate funds sourced amounted to ₦13.84 billion in the first half of 2015, compared with ₦19.17 billion and ₦23.34 billion at end-December 2014 and the corresponding period of 2014, respectively. The funds were sourced, mainly, from increase in other liabilities (₦10.24 billion), borrowings (₦1.15 billion) and drawdown on capital and reserves (₦963.30 million) as well as disposal of other assets (₦1.2 billion). The funds were utilised to increase claims on Federal Government (₦7.01 billion) and claims on banks (₦ 6.07 billion). Discount houses' investment in Federal Government securities amounted to ₦67.16 billion in the review half year, representing 59.2 per cent of their total liabilities. This was 0.8 percentage point below the prescribed minimum level of 60.0 per cent for fiscal year 2015.

4.1.16.4 Finance Companies (FCs)

Two finance companies were licensed during the review period, bringing the number of FCs in operation to 66 at end-June 2015, compared with 64 at end-December 2014. Provisional data indicated that total assets/liabilities of the FCs increased to ₦128.32 billion at end-June 2015, compared with ₦119.60 billion at end-December 2014, reflecting an increase of 7.3 per cent. Similarly, paid-up capital increased by 6.5 per cent to ₦17.2 billion, compared with ₦16.1 billion at end-December 2014. However, reserves decreased by 21.4 per cent to ₦1.8 billion at end-June 2015, compared with ₦2.337 billion at end-December 2014, owing, largely, to the poor performance for the financial year ended December 31, 2014. Borrowings and loans/advances increased by 9.7 and 12.9 per cent to ₦ 75.1 billion and ₦55.1 billion, respectively, at end-June 2015, compared with ₦ 68.42 billion and ₦48.81 billion at end-December 2014.

Investible funds available to the sub-sector in the first half of 2015 amounted to ₦14.7 billion. The funds were sourced mainly from increase in borrowings (₦6.7 billion), other liabilities (₦3.7 billion), reduction in placements (₦1.27 billion) and investments (₦1.4 billion), among others. The funds were utilised mainly to increase loans and advances

(₦6.27 billion), other assets (₦2.95 billion), fixed assets (₦2.70 billion) and repayment of long-term loans (₦2.2 billion).

4.1.16.5 Primary Mortgage Banks (PMBs)

The number of primary mortgage banks (PMBs) in operation decreased from 42 at end-December 2014 to 36 at end-June 2015, following the failure by six (6) out of the ten (10) PMBs granted additional time to meet the recapitalisation deadline. Thus, the number of PMBs with national authorisation remained at ten (10) at end-June 2015, while PMBs with state authorisation decreased to twenty-six (26) from 32 at end-December 2014.

The total assets/liabilities of PMBs increased by 7.5 per cent to ₦418.1 billion at end-June 2015, compared with ₦389.0 billion at end-December 2014. This was attributed to net growth in activities in the review period. Total loans and advances, deposit liabilities and liquid assets of the PMBs increased by 13.3, 7.6 and 20.9 per cent to ₦150.7 billion, ₦146.2 billion and ₦99.01 billion, respectively, at end-June 2015, compared with ₦133.0 billion, ₦135.8 billion and ₦81.89 billion at end-June 2014. However, the paid-up capital and aggregate reserves declined to ₦113.31 billion and ₦22.77 billion, compared with ₦121.70 billion and ₦24.10 billion at end-December 2014, occasioned mainly by the revocation of licences of 6 PMBs that failed to meet the recapitalisation requirements as at December 31, 2014. Consequently, shareholders' funds fell by ₦9.7 billion to ₦136.08 billion at end-June 2015, compared with ₦145.8 billion at end-December 2014, reflecting a decrease of 6.7 per cent.

Investible funds available to the sub-sector in the first half of 2015 amounted to ₦50.8 billion. The funds were sourced mainly from contraction in investments (₦10.7 billion), increase in deposit liabilities (₦10.35 billion), recovery of long-term loans (₦17.16 billion) and other liabilities (₦9.2 billion). The funds were utilised mainly to increase bank balances (₦17.91 billion), loans and advances (₦17.7 billion), paid-up capital (₦8.4 billion) and other assets (₦ 5.4 billion).

4.1.16.6 Asset Management Corporation of Nigeria (AMCON)

The President of the Federal Republic of Nigeria, on May 26, 2015 signed into law the AMCON Amendment Act 2015. The Amended Act was to strengthen the powers of the Corporation to execute its core mandate. The Amended Act also institutionalised a Banking Sector Resolution Cost Fund in which deposit money banks and the CBN make annual contributions to meet any shortfall in the funding of the resolution costs for the 2008/2009 banking crisis. The Corporation made recoveries of ₦54.1 billion, while contributions to the Banking Sector Resolution Cost Fund stood at ₦176.99 billion at end-June 2015.

4.1.16.7 Nigerian Mortgage Refinance Company (NMRC)

Following the approval of the Managing Director/Chief Executive Officer of the NMRC by the Bank on December 18, 2014, the NMRC was granted a final licence to operate as a Mortgage Refinance Company on February 18, 2015. Thereafter, NMRC published its Uniform Underwriting Standards that would be applied by mortgage originators as a pre-condition for refinancing. It also appointed four (4) audit firms to evaluate the legacy mortgages for refinancing.

Furthermore, the CBN processed and obtained no objection from the World Bank for the disbursement of a second tranche of US$10 million to the NMRC, bringing a cumulative sum of US$30 million disbursed by the Bank to the NMRC as at June 30, 2015. The CBN also approved a request from the NMRC for no objection to raise ₦140 billion through the issuance of bonds. The first series of ₦10 billion bonds were issued during the review period, paving the way for the refinancing of legacy mortgages by the NMRC.

The Bank received Expressions of Interest (EOIs) from 14 MFBs that had indicated willingness to participate in the pilot Housing Microfinance (HMF) scheme during the review period. A Term of Reference (ToR) was also developed for advertisement and recruitment of a senior HMF Expert for the National Housing Fund (NHF) consultancy service. The Consultant completed the review of the EOIs and submitted the final report on June 21, 2015. The national housing fund programme was expected to review the final report and select up to 8 MFBs to pilot the Scheme and also engage a firm as the Task Manager to implement the report on the selected MFBs, as well as prepare the draft technical agreement for execution of the pilot Scheme by the selected MFBs.

4.1.17 Capital Market Developments

4.1.17.1 Institutional Developments

During the first half of 2015, series of reforms and policy initiatives were undertaken in the capital market by the regulatory authorities. These were aimed at repositioning and restoring investor confidence in the market to enable it play its role of wealth creation and allocation of resources to competitive sectors, stabilising and nurturing the market and revamping the Nigerian economy in the face of current harsh global economic conditions.

The Securities and Exchange Commission (SEC), as part of its effort to reposition the capital market, implemented, among others, a new code of corporate governance, to strengthen the mechanism for Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) in the market. The Corporate Governance requires all public companies to disclose meaningful and relevant information to the public and the implementation of good accounting practices to ensure compliance with the international financial reporting standards (IFRS). Compliance with the code has become mandatory for quoted companies.

The Commission reconstituted the Administrative Proceedings Committee for Dispute Resolution in the market. The Commission also strengthened its working relationships with other law enforcement agencies, especially the Federal Ministry of Justice, the Economic and Financial Crimes Commission (EFCC) and the Nigeria Police.

A robust draft of Complaints Management Framework was completed and exposed to the market for comments during the review period. The Framework was part of the Commission's strategic effort to strengthen and encourage Self-Regulatory Organisations (SROs) and trade groups to play a greater role in resolving complaints in the market. The Framework would ensure that investor complaints were dealt with dispatch.

The Commission amended and introduced a number of new rules into the market, covering areas such as securitisation, securities lending and borrowing, and ethical/Islamic fund. Also, rules on Trading of Unlisted Securities, which mandates the trading of unlisted securities of public companies exclusively on SEC-Registered Over–The-Counter (OTC) platforms, were released during the review period. This was expected to improve the level of price discovery, liquidity, transparency and best practice in the Nigerian capital market. In addition, rule on Code of Conduct, which introduced zero tolerance for infractions in the market, was released for all categories of market operators, including Rating Agencies, Underwriters and Trustees.

An electronic financial reporting template for Capital Market Operators (CMOs) was developed during the first half of the year. This has facilitated efficient rendition and review of all financial returns of CMOs, thus making the market more transparent and attractive to investors. The Commission also released new rules on demutualisation to enhance liquidity, price discovery and good corporate governance.

The Commission collaborated with the West African Monetary Institute (WAMI) and integrated the Nigerian Capital Market into the West African Capital Market Integration (WACMI) programme during the first half of 2015. The objective of the market integration was to establish a harmonised regulatory environment for the issuance and trading of financial securities across the region.

The Commission, in collaboration with the United States SEC and USAID, organised training workshop for financial and capital market operators on global best practices in the development and regulation of capital markets. The Commission continued to leverage on its strategic relationships with other International Organisations of Securities Commissions (IOSCO), the US SEC on capital market development issues. The SEC was re-elected to chair the Africa Middle East Regional Committee (AMERC). The Commission was also admitted as a full member of the Islamic Financial Services Board (IFSB). This was expected to boost the non-interest market products within the regions.

4.1.17.2 The Nigerian Stock Exchange (NSE)

Activities on the Nigerian Stock Exchange recorded mixed developments in the first half of 2015. In the primary market segment, there were six (6) new issues, comprising one (1) initial public offering (IPO), two (2) rights issues and three (3) private placements. In the debt securities segment, there were twelve (12) new issues, comprising three (3) corporate bonds and nine (9) sub-national bonds.

In the secondary segment of the market, the aggregate volume and value of securities traded fell by 4.3 and 4.0 per cent to close at 50.5 billion shares valued at ₦557.0 billion, compared with 52.8 billion shares valued at ₦ 579.3 billion, recorded in the corresponding period of 2014, respectively. The All-Share Index (ASI) fell by 3.5 per cent to 33,456.83, while aggregate market capitalisation rose by 1.2 per cent to close at ₦17.0 trillion, compared with 34,657.15 and ₦16.87 trillion at end-December 2014.

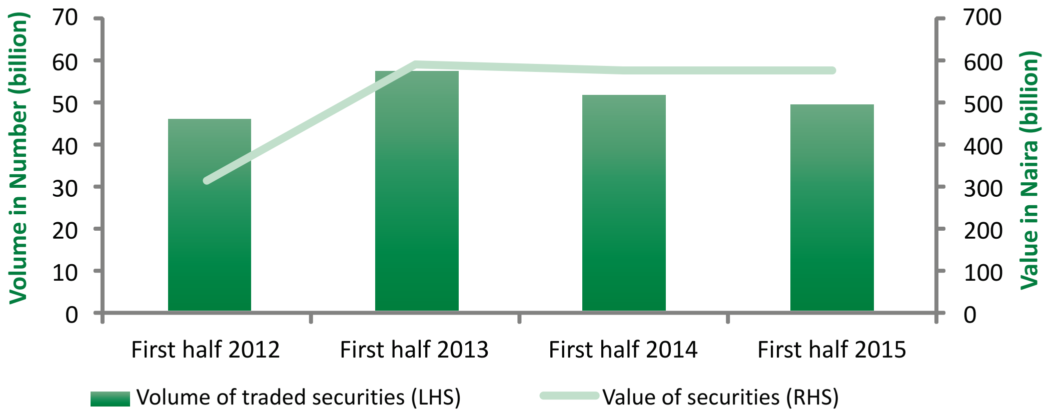
4.1.17.3 New Issues Market

The Exchange recorded eighteen (18) new listings, consisting of six (6) equities and twelve (12) debt issues in the first half of 2015. The new equity issues comprised one (1) IPO, two (2) rights issues, and three (3) Private Placements. Three (3) Corporate Bonds and nine (9) sub-national bonds were issued in the debt securities market in the review period. A total of ₦150.2 billion was raised from all the new listings, with the bulk, ₦119.0 billion (79.1 per cent) in debt securities, while the equities issuance accounted for the balance of ₦31.2 billion (20.8 per cent).

4.1.17.4 The Secondary Market

Available data indicated that transactions on the secondary segment of the Nigerian Stock market declined in the first half of 2015. Aggregate volume and value of securities traded fell by 4.3 and 4.0 per cent to close at 50.5 billion shares valued at ₦557.0 billion, respectively, compared with 52.8 billion shares valued at ₦579.30 billion, recorded in the corresponding period of 2014. The equities sub-sector sustained its dominance in the secondary segment of the market as it accounted for 88.0 per cent of the aggregate trade transactions, while the debt market accounted for the balance. Sectoral analysis of the developments in the market indicated that the financial services sector (driven largely by activities in the banking sub-sector, constituting 59.3 and 76.0 per cent in terms of volume and value of transactions, respectively) remained the most active on the Exchange with a traded volume of 39.83 billion shares, valued at ₦283.95 billion in 313,997 deals, compared with 39.4 billion shares, valued at ₦305.8 billion in 335,956 deals recorded in the first half of 2014.

Figure 49
Volume and Value of Transactions at the NSE

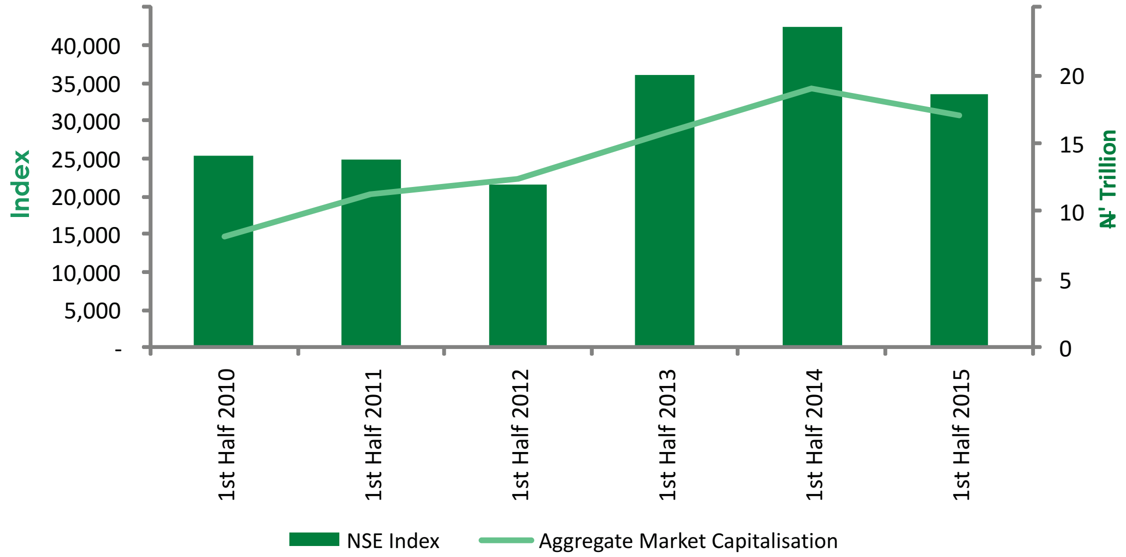


Source: Securities and Exchange Commission (SEC)/Nigerian Stock Exchange (NSE)

4.1.17.5 All-Share Index and Aggregate Market Capitalisation

The All-Share Index (ASI) recorded moderate performance relative to the level at end-December 2014. The NSE ASI fell by 3.5 per cent to 33,456.83 at the end of the first half of 2015, compared with 34,657.15 at end-December 2014. Similarly, it indicated 21.2 per cent decline, compared with the level at the end of the first half of 2014. Aggregate market capitalisation of all the listed securities closed at ₦17.01 trillion, indicating an increase of 1.2 per cent over the levels at end-December 2014, but fell by 10.8 per cent from the level at the end of the corresponding period of 2014. Listed equities accounted for 67.2 per cent of the aggregate market capitalisation (₦11.43 trillion), while the debt component accounted for the balance of 32.8 per cent (₦5.58 trillion). The top twenty (20) most capitalised companies on the Exchange accounted for 83.6 per cent (₦9.6 trillion) of the total equity capitalisation and 56.1 per cent of the aggregate (equity plus debt) market capitalisation. Six (6) banks, representing 30.0 per cent, made the list of the top twenty (20) most capitalised companies and accounted for ₦2.2 trillion (19.3 per cent) of the total equity market capitalisation, the same as in the corresponding period of 2014. As a percentage of estimated nominal GDP, aggregate market capitalisation stood at 38.4 per cent, compared with 45.1 per cent recorded at end of the first half of 2014. The development was attributed to the unimpressive performance of blue chip companies listed on the exchange.

Figure 50
Aggregate Market Capitalisation and NSE Value Index



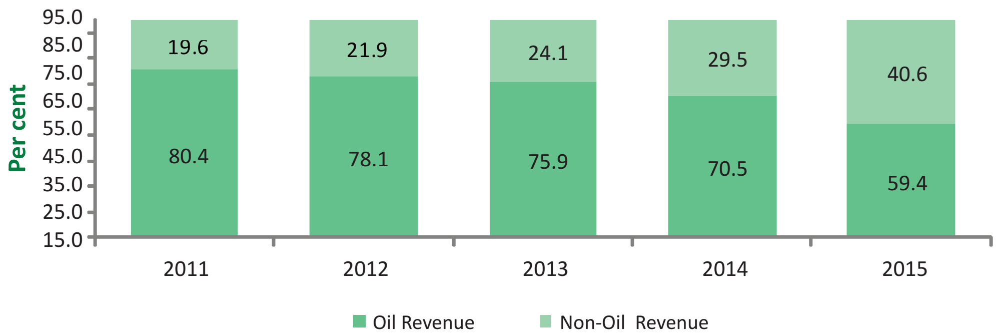
Source: SEC/NSE

4.2 FISCAL OPERATIONS

4.2.1 Federation Account Operations

Provisional gross federally-collected revenue[3] in the first half of 2015 stood at ₦3,452.84 billion or 7.8 per cent of GDP[4]. The amount was lower than the proportionate budget estimate and the level in the corresponding period of 2014 by 29.4 and 32.4 per cent, respectively. The drop in federally-collected revenue relative to the budget estimate was due to the decline in oil and non-oil revenue sources. Of the total revenue, oil revenue constituted 59.4 per cent, while non-oil revenue accounted for the balance of 40.6 per cent.

Figure 51
Structure of Gross Federation Revenue
(First Half 2011 - 2015, Per cent)

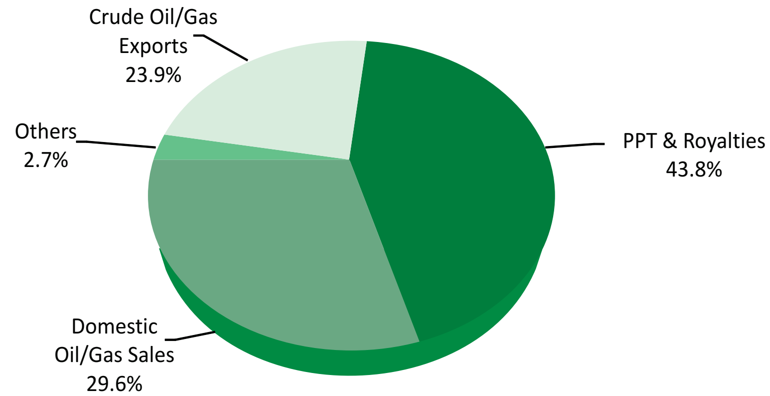


***Sources:** Computation based on data from: The Office of Accountant General of the Federation (OAGF) and the Federal Ministry of Finance (FMF*

[3] Earnings lodged in Federation Account by virtue of Section 161 of the Federal Republic of Nigeria Constitution 1999 as amended
[4] 2015 Half Year estimates

At ₦ 2,049.78 billion or 4.6 per cent of GDP, gross oil revenue fell short of the proportionate budget estimate and the level in the first half of 2014 by 24.5 and 43.1 per cent, respectively. The drop in oil revenue relative to the budget estimate was attributed to the persistent decline in prices of crude oil in the international market alongside pervasive pipeline vandalism and oil theft in the Niger Delta region which hindered production and exports during the period.

Figure 52
Composition of Oil Revenue
(First Half 2015, Per cent)



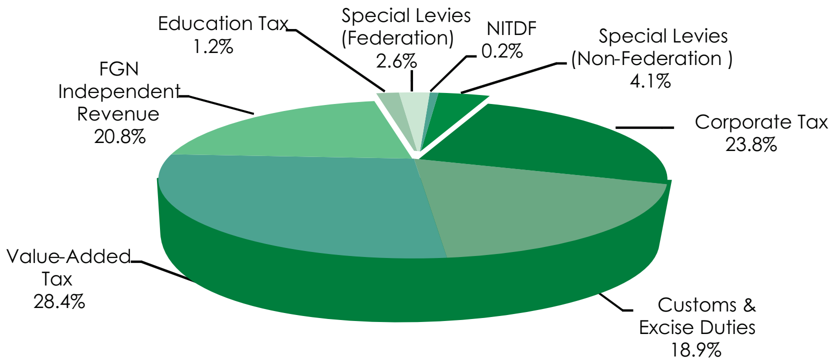
Sources: Computation based on data from the OAGF and the FMF

Of the total oil revenue, the sums of ₦383.66 billion and ₦13.52 billion were utilised for Joint Venture Capital (JVC) calls and Department of Petroleum Resources (DPR) cost of collection, respectively, while ₦15.50 billion and ₦37.98 billion was transferred to the Excess PPT/Royalty Account and Others[5], respectively. The balance of ₦1,599.12 billion was, therefore, retained in the Federation Account for distribution to the three tiers of government and the 13% Derivation Fund.

Gross revenue from non-oil sources, at ₦1,403.06 billion or 3.2 per cent of GDP, was below the proportionate budget estimate and the level in the corresponding period of 2014 by 35.4 and 6.8 per cent, respectively. The drop in non-oil revenue relative to the budget estimate was largely attributed to the decline in receipts from corporate tax. The gross non-oil revenue comprised Value Added Tax (VAT), ₦398.84 billion (28.4%); Corporate Tax, ₦334.30 billion (23.8%); FGN Independent Revenue, ₦290.93 billion (20.8%); Customs and Excise Duties, ₦265.67 (18.9%) and other transfers[6], ₦113.32 billion (8.1%).

[5]Oil Excess Revenue, NNPC Refunds

Figure 53
Composition of Non-Oil Revenue
(First Half 2015, Per cent)

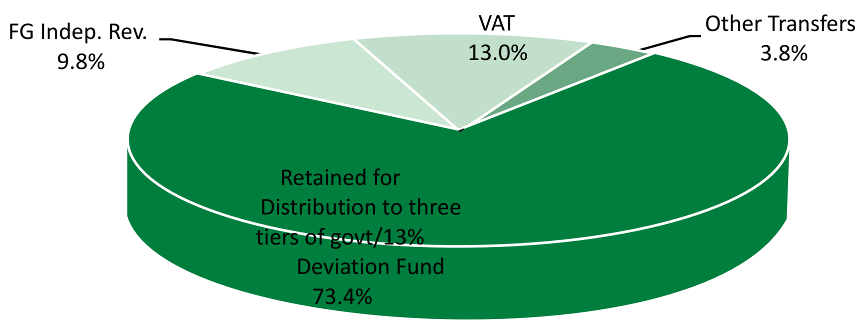


Sources: Staff computation based on data from the OAGF and the FMF

The sum of ₦48.54 billion was deducted from the non-oil revenue as Federal Inland Revenue Service (FIRS) and Nigeria Custom Service (NCS) cost of collection, leaving a distributable balance of ₦1,354.52 billion.

Overall, of the ₦2,953.64 billion federally-collected revenue (net); the sum of ₦382.88 billion (13.0%), ₦290.93 billion (9.8%), and ₦113.32 billion (3.8%) were transferred to the VAT Pool Account, Consolidated Revenue Fund Account (FG Independent Revenue) and Other Transfers, respectively. The balance of ₦2,166.51 billion (73.4%) was retained in the Federation Account for distribution to the three tiers of government and the 13% Derivation Fund.

Figure 54
Composition of Federally Collected Revenue (Net)
(First Half 2015, Per cent)



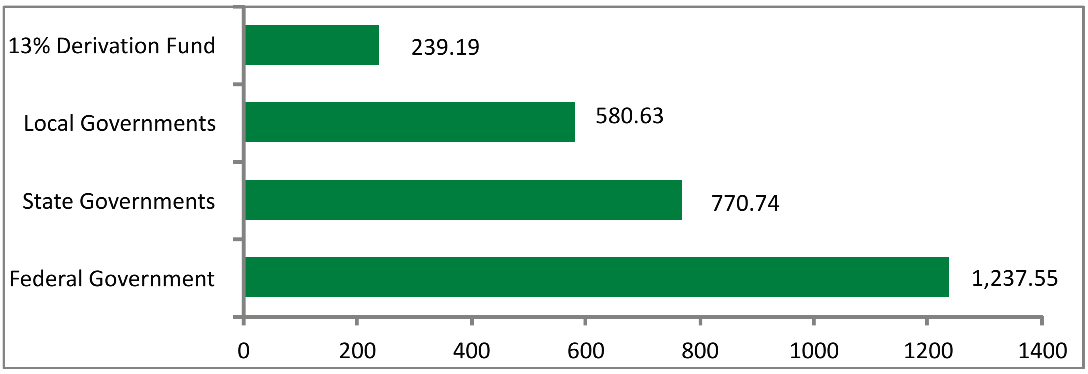
Sources: Staff computation based on data from the OAGF and the FMF

[6]Included Education Tax Fund, Customs Special Levies (Federation and Non-Federation) and National Information Technology Development Fund (NITDF).

4.2.1.1 Revenue Distribution

Statutory revenue distributed to the three tiers of government and the 13% Derivation Fund[7] amounted to ₦2,828.11 billion in the first half of 2015. This was below the proportionate budget estimate of ₦3,742.95 billion for 2015 and the statutory revenue in the first half of 2014 by 24.4 and 24.7 per cent, respectively. The amount comprised Federation Account (including exchange rate gain, NNPC refunds, Excess Crude and NNPC additional revenue), VAT Pool Account of ₦2,445.23 billion (86.5%) and ₦382.88 billion (13.5%), respectively.

Figure 55
Cummulative Distributions to the Tiers of Government and 13% Derivation Fund
(First Half 2015, ₦' Billion)



Sources: Staff computation based on data from the OAGF and the FMF

4.2.1.1.1 Federation Account Distribution

Distribution from the Federation Account to the three tiers of government in the first half of 2015 was as follows: Federal Government, ₦1,031.80 billion; state government, ₦523.34 billion; and local government, ₦403.48 billion. The balance of ₦207.89 billion was shared as the 13% Derivation Fund among the oil producing states.

The Federal Government received the sum of ₦96.44 billion, while the states and local governments as well as the 13% Derivation Fund got ₦48.92 billion, ₦37.71 billion and ₦27.36 billion, respectively, from exchange rate gain. In addition, the Federal Government received ₦37.98 billion as NNPC refund. Furthermore, the share from the Excess Crude and the NNPC additional revenue was allocated as follows: Federal Government, ₦7.16 billion and ₦6.73 billion; state governments, ₦3.63 billion and ₦3.41

[7] Fund set aside from oil revenue for the oil producing states..

billion; local governments, ₦2.80 billion and ₦2.63 billion; and, the 13% Derivation Fund, ₦2.03 billion and ₦1.91 billion.

4.2.1.1.2 VAT Pool Account[8]

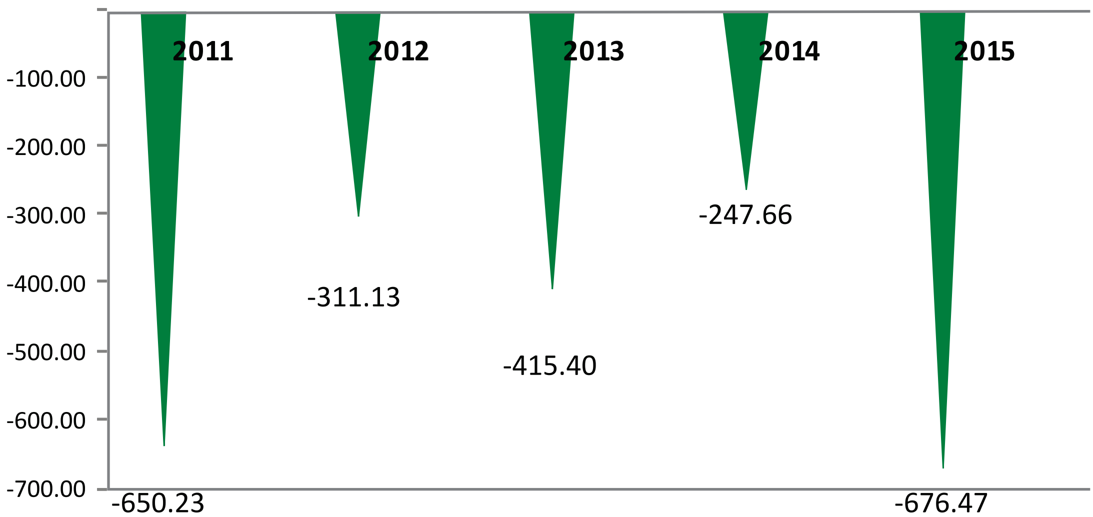
The sum of ₦382.88 billion accrued to the VAT Pool Account in the first half of 2015, representing a decrease of 37.9 per cent below the proportionate budget estimate for the fiscal year. The distribution among the three tiers of government was as follows: Federal Government, ₦57.43 billion; state governments, ₦191.44 billion; and local governments, ₦134.01 billion.

4.2.2 Federal Government Finances

4.2.2.1 Federal Government Fiscal Balance

The fiscal operations of the Federal Government in the first half of 2015 resulted in an overall deficit of ₦676.47 billion or 1.5 per cent of GDP compared with the proportionate budget estimate and corresponding period of 2014 deficits of ₦520.50 billion and ₦247.66 billion or 0.6 per cent of GDP, respectively. The deficit was financed mainly with overdraft from the CBN and the issuance of FGN Bonds.

Figure 56
FGN Fiscal Balance
(First Half 2011 - 2015, N' Billion)



Source: Staff computation based on data from the OAGF and the FMF

[8] Shared as follows: Federal (15.0%); States (50.0%) and local governments (35.0%)

4.2.2.2 Federal Government Retained Revenue

At ₦1,583.19 billion or 3.6 per cent of GDP, the retained-revenue of the Federal Government was lower than the proportionate budget estimate and the level in the first half of 2014 by 14.8 and 15.8 per cent, respectively. The development relative to the proportionate budget estimate was attributed largely, to the drop in the share from Federation Account. A breakdown of the retained-revenue revealed that the share from the Federation Account was ₦1,180.11 billion (74.5%), the Federal Government Independent Revenue, ₦290.93 billion (18.4%); VAT Pool Account, ₦57.43 billion (3.6%) and "Others", ₦54.72 billion(3.5%), respectively.

The share from the Federation Account included current federation revenue, ₦1,031.80 billion (87.4%); exchange rate gain, ₦96.44 billion (8.2%); NNPC refunds, ₦44.71 billion (3.8%); and Excess Crude, ₦7.16 billion (0.6%).

Figure 57
Composition of Federal Government Retained Revenue
(First Half 2015, Per cent)

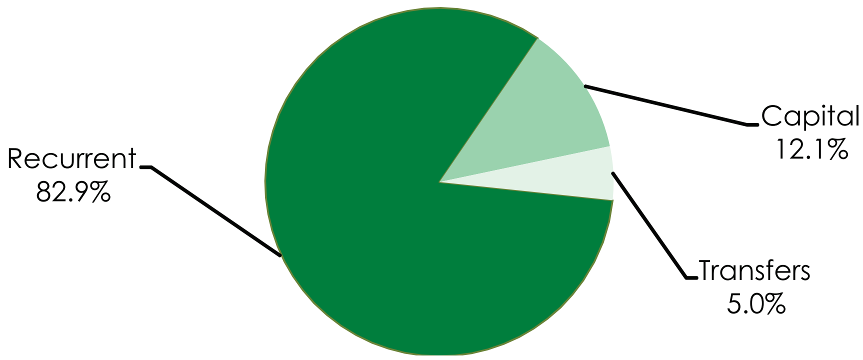
Sources: Staff computation based on data from the OAGF and the FMF

4.2.2.3 Total Expenditure of the Federal Government

The aggregate expenditure of the Federal Government in the first half of 2015 was ₦2,259.66 billion or 5.1 per cent of GDP. This was below the proportionate budget estimate by 5.0 per cent. However, it exceeded the level in the corresponding period of 2014 by 6.2 per cent. The development relative to the proportionate budget estimate largely reflected the decline in statutory transfers during the period. Non-debt expenditure was below the proportionate budget estimate by 12.4 per cent and constituted 73.8 per cent of the total expenditure. Total debt service amounted to ₦592.17 billion, representing 26.2 per cent of the total expenditure.

