CENTRAL BANK OF NIGERIA

ANNUAL REPORT 2019

Central Bank of Nigeria

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ISSN 1597 - 2976

Vision

"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 the 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 *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; and
- act as banker and provide economic and financial advice to the Federal Government of Nigeria.

BOARD OF DIRECTORS

AS AT 31st DECEMBER, 2019

MEMBERS OF THE BOARD OF DIRECTORS OF THE BANK AS AT 31ST DECEMBER, 2019

1.	Godwin I. Emefiele, CON	- Governor	Chairman
2.	Edward L. Adamu	- Deputy Governor (Corporate Services)	Member
3.	Okwu J. Nnanna	- Deputy Governor (Economic Policy)	Member
4.	Aishah N. Ahmad	- Deputy Governor (Financial System Stability)	Member
5.	Folashodun A. Shonubi	- Deputy Governor (Operations)	Member
6.	Adeola Adetunji	- Non-Executive Director	Member
7.	Idris Ahmad	- Non-Executive Director	Member
8.	Mahmoud Isa Dutse	- Non-Executive Director	Member
9.	Ummu A. Jalingo	- Non-Executive Director	Member
10.	Justitia O. Nnabuko	- Non-Executive Director	Member
11.	Mike I. Obadan	- Non-Executive Director	Member
12.	Abdu Abubakar	- Non-Executive Director	Member
	Alice Karau	- Secretary to the Board	

MEMBERS OF THE COMMITTEE OF GOVERNORS OF THE BANK AS AT 31ST DECEMBER, 2019

1.	Godwin I. Emefiele, CON	- Governor	Chairman
2.	Edward L. Adamu	- Deputy Governor (Corporate Services)	Member Member
3.	Okwu J. Nnanna	- Deputy Governor (Economic Policy)	Member
4.	Aishah N. Ahmad	- Deputy Governor (Financial System Stability)	Member
5.	Folashodun A. Shonubi	- Deputy Governor (Operations)	Member
	Alice Karau	- Secretary to the Board	

MEMBERS OF THE MONETARY POLICY COMMITTEE (MPC) AS AT 31ST DECEMBER, 2019

1.	Godwin I. Emefiele, CON	-	Governor (Chairman)
2.	Edward L. Adamu	-	Deputy Governor (Corporate Services)
3.	Okwu J. Nnanna	-	Deputy Governor (Economic Policy)
4.	Aishah Ahmad	-	Deputy Governor (Financial System Stability)
5.	Folashodun A. Shonubi	-	Deputy Governor (Operations)
6.	Festus A. Adenikinju	-	Member
7.	Aliyu R. Sanusi	-	Member
8.	Robert C. Asogwa	-	Member

9.	Dahiru H. Balami	-	Member
10.	Mike Obadan	-	Member
11.	Mahmud Isa-Dutse	-	Member
	Moses. K. Tule	-	Secretary

PRINCIPAL OFFICERS OF THE BANK AS AT 31ST DECEMBER, 2019

A. Departmental Directors

1.	Samuel C. Okojere	-	Banking Services
2.	Ahmad Abdullahi	-	Banking Supervision
3.	Musibau Fisayo Olatinwo	-	Branch Operations
4.	Aishatu Balewa	-	Capacity Development
5.	Kofo S. Salam-Alada	-	Consumer Protection
6.	Isaac Okoroafor	-	Corporate Communications
7.	Alice Karau	-	Corporate Secretariat
8.	Ahmed B. Umar	-	Currency Operations
9.	Mudashir A. Olaitan	-	Development Finance
10.	Benjamin A. Fakunle	-	Finance
11.	Angela A. Sereejembi	-	Financial Markets
12.	Kevin N. Amugo	-	Financial Policy and Regulation
13.	Mohammed D. Suleyman**	-	FSS 2020
14.	Jeremiah Abue	-	Governors' Department
15.	Umma A. Dutse	-	Human Resources
16.	Rakiya S. Mohammed	-	Information Technology
17.	Vivian I. Agu	-	Internal Audit
18.	Johnson O. Akinkumi	-	Legal Services
19.	Mohammed A. Shehu	-	Medical Services
20.	Moses K. Tule	-	Monetary Policy
21.	Hassan Bello	-	Other Financial Institutions Supervision
22.	Musa I. Jimoh	-	Payments System Management
23.	Arinze A. Stanley	-	Procurement & Support Services
24.	Michael A. Adebiyi	-	Research
25.	Abba Salihi	-	Reserve Management
26.	Oluwafolakemi J. Fatogbe	-	Risk Management
27.	Oluwakemi Osa-Odigie	-	Security Services
28.	Tumala, M. Musa	-	Statistics
29.	Clement O. Buari	-	Strategy Management
30.	Ozoemena S. Nnaji	-	Trade & Exchange
31.	Philip Y. Yusuf	-	NIRSAL Microfinance Bank
32.	Eunice N. Egbuna*	-	WAMI

* On secondment
** On posting

B. Special Advisers to the Governor

1.	Charles C. Ezema	-	Economic Matters
2.	Emmanuel U. Ukeje	-	Financial Markets
3.	Yakubu Umar	-	Non-Interest Banking
4.	Titus O. Odozi	-	Nigerian Security Printing and Minting (NSPM) Plc.
5.	Aisha U. Mahmoud	-	Sustainable Banking

C. Branch Controllers/Currency Officers

1.	Christopher O. Adayi	-	Abakaliki
2.	Wahab L. Oseni	-	Abeokuta
3.	Ibeawuchi F. Amagwu	-	Abuja
4.	Ademola G. Atobatele	-	Ado-Ekiti
5.	Fatai A. Yusuf	-	Akure
6.	Patricia N. Ukwu	-	Asaba
7.	Benedict I. C. Maduagwu	-	Awka
8.	Haladu A. Idris	-	Bauchi
9.	Davis R. Jumbo	-	Benin
10.	T. G. Mohammed	-	Birnin-Kebbi
11.	Chuks M. Sokari	-	Calabar
12.	Abubakar. H. Joda	-	Damaturu
13.	Sa'adatu. A. Ibrahim	-	Dutse
14.	Emmanuel C. Okonjo	-	Enugu
15.	Alhaji S. Goringo	-	Gombe
16.	Babangida Jino	-	Gusau
17.	Olufolake M. Ogundero	-	Ibadan
18.	Babatunde A. Amoa	-	Ilorin
19.	John S. Minya	-	Jalingo
20.	Yusuf B. Duniya	-	Jos
21.	Ahmed M. Wali	-	Kaduna
22.	Abdulkadir I. Ali	-	Kano
23.	D. N. Usman	-	Katsina
24.	Samson Isuwa	-	Lafia
25.	Atise J. Ekhator	-	Lagos
26.	Isa A. Sule	-	Lokoja
27.	Tijani K. Lawan	-	Maiduguri
28.	Bulus I. Abba	-	Makurdi
29.	Mas'ud T. Ibrahim	-	Minna
30.	Ajuma D. Madojemu	-	Osogbo
31.	Georgina U. Nwankwo	-	Owerri
32.	Romanes A. Randle	-	Port Harcourt
33.	Yusuf B. Wali	-	Sokoto
34.	Onyeka M. Ogbu	-	Umuahia
35.	Itohan M. Ogbomo-Paul	-	Uyo

36.	Sikiru K. Osidele	-	Yenagoa
37.	Satu J. Jatau	-	Yola

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LIST OF ABBREVIATIONS AND ACRONYMS

AACB	Association of African Central Banks
ABS	Analytical Balance Sheet
ACGSF	Agricultural Credit Guarantee Scheme Fund
ACSS	Agricultural Credit Support Scheme
ADF	African Development Fund
ADPs	Agricultural Development Programmes
AES	African Econometrics Society
AFC	Africa Finance Corporation
AfDB	African Development Bank
AGOA	African Growth and Opportunity Act
AIPs	Approvals-In-Principle
AMCON	Asset Management Corporation of Nigeria
AMCP	African Monetary Cooperation Programme
AML/CFT	Anti-Money Laundering/Combating the Financing of Terrorism
ATAP	Agricultural Transformation Action Plan
APRM	Africa Peer Review Mechanism
ATMs	Automated Teller Machines
AU	African Union
AUC	Africa Union Commission
BAs	Bankers' Acceptances
BDCs	Bureaux-de-Change
BoE	Bank of England
BOI	Bank of Industry
BVN	Bank Verification Number
BWIs	Bretton Woods Institutions
CAC	Corporate Affairs Commission
CACS	Commercial Agriculture Credit Scheme
CAMA	Companies and Allied Matters Act
CAMEL	Capital Adequacy, Asset Quality, Management Efficiency, Earnings and Liquidity

CAR	Capital Adequacy Ratio
CBN	Central Bank of Nigeria
CBP	Capacity Building Programme
CBs	Community Banks
CDMA	Code Division Multiple Access
CEPR	Centre for Economic Policy Research
CG	Credit to Government
CIC	Currency-in-Circulation
CIFTS	Central Bank Interbank Funds Transfer System
CIS	Commonwealth of Independent States
CIT	Companies Income Tax
COB	Currency Outside Banks
COBEC	Code of Business Ethics and Conduct
COPAL	Cocoa Producers' Alliance
CPS	Credit to the Private Sector
CPI	Consumer Price Index
CP	Commercial Paper
CRMS	Credit Risk Management System
CRR	Cash Reserve Requirement
CSAR	Country Self-Assessment Report
CSCS	Central Securities Clearing System
CSOs	Civil Society Organisations
DFIs	Development Finance Institutions
DHs	Discount Houses
DLF	Direct Lending Facilities
DISCOs	Distribution Companies
DMBs	Deposit Money Banks
DMO	Debt Management Office
DS	Development Stocks
ECB	European Central Bank
EBP	Electronic Budgeting and Planning