[9] Includes FGN balance of special accounts, transfers to CRF and payments to FGN and other statutory benefits

Figure 58
Composition of Federal Government Expenditure
(First Half 2015)



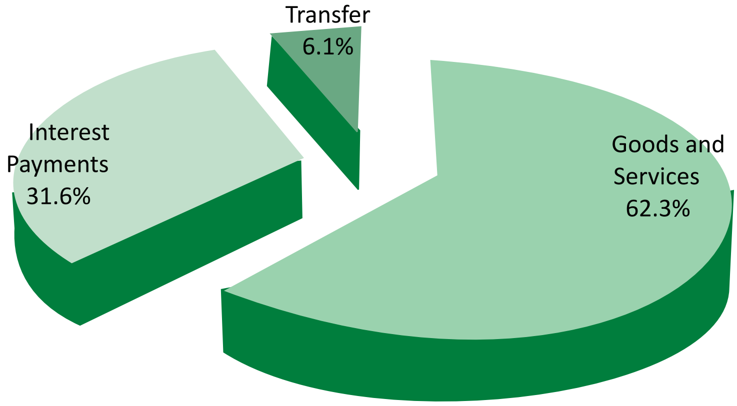
Sources: Staff computation based on data from the OAGF

At ₦1,872.80 billion, recurrent expenditure fell by 1.6 per cent below the proportionate budget estimate and accounted for 82.9 per cent of the total expenditure. As a percentage of GDP, recurrent expenditure was 4.2 per cent, compared with 3.8 per cent in the first half of 2014. A breakdown of the recurrent expenditure showed that the goods and services component, at ₦1,166.06 billion (62.3% of the total)fell below the half year budget estimate by 10.5 per cent. This was due mainly to the reduction in goods and services, in particular, personnel cost, which dropped below the half year budget estimate by 6.0 per cent. Further analysis of the goods and services component showed that personnel cost and pensions amounted to ₦956.16 billion (82.0%), while overhead cost was ₦209.90 billion (18.0%).

Furthermore, interest payment[10], which was 31.6 per cent of the total or 1.3 per cent of GDP, rose by 24.2 per cent to ₦592.17 billion, relative to the proportionate budget estimate for 2015. Of the amount, ₦35.82 billion (6.0%) and ₦556.35 billion (94.0%) were expended on external and domestic debt service, respectively. Transfers to special funds (FCT, Stabilisation Fund, Development of Natural Resources and Ecology Fund) and "Others" accounted for ₦114.57 billion or 6.1 per cent of the recurrent expenditure.

[10]Included interest payments on CBN Overdraft

Figure 59
Economic Classification of FG Recurrent Expenditure
(First Half 2015, Per cent)



Sources: Staff computation based on data from the OAGF

The functional classification of recurrent expenditure showed that the outlay on administration was ₦607.41 billion and accounted for 32.4 per cent of the total. When compared with the corresponding period of 2014, it rose by 18.5 per cent largely due to the rise in allocations to defence and internal security. Also, spending on economic services sector increased by 15.8 per cent to ₦123.33 billion and was 6.6 per cent of the total. In addition, outlay on social and community services sector increased by 15.6 per cent to ₦339.31 billion and accounted for 18.1 per cent of the total, while "transfers" rose by 15.1 per cent to ₦802.75 billion and constituted 42.9 per cent of the total. The increase was attributed to the rise in pension and gratuities.

Capital expenditure at ₦274.53 billion or 0.6 per cent of GDP, was lower than the proportionate budget estimate by 5.0 per cent, reflecting the slow pace of budgetary capital releases during the period. Also, it accounted for 12.1 per cent of the total expenditure. As a proportion of Federal Government revenue, capital expenditure, at 17.3 per cent was slightly below the stipulated minimum target of 20.0 per cent under the WAMZ secondary convergence criteria.

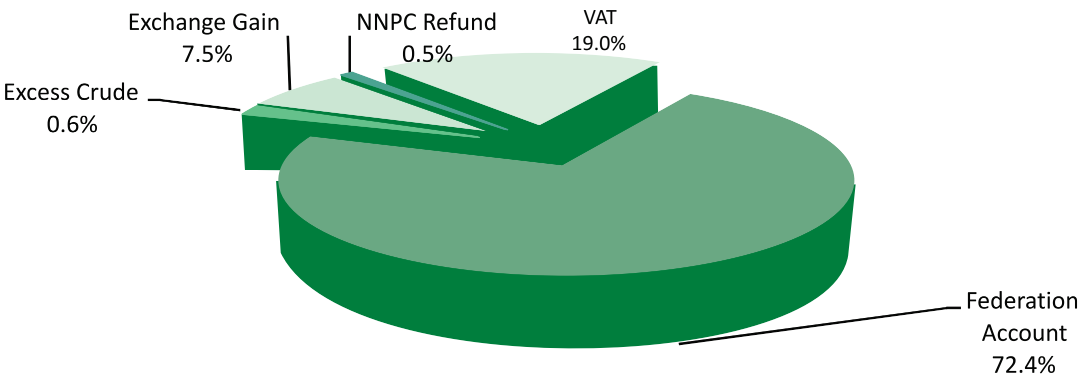
Analysis by functional classification of capital expenditure showed that outlays in the economic sector was ₦112.05 billion or 40.8 per cent of the total, compared with 40.4 per cent in the preceding period. Administration accounted for 38.8 per cent, while public investments in social and community services, and transfers constituted 15.8 and 4.6 per cent of the total, respectively.

Statutory transfers at ₦112.33 billion or 0.3 per cent of GDP fell by 40.2 per cent, compared with the proportionate budget estimate and accounted for 5.0 per cent of the total expenditure.

4.2.3 State Government Finances

Aggregate statutory allocations to state governments from the Federation Account (including Excess Crude, Exchange Gain and NNPC Additional Revenue)[11] and VAT Pool Account amounted to ₦1,009.93 billion in the first half of 2015. This was 23.9 and 25.8 per cent below the proportionate budget estimate and the level in the corresponding period of 2014, respectively. A breakdown showed that allocation from the Federation Account was ₦731.23 billion (72.4%); Excess Crude, ₦5.67 billion (0.6%), Exchange Gain, ₦76.27 billion (7.5%); NNPC Additional Revenue, ₦5.32 billion (0.5%) and VAT Pool Account, ₦191.44 billion (19.0%).

Figure 60
Composition of Total Allocations to State Governments (First Half 2015)



Source: Staff computation based on data from the FMF

The sum of ₦107.06 billion was, however, deducted as state governments' contractual obligations[12] from their share of Federation Account, leaving a net distributable balance of ₦624.17 billion. Of the net sum, ₦384.99 billion was distributed to the 36 states of the federation and the balance of ₦239.18 billion, being 13% Derivation Fund, was allocated to the oil-producing states.

The allocations to the states from the VAT Pool Account, represented a decrease of 2.2 per cent below the level in the first half of 2014, and that from the Federation Account showed a decrease of 32.8 per cent. Consequently, the net statutory allocation to states

[11] Includes allocation to the 13% Derivation Fund

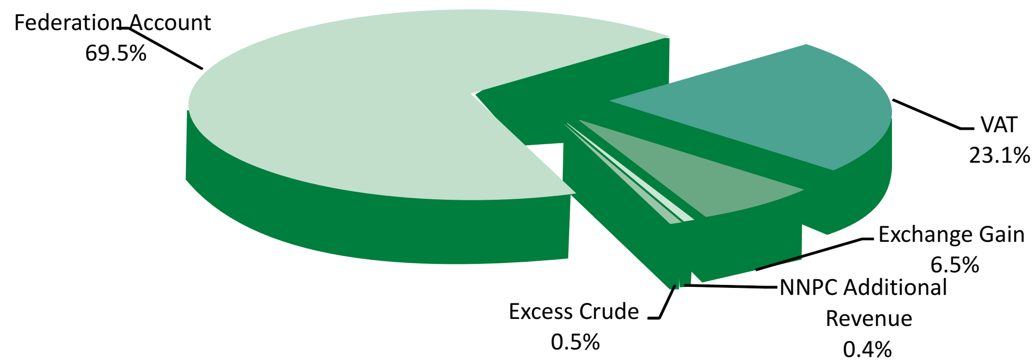
[12] Included contribution to external debt service fund, payments for fertilizer, State Agricultural Project, National Fadama Project and the National Agricultural Technology Support Programme.

(including the 13% Derivation Fund) was 28.0 per cent below the level in the first half of 2014. Further analysis of the state governments' allocation showed that Akwa Ibom, Delta and Rivers States received 8.9, 7.7 and 6.7 per cent of the total, respectively. Conversely, Ebonyi, Kwara, and Ekiti States got the least of approximately 1.7 per cent each.

4.2.4 Local Government Finances

Aggregate statutory allocation to the 774 local governments from the Federation Account (including NNPC Additional Revenue, Excess Crude and Exchange Gain) and VAT Pool Account was ₦580.63 billion in the first half of 2015, indicating a decline of 27.9 and 23.9 per cent below the proportionate budget estimate and the level in the first half of 2014, respectively. A breakdown indicated that allocations from the Federation Account was ₦403.48 billion (69.5%); VAT Pool Account, ₦134.01 billion (23.1%); Exchange Gain, ₦37.71 billion (6.5%); distribution from the Excess Crude, ₦2.80 billion (0.5%); and NNPC Additional Revenue, ₦2.63 billion (0.4%). A further analysis on state basis showed that Lagos, Kano and Katsina States received 6.2, 5.6 and 4.2 per cent of the total, respectively, while Ebonyi, Gombe and Bayelsa states got 1.6, 1.5 and 1.2 per cent, respectively.

Figure 61
Composition of Statutory Allocations to Local Governments (First Half 2015)



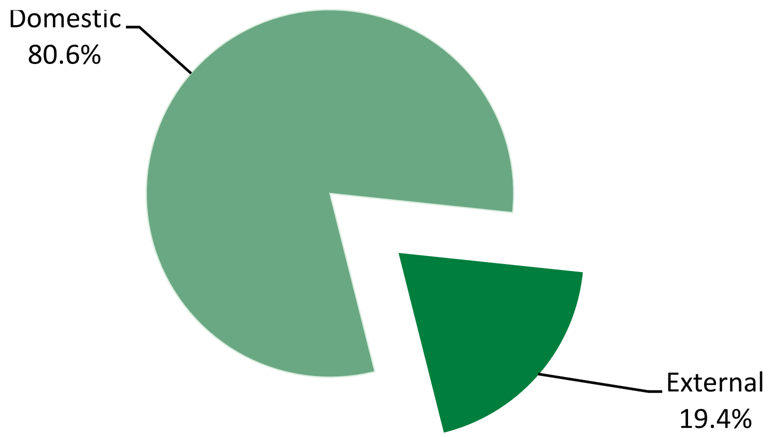
Source: Staff computation based on data from the FMF

4.2.5 Public Debt

4.2.5.1 Consolidated Federal Government Debt

The consolidated debt stock of the Federal Government at end-June 2015 was ₦10,428.49 billion or 11.8 per cent of GDP. This represented an increase of 9.4 per cent over the level at end-December, 2014. Of the total debt stock, domestic debt was ₦8,396.59 billion or 80.5 per cent, while the external debt amounted to ₦2,031.90 billion (US$10.32 billion) or 19.5 per cent of the total.

Figure 62
Composition of Federal Government Consolidated Debt
(First Half 2015)



Source: Staff computation based on data from the Debt Management Office (DMO)

4.2.5.2 Domestic Debt

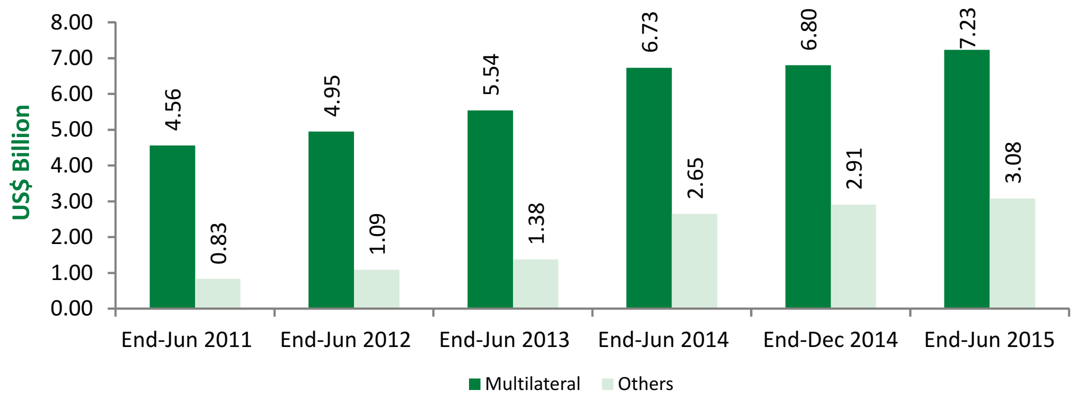
At ₦8,396.59 billion or 9.5 per cent of GDP, the Federal Government securitised domestic debt for end-June 2015 was above the level as at end-December 2014 by 6.2 per cent. The increase was due to the issuance of additional FGN Bonds and Nigerian Treasury Bills (NTBs). Consequently, the stock of FGN Bonds and NTBs increased by 10.6 and 0.3 per cent, respectively, above the level at end-December, 2014.

Further analysis indicated that the holders of the total outstanding domestic debt instruments were: banking system, 71.9 per cent; the non-bank public, 23.4 per cent; and the Sinking Fund, 4.7 per cent.

4.2.5.3 External Debt

Total external debt stock (Federal and states, including the Federal Capital Territory) at end-June 2015 was US$10.32 billion or 2.3 per cent of GDP. This represented an increase of 6.2 per cent above the level at end-December 2014, reflecting additional multilateral and bilateral loans of US$433.5 million and US$171.9 million, respectively. A decomposition by holders indicated that 70.1 per cent of the total debt stock was owed to the multilateral creditors, while the balance of 29.9 per cent was non-Paris bilateral and commercial debt.

Figure 63
Breakdown of External Debt Stock
(First Half 2011 - 2015, and End-Dec 2014, US$ Billion)

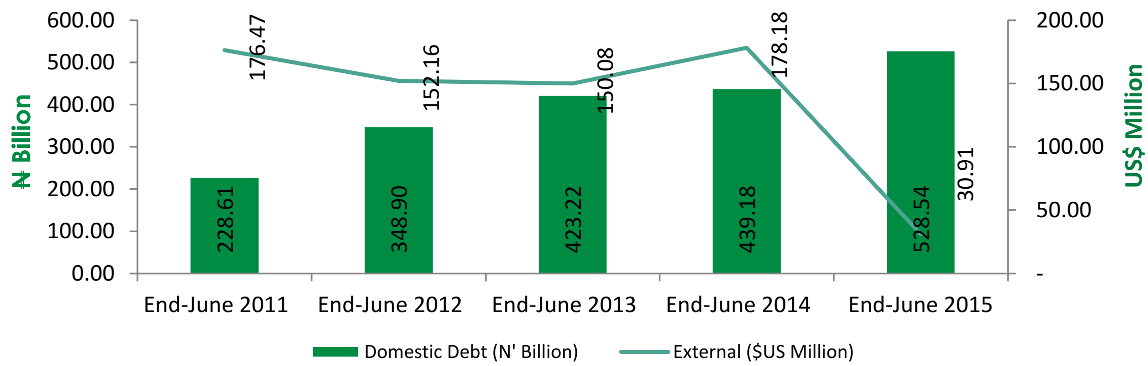


Sources: Staff computation based on data from the Debt Management Office (DMO)

4.2.5.4 Total Debt Service

The consolidated debt service of the Federal Government at end-June 2015 stood at ₦559.45 billion or 1.3 per cent of GDP, representing an increase of 19.7 per cent above the level at end-June 2014. Principal repayment (amortisation) accounted for ₦32.26 billion or 5.8 per cent, while the balance of ₦527.19 billion or 94.2 per cent was for interest payments. A further breakdown showed that ₦30.91 billion or 5.5 per cent of the total was expended on external debt service, while domestic debt service accounted for the balance of ₦528.54 billion or 94.5 per cent.

Figure 64
Breakdown of External Debt Service
(First Half 2011 - 2015)



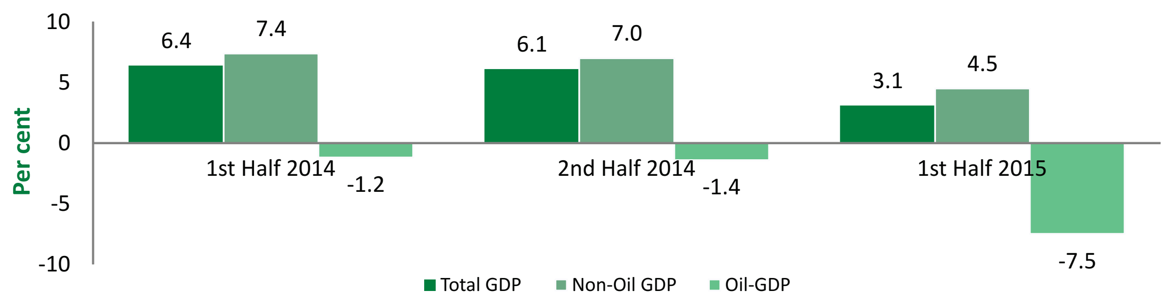
Sources: *Computation based on data from the DMO*

4.3 REAL SECTOR DEVELOPMENTS

Provisional data from the National Bureau of Statistics (NBS) indicated that the gross domestic product (GDP), at 2010 constant basic prices, grew by 3.1 per cent in the first half of 2015, compared with 6.4 per cent in the first half of 2014. The non-oil sector grew by 4.5 per cent and accounted largely for the growth in GDP in the period under review. Oil sector GDP fell by 7.5 per cent due, mainly, to the decline in global crude oil prices, and the slump in production.

Further sectoral analysis, indicated that agriculture grew by 4.1 per cent in the review period. Similarly, construction, trade and services grew by 8.7, 5.8 and 5.6 per cent, respectively. However, industry fell by 4.9 per cent, and reflected the decline in industrial activities, particularly manufacturing such as crude oil refining and textile, apparel and footwear (TAF). The decline in the TAF component continued to reflect the impact of cheap imports which discouraged local production as well as the slowdown in credit to the sector. Also, the fuel crisis that resulted from the stand-off between the Federal Government and the oil marketers over the non-payment of subsidy claims led to a sharp decline in economic activities. The transport sector was the most affected. Services, agriculture, industry, trade, and construction contributed shares of 37.5, 20.5, 20.2, 17.5, and 4.4 per cent, to GDP, respectively.

Figure 65
GDP Growth Rate
(Per cent)



Source: *National Bureau of Statistics (NBS)*

4.3.1 Agriculture

4.3.1.1 Agricultural Policies and Institutional Support

The Federal Government continued the implementation of the various initiatives to boost agricultural output in the first half of 2015. Under the Rice Transformation Action Plan (RTAP), the government continued the installation of the planned ten (10) integrated rice mills. The rice mills, with a total processing capacity of 360,000 tonnes per annum would be owned and managed by private operators. The mills would be located in Kebbi, Zamfara, Kaduna, Niger, Benue, Kogi, Bayelsa, Bauchi, Ogun, and Anambra States. There are plans to establish twenty-five (25) Grain Aggregation Centres (GACs) across the country. The GACs would each have a total capacity of 40,500 bags at an estimated cost of ₦38.0 million. The initiative would ensure adequate supply of quality rice paddy at a good price. It would also enable government to save over ₦3.61 billion annually on the importation of rice and other grains.

Furthermore, the Federal Government took steps to unlock the job creation potential of the agricultural sector. Towards this objective, the Government empowered Itsekiri Fishermen Co-operatives in the Niger Delta with outboard Marine boat engines, fishing nets and marine ropes. The initiative would also boost government's effort at increasing local production of fishes with an additional 200,000 tonnes. Also, 174 women were trained in aquaculture and poultry production, processing and packaging.

In an effort to boost investment in agricultural production and alleviate the effect of insurgency on farming communities in the North East, the World Bank under its Insurgency Relief Fund disbursed ₦787.0 million to four farming communities in Borno State. This was expected to increase farmers' earnings on a sustainable basis and lay the foundation for wealth creation. It would also enhance food security in the region in particular, and the country in general.

To mitigate losses and encourage increased production in the poultry sub-sector, the Federal Government paid ₦145.15 million as compensation to thirty-nine (39) poultry farmers affected by avian influenza (bird flu) across the country. Under the intervention, over 100,000 birds were culled to stem the spread of the disease.

4.3.1.2 Agricultural Production and Prices

At 123.4 (2010=100), the estimated index of agricultural production, increased by 4.7 per cent, in the first half of 2015, compared with the level in the corresponding period of 2014. The growth in agricultural output during the review period was attributed mainly to favourable weather conditions and sustained implementation of various policy measures.

Output of the fishery sub-sector grew by 7.0 per cent, compared with the level in the first half of 2014. Livestock, staples, forestry, and "other" crops grew by 6.4, 4.6, 4.3 and 4.3, per cent respectively, relative to the growth levels in the corresponding period of 2014.
Developments in domestic prices of selected agricultural commodities in the first half of 2015 were mixed as prices of five (5) out of the ten (10) monitored increased. These comprised: sweet potatoes, groundnut oil, yellow garri, yams and wheat with growth

rates of 40.0, 12.1, 9.4, 6.4 and 6.2 per cent, respectively, compared with the levels in the first half of 2014. The price increase was attributed mainly to production and distribution constraints arising from the security challenges in the northern part of the country. On the other hand, the prices of sorghum, millet, white maize , palm oil and cocoa declined by 13.2, 9.7, 4.5, 1.2 and 0.4 per cent, respectively.

The dollar-based all-commodities price index of Nigeria's major agricultural export commodities at the London market decreased during the first half of 2015. At 90.8 (2010=100), it declined by 5.5 per cent below the level in the corresponding period of 2014. Prices of all six commodities monitored, namely cocoa, coffee, copra, palm-oil, cotton and soya beans, recorded price decrease of 2.5, 11.5, 17.8, 23.5, 24.7 and 30.7 per cent, respectively. The development reflected majorly the weak demand of the commodities, arising from the economic slowdown in the developed economies.

4.3.2 Industry

4.3.2.1 Industrial Policy and Institutional Support

In a bid to sustain the growth experienced in the industrial sector in 2014, the Federal Government inaugurated the 540 MW Alaoji gas-fired power plant as the first phase of the 1,074 MW combined cycle. The plant, with four 126.1 MW gas turbines, is located in Abia State. In addition, the inauguration of the 450 MW Ihovbor power station, the 450 MW Sapele II power station, the 560 MW Calabar power station and the 750 MW Olorunsogo II power station under the government-sponsored National Integrated Power Projects (NIPP) programme added a total of 2,210MW to the national grid. This brought the total installed power capacity by the Niger Delta Power Holding Company (NDPHC) to 5.5GW.

The European Union (EU) announced a grant of 150 million euros to support priority projects in the power sector in Nigeria. The country has the liberty to identify priority areas to deploy the resources. Three areas being considered were: bridging the huge metering gap; addressing transmission bottlenecks; and the need for embedded generation to improve shortage in power supply.

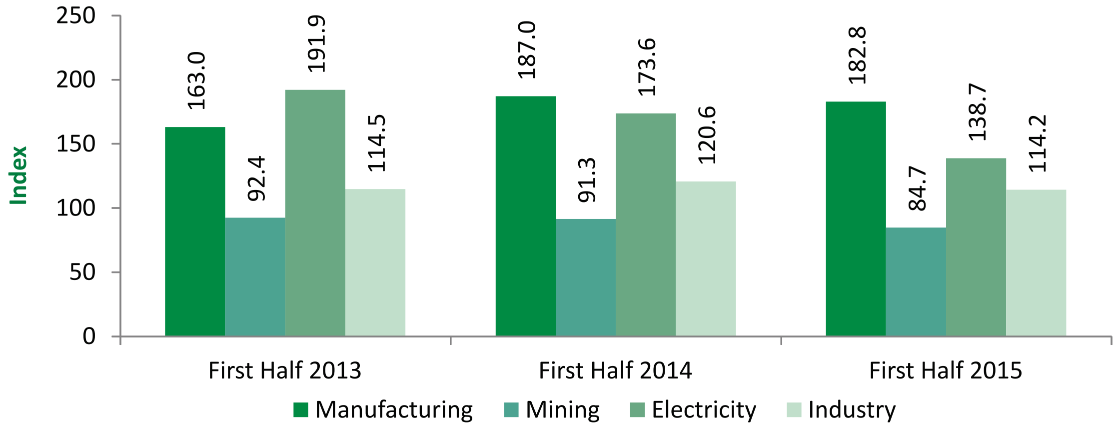
Furthermore, the National Automotive Council (NAC) awarded a ₦2.5 billon contract for the supply and installation of automotive testing laboratory equipment and tools worth €11.6 million to three companies, namely Mustang Advanced Engineering, USA; AVL, Austria; and Artec Testnology, The Netherlands. The equipment and tools were for the operation of the gas emission testing laboratory in Lagos, component testing laboratory in Enugu as well as vehicle evaluation laboratory in Zaria, Kaduna State.

In an effort to achieve the 1.79 tonnes of sugar required under the first phase of the National Sugar Master Plan (NSMP), the Federal Government inaugurated the first sugarcane bio-factory in Zaria in April 2015. The factory would produce high grade and quality seedlings. The one-million seedlings per annum capacity bio-factory was the first in the series of bio-factories that would be established over the next five years, with a combined estimated capacity of 12.5 million sugar cane seedlings per annum.

4.3.2.2 Industrial Production

Provisional data indicated a decline in activities in the industrial sector in the first half of 2015. At 114.2 (2010=100), index of industrial production fell by 5.3 per cent, relative to the level in the corresponding period of 2014.

Figure 66
Industrial Production Index
(First Half 2013 - 2015, 2010=100)

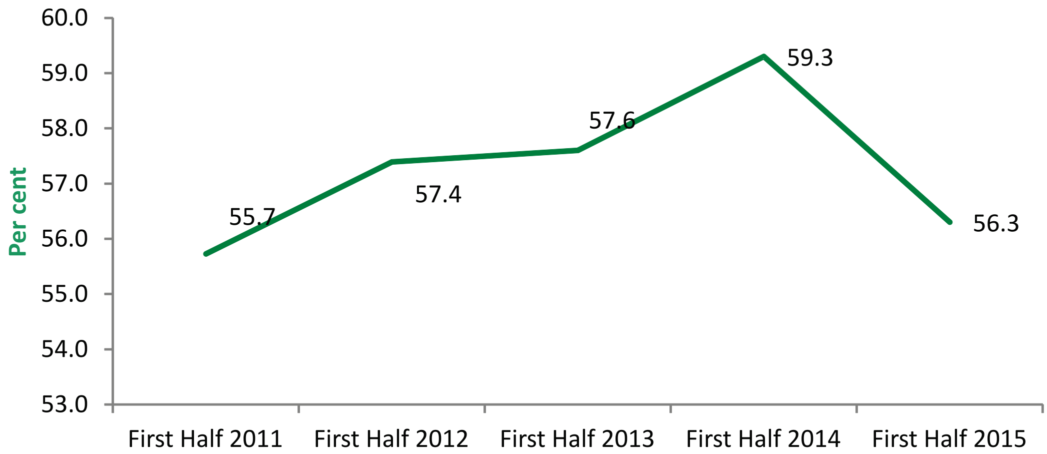


Source: *Computed based on data from NBS and Manufacturing Association of Nigeria (MAN)*

4.3.2.3 Manufacturing

Provisional data showed that, at 182.8 (2010=100), the index of manufacturing production in first half of 2015, was 2.2 per cent below the level in the corresponding period of 2014. Similarly, capacity utilisation during the period declined by 3.02 percentage point compared with 59.3 per cent in the corresponding period of 2014.

Figure 67
Average Manufacturing Capacity Utilisation
(First Half 2011-2015, Per cent)



Source: Computed based on data from NBS and Manufacturing Association of Nigeria (MAN)

4.3.3 Crude Oil

The Federal Government's effort to increase domestic refining of petroleum products received a boost during the period under review. The Port Harcourt Refinery was successfully rehabilitated with plans to refurbish the other refineries over a phased 18-month period. The Nigerian National Petroleum Corporation (NNPC)'s target was to increase the refinery's production capacity utilization to 80 per cent.

Following the excessive supply of crude oil in the international market relative to demand, most of Nigeria's crude cargoes were left unsold with a lag period of about 28 days. This necessitated the NNPC to lower the official selling price for its largest crude oil stream.

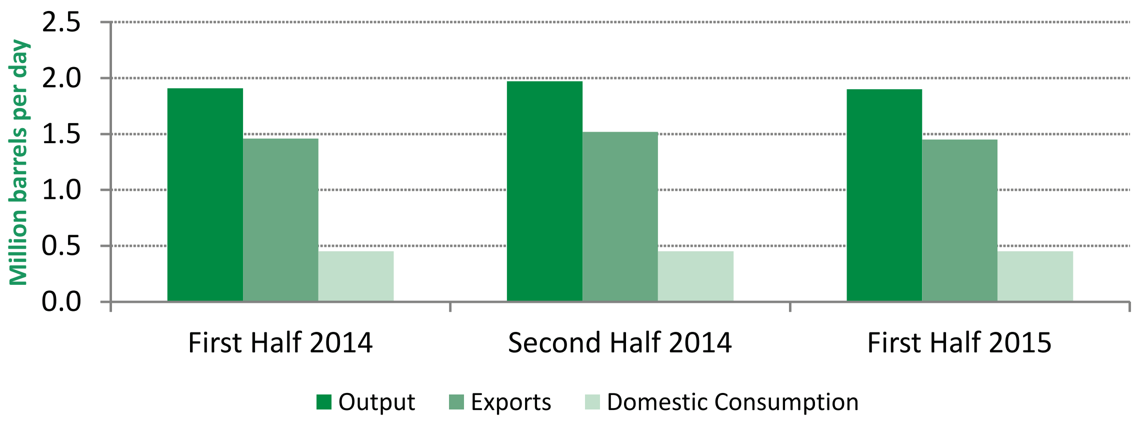
4.3.3.1 Crude Oil Production and Demand

Aggregate crude oil production, including natural gas liquids (NGLs) and condensates by the Organization of Petroleum Exporting Countries (OPEC) averaged 36.77 million barrels per day (mbd) in the first half of 2015. This represented an increase of 1.7 and 3.8 per cent over the levels in the preceding and the corresponding half of 2014, respectively. Increased production from Saudi Arabia, Iraq, and the United Arab Emirates accounted for the growth in OPEC supply during the period. Non-OPEC supply was estimated at an average of 57.44 mbd, indicating a 2.7 per cent increase over the corresponding half of 2014. Production increase from the United States, Russia and China majorly accounted for the increase in non-OPEC supply. Total world supply averaged 94.21 mbd, indicating an increase of 3.1 per cent above the level in the first half of 2014.

World crude oil demand was estimated at an average of 91.44 mbd in the first half of 2015, compared with 90.23 mbd in the corresponding half of 2014. This was an increase of 1.3 per cent, but a decrease of 1.0 per cent, compared with the preceding half of 2014. Of this, demand from the Organisation for Economic Co-operation and Development (OECD) countries averaged 45.59 mbd, while that of the non-OECD was 45.85 mbd. Increase in demand was largely driven by improved economic activities in some parts of Europe, crude stock accretion notably in India, colder weather during the first quarter of 2015 and rising demand for transportation fuels in the US and China.

At an average daily production of 1.90 mbd or 343.9 million barrels (mb), Nigeria's crude oil output declined by 0.01 mbd or 0.1 per cent and 0.07 mbd or 4.0 per cent below the levels of 1.91 mbd or 345.7 mb and 1.97 mbd or 362.48 mb in the first half of 2014 and the preceding half of 2014, respectively. Despite increased surveillance by security agencies, sabotage and vandalism persisted, impacting negatively on crude oil output. Aggregate export of crude oil for the review period was estimated at 262.5 mb or 1.45 mbd, compared with 279.68 mb or 1.52 mbd and 264.3 mb or 1.46 mbd in the preceding and corresponding halves of 2014, respectively.

Figure 68
Crude Oil Production and Exports



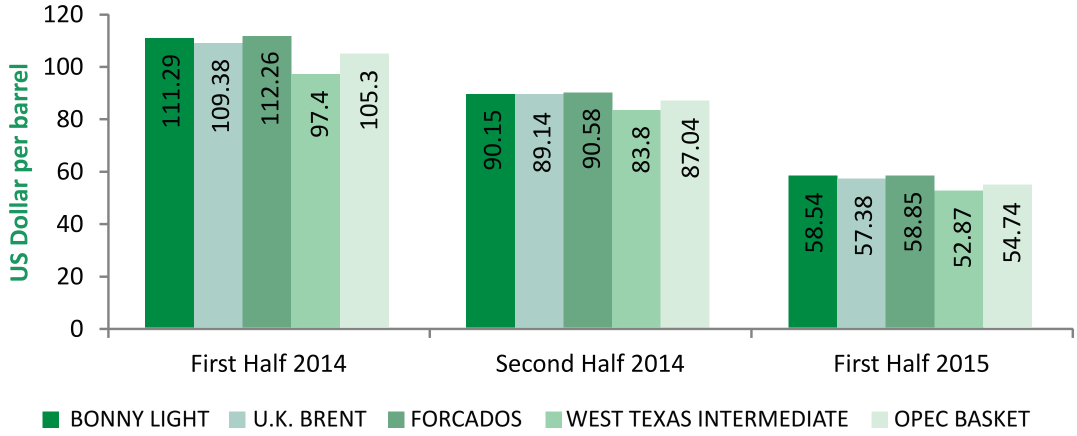
Source: Nigerian National Petroleum Corporation (NNPC)

4.3.3.2 Crude Oil Prices

The average spot price of Nigeria's reference crude, the Bonny Light (37o API), fell by 47.4 per cent to US$58.54 per barrel and 35.1 per cent below its level in the first half of 2014 and the preceding half of 2014, respectively. Similarly, the average prices of the Forcados, the UK Brent, and the West Texas Intermediate fell by 47.6, 47.5, and 45.7 per cent, to US$58.85, US$57.38, and US$52.87 per barrel, respectively, in the review period. The development was due to several factors, which included: record high supply from the

OPEC countries; high crude inventory build-up in the US; strong US dollar; and slow growth in oil demand relative to supply. The average price of the OPEC basket of twelve crude streams was US$54.74 per barrel, compared with US$105.30 per barrel and US$87.04 per barrel in the same period and preceding half of 2014, representing a decrease of 48.0 and 32.3 per cent, respectively.

Figure 69
Average Spot Prices of Selected Crudes

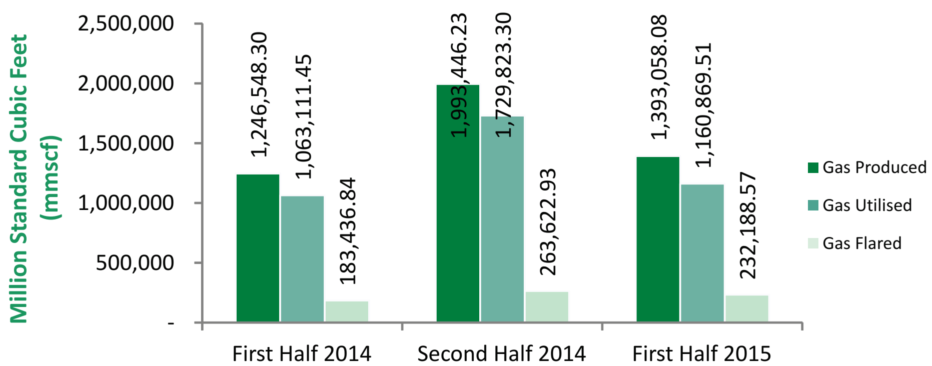


Source: Reuters

4.3.4 Gas

The gas sub-sector recorded increased investments from the Federal Government and private sector during the first half of 2015. The Nigeria LNG Limited acquired six (6) new LNG export vessels at the cost of US$1.60 billion. From the private sector, Seplat Petroleum Development Plc completed the acquisition of 40 and 22.5 per cent working interest in Oil Mineral Licences (OML) 53 and 55 gas fields, respectively. The Company deployed US$1.0 billion for additional investments in gas prospecting fields.

Figure 70
Gas Production and Utilisation



Source: NNPC

Total associated gas produced in the first half of 2015 was estimated at 1,393,058.08 million standard cubic feet (mmscf), indicating an increase of 11.75 per cent above the level in the corresponding period of 2014 and a decrease of 30.12 in the preceding period of 2014. Total volume of gas utilized and flared during the period was estimated at 1,160,869.51 mmscf and 232,188.57 mmscf, indicating an increase of 9.20 and 26.58 per cent above their respective levels in the first half of 2014 and a decrease of 32.89 and 11.92 percent respectively in the preceding half of 2014.

4.3.5 Petroleum Products

The estimated quantity of petroleum products distributed by the major and independent marketing companies in the period under review was 2,431.4 million litres. These included 2,208.6 million litres of Premium Motor Spirit (PMS), 121.0 million litres of Dual Purpose Kerosene (DPK), 83.3 million litres of Automotive Gas Oil (AGO) and12.2 million litres of Low Pour Fuel Oil (LPFO).

4.3.6 Solid Minerals

As part of efforts to boost mining activities in the country, the Dangote Group and six foreign companies concluded plans to commence full scale mining of gold, coal, iron-ore, columbite, lead, and zinc. The companies included: Kogi Mines Ltd; Segilola Nig. Ltd; Mines Geotechniques Nig. Ltd; Nothern Numero Resources Ltd; West African Polaris Investment Ltd; and Tongyi Allied and Mineral Services Ltd. The companies, which had conducted exploration exercises and delineated the mineral deposits, were currently sourcing for funds from the capital market to begin extraction. The companies would mine gold in Osun and Kebbi states, iron-ore in Kogi State, tin and columbite in Nassarawa State, coal in Kogi and Benue states as well as lead and zinc in Plateau State.

Provisional data from the Ministry of Mines and Steel Development showed that solid minerals production in the first half of 2015 decreased by 16.4 per cent from the level in the corresponding period of 2014 to 21.28 million tonnes. Decrease in the production of some principal minerals such as clay, coal, lead/zinc and laterite accounted for the decline in production.

4.3.7 Electricity Generation

Estimated average electricity generation in the first half of 2015 declined by 18.5 per cent, compared with 3,550.8 MW/h in the first half of 2014. The decline was attributed to a series of system collapse, industrial actions, and shortages of gas supply to thermal plants.

4.3.8 Electricity Consumption

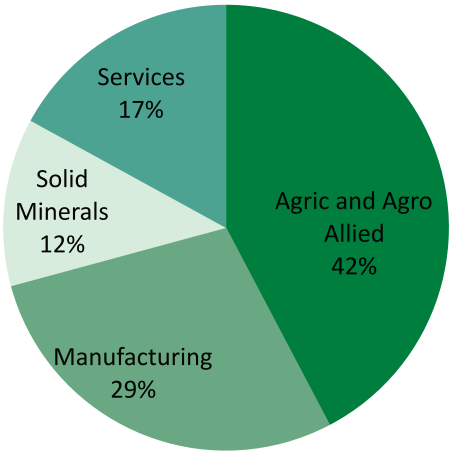
At 2,592.5 MW/h, average estimated electricity consumed declined by 17.3 per cent, compared with the level in the same period of 2014. The decline in consumption was attributed to the fall in electricity generation and a series of system breakdown.

4.3.9 Industrial Financing

4.3.9.1 NEXIM

The total disbursement by the Nigeria Export-Import Bank (NEXIM) to various beneficiaries during the period under review was ₦3.75 billion, compared with ₦5.49 billion recorded in the corresponding period of 2014. This amount was 31.7 per cent below the level disbursed in the corresponding period of 2014. Of the total disbursement, agriculture and manufacturing sub-sectors received 42.3 per cent and 28.5 per cent, while services and solid minerals sub-sectors received 17.0 and 12.2 per cent, respectively.

Figure 71
Sectoral Disbursement of NEXIM Loans, First Half 2015

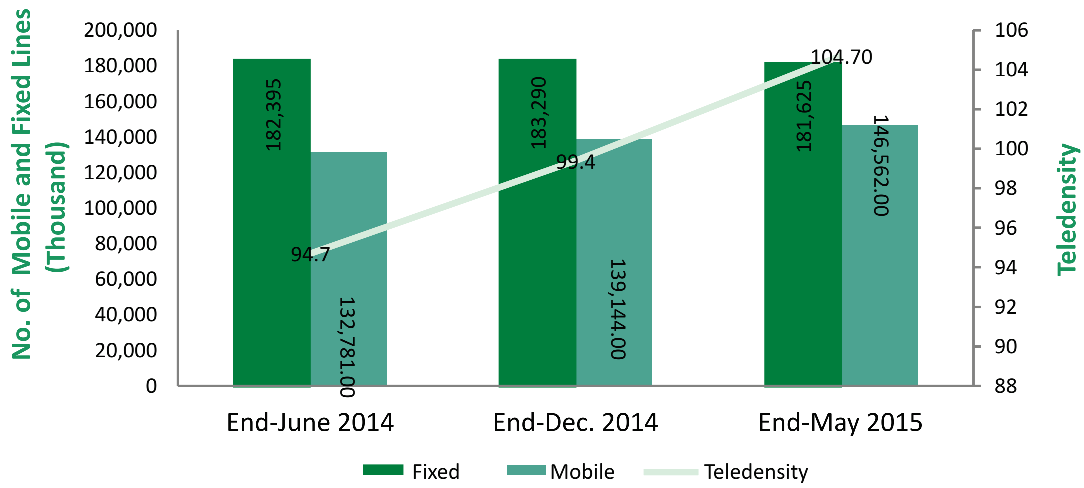


Source: *NEXIM Bank*

4.3.10 Telecommunications

The Telecommunications sub-sector experienced a robust growth in the first half of 2015. Data obtained from the National Communications Commission (NCC) showed that the number of active telephone lines increased to 148.8 million at end-June 2015, up from 132.8 and 139.1 million at end-June and end-December 2014. The development represented increase of 12.0 and 7.0 per cent, respectively. Teledensity rose from 94.8 and 99.4 per 100 inhabitants at end-June and end-December 2014, respectively, to 106.3 per 100 inhabitants at end-June 2015. The teledensity has persistently exceeded the International Telecommunication Union (ITU) minimum standard of 1:100. The sectoral growth was largely driven by a 9.6 per cent increase in the mobile subscriber base. Also, there was a significant rise in the number of internet users on the country's telecom networks from 67.2 million at end-June 2014 to 92.7 million at end-June 2015. The increased participation in the sector was attributed to cheaper call tariffs and the introduction of new and relatively cheaper products for internet browsing.

Figure 72
Total Active Lines and Teledensity



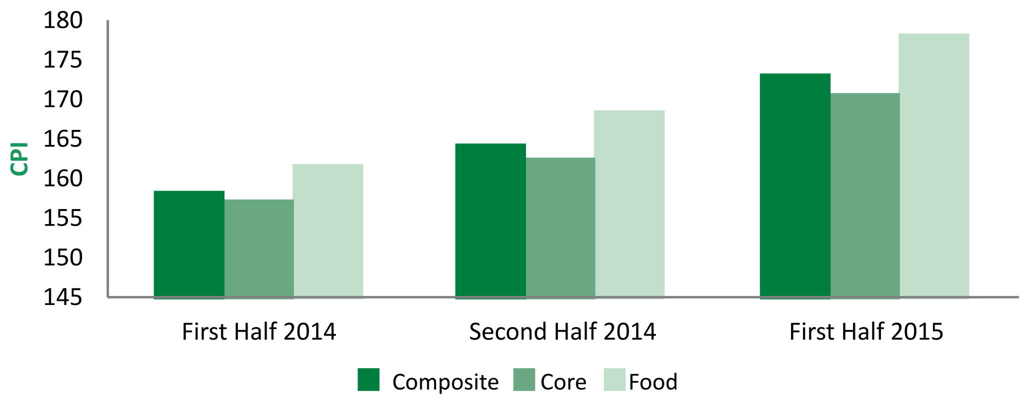
Source: Nigerian Communication Commission (NCC)

In the review period, NATCOM Consortium paid the 70 per cent outstanding balance of the US$252.25 million bid for the Nigeria Telecommunications Limited (NITEL) and the Mobile Telecommunication Limited (MTEL), to fully acquire the assets of both companies. In accordance with the guidelines of the National Council on Privatisation (NCP), the Consortium was to operate all the core assets and business undertakings of NITEL and MTEL, and continue to provide telecoms services.

4.3.11 Consumer Prices

Consumer prices continued to rise in the period under review. The all-items composite Consumer Price Index (CPI) was estimated at 173.2 (November 2009=100) for end-June 2015, compared with 158.6 and 164.4 at end-June and end-December 2014, respectively. The estimated all-items less farm produce CPI stood at 170.6 at end-June 2015, compared with 157.4 and 162.5 at end-June and end-December 2014, respectively. The estimated Food CPI stood at 178.1 at end-June 2015, compared with 161.9 at end-June 2014 and 168.4 at end-December 2014.

Figure 73
Consumer Price Indices
(November 2009 = 100)



Source: NBS

4.3.11.1 Headline Inflation

The headline inflation on year-on-year basis increased steadily throughout the first half of 2015 and closed at 9.2 per cent at end-June 2015, compared with 8.2 and 8.0 per cent at end-June and end-December 2014, respectively. The 12-month moving average inflation rate was 8.4 per cent at end-June 2015, compared with 8.0 per cent at end-June and end-December 2014. The increase was attributed largely to the rise in the prices of consumables and food prices occasioned by the continued insurgency in the North-East, which disrupted agricultural activities as well as the 2015 general elections-related spending.

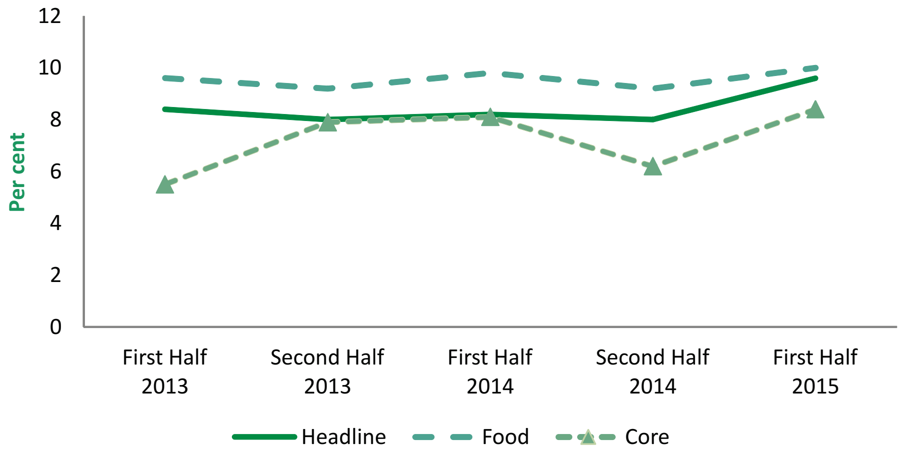
4.3.11.2 Core Inflation

The year-on-year core inflation (all-items less farm produce) was 8.4 per cent for end-June 2015, compared with 8.1 and 6.2 per cent, at end-June and end-December 2014, respectively. Core inflation, on a 12-month moving average basis was 7.0 per cent at end-June, compared with 7.4 and 6.9 per cent at end-June and end-December 2014, respectively. Core inflation increased steadily throughout the first half of the year. The development was largely attributed to increase in the prices of imported food; processed food; housing, water, electricity, gas and other fuel; clothing and footwear; transport; furnishing, household equipment and maintenance; education; and health. Also, the lingering effect of the naira exchange rate depreciation, the 2015 general election spending and the perennial fuel scarcity and the on-going insecurity challenge in the north-east partly impacted negatively on core inflation.

4.3.11.3 Food Inflation

The year-on-year food inflation comprising farm produce, processed and imported food maintained an upward trend all through the first half of 2015. It was 10.0 per cent at end-June 2015, compared with 9.8 and 9.2 per cent at end-June and end-December 2014, respectively. The 12-month moving average food inflation remained constant at 9.5 per cent throughout the first half of 2015, same as at end-June and end-December 2014. The gradual but steady rise in food inflation was attributed mainly to the fuel crisis experienced throughout the country in the first half of 2015 due to the stand-off between the Federal Government and the oil marketers over the non-payment of subsidy claims. The development led to a hike in the prices of petroleum products and a significant rise in the cost of transportation. Distribution constraints arising from security challenges, especially in the North-Eastern part of the country and late commencement of the rainy season also contributed to the increase in food inflation.

Figure 74
Inflation Rate
(Year-on-Year, Per cent)



Source: NBS

4.3.11.4 Urban and Rural Consumer Price Indices and Inflation Rates

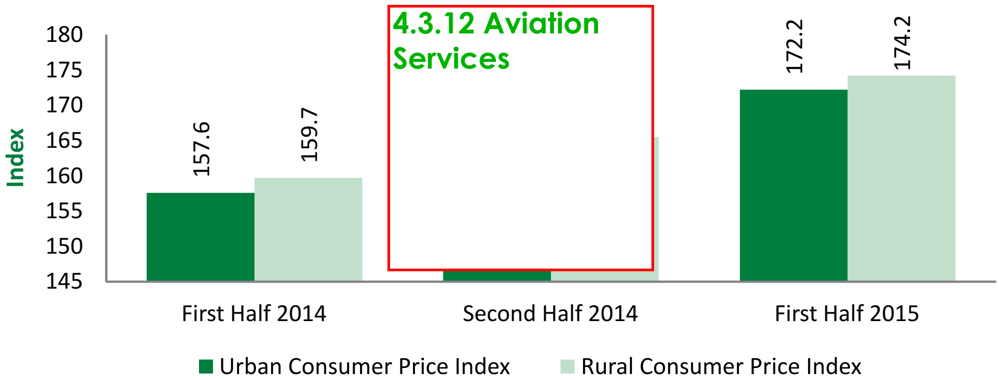
The all-items Urban CPI increased to 172.2 at end-June 2015, above the 157.6 and 163.4 at end-June and end-December 2014, respectively. The development was mainly attributed to the increase in the prices of imported food; food and non-alcoholic beverages; alcoholic beverage, and tobacco and Kola. Accordingly, the year-on-year urban inflation stood at 9.2 per cent at end-June 2015, compared with 8.4 and 7.9 per cent at end-June and end-December 2014, respectively.

Similarly, the all-items rural CPI rose to 174.2 at end-June 2015, above 159.7 and 165.5 at end-June and end-December 2014, respectively. The increase was majorly accounted for by a rise in the prices of clothing and footwear; food and non-alcoholic beverages; restaurant and hotels; and miscellaneous goods and services. The development resulted in a year-on-year rural inflation rate of 9.1 per cent at end-June 2015, compared with 8.0 per cent apiece, at end-June and end-December 2014. Urban headline inflation was higher than the rural headline inflation by 0.1 percentage point in the period under review.

Urban core inflation rate stood at 8.8 per cent at end-June 2015, compared with 8.0 per cent at end-June and 6.4 per cent at end-December 2014. Urban food inflation rate stood at 10.5 per cent at end-June 2015, compared with 10.4 and 9.5 per cent at end-June and end-December 2014, respectively.

Rural core inflation rate stood at 8.1 per cent at end-June 2015, compared with 8.2 and 6.1 per cent at end-June and end-December 2014, respectively. Rural food inflation rate stood at 9.6 per cent at end-June 2015, compared with 9.4 and 8.8 per cent at end-June and end-December 2014, respectively.

Figure 75
Urban and Rural Consumer Price Indices
(First Half, November 2009 = 100)



Source: NBS

4.3.12 Aviation Services

4.3.12.1 Policy and Airport Development

Effort aimed at improving aviation security was sustained during the first half of 2015. In line with this, the Nigeria Civil Aviation Authority approved the transition from Aeronautical Information Services to Aeronautical Information Management. This was to enable a more robust data-driven aeronautical information management, which better meets user requirement in terms of integrity, resolution, timeliness and accessibility. Similarly, to ensure safety and enhance aircraft communication between air traffic controllers and pilots, the Nigerian Airspace Management Agency entered into a partnership with SITA On-air Communication Systems. This would enable the country benefit from its superior VHF data link coverage within Africa and move voice traffic off congested frequencies so as to allow for accurate data exchange between controllers and pilots.

Also, to improve air travellers' comfort, security and safety at the Murtala Mohammed Airport Terminal 2, Bi-Courtney Aviation Services Limited (BASL), the operator of the Terminal, commissioned the Common User Passenger Processing System in the review period. The system provides fast, secure and customer-friendly features that improve travelers experience such as self-check-in, automatic e-gates and a full-baggage reconciliation system.

To ensure compliance with global aviation security standards, the country successfully completed the International Civil Aviation Organization's Universal Security Audit Programme during the first half of 2015. The exercise confirmed Nigeria's adherence to associated security procedures, guidance materials and security practices.

4.3.12.2 Domestic Operations

A total of 4,732,206 passengers were airlifted by domestic airlines in the first half of 2015. This represented a 16.6 per cent decline below the 5,673,899 passengers airlifted in the corresponding period of 2014. Total aircraft movement for the first half of 2015 was 96,925, a 28.3 per cent decline below the 135,087 recorded in the corresponding period of 2014.

4.3.12.3 International Operations

The number of passengers airlifted by airlines on international routes in the first half of 2015 grew by 15.6 per cent to 2,503,565, compared with 2,165,985 recorded in the first half of 2014. Aircraft movement reduced by 6.0 per cent to 21,623 in the review period, compared with 23,007 recorded in the corresponding period of the preceding year.
Cargo movement at designated airports rose by 5.5 per cent to 93.42 million kg over the 88.54 million kg recorded in the first half of 2014. Mail movement also rose by 43.4 per cent to 4.36 million kg in the first half of 2015, compared with 3.04 million kg recorded in the corresponding period of 2014.

4.3.13 Maritime Services

Effort at curbing the menace of piracy and promoting shipping activities in Nigeria and the Gulf of Guinea in line with international best practices received a boost with the submission of the instruments of assent to five protocols of the International Maritime Organization. According to the Nigerian Maritime Administration and Safety Agency (NIMASA), this marked a major step towards

> Efforts to curb the menace of piracy and promote shipping activities in Nigeria and the Gulf of Guinea received a boost with the submission of the instruments of assent to five protocols of the International Organization.

domesticating the protocols. The instruments included: the Safety of Lives at Sea Protocol 1988 (as amended); Maritime Pollution (MARPOL) Protocol of 1997; Protocol of 2005 to the Suppression of Unlawful Acts (SUA) Convention 1988; Protocol of 1988 to the SUA Convention against Fixed Platforms on the Continental Shelf and the Protocol of 1988 to the International Convention on Load Lines.

In a bid to provide additional opportunity for single haulage vessel owners to make necessary changes in the replacement of fleet and development of capacity to handle scrapping of vessels, NIMASA extended the deadline for phasing out of the vessels to December 31, 2020.

Cargo throughput stood at 49,304,407 tonnes in the first half of 2015, compared with 41,317,962 tonnes recorded in the corresponding period of 2014, representing an increase of 19.33 per cent.

A total of 5,139 ocean going vessels with a total gross registered tonnage (GRT) of 61,990,999 berthed at Nigerian ports, compared with 2,719 vessels with GRT of 70,659,820 recorded in the corresponding period of 2014. This represented a 2.8 per cent growth apiece in the number of vessels and GRT.

4.3.14 Railway Services

To ensure sustainability of reforms in the railway sector, the National Council on Privatisation directed the Bureau for Public Enterprises in collaboration with the Nigeria Infrastructure Advisory Facility to commence the process of privatisation of the Nigeria Railway Corporation (NRC) and other railway facilities across the country. A total of 2,320,244 passengers and 69,730 tonnes of freight were moved by rail during the period.

4.4 SOCIAL SECTOR DEVELOPMENTS

4.4.1 Employment, Labour Productivity and Job Creation

4.4.1.1 Employment

The NBS reviewed its definition and methodology for computing unemployment rate in Nigeria, using a variant of the International Labour Organisation (ILO) definition. Unemployment was now defined as the proportion of those in the labour force to total labour force, who were actively searching for work, but were unable to find work for at least 20 hours during the reference period.

Based on the new definition and methodology, in the first half of 2015, labour force population increased to 74.0 million from 72.9 million at end-December 2014, representing an increase of 1.5 per cent. The number of unemployed in the labour force, similarly increased by 450,991 persons or 8.03 per cent between the last quarter of 2014 and first half 2015, resulting in an unemployment rate of 8.2 per cent in the first half of 2015 from 6.4 per cent.

4.4.1.2 Labour Productivity

Data used for the computation of the labour productivity are from the NBS Labour Force Surveys, as well as the OECD EuroStat database. Labour productivity is derived as the ratio of total output (annual GDP at current prices) to labour input (total hours worked per year). Data from the NBS showed that labour productivity, in naira terms, increased by 14.31 per cent to ₦730.83 in the first half of 2015 from ₦639.34 at end 2014. In dollar terms, it dropped from US$3.77 in 2014 to US$3.71 in the first half of 2015, a decrease of 1.60 per cent. The sharp drop in dollar terms reflected the weakening of the naira vis-à-vis the US dollar during the review period.

4.4.1.3 Job Creation

The Job Creation survey, a nationwide exercise, covering all 36 states of the federation including the Federal Capital Territory (FCT) was conducted in the review period. A sample of 5,000 establishments was surveyed across the country covering all sectors of the economy. The Survey showed that a total of 610,438 jobs were created in the economy during the first half of 2015, compared with 259,353 jobs created in the second half of 2014, representing an increase of 135.4 per cent.

In the formal sector, 182,011 new jobs were created, representing 131.2 per cent increase over the 78,738 total jobs created in the second half of 2014. On the other hand, there was a 151.9 per cent increase in the number of jobs with 12,121 jobs created in the public sector of the economy in first half 2015, compared with 4,812 jobs in second half of 2014. The informal sector new jobs stood at 416,306 during the review period. This represented a 136.8 per cent increase in new jobs and over the 175,782 created in the second half of 2014 and accounted for 68.2 per cent of the total jobs created in first half of 2015.

The increased share of jobs created in the informal sector, reflected largely, the positive impact of the Federal Government's financing initiatives on the small and medium scale enterprises (SMEs) being implemented across the country.

4.4.2 Education

The Federal Government granted provisional licenses for the establishment of nine (9) private universities during the review period. These included: Augustine University, Ilara, Lagos; Chrisland University, Owode, Ogun State; Christopher University, Mowe, Ogun State; Hallmark University, Ijebu-Itele, Ogun State; Kings University, Ode-Omu, Osun State;

Michael and Cecilia Ibru University, Owhrode, Delta State; Mountain Top Unversity, Makogi/Oba, Ogun State; Ritman University, Ikot-Epene, Akwa-Ibom State and Summit University, Offa, Kwara State. Thus, Nigerian universities increased from 129 to 138, classified into Federal (40), State (39) and Private (59) universities.

The Federal Government, through the Tertiary Education Trust Fund (TETFund), disbursed the sum of N1.3 trillion to all public universities to improve on the quality of teaching, personnel development and infrastructure in the institutions.

4.4.3 Health

The World Bank boosted the health sector through the provision of ₦99.5 billion to improve maternal and child health care services in Nigeria. Also, to build capacity to respond to any future outbreak of the Ebola virus disease (EVD) in the West African sub-region, the Federal Government, in collaboration with the United States and the World Health Organisation (WHO) established two (2) EVD Study centres in Nigeria at; the Federal Ministry of Defence, Abuja and the Jos University Teaching Hospital, Plateau State to carry out rigorous research on the Ebola virus vaccine.

During the 2015 World Malaria Day, ExxonMobil committed US$10.0 million in grant to raise public awareness on the impact of malaria and to contain spread in communities at risk. In addition, the Rotary Club International donated the sum of ₦8.1 billion in grant to help the country in its final push to eradicate the wild polio virus.

The National Health Insurance Scheme (NHIS), in collaboration with Globacom Limited launched a Mobile Health Insurance product to boost access to healthcare and reduce out-of-pocket payment. The product would help in enrolling beneficiaries via their mobile phones, simplify the process for registration, making payments and choosing a healthcare provider of their preference. The product would cover free consultation and medication in over 8,000 accredited hospitals nation-wide.

4.5 EXTERNAL SECTOR DEVELOPMENTS

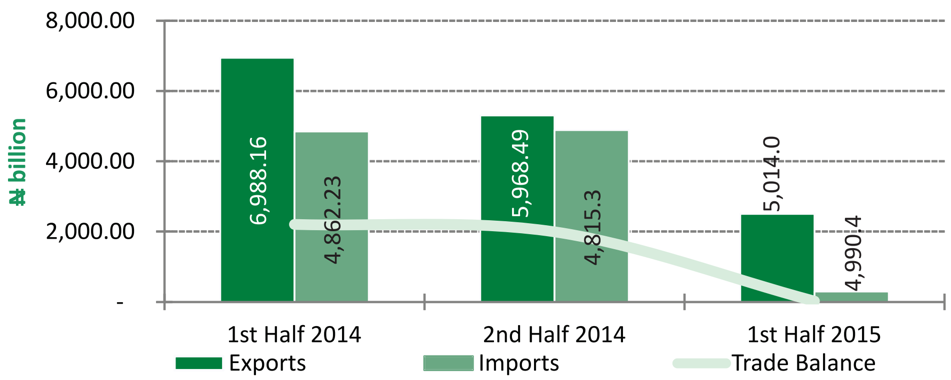
The viability of the external sector remained weak in the first half of the year, largely due to the over 50 per cent fall in the global price of crude oil, as well as capital reversals occasioned by the uncertainties that surrounded the general elections. Consequently, the performance of the external sector deteriorated as reflected in the negative outcomes in the overall and current account balances of 2.6 and 3.1 per cent of GDP, respectively. The current account swung from a surplus of 1.1 per cent of GDP in the first half of 2014 to a deficit of 3.1 per cent of GDP, while the capital and financial account registered a net foreign liability position of 1.9 per cent of GDP. The stock of external reserves fell by 24.1 per cent to US$28.34 billion year-on-year, at end-June 2015 and 17.2 per cent over end-December 2014 position. The level of external reserves could finance 6.7 months of current import of goods or 5.1 months of import of goods and services. Other external sector indicators had their turn in the adverse development, as the exchange rate depreciated by 13.9 per cent, from ₦169.68/US$1 at end-December 2014, to ₦196.95/US$1 at end - June 2015. External debt increased by 6.2 per cent from US$9.71 billion at end-December 2014 to US$10.32 billion. However, the total external debt remained within the sustainable threshold of 40.0 per cent of GDP.

4.5.1 Current Account

4.5.1.1 Trade

At ₦10,004.35 billion, total external trade, which represented 22.6 per cent of GDP declined by 15.6 per cent below the level recorded in the first half of 2014. Aggregate exports declined by 28.3 per cent to ₦5,014.00 billion from ₦6,988.16 billion in the first half of 2014. Imports at ₦4,990.35 billion or 11.3 per cent of GDP, increased by 2.6 per cent in naira terms, but declined in real terms (dollar) by 18.9 per cent below the level in June, 2014 as a result of exchange rate depreciation during the period. Further analysis revealed that the oil component remained dominant at 90.2 per cent of total exports or 10.2 per cent of GDP, while non-oil exports, at 1.1 per cent of GDP, accounted for the balance of 9.8 per cent. A disaggregation of oil exports showed that crude oil exports at 8.6 per cent of the GDP, fell by 31.8 per cent to ₦3,795.25 billion, compared with ₦5,565.02 billion recorded in the first half of 2014. The development was due, largely, to the sharp fall in the reference crude oil price to the average of US$58.54 from US$111.29 per barrel in the first half of 2014. Similarly, gas exports declined by 13.4 per cent from the level in the first half of 2014 to ₦728.82 billion. The value of non-oil exports declined by 15.8 per cent to ₦489.93 billion from ₦581.78 billion in the first half of 2014.

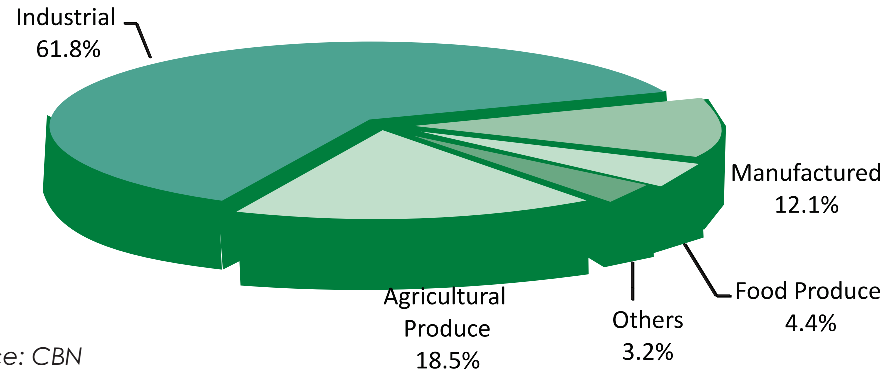
Figure 76
Exports, Imports and Trade Balance
(₦' Billion)



Source: CBN

A disaggregation of non-oil exports by product revealed that industrial sector exports accounted for 61.8 per cent of the total, while agricultural produce, manufactured goods, food products and "others", accounted for 18.5, 12.1, 4.4 and 3.2 per cent, respectively.

Figure 77
Non-Oil Exports by Products
(First Half 2015, Per cent)

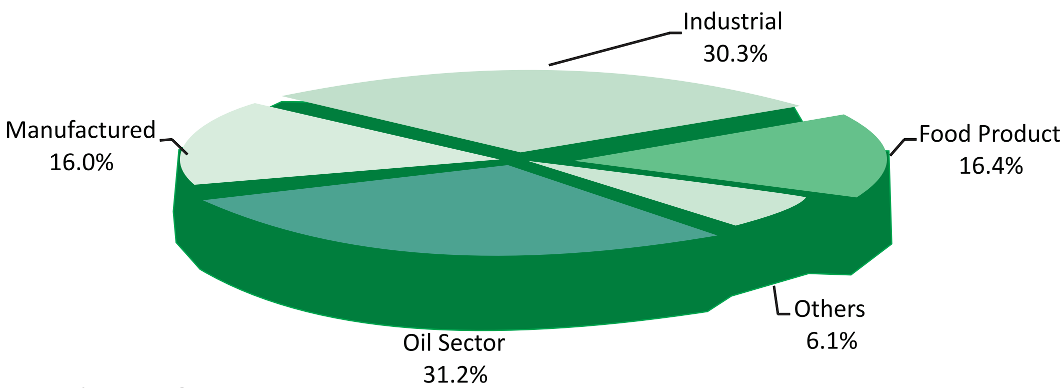


Source: CBN

Aggregate imports at N4,990.35 billion or 11.3 per cent of GDP, increased by 2.6 per cent above the level in the first half of 2014 due to exchange rate depreciation. However, in dollar terms, it declined by 18.9 per cent, reflecting suppressed trade-related activities in the review period. Non-oil imports dominated total imports and accounted for 79.5 per cent, while the oil component accounted for the balance of 20.5 per cent.