EBSCO Host	EBSCO Host Research Database
ECA	Economic Commission for Africa
ECOWAS	Economic Community of West African States
EDCs	Entrepreneurship Development Centres
EEG	Export Expansion Grant
e-FASS	Electronic Financial Analysis and Surveillance System
EFCC	Economic and Financial Crimes Commission
e-FinA	Enhancing Financial Innovation and Access
EMDCs	Emerging Markets and Developing Economies
e-Money	Electronic Money
EMS	Enterprise Management and Security
ERP	Enterprise Resource Planning
ETF	Education Tax Fund
FAAC	Federation Accounts Allocation Committee
FCs	Finance Companies
FCT	Federal Capital Territory
FDI	Foreign Direct Investment
FGN	Federal Government of Nigeria
FHAN	Finance Houses Association of Nigeria
FIRS	Federal Inland Revenue Service
FITC	Financial Institutions Training Centre
FMF	Federal Ministry of Finance
fob	Free on Board
FRIN	Forestry Research Institute of Nigeria
FSS 2020	Financial System Strategy 2020
G-24	Group of Twenty-Four (G24) Developing Countries
GDP	Gross Domestic Product
GENCOs	Generation Companies
GES	Growth Enhancement Scheme
GSM	Global System of Mobile Communications
IAS	International Accounting Standards

IBRD	International Bank for Reconstruction and Development
ICCO	International Cocoa Organization
ICO	International Coffee Organization
IDA	International Development Association
IDMS	Integrated Document Management System
IEA	International Energy Agency
IFAD	International Fund for Agricultural Development
IFT	Interbank Funds Transfer
IGR	Internally Generated Revenue
IIP	International Investment Position
ILN	Interactive Learning Network
IMF	International Monetary Fund
IPI	Information Publication Investment
IPOs	Initial Public Offers
IPPs	Independent Power Plants
ISPs	Internet Service Providers
IT	Information Technology
ITU	International Telecommunication Union
JSTOR	Journal Storage
JVCs	Joint Venture Cash Calls
KYC	Know Your Customer
LOKAP	Lagos, Kano, Aba and Port-Harcourt
LPFO	Low Pour Fuel Oil
LR	Liquidity Ratio
LROs	Lead Research Organisations
LVIFT	Large Value Interbank Funds Transfer
M_1	Narrow Money
M_2	Broad Money
M_3	Broad Money
mbd	Million barrels per day
MDAs	Ministries, Departments and Agencies

MDGs	Millennium Development Goals
MFBs	Microfinance Banks
MICR	Magnetic Ink Character Recognition
MMDs	Money Market Dealers
MoU	Memorandum of Understanding
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
MRR	Minimum Rediscount Rate
MSME	Micro Small and Medium Enterprises
MTEF	Medium-Term Expenditure Framework
MYTO	Multi-Year Tariff Order
NACRDB	Nigerian Agricultural, Cooperative and Rural Development Bank
NACS	Nigerian Automated Clearing System
NAFDAC	National Agency for Food, Drug Administration and Control
NAICOM	National Insurance Commission
NAOC	Nigeria Agip Oil Company
NAPCON	National Petroleum Company of Nigeria
NAPRI	National Animal Production Research Institute
NBS	National Bureau of Statistics
NCS	Nigeria Custom Service
NDC	Net Domestic Credit
NDIC	Nigeria Deposit Insurance Corporation
NEEDS	National Economic Empowerment and Development Strategy
NEER	Nominal Effective Exchange Rate
NEPAD	New Partnership for Africa's Development
NERC	National Electricity Regulatory Commission
NERFUND	National Economic Reconstruction Fund
NEXIM	Nigerian Export-Import Bank
NFAs	Net Foreign Assets
NGC	Nigerian Gas Company
NGOs	Non-Governmental Organisations

NIBSS	Nigeria Interbank Settlement System
NIBOR	Nigerian Inter-Bank Offered Rate
NICPAS	Nigerian Cheque Printers Accreditation Scheme
NIMASA	Nigerian Maritime Administration and Safety Agency
NITDF	National Information Technology Development Fund
NNPC	Nigerian National Petroleum Corporation
NPC	National Population Commission
NPSC	National Payments System Committee
NSE	Nigerian Stock Exchange
NSPFS	National Special Programme for Food Security
NSPM	Nigerian Security Printing and Minting
NTBs	Nigerian Treasury Bills
NWG	National Working Group
OAGF	Office of the Accountant General of the Federation
OARE	Online Access to Research in the Environment
OBB	Open-Buy-Back
ODA	Official Development Assistance
OFIs	Other Financial Institutions
OMO	Open Market Operations
OPEC	Organisation of Petroleum Exporting Countries
OTC	Over-the-Counter
PAR	Portfolio at Risk
P&A	Purchase and Assumption
PENCOM	National Pension Commission
PEP	Politically Exposed Person
PHCN	Power Holding Company of Nigeria
PIR	Process Improvement and Redesign
PMIs	Primary Mortgage Institutions
PMS	Portfolio Management System
PoS	Point-of-Sale
PPT	Petroleum Profit Tax

PSI	Policy Support Instrument
PSV	Payments System Vision
QE	Quantitative Easing
RBDAs	River Basins Development Authorities
RBS	Risk Based Supervision
rDAS	Retail Dutch Auction System
REC	Regional Economic Commission
REER	Real Effective Exchange Rate
ROA	Return on Asset
ROE	Return on Equity
RRF	Refinancing and Restructuring Fund
RTEP	Root and Tuber Expansion Project
RTGS	Real Time Gross Settlement
S4	Scripless Securities Settlement System
SBUs	Strategic Business Units
SEC	Securities and Exchange Commission
SFU	Special Fraud Unit
SITC	Standard International Trade Classification
SME	Small and Medium Enterprises
SMECGS	Small and Medium Enterprises Credit Guarantee Scheme
SMEDAN	Small and Medium Enterprises Development Agency
SMEEIS	Small and Medium Enterprises Equity Investment Scheme
SME-RRF	SME Refinancing and Restructuring Fund
SON	Standards Organisation of Nigeria
SPDC	Shell Petroleum Development Company
SSA	Sub-Saharan Africa
SSC	South - South Cooperation
SWETS	SWETS Wise-Database Consolidators
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TCs	Travellers' Cheques
TFM	Trust Fund Model

TIB	Temenos Internet Banking
TSA	Treasury Single Account
UAT	User Acceptance Test
UNIDO	United Nations Industrial Development Organisation
VAT	Value Added Tax
WABA	West African Bankers Association
WACB	West African Central Bank
WAIFEM	West African Institute for Financial and Economic Management
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WBG	World Bank Group
WB	The World Bank
wDAS	Wholesale Dutch Auction System

GOVERNOR'S PICTURE

STATEMENT BY THE GOVERNOR

I am immensely delighted to present the Annual Report and Statement of Accounts of the Central Bank of Nigeria for the year ended 31 December 2019. During the year, we witnessed a consolidating rebound of the Nigerian economy amidst tepid global conditions and dampened prospects. In general, 2019 has been an eventful, active, and memorable year for the Bank. I wish to express my gratitude to the President of the Federal Republic of Nigeria, Muhammadu Buhari, GCFR, for a continued confidence in my ability to lead the Bank following my re-appointed as the CBN Governor for another five-year term. I wish to also acknowledge the enormous support, resourcefulness, and diligence of the Board, the Management and, indeed, the entire staff of the Bank during the year.

Global macroeconomic condition remained fragile throughout 2019 as weak demand, rising uncertainties, and levitating risks continued to dampen prospects. International trade and investments moderated during the year, encumbered by continued trade tensions, especially between the US and China, and exacerbated by the Brexit impasse. This elevated macroeconomic strains in key emerging market economies and exposed underlying structural rigidities. Short-term outlook thus, debilitated as global growth momentum is expected to further diminish amidst persistent vulnerabilities and depressed demand in key advanced economies.

Despite global drawbacks, the Nigerian economy remained, largely, resilient in 2019 as growth momentum quickened to 2.3 per cent from 1.9 per cent in 2018. Yet, strengthening global headwinds continued to threaten; exposing fundamental imbalances, especially as low oil and commodity prices impacted adversely on trade balance and foreign exchange receipts. At

US$66.41pb in 2019, the average spot price of Nigeria's Bonny Light (37°API) dropped by 8.4 per cent from the preceding year's average of US$72.53pb. Softening crude oil prices was attributable, largely, to rising inventory in non-OPEC countries (particularly the US with booming shale-oil production), weak demand from China (on the backheel of its trade dispute with the US), and insipid global growth outlook.

The descent in international crude oil prices led to a remarkable drop in Nigeria's foreign exchange receipts and consequently, a depletion of its external reserves. Accordingly, external reserves fell to US$38.09 billion from US$42.59 billion at end-December 2018. Regardless, the Bank continued to bolster liquidity in the foreign exchange market to ensure sustained stability of the exchange rate. Inflation rate, however, remained above the single-digit benchmark in 2019 as the headline rate rose, *albeit* marginally, to 11.98 per cent from 11.44 percent at end-December 2018. The rise essentially reflected the persistent increase in food component towards the end of the year, due to the August 2019 border protection policy of the Government and lingering disruptions around the food producing belts of the country.

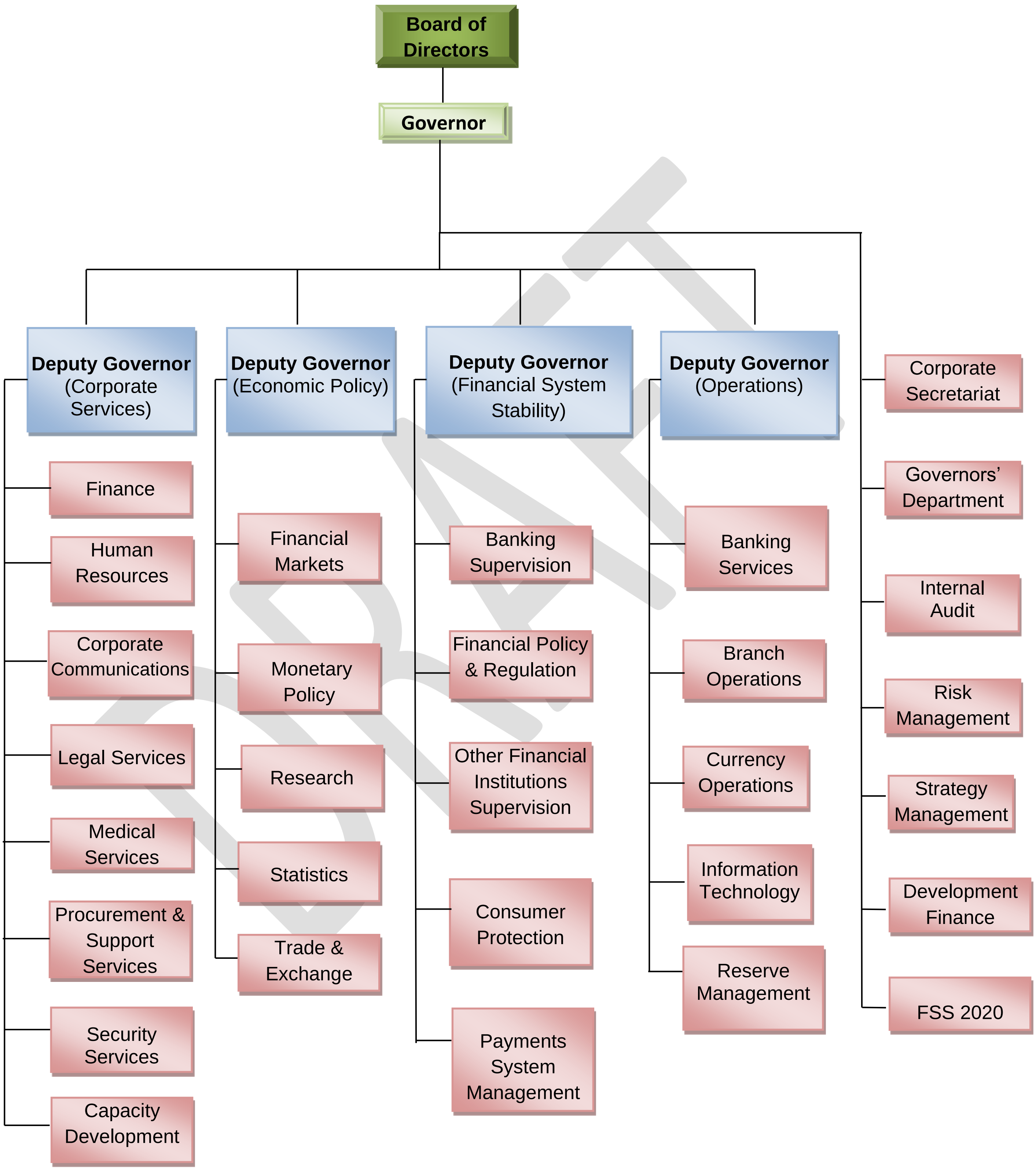
In this light, monetary policy stance was largely restrictive during the year as the need to ensure long-term price stability remained prominent. To minimise ensuing tradeoff on output stabilisation, we proactively took unconventional regulatory measures to improve lending to the real sector. The CBN, with a novel LDR policy, devised a way to ensure that the banking system avail no-less-than 65 per cent of their deposits to the domestic private sector. We also embarked on strategies to continually de-risk lending to productive sectors without hampering the health of the banks. Consequently, the Nigerian banking sector remained largely sound and robust in 2019. I am pleased to note that, even with the increased credits to the private sector, industry NPLs declined by nearly 600 basis points, over a 12-month period, to 6.06 per cent at end-December 2019. The CBN shall continue to take appropriate measures to support Nigeria's productive sector without undermining the objective of monetary and price stability.

In the course of the year, the CBN sustained its development finance roles and invigorated support for critical sectors of the economy. Accordingly, the Bank embarked on the Agricultural Commodity Development Initiative (ACDI). This is a strategic roadmap, which isolates the value chains of ten focal commodities (rice, cotton, tomato, livestock (dairy), oil palm, cassava, cocoa, fish, maize and poultry), for targeted development with a view to filling domestic supply gaps, guarantee food self-sufficiency, and reduce food import bill. The Bank also continued to implement other existing initiatives such as: the Anchor Borrowers' Programme; Real Sector Support Facility (using differentiated cash reserve requirement); Agricultural Credit Guarantee Scheme; Commercial Agriculture Credit Scheme; Paddy Aggregation Scheme; Agri-Business, Small and Medium Enterprises Investment Scheme; Accelerated Agricultural Development Scheme; micro, Small And Medium Enterprises Development Fund; Maize Aggregation Scheme; and the Creative Industry Financing Initiative. The CBN will continue to play it part to ensure a full diversification of our economy and complete rectification of inherent imbalances.

I will like to conclude by expressing my profound gratitude to the Board, the Management, and the staff of the Central Bank of Nigeria for their dedication, hardwork and loyalty, which contributed immensely to the successes recorded in 2019. I am also grateful to the Presidency, the leadership of the National Assembly, Honourable Ministers of the Federal Republic, Nigeria's development partners, the organised private sector, as well as, other stakeholders for their sustained support and cooperation.

Godwin I. Emefiele, *CON*
Governor,
Central Bank of Nigeria
December 2019

Organisational Structure of the CBN as at 31st December, 2019



CENTRAL BANK OF NIGERIA
ANNUAL ECONOMIC REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019
SUMMARY

This Report reviews the operations and policies of the Central Bank of Nigeria (CBN) against the backdrop of macroeconomic developments in 2019. The Bank continued to focus on ensuring optimal banking system liquidity, pursuant to achieving its mandate of monetary and price stability, to promote sustainable economic growth. A non-expansionary monetary policy stance was maintained throughout the year, in response to prevailing global and domestic economic and financial conditions. Accordingly, a combination of orthodox and heterodox policy measures were implemented to: attract foreign capital inflow; ensure relative stability in the foreign exchange market; increase credit to the real economy; promote efficient functioning of the financial markets; and stem inflationary pressures. Headline inflation remained consistently lower in the first three quarters of 2019, relative to the corresponding period of 2018, but closed at 11.98 per cent in December, indicating an increase of 0.54 percentage points above the level at end-December 2018. Domestic output grew by 2.3 per cent, compared with 1.9 per cent in 2018. The exchange rate premium between the Investors' & Exporters' and Bureau-De-Change segments widened to 0.7 per cent in 2019, from 0.1 per cent in 2018.

The Report is structured into two parts. Part 1 highlights the corporate activities and operations of the Bank, while Part II reviews the performance of the economy, vis-à-vis various policy measures taken to promote macroeconomic stability and growth.

CORPORATE ACTIVITIES

Board of Directors and Other Committees

The composition of the Board of Directors of the Bank remain unchanged, in the review period. The Governor was re-appointed for another five-year tenure on June 3, 2019. Consequently, the Board comprised the Governor, Godwin I. Emefiele

(Chairman), four Deputy Governors, namely; Edward L. Adamu (Corporate Services), Okwu J. Nnanna (Economic Policy), Aishah N. Ahmad (Financial System Stability), Folashodun A. Shonubi (Operations) and seven non-executive Directors. The non-executive Directors were: Abdu Abubakar; Adeola S. Adetunji; Ummu A. Jalingo; Justitia O. Nnabuko; Mike I. Obadan; Ahmad Idris (Accountant-General of the Federation); and Mahmoud Isa Dutse (Permanent Secretary, Federal Ministry of Finance, Budget and National Planning).

The Board held six (6) regular meetings, while the Committee of Governors (COG) held forty-seven (47) regular meetings and one (1) emergency meeting. The Finance and General Purpose Committee held six (6) meetings; Remuneration, Ethics, and Anti-Corruption Committee, four (4) meetings; Audit, Risk and Cybersecurity Committee, two (2) meetings; while Corporate Strategy, Financial System Stability, Pension Fund Management and Investment Committees, held three (3) meetings, each.

The Monetary Policy Committee

The Monetary Policy Committee held six (6) regular meetings in January, March, May, July, September and November 2019. At these meetings, major developments in the global and domestic economic and the financial environment were reviewed. Appropriate monetary policy decisions were taken, and promptly communicated to the public.

Monetary Policy and Surveillance Activities

Monetary policy in 2019 was anchored on key developments in the global and domestic macroeconomic environment. The monetary policy rate (MPR) was reviewed downwards by 50 basis points to 13.50 per cent in March and was maintained throughout the year, with the retention of the asymmetric corridor of +200 and -500 basis points around the MPR for the standing facilities. Similarly, the cash reserve ratio (CRR) and liquidity ratio (LR) were maintained at 22.5 and 30.0 per cent, respectively. Furthermore, a new minimum loan-to-deposit ratio (LDR) of 60.0 per cent was introduced in the banking industry in July, but was raised to 65.0 per cent by

December, 2019. Open Market Operations (OMO) remained the main tool for liquidity management, complemented by discount window activities, reserve requirements and interventions in the foreign exchange market.

The Bank sustained its efforts to ensure stability and liquidity in the foreign exchange market by increasing its intervention in the market in 2019, owing to persistent demand pressure. Despite these actions, the premium between the annual I&E and BDC rates widened to 0.7 per cent in 2019, from 0.1 per cent in 2018.

Key monetary aggregates trended upwards in the review period but were lower than their indicative targets for the year. The broad measure of money supply M_3, grew by 6.2 per cent at end–December 2019, compared with 14.9 per cent at end-December 2018; while, M_2, and narrow money supply (M_1) grew by 8.8 per cent and 1.3 per cent, respectively, compared with the growth of 10.5 and 9.7 per cent at end-December 2018.

Net claims on the central government and claims on other private sectors grew by 93.0 and 13.4 per cent, respectively, compared with 32.4 and 5.8 per cent at end-December 2018. Consequently, aggregate credit to the domestic economy grew by 27.2 per cent at end-December 2019, compared with 9.6 per cent at end-December 2018. Net foreign assets of the banking system fell by 51.0 per cent at the end of the review period, in contrast to the 7.9 per cent growth at end-December 2018, reflecting the fall in claims by non-residents on the monetary authority and other depository corporations. Interest rates mirrored liquidity conditions in the banking system and were, generally, lower than their levels in the preceding year.

Indicators of financial sector development were mixed in 2019. Systemic relevance of the banking sector, measured by the ratio of M_3 to GDP, stood at 24.1 per cent, compared with 25.6 per cent at end-December 2018. There was a slight improvement in the intermediation efficiency indicator, which stood at 5.82 per cent, from 5.83 per cent at end-December 2018. Also, the capacity of the banking system to finance the economy grew, with the domestic claims to GDP ratio at 25.1 per cent, from 22.3 per cent in 2018. The ratio of private sector credit to GDP rose to 18.5 per cent, from 18.4 per cent in 2018.

Total money market assets outstanding in the review period increased by 6.2 per cent above the level at end-December 2018, attributed, largely, to increased investment in certificate of deposits, FGN Bonds and commercial paper.