Sectoral breakdown of total imports in the review period showed that oil sector accounted for 31.2 per cent; industrial sector, 30.3 per cent; food products, 16.4 per cent; manufactured product, 16.0 per cent; and other sectors (transport, agriculture and mineral) accounted for 6.1 per cent of the total.

Figure 78
Aggregate Imports by Sector
(First Half 2015, Per cent)

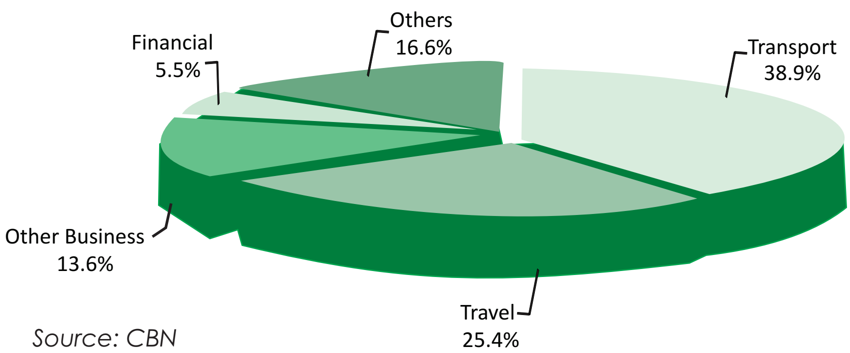


Source: CBN

4.5.1.2 Services

The deficit in the services account narrowed by 19.4 per cent to ₦1,475.41 billion from ₦ 1,831.36 billion in the first half of 2014. The development was attributed to lower payments in respect of the major components of the account, particularly transportation and travels. During the review period, payments on transportation and travels declined by 1.5 and 29.0 per cent, to ₦645.87 billion and ₦421.82 billion, respectively. The decline in the payments for travel services in particular was due mainly to fall in the appetite of Nigerians for foreign travels occasioned by the downturn in the economy. Payments in respect of transportation services accounted for 38.9 per cent of the total, travels, 25.4 per cent; other business services, 13.6 per cent; financial services, 5.5 per cent; and other services took the balance.

Figure 79
Share of Services Out-Payments
(First Half 2015, Per cent)



Source: CBN

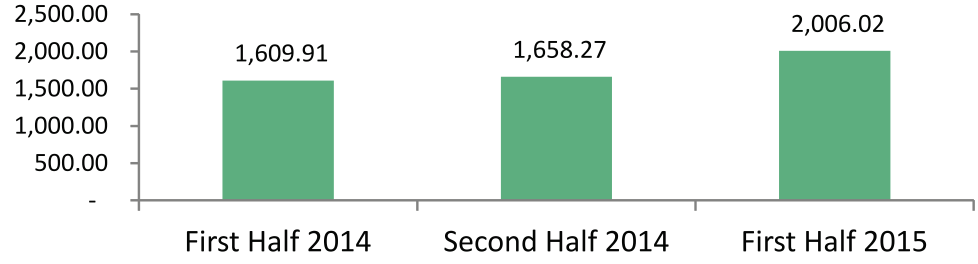
4.5.1.3 Income

Transactions in the income account resulted in a higher deficit of ₦1,916.91 billion, equivalent to 4.3 per cent of GDP, indicating an increase of 25.2 per cent above the level in the first half of 2014. The development was attributed to the decline in investment income from abroad, by 40.6 per cent, and the outflow of dividends and distributed branch profits to foreign investors, which increased by 20.9 per cent to ₦1,999.78 billion in first half 2015.

4.5.1.4 Current Transfers

The current transfers was in surplus and increased by 16.2 per cent to ₦1,985.87 billion or 4.5 per cent GDP. The development was driven, largely, by increased home remittances by non-resident Nigerians, which accounted for 97.1 per cent of net transfers. General government transfers (net), comprising payments to foreign embassies and international organisations also declined by 6.5 per cent to ₦128.96 billion from ₦138.00 billion in the first half of 2014.

Figure 80
Private Home Remittances
(N'billion)



Source: CBN

4.5.2 Capital and Financial Account

The capital and financial account registered higher net foreign liabilities of ₦849.94 billion in the first half of 2015 as against ₦367.47 billion recorded in the corresponding period of 2014. The development was attributed to lower acquisition of financial assets abroad, particularly, portfolio and other investments, which declined by 38.6 and 46.2 per cent, respectively, reflecting risk averse attitude of resident investors and sluggish global recovery.

Further disaggregation showed that aggregate foreign financial assets, representing claims by Nigerians abroad declined by 88.6 per cent to ₦157.38 billion from ₦1,382.95 billion in the first half of 2014. The development was driven, largely, by the 38.6 per cent decline in portfolio investments to ₦183.58 billion from ₦298.98 billion in the first half of 2014. Other investment assets also declined by 46.2 per cent, relative to the level recorded in the corresponding half of 2014.

Provisional data showed that foreign financial liabilities fell by 42.5 per cent to ₦1,007.32 billion from ₦1,750.43 billion in the first half of 2014, owing to lower investment inflows due to uncertainties surrounding the 2015 general elections. Inward foreign direct investment was ₦266.33 billion or 0.6 per cent of GDP, while portfolio investment inflow at ₦349.39 billion was 0.8 per cent of GDP.

4.5.2.1 Foreign Direct Investment

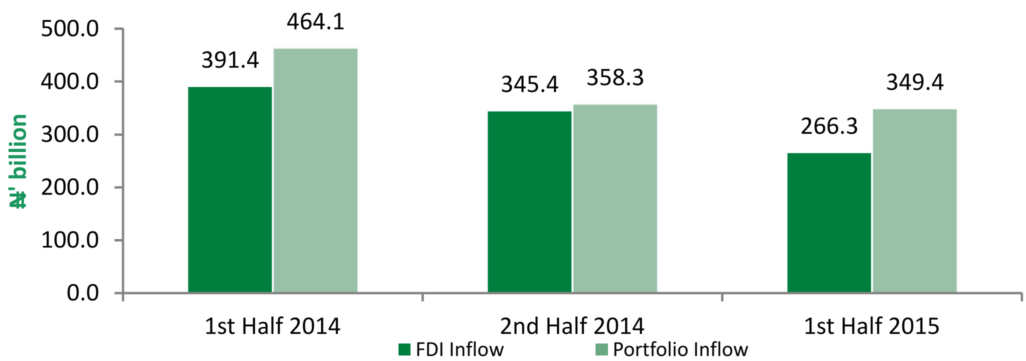
Foreign direct investment inflow, which comprised equity capital, re-invested earnings and other capital, accounted for 26.4 per cent of total investment inflows. It declined by 32.0 per cent to ₦266.33 billion, compared with the level recorded in the corresponding half of 2014. The contraction was induced by the fall in the inflow of equity capital by 77.2 per cent, in the review period. Similarly, the inflow of other investment capital fell by 56.2

per cent below the level recorded in the first half of 2014. In contrast, foreign direct investment abroad increased by 23.2 per cent to N145.32 billion over the level in the corresponding half of 2014.

4.5.2.2 Portfolio Investment

The inflow of portfolio investment declined by 24.7 per cent to ₦349.39 billion and accounted for 34.7 per cent of total investment inflow, compared with the level in the corresponding half of 2014. The development was mainly driven by the decline in both equity and debt securities by 65.5 and 18.7 per cent, respectively from the level recorded in the first half of 2014. Similarly, portfolio investment abroad declined by 38.6 per cent to ₦183.58 billion from ₦298.98 billion in the first half of 2014.

Figure 81
Foreign Direct Investment and Portfolio Investment Inflows



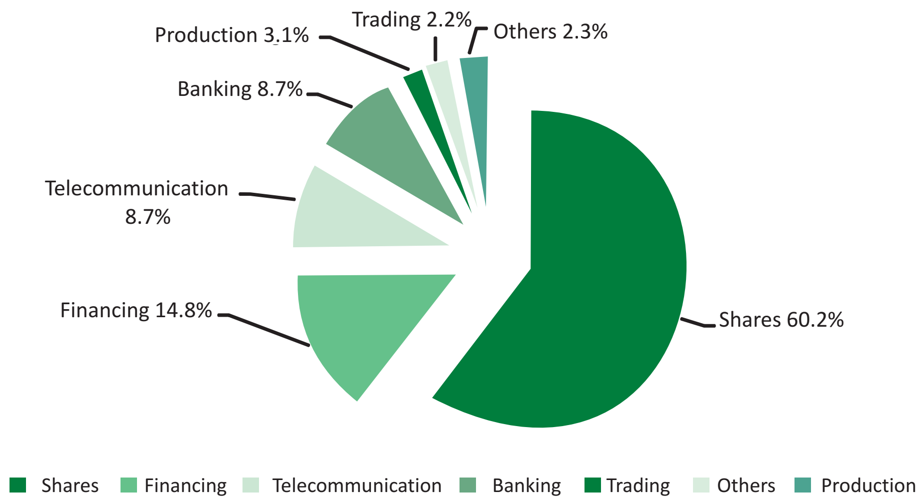
Source: CBN

4.5.3 Capital Importation and Capital Outflow

Available data on new capital imported into the economy from the database of DMBs, amounted to US$5.48 billion. Sectoral analysis showed that 60.2 per cent of the total capital inflows was utilised for shares or equity investment, while financing, telecommunication, banking, production/ manufacturing and trading, accounted for 14.8, 8.7, 8.7, 3.1 and 2.2 per cent of the total, respectively. "Other" sectors accounted for the balance.

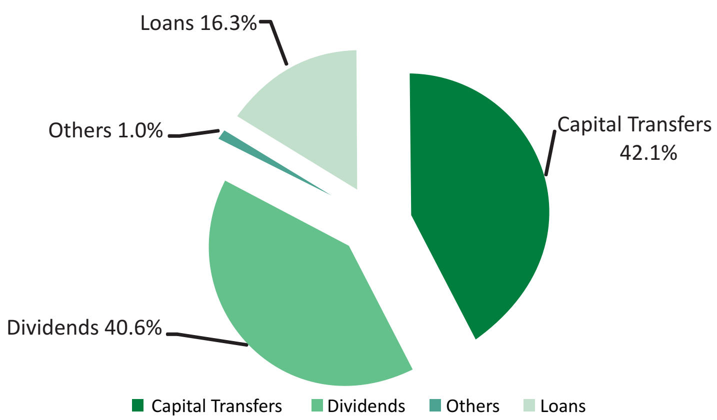
Capital outflow in the review period amounted to US$9.01billion; out of which capital transfers was US$3.80 billion or 42.1 per cent of total. Remittance of dividends by foreign investors stood at US$3.66 billion and represented 40.6 per cent, while repayment of loans was US$1.47 billion or 16.3 per cent of total. "Others" accounted for the balance.

Figure 82
Capital Importation by Sector
(First Half 2015, Per cent)



Source: CBN

Figure 83
Capital Outflow and Outward Transfers
(First Half 2015, Per cent)



Source: CBN

4.5.4 Reserve Assets

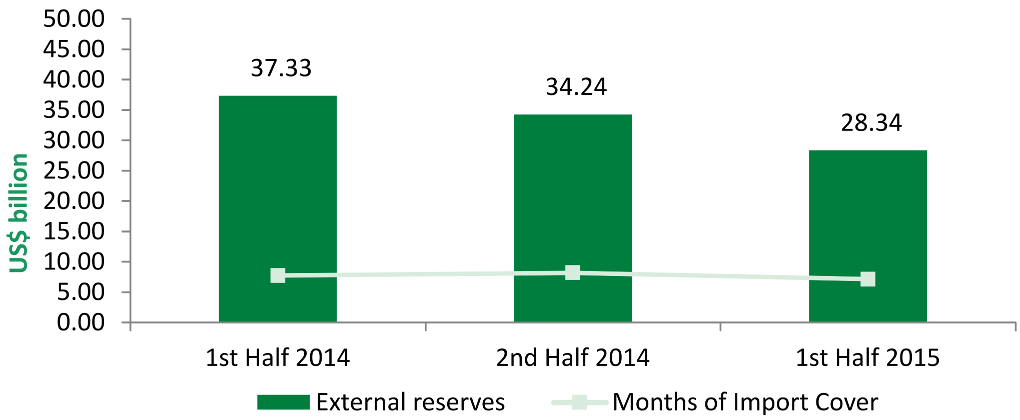
The stock of external reserves at the end of the first half of 2015 stood at US$28.34 billion when compared with the first half and corresponding half of 2014, declined by 17.3 and 24.1 per cent, respectively.

A disaggregation of the external reserves showed that Federation Reserves was US$2.27 billion, (8.0.%); Federal Government reserves, US$2.48 billion (8.8%) and the CBN reserves, US$23.58 billion (83.2%). The amount of external reserves could support 6.7 months of import commitments, compared with 7.3 months and 7.7 months in the second half and the corresponding period of 2014, respectively.

Furthermore, of the CBN reserves, the discretionary components, namely; the liquidity, investment, and stable tranches stood at US$2.04 billion, US$8.33 billion and US$10.07 billion, respectively. A decomposition of the stable tranche showed that internal bond portfolio was US$1.82 billion and external portfolio funds, US$8.25 billion. The non-discretionary component consisted of CBN holdings of Special Drawing Rights (SDR) with the IMF and LC collateral funds of US$2.36 billion and US$0.79 billion, respectively.

The Interest earnings from the investment of the external reserves portfolio stood at US$0.07 billion in the review period, compared with US$0.08 billion and US$0.06 billion in the first and second half of 2014, respectively.

Figure 84
External Reserves Stock and Months of Import Commitments

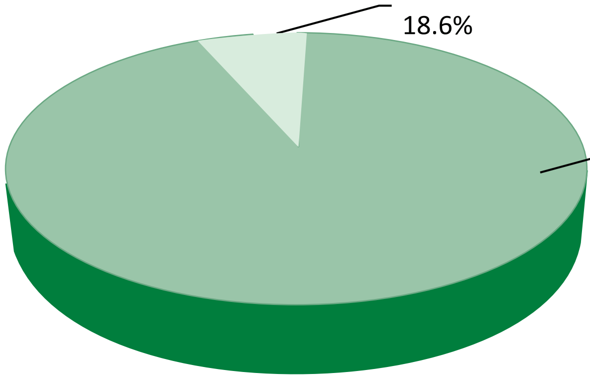


Source: CBN

4.5.5 External Assets of Financial Institutions

Provisional data on the total external assets of the banking system in the first half of 2015 was ₦9, 395.06 billion. Of the total, CBN's holdings accounted for ₦7,646.65 billion or 81.4 per cent and DMBs' holdings was ₦1,748.40 billion or 18.6 per cent.

Figure 85
Total External Assets,
(First Half 2015, Per cent of total)



Source: CBN

5.0 INTERNATIONAL ECONOMIC RELATIONS

5.1 Regional Institutions

5.1.1 West African Monetary Zone (WAMZ)

An Extraordinary Meeting of the Committee of Governors of the West African Monetary Zone (WAMZ) was held in Abuja, Nigeria, on January 22, 2015. The meeting was preceded by the Technical Committee meeting of the WAMZ on January 21, 2015. The WAMZ Committee of Governors (COG):

- Considered and approved WAMI's work programme and budget for 2015, and the report on the Status of Implementation of the Restructuring of WAMI;
- Directed WAMI to implement the staff Provident Fund for the Institute's support staff pending the outcome of the consultations between the Governor of the Bank of Ghana and the Social Security and National Insurance Trust (SSNIT) of Ghana;
- Allocated the positions of Director at WAMI to member countries and resolved that the Director positions would be rotated every two years; and
- Approved the re-appointment of the Director General of WAMI, Dr. Abwaku Englama, for another two-year period with effect from February 1, 2015.

5.1.2 African Union/United Nations Economic Commission for Africa (UNECA)

The 8th Joint Annual Meetings of the African Union Specialised Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration and the UNECA Conference of African Ministers of Finance, Planning and Economic Development took place from March 25 to 31, 2015 in Addis Ababa, Ethiopia. The theme of the Conference was "Implementing Agenda 2063 - Planning, Mobilising and Financing for

Development". The Conference was held in view of the 2015 deadline for the MDGs and the global negotiations on the post 2015 development agenda. The Conference featured the inaugural lecture of the Annual Adebayo Adedeji Lecture, launched in Abuja in 2014.

The 2015 edition of the Economic Report on Africa (ERA), "Industrialising through Trade", was launched during the Conference. The Report built on the key messages of the previous editions of ERA, focusing on industrialisation and structural transformation in Africa.

Furthermore, the caucus meeting of the African Central Bank Governors was held at the sidelines of the Conference of Ministers' meeting. During the meeting, the Governors identified follow-up measures on the outcomes of the Abuja 2014 meeting, and those that would enhance the role of African Central Banks in financing industrial development for inclusive growth and sustainable development.

5.1.3 Association of African Central Banks (AACB)

The Association of African Central Banks (AACB) 2015 Continental Seminar was held from May 13 to 15, 2015 in Nairobi, Kenya on the theme, "Monetary Policy Frameworks in Africa in a Changing Financial Landscape". The Seminar:

- Advised member central banks to harmonise their monetary, financial and payments policies for the attainment of the objectives of the African Union;
- Urged members to consider moving towards a forward-looking monetary policy framework, such as inflation targeting and hybrid frameworks (while taking cognisance of country specific conditions, central bank independence, availability of reliable and timely data), and develop inflation forecasting models;
- Identified the need to harmonise the monetary policy frameworks of AACB countries in line with the on-going regional integration initiatives and taking into consideration countries' differences by allowing some structural reforms, which might take 3 to 10 years;
- Recognised the need to strengthen the legal framework of central banks to support reforms of monetary policy frameworks;
- Recommended that member central banks should consider the adoption of the South African Development Community (SADC)'s model law;
- Recognised that the development of a robust payments system, growth in micro-financing, increase in shadow banking and non-bank financial institutions, liberalisation of capital accounts, the adoption of Islamic finance as

key contributors to financial innovations in Africa; and

- Stressed the importance of regulation, supervision and appropriate legal framework for operational resilience and management of mobile payments.

5.1.4 African Development Bank (AfDB)

The 2015 Annual Meetings of the Board of Governors of the African Development Bank (AfDB) was held in Abidjan, Cote d'Ivoire from May 25 to 29, 2015. At the meeting, the Board of Governors urged the Bank to pay more attention to poverty reduction, inclusive and sustainable growth as well as financial inclusion. The meeting elected Nigeria's former Minister of Agriculture and Natural Resources, Dr. Akinwumi Adesina as the 8th President of the Bank Group.

5.2 Multilateral Economic and Financial Institutions

5.2.1 International Monetary Fund (IMF)/World Bank Group

The 2015 Spring Meetings of the Board of Governors of the World Bank Group (WBG) and the International Monetary Fund (IMF) were held in Washington D.C., USA, from April 13 to 19, 2015. The Ministers of the Inter-governmental Group of 24, the International Monetary and Finance Committee (IMFC) of the IMF and the Development Committee of the World Bank held their respective meetings.

The G-24 Ministers:

- Noted the uneven global recovery across countries and regions, and the continued dominance of the emerging markets and developing countries (EMDCs) as major drivers of global growth;
- Observed the continued weak growth in the euro area and Japan, and improvement in the US economy;
- Expressed concern about potential effects of exchange rate and capital flow volatility on EMDCs arising from normalisation of monetary policy in the U.S. and divergent monetary policies among advanced economies; and
- Noted that domestic policy efforts to improve resilience to external shocks remained critical and should be complemented by adequate financial support from the IMF and other international financial institutions (IFIs).

The IMFC:

- Expressed its commitment to take further measures to lift growth and support a more robust, balanced, and job-rich global economy;
- Called for a mix of macroeconomic policies to promote growth, preserve fiscal sustainability and financial stability, and accelerate the design and

implementation of structural reforms;

- Supported productive and efficient execution of public and private investment, particularly in infrastructure for the recovery and lifting of growth; and
- Advocated for urgent reforms in the product and labour markets, deepening financial markets, improving governance, combating corruption, and tackling inequality.

The Development Committee:

- Noted the critical role of structural reforms in boosting business confidence, investment, job creation, sustainable and more inclusive growth and enhanced total factor productivity; and
- Emphasised a stronger role for women in the economy, and better education and training.

6.0 OUTLOOK FOR THE SECOND HALF OF 2015

The outlook for the rest of the year is fairly optimistic against the backdrop of the successful conduct of the 2015 general elections, which ushered in a new government. With the renewed anti-corruption war, including the adoption of treasury single account (TSA), blockage of leakages in government revenues, among others, the Nigerian economy looks fairly promising for the rest of 2015. In this regard, there are prospects for improvement in non-oil tax revenue predicated on expanded tax revenue base and the efficient collection which will have significant salutary effect on the economy. However, the continued decline in oil prices at the international market, with the attendant effect on government revenue, coupled with the lingering insurgency in the North East part of the country pose a threat to the growth prospects.

Premised on World Bank's forecast for marginal increase in crude oil price, the outlook for the external sector for the rest of 2015 remains bright. Foreign exchange pressure is expected to abate following the Bank's proactive foreign exchange management measures and gradual accretion to external reserves. The reduction in the demand for Nigeria's crude by the US is expected to be compensated by the rising demand from the emerging economies, especially China.

Table 20
DMBs' Credit to the Core Private Sector: (Percentage Share) /1

Sources	Share in Outstanding (Per cent)		
	Jun-14	Dec-14	Jun-15
Agriculture		**3.7**	**3.6**
Industry		**30.9**	**32.3**
Mining & Quarrying		0.1	0.1
Manufacturing		12.8	14.2
Oil & Gas		15.9	15.3
of which DownStream, Natural Gas and Crude Oil Refining		15.9	15.3
Power and Energy		2.1	2.6
of which IPP and Power Generation		2.1	2.6
Construction		**4.3**	**4.8**
Trade/General Commerce		**8.1**	**7.9**
Government		**5.7**	**5.2**
Services		**47.2**	**46.2**
Real Estate		4.3	4.1
Finance, Insurance and Capital Market		5.9	6.0
Education		0.7	0.5
Oil & Gas		8.5	8.5
of which Upstream and Oil & Gas Services		8.5	8.5
Power and Energy		1.2	1.2
of which Power Transmission and Distribution		1.2	1.2
Others		26.7	25.9
of which: i. General		15.3	13.8
ii. Information & Communication		6.2	6.3
iii. Transportation & Storage		2.1	3.1
Total Private Sector Credit		**100.0**	**100.0**

Source: Central Bank of Nigeria
Note: /1 New template was introduced in March 2015 based on the adoption of International Financial Reporting Standard (IFRS).

Table 21
Money Market Rates: First Half 2015 /1
(Per cent)

WEIGHTED AVERAGE						
Month	MPR	Interbank Call Rate	OBB	NIBOR: Call	NIBOR: 7 Days	NIBOR: 30 Days
Jan- 15	13.00	6.99	8.69	10.13	n. a.	13.70
Feb- 15	13.00	12.37	27.19	33.04	n. a.	15.47
Mar- 15	13.00	12.70	14.31	14.11	n. a.	15.89
Apr- 15	13.00	24.25	23.20	21.62	n. a.	15.17
May- 15	13.00	9.55	11.69	13.13	n. a.	14.61
Jun- 15	13.00	11.19	10.64	12.10	n. a.	15.45
1st Half 2015 Average	**13.00**	**12.84**	**15.95**	**17.36**	**n. a.**	**15.05**
1st Half 2014 Average	**12.00**	**10.46**	**10.89**	**11.16**	**11.40**	**12.18**

Sources: Central Bank of Nigeria and Financial Markets Dealers Association
1/ Revised
n. a. means not available

Table 22
Selected Interest Rates: First Half 2015
(Per cent)

Month	Savings	Average Term Deposit	Prime Lending	Maximum Lending
Jan- 15	3.48	8.01	16.86	25.97
Feb- 15	3.47	7.95	16.77	26.33
Mar- 15	3.76	7.77	16.90	26.61
Apr- 15	3.60	7.60	15.95	26.41
May- 15	3.60	7.71	16.08	26.43
Jun- 15	3.60	8.33	17.24	26.84
1st Half 2015 Average	**3.58**	**7.90**	**16.63**	**26.43**
1st Half 2014 Average	**3.36**	**8.60**	**16.72**	**25.52**

Source: Central Bank of Nigeria

Table 23
Open Market Operations (OMO) Sessions

Period	Total Bids (N' Million)	Amount Sold (N' Million)	Average Tenor (Days)	Average Yield (%)
2011				
January	255,939.22	140,539.22	146	9.30
February	0.00	0.00	0	0.00
March	123,421.18	69,918.18	33	6.78
April	142,516.59	23,387.18	37	9.27
May	119,335.12	48,607.55	150	9.61
June	80,450.00	25,470.00	157	9.08
Total	**721,662.11**	**307,922.13**		
Average	**120,277.02**	**51,320.36**	**105**	**8.81**
July	227,418.50	97,815.50	258	8.55
August	590,156.17	351,676.17	207	8.91
September	327,028.16	170,997.21	43	10.90
October	652,222.53	465,381.71	159	16.25
November	811,607.10	343,676.63	132	16.58
December	731,097.91	428,815.76	202	18.03
Total	**3,339,530.37**	**1,858,362.98**		
Average	**556,588.40**	**309,727.16**	**167**	**13.20**
2012				
January	799,840.00	246,660.00	173	16.36
February	1,124,220.00	297,000.00	238	15.89
March	1,150,240.00	491,600.00	297	15.27
April	973,640.00	304,180.00	289	14.57
May	956,240.00	363,130.00	69	13.99
June	48,220.00	14,110.00	62	14.50
Total	**5,052,400.00**	**1,716,680.00**		
Average	**842,066.67**	**286,113.33**	**188**	**15.10**
July	17,320.00	50.00	48	14.10
August	137,790.00	4,500.00	69	14.00
September	714,000.00	318,420.00	64	14.25
October	1,330,810.00	882,800.00	75	14.03
November	1,525,360.00	939,540.00	90	13.77
December	952,950.00	650,270.00	112	13.40
Total	**4,678,230.00**	**2,795,580.00**		
Average	**779,705.00**	**465,930.00**	**76**	**13.92**
2013				
January	2,958,460.00	1,756,660.00	77	13.73
February	2,302,710.00	1,351,600.00	105	12.54
March	2,061,290.00	1,265,240.00	118	13.30
April	2,228,780.00	1,516,690.00	169	13.55
May	1,476,320.00	1,127,400.00	159	13.22
June	505,190.00	81,950.00	156	14.09
Total	**11,532,750.00**	**7,099,540.00**		
Average	**1,922,125.00**	**1,183,256.67**	**131**	**13.40**
July	1,078,590.00	508,740.00	161	14.02
August	96,480.00	91,730.00	132	13.37
September	337,350.00	150,510.00	141	13.41
October	1,956,950.00	1,206,860.00	127	12.80
November	1,109,670.00	791,090.00	102	12.52
December	797,960.00	599,470.00	125	12.51
Total	**5,377,000.00**	**3,348,400.00**		
Average	**896,166.67**	**558,066.67**	**131**	**13.10**
2014				
January	1,271,958.85	1,091,488.65	118	12.47
February	405,786.77	307,403.51	130	13.17
March	836,869.23	714,571.36	133	13.76
April	359,329.93	285,940.65	125	12.87
May	1,229,507.61	905,994.13	121	11.29
June	1,351,007.15	1,179,539.92	122	11.20
Total	**5,454,459.54**	**4,484,938.22**		
Average	**909,076.59**	**747,489.70**	**125**	**12.46**
July	812,923.19	810,924.19	129	11.23
August	654,527.07	654,527.07	133	11.24
September	1,070,421.99	989,578.88	143	11.25
October	800,935.02	652,505.59	164	11.52
November	1,012,679.55	830,230.89	163	11.81
December	0.00	0.00	0	0.00
Total	**4,351,486.82**	**3,937,766.62**		
Average	**870,297.36**	**787,553.32**	**146**	**11.41**
2015				
January	1,637,224.91	1,295,880.94	165	15.20
February	279,283.49	217,327.54	193	15.90
March	586,859.44	543,859.44	188	16.08
April	1,027,454.90	933,744.73	261	15.82
May	657,106.07	524,540.43	206	15.13
June	979,350.37	746,365.40	145	14.01
Total	**5,167,279.18**	**4,261,718.48**		
Average	**861,213.20**	**710,286.41**	**193**	**15.36**

Source: Central Bank of Nigeria

Table 24
Treasury Bills: Issues and Allotments
(Naira Million)

Period	Issues	Central Bank	Allotment to Subscriber	
			Deposit Money Banks	Non-Bank Public
2011				
June	340,233.10	0.00	206,187.59	134,045.51
December	317,714.17	0.00	172,438.46	145,275.72
Annual Total	**3,046,262.94**		**1,999,006.25**	**1,047,256.69**
Annual Average	**253,855.24**		**166,583.85**	**87,271.39**
2012				
June	373,163.33	0.00	249,121.86	124,041.48
December	340,192.60	0.00	162,991.20	177,201.40
Annual Total	**3,625,060.16**	**163,857.24**	**2,026,752.46**	**1,419,047.31**
Annual Average	**302,088.35**	**13,654.77**	**168,896.04**	**118,253.94**
2013				
June	397,845.75	0.00	152,626.18	245,219.57
December	400,605.12	0.00	139,214.85	261,390.28
Annual Total	**3,650,881.21**	**0.00**	**1,853,716.30**	**1,797,164.91**
Annual Average	**304,240.10**	**0.00**	**154,476.36**	**149,763.74**
2014				
June	440,713.48	0.00	165,215.22	275,498.26
December	378,130.00	21,260.00	132,010.00	224,850.00
Annual Total	**3,879,469.09**	**88,240.00**	**1,985,031.81**	**1,806,194.96**
Annual Average	**323,289.09**	**7,353.33**	**165,419.32**	**150,516.25**
2015				
January	357,296.66	0.00	291,278.36	68,018.31
February	319,924.18	0.00	256,520.53	63,403.65
March	497,005.48	0.00	341,448.54	155,556.94
April	334,269.40	0.00	228,427.87	105,841.52
May	278,509.28	0.00	195,099.35	83,409.93
June	440,713.48	0.00	165,215.22	275,498.26
Half Year Total	**2,227,718.47**	**0.00**	**1,477,989.87**	**751,728.60**
Half Year Average	**371,286.41**	**0.00**	**246,331.64**	**125,288.10**

Source: Central Bank of Nigeria

Table 25
Monetary and Credit Developments 3/
(₦' Million)