The structure of the Nigerian banking sector remain unchanged in the review period, but the number of licensed banks rose to 29, from 27 in the preceding year. The licensed banks comprised 22 commercial banks, five (5) merchant banks and two (2) non-interest banks. In the other financial institutions (OFIs) sub-sector, there were 6,190 licensed institutions, comprising seven (7) DFIs, 34 PMBs, 911 MFBs, 74 FCs and 5,164 BDCs, compared with 5,488 institutions at end-December 2018.

The Bank enhanced its supervisory and surveillance activities in 2019, with a view to ensuring the safety and soundness of banking institutions and promoting public confidence in the Nigerian banking system. It maintained the risk-based supervision (RBS) approach as the pivot of its supervisory framework. The Bank, also continued to ensure effective macro prudential regulation and supervision, enforcement of corporate governance, sustenance of Nigeria's good ranking with the Financial Action Task Force (FATF) on AML/CFT, improvement in communication, collaboration, engagement, and coordination with all stakeholders, and deepened financial inclusion. The monitoring of the implementation of IFRS 9, which commenced in January 2018, continued in the review period. Similarly, the maiden Risk Asset Examination on the first full-year IFRS 9 financial report for 2018 was carried out in 2019, as well as the risk-based examination of some banks as at June 30, 2019. The electronic line card scheme, also known as Credit Assessment Analysis System (CAAS) requirements, was upgraded in 2019 to CAAS-5 in line with the IFRS 9 and was ready for deployment.

The off-site review of the Internal Capital Adequacy and Assessment Process (ICAAP) reports of all banks and the on-site engagement to ensure that the findings from the

Supervisory Review and Evaluation Process (SREP), which ultimately feed into the overall risk assessment of each bank, was concluded during the year. Furthermore, the Guidelines for Credit Concentration Risk, Interest Rate Risk in the Banking Book, Business & Strategy Risk, Reputation Risk and Stress Testing were concluded and issued in March 2019. The Bank developed the Basel III returns templates for LeR, LCR. Also, the Revised Capital Adequacy template for the banking and holding company on a group and stand-alone bases was developed. Furthermore, the Islamic Financial Services Board (IFSB), Standards 4, 15 and 16 on Disclosure Requirements, Capital Adequacy Computation and Supervisory Review Process, respectively, for the Nigerian non-interest banking industry were issued on July 1, 2019.

In the other financial institutions (OFIs) sub-sector, the Bank reviewed the minimum capital requirements for MFBs to engender stronger and more viable microfinance institutions with strong capital base. Unit MFBs, classified into Rural MFBs (Tier 2), were required to have a minimum capital of ₦35.00 million and ₦50.00 million, while Urban MFBs (Tier 1) were expected to have ₦100.00 million and ₦200.00 million as minimum capital by April 2020 and April 2021, respectively. Similarly, State MFBs were required to have ₦500.00 million and ₦1.00 billion, while National MFBs were required to have ₦3.50 billion and ₦5.00 billion as minimum capital, by April 2020 and April 2021, respectively.

In 2019, the CBN embarked on the review of a number of policy documents for the microfinance sub-sector and issued the exposure draft for the Prudential Guidelines with a deadline of September 30, 2019, for submission of comments, which were being harmonised to update the Guidelines for issuance. A total of 902 candidates completed the Level II microfinance certification examination administered by the Chartered Institute of Bankers of Nigeria (CIBN). This brought the total number of certified candidates to 6,692 at end-December 2019, compared with 5,790 at end-December 2018.

The CBN continued to monitor banks' compliance with the Credit Risk Management System (CRMS) and other guidelines and circulars issued by it. The Bank sustained the off-site CRMS compliance status checks, which commenced in December 2018, and ensured that reported data was of good quality, with notices of regulatory breaches issued to erring banks and their officers. The phased deployment of the re-designed CRMS to OFIs and the pilot run on DFIs was also intensified by the CBN in the year under review.

The maiden Risk Based AML/CFT (RBA) examination of twenty-seven (27) banks was conducted from April 8 – May 17, 2019, using the International Monetary Fund's (IMF) Off-site Risk Assessment Methodology (ORAM) tool. The exercise exposed the RBA methodology to all banks and prepared the CBN for the mutual evaluation exercise by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) and Financial Action Task Force (FATF) in September 2019.

The industry average capital adequacy ratio (CAR) of banks moderated, on account of challenging business environment, to 14.5 per cent at end-December 2019, compared with 15.3 per cent in 2018, and the 10.0 and 15.0 per cent benchmarks for banks with national and international authorisation, respectively. The industry non-performing loans (NPL) ratio, at 6.1 per cent, showed an improvement, compared with 11.4 per cent recorded at end-December 2018, but remained above the maximum regulatory threshold of 5.0 per cent. Similarly, the industry average liquidity ratio (LR) stood at 45.6 per cent in December 2019, compared with 51.7 per cent at end-December 2018. The average liquidity ratio remained above the regulatory minimum of 30.0 per cent by 15.6 percentage points.

To consolidate the progress achieved in modernising the payments system, the Bank continued with the implementation of existing initiatives, notable among which were: credibility, reliability and efficiency of the payments system.

The Bank embarked on the Agricultural Commodity Development Initiative (ACDI) in 2019, a strategic roadmap which isolates the value chains of ten focal commodities (rice, cotton, tomato, livestock (dairy), oil palm, cassava, cocoa, fish, maize and poultry) for targeted development. Some of the key objectives of the ACDI are to bridge the domestic supply gaps to guarantee food self-sufficiency and to reduce the food import bill. The Bank also continued with the implementation of other existing developmental initiatives, such as: Anchor Borrowers' Programme (ABP); Real Sector Support Facility using Differentiated Cash Reserve Requirement (RSSF-DCRR); Agricultural Credit Guarantee Scheme (ACGS); Commercial Agriculture Credit Scheme (CACS); Paddy Aggregation Scheme (PAS); Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS); Accelerated Agricultural Development Scheme (AADS); and Micro, Small and Medium Enterprises Development Fund (MSMEDF). The Bank also introduced the Maize Aggregation Scheme (MAS) under which feed millers, silo and warehouse operators, poultry farmers and confectionery companies have access to affordable credit. In addition, it introduced the Creative Industry Financing Initiative (CIFI) as part of efforts to boost job creation in Nigeria, particularly among the youth. The strategy adopted entails improving access to long-term, low cost financing for entrepreneurs and investors in the Nigerian creative and information technology (IT) sub-sectors. The Bank conducted on September 18, 2019, the review of interest-sharing ratio between the it and participating financial institutions (PFIs), in selected interventions.

Operations of the CBN

The Bank sustained efforts at making information technology platforms more robust, in line with the present and future business requirements. These included: improvement in payments system platform; expansion in the scope of the ISO 27001 standard; automation of the Trade Monitoring System; improvement in IT governance and cost optimisation. As part of security improvement, the Bank implemented the Identity and Access Management (IAM) solution. The IAM streamlined and automated all phases of the user provisioning process, from request and fulfilment to deprovisioning, as users join, move within or leave the Organisation. The Bank, successfully, deployed the Trade Monitoring System (TRMS), designed to improve the foreign trade process, through the automation of the import and export workflows and integration with the Nigerian Single Window (NSW) trade portal. In the review period, the Bank hosted the Chief Information Officers (CIOs) Forum for financial services industry as part of efforts to position the banking sector for a digital business transformation, foster the development of an efficient payments system, improve customer service, and increase financial inclusion, among others.

The CBN continued to strengthen the legal and regulatory framework to improve the overall effectiveness of the financial system in line with its mandate. To this end, relevant bills from the National Assembly were reviewed, including: the Federal Mortgage Bank of Nigeria Establishment Bill, 2018; National Minimum Wage Bill, 2019; Asset Management Corporation of Nigeria (Amendment No. 2) Act, 2019; Agricultural Credit Guarantee Scheme Fund (Amendment) Bill, 2019; National Institute of Credit Administration Bill, 2019; Chartered Institute of Finance and Control of Nigeria (Establishment) Bill, 2019; Data Protection Bill, 2019; and Central Bank of Nigeria (Establishment) Act (amendment) Bill, 2019. The CBN was involved in 1,183 court cases, out of which three (3) were foreign. In the review period, 155 cases were decided, of which 137 were struck out, dismissed or discontinued by the plaintiffs or judgement given in favour of the Bank.

During the review period, a total of fifty-seven (57), forty-seven (47) and eighty (80) audits of Departments, Processes and Branches, respectively, were completed. Also, two hundred and two (202) currency disposal operations, requiring audit witnesses, were completed. Currency stock-taking was conducted in all branches of the Bank. A capacity development programme was organised for auditees and auditors on the audit management software (Teammate), Interactive Data Explorative Analysis (IDEA), and Caseware monitor solution, to ensure smooth auditing process. Furthermore, an external quality assurance review of the internal audit function of the Bank was conducted, in line with the provisions of the international standards for the professional practice of internal auditors.

ECONOMIC REPORT

The Global Economy

Global growth slowed significantly to 2.9 per cent in 2019, from 3.6 per cent in 2018, due to a combination of factors. The key factors included: issues around global trade tariffs; the legacy macroeconomic strain in key emerging market economies; weak domestic demand in China; and geo-political tensions. In advanced economies, growth moderated to 1.5 per cent in 2019, from 2.0 per cent in 2018, reflecting, mainly, the softer growth in the United States. Growth in emerging market and developing economies moderated to 3.7 per cent in 2019, from 4.5 per cent in 2018, despite recovery in stressed emerging markets, such as Argentina, Iran and Turkey. The moderation was due to trade and domestic policy uncertainties. In sub-Saharan Africa, growth inched up to 3.3 per cent in 2019, from 2.9 per cent in 2018, buoyed by oil exporting countries in the region. Global headline inflation remained below central banks' targets, especially in advanced economies, justifying their shift towards accommodative monetary policy stance. Consequently, consumer confidence and investors' appetite rebounded, boosting activities in the global financial markets. Capital flows to emerging market and developing economies improved, building external reserves and stabilising currencies, further subduing global inflationary pressures. Central banks in advanced economies, therefore, adopted a broad-based accommodative monetary policy stance to lift inflation to targets. In emerging market and developing economies, central banks also reduced policy rates to ease financial conditions and support economic growth.

The 2019 Spring and Annual Meetings of the Bretton Woods Institutions (BWIs) were held in Washington D. C., USA from April 8 – 14, 2019 and October 14 – 20, 2019, respectively. The sideline meetings of the Ministers and Governors of Inter-Governmental Group of Twenty-Four (G-24), International Monetary and Finance Committee (IMFC) of the Governors of the International Monetary Fund (IMF) and the Development Committee, charged the World Bank Group (WBG) and the IMF to promote effective regulatory and operational measures to foster tax transparency and combat illegal tax avoidance, money laundering, illicit financial flows and other challenges to the integrity of the international financial system, including tackling corruption. It also called on the WBG to work with member countries to realise free, fair, non-discriminatory, transparent, predictable and stable trade and investment. The G-24 Ministers noted the on-going trade tensions, sharp tightening in financial conditions, large swings in commodity prices and limited policy space as downside risks confronting the global economy. The Ministers advocated for multilateralism in addressing trade dispute and challenged the IMF to champion the multilateral approach to trade. Also, in the African Caucus Meeting of the IMF/World Bank themed "Africa Beyond Aid: Enhancing Institutional Capacity and Innovative Finance for Sustainable Growth," discussions addressed human capacity and skills development to accelerate jobs creation and economic transformation; strengthening capacity and public finance management; and promoting innovative finance for private sector-led growth in the region.

The Domestic Economy

Fiscal Operations of Government

Nigeria's fiscal policy thrust in 2019, was aimed at ensuring economic diversification, inclusive growth and sustainable development to lift a significant proportion of Nigerians out of poverty. Total federally-collected revenue (gross) was ₦10,215.1 billion (6.9% of GDP) in 2019, indicating a rise of 6.9 per cent, above the receipts in Fiscal 2018. The development reflected improvement in non-oil revenue sources. Oil revenue (gross) was ₦5,536.7 billion or 54.2 per cent of the total (3.8% of GDP), while non-oil revenue (gross), at ₦4,678.4 billion, accounted for 45.8 per cent of total revenue (3.1% of GDP).

The consolidated revenue and expenditure of the general government were ₦10,146.6 billion (7.0% of GDP) and ₦15,617.2 billion (10.7% of GDP), respectively, resulting in an overall deficit of ₦5,470.6 billion (3.8% of GDP).

Federal Government retained revenue and aggregate expenditure were ₦4,787.9 billion and ₦9,391.4 billion, respectively, resulting in an estimated overall deficit of

₦4,603.5 billion, or 3.2 per cent of GDP, compared with ₦3,628.1 billion, or 2.8 per cent of GDP in 2018. The deficit was slightly above the revised WAMZ primary convergence criterion and Fiscal Responsibility Act, 2007 level of 3.0 per cent apiece of GDP. The deficit was financed, largely, from domestic sources.

The consolidated Federal Government debt stock, at end-September 2019, was ₦22,172.6 billion, or 15.2 per cent of GDP, compared with ₦20,533.6 billion or 15.9 per cent of GDP in 2018. The increase in debt stock was attributed to the additional disbursement of multilateral and bilateral loans, FGN Bonds, promissory note, and Green Bonds. Domestic debt constituted 62.7 per cent, while external debt accounted for the balance.

The Real Sector

The real Gross Domestic Product (GDP) measured at 2010 constant basic prices grew by 2.3 per cent, compared with 1.9 per cent in 2018. The growth was driven, largely, by the services, agriculture and industry sectors, which contributed 1.2, 0.6 and 0.5 per cent, respectively. The growth in output was attributed, largely, to restored confidence in the economy, following the successful completion of the 2019 general elections and the attendant increased capital inflow, which helped to stabilise the foreign exchange market, and increased lending to the real sector, on account of the introduction of a minimum loan-to-deposit ratio of 60.0 per cent in July 2019, which was raised to 65.0 per cent by end-2019. In addition, sustained interventions in the real sector by the Federal Government and the CBN contributed to the growth outcome in 2019.

Headline inflation (year-on-year) stood at 11.98 per cent at end-December 2019, indicating an increase of 0.54 percentage point, above the level at end-December 2018. It remained above the single digit benchmark throughout 2019, owing to higher food CPI, shortage in supply of goods, as well as, the unintended consequence of the Federal Government border protection policy implemented from August 2019.

The average spot price of Nigeria's reference crude, the Bonny Light (37^{0}API), averaged US$66.41 per barrel in 2019, down by 8.4 per cent, below the preceding year's average of US$72.53 per barrel. Similarly, the average price of the OPEC basket of 15 crude streams declined by 8.0 per cent to US$64.06 per barrel in 2019. Global prices dipped, largely, on account of rising inventory positions in non-OPEC countries, particularly the U.S. with booming shale-oil production. Other factors that weighed on world oil demand included, weak demand from China, arising from uncertainties surrounding its trade-dispute with the U.S. and a pessimistic outlook for global growth in the review period.

The External Sector

The external sector experienced pressure during the review period, leading to an overall balance of payments deficit of US$2.33 billion, equivalent to 0.6 per cent of GDP, in contrast to a surplus of US$3.29 billion or 0.8 per cent of GDP in 2018. The development was due to the slowdown in global trade arising from weak demand and decline in crude oil prices. Similarly, the current account recorded a deficit of 2.7 per cent of GDP, as against a surplus of 1.3 per cent of GDP in 2018. The capital and financial account recorded a net financial asset of 0.6 per cent of GDP, in contrast to a net financial liability of 0.2 per cent of GDP in 2018.

The stock of external reserves at end-December 2019 was US$38.09 billion, compared with the US$42.59 billion at end-December 2018. The level of external reserves could finance 8.4 months of current import commitments, which was higher than both the international benchmark and that of the West African Monetary Zone (WAMZ) convergence criterion of three (3) months. The stock of external debt increased by 25.8 per cent to US$26.94 billion or 6.4 per cent of GDP at end-September 2019, relative to the US$21.59 billion or 6.0 per cent of GDP at end-December 2018, but remained within the international threshold of 40.0 per cent of GDP. The international investment position (IIP) recorded a net financial liability of US$80.26 billion in 2019, compared with US$80.65 billion in 2018, indicating a marginal decrease of 0.5 per cent.

The exchange rate remained relatively stable, reflecting the effectiveness of underlying initiatives to ensure liquidity in the foreign exchange market. The average exchange rate at the interbank market, in 2019, was ₦306.92/US$, representing a depreciation of 0.3 per cent, compared with ₦306.08/US$ in 2018. The end-period interbank exchange rate closed at ₦307.00/US$, same as end-December 2018. The annual average naira exchange rate at the "I&E" window was ₦361.92/US$, indicating a marginal appreciation of 0.01 per cent, compared with ₦361.96/US$ in 2018. The end-period exchange rate, however, depreciated by 0.1 per cent to ₦364.51/US$ in 2019, compared with ₦364.00/US$ in 2018. At the BDC segment, the average exchange rate at the BDC segment, in 2019, was ₦359.53/US$, showing an appreciation of 0.6 per cent, relative to ₦361.51/US$ in 2018. The end-period BDC rate, however, closed at ₦362.00/US$ in 2019, reflecting a depreciation of 0.3 per cent, compared with ₦361.00/US$ in 2018.

Selected Macroeconomic and Social Indicators /1

Indicator	2015	2016	2017	2018	2019 2/
Domestic Output and Prices					
GDP at Current Mkt Prices (₦ billion)	95,177.7	102,575.4	114,899.2	129,086.9	145,639.1
GDP at Current Mkt Prices (US$ billion)	492.5	404.6	375.7	421.7	474.5
Nominal GDP per Capita (₦)	525,444.8	551,598.5	601,966.0	659,027.8	724,702.6
Real GDP per Capita (₦)	385,236.1	369,177.9	362,574.0	360,109.5	358,741.3
Nominal GDP per Capita (US$)	2,719.0	2,176.0	1,968.6	2,153.1	2,361.2
Real GDP per Capita (US$)	1,993.4	1,456.4	1,185.7	1,176.5	1,168.8
Real GDP Growth (%)	2.8	-1.6	0.8	1.9	2.3
Oil Sector	-5.4	-14.4	4.7	1.0	4.6
Non-oil Sector	3.7	-0.2	0.5	2.0	2.1
Sectoral GDP Growth (%)					
Agriculture	3.7	4.1	3.4	2.1	2.4
Industry	-2.2	-8.9	2.1	1.9	2.3
Services	4.8	-0.8	-0.9	1.8	2.2
Oil Production (mbd)	2.1	1.6	1.7	1.9	1.9
Manufacturing Capacity Utilisation (%)	59.9			52.0	
GDP Deflator Growth (%) 3/	2.9	9.5	11.1	10.2	10.4
Inflation Rate (%) (Dec-over-Dec)	9.6	18.5	15.4	11.4	12.0
Inflation Rate (%) (12-month moving average)	9.0	15.7	16.5	12.1	11.4
Core Inflation Rate (%) (Dec-over-Dec) 4/	8.7	18.1	12.1	9.8	9.3
Core Inflation Rate (%) (12-month moving average) 4/	8.2	15.3	13.5	10.5	9.2
Food Inflation Rate (%) (Dec-over-Dec)	10.6	17.4	19.4	13.6	14.7
Food Inflation Rate (%) (12-month moving average)	9.9	14.9	19.5	14.3	13.7
Aggregate Demand and Savings (% of GDP)					
Aggregate Demand	99.3	101.6	99.2	101.2	106.3
Private Final Consumption Expenditure	78.6	81.5	80.1	76.6	73.0
Government Final Consumption Expenditure	5.9	5.4	4.4	5.6	5.3
Gross Fixed Capital Formation	14.8	14.7	14.7	19.0	28.0
Increase in Stock	0.7	0.6	0.8	0.8	0.8
Net Export of Goods and Non-factor Services	0.0	-2.3	0.0	-2.0	-7.1
Export of Goods and Non-factor Services	10.7	9.2	13.2	15.5	13.7
Import of Goods and Non-factor Services	10.7	11.5	13.2	17.5	20.8
Domestic Saving	11.5	12.8	13.1	16.8	26.4
Gross National Saving	11.5	10.5	13.1	14.8	19.3
Public Finance (% of GDP)					
General Government					
Revenue	7.9	6.5	6.2	7.7	7.0
Expenditure	10.2	10.3	10.0	10.8	10.9
Transfers	0.8	1.6	0.8	0.8	0.7
Current Balance	0.8	-0.2	-0.9	0.1	-0.6
Primary Balance	-1.1	-2.4	-2.2	-1.4	-2.2
Overall Balance	-2.3	-3.8	-3.8	-3.2	-4.0
Federal Government					
Retained Revenue	3.6	3.1	2.5	3.2	3.3
Total Expenditure	5.2	5.7	5.6	6.1	6.7
Recurrent Expenditure	4.0	4.1	4.2	4.4	4.8
Of which: Interest Payments	1.1	1.4	1.6	1.7	1.7
Foreign	0.1	0.1	0.2	0.2	0.3
Domestic	1.0	1.3	1.4	1.4	1.4
Capital Expenditure and Net Lending	0.9	0.6	1.1	1.3	1.6
Transfers	0.4	1.0	0.4	0.4	0.3
Current Balance (Deficit(-)/Surplus(+))	-0.5	-1.2	-1.6	-1.1	-1.7
Primary Balance (Deficit(-)/Surplus(+))	-0.4	-1.0	-1.7	-1.2	-1.5
Overall Fiscal Balance (Deficit(-)/Surplus(+))	-1.6	-2.6	-3.1	-2.8	-3.4
Financing	1.6	2.6	3.1	2.8	3.4
Foreign	0.0	0.0	1.1	0.8	0.0
Domestic	1.6	2.6	2.1	2.0	3.4