Item	Jun 2011	Dec 2011	Jun 2012	Dec 2012	Jun 2013	Dec 2013	Jun 2014	Dec 2014	Jun 2015 /4
(1) Domestic Credit (Net)	**8,695,736.70**	**13,152,869.08**	**13,019,453.66**	**12,698,205.05**	**13,149,382.49**	**14,535,204.72**	**16,689,493.70**	**19,273,756.71**	**21,409,774.20**
(a) Claims on Federal Government (Net)	**-1,262,213.19**	**-1,030,722.73**	**-1,681,604.73**	**-2,453,557.09**	**-2,542,654.43**	**-1,656,265.28**	**-236,088.87**	**1,150,107.24**	**2,512,463.81**
By Central Bank	-2,733,579.77	-3,514,447.09	-3,723,009.95	-3,574,376.40	-3,519,920.52	-2,289,104.87	-2,913,883.11	-2,141,684.16	-769,517.43
By Commecial Banks	1,471,366.58	2,483,724.36	2,036,492.76	1,120,543.34	937,527.48	596,989.86	2,629,128.88	3,214,435.52	3,219,301.45
By Merchant Banks				0.00	39,738.60	36,606.47	46,265.36	74,955.88	61,317.08
By Non Interest Banks	0.00	0.00	4,912.46	275.98	0.00	-756.74	2,400.00	2,400.00	1,362.72
(b) Claims on Private Sector	**9,957,949.88**	**14,183,591.82**	**14,701,058.40**	**15,151,762.15**	**15,692,036.93**	**16,191,470.00**	**16,925,582.57**	**18,123,649.46**	**18,897,310.39**
By Central Bank	726,392.50	4,569,146.02	4,652,650.38	4,708,311.82	4,703,313.19	4,599,388.32	4,702,335.98	4,859,887.74	5,093,071.50
By Commercial Banks	9,231,557.39	9,614,445.80	10,048,406.52	10,440,956.33	10,949,139.46	11,543,649.93	12,168,761.86	13,179,598.11	13,712,964.87
By Merchant Banks				0.00	32,218.12	37,919.13	40,749.44	62,646.43	68,535.18
By Non Interest Banks	0.00	0.00	1.50	2,493.99	7,366.15	10,512.62	13,735.29	21,517.18	22,738.84
(i) Claims on State and Local Govts	420,237.95	513,218.66	586,273.65	665,879.27	661,034.92	779,126.93	486,924.37	536,367.32	471,430.12
By Central Bank	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
By Commercial Banks	420,237.95	513,218.66	586,273.65	665,879.27	660,341.02	776,698.03	486,924.37	536,367.32	471,430.12
By Merchant Banks				0.00	693.90	1,428.90	0.00	0.00	0.00
By Non Interest Banks			0.00	0.00	0.00	1,000.00	0.00	0.00	0.00
(ii) Claims on Non-Financial Public Ent's	0.00	0.00	0.00	0.00	0.00	23,578.28	23,587.73	25,590.35	51,033.53
By Central Bank	0.00	0.00	0.00	0.00	0.00	23,578.28	23,587.73	25,590.35	51,033.53
By Commercial Banks				0.00	0.00	0.00	0.00	0.00	0.00
By Merchant Banks				0.00	0.00	0.00	0.00	0.00	0.00
By Non Interest Banks				0.00	0.00	0.00	0.00	0.00	0.00
(iii) Claims on Other Private Sector	9,537,711.94	13,670,373.16	14,114,784.74	14,485,882.87	15,031,002.01	15,388,764.78	16,415,070.47	17,561,691.79	18,374,846.74
By Central Bank	726,392.50	4,569,146.02	4,652,650.38	4,708,311.82	4,703,313.19	4,575,810.04	4,678,748.26	4,834,297.39	5,042,037.96
By Commercial Banks	8,811,319.44	9,101,227.14	9,462,132.86	9,775,077.06	10,288,798.44	10,766,951.89	11,681,837.48	12,643,230.79	13,241,534.75
By Merchant Banks				0.00	31,524.22	36,490.23	40,749.44	62,646.43	68,535.18
By Non Interest Banks			1.50	2,493.99	7,366.15	9,512.62	13,735.29	21,517.18	22,738.84
(2) Foreign Assets (Net)	**6,453,690.26**	**7,138,672.78**	**7,522,255.04**	**9,043,678.68**	**9,164,430.15**	**8,658,649.73**	**7,673,096.58**	**6,954,214.77**	**5,951,452.90**
By Central Bank	4,922,626.64	5,823,794.26	6,025,336.84	7,393,557.68	7,561,183.53	7,043,927.36	6,343,984.91	6,244,718.92	5,795,959.61
By Commecial Banks	1,531,063.63	1,314,878.51	1,496,918.19	1,647,936.45	1,599,504.06	1,611,727.94	1,317,873.30	712,557.52	159,892.93
By Merchant Banks				0.00	1,936.05	1,089.63	8,419.57	-6,373.02	-5,946.22
By Non Interest Banks			0.00	2,184.56	1,806.50	1,904.80	2,818.80	3,311.35	1,546.58
(3) Other Assets (Net)	**-2,977,330.25**	**-6,988,047.36**	**-7,058,649.28**	**-6,258,036.21**	**-6,720,640.13**	**-7,504,890.90**	**-6,785,949.98**	**-7,314,942.50**	**-8,549,797.70**
Total Monetary Assets	**12,172,096.71**	**13,303,494.50**	**13,483,059.41**	**15,483,847.53**	**15,593,172.51**	**15,688,963.55**	**17,576,640.29**	**18,913,028.98**	**18,811,429.40**
Quasi-Money /1	**6,534,832.17**	**6,531,913.01**	**6,883,664.88**	**8,062,901.35**	**8,653,623.30**	**8,656,124.80**	**10,480,203.25**	**12,008,237.57**	**12,269,037.20**
Money Supply	**5,637,264.54**	**6,771,581.49**	**6,599,394.54**	**7,420,946.18**	**6,939,549.21**	**7,032,838.75**	**7,096,437.05**	**6,904,791.41**	**6,542,392.20**
Currency Outside Banks	1,016,449.92	1,245,135.35	1,088,325.98	1,301,160.63	1,127,804.88	1,446,660.40	1,211,563.93	1,437,397.09	1,183,988.38
Demand Deposits /2	4,620,814.62	5,526,446.14	5,511,068.56	6,119,785.55	5,811,744.33	5,586,178.35	5,884,873.12	5,467,394.32	5,358,403.82
Total Monetary Liabilities	**12,172,096.71**	**13,303,494.50**	**13,483,059.41**	**15,483,847.53**	**15,593,172.51**	**15,688,963.55**	**17,576,640.29**	**18,913,028.98**	**18,811,429.40**
GROWTH RATE OVER THE PRECEDING DECEMBER (In Percentages)									
Credit to the Domestic Economy (Net)	2.32	54.76	-1.01	-3.46	3.55	14.47	14.82	32.60	11.08
Credit to the Private Sector	1.30	44.28	3.65	6.83	3.57	6.86	4.53	11.93	4.27
Claims on Federal Government (Net)	5.22	22.60	-63.15	-138.04	-3.63	32.50	85.75	169.44	118.45
By Central Bank	5.22	-21.86	-5.93	-1.71	1.52	35.96	-27.29	6.44	64.07
Claims on State and Local Governments	13.64	38.78	14.23	29.75	-0.73	17.01	-37.50	-31.16	-12.11
Claims on Non-Financial Public Enterprises									
Claims on Other Private Sector	0.82	44.50	3.25	5.97	3.76	6.23	6.67	14.12	4.63
Foreign Assets (Net)	-0.81	9.71	5.37	26.69	1.34	-4.26	-11.38	-19.68	-14.42
Quasi-Money	9.75	9.70	5.39	23.44	7.33	7.36	21.07	38.73	2.17
Money Supply (M1)	1.18	21.54	-2.54	9.59	-6.49	-5.23	0.90	-1.82	-5.25
Broad Money (M2)	5.61	15.43	1.35	16.39	0.71	1.32	12.03	20.55	-0.54
Other Assets (Net)	14.44	-100.82	-1.01	10.45	-7.39	-19.92	9.58	2.53	-16.88

Source: Central Bank of Nigeria

/1 Quasi-Money consists of Time, Savings and Foreign Currency Deposits of Deposit Money Banks excluding takings from Discount Houses.

/2 Demand Deposits consist of state and local government as well as parastatals deposits at the CBN on the one hand and state and local government and private sector deposits as well as demand deposits of non-financial public enterprises at the Deposit Money Banks.

/3 Table is revised; International Financial Reporting Standard was adopted in March 2015 for banking statistical reporting and migration of electronic returns of banking statistics from e-FASS to FINA also took place in March 2015.

/4 Provisional

Table 26
Value of Money Market Assets
(Naira Million)

Instrument	2011		2012		2013		2014		2015
	June	Dec	June	Dec	June	Dec	June	Dec	June
Treasury Bills	1,561,424.00	1,727,910.00	2,084,590.38	2,122,926.96	2,483,285.11	2,581,550.64	2,735,869.09	2,815,523.75	2,824,952.25
Treasury Certificates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Development Stocks	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Certificates of Deposits	0.00	0.00	0.00	34,000.00	23,000.00	20,500.00	51,500.00	50,954.00	38,693.10
Commercial Papers	199,469.24	203,008.29	2,039.06	1,050.36	6,466.85	9,324.80	10,088.31	9,822.17	6,679.00
Bankers' Acceptances	62,258.27	73,406.10	23,722.34	9,863.82	16,012.34	20,469.96	7,350.82	8,757.23	8,596.28
FGN Bonds	3,276,111.00	3,541,200.00	3,714,553.86	4,080,048.85	4,032,903.13	4,222,037.71	4,369,837.71	4,792,281.22	5,300,418.82
Total	**5,099,262.52**	**5,545,524.39**	**5,824,905.64**	**6,247,889.99**	**6,570,202.67**	**6,853,883.10**	**7,195,989.44**	**7,677,338.37**	**8,179,339.46**
Percentage Change Over Preceding December									
Treasury Bills	22.26	35.30	20.64	22.86	16.97	21.60	5.98	9.06	0.33
Treasury Certificates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Eligible Development Stocks	-100.00	-100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Certificates of Deposits	0.00	0.00	0.00	0.00	-32.35	-39.71	151.22	148.56	-24.06
Commercial Papers	5.42	7.29	-99.00	-99.48	515.68	787.77	14.01	5.33	-32.00
Bankers' Acceptances	-21.36	-7.28	-67.68	-86.56	62.33	107.53	37.53	-57.22	-1.84
FGN Bonds	12.91	22.04	4.90	15.22	-1.16	3.48	3.50	13.51	10.60
Percentage Change of Total	**14.66**	**24.69**	**5.04**	**12.67**	**5.16**	**9.70**	**4.99**	**12.01**	**6.54**

Source: Central Bank of Nigeria
1/ Provisional

Table 27
Selected Interest Rates
(End-Period Rate)

	2011		2012		2013		2014		2015
	Jun	Dec	Jun	Dec	Jun	Dec	Jun	Dec	Jun
End-Period Rates									
Monetary Policy Rate	8.00	12.00	12.00	12.00	12.00	12.00	12.00	13.00	13.00
Treasury Bills Issue Rate	8.35	14.23	14.08	11.77	11.60	10.97	10.23	10.77	11.87
Inter-bank Call Rate	10.92	14.10	15.26	10.56	10.42	10.50	10.50	26.15	11.19
Open Buy Back (OBB)	9.11	13.57	14.46	10.29	10.29	11.50	10.57	23.46	10.64
NIBOR 7-days	11.75	14.63	15.58	11.38	10.75	10.88	10.85	26.53	n. a.
NIBOR 30-days	12.83	15.25	16.04	12.96	11.00	11.13	12.17	15.79	15.45
Deposit Money Banks (DMBs) (Weighted Average Rates)									
Savings Deposit Rate	1.40	1.41	1.76	1.66	2.04	2.53	3.42	3.46	3.60
Time Deposit Rate (3 months)	5.14	6.80	7.80	9.15	7.49	7.96	9.30	9.48	10.27
Prime Lending Rate	15.76	16.75	16.93	16.54	16.56	17.01	16.50	15.88	17.24
Maximum Lending Rate	22.02	23.21	23.44	24.61	24.58	24.90	26.07	25.91	26.84

Sources: Financial Market Dealers Association (FMDA) and Central Bank of Nigeria

Table 28
Federation Account Operations
(₦' Billion)

	2011 1st Half	2012 1st Half	2013 1st Half	2014 1/ 1st Half	2015 2/ 1st Half	2015 1st Half Budget
Total Revenue (Gross)	**4,758.96**	**5,577.22**	**4,806.50**	**5,109.04**	**3,452.84**	**4,889.19**
Oil Revenue (Gross)	**3,828.05**	**4,357.61**	**3,648.04**	**3,604.39**	**2,049.78**	**2,715.60**
Crude oil / Gas Exports	1,007.66	959.01	842.94	1,094.04	489.49	1,291.58
PPT and Royalties etc.	1,698.91	2,160.16	2,003.29	1,713.36	898.33	1,066.16
Domestic Crude Oil / Gas Sales	1,119.63	1,190.62	785.17	748.21	607.21	354.04
Other Oil Revenue	1.86	47.82	16.64	48.78	54.76	3.82
Less:						
Deductions	**2,136.53**	**2,214.56**	**1,281.47**	**1,124.72**	**450.66**	**774.77**
Oil Revenue (Net)	**1,691.53**	**2,143.05**	**2,366.57**	**2,479.67**	**1,599.12**	**1,940.84**
Non-oil Revenue	**930.91**	**1,219.61**	**1,158.46**	**1,504.64**	**1,403.06**	**2,173.59**
Corporate Tax	243.26	281.82	341.37	582.31	334.30	711.80
Customs & Excise Duties	210.57	226.97	207.20	257.91	265.67	359.13
Value-Added Tax (VAT)	307.11	352.75	379.18	407.95	398.84	641.85
Independent Revenue of Fed. Govt.	92.93	226.70	82.20	134.01	290.93	244.65
Education Tax	14.57	48.71	51.80	18.57	16.38	103.04
Customs Special Levies (Federation Account)	61.82	79.10	92.91	44.93	36.32	74.27
National Information Technology Development Fund (NITDF)	0.64	3.57	3.80	2.04	2.70	5.02
Customs Special Levies (Non-Federation Account)	0.00	0.00	0.00	56.91	57.92	33.83
Less:						
Cost of Collection	**36.27**	**41.27**	**43.33**	**217.35**	**48.54**	**101.51**
Non-Oil Revenue (Net)	**894.64**	**1,178.34**	**1,115.14**	**1,287.29**	**1,354.52**	**2,072.08**
Estmiated Balances in Special Accounts for the previous year	0.00	0.00	0.00	0.00	0.00	8.62
Add Solid Mineral and Other Mining Revenue	0.00	0.00	0.00	0.00	0.00	7.84
Federally-collected revenue (Net)	**2,586.16**	**3,321.39**	**3,481.71**	**3,766.96**	**2,953.64**	**4,029.37**
Federation Account Allocation:	**2,586.16**	**3,321.39**	**3,481.71**	**3,766.96**	**2,953.64**	**4,029.37**
Transfer to Federal Govt. Ind. Revenue	92.93	226.70	82.20	134.01	290.93	244.65
Transfer to VAT Pool Account	294.82	338.64	364.01	391.63	382.88	616.18
Other Tranfers 3/	77.03	131.37	148.51	122.46	113.32	136.86
Amount Distributed	**2,121.38**	**2,624.68**	**2,886.98**	**3,118.87**	**2,166.51**	**3,031.69**
Federal Government	1,001.70	1,235.91	1,358.79	1,473.20	1,031.80	1,463.64
State Government	508.08	626.87	689.20	747.23	523.34	742.38
Local Government	391.70	483.29	531.34	576.08	403.48	572.35
13% Derivation	219.90	278.60	307.65	322.36	207.89	253.33
Vat Pool Account	**294.82**	**338.64**	**364.01**	**391.63**	**382.88**	**616.18**
FG	44.22	50.79	54.60	58.75	57.43	92.43
SG	147.41	169.32	182.00	195.82	191.44	308.09
LG	103.19	118.52	127.40	137.07	134.01	215.66
Special Funds (FGN)	**77.80**	**96.55**	**107.49**	**116.89**	**81.87**	**116.14**
Federal Capital Territory	18.61	23.10	25.71	27.97	19.59	27.78
Ecology	18.61	23.10	25.71	27.97	19.59	27.78
Statutory Stabilization	9.31	11.55	12.86	13.98	9.79	13.89
Natural Resources	31.27	38.81	43.20	46.98	32.90	46.68
FCT VAT	2.95	3.39	3.64	3.92	3.83	6.16
Overall Balance	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Memorandum Items						
Deductions	**2,136.53**	**2,214.56**	**1,281.47**	**1,124.72**	**450.66**	**774.77**
JVC Cash calls	499.35	562.65	571.43	684.05	383.66	509.79
Excess Crude Proceeds	548.29	428.45	0.00	182.50	0.00	0.00
Excess PPT & Royalty	819.83	886.33	674.07	206.85	15.50	0.00
Domestic Subsidy	269.07	77.14	0.00	0.00	0.00	72.76
DPR Cost of Collection	0.00	0.00	0.00	0.00	13.52	0.00
Others	-	260.00	35.96	51.33	37.98	192.22
Distribution from Excess Crude	**0.00**	**75.00**	**309.48**	**0.00**	**15.63**	**95.08**
Federal Government	0.00	34.37	141.84	0.00	7.16	54.54
State Government	0.00	17.44	71.94	0.00	3.63	22.89
Local Government	0.00	13.44	55.46	0.00	2.80	17.65
13% Derivation	0.00	9.75	40.23	0.00	2.03	0.00
Provisional Dist & Actual Budget (Diff)	**162.90**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Federal Government	74.66	0.00	0.00	0.00	0.00	0.00
State Government	37.87	0.00	0.00	0.00	0.00	0.00
Local Government	29.20	0.00	0.00	0.00	0.00	0.00
13% Derivation	21.18	0.00	0.00	0.00	0.00	0.00
Exchange Rate Gain	**0.00**	**0.00**	**0.00**	**0.00**	**210.43**	**0.00**
Federal Government	0.00	0.00	0.00	0.00	96.44	0.00
State Government	0.00	0.00	0.00	0.00	48.92	0.00
Local Government	0.00	0.00	0.00	0.00	37.71	0.00
13% Derivation	0.00	0.00	0.00	0.00	27.36	0.00
SURE-P 6/	**0.00**	**71.10**	**213.30**	**213.30**	**0.00**	**0.00**
Federal Government	0.00	32.59	97.76	97.76	0.00	0.00
State Government	0.00	16.53	49.58	49.58	0.00	0.00
Local Government	0.00	12.74	38.23	38.23	0.00	0.00
13% Derivation	0.00	9.24	27.73	27.73	0.00	0.00
NNPC Refund	**0.00**	**72.15**	**45.70**	**30.47**	**37.98**	**0.00**
Federal Government	0.00	0.00	0.00	0.00	37.98	0.00
State Government	0.00	33.80	22.45	14.97	0.00	0.00
Local Government	0.00	26.06	17.31	11.54	0.00	0.00
13% Derivation	0.00	12.29	5.94	3.96	0.00	0.00
Federation Revenue Augmentation/NNPC Additional Rev.	**145.95**	**462.02**	**613.88**	**0.00**	**14.68**	**0.00**
Federal Government	66.89	211.75	281.35	0.00	6.73	0.00
State Government	33.93	107.40	142.71	0.00	3.41	0.00
Local Government	26.16	82.80	110.02	0.00	2.63	0.00
13% Derivation	18.97	60.06	79.80	0.00	1.91	0.00
Total Excluding VAT	**2,430.23**	**3,304.94**	**4,069.34**	**3,362.63**	**2,445.23**	**3,126.77**
Federal Government	1,143.25	1,514.63	1,879.74	1,570.96	1,180.12	1,518.18
State Government	579.87	802.04	975.88	811.78	579.30	765.27
Local Government	447.06	618.34	752.36	625.85	446.62	589.99
13% Derivation	260.05	369.94	461.36	354.05	239.18	253.33
Total Statutory Revenue and VAT Distribution 3/	**2,725.06**	**3,643.58**	**4,433.35**	**3,754.26**	**2,828.11**	**3,742.95**
Federal Government	1,187.48	1,565.42	1,934.34	1,629.70	1,237.55	1,610.61
State Government	727.29	971.36	1,157.89	1,007.60	770.75	1,073.36
Local Government	550.25	736.86	879.76	762.92	580.63	805.65
13% Derivation	260.05	369.94	461.36	354.05	239.18	253.33

Source: Office of the Accountant-General of the Federation (OAGF)
1/ Revised
2/ Provisional
3/ Includes Education Tax, Customs Levies and NITDF

Table 29
Summary of Federal Government Finances
(₦' Billion)

	2011 1st Half	2012 1st Half	2013 1st Half	2014 1/ 1st Half	2015 2/ 1st Half	2015 1st Half Budget
Total Federal Government Retained Revenue	**1,308.10**	**1,902.01**	**1,960.17**	**1,881.04**	**1,583.19**	**1,858.99**
Share of Federation Account (Gross)	1,001.70	1,235.91	1,358.79	1,473.20	1,031.80	1,463.64
Share of VAT Pool Account	44.22	50.79	54.60	58.75	57.43	92.43
Federal Government Independent Revenue	92.93	128.56	82.20	134.01	290.93	244.65
Share of Excess Crude Account (incl. Augment.)	141.55	318.50	423.19	0.00	7.16	0.00
Share from SURE-P Distribution	27.70	32.59	97.76	97.76	0.00	0.00
Share from Excess Non-Oil	0.00	0.00	0.00	84.12	0.00	0.00
NNPC Refund (Incl. Additional NNPC Share)	0.00	0.00	0.00	0.00	44.71	0.00
Subsidy	0.00	0.00	0.00	0.00	0.00	18.66
Exchange Gain	0.00	0.00	0.00	0.00	96.44	10.52
Others 3/	0.00	135.66	(56.38)	33.20	54.72	29.10
Total Expenditure	**1,958.34**	**2,213.14**	**2,375.56**	**2,128.70**	**2,259.66**	**2,379.50**
Recurrent Expenditure	**1,546.61**	**1,553.24**	**1,714.39**	**1,610.20**	**1,872.80**	**1,902.67**
Goods and Services	**1,235.19**	**1,109.68**	**1,080.61**	**979.27**	**1,166.06**	**1,303.57**
Personnel Cost	832.42	869.78	775.06	753.13	860.15	915.11
Pension	54.76	76.92	66.27	73.88	96.01	145.53
Overhead Cost	348.01	162.98	239.28	152.26	209.90	242.93
Interest Payments	**225.15**	**308.87**	**390.61**	**477.80**	**592.17**	**476.81**
Foreign	20.90	21.97	29.59	36.37	35.82	29.51
Domestic 3/	204.25	286.90	361.02	441.44	556.35	447.31
Transfers	**86.28**	**134.69**	**243.17**	**153.13**	**114.57**	**122.30**
Special Funds and others 6/	86.28	134.69	243.17	153.13	114.57	122.30
Capital Expenditure & Net Lending 5/	**303.62**	**291.84**	**499.69**	**353.15**	**274.53**	**289.01**
Domestic Financed Budgets	**303.62**	**291.84**	**499.69**	**353.15**	**274.53**	**289.01**
Budgetary	303.62	259.25	401.93	255.40	57.43	278.50
Subsidy	0.00	0.00	0.00	0.00	61.00	0.00
SURE-P/ Loan to Ex Dom Naira Account	0.00	32.59	97.76	97.76	156.10	10.52
Transfers	**108.10**	**368.06**	**161.49**	**165.34**	**112.33**	**187.81**
NDDC	28.04	0.00	0.00	15.49	7.71	23.36
NJC	47.50	39.17	33.50	27.92	39.71	36.50
UBE	23.04	31.80	38.99	29.36	10.30	34.19
Refund of Signature Bonuses/Others	9.52	297.10	89.01	92.58	54.61	93.76
Balance Of Revenue And Expenditure						
Primary Surplus (+)/Deficit (-)	**(425.09)**	**(2.26)**	**(24.79)**	**230.14**	**(84.30)**	**(43.69)**
Current Surplus(+)/Deficit(-)	**(238.51)**	**348.77**	**245.78**	**270.84**	**(289.61)**	**(43.68)**
Overall Surplus(+)/Deficit(-)	**(650.23)**	**(311.13)**	**(415.40)**	**(247.66)**	**(676.47)**	**(520.50)**
Financing:	**723.56**	**311.13**	**415.40**	**247.66**	**676.47**	**520.50**
Foreign(Net)	**73.33**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Domestic(Net)	**650.23**	**311.13**	**415.40**	**247.66**	**676.47**	**520.50**
Banking System	0.00	0.00	0.00	0.00	0.00	0.00
CBN	0.00	0.00	0.00	0.00	421.20	0.00
DMBs	0.00	0.00	0.00	0.00	0.00	0.00
Non Bank Public	476.00	204.00	521.43	504.00	330.00	312.11
Other Funds	**79.23**	**103.63**	**(257.30)**	**(293.04)**	**249.86**	**38.41**
Privatization Proceeds	0.00	3.50	0.00	0.00	72.60	7.50
Loans from Special Accts	95.00	0.00	151.26	36.70	24.01	0.00
Excess Crude	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**162.48**

Source: Office of the Accountant-General of the Federation (OAGF)

1/ Revised

2/ Provisional

3/ Includes FGN balance of special accounts, transfers to CRF and payments to FGN and other statutory benefitsShare of Difference between Provisonal and Approved Budget.

4/ Include Ways and Means Advances

5/ Includes net deductions for loans on lent to State,local governments and Federal parastatals/companies.

Table 30
Functional Classification of Federal Government Recurrent and Capital Expenditure
(Naira Billion)

	2011 Half - Year	2012 Half - Year	2013 Half - Year	2014 Half - Year 1/	2015 Half - Year 1/
TOTAL EXPENDITURE	**1,958.34**	**2,213.14**	**2,375.56**	**2,131.31**	**2,259.66**
A. RECURRENT EXPENDITURE	**1,546.61**	**1,553.24**	**1,714.39**	**1,610.20**	**1,872.80**
A1. ADMINISTRATION	**600.99**	**571.48**	**626.12**	**512.59**	**607.41**
General Administration	281.14	280.46	313.47	203.22	206.57
Defence	109.47	109.88	117.52	112.80	150.73
Internal Security	210.38	181.14	195.14	196.57	250.12
A2. ECONOMIC SERVICES	**195.35**	**172.59**	**178.34**	**106.50**	**123.33**
Agriculture	15.99	22.09	19.01	19.33	23.28
Roads & Construction	20.57	19.21	21.31	20.53	23.47
Transport & Communications	43.33	47.29	46.72	46.29	53.98
Others	115.46	84.00	91.30	20.35	22.61
A3. SOCIAL & COMMUNITY SERVICES	**287.08**	**288.70**	**300.67**	**293.52**	**339.31**
Education	130.42	138.57	138.21	136.39	158.83
Health	57.63	70.29	64.80	64.55	76.78
Others	99.02	79.83	97.66	92.58	103.69
A4. TRANSFERS	**463.20**	**520.48**	**609.26**	**697.60**	**802.75**
Public Debt Charges (Int)	225.15	308.87	390.61	477.80	592.17
Domestic	204.25	286.90	361.02	441.44	556.36
Foreign	20.90	21.97	29.59	36.37	35.82
Pensions & Gratuities	54.76	76.92	66.27	66.66	96.01
FCT & Others	86.28	134.69	152.38	153.13	114.57
Contingencies (Others)	-	-	-	-	-
External Obligations	-	-	-	-	-
Extra-Budgetary Expenditure	-	-	-	-	-
Deferred Customs Duties	-	-	-	-	-
Unspecified Expenditure	-	-	-	-	-
Others	97.02	-	-	-	-
B. CAPITAL EXPENDITURE	**303.62**	**291.84**	**499.69**	**353.15**	**274.53**
B1. ADMINISTRATION	**116.13**	**110.38**	**176.19**	**136.65**	**106.64**
General Administration	75.05	68.16	110.77	86.20	66.72
Defence	15.99	16.45	26.41	19.89	15.80
Internal Security	25.09	25.77	39.01	30.56	24.12
B2 ECONOMIC SERVICES	**118.89**	**130.41**	**221.44**	**142.68**	**112.05**
Agriculture & Natural Resources	19.30	20.79	38.22	26.04	21.20
Manuf., Mining & Quarrying	7.81	5.72	12.23	8.53	6.48
Transport & Communications	28.21	29.21	51.97	36.65	29.51
Housing	-	-	-	-	-
Roads & Construction	36.08	36.38	71.15	47.40	38.30
National Priority Projects	-	-	-	-	-
JVC Calls/NNPC Priority Projects	-	-	-	-	-
PTF	-	-	-	-	-
Counterpart Funding	-	-	-	-	-
Others	27.50	38.30	47.86	24.06	16.55
B3 SOCIAL & COMMUNITY SERVICES	**54.85**	**39.62**	**79.11**	**57.90**	**43.48**
Education	17.90	19.57	30.32	23.23	18.53
Health	14.97	15.68	24.82	18.96	15.03
Others	21.98	4.37	23.97	15.71	9.92
B4 TRANSFERS	**13.75**	**11.43**	**22.94**	**15.92**	**12.36**
Financial Obligations	-	-	-	-	-
Capital Repayments	-	-	-	-	-
Domestic	-	-	-	-	-
Foreign	-	-	-	-	-
External Obligations	-	-	-	-	-
Contingencies 2/	-	-	-	-	-
Capital Supplementation	10.60	8.19	17.99	12.06	9.31
Net Lending to States/L.G.s/Parast.	-	-	-	-	-
Grants to States	-	-	-	-	-
Others	3.15	3.23	4.95	3.86	3.05
C. STATUTORY TRANSFERS	**108.10**	**368.06**	**161.49**	**167.96**	**112.33**
NDDC	28.04	0.00	0.00	0.00	7.71
NJC	47.50	39.17	33.50	26.05	39.71
UBE	23.04	31.80	38.99	35.24	10.30
Others	9.52	297.10	89.01	106.67	54.61

Sources: Federal Ministry of Finance, Office of the Accountant-General of the Federation and Central Bank of Nigeria
1/ Provisional

Table 31
Summary of Statutory & VAT Revenue Allocation to State Governments 1/
(Naira Billion)

First Half 2011

S/N	STATES	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Augmentation	VAT	Total Gross Alloc.	Total Net Alloc.
1	ABIA	12.25	0.24	2.29	14.29	2.14	3.01	19.67	19.43
2	ADAMAWA	13.67	0.72	-	12.96	1.93	3.17	18.77	18.06
3	AKWA IBOM	13.83	(0.87)	55.39	70.09	11.08	4.08	84.38	85.25
4	ANAMBRA	13.81	0.30	-	13.51	1.95	3.53	19.29	18.99
5	BAUCHI	16.02	1.39	-	14.63	2.26	3.62	21.90	20.51
6	BAYELSA	10.97	12.48	42.77	41.26	9.12	2.78	65.64	53.16
7	BENUE	14.76	2.18	-	12.58	2.09	3.47	20.32	18.14
8	BORNO	16.29	0.07	-	16.21	2.30	3.50	22.09	22.02
9	CROSS RIVER	12.83	0.40	2.27	14.71	2.20	3.05	20.35	19.96
10	DELTA	13.82	2.03	44.56	56.35	10.79	4.09	73.26	71.23
11	EBONYI	11.33	3.50	-	7.84	1.60	2.90	15.83	12.34
12	EDO	12.90	0.96	3.88	15.82	2.65	3.38	22.81	21.85
13	EKITI	11.43	0.14	-	11.29	1.62	2.89	15.94	15.79
14	ENUGU	12.90	0.17	-	12.73	1.82	3.23	17.95	17.78
15	GOMBE	12.13	0.42	-	11.70	1.71	2.90	16.74	16.31
16	IMO	13.77	3.12	2.51	13.16	2.36	3.42	22.06	18.95
17	JIGAWA	15.13	0.15	-	14.98	2.14	3.63	20.90	20.75
18	KADUNA	17.24	1.81	-	15.43	2.44	4.20	23.87	22.07
19	KANO	21.61	0.44	-	21.17	3.05	5.62	30.28	29.84
20	KATSINA	16.43	0.67	-	15.76	2.32	4.03	22.78	22.11
21	KEBBI	13.74	0.24	-	13.51	1.94	3.21	18.89	18.66
22	KOGI	13.71	0.91	-	12.80	1.94	3.30	18.95	18.04
23	KWARA	12.49	0.10	-	12.39	1.77	2.93	17.19	17.09
24	LAGOS	19.52	3.63	-	15.89	2.76	26.34	48.62	44.99
25	NASARAWA	11.71	1.48	-	10.22	1.65	2.69	16.05	14.56
26	NIGER	15.99	2.17	-	13.82	2.26	3.39	21.63	19.46
27	OGUN	13.36	0.26	-	13.10	1.89	3.39	18.64	18.39
28	ONDO	12.81	0.78	7.52	19.55	3.25	3.27	26.85	26.06
29	OSUN	12.67	0.26	-	12.41	1.79	3.25	17.71	17.45
30	OYO	15.97	1.09	-	14.88	2.26	4.17	22.39	21.30
31	PLATEAU	13.41	0.60	-	12.80	1.89	3.18	18.49	17.88
32	RIVERS	14.99	2.16	55.98	68.81	12.03	5.46	88.47	86.30
33	SOKOTO	14.25	0.14	-	14.12	2.01	3.41	19.68	19.54
34	TARABA	13.50	0.05	-	13.45	1.91	2.86	18.27	18.22
35	YOBE	13.40	0.23	-	13.17	1.89	2.95	18.24	18.01
36	ZAMFARA	13.44	0.93	-	12.51	1.90	3.12	18.46	17.53
37	Disputed Deriv.			-	-	-		-	-
	Rivers/Akwa Disputed Fund			2.73	2.73	1.24		3.97	3.97
	TOTAL	508.08	45.35	219.90	682.63	111.95	147.41	987.33	941.99