Source: CBN

Selected Macroeconomic and Social Indicators cont. /1

Indicator	2015	2016	2017	2018	2019 2/
Banking System	0.9	0.3	1.2	0.0	0.0
Non-bank Public	0.1	0.2	-0.5	0.5	0.6
Other Funds	0.6	2.1	1.3	1.5	2.7
Federal Government Debt Stock 5/	11.5	14.2	16.0	15.9	15.4
External	2.2	3.4	5.0	6.0	5.7
Domestic	9.3	10.8	11.0	9.9	9.7
Money and Credit (Growth Rate %)					
Reserve Money	-2.0	0.6	10.9	10.0	21.5
Narrow Money (M_1)	24.1	31.5	-0.9	5.2	0.7
Broad Money (M_2)	5.9	17.8	2.3	12.1	7.6
Broad Money (M_3)	2.2	31.2	0.6	16.4	5.3
Net Foreign Assets	-18.7	61.8	69.6	18.5	-24.4
Net Domestic Assets	12.4	20.5	-32.1	13.8	41.8
Net Domestic Credit	12.1	24.3	-3.5	6.3	32.2
Net Credit to Government	152.0	68.6	-25.4	33.7	101.9
Credit to Private Sector	3.3	17.4	1.4	1.9	17.3
Money Multiplier for M_3	3.7	4.9	4.4	4.7	4.1
Income Velocity of M_3	4.4	3.6	4.0	3.9	4.1
Financial Development Indicators (%)					
M_3/GDP	22.8	27.8	25.0	25.8	24.1
CIC/M_3	8.6	7.6	7.5	7.0	7.0
COB/M_3	6.7	6.4	6.2	5.7	5.8
QM/M_3	52.8	43.2	45.2	45.9	49.3
CIC/GDP	1.5	1.8	1.6	1.5	1.4
Credit to Private Sector (CP)/GDP	19.7	21.4	19.4	17.6	18.3
Credit to Core Private Sector (CCP)/GDP	19.0	20.4	18.0	16.4	16.9
CP/Non-Oil GDP	21.2	22.9	21.6	19.9	20.2
DMBs Assets/GDP	29.8	31.3	30.6	30.0	29.9
CBN's Assets/GDP	17.3	24.1	29.5	31.5	30.1
Banking System's Assets/GDP	47.1	55.4	60.1	61.5	60.0
Interest Rates (% per annum)					
Monetary Policy Rate (MPR) (end period)	11.0	14.0	14.0	14.0	13.5
Repurchase Rate (Average)	16.1	18.5	19.0	19.0	19.0
Treasury Bill Rate (Average)					
91-day	9.4	10.1	13.5	11.0	9.6
182-day	12.2	12.7	16.9	12.1	11.2
364-day	12.9	14.1	18.0	12.8	12.2
Inter-bank Call Rate (end-period)	0.8	10.4	9.0	14.0	3.0
Deposit Rates (end-period)					
Savings Rate	3.3	4.2	4.1	4.1	3.9
3-months Fixed	6.9	8.8	9.6	9.5	6.6
6-months Fixed	5.8	10.2	11.1	10.5	7.5
12-months Fixed	4.9	10.8	10.9	10.3	9.0
Prime Lending Rate (end period)	17.0	17.1	17.7	16.2	15.0
Maximum Lending Rate (end period)	26.8	28.5	31.0	30.5	30.7
Government Bond (Average coupon)					
3-year	-	-	-	-	-
5-year	14.2	13.9	15.8	13.6	13.0
7-year	-	-	-	14.3	14.8
10-year	13.8	14.3	15.9	14.3	14.2
20-year	15.3	14.8	16.4	-	-
30-year	-	-	-	-	14.1

Source: CBN

Selected Macroeconomic and Social Indicators cont. /1

Indicator	2015	2016	2017	2018	2019 2/
External Sector					
Current Account Balance (% of GDP)	-3.2	0.7	2.8	0.9	-3.6
Goods Account	-1.3	-0.1	3.5	4.8	0.6
Services Account (net)	-3.4	-2.0	-3.5	-6.2	-7.1
Income Account (net)	-2.6	-2.1	-3.1	-3.5	-2.6
Current Transfers	4.2	4.9	5.8	5.7	5.5
Capital and Financial Account Balance (% of GDP)	-1.1	0.7	-1.1	-3.1	3.8
Overall Balance (% of GDP)	-1.2	-0.2	3.3	0.8	-0.9
External Reserves (US$ million)	28284.8	26990.6	39353.5	42594.8	38092.7
Number of Months of Import Equivalent	6.5	9.2	14.5	12.5	7.4
Average Crude Oil Price (US$/barrel)	53.1	48.8	54.9	72.5	66.4
Average Official Rate (₦/US$)	193.3	253.5	305.8	306.1	306.9
End of Period Official Rate (₦/US$)	197.0	305.0	306.0	307.0	307.0
Average Bureau de Change Exchange Rate (₦/US$)	222.8	372.9	395.4	361.5	359.5
End of Period Bureau de Change Exchange Rate (₦/US$)	267.0	490.0	363.0	361.0	362.0
Capital Market					
All Share Value Index (1984=100)	28,679.1	26,914.6	38,243.2	31,430.5	26,842.1
Value of Stocks Traded (Billion Naira)	961.2	578.5	1,078.2	1,203.4	931.5
Value of Stocks/GDP (%)	1.0	0.6	0.9	0.9	0.6
Market Capitalization (Billion Naira)	17,003.4	16,185.7	22,917.9	21,904.0	25,890.2
Of which: Banking Sector (Billion Naira)	1,447.6	1,456.9	2,501.8	1,675.7	1,341.7
Insurance Sector/GDP (%)	156.9	135.5	147.3	115.9	117.6
Market Capitalization/GDP (%)	17.9	15.8	19.9	17.0	17.8
Of which: Banking Sector/GDP (%)	1.5	1.4	2.2	1.3	0.9
Insurance Sector/GDP (%)	0.2	0.1	0.1	0.1	0.1
Banking Sector Cap./Market Capitalization (%)	8.5	9.0	10.9	7.7	5.2
Insurance Sector Cap./Market Capitalization (%)	0.9	0.8	0.6	0.5	0.5
Social Indicators					
Population (million)	181.14	185.96	190.87	195.87	200.96
Population Growth Rate (%)	2.6	2.6	2.6	2.6	2.6
Unemployment Rate (%)	10.4	14.2	18.8		
Life Expectancy at Birth (Years)	53.0	53.4			
Adult Literacy Rate (%)					
Incidence of Poverty					

1/ Revised
2/ Provisional
3/ Based on GDP measured at basic prices.
4/ Core Inflation is measured as the rate of change of all-item Consumer Price Index (CPI) less farm produce.
5/ Includes State Government Debts
All ratios of GDP are computed based on GDP at Current Market Prices.

M_1 = Narrow Money Supply; M_2 = Broad Money Supply (M2); M3 = Broad Money Supply (M3); GDP = Gross Domestic Product; CIC = Currency in Circulation
COB = Currency Outside Bank; QM = Quasi-Money; CP = Credit to Private Sector, CCP = Credit to Core Private Sector

Sources: Central Bank of Nigeria (CBN), Federal Ministry of Finance (FMF), National Bureau of Statistics (NBS), National Population Commission (NPOPC)
Nigeria National Petroleum Corporation (NNPC), Nigerian Stock Exchange (NSE)

CHAPTER ONE
CORPORATE ACTIVITIES OF THE CENTRAL BANK OF NIGERIA

The CBN continued with the coordination, monitoring and reporting of its strategic projects and initiatives in the review period. It also sustained its effort at providing a conducive environment for staff and customers and continued the implementation of intervention projects in various sectors of the economy. Thus, the following projects were completed: CBN branch renovation (1 location); furnishing of diagnostic and treatment centres (3 locations); procurement of aerial platform fire engine and water tender vehicles (2 locations); integration of solar power to CBN branch (1 location); and Centre of Excellence (1 location). The Bank sustained efforts at leveraging information technology platforms for robust service delivery in line with present and future business requirements. The areas covered included: the payments system; the ISO 27001 standard; the Trade Monitoring System; as well as IT governance and cost optimisation. It continued its corporate social responsibility through capacity building and the provision of financial and other forms of assistance to institutions, organisations and individuals. Six hundred and eighty-four (684) project requests for financial assistance were received and processed in the review period. Of this number, ninety-nine (99) projects, spread across the six geo-political zones of the country, were approved, resulting in the disbursement of one billion, one hundred and sixty-nine million, eighty-six thousand, eight hundred and forty-seven naira only (₦1,169,086,847.00). Pursuant to the objective of providing learning support infrastructure for universities across the country, the Bank commissioned two Centres of Excellence at the University of Nigeria, Enugu Campus (UNEC), Enugu, and the Ahmadu Bello University (ABU), Zaria. The staff of the Bank sustained their support for the less-privileged, physically-challenged groups and gender-related issues/initiatives through their regular contributions to the CBN Staff Alms Fund (C-SAF).

1.1 ADMINISTRATION

1.1.1 The Board of Directors and Other Committees

The composition of the Board of Directors of the Bank remain unchanged, in the review period. The Governor was re-appointed for another five-year tenure on June 3, 2019. Consequently, the Board comprised the Governor, Godwin I. Emefiele (Chairman), four Deputy Governors, namely; Edward L. Adamu (Corporate Services), Okwu J. Nnanna (Economic Policy), Aishah N. Ahmad (Financial System Stability), Folashodun A. Shonubi (Operations) and seven non-executive Directors. The non-executive Directors were: Abdu Abubakar; Adeola S. Adetunji; Ummu A. Jalingo; Justitia O. Nnabuko; Mike I. Obadan; Ahmad Idris (Accountant-General of the Federation); and Mahmoud Isa Dutse

(Permanent Secretary, Federal Ministry of Finance, Budget and National Planning).

The Board held six (6) regular meetings, while the Committee of Governors (COG) held forty-seven (47) regular meetings and one (1) emergency meeting. The Finance and General Purpose Committee held six (6) meetings; Remuneration, Ethics, and Anti-Corruption Committee, four (4) meetings; Audit, Risk and Cybersecurity Committee, two (2) meetings; while Corporate Strategy, Financial System Stability, Pension Fund Management and Investment Committees, held three (3) meetings each.

Table 1.1: Committee of Governors (CoG) Meetings: Attendance in 2019

S/N	Member	Number of Meetings Attended
1.	Godwin I. Emefiele	43 out of 48
2.	Edward L. Adamu	43 out of 48
3.	Okwu J. Nnanna	37 out of 48
4.	Aishah N. Ahmad	36 out of 48
5.	Folashodun A. Shonubi	41 out of 48

Source: CBN

1.1.2 The Monetary Policy Committee (MPC)

The Monetary Policy Committee held its regular meetings in January, March, May, July, September and November 2019. At these meetings, major developments in the global and domestic economic and financial environments were reviewed. Appropriate monetary policy decisions were taken and, promptly, communicated to the public. The only change to the policy rate was the reduction from 14.0 per cent to 13.5 per cent in March 2019.

Table 1.2: Monetary Policy Committee (MPC) Meetings: Attendance in 2019		
S/N	**Name**	**Number of Meetings Attended**
1.	Godwin I. Emefiele	6 out of 6
2.	Edward L. Adamu	5 out of 6
3.	Okwu J. Nnanna	6 out of 6
4.	Aishah N. Ahmad	6 out of 6
5.	Folashodun A. Shonubi	6 out of 6
6	Dahiru Balami	6 out of 6
7.	Robert Asogwa	6 out of 6
8.	Festus A. Adenikinju	6 out of 6
9.	Aliyu R. Sanusi	6 out of 6
10.	Mike I. Obadan	6 out of 6
11.	Mahmoud Isa-Dutse	6 out of 6

Source: CBN

Table 1.3: MPC Decisions in 2019		
Date	**MPR (%)**	**Decisions**
January 21 and 22, 2019 Communiqué No. 122	14.00	• Retained the MPR at 14.0 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.
March 25 and 26, 2019 Communiqué No. 123	13.50	• Adjusted the MPR by 50 basis points from 14.00 to 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.
May 20 and 21, 2019 Communiqué No. 124	13.50	• Retained the MPR at 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.

July 22 and 23, 2019 Communiqué No. 125	13.50	• Retained the MPR at 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.
September 19 and 20, 2019 Communiqué No. 126	13.50	• Retained the MPR at 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.
November 25 and 26, 2019 Communiqué No. 127	13.50	• Retained the MPR at 13.50 per cent; • Retained the CRR at 22.5 per cent; • Retained the Liquidity Ratio at 30.0 per cent; and • Retained the Asymmetric corridor at +200 and -500 basis points around the MPR.

Source: CBN

1.1.3 Development of CBN Branches and Intervention Projects

The Bank sustained its effort at providing a conducive environment for staff and customers. It also continued the implementation of intervention projects in various sectors of the economy during the review year. Thus, the following projects were completed: CBN branch renovation (1 location); furnishing of Diagnostic and Treatment Centres (3 locations); procurement of aerial platform fire engine and water tender vehicles (2 locations); integration of solar power to CBN branch (1 location) and Centre of Excellence (1 location). In addition, there were thirty-eight (38) on-going building projects as at end-December 2019: CBN new branch/property, including Clinics development (10); CBN Branch renovation or remodeling (10); tertiary institutions interventions (7); and other public sector projects (11). The Bank commissioned two projects during the review period at the Centres of Excellence at the University of Nigeria, Enugu Campus (UNEC), Enugu and the Ahmadu Bello University (ABU), Zaria.

1.1.4 Information Technology

The Bank sustained efforts at making information technology platforms for the delivery of services more robust, and in line with the present and future business requirements. These areas included: the improvement in payments system platform; expansion in the scope of the ISO 27001 standard; automation of the Trade Monitoring System; and improvement in IT governance and cost optimisation.

In May 2019, as part of the continued commitment of the Bank to the confidentiality, integrity and availability of the information assets of the Bank, it got recertified by the British Standards Institute (BSI) for the ISO 27001, Information Security Management System (ISMS) standard at the Abuja Corporate Headquarters for zero non-conformity recorded during the year. Also, the CBN Lagos office got certified, thus, showing the improved maturity of the Bank in protecting its information assets. Furthermore, as part of security improvement and to ensure that any given identity has access to the right resources (applications, databases, and networks) and within the correct context, the Bank, in the review period, implemented the Identity and Access Management (IAM) solution. The IAM streamlined and automated all phases of the user provisioning process, from request and fulfilment to deprovisioning, as users join, move within or leave the Organisation.

In the year under review, the following milestones were achieved:

- Internal customer satisfaction of 79.7 per cent;
- IT service availability of 99.9 per cent;
- Internet service availability of 99.8 per cent;
- IT incident resolution of 98.2 per cent;
- Online training of over 95.0 per cent members of staff on cybersecurity awareness; and
- Cost savings on the maintenance of the IT infrastructure of about ₦1.3 billion.

To aid collaboration and communication with internal and external stakeholders, the Executive Briefing Centre (EBC), which would enable the Bank host high level briefing sessions within a secure environment, using ultra-modern audio-visual equipment, was completed during the year, thus, entrenching cost efficiency in the Bank.

To meet the Bank's objective of anticipating future economic conditions through forward looking analysis and forecasting, business dashboards were developed to embed a data culture and provide insights for the decision-making processes.

In furtherance of the 5-year policy thrust of the Governor, the Bank, successfully, deployed the Trade Monitoring System (TRMS). The System was designed to improve the foreign trade process, through the automation of the import and export workflows and integration with the Nigerian Single Window (NSW) trade portal. The automation was aimed at reducing the processing period of trade documents from one (1) week to one (1) day, and harmonising export data.

In September 2019, the CBN hosted the Chief Information Officers (CIOs) Forum for the financial services industry. The Forum, with the theme "CBN-Gartner Industry Day: The Digital Banking Ecosystem for 2020 and Beyond", was organised as part of efforts to position IT in the Nigerian banking sector for a digital business transformation, foster the development of an efficient payments system, improve customer service, and increase financial inclusion, among others. The focus was on the evolving IT trends regarding blockchain and digital ecosystem in the banking sector and their anticipated impacts.

1.1.5 Library Operations

The number of print library resources consulted by staff in 2019 was 42,128, representing a decrease of 16.9 per cent, below the 49,248 recorded in 2018. The development was attributed to increased utilisation of electronic resources available on the e-Library platform, as indicated by 23,684 views and downloads recorded, representing an increase of 64.4 per cent, above the 14,407 recorded in 2018. This was in addition to the 4,732 visits recorded for the online catalogues in 2019, representing an increase of 174.9 per cent, over the 1,721 recorded in 2018.

The volume of books in the Bank's library system rose by 3.3 per cent to 117,960 in 2019, compared with 114,216 in 2018. The Bank provided access to electronic books and journals, covering; economics, finance, business and banking through Springer, ProQuest and Elsevier ScienceDirect platforms. Other e-book sources included: the International Monetary Fund (IMF) e-Library; and the World Bank Open Knowledge Repository (OKR). The following databases were also accessed: EBSCOHost; Journal Storage (JSTOR); Access to Global Online Research in Agriculture (AGORA); and Online Access to Research in Environment (OARE). The data and statistical sources accessed by users were: FitchConnect (former Business Monitor International (BMI)); the IMF Data; World Bank Open Data; and the Economist Intelligence Unit (EIU).

Furthermore, sensitisation sessions on the e-Library Phases I and II were held in the review period for Staff in Lagos Liaison Office, Enugu and Kano Branches. This was to enhance staff awareness on the services and resources available on the CBN e-Library platforms.

1.1.6 Legal Services

The Bank continued to strengthen the legal and regulatory framework to improve the overall effectiveness of the financial system in line with its mandate. To this end, relevant bills from the National Assembly reviewed included: the Federal Mortgage Bank of Nigeria Establishment Bill, 2018; Small and Medium Enterprises Development Agency of Nigeria (Establishment) Bill, 2018; National Minimum Wage Bill, 2019; Asset Management Corporation of Nigeria (Amendment No. 2) Act, 2019; Agricultural Credit Guarantee Scheme Fund (Amendment) Bill, 2019; National Institute of Credit Administration Bill, 2019; Chartered Institute of Finance and Control of Nigeria (Establishment) Bill, 2019; Data Protection Bill, 2019; and Central Bank of Nigeria (Establishment) Act (amendment) Bill, 2019.

The CBN was involved in 1,183 cases, of which three (3) were foreign. One (1) of the foreign cases was determined in favour, while two (2) were against the Bank. Of the 1,180 local cases, 655 were garnishee proceedings. The other cases bordered on a wide range of issues arising from disputes in the exercise of regulatory powers of the Bank, breach of contract, alleged wrongful termination of contracts, banking/financial operations, revocation of banking licences and matters involving the Bank's landed properties.

In the review period, 155 cases were decided, of which 137 were either struck out, dismissed or discontinued by the plaintiffs or judgement given in favour of the Bank. The CBN complied with the Order of Court by paying judgment sums to creditors in respect of six (6) of the garnishee cases.