First Half 2012

S/N	STATES	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Augmentation	Exchange Gain	Excess Crude 2/	NNPC Refund	SURE-P	VAT	Total Gross Alloc.	Total Net Alloc.
1	ABIA	15.11	0.30	2.30	17.11	2.59	0.27	0.42	0.55	0.40	3.48	25.12	24.82
2	ADAMAWA	16.87	1.97	-	14.90	2.89	0.31	0.47	0.62	0.44	3.63	25.22	23.25
3	AKWA IBOM	17.06	6.17	99.61	110.50	2.92	0.31	0.47	0.61	0.45	4.44	125.88	119.70
4	ANAMBRA	17.04	0.10	-	16.93	2.92	0.31	0.47	0.62	0.45	4.04	25.84	25.74
5	BAUCHI	19.76	2.45	-	17.31	3.39	0.36	0.55	0.69	0.52	4.13	29.40	26.94
6	BAYELSA	13.52	14.53	69.26	68.26	2.32	0.24	0.38	0.48	0.36	3.29	89.85	75.32
7	BENUE	18.21	2.31	-	15.90	3.12	0.33	0.51	0.66	0.48	4.08	27.40	25.09
8	BORNO	20.10	1.37	-	18.73	3.44	0.36	0.56	0.70	0.53	4.05	29.75	28.39
9	CROSS RIVER	15.83	1.60	2.86	17.10	2.71	0.29	0.44	0.58	0.42	3.54	26.67	25.07
10	DELTA	17.05	9.51	80.23	87.77	2.92	0.31	0.47	0.62	0.45	4.99	107.05	97.54
11	EBONYI	13.98	3.65	-	10.34	1.92	0.25	0.39	0.52	0.37	3.34	20.77	17.13
12	EDO	15.92	3.98	6.90	18.84	3.20	0.29	0.44	0.61	0.42	4.01	31.79	27.81
13	EKITI	14.11	2.94	-	11.17	2.42	0.26	0.39	0.52	0.37	3.35	21.41	18.47
14	ENUGU	15.91	0.62	-	15.30	2.73	0.29	0.44	0.57	0.42	3.72	24.08	23.47
15	GOMBE	14.96	3.14	-	11.82	2.30	0.27	0.42	0.53	0.39	3.35	22.22	19.07
16	IMO	16.99	2.75	4.04	18.28	3.17	0.31	0.47	0.61	0.45	3.93	29.97	27.22
17	JIGAWA	18.66	1.04	-	17.63	3.20	0.34	0.52	0.67	0.49	4.10	27.98	26.95
18	KADUNA	21.27	1.82	-	19.45	3.64	0.39	0.59	0.75	0.56	4.97	32.18	30.36
19	KANO	26.66	1.95	-	24.71	4.57	0.48	0.74	0.92	0.70	6.47	40.54	38.59
20	KATSINA	20.27	0.22	-	20.05	3.47	0.37	0.56	0.72	0.53	4.63	30.56	30.34
21	KEBBI	16.96	2.02	-	14.93	2.91	0.31	0.47	0.60	0.45	3.73	25.41	23.39
22	KOGI	16.92	1.21	-	15.71	2.90	0.31	0.47	0.60	0.45	3.82	25.46	24.25
23	KWARA	15.41	0.09	-	15.32	2.64	0.28	0.43	0.55	0.41	3.35	23.07	22.98
24	LAGOS	24.08	3.77	-	20.31	4.13	0.44	0.67	0.87	0.63	30.01	60.82	57.06
25	NASARAWA	14.44	2.17	-	12.27	2.47	0.26	0.40	0.52	0.38	3.07	21.55	19.38
26	NIGER	19.73	2.99	-	16.74	3.38	0.36	0.55	0.70	0.52	3.91	29.13	26.15
27	OGUN	16.49	0.13	-	16.36	2.82	0.30	0.46	0.59	0.43	3.95	25.04	24.91
28	ONDO	15.81	3.32	13.50	25.99	2.71	0.29	0.44	0.58	0.42	3.88	37.62	34.30
29	OSUN	15.64	0.36	-	15.28	2.68	0.28	0.43	0.56	0.41	3.73	23.74	23.38
30	OYO	19.70	0.64	-	19.05	3.38	0.36	0.55	0.70	0.52	4.60	29.80	29.16
31	PLATEAU	16.54	0.40	2.20	18.34	2.83	0.30	0.46	0.60	0.44	3.71	27.08	26.68
32	RIVERS	18.49	1.58	88.99	105.89	3.17	0.33	0.51	0.66	0.49	5.74	118.38	116.79
33	SOKOTO	17.59	1.03	-	16.56	3.01	0.32	0.49	0.63	0.46	3.88	26.39	25.36
34	TARABA	16.66	0.03	-	16.63	2.85	0.30	0.46	0.59	0.44	3.33	24.64	24.61
35	YOBE	16.53	0.57	-	15.96	2.83	0.30	0.46	0.58	0.44	3.37	24.51	23.94
36	ZAMFARA	16.58	3.59	-	12.99	2.84	0.30	0.46	0.60	0.44	3.70	24.91	21.32
37	Disputed Deriv.	-	-	0.05	0.05						-	0.05	0.05
	Rivers/Akwa Disputed Fund	-	-	0.01	0.01						-	0.01	0.01
	TOTAL	626.86	86.33	369.95	910.48	107.40	11.35	17.44	22.45	16.53	169.32	1,341.30	1,254.97

First Half 2013

S/N	STATES	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	Augmentation	Excess Crude 2/	NNPC Refund	SURE-P	VAT	Total Gross Alloc.	Total Net Alloc.
1	ABIA	16.61	0.46	4.94	21.09	3.44	1.73	0.55	1.20	3.76	32.23	31.76
2	ADAMAWA	18.54	0.05	-	18.49	3.84	1.94	0.62	1.33	3.91	30.18	30.12
3	AKWA IBOM	18.76	4.93	121.52	135.35	3.88	1.96	0.61	1.35	4.74	152.82	147.89
4	ANAMBRA	18.73	0.23	-	18.50	3.88	1.96	0.62	1.35	4.34	30.87	30.64
5	BAUCHI	21.73	1.44	-	20.28	4.50	2.27	0.69	1.56	4.47	35.22	33.78
6	BAYELSA	14.88	11.43	95.92	99.36	3.08	1.55	0.48	1.07	3.76	120.74	109.30
7	BENUE	20.03	2.12	-	17.90	4.15	2.09	0.66	1.44	4.27	32.64	30.51
8	BORNO	22.10	0.20	-	21.89	4.58	2.31	0.70	1.59	4.25	35.52	35.32
9	CROSS RIVER	17.41	0.92	0.32	16.81	3.60	1.82	0.58	1.25	3.85	28.83	27.91
10	DELTA	18.75	7.81	95.47	106.40	3.88	1.96	0.62	1.35	4.72	126.74	118.92
11	EBONYI	15.37	2.93	-	12.45	3.18	1.60	0.52	1.11	3.54	25.33	22.40
12	EDO	17.50	3.49	9.35	23.36	3.62	1.83	0.61	1.26	4.14	38.31	34.82
13	EKITI	15.51	2.22	-	13.29	3.21	1.62	0.52	1.12	3.62	25.59	23.37
14	ENUGU	17.50	0.08	-	17.42	3.62	1.83	0.57	1.26	3.98	28.75	28.68
15	GOMBE	16.45	2.43	-	14.01	3.41	1.72	0.53	1.18	3.58	26.86	24.43
16	IMO	18.68	2.22	5.09	21.56	3.87	1.95	0.61	1.34	4.27	35.81	33.59
17	JIGAWA	20.52	0.36	-	20.16	4.25	2.14	0.67	1.48	4.47	33.53	33.17
18	KADUNA	23.38	1.94	-	21.45	4.84	2.44	0.75	1.68	5.17	38.27	36.33
19	KANO	29.31	0.58	-	28.73	6.07	3.06	0.92	2.11	6.92	48.38	47.81
20	KATSINA	22.29	0.53	-	21.76	4.62	2.33	0.72	1.60	4.92	36.47	35.94
21	KEBBI	18.64	0.21	-	18.43	3.86	1.95	0.60	1.34	3.98	30.37	30.15
22	KOGI	18.60	0.09	-	18.51	3.85	1.94	0.60	1.34	3.97	30.29	30.20
23	KWARA	16.95	0.09	-	16.85	3.51	1.77	0.55	1.22	3.58	27.57	27.48
24	LAGOS	26.47	8.93	-	17.54	5.48	2.76	0.87	1.90	32.69	70.18	61.24
25	NASARAWA	15.88	1.79	-	14.09	3.29	1.66	0.52	1.14	3.34	25.83	24.04
26	NIGER	21.69	1.88	-	19.81	4.49	2.26	0.70	1.56	4.19	34.89	33.01
27	OGUN	18.12	0.11	-	18.01	3.75	1.89	0.59	1.30	4.20	29.86	29.74
28	ONDO	17.38	2.71	18.02	32.69	3.60	1.81	0.58	1.25	4.03	46.67	43.96
29	OSUN	17.19	2.69	-	14.50	3.56	1.79	0.56	1.24	4.01	28.36	25.67
30	OYO	21.66	0.38	-	21.28	4.48	2.26	0.70	1.56	4.97	35.64	35.25
31	PLATEAU	18.19	0.48	6.60	24.31	3.77	1.90	0.60	1.31	4.08	36.44	35.96
32	RIVERS	20.33	0.80	104.06	123.59	4.21	2.12	0.66	1.46	7.01	139.87	139.06
33	SOKOTO	19.34	0.26	-	19.08	4.00	2.02	0.63	1.39	4.19	31.57	31.31
34	TARABA	18.31	0.29	-	18.03	3.79	1.91	0.59	1.32	3.54	29.46	29.17
35	YOBE	18.18	0.11	-	18.07	3.76	1.90	0.58	1.31	3.57	29.29	29.18
36	ZAMFARA	18.23	0.37	-	17.86	3.78	1.90	0.60	1.31	4.01	29.83	29.46
37	Disputed Deriv.	-	-	0.05	0.05	-	-	-	-	-	0.05	0.05
	Rivers/Akwa Disputed Fund	-	-	0.01	0.01	-	-	-	-	-	0.01	0.01
	TOTAL	689.20	67.60	461.36	1,082.96	142.71	71.94	22.45	49.58	182.00	1,619.25	1,551.65

First Half 2014

S/N	STATES	Gross Stat. Alloc.	Deductions	13% Derivation	Total Net Stat. Alloc.	NNPC Refund
1	ABIA	18.45	0.87	3.81	21.39	0.37
2	ADAMAWA	19.63	0.46	-	19.17	0.41
3	AKWA IBOM	19.81	2.44	106.46	123.82	0.41
4	ANAMBRA	19.59	0.58	-	19.02	0.41
5	BAUCHI	23.57	2.71	-	20.86	0.46
6	BAYELSA	17.44	14.01	69.07	72.50	0.32
7	BENUE	22.10	3.11	-	18.99	0.44
8	BORNO	24.48	0.25	-	24.23	0.47
9	CROSS RIVER	19.82	1.52	0.29	18.59	0.38
10	DELTA	20.01	8.80	74.20	85.40	0.41
11	EBONYI	17.63	3.68	-	13.95	0.35
12	EDO	18.43	4.93	8.80	22.29	0.41
13	EKITI	17.62	3.63	-	13.99	0.35
14	ENUGU	19.82	0.64	-	19.18	0.38
15	GOMBE	18.56	3.16	-	15.40	0.35
16	IMO	20.49	2.98	3.54	21.05	0.40
17	JIGAWA	22.04	0.65	-	21.39	0.45
18	KADUNA	25.82	3.10	-	22.72	0.50
19	KANO	31.26	1.34	-	29.92	0.61
20	KATSINA	24.22	0.73	-	23.49	0.48
21	KEBBI	20.81	0.72	-	20.08	0.40
22	KOGI	21.78	1.37	-	20.41	0.40
23	KWARA	17.54	0.78	-	16.76	0.36
24	LAGOS	26.40	14.54	-	11.85	0.58
25	NASARAWA	18.17	1.79	-	16.38	0.34
26	NIGER	23.34	3.71	-	19.63	0.46
27	OGUN	18.31	0.47	-	17.83	0.39
28	ONDO	18.34	5.63	14.13	26.84	0.38
29	OSUN	17.97	6.25	-	11.72	0.38
30	OYO	22.10	1.25	-	20.85	0.47
31	PLATEAU	20.58	1.39	5.50	24.69	0.40
32	RIVERS	21.25	7.68	68.21	81.79	0.44
33	SOKOTO	21.72	0.91	-	20.80	0.42
34	TARABA	18.98	0.45	-	18.53	0.39
35	YOBE	19.57	0.25	-	19.32	0.38
36	ZAMFARA	19.61	0.65	-	18.96	0.40
37	Disputed Deriv.	-	0.06	0.04	(0.02)	-
	Rivers/Akwa Disputed Fund	-	-	0.01	0.01	-
	TOTAL	747.23	107.51	354.05	993.77	14.97

Source: Federation Account Allocation, Federal Ministry of Finance.
1/ Provisional
2/ Includes the share of Oil-producing states from the excess crude

Table 32
Allocation to Local Governments from the Federation and VAT Pools Accounts
(Naira Billion)

		1st Half 2011								1st Half 2012							
	State	Fed. Acct.	Excess Crude	Budget Augmentation	Exchange Gain	NNPC Refunds	SURE-P	VAT	Total	Fed. Acct.	Excess Crude	Budget Augmentation	Exchange Gain	NNPC Refunds	SURE-P	VAT	Total
1	Abia	8.17	-	1.15	-	-	-	1.8	**11.1**	10.1	0.28	1.7	0.18	0.36	0.27	2.1	**15.0**
2	Adamawa	10.51	-	1.49	-	-	-	2.2	**14.2**	13.0	0.36	2.2	0.23	0.48	0.34	2.5	**19.1**
3	Akwa-Ibom	13.86	-	1.96	-	-	-	3.4	**19.2**	17.1	0.48	2.9	0.31	0.58	0.45	3.7	**25.6**
4	Anambra	10.42	-	1.47	-	-	-	2.4	**14.3**	12.9	0.36	2.2	0.23	0.50	0.34	2.8	**19.2**
5	Bauchi	12.05	-	1.70	-	-	-	2.4	**16.2**	14.9	0.41	2.5	0.27	0.49	0.39	2.8	**21.7**
6	Bayelsa	4.43	-	0.63	-	-	-	1.0	**6.1**	5.5	0.15	0.9	0.10	0.19	0.14	1.2	**8.2**
7	Benue	12.25	-	1.73	-	-	-	2.5	**16.5**	15.1	0.42	2.6	0.27	0.55	0.40	2.9	**22.3**
8	Borno	14.08	-	1.99	-	-	-	2.8	**18.9**	17.4	0.48	3.0	0.31	0.61	0.46	3.2	**25.4**
9	Cross-River	8.75	-	1.24	-	-	-	1.9	**11.9**	10.8	0.30	1.9	0.20	0.40	0.28	2.2	**16.0**
10	Delta	11.57	-	1.63	-	-	-	3.0	**16.2**	14.3	0.40	2.4	0.26	0.53	0.38	3.6	**21.9**
11	Ebonyi	6.24	-	0.88	-	-	-	1.4	**8.6**	7.7	0.21	1.3	0.14	0.28	0.20	1.7	**11.5**
12	Edo	8.76	-	1.24	-	-	-	2.1	**12.1**	10.8	0.30	1.9	0.20	0.43	0.28	2.5	**16.3**
13	Ekiti	7.13	-	1.01	-	-	-	1.6	**9.8**	8.8	0.24	1.5	0.16	0.32	0.23	1.9	**13.2**
14	Enugu	8.44	-	1.19	-	-	-	1.9	**11.6**	10.4	0.29	1.8	0.19	0.37	0.27	2.2	**15.5**
15	Gombe	6.16	-	0.87	-	-	-	1.3	**8.3**	7.6	0.21	1.3	0.14	0.26	0.20	1.5	**11.2**
16	Imo	12.22	-	1.73	-	-	-	2.7	**16.7**	15.1	0.42	2.6	0.27	0.52	0.40	3.1	**22.4**
17	Jigawa	12.82	-	1.81	-	-	-	2.9	**17.5**	15.8	0.44	2.7	0.29	0.56	0.42	3.3	**23.5**
18	Kaduna	13.76	-	1.94	-	-	-	3.0	**18.7**	17.0	0.47	2.9	0.31	0.61	0.45	3.5	**25.2**
19	Kano	22.57	-	3.19	-	-	-	5.3	**31.1**	27.9	0.77	4.8	0.50	0.97	0.73	6.1	**41.7**
20	Katsina	16.50	-	2.33	-	-	-	3.6	**22.5**	20.4	0.57	3.5	0.37	0.73	0.54	4.2	**30.2**
21	Kebbi	10.25	-	1.45	-	-	-	2.2	**13.9**	12.6	0.35	2.2	0.23	0.45	0.33	2.5	**18.7**
22	Kogi	10.63	-	1.50	-	-	-	2.2	**14.4**	13.1	0.36	2.2	0.24	0.45	0.35	2.6	**19.3**
23	Kwara	8.16	-	1.15	-	-	-	1.7	**11.0**	10.1	0.28	1.7	0.18	0.37	0.27	1.9	**14.8**
24	Lagos	13.71	-	1.94	-	-	-	15.4	**31.1**	16.9	0.47	2.9	0.31	0.65	0.45	17.8	**39.5**
25	Nassarawa	6.53	-	0.92	-	-	-	1.3	**8.8**	8.1	0.22	1.4	0.15	0.29	0.21	1.5	**11.8**
26	Niger	13.23	-	1.87	-	-	-	2.6	**17.7**	16.3	0.45	2.8	0.30	0.58	0.43	3.0	**23.9**
27	Ogun	9.79	-	1.38	-	-	-	2.2	**13.4**	12.1	0.34	2.1	0.22	0.44	0.32	2.6	**18.1**
28	Ondo	9.04	-	1.28	-	-	-	2.0	**12.3**	11.2	0.31	1.9	0.20	0.40	0.29	2.4	**16.7**
29	Osun	12.32	-	1.74	-	-	-	2.8	**16.9**	15.2	0.42	2.6	0.28	0.58	0.40	3.2	**22.7**
30	Oyo	15.75	-	2.23	-	-	-	3.6	**21.6**	19.4	0.54	3.3	0.35	0.70	0.51	4.1	**28.9**
31	Plateau	9.02	-	1.27	-	-	-	1.9	**12.2**	11.1	0.31	1.9	0.20	0.39	0.29	2.2	**16.4**
32	Rivers	11.81	-	1.67	-	-	-	3.7	**17.2**	14.6	0.41	2.5	0.26	0.51	0.38	3.9	**22.6**
33	Sokoto	11.32	-	1.60	-	-	-	2.5	**15.4**	14.0	0.39	2.4	0.25	0.50	0.37	2.8	**20.7**
34	Taraba	9.01	-	1.27	-	-	-	1.6	**11.9**	11.1	0.31	1.9	0.20	0.39	0.29	1.9	**16.1**
35	Yobe	8.74	-	1.23	-	-	-	1.7	**11.7**	10.8	0.30	1.8	0.20	0.39	0.28	2.0	**15.8**
36	Zamfara	8.20	-	1.16	-	-	-	1.7	**11.0**	10.1	0.28	1.7	0.18	0.34	0.27	2.0	**14.9**
37	FCT Abuja	3.49	-	0.49	-	-	-	4.7	**8.7**	4.3	0.12	0.7	0.08	0.14	0.11	5.1	**10.6**
	TOTAL	391.70	-	55.35	-	-	-	103.19	550.25	483.29	13.44	82.81	8.75	17.31	12.74	118.51	736.86

		1st Half 2013								1st Half 2014 1/							
	State	Fed. Acct.	Excess Crude	Budget Augmentation	Exchange Gain	NNPC Refunds	SURE-P	VAT	Total	Fed. Acct.	Excess Crude	Budget Augmentation	Exchange Gain	NNPC Refunds	SURE-P	VAT	Total
1	Abia	11.1	1.15	2.3	-	0.36	0.80	2.2	**17.9**	11.96	-	-	-	0.24	0.80	2.4	**15.4**
2	Adamawa	14.3	1.45	2.9	-	0.48	1.03	2.7	**22.8**	15.08	-	-	-	0.32	1.03	2.8	**19.3**
3	Akwa-Ibom	18.8	1.93	3.8	-	0.58	1.35	4.0	**30.5**	20.09	-	-	-	0.39	1.35	3.9	**25.7**
4	Anambra	14.1	1.46	2.9	-	0.50	1.02	3.0	**23.0**	15.16	-	-	-	0.33	1.02	3.2	**19.7**
5	Bauchi	16.3	1.66	3.3	-	0.49	1.18	3.0	**25.9**	17.21	-	-	-	0.33	1.18	3.2	**21.9**
6	Bayelsa	6.0	0.67	1.3	-	0.19	0.43	1.4	**10.1**	7.01	-	-	-	0.13	0.43	1.5	**9.0**
7	Benue	16.6	1.80	3.6	-	0.55	1.20	3.1	**26.8**	18.73	-	-	-	0.37	1.20	3.4	**23.7**
8	Borno	19.1	1.96	3.9	-	0.61	1.37	3.4	**30.3**	20.34	-	-	-	0.40	1.37	3.7	**25.8**
9	Cross-River	11.9	1.26	2.5	-	0.40	0.85	2.4	**19.3**	13.11	-	-	-	0.27	0.85	2.6	**16.8**
10	Delta	15.7	1.62	3.2	-	0.53	1.13	3.5	**25.7**	16.80	-	-	-	0.36	1.13	3.7	**21.9**
11	Ebonyi	8.5	0.93	1.9	-	0.28	0.61	1.8	**13.9**	9.70	-	-	-	0.18	0.61	1.9	**12.4**
12	Edo	11.9	1.24	2.5	-	0.43	0.85	2.6	**19.4**	12.85	-	-	-	0.29	0.85	2.7	**16.7**
13	Ekiti	9.7	0.98	1.9	-	0.32	0.70	2.1	**15.7**	10.21	-	-	-	0.21	0.70	2.1	**13.3**
14	Enugu	11.5	1.26	2.5	-	0.37	0.82	2.4	**18.8**	13.06	-	-	-	0.24	0.82	2.6	**16.7**
15	Gombe	8.4	0.86	1.7	-	0.26	0.60	1.6	**13.4**	8.95	-	-	-	0.17	0.60	1.7	**11.4**
16	Imo	16.6	1.69	3.3	-	0.52	1.19	3.4	**26.7**	17.50	-	-	-	0.35	1.19	3.6	**22.6**
17	Jigawa	17.4	1.77	3.5	-	0.56	1.25	3.5	**28.0**	18.39	-	-	-	0.37	1.25	3.9	**23.9**
18	Kaduna	18.7	1.99	3.9	-	0.61	1.34	3.7	**30.2**	20.68	-	-	-	0.41	1.34	4.0	**26.4**
19	Kano	30.6	3.17	6.3	-	0.97	2.20	6.6	**49.8**	32.92	-	-	-	0.64	2.20	7.1	**42.8**
20	Katsina	22.4	2.41	4.8	-	0.73	1.61	4.4	**36.4**	25.06	-	-	-	0.48	1.61	4.8	**32.0**
21	Kebbi	13.9	1.52	3.0	-	0.45	1.00	2.7	**22.6**	15.82	-	-	-	0.30	1.00	3.0	**20.1**
22	Kogi	14.4	1.57	3.1	-	0.45	1.04	2.7	**23.3**	16.35	-	-	-	0.30	1.04	2.9	**20.6**
23	Kwara	11.1	1.11	2.2	-	0.37	0.80	2.0	**17.6**	11.57	-	-	-	0.25	0.80	2.2	**14.8**
24	Lagos	18.6	1.90	3.8	-	0.65	1.34	19.3	**45.5**	19.71	-	-	-	0.43	1.34	21.7	**43.2**
25	Nassarawa	8.9	0.99	2.0	-	0.29	0.64	1.6	**14.4**	10.32	-	-	-	0.19	0.64	1.7	**12.9**
26	Niger	18.0	1.84	3.6	-	0.58	1.29	3.2	**28.5**	19.10	-	-	-	0.39	1.29	3.4	**24.2**
27	Ogun	13.3	1.31	2.6	-	0.44	0.96	2.8	**21.4**	13.63	-	-	-	0.30	0.96	2.9	**17.8**
28	Ondo	12.3	1.25	2.5	-	0.40	0.88	2.5	**19.8**	13.02	-	-	-	0.27	0.88	2.7	**16.8**
29	Osun	16.7	1.70	3.4	-	0.58	1.20	3.5	**27.0**	17.63	-	-	-	0.39	1.20	3.8	**23.0**
30	Oyo	21.4	2.14	4.2	-	0.70	1.54	4.4	**34.4**	22.24	-	-	-	0.46	1.54	4.7	**29.0**
31	Plateau	12.2	1.34	2.7	-	0.39	0.88	2.4	**19.9**	13.94	-	-	-	0.26	0.88	2.6	**17.7**
32	Rivers	16.0	1.66	3.3	-	0.51	1.15	4.7	**27.3**	17.28	-	-	-	0.34	1.15	4.5	**23.3**
33	Sokoto	15.4	1.68	3.3	-	0.50	1.10	3.0	**25.0**	17.41	-	-	-	0.34	1.10	3.3	**22.1**
34	Taraba	12.2	1.26	2.5	-	0.39	0.88	2.0	**19.2**	13.05	-	-	-	0.26	0.88	2.1	**16.3**
35	Yobe	11.9	1.26	2.5	-	0.39	0.85	2.1	**19.0**	13.12	-	-	-	0.26	0.85	2.2	**16.5**
36	Zamfara	11.1	1.14	2.3	-	0.34	0.80	2.2	**17.8**	11.85	-	-	-	0.23	0.80	2.2	**15.1**
37	FCT Abuja	4.7	0.50	1.0	-	0.14	0.34	5.6	**12.3**	5.23	-	-	-	0.09	0.34	6.5	**12.2**
	TOTAL	531.34	55.46	110.02	-	17.31	38.23	127.40	879.76	576.08	-	-	-	11.54	38.23	137.07	762.92

		1st Half 2015 2/								
	State	Fed. Acct.	Excess Crude	Budget Augmentation	Exchange Gain	NNPC Refunds	SURE-P	Additional Revenue	VAT	Total
1	Abia	8.37	0.06	-	0.78	-	-	0.05	2.4	**11.6**
2	Adamawa	10.56	0.07	-	0.99	-	-	0.07	2.8	**14.5**
3	Akwa-Ibom	14.07	0.10	-	1.32	-	-	0.09	4.0	**19.6**
4	Anambra	10.62	0.07	-	0.99	-	-	0.07	3.1	**14.9**
5	Bauchi	12.06	0.08	-	1.13	-	-	0.08	3.2	**16.5**
6	Bayelsa	4.91	0.03	-	0.46	-	-	0.03	1.2	**6.7**
7	Benue	13.12	0.09	-	1.23	-	-	0.09	3.2	**17.8**
8	Borno	14.24	0.10	-	1.33	-	-	0.09	3.6	**19.3**
9	Cross-River	9.18	0.06	-	0.86	-	-	0.06	2.5	**12.7**
10	Delta	11.77	0.08	-	1.10	-	-	0.08	3.6	**16.7**
11	Ebonyi	6.79	0.05	-	0.63	-	-	0.04	1.8	**9.3**
12	Edo	9.00	0.06	-	0.84	-	-	0.06	2.6	**12.6**
13	Ekiti	7.15	0.05	-	0.67	-	-	0.05	2.1	**10.0**
14	Enugu	9.15	0.06	-	0.85	-	-	0.06	2.6	**12.7**
15	Gombe	6.27	0.04	-	0.59	-	-	0.04	1.7	**8.6**
16	Imo	12.26	0.09	-	1.15	-	-	0.08	3.5	**17.1**
17	Jigawa	12.88	0.09	-	1.20	-	-	0.08	3.7	**17.9**
18	Kaduna	14.48	0.10	-	1.35	-	-	0.09	3.9	**19.9**
19	Kano	23.06	0.16	-	2.16	-	-	0.15	6.9	**32.4**
20	Katsina	17.55	0.12	-	1.64	-	-	0.11	4.8	**24.2**
21	Kebbi	11.08	0.08	-	1.04	-	-	0.07	2.8	**15.1**
22	Kogi	11.45	0.08	-	1.07	-	-	0.07	2.8	**15.5**
23	Kwara	8.10	0.06	-	0.76	-	-	0.05	2.1	**11.1**
24	Lagos	13.80	0.10	-	1.29	-	-	0.09	20.6	**35.9**
25	Nassarawa	7.23	0.05	-	0.68	-	-	0.05	1.7	**9.7**
26	Niger	13.38	0.09	-	1.25	-	-	0.09	3.4	**18.2**
27	Ogun	9.55	0.07	-	0.89	-	-	0.06	3.0	**13.5**
28	Ondo	9.12	0.06	-	0.85	-	-	0.06	2.6	**12.7**
29	Osun	12.35	0.09	-	1.15	-	-	0.08	3.6	**17.3**
30	Oyo	15.58	0.11	-	1.46	-	-	0.10	4.8	**22.0**
31	Plateau	9.76	0.07	-	0.91	-	-	0.06	2.5	**13.3**
32	Rivers	12.10	0.08	-	1.13	-	-	0.08	4.1	**17.5**
33	Sokoto	12.19	0.08	-	1.14	-	-	0.08	3.1	**16.6**
34	Taraba	9.14	0.06	-	0.85	-	-	0.06	2.1	**12.2**
35	Yobe	9.19	0.06	-	0.86	-	-	0.06	2.2	**12.3**
36	Zamfara	8.30	0.06	-	0.78	-	-	0.05	2.2	**11.4**
37	FCT Abuja	3.67	0.03	-	0.34	-	-	0.02	7.2	**11.3**
	TOTAL	403.48	2.80	-	37.71	-	-	2.63	134.01	580.63

Source: Federation Account Allocation, Federal Ministry of Finance.
1/ Revised
2/ Provisional
VAT: Value Added Tax
LGA: Local Governments Areas

Table 33
Domestic Debt of the Federal Government
(Naira Billion)

	First Half 2011	First Half 2012	First Half 2013	First Half 2014 1/	End-Dec 2014 1/	First Half 2015 2/
1. Composition of Debt						
i Treasury Bills	1,561.42	2,084.59	2,483.29	2,735.87	2,815.52	2,824.95
ii Treasury Bonds	372.90	353.73	334.56	315.39	296.22	271.22
iii Development Stocks	0.00	0.00	0.00	0.00	0.00	0.00
iv FGN Bonds	3,276.11	3,714.55	4,032.90	4,369.84	4,792.28	5,300.42
v Promissory Note	0.00	0.00	0.00	0.00	0.00	0.00
Total	**5,210.44**	**6,152.87**	**6,850.75**	**7,421.10**	**7,904.03**	**8,396.59**
2. Holders						
i Banking System	3,917.38	3,824.81	3,928.45	4,694.35	6,073.67	6,040.09
a. Central Bank	313.32	439.62	243.74	466.83	880.73	948.97
b. Deposit Money Banks /3	3,604.06	3,385.19	3,684.71	4,227.52	4,826.44	5,091.12
ii Non-Bank Public	1,141.75	2,166.11	2,760.05	2,542.68	1,830.35	1,961.60
iii Sinking Fund	151.30	161.95	162.25	184.07	366.50	394.90
Total Debt Outstanding	**5,210.43**	**6,152.87**	**6,850.75**	**7,421.10**	**7,904.02**	**8,396.59**

Source: Debt Management Office
1/ Revised
2/ Provisional
3/ Includes holdings of Discount Houses

Table 34
Domestic Debt Service Payments of the Federal Government by Instruments
(Naira Billion)

	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014	2nd Half 2014	1st Half 2015 1/
i Treasury Bills	73.38	173.60	170.34	173.08	127.19	191.04
ii Treasury Bonds	18.75	18.75	18.75	18.75	35.01	43.75
iv Development Stocks	0.23	-	-	-	-	-
v FGN Bonds	136.24	156.55	234.13	247.35	264.43	293.74
Total	**228.61**	**348.90**	**423.22**	**439.18**	**426.63**	**528.54**

Source: Debt Management Office
Note: Debt Service excludes sinking fund charges
1/ Provisional

Table 35
External Public Debt Outstanding

Holder	US$ Million						Naira Billion					
	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014	End-December 2014	1st Half 2015 1/	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014	End-December 2014	1st Half 2015 1/
MULTILATERAL	**4,563.40**	**4,950.67**	**5,538.70**	**6,730.45**	**6,799.36**	**7,232.86**	**699.61**	**779.73**	**862.65**	**1,048.13**	**1,142.29**	**1,424.51**
IBRD	13.44	-	-	-	-	-	2.06		-	-	-	-
IDA	3,907.41	4,328.34	4,777.40	5,772.77	5,857.95	6,091.45	599.05	681.71	744.08	898.99	984.14	1,199.71
IFAD	85.04	77.58	83.70	91.57	90.64	94.80	13.04	12.22	13.04	14.26	15.22	18.67
ADB Group	***430.22***	***426.97***	***559.50***	***748.24***	***736.53***	***946.53***	***65.96***	***67.25***	***87.14***	***116.52***	***123.74***	***186.42***
ADB	79.91	41.40	21.20	150.00	150.00	350.00	12.25	6.52	3.30	23.36	25.20	68.93
ADF	350.31	385.57	538.30	598.24	586.53	596.53	53.71	60.73	83.84	93.16	98.54	117.49
Others 2/	127.29	117.78	118.10	117.87	114.24	100.08	19.51	18.55	18.39	18.36	19.19	19.71
BILATERAL	**161.02**	**507.76**	**845.40**	**1,140.79**	**1,412.08**	**1,583.95**	**24.69**	**-**	**131.67**	**177.66**	**237.23**	**311.96**
Exim Bank of China	-	-	825.40	1,031.84	1,293.13	1,388.87	-	-	128.56	160.69	217.25	273.54
French Devt. Agency (AFD)	-	-	20.00	108.95	118.95	140.25	-	-	3.12	16.97	19.98	27.62
Others 3/	161.02	-	-	-	-	54.83	24.69	-	-	-	-	10.80
COMMERCIAL 4/	173.63	77.24	36.00	5.88	-	-	26.62	12.17	5.61	0.92	-	-
EUROBOND	500.00	500.00	500.00	1,500.00	1,500.00	1,500.00	76.66	78.75	77.88	233.60	252.00	295.43
Total Debt Outstanding	**5,398.05**	**6,035.67**	**6,920.10**	**9,377.11**	**9,711.45**	**10,316.82**	**827.58**	**870.65**	**1,077.81**	**1,460.30**	**1,631.52**	**2,031.90**

Source: Debt Management Office
1/ Provisional
2/ Includes ABEDA, IDB and EDF
3/ Exim Bank of Korea and Nig. ICT Infrast. Backbone Project.
4/ Includes Papalanto & Omotosho, ZTE, Arcatel and SBI Holdings.

Table 36
External Debt Service

Holder	US$ Million						Naira Billion					
	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014	End-December 2014	1st Half 2015 1/	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014	End-December 2014	1st Half 2015 1/
MULTILATERAL	**116.37**	**84.67**	**70.91**	**82.43**	**70.31**	**63.39**	**17.83**	**13.35**	**11.15**	**12.97**	**11.41**	**12.30**
IBRD	27.82	6.89	-	-	-	-	4.26	1.09	-	-	-	-
IDA	29.26	35.46	46.99	58.66	55.98	50.46	4.48	5.59	7.39	9.23	9.09	9.79
IFAD	0.98	1.41	1.76	1.62	1.96	1.48	0.15	0.22	0.28	0.25	0.32	0.29
ADB Group	*33.97*	*16.82*	*18.96*	*18.75*	*7.50*	**7.60**	*5.20*	*2.65*	*2.98*	*2.95*	*1.22*	*1.47*
ADB	30.21	12.84	11.97	11.76	0.69	0.79	4.63	2.02	1.88	1.85	0.11	0.15
ADF	3.76	3.98	7.00	7.00	6.81	6.80	0.58	0.63	1.10	1.10	1.11	1.32
Others 2/	24.34	24.09	3.21	3.40	4.87	3.86	3.73	3.80	0.50	0.54	0.79	0.75
BILATERAL	**25.10**	**27.71**	**19.48**	**23.17**	**25.76**	**29.43**	**3.79**	**4.37**	**3.06**	**3.64**	**4.18**	**5.71**
Exim Bank of China	24.74	27.38	-	22.79	24.30	26.65	3.79	4.32	-	3.59	3.94	5.17
French Devt. Agency (AFD)	-	-	0.04	0.37	1.46	1.83	-	-	0.01	0.06	0.24	0.36
Others 3/	-	0.33	19.43	-	-	0.94	-	0.05	3.06	-	-	0.18
COMMERCIAL 4/	**34.99**	**22.90**	**38.82**	**6.08**	**5.98**	**-**	**5.36**	**3.61**	**6.11**	**0.96**	**0.97**	**-**
EUROBOND	**-**	**16.88**	**16.88**	**45.63**	**45.63**	**45.63**	**-**	**2.66**	**2.65**	**7.18**	**7.41**	**8.85**
OTHERS 5/	**0.01**	**0.01**	**0.01**	**20.87**	**20.86**	**20.86**	**0.00**	**0.00**	**0.00**	**3.28**	**3.39**	**4.05**
Total Debt Service Payments	**176.47**	**152.16**	**146.09**	**178.18**	**168.54**	**159.31**	**26.98**	**23.99**	**22.98**	**28.03**	**27.36**	**30.91**

Source: Debt Management Office, The Presidency, Abuja.
1/ Provisional
2/ Includes ABEDA, IDB and EDF
3/ Exim Bank of Korea and Nig. ICT Infrast. Backbone Project.
4/ Includes Papalanto &Omotosho, ZTE, Arcatel and SBI Holdings.
5/ Includes Bank of England and CITIbank Lazards agency fees and Oil warrants

Table 37a
Consolidated Debt of the Federal Government
(Naira Billion)

Holders	End-June 2011	End-June 2012	End-June 2013	End-June 2014	End-December 2014	End-June 2015 1/
External Debt	827.58	870.65	1,077.81	1,460.30	1,631.52	2,031.90
Domestic Debt	5,210.43	6,152.87	6,850.75	7,421.10	7,904.03	8,396.59
Total Consolidated Debt	**6,038.01**	**7,023.52**	**7,928.56**	**8,881.40**	**9,535.55**	**10,428.49**

Table 37b
Consolidated Debt Service
(Naira Billion)

Holders	End-June 2011	End-June 2012	End-June 2013	End-June 2014	End-December 2014	End-June 2015 1/
External Debt	26.98	23.99	22.98	28.03	27.36	30.91
Domestic Debt	228.61	348.90	423.22	439.18	426.63	528.54
Total Consolidated Debt	**255.59**	**372.89**	**446.20**	**467.20**	**453.99**	**559.45**

Source: Debt Management Office (DMO)
1/ Provisional

Table 38
Gross Domestic Product at 2010 Constant Basic Prices
(Naira Billion unless otherwise stated)

Activity Sector	First Half 2013	First Half 2014	First Half 2015 1/	Share of Total GDP (Per Cent)		
				First Half 2013	First Half 2014	First Half 2015 1/
1. Agriculture	**6,116.03**	**6,394.42**	**6,654.44**	**20.64**	**20.28**	**20.47**
(a) Crop Production	5,388.69	5,627.04	5,840.32	18.19	17.85	17.96
(b) Livestock	490.42	515.37	547.96	1.66	1.63	1.69
(c) Forestry	73.62	77.85	81.09	0.25	0.25	0.25
(d) Fishing	163.29	174.17	185.08	0.55	0.55	0.57
2. Industry	**6,503.08**	**6,886.47**	**6,550.29**	**21.95**	**21.85**	**20.15**
(a) Crude Petroleum & Natural Gas	3,602.43	3,558.05	3,291.61	12.16	11.29	10.12
(b) Solid Minerals	38.44	45.12	49.28	0.13	0.14	0.15
(c) Manufacturing	2,862.22	3,283.30	3,209.41	9.66	10.42	9.87
3. Construction	**1,160.50**	**1,322.85**	**1,437.57**	**3.92**	**4.20**	**4.42**
4. Trade	**5,085.72**	**5,376.27**	**5,686.39**	**17.16**	**17.05**	**17.49**
5. Services	**10,766.85**	**11,543.29**	**12,185.25**	**36.33**	**36.62**	**37.48**
(a) Transport	339.25	351.05	366.48	1.14	1.11	1.13
(b) Information and Communication	3,333.06	3,579.50	3,857.96	11.25	11.36	11.87
(c) Utilities	196.38	189.15	165.58	0.66	0.60	0.51
(d) Accommodation and Food Services	228.37	282.12	312.49	0.77	0.89	0.96
(e) Finance & Insurance	959.31	1,035.35	1,115.13	3.24	3.28	3.43
(f) Real Estate	2,212.39	2,303.72	2,373.28	7.47	7.31	7.30
(g) Professional, Scientific & Technical Services	1,027.77	1,091.53	1,162.07	3.47	3.46	3.57
(h) Administrative and Support Services Bussiness Services	6.73	6.68	6.96	0.02	0.02	0.02
(i) Public Administration	881.25	915.64	809.79	2.97	2.90	2.49
(j) Education	542.95	582.10	623.37	1.83	1.85	1.92
(k) Human Health & Social Services	218.77	228.84	234.00	0.74	0.73	0.72
(l) Arts, Entertainment & Recreation	58.83	67.32	75.47	0.20	0.21	0.23
(m) Other Services	761.78	910.29	1,082.67	2.57	2.89	3.33
TOTAL (GDP)	**29,632.18**	**31,523.30**	**32,513.94**	**100.00**	**100.00**	**100.00**
NON-OIL (GDP)	**26,029.75**	**27,965.26**	**29,222.34**	**87.84**	**88.71**	**89.88**
TOTAL GDP GROWTH RATE (%)	**4.94**	**6.38**	**3.14**			
OIL GDP GROWTH RATE (%)	**(13.77)**	**(1.23)**	**(7.49)**			
NON-OIL GDP GROWTH RATE (%)	**8.18**	**7.44**	**4.50**			
Growth in Total GDP						
Agriculture (%)	2.52	4.55	4.07			
Industry (%)	(0.85)	5.90	(4.88)			
Construction (%)	13.96	13.99	8.67			
Trade (%)	5.91	5.71	5.77			
Services (%)	8.82	7.21	5.56			

Source: National Bureau of Statistics
1/ Provisional

Table 39
Gross Domestic Product at Current Basic Prices /1
(Naira Billion unless otherwise stated)

Activity Sector	First Half 2013	First Half 2014	First Half 2015 1/	Share of Total GDP (Per Cent)		
				First Half 2013	First Half 2014	First Half 2015 1/
1. Agriculture	**6,797.24**	**7,225.24**	**7,827.50**	**17.78**	**17.24**	**17.83**
(a) Crop Production	5,864.29	6,173.67	6,652.62	15.34	14.73	15.15
(b) Livestock	655.92	736.22	821.92	1.72	1.76	1.87
(c) Forestry	89.35	98.77	108.16	0.23	0.24	0.25
(d) Fishing	187.69	216.58	244.80	0.49	0.52	0.56
2. Industry	**8,660.49**	**9,530.21**	**7,455.57**	**22.66**	**22.74**	**16.98**
(a) Crude Petroleum & Natural Gas	5,083.90	5,245.39	3,137.49	13.30	12.52	7.15
(b) Solid Minerals	39.20	47.37	52.68	0.10	0.11	0.12
(c) Manufacturing	3,537.38	4,237.45	4,265.40	9.25	10.11	9.72
3. Construction	**1,358.09**	**1,625.22**	**1,835.19**	**3.55**	**3.88**	**4.18**
4. Trade	**7,043.20**	**7,431.15**	**8,538.49**	**18.42**	**17.73**	**19.45**
5. Services	**14,367.62**	**16,092.79**	**18,244.10**	**37.59**	**38.40**	**41.56**
(a) Transport	475.68	550.71	614.58	1.24	1.31	1.40
(b) Information and Communication	4,462.88	4,986.20	5,685.01	11.67	11.90	12.95
(c) Utilities	274.25	279.71	284.54	0.72	0.67	0.65
(d) Accommodation and Food Services	304.84	355.21	424.48	0.80	0.85	0.97
(e) Finance & Insurance	1,229.69	1,431.02	1,674.24	3.22	3.41	3.81
(f) Real Estate	3,006.07	3,278.91	3,626.21	7.86	7.82	8.26
(g) Professional, Scientific & Technical Services	1,394.69	1,558.71	1,799.16	3.65	3.72	4.10
(h) Administrative and Support Services Bussiness Services	8.45	9.24	10.46	0.02	0.02	0.02
(i) Public Administration	1,127.86	1,265.91	1,216.61	2.95	3.02	2.77
(j) Education	643.59	738.40	853.49	1.68	1.76	1.94
(k) Human Health & Social Services	261.15	291.62	322.11	0.68	0.70	0.73
(l) Arts, Entertainment & Recreation	73.96	90.25	109.93	0.19	0.22	0.25
(m) Other Services	1,104.52	1,256.90	1,623.27	2.89	3.00	3.70
TOTAL (GDP)	**38,226.65**	**41,904.61**	**43,900.85**	**100.00**	**100.00**	**100.00**
NON-OIL (GDP)	**33,142.75**	**36,659.21**	**40,763.36**	**86.70**	**87.48**	**92.85**
TOTAL GDP GROWTH RATE (%)	**11.79**	**9.62**	**4.76**			
OIL GDP GROWTH RATE (%)	**(11.36)**	**3.18**	**(40.19)**			
NON-OIL GDP GROWTH RATE (%)	**16.46**	**10.61**	**11.20**			
Growth in Total GDP						
Agriculture (%)	5.92	6.30	8.34			
Industry (%)	1.90	10.04	(21.77)			
Construction (%)	22.05	19.67	12.92			
Trade (%)	15.45	5.51	14.90			
Services (%)	19.09	12.01	13.37			

Source: National Bureau of Statistics
1/ Provisional

Table 40
Selected Real Sector Indicators
(Per cent, except otherwise indicated)

Item	2011 First Half	2012 First Half	2013 First Half	2014 /1 First Half	2015 /2 First Half
Agricultural Production Index (2010 = 100)					
Aggregate	105.6	109.9	112.7	117.9	123.4
Crops	105.5	109.5	111.6	116.3	121.5
Staples	105.6	109.9	112.0	116.6	122.0
Other Crops	105.5	109.7	118.9	124.2	129.5
Livestock	106.4	112.9	120.5	126.6	134.7
Fishery	106.1	112.5	123.3	131.5	140.7
Forestry	105.5	111.7	118.3	125.1	130.5
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (2010 = 100) (Dollar Based)					
All Commodities	107.8	80.5	74.7	96.1	90.8
Cocoa	102.4	73.8	72.1	96.3	93.9
Coffee	145.4	102.7	75.8	98.3	87.0
Cotton	188.3	92.0	88.1	90.0	67.7
Palm Oil	135.2	122.0	89.6	93.6	71.6
Copra	181.4	114.2	74.2	121.3	99.7
Soya Bean	130.4	128.2	138.9	134.4	93.2
GROWTH RATE OVER THE PRECEDING PERIOD (%)					
Agricultural Production Index (1990 = 100)					
Aggregate	5.6	4.1	2.5	4.6	4.7
Crops	5.5	3.8	1.9	4.2	4.5
Staples	5.6	4.1	1.9	4.1	4.6
Other Crops	5.5	4.0	8.4	4.4	4.3
Livestock	6.4	6.1	6.7	5.1	6.4
Fishery	6.1	6.0	9.6	6.7	7.0
Forestry	5.5	5.9	5.9	5.7	4.3
Indices of Average World Prices of Nigeria's Major Agricultural Export Commodities (1990 = 100) (Dollar Based)					
All Commodities	3.0	-25.4	-7.2	28.7	-5.5
Cocoa	-1.4	-28.0	-2.3	33.7	-2.5
Coffee	68.5	-29.4	-26.1	29.6	-11.5
Cotton	127.6	-51.1	-4.2	2.2	-24.7
Palm Oil	50.6	-9.8	-26.5	4.4	-23.5
Copra	128.5	-37.0	-35.0	63.4	-17.8
Soya Bean	43.3	-1.6	8.3	-3.2	-30.7
Industrial Production Index (2010 = 100)					
Industrial Production Index	**116.63**	**115.77**	**114.52**	**120.58**	**114.23**
Manufacturing Production Index	113.51	133.72	162.99	186.98	182.78
Mining Production Index	117.38	106.78	92.36	91.35	84.69
Electricity Production Index	143.45	181.44	191.95	173.58	138.73
Capacity Utilization Rate (%)	57.0	57.0	57.6	59.3	
Inflation Rate (12-Month Moving Average)	12.3	11.3	10.4	8.0	8.4
Inflation Rate (Year-on-Year)	10.2	12.9	8.4	8.2	9.2
Food Inflation Rate (Year-on-Year)	9.2	12.0	9.6	9.8	10.0
Non-Food Inflation Rate (Year-on-Year)	11.5	12.7	5.5	8.1	8.4

1/Revised
2/Provisional

Table 40 cont'd
Selected Real Sector Indicators
(Per cent, except otherwise indicated)

Item	2013		2014 1/		2015 2/	Absolute Change Between		Percentage Change Between	
	First Half	Second Half	First Half (1)	Second Half (2)	First Half (3)	(1) & (3)	(2) & (3)	(1) & (3)	(2) & (3)
World Crude Oil Production									
million barrels per day (mbd)									
OPEC	36.36	35.94	35.43	36.16	36.77	1.34	0.61	3.78	1.69
Crudes	30.12	29.71	29.62	30.31	30.75	1.13	0.44	3.81	1.45
NGLs and condensates	6.24	6.23	5.81	5.85	6.02	0.21	0.17	3.61	2.91
Total non-OPEC	52.97	54.98	55.92	57.04	57.44	1.52	0.40	2.72	0.70
Total World Supply	89.33	90.92	**91.35**	**93.20**	**94.21**	**2.86**	**1.01**	**3.13**	**1.08**
Demand									
OECD	45.68	46.38	45.37	46.28	45.59	0.22	-0.69	0.48	-1.49
Non-OECD	44.04	44.88	44.86	46.13	45.85	0.99	-0.28	2.21	-0.61
Total World Demand	89.72	91.26	**90.23**	**92.41**	**91.44**	**1.21**	**-0.97**	**1.34**	**-1.05**
Nigeria									
Output	1.99	1.88	1.91	1.97	1.90	-0.01	-0.07	-0.52	-3.55
Exports	1.54	1.43	1.46	1.52	1.45	-0.01	-0.07	-0.68	-4.61
Domestic Consumption	0.45	0.45	0.45	0.45	0.45	0.00	0.00	0.00	0.00
Average Spot Price of Selected Crude Oil at the International Oil Market (US$)									
UK Brent	108.50	110.63	109.38	89.14	57.38	-52.00	-31.76	-47.54	-35.63
West Texas Intermediate (WTI)	92.52	100.17	97.40	83.80	52.87	-44.53	-30.93	-45.72	-36.91
Bonny Light	110.29	111.91	111.29	90.15	58.54	-52.75	-31.61	-47.40	-35.06
Forcados	111.68	113.40	112.26	90.58	58.85	-53.41	-31.73	-47.58	-35.03
OPEC Basket	105.09	106.56	105.30	87.04	54.74	-50.56	-32.30	-48.02	-37.11
Gas Activities									
(MMm^3)									
Gas Produced	28.98	34.35	36.43						
Gas sold to Industries									
Gas sold for LNG									
Gas used as Fuel									
Gas Reinjected									
Gas Lift									
Gas Converted to NGLs									
Total Gas Utilised	22.77	27.76	29.62						
Gas Utilised as % of Gas Produced	78.55	80.82	81.31						
Gas Flared	6.22	6.59	6.81						
Gas Flared as % Gas Produced	21.45	19.18	18.69						

Sources: OPEC, NNPC, Reuters & CBN Estimates
1/ Revised
2/ Provisional

Table 41
Composite Consumer Price Index
(November 2009=100)

Year & Month	All Item (Headline)				All Items less Farm Produce (Core)			Food		
	Monthly Index	Inflation y-o-y(%)	12-Month Average Index	Inflation 12-Month Average(%)	Monthly Index	Inflation y-o-y(%)	Inflation 12-Month Average(%)	Monthly Index	Inflation y-o-y(%)	Inflation 12-Month Average(%)
2011										
January	115.6	12.1	110.0	13.5	114.5	12.1	12.4	114.3	10.3	14.2
February	116.7	11.1	110.9	13.2	115.5	10.6	12.1	117.7	12.2	13.9
March	118.3	12.8	112.1	13.0	117.5	12.8	12.1	118.1	12.2	13.6
April	117.7	11.3	113.0	12.7	117.9	12.9	12.1	119.0	11.6	13.2
May	118.7	12.4	114.1	12.6	118.9	13.0	12.2	118.5	12.2	13.2
June	119.9	10.2	115.1	12.3	119.8	11.5	12.1	120.1	9.2	12.7
July	120.3	9.4	115.9	12.0	120.1	11.5	12.1	120.4	7.9	12.1
August	122.3	9.3	116.8	11.6	121.2	10.9	12.0	123.7	8.7	11.6
September	124.0	10.3	117.8	11.4	123.5	11.6	11.9	124.8	9.5	11.2
October	124.6	10.5	118.8	11.1	124.8	11.5	11.7	125.0	9.7	10.8
November	124.7	10.5	119.7	11.0	124.6	11.5	11.7	125.4	9.6	10.4
December	126.0	10.3	120.7	10.8	124.8	10.8	11.7	128.1	11.0	10.3
2012										
January	130.2	12.6	121.9	10.9	129.1	12.7	11.8	129.3	13.1	10.5
February	130.5	11.9	123.1	11.0	129.3	11.9	11.9	129.1	9.7	10.3
March	132.6	12.1	124.3	10.9	135.1	15.0	12.1	132.1	11.8	10.3
April	132.8	12.9	125.5	11.1	135.2	14.7	12.2	132.3	11.2	10.3
May	133.8	12.7	126.8	11.1	136.7	14.9	12.4	133.9	12.9	10.4
June	135.3	12.9	128.1	11.3	138.0	15.2	12.7	134.5	12.0	10.6
July	135.7	12.8	129.4	11.6	138.1	15.0	13.0	135.0	12.1	11.0
August	136.6	11.7	130.6	11.8	139.0	14.7	13.3	135.9	9.9	11.1
September	138.0	11.3	131.7	11.9	139.7	13.1	13.5	137.5	10.2	11.1
October	139.2	11.7	132.9	11.9	140.3	12.4	13.5	138.8	11.1	11.2
November	140.0	12.3	134.2	12.1	140.9	13.1	13.6	139.8	11.6	11.4
December	141.1	12.0	135.5	12.2	141.8	13.7	13.9	141.2	10.2	11.3
2013										
January	141.9	9.0	136.5	11.9	143.8	11.3	13.7	142.3	10.1	11.1
February	143.0	9.5	137.5	11.7	143.8	11.2	13.7	143.3	11.0	11.2
March	144.0	8.6	138.4	11.4	144.8	7.2	13.0	144.6	9.5	11.0
April	144.8	9.1	139.4	11.1	144.5	6.9	12.3	145.6	10.0	10.8
May	145.8	9.0	140.4	10.8	145.2	6.2	11.5	146.4	9.3	10.5
June	146.6	8.4	141.4	10.4	145.5	5.5	10.7	147.5	9.6	10.4
July	147.4	8.7	142.4	10.0	147.2	6.6	10.0	148.4	10.0	10.2
August	147.8	8.2	143.3	9.8	149.1	7.2	9.4	149.2	9.7	10.2
September	148.9	8.0	144.2	9.5	150.0	7.4	8.9	150.4	9.4	10.1
October	150.0	7.8	145.1	9.2	150.9	7.6	8.6	151.6	9.2	10.0
November	151.1	7.9	146.1	8.8	151.8	7.8	8.1	152.9	9.3	9.8
December	152.3	8.0	147.0	8.5	153.0	7.9	7.7	154.3	9.3	9.7
2014										
January	153.3	8.0	147.9	8.4	153.3	6.6	7.3	155.5	9.3	9.6
February	154.0	7.7	148.8	8.3	154.1	7.2	7.0	156.5	9.2	9.5
March	155.2	7.8	149.8	8.2	154.7	6.8	7.0	158.0	9.3	9.5
April	156.2	7.9	150.7	8.1	155.3	7.5	7.0	159.3	9.4	9.4
May	157.4	8.0	151.7	8.0	156.3	7.7	7.2	160.6	9.7	9.4
June	158.6	8.2	152.7	8.0	157.4	8.1	7.4	161.9	9.8	9.5
July	159.7	8.3	153.7	8.0	157.7	7.1	7.4	163.1	9.9	9.5
August	160.4	8.5	154.8	8.0	158.4	6.3	7.3	164.0	10.0	9.5
September	161.3	8.3	155.8	8.0	159.4	6.3	7.2	165.0	9.7	9.5
October	162.1	8.1	156.8	8.0	160.3	6.3	7.1	165.8	9.3	9.5
November	163.1	7.9	157.8	8.0	161.3	6.3	7.0	166.8	9.1	9.5
December	164.4	8.0	158.8	8.0	162.5	6.2	6.9	168.4	9.2	9.5
2015										
January	165.8	8.2	159.9	8.1	163.7	6.8	6.9	169.8	9.2	9.5
February	166.9	8.4	160.9	8.1	164.8	7.0	6.9	171.1	9.4	9.5
March	168.4	8.5	162.0	8.2	166.2	7.5	6.9	172.8	9.4	9.5
April	169.7	8.7	163.2	8.2	167.2	7.7	6.9	174.4	9.5	9.5
May	171.6	9.0	164.3	8.3	169.2	8.3	7.0	176.3	9.8	9.5
June	173.2	9.2	165.5	8.4	170.6	8.4	7.0	178.1	10.0	9.5

Source: National Bureau of Statistics (NBS)

Table 42
Urban and Rural Consumer Price Index
(November 2009=100)

Year & Month	Urban						Rural					
	All Items (Headline) Monthly Index	Headline Inflation y-o-y(%)	All Items less Farm Produce (Core) Monthly Index	Core Inflation y-o-y(%)	Food Monthly Index	Food Inflation y-o-y(%)	All Items (Headline) Monthly Index	Headline Inflation y-o-y(%)	All Items less Farm Produce (Core) Monthly Index	Core Inflation y-o-y(%)	Food Monthly Index	Food Inflation y-o-y(%)
2011												
January	110.7	7.9	108.5	5.9	111.7	8.6	119.7	15.6	119.5	17.3	116.5	11.6
February	114.2	9.4	114.1	8.3	115.5	12.2	118.8	12.5	116.7	12.5	119.4	12.2
March	115.0	8.5	114.9	8.6	116.0	9.3	121.1	16.4	119.6	16.4	119.9	14.6
April	115.5	9.1	116.3	10.3	116.4	9.5	119.4	13.1	119.2	15.1	121.1	13.4
May	115.8	11.5	116.8	12.7	116.7	12.4	121.2	13.0	120.6	13.3	120.1	12.0
June	116.6	8.3	116.6	9.0	118.0	8.7	122.6	11.8	122.4	13.6	121.9	9.6
July	116.3	6.6	116.8	8.2	118.0	6.9	123.6	11.7	122.8	14.2	122.4	8.6
August	118.3	7.1	118.7	8.9	119.9	6.3	125.6	11.1	123.3	12.5	126.9	10.6
September	120.0	8.4	121.3	10.9	120.7	7.2	127.4	11.9	125.3	12.1	128.2	11.4
October	119.9	7.8	121.2	10.2	120.9	6.6	128.6	12.8	127.8	12.7	128.4	12.2
November	120.0	7.4	121.1	8.8	120.8	7.2	128.6	13.1	127.4	13.6	129.1	11.6
December	122.3	9.0	122.0	9.7	124.5	9.8	129.0	11.3	127.1	11.7	131.1	12.0
2012												
January	128.9	16.4	128.2	18.2	125.5	12.3	131.3	9.7	129.9	8.7	132.4	13.6
February	129.2	13.1	128.4	12.5	126.3	9.3	131.6	10.9	130.0	11.4	131.8	10.3
March	130.7	13.7	132.6	15.4	129.1	11.3	134.4	11.0	137.1	14.7	134.9	12.5
April	131.1	13.4	133.0	14.4	129.4	11.2	134.4	12.5	137.0	15.0	135.0	11.5
May	132.1	14.1	134.0	14.7	131.1	12.4	135.4	11.7	138.9	15.1	136.5	13.7
June	134.1	15.0	135.8	16.5	131.4	11.4	136.5	11.4	139.8	14.2	137.4	12.7
July	134.5	15.6	135.5	16.0	131.7	11.6	136.9	10.7	140.4	14.3	138.0	12.8
August	135.4	14.5	136.7	15.2	132.5	10.6	137.8	9.7	140.9	14.3	139.1	9.6
September	137.0	14.2	137.7	13.5	134.2	11.2	139.0	9.1	141.3	12.8	140.6	9.6
October	138.2	15.3	138.3	14.1	135.3	11.9	140.2	9.1	141.9	11.0	142.0	10.6
November	139.0	15.8	138.9	14.7	136.2	12.7	141.1	9.8	142.5	11.8	143.2	10.9
December	140.0	14.5	139.8	14.6	137.6	10.5	142.1	10.2	143.5	13.0	144.5	10.2
2013												
January	140.8	9.2	142.3	11.0	138.6	10.5	143.2	9.1	144.9	11.6	145.7	10.0
February	142.0	9.8	142.3	10.9	139.9	10.8	144.1	9.5	144.9	11.5	146.4	11.1
March	142.8	9.3	142.0	7.1	140.7	9.0	145.3	8.1	147.1	7.2	148.2	9.9
April	143.7	9.7	142.6	7.2	142.0	9.7	146.4	8.9	146.5	6.9	149.2	10.5
May	144.5	9.4	142.7	6.5	142.7	8.9	147.1	8.6	147.2	6.0	149.8	9.7
June	145.5	8.4	143.1	5.4	143.9	9.5	147.9	8.3	147.6	5.6	150.8	9.7
July	146.3	8.8	145.4	7.3	145.0	10.1	148.6	8.6	148.8	6.0	151.7	10.0
August	146.8	8.4	147.7	8.0	145.8	10.0	148.9	8.1	150.2	6.6	152.3	9.5
September	147.9	8.0	147.7	7.3	147.1	9.6	150.0	8.0	151.9	7.5	153.6	9.3
October	149.1	7.9	148.6	7.5	148.3	9.6	151.1	7.8	152.8	7.7	154.8	9.0
November	150.2	8.1	149.4	7.6	149.6	9.8	152.2	7.8	153.8	7.9	156.0	8.9
December	151.4	8.1	150.4	7.6	151.0	9.8	153.3	7.9	155.2	8.1	157.4	8.9
2014												
January	152.2	8.2	150.7	5.8	152.3	9.8	154.4	7.8	155.5	7.3	158.6	8.8
February	153.0	7.8	151.6	6.5	153.2	9.5	155.1	7.7	156.1	7.7	159.5	9.0
March	154.2	7.9	152.1	7.1	154.7	10.0	156.4	7.6	156.8	6.6	161.2	8.7
April	155.1	7.9	152.6	7.0	156.1	9.9	157.3	7.5	157.6	7.5	162.3	8.8
May	156.4	8.2	153.6	7.7	157.4	10.3	158.5	7.8	158.6	7.7	163.6	9.2
June	157.6	8.4	154.6	8.0	158.8	10.3	159.7	8.0	159.7	8.2	164.9	9.3
July	158.7	8.5	155.3	6.8	160.1	10.4	160.7	8.1	159.8	7.4	166.0	9.4
August	159.5	8.67	156.1	5.7	161.1	10.5	161.4	8.37	160.3	6.7	166.8	9.5
September	160.3	8.36	156.9	6.2	162.0	10.1	162.4	8.24	161.5	6.3	167.9	9.3
October	161.1	8.06	157.9	6.2	162.7	9.7	163.3	8.02	162.4	6.3	168.8	9.0
November	162.1	7.90	158.8	6.3	163.8	9.5	164.2	7.90	163.3	6.2	169.7	8.8
December	163.4	7.95	160.1	6.4	165.4	9.5	165.5	7.96	164.6	6.1	171.2	8.8
2015												
January	164.7	8.21	161.2	7.0	166.9	9.6	166.9	8.09	165.8	6.6	172.7	8.9
February	165.9	8.41	162.4	7.1	168.2	9.8	168.0	8.29	166.9	6.9	173.9	9.0
March	167.4	8.58	163.7	7.6	169.9	9.8	169.5	8.40	168.3	7.3	175.6	9.0
April	168.7	8.74	164.7	7.9	171.6	9.9	170.8	8.56	169.3	7.4	177.1	9.1
May	170.6	9.09	166.8	8.6	173.5	10.3	172.6	8.90	171.2	8.0	178.9	9.4
June	172.2	9.23	168.2	8.8	175.4	10.5	174.2	9.10	172.6	8.1	180.8	9.7

Source: National Bureau of Statistics (NBS)

Table 43
Balance of Payments Analytic Presentation
(US$ Million)

	1st Half 2014 /1	2nd Half 2014 /1	1st Half 2015 /2
CURRENT ACCOUNT	**3,027.91**	**-1,749.22**	**-7,000.01**
Goods	**13,625.95**	**7,366.42**	**120.09**
Exports (fob)	44,789.95	**37,796.17**	25,385.25
Oil and Gas	41,061.05	**35,454.26**	22,904.70
Non-oil	3,728.90	**2,341.90**	2,480.55
Imports (fob)	-31,164.00	**-30,429.74**	-25,265.16
Oil	-7,635.29	**-6,170.74**	-5,193.31
Non-oil	-23,528.71	**-24,259.00**	-20,071.85
Unrecorded(TPAdj)	0.00	**0.00**	0.00
Services(net)	**-11,737.94**	**-10,728.17**	**-7,469.75**
Credit	1,008.00	**983.35**	926.77
Transportation	397.42	**376.96**	387.03
Travel	275.15	**267.98**	201.98
Insurance Services	19.35	**2.81**	3.34
Communication Services	26.64	**27.00**	33.12
Construction Services	0.00	**0.00**	0.00
Financial Services	6.73	**7.41**	5.38
Computer & information Services	0.00	**0.00**	0.00
Royalties and License Fees	0.00	**0.00**	0.00
Government Services	242.03	**241.88**	241.90
Personal, cultural & recreational services	0.00	**0.00**	0.00
Other Bussiness Services	40.68	**59.32**	54.01
Debit	-12,745.94	**-11,711.52**	-8,396.52
Transportation	-4,205.44	**-4,573.50**	-3,270.06
Travel	-3,809.65	**-1,502.63**	-2,135.64
Insurance Services	-147.89	**-187.17**	-164.75
Communication Services	-370.93	**-502.90**	-314.01
Construction Services	-45.17	**-24.83**	-85.77
Financial Services	-563.39	**-677.91**	-465.87
Computer & information Services	-469.10	**-229.66**	-192.28
Royalties and License Fees	-126.42	**-126.42**	-126.42
Government Services	-803.86	**-923.70**	-372.39
Personal, cultural & recreational services	-22.73	**-278.78**	-124.04
Other Bussiness Services	-2,181.35	**-2,684.01**	-1,145.30
Income(net)	**-9,813.90**	**-9,351.67**	**-9,704.43**
Credit	796.35	**836.69**	426.53
Investment Income	697.11	**735.85**	327.16
Compensation of employees	99.24	**100.84**	99.37
Debit	-10,610.25	**-10,188.37**	-10,130.96
Investment Income	-10,601.59	**-10,176.35**	-10,123.97
Compensation of employees	-8.67	**-12.01**	-6.99
Current transfers(net)	**10,953.81**	**10,964.20**	**10,054.08**
Credit	11,315.89	**11,484.84**	10,978.60
General Government	887.67	**988.52**	803.54
Other Sectors	10,428.22	**10,496.33**	10,175.06
Workers Remittance	10,318.59	**10,480.42**	10,156.12
Debit	-362.08	**-520.64**	-924.52
General Government	-3.20	**-60.26**	-150.65
Other Sectors	-358.89	**-460.38**	-773.87
Workers Remittance	-13.80	**-23.64**	-389.46
CAPITAL AND FINANCIAL ACCOUNT	**2,355.28**	**10,773.62**	**4,300.99**
Capital account(net)	**0.00**	**0.00**	**0.00**
Credit	0.00	**0.00**	0.00
Capital Transfers(Debt Forgiveness)	0.00	**0.00**	0.00
Debit	0.00	**0.00**	0.00
Capital Transfers	0.00	**0.00**	0.00
Financial account(net)	**2,355.28**	**10,773.62**	**4,300.99**
Assets	**-8,863.95**	**1,344.90**	**-798.88**
Direct investment (Abroad)	-776.56	**-837.74**	-735.71
Portfolio investment	-1,916.28	**-1,532.86**	-929.36
Other investment	-11,698.41	**790.34**	-4,969.74
Change in Reserve	5,527.31	**2,925.16**	5,835.94
Liabilities	**11,219.23**	**9,428.71**	**5,099.87**
Direct Invesment in reporting economy	2,508.62	**2,185.21**	1,348.35
Portfolio Investment	2,974.83	**2,317.94**	1,769.20
Other investment liabilities	5,735.78	**4,925.57**	1,982.32
NET ERRORS AND OMISSIONS	**-5,383.19**	**-9,024.40**	**2,699.02**
Memorandum Items:	**1st Half 2014 /1**	**2nd Half 2014 /1**	**1st Half 2015 /2**
Current Account Balance as % of G.D.P	**1.12**	**-0.60**	**-3.12**
Capital and Financial Account Balance as % of G.D.P	**0.87**	**3.59**	**1.92**
Overall Balance as % of G.D.P	**-2.04**	**-0.99**	**-2.60**
External Reserves - Stock (US $ million)	**37,330.03**	**34,241.54**	**28,335.21**
Number of Months of Imports Equivalent	**7.73**	**7.30**	**6.73**
External Debt Stock (US$ million)	**9,377.11**	**9,711.45**	**10,316.82**
Debt Service Due as % of Exports of Goods Non Factor Services			
Effective Central Exchange Rate (N/$)	**156.02**	**158.52**	**189.02**
Average Exchange Rate (N/$)	**157.29**	**159.81**	**189.75**
End-Period Exchange Rate (N/$)	**157.29**	**169.68**	**196.95**

Source: Central Bank of Nigeria
1/ Revised
2/ Provisional

Table 44
Balance of Payments Analytic Presentation
(₦' Million)

	1st Half 2014 /1	2nd Half 2014 /1	1st Half 2015 /2
CURRENT ACCOUNT	**472,418.61**	**-286,352.57**	**-1,382,807.73**
Goods	**2,125,930.22**	**1,153,294.43**	**23,642.14**
Exports (fob)	6,988,156.66	5,968,498.29	5,013,995.55
Oil and Gas	6,406,372.32	5,598,110.73	4,524,062.92
Non-oil	581,784.33	370,387.57	489,932.63
Imports (fob)	-4,862,226.44	-4,815,203.86	-4,990,353.42
Oil	-1,191,261.50	-972,530.29	-1,025,767.01
Non-oil	-3,670,964.94	-3,842,673.57	-3,964,586.41
Unrecorded(TPAdj)	0.00	0.00	0.00
Services(net)	**-1,831,360.57**	**-1,697,652.02**	**-1,475,411.93**
Credit	157,269.06	155,556.53	183,053.11
Transportation	62,005.72	59,622.73	76,445.93
Travel	42,929.09	42,394.73	39,894.17
Insurance Services	3,018.52	443.72	660.10
Communication Services	4,156.39	4,270.93	6,541.72
Construction Services	0.00	0.00	0.00
Financial Services	1,050.65	1,172.83	1,062.88
Computer & information Services	0.00	0.00	0.00
Royalties and License Fees	0.00	0.00	0.00
Government Services	37,761.74	38,259.02	47,779.85
Personal, cultural & recreational services	0.00	0.00	0.00
Other Bussiness Services	6,346.94	9,392.57	10,668.47
Debit	-1,988,629.63	-1,853,208.55	-1,658,465.04
Transportation	-656,135.52	-724,040.92	-645,874.68
Travel	-594,383.89	-237,396.42	-421,825.89
Insurance Services	-23,074.62	-29,618.35	-32,542.49
Communication Services	-57,872.26	-79,598.90	-62,020.58
Construction Services	-7,047.46	-3,882.03	-16,944.05
Financial Services	-87,900.72	-107,138.79	-92,022.54
Computer & information Services	-73,189.71	-36,416.91	-37,980.45
Royalties and License Fees	-19,724.13	-19,996.21	-24,970.19
Government Services	-125,419.21	-145,956.13	-73,552.63
Personal, cultural & recreational services	-3,546.36	-44,109.05	-24,502.43
Other Bussiness Services	-340,335.77	-425,054.84	-226,229.10
Income(net)	**-1,531,171.13**	**-1,476,705.25**	**-1,916,908.57**
Credit	124,246.45	132,446.93	84,247.05
Investment Income	108,763.03	116,487.75	64,620.70
Compensation of employees	15,483.42	15,959.18	19,626.34
Debit	-1,655,417.58	-1,609,152.18	-2,001,155.62
Investment Income	-1,654,065.47	-1,607,254.93	-1,999,775.05
Compensation of employees	-1,352.11	-1,897.25	-1,380.57
Current transfers(net)	**1,709,020.10**	**1,734,710.27**	**1,985,870.63**
Credit	1,765,512.44	1,817,029.91	2,168,473.48
General Government	138,495.17	156,247.79	158,713.01
Other Sectors	1,627,017.26	1,660,782.12	2,009,760.47
Workers Remittance	1,609,912.30	1,658,267.73	2,006,019.89
Debit	-56,492.34	-82,319.64	-182,602.85
General Government	-498.48	-9,449.80	-29,753.83
Other Sectors	-55,993.85	-72,869.85	-152,849.03
Workers Remittance	-2,153.08	-3,760.37	-76,916.55
CAPITAL AND FINANCIAL ACCOUNT	**367,474.67**	**1,716,739.74**	**849,944.16**
Capital account(net)	**0.00**	**0.00**	**0.00**
Credit	0.00	0.00	0.00
Capital Transfers(Debt Forgiveness)	0.00	0.00	0.00
Debit	0.00	0.00	0.00
Capital Transfers	0.00	0.00	0.00
Financial account(net)	**367,474.67**	**1,716,739.74**	**849,944.16**
Assets	**-1,382,953.96**	**234,316.80**	**-157,378.15**
Direct investment (Abroad)	-121,158.64	-132,551.06	-145,315.44
Portfolio investment	-298,979.79	-242,847.63	-183,575.01
Other investment	-1,825,192.83	136,205.10	-981,365.06
Change in Reserve	862,377.30	473,510.39	1,152,877.37
Liabilities	**1,750,428.63**	**1,482,422.94**	**1,007,322.30**
Direct Invesment in reporting economy	391,396.64	345,371.34	266,328.22
Portfolio Investment	464,133.04	358,336.88	349,388.86
Other investment liabilities	894,898.95	778,714.72	391,605.23
NET ERRORS AND OMISSIONS	**-839,893.28**	**-1,430,387.17**	**532,863.58**

Memorandum Items:	1st Half 2014 /1	2nd Half 2014 /1	1st Half 2015 /2
Current Account Balance as % of G.D.P	**1.12**	**-0.60**	**-3.12**
Capital and Financial Account Balance as % of G.D.P	**0.87**	**3.59**	**1.92**
Overall Balance as % of G.D.P	**-2.04**	**-0.99**	**-2.60**
External Reserves - Stock (US $ million)	**37,330.03**	**34,241.54**	**28,335.21**
Number of Months of Imports Equivalent	**7.73**	**7.30**	**6.73**
External Debt Stock (US$ million)	**9,377.11**	**9,711.45**	**10,316.82**
Debt Service Due as % of Exports of Goods Non Factor Services			
Effective Central Exchange Rate (N/$)	**156.02**	**158.52**	**189.02**
Average Exchange Rate (N/$)	**157.29**	**159.81**	**189.75**
End-Period Exchange Rate (N/$)	**157.29**	**169.68**	**196.95**

Source: Central Bank of Nigeria

1/ Revised

2/ Provisional

Table 45
Foreign Exchange Flows Through the Economy
(US$ Million)

CATEGORY	1st Half 2011	1st Half 2012	1st Half 2013	1st Half 2014 /2	2nd Half 2014 /2	1st Half 2015 /3
INFLOW	**50,257.07**	**55,548.08**	**72,277.13**	**75,643.39**	**81,058.61**	**52,124.57**
A. Through the Central Bank	**19,574.33**	**22,170.74**	**19,747.39**	**22,888.76**	**23,692.32**	**15,283.04**
1. Oil	18,140.18	21,298.36	18,971.59	21,027.88	17,597.45	9,237.67
2.Non-oil	1,434.14	872.37	775.80	1,860.88	6,094.88	6,045.36
(i) Drawings on Loans/Grants	-	-	-	-	-	-
(ii) RDAS/WDAS Purchases	-	-	20.00	270.00	509.00	645.04
(iii) Swaps	-	-	-	500.00	3,525.05	4,060.00
(iv) Interest on Reserves & Investments	112.56	89.19	30.32	79.07	72.28	70.41
(v) Interest Repatriated from overseas	-	0.72	0.29	0.12	32.80	0.24
(vi) Refund on World Bank/IBRD/IMF Loans/SDR Allocation	0.0	-	-	-	-	-
(vii) Eurobond proceeds -fixed income securities)				7.40	1.58	1.34
(viii) Returned Payments [Wired/Cash]				11.21	81.75	10.56
(ix) Untilised funds from DAS				134.02	124.49	94.00
(x) Recovered Funds				226.39	22.11	
(xi) Other official Receipts	1,321.59	782.46	725.19	632.67	1,725.81	1,163.78
B. Through Autonomous Sources	**30,682.74**	**33,377.34**	**52,529.74**	**52,754.63**	**57,366.29**	**36,841.53**
1. Non-oil exports	1,355.60	2,007.62	1,898.23	3,650.25	6,873.25	2,431.21
2. Capital Inflow	9.83	110.57	151.82	271.85	62.61	41.17
3. Invisibles	29,317.31	31,259.15	50,479.70	48,832.53	50,430.43	34,369.15
OUTFLOW	**21,402.28**	**20,204.63**	**18,964.82**	**29,092.93**	**27,160.59**	**21,837.26**
A. Through the Central Bank	**20,530.52**	**19,355.49**	**18,763.71**	**28,501.99**	**26,327.39**	**21,070.35**
1. WDAS/RDAS Utilisation	**17,002.27**	**16,687.61**	**15,440.47**	**25,172.86**	**22,883.56**	**18,273.40**
(i) WDAS/RDAS Sales	14,638.04	10,414.10	10,711.04	17,233.85	15,330.84	3,184.55
(ii) WDAS Forward	536.51	679.99	-	1,075.86	2,235.97	1,339.82
(iii) BDC Sales	1,827.72	3,455.82	2,263.61	3,518.15	932.17	1,825.41
(iv) Inter-bank Sales	-	1,612.70	2,461.50	3,345.00	4,384.58	9,673.62
(v) Swaps	-	525.00	4.33	-	-	2,250.00
(vi) Invisibles IFEM	-	-	-	-	-	-
2. Drawings on L/C	**902.43**	**291.63**	**204.13**	**194.70**	**150.13**	**142.62**
3. External Debt Service	**176.46**	**152.16**	**150.09**	**178.18**	**186.94**	**207.16**
(i) Principal	127.63	118.26	94.35	95.88	78.62	90.99
(ii) Interest	8.49	5.38	5.25	5.21	-	-
(iii) Others 1/	40.34	28.52	50.49	77.09	108.31	116.17
4. Professional fees/Commission	-	0.06	-		-	-
5. Contributions, Grants & Equities Invests. (AFC Equity Participation)	-	-	-	135.55	-	-
6. National Priority Projects (Niger-Delta Payments)	**35.85**	**50.64**	**33.33**	**42.52**	**25.84**	**91.00**
7. Other Official Payments	**2,413.51**	**2,173.38**	**2,885.14**	**2,427.90**	**3,077.56**	**1,847.36**
(i) Int'l Organisations & Embassies /4	244.32	126.47	308.03	176.51	219.44	290.44
(ii) Estacode	-	42.85	57.62	106.26	392.86	522.96
(iii) Parastatals	592.42	350.58	545.56	458.29	521.13	120.20
(iv) NNPC/JV Cash Calls	1,475.16	1,628.69	1,932.07	1,564.81	1,825.30	892.52
(v) Miscellaneous (CBN Uses)	101.61	24.79	41.85	122.02	118.84	21.24
8. Bank Charges	-	-	0.55	0.05	0.12	0.04
9. NSIA Transfer			50.00	-	-	-
10. Funds returned to remitters				0.23	0.76	45.96
11. 3rd Party MDA Transfer				350.00	2.48	462.79
B. Through Autonomous Sources	**871.76**	**849.14**	**201.11**	**590.94**	**833.20**	**766.92**
1. Imports	847.53	837.48	179.91	577.23	782.89	385.05
2. Invisibles	24.24	11.66	21.21	13.71	50.31	381.87
NETFLOW THROUGH THE CBN	**(956.19)**	**2,815.25**	**983.68**	**(5,613.23)**	**(2,635.06)**	**(5,787.31)**
NETFLOW	**28,854.79**	**35,343.45**	**53,312.31**	**46,550.46**	**53,898.02**	**30,287.31**

Source: Central Bank of Nigeria
1/ Includes penalty and service charges
2/ Revised
3/ Provisional
4/ Includes IMF (SDR charges)

Table 46
Nigeria's Gross External Reserves
(US$ Million)

Month	2010	2011	2012	2013	2014	2015
January	42,075.67	33,131.83	34,136.57	45,824.44	40,667.56	32,385.71
February	41,410.10	33,246.07	33,857.37	47,295.85	36,923.61	29,566.99
March	40,667.03	33,221.80	35,197.44	47,884.12	37,399.22	29,357.21
April	40,322.01	32,835.33	36,660.89	47,903.09	37,105.27	29,829.75
May	38,815.79	32,100.81	36,839.53	47,702.88	35,398.10	28,566.54
June	37,468.44	31,890.91	35,412.50	44,957.00	37,330.03	28,335.21
July	37,155.19	32,521.71	36,285.32	45,834.11	39,065.42	
August	36,769.65	32,914.97	39,509.81	45,428.84	38,705.71	
September	34,589.01	31,740.23	40,640.40	44,108.48	38,278.62	
October	33,597.02	32,594.69	42,167.41	44,155.11	36,280.25	
November	33,059.30	32,125.22	42,568.26	43,414.20	35,248.66	
December	32,339.25	32,639.78	43,830.42	42,847.31	34,241.54	

Source: Central Bank of Nigeria

Table 47
Nigeria's Foreign Exchange Cross Rates
Naira per Unit of Foreign Currency (Monthly Average)

2011	Pounds	Euro	CFAFr	US$ (DAS/WDAS)	US$ (BDC)
Jan	236.92	200.57	0.30	151.55	156.13
Feb	242.81	205.58	0.31	151.94	155.11
Mar	243.95	211.17	0.32	152.51	157.09
Apr	249.16	220.08	0.33	153.97	157.05
May	250.11	219.66	0.33	154.80	158.05
Jun	248.13	220.21	0.34	154.50	158.32
1st Half Average	**245.18**	**212.88**	**0.32**	**153.21**	**156.95**
Jul	242.51	216.08	0.33	151.86	163.71
Aug	247.53	216.79	0.33	152.72	163.10
Sep	242.88	211.73	0.32	155.26	158.23
Oct	239.15	208.22	0.32	153.26	161.25
Nov	243.45	208.78	0.32	155.77	160.35
Dec	244.53	206.52	0.31	158.21	163.30
2nd Half Average	**243.34**	**211.35**	**0.32**	**154.51**	**161.66**
2012	**Pounds**	**Euro**	**CFAFr**	**US$ (DAS/WDAS)**	**US$ (BDC)**
Jan	243.27	202.52	0.31	158.39	164.62
Feb	246.98	206.71	0.31	157.87	160.85
Mar	246.92	206.05	0.31	157.59	159.41
Apr	249.34	205.00	0.31	157.33	159.37
May	248.03	199.42	0.30	157.28	159.67
Jun	242.42	193.92	0.30	157.44	163.43
1st Half Average	**246.16**	**202.27**	**0.31**	**157.65**	**161.22**
Jul	243.06	191.56	0.29	157.43	163.32
Aug	244.87	193.28	0.29	157.38	162.24
Sep	250.88	200.27	0.30	157.34	159.80
Oct	250.45	202.21	0.31	157.32	159.00
Nov	248.69	199.91	0.30	157.31	159.32
Dec	251.56	204.30	0.31	157.32	159.26
2nd Half Average	**248.25**	**198.59**	**0.30**	**157.35**	**160.49**
2013	**Pounds**	**Euro**	**CFAFr**	**US$ (DAS/WDAS)**	**US$ (BDC)**
Jan	248.72	206.97	0.31	157.30	159.12
Feb	241.10	208.16	0.32	157.30	158.70
Mar	234.75	201.95	0.31	157.31	159.80
Apr	238.49	202.88	0.31	157.31	159.81
May	238.34	202.34	0.31	157.30	159.57
Jun	241.11	205.47	0.31	157.31	160.98
1st Half Average	**240.42**	**204.63**	**0.31**	**157.30**	**159.66**
Jul	236.40	203.77	0.31	157.32	162.43
Aug	241.35	207.23	0.31	157.31	162.28
Sep	246.97	207.95	0.32	157.32	163.14
Oct	250.86	212.74	0.32	157.42	165.00
Nov	250.76	210.17	0.32	157.27	167.14
Dec	255.13	213.41	0.32	157.27	171.40
2nd Half Average	**246.91**	**209.21**	**0.32**	**157.32**	**165.23**
2014	**Pounds**	**Euro**	**CFAFr**	**US$ (DAS/WDAS)**	**US$ (BDC)**
Jan	256.59	212.10	0.32	157.29	171.71
Feb	257.81	212.72	0.32	157.31	169.45
Mar	258.95	215.39	0.33	157.30	171.52
Apr	260.67	215.14	0.33	157.29	170.30
May	262.41	213.98	0.33	157.29	166.85
Jun	263.29	211.68	0.32	157.29	167.17
1st Half Average	**259.95**	**213.50**	**0.32**	**157.29**	**169.50**
Jul	265.93	211.24	0.32	157.29	167.71
Aug	260.12	207.41	0.32	157.29	170.36
Sep	254.06	201.00	0.31	157.30	168.64
Oct	250.27	197.63	0.30	157.31	169.43
Nov	249.96	197.60	0.30	160.00	175.85
Dec	262.86	207.16	0.32	169.68	188.45
2nd Half Average	**257.20**	**203.67**	**0.31**	**159.81**	**173.41**
2015	**Pounds**	**Euro**	**CFAFr**	**US$ (RDAS/IFEM)**	**US$ (BDC)**
Jan	254.39	194.85	0.30	169.68	196.13
Feb	274.79	204.78	0.31	169.68	213.03
Mar	295.20	213.64	0.32	180.61	222.93
Apr	294.73	212.54	0.32	197.00	210.70
May	304.79	219.85	0.34	197.00	219.55
Jun	306.37	220.74	0.34	196.92	218.98
1st Half Average	**288.38**	**211.07**	**0.32**	**189.75**	**213.55**

Source: Central Bank of Nigeria
Note: The Interbank exchange rate became the reference official rate on February 18, 2015 when the RDAS segment of the FOREX market was closed by the CBN.

Table 48
Monthly Average Exchange Rate Movements
(N/US$ 1.00)

2011	WDAS	Interbank	BDC
Jan	151.55	152.47	156.13
Feb	151.94	152.86	155.11
Mar	152.51	155.21	157.09
Apr	153.97	154.60	157.05
May	154.80	156.17	158.05
Jun	154.50	155.65	158.32
1st Half	**153.21**	**154.49**	**156.95**
End-Period	**153.31**	**152.52**	**159.00**
Jul	151.86	152.41	163.71
Aug	152.72	153.79	163.10
Sep	155.26	156.70	158.23
Oct	153.26	159.82	161.25
Nov	155.77	158.83	160.35
Dec	158.21	162.17	163.30
2nd Half	**154.51**	**157.29**	**161.66**
End-Period	**158.27**	**159.70**	**165.00**
2012	**WDAS**	**Interbank**	**BDC**
Jan	158.39	161.31	164.62
Feb	157.87	158.59	160.85
Mar	157.59	157.72	159.41
Apr	157.33	157.44	159.37
May	157.28	158.46	159.67
Jun	157.44	162.33	163.43
1st Half	**157.65**	**159.31**	**161.22**
End-Period	**157.50**	**162.85**	**164.00**
Jul	157.43	161.33	163.32
Aug	157.38	158.97	162.24
Sep	157.34	157.78	159.80
Oct	157.32	157.24	159.00
Nov	157.31	157.58	159.32
Dec	157.32	157.33	159.26
2nd Half	**157.35**	**158.37**	**160.49**
End-Period	**157.33**	**157.25**	**159.50**
2013	**W/RDAS**	**Interbank**	**BDC**
Jan	157.30	156.96	159.12
Feb	157.30	157.52	158.70
Mar	157.31	158.38	159.80
Apr	157.31	158.20	159.81
May	157.30	158.02	159.57
Jun	157.31	160.02	160.98
1st Half	**157.30**	**158.18**	**159.66**
End-Period	**157.31**	**162.60**	**162.00**
Jul	157.32	161.12	162.43
Aug	157.31	161.15	162.28
Sep	157.32	161.96	163.14
Oct	157.42	159.83	165.00
Nov	157.27	158.79	167.14
Dec	157.27	159.05	171.40
2nd Half	**157.32**	**160.32**	**165.23**
End-Period	**157.26**	**159.90**	**172.00**
2014	**W/RDAS**	**Interbank**	**BDC**
Jan	157.29	160.23	171.71
Feb	157.31	163.62	169.45
Mar	157.30	164.62	171.52
Apr	157.29	162.19	170.30
May	157.29	161.86	166.85
Jun	157.29	162.82	167.17
1st Half	**157.29**	**162.56**	**169.50**
End-Period	**157.29**	**162.95**	**168.00**
Jul	157.29	162.25	167.71
Aug	157.29	161.99	170.36
Sep	157.30	162.93	168.64
Oct	157.31	164.64	169.43
Nov	160.00	171.10	175.85
Dec	169.68	180.33	188.45
2nd Half	**159.81**	**167.21**	**173.41**
End-Period	**169.68**	**180.00**	**191.50**
2015	**RDAS**	**Interbank**	**BDC**
Jan	169.68	181.78	196.13
Feb	169.68	194.48	213.03
Mar	Closed	197.07	222.93
Apr	Closed	197.00	210.70
May	Closed	197.00	219.55
Jun	Closed	196.92	218.98
1st Half	**Closed**	**194.04**	**213.55**
End-Period	**Closed**	**196.95**	**225.50**

Source: Central Bank of Nigeria
CBN closed the RDAS segment of the FOREX market on February 18, 2015.

Table 49
Demand and Supply of Foreign Exchange
(US$ Million)

Year/Month	2014										2015									
	RDAS Demand	BDC Demand	RDAS - Forward Demand	Total Demand	RDAS Sales	BDC Sales	RDAS - Forward (Disbursement on Maturity)	Interbank Sales	Swaps	Total Supply	RDAS Demand	BDC Demand	RDAS - Forward Demand	Interbank Demand	Total Demand	RDAS Sales	BDC Sales	RDAS - Forward (Disbursement on Maturity)	Interbank Sales	Swaps	Total Supply
January	6,236.67	556.30	31.15	6,824.12	2,989.43	556.30	-	493.00	-	4,038.73	4,874.63	184.67	-		5,059.30	1,987.40	184.67	623.28	791.80	-	3,587.15
February	4,096.46	567.05	140.26	4,803.77	3,101.87	567.05	10.50	2,575.00	-	6,254.42	3,773.50	371.40	-	3,136.56	7,281.46	1,197.14	371.40	121.04	2,334.90	500.00	4,524.48
March	4,320.04	560.95	333.33	5,214.32	3,151.59	560.95	101.96	277.00	-	4,091.50	Closed	301.62	-	14,709.35	15,010.97	Closed	301.62	140.00	1,866.06	500.00	2,807.68
April	3,045.49	712.80	81.87	3,840.16	2,663.92	712.80	261.11	-	-	3,637.83	Closed	370.44	-	14,390.30	14,760.74	Closed	370.44	120.00	1,375.72	500.00	2,366.16
May	2,805.74	619.84	-	3,425.58	2,928.49	619.84	271.31	-	-	3,819.63	Closed	309.93	-	22,896.44	23,206.37	Closed	309.93	311.13	1,856.64	250.00	2,727.71
June	3,401.41	501.22	-	3,902.63	2,398.55	501.22	430.98	-	-	3,330.75	Closed	287.36	-	33,930.52	34,217.88	Closed	287.36	24.37	1,448.50	500.00	2,260.22
First Half	**23,905.81**	**3,518.16**	**586.62**	**28,010.58**	**17,233.85**	**3,518.16**	**1,075.86**	**3,345.00**	**-**	**25,172.86**	**8,648.13**	**1,825.41**	**-**	**89,063.17**	**99,536.71**	**3,184.55**	**1,825.41**	**1,339.82**	**9,673.62**	**2,250.00**	**18,273.40**
July	2,784.93	184.94		2,969.86	2,494.76	184.94	274.41	-	-	2,954.10											
August	3,661.36	169.08		3,830.44	3,201.10	169.08	280.00			3,650.18											
September	4,132.26	143.24		4,275.50	2,598.45	143.24	325.00	492.00		3,558.68											
October	4,570.64	178.86	130.39	4,879.88	3,498.48	178.86	340.00	897.00	-	4,914.34											
November	6,148.84	145.71	163.16	6,457.71	2,296.93	145.71	375.09	1,577.50		4,395.23											
December	3,364.94	110.35	-	3,475.29	1,241.13	110.35	641.47	1,418.08	-	3,411.03											
Second Half	**24,662.97**	**932.17**	**293.54**	**25,888.68**	**15,330.84**	**932.17**	**2,235.97**	**4,384.58**	**-**	**22,883.56**											

Source: Central Bank of Nigeria
Total supply includes W/R DAS spot sales, W/R DAS forward disbursement at maturity, BDC and Interbank sales as well as Swaps.
CBN closed the RDAS segment of the FOREX market on February 18, 2015 WDAS Demand BDC Demand

Table 50
Sectoral Utilization of Foreign Exchange
(US Dollar)

SECTORS	1st Half 2013	2nd Half 2013	1st Half 2014	2nd Half 2014	1st Half 2015 /1	Absolute Change		Percentage Change	
			(1)	(2)	(3)	(1) & (3)	(2) & (3)	(1) & (3)	(2) & (3)
A. Imports	**14,462,883,365.74**	**14,523,652,340.45**	**16,631,013,170.43**	**17,570,976,759.94**	**14,268,649,266.53**	**-2,362,363,903.90**	**-3,302,327,493.41**	**-14.20**	**-18.79**
Industrial Sector	4,041,448,121.96	4,637,106,615.09	4,661,644,212.04	5,493,682,864.81	4,319,273,090.00	-342,371,122.04	-1,174,409,774.81	-7.34	-21.38
Food Products	2,767,756,161.15	2,476,874,436.37	2,658,782,598.59	2,372,786,187.93	2,341,878,329.14	-316,904,269.45	-30,907,858.79	-11.92	-1.30
Manufactured Products	2,147,236,827.27	2,198,642,063.17	2,783,304,773.17	2,650,304,583.03	2,277,849,329.99	-505,455,443.18	-372,455,253.04	-18.16	-14.05
Transport Sector	755,204,035.53	854,349,155.45	940,834,300.06	1,047,604,249.92	502,355,803.04	-438,478,497.02	-545,248,446.88	-46.61	-52.05
Agricultural Sector	157,895,155.41	159,110,217.03	242,451,389.17	271,180,770.33	153,421,987.02	-89,029,402.15	-117,758,783.31	-36.72	-43.42
Minerals	164,617,930.38	252,092,780.74	180,202,551.19	168,461,827.82	228,837,425.31	48,634,874.12	60,375,597.49	26.99	35.84
Oil Sector	4,428,725,134.04	3,945,477,072.60	5,163,793,346.21	5,566,956,276.10	4,445,033,302.03	-718,760,044.18	-1,121,922,974.07	-13.92	-20.15
B. Invisibles	**12,478,677,753.36**	**13,776,673,837.80**	**16,274,798,516.97**	**15,513,611,408.03**	**9,831,980,208.91**	**-6,442,818,308.06**	**-5,681,631,199.12**	**-39.59**	**-36.62**
Business Services	589,753,886.55	731,983,492.06	1,542,253,118.81	1,519,064,155.56	764,837,775.83	-777,415,342.98	-754,226,379.73	-50.41	-49.65
Communication Services	262,706,450.30	309,754,825.63	374,076,738.67	494,789,674.04	324,391,017.76	-49,685,720.91	-170,398,656.28	-13.28	-34.44
Construction and Engineering	11,829,909.11	75,481,705.52	45,162,720.93	24,949,324.22	49,339,787.41	4,177,066.48	24,390,463.19	9.25	97.76
Distribution Services	18,186,729.88	54,709,121.42	49,743,988.82	64,374,101.73	32,086,080.49	-17,657,908.33	-32,288,021.24	-35.50	-50.16
Educational Services	104,526,083.34	160,971,327.81	140,778,938.66	210,118,474.79	236,251,480.17	95,472,541.51	26,133,005.38	67.82	12.44
Environmental Services	-	-		0.00	0.00	0.00	0.00		
Financial Services	10,811,773,101.58	11,470,494,899.21	13,210,340,603.21	11,924,067,275.28	7,774,145,834.42	-5,436,194,768.79	-4,149,921,440.86	-41.15	-34.80
Health Related and Social Services	1,394,662.89	385,906.15	333,168.32	462,129.90	889,526.65	556,358.33	427,396.75	166.99	92.48
Tourism and Travel Related Services	16,344,055.52	3,356,338.12	21,363,448.93	271,423,262.24	124,048,837.05	102,685,388.12	-147,374,425.19	480.66	-54.30
Recreational, Cultural and Sporting Services	-	1,021,500.00	1,366,685.32	231,009.36	0.00	-1,366,685.32	-231,009.36	-100.00	-100.00
Transport Services	546,843,850.74	817,013,716.29	722,244,970.80	817,574,701.98	377,658,393.83	-344,586,576.97	-439,916,308.15	-47.71	-53.81
Other Services not Included Elsewhere	115,319,023.45	151,501,005.59	167,134,134.50	186,557,298.93	148,331,475.30	-18,802,659.20	-38,225,823.63	-11.25	-20.49
TOTAL (A+B)	**26,941,561,119.10**	**28,300,326,178.25**	**32,905,811,687.40**	**33,084,588,167.97**	**24,100,629,475.44**	**-8,805,182,211.96**	**-8,983,958,692.53**	**-26.76**	**-27.15**

Source: Central Bank of Nigeria
1/ Provisional

Table 51
Total External Assets of Financial Institutions
(Naira Million)

	First Half 2014 1/	First Half 2015 2/
1. Monetary Authorities	**6,724,347.45**	**7,646,654.46**
Foreign Assets	**6,724,347.45**	**7,646,654.46**
Gold	19.01	19.01
IMF Tranche	22.62	22.62
Foreign Currencies	57,913.74	50,119.83
Demand Deposits at Foreign Banks	6,264,354.82	7,132,975.63
of which: Domicilliary Accounts	716,973.32	216,467.10
Treasury Bills of Foreign Governments	51.36	702.76
SDR Holdings	401,985.90	462,814.61
2. Semi Official Institutions	-	-
i) BOI	-	-
ii) Others	-	-
3. Deposit Money Banks	**2,216,156.13**	**1,748,403.66**
Total Assets	**8,940,503.58**	**9,395,058.12**
Total Assets (US$' Million)	**56,841.87**	**47,702.76**
Exchange Rate (End-period)	**157.29**	**196.95**

Source: Central Bank of Nigeria
1/ Revised
2/ Provisional