1.1.7 Security Services

The CBN continued to accord top priority to maintaining the highest level of corporate security to provide a safe and conducive work environment. Thus, it adopted best practices in security management, deployed security tools and equipment to guarantee asset protection, staff security consciousness, emergency preparedness, personnel safety and operational resilience to minimise the cost of security operations.

The CBN commenced preliminary steps in mainstreaming occupational health and safety by training some employees on the ISO 45001 standards, as a basis to building a safety culture. The capacity of a significant number of the Emergency Response Team members was enhanced, to provide first-line support in the event of emergency, including understanding various safety-related occurrences and traumatic consequences.

The Bank started the process of establishing a security command and control center to provide centralised linkages of all vital security systems, equipment and communications. This was to ensure seamless and mass distribution of critical instructions, notifications, and alerts, based on formalised response plans, to reduce response time to security incidents. The Bank also embarked on upgrade of the access control and surveillance systems to complement human resources business unit, and enhanced service delivery to all stakeholders.

The Bank strengthened collaboration with relevant security agencies, including the Nigeria Police, the Department of State Security Services and the Federal Fire Service, and implemented specific security measures to mitigate unforeseen threats to Bank's facilities and operations. It participated in the

Review Committee Forum (RCF) and made formal input to the National Security Strategy (NSS) document. The Bank also carried out offsite and onsite monitoring of its profiled service providers in line with subsisting service level agreements (SLA).

Furthermore, as part of its strategy to stem the abuse of the naira, the Bank intensified collaboration with the security agencies, and sustained the intelligence-based and sensitisation approaches to curb counterfeiting, illicit sale and abuse of the Nigerian currency, in line with the provisions of the CBN Act 2007.

1.1.8 Internal Audit

During the review period, a total of 57, 47 and 80 audits of Departments, Processes and Branches, respectively, were completed. Also, 202 currency disposal operations, requiring audit witnesses, were completed. Currency stock taking was conducted in all branches of the Bank in the review year. Also, a capacity development programme was organised for auditees and auditors on the audit management software (Teammate), Interactive Data Explorative Analysis (IDEA), and Caseware monitor solution, to ensure smooth auditing process. The deployment of these softwares provided a standardised audit approach across business processes and transactions in the Bank. Furthermore, an external quality assurance review of the internal audit function of the Bank was conducted by the KPMG, in line with the provisions of the international standards for the professional practice of internal auditors. The overall assessment showed that the internal audit function of the Bank, generally, conformed to international best practices, as promulgated by the Institute of Internal Auditors (IIA).

1.1.9 Risk Management

In 2019, the CBN concluded two Risk Management Frameworks, which were used to conduct business with third party vendors as well as managed insider threats. In addition, guidelines and policies were developed to guide the identification, assessment and reporting of risks Bank-wide. To ensure quantitative ranking and assessment of the Strategic Business Units (SBUs), an enterprise risk profile, a critical element in Risk-Based auditing, was also developed.

With emerging and increasing threats to the landscape of the Bank's operations, the Business Continuity Plans (BCP) and Business Impact Analysis (BIA) reports were reviewed to reinforce the state of resilience of the Bank in the event of an emergency. In addition, the Bank information assets were assessed in line with the requirements and maintenance of the ISO 27001:2013 certification.

The Bank's Reputational Risk Forum held fortnightly engagements to identify, assess, monitor and manage its reputational risk, while Key Risk Indicators (KRIs), which provide early warning signals of increasing and emerging risks, were revalidated for the SBUs. To aid incident reporting and the entrenching of a risk awareness culture, Risk Champions in the Bank were trained to provide guidance on the use of risk management tools and templates. At end-2019, fifteen (15) Risk and Control Self-Assessment exercises were conducted and the outcomes were used to update the Enterprise Risk Register (ERR).

1.1.10 Strategic Initiatives and Business Process Management

The CBN continued the coordination, monitoring and reporting of its strategic projects and initiatives in the review period. These activities provided the required information for informed decisions on strategic initiatives that were being implemented.

In addition, the annual budgeting and funnelling processes were completed. These involved the rationalisation and prioritisation of all existing and proposed strategic initiatives of the Bank. The exercise required engagement with all strategic business units (SBUs) in the Bank to clarify their intentions on initiatives in the succeeding year and ensure that only initiatives aligned with the Bank's strategic objectives and priorities were recommended to the Board for funding. The output of this task formed an input to the annual budgeting process of the Bank.

The Bank continued to strengthen its corporate performance management by developing an Operational Measurement (OPM) framework to complement existing Strategy Performance Measurement (SPM) framework. The OPM framework was developed through engagement with all Business Units. Data collection templates were developed for performance measurement purposes. Going forward, the SPM and OPM frameworks would be consolidated into a Corporate Performance Management (CPM) framework, aimed at ensuring consistency in overall performance management of the Bank.

The Bank Enterprise Architecture (EA) framework was approved by the Committee of Governors (COG) in 2019. The Framework defines the conceptual blueprint of the structure and operation in the Bank. The intent of the EA was to determine how the Organisation can most effectively achieve its current and future objectives.

The re-appointment of the Governor for a second term in office, and the subsequent unveiling of his 5-Year Policy Thrust, led to the development of a new Strategy for the Bank (2020 – 2024). The major focus areas of the Policy Thrust included: the preservation of domestic macroeconomic and financial stability; fostering the development of a robust payments system infrastructure; promoting targeted development finance; supporting efforts at diversifying the economy; increasing consumer credits; securitisation of mortgage loans; as well as growing external reserves.

1.1.11 Communications

The communication channels of the Bank were sustained for the dissemination, and enlightenment of stakeholders and the general public on its activities, policies and programmes. These included: dissemination of the decisions of the Monetary Policy Committee (MPC); the Bankers' Committee Meetings, outcomes of the Bank's participation at the Spring and Annual Meetings of the IMF and World Bank; and policy positions of the Bank. This was with a view to upholding transparency and accountability in the conduct of the Banks' activities in line with global best practice. In addition, a new monthly news magazine named, "**CBNUpdate**" was introduced in September 2019. The publication was designed to educate the Bank's external stakeholders and the public on its policies, programmes and initiatives.

The Bank approved the transmission of MPC Communiqués to the Chairmen of Banking Committees (Senate and House of Representatives) of the National Assembly within 48 hours of its release. Also, the CBN periodically provided adequate briefing to various Committees of the two chambers of the National Assembly on the state of the economy, generally, and, in particular, the health of the banking system.

In addition, there were public enlightenments/documentaries on the Bank's interventions in the inter-bank foreign exchange market; cash lite policy; development finance interventions, especially the Anchor Borrowers' Programme; and the revival of oil palm, dairy products, the cotton, textile and garment sectors; as well as the creative industry financing initiative (CIFI).

In the review period, sixty-nine (69) appearances of the Governor and other top Management of the Bank at the National Assembly were coordinated. The Bank facilitated a Retreat with the House of Representatives Committee on Banking and Currency, held in Lagos, from November 15-16, 2019. The Retreat was organised to sensitise members on the policies and programmes of the Bank and get their buy-in.

Two Chatham House-style stakeholder engagements were held in Lagos and Abuja, to further educate media practitioners on various policies and issues concerning the CBN, such as:

- Financial Stability Report;
- Mortgage Consumer credit;
- The implications of the US$9.6 billion awarded against Nigeria by a UK court; and
- The Foreign Exchange Market.

As part of continued effort at expanding its reach to stakeholders, the Bank participated at the Abuja, Enugu and Kaduna International Trade Fairs, and won the 'Best Financial Institution Exhibitor Award' at that of Abuja. The Bank also organized public enlightenment programmes on its initiatives tagged "CBN Fairs" in fourteen (14) States, locally-organised International Trade Fairs and other ancillary exhibitions.

The Bank approved the Strategic Transformation Initiatives (STIs) under the title: "Communication Process and Approach Revamp" in the review year. Also, the re-defined CBN Brand and the approved Visual Identity and Branding Guidelines were unveiled. The Guidelines were designed to help promote the brand beliefs and visual elements of the Bank in a manner consistent with its mandate and strategy. The event, which included staff sensitisation of the approved Guidelines, was held during the maiden edition of the Communication Week, at the Head Office Atrium, on November 4, 2019.

Also, the CBN organised various sporting activities, in collaboration with relevant stakeholders, in line with its corporate social responsibility policy. The activities included: the CBN Junior Tennis Tournament; the CBN Senior Open Tennis Championship; and All Financial Institutions Football Competition.

The 14th edition of the CBN Junior Tennis Championship was held at the Lagos Lawn Tennis Club, Lagos, on March 30, 2019, while the 41st edition of the CBN Senior Open Tennis Tournament was held at the Tennis Court, National Stadium, Abuja, on June 29, 2019. Also, the finals of the 33rd CBN All Financial Institutions Football Competition took place at the Pa Ngele Oruta Stadium, Abakaliki, Ebonyi on September 21, 2019, with the Central Bank of Nigeria Football Club emerging winner.

The Bank organised the 2019 Annual Seminar for Finance Correspondents and Business Editors in two runs. The first run was held at Gombe, Gombe State from April 24–27, 2019, with the theme "Repositioning Micro-Finance Banks for Real Sector Growth"; while the second took place at Owerri, Imo State from December 2–5, 2019, with the theme "Galvanizing Development Finance and Monetary Policy for Growth". Also, the CBN hosted 50 associations/institutions on educational excursions to its Lagos and Abuja Offices.

1.1.12 Anti-Corruption and Ethical Issues

The Bank conducted the Annual Ethics, Compliance and Anti-Corruption Seminar for its employees with the theme "Harassment in the Workplace: The Risk of non-Compliance with the Code of Ethics", to enable them act within the boundaries of decency. The CBN received 1,711 scam e-mails and acted promptly to protect potential fraud victims from scammers who use spurious contracts to extort monies from members of the public. One hundred and nineteen (119) complaints were received from members of the public against commercial banks, some of which were investigated by the Bank and others referred to the Economic and Financial Crimes Commission (EFCC). During the review period, there were enlightenment sessions on the Code of Business Ethics and Compliance (COBEC) in the 36 Branches of the Bank and the Head Office, Abuja.

As part of its effort on anti-money laundering and combating financing of terrorism (AML/CFT), the CBN collaborated with both internal and external stakeholders, through the attendance of the quarterly inter-departmental stakeholders meetings, Association of Chief Compliance Officers of Banks in Nigeria (ACCOBIN) bi-monthly meetings, quarterly Inter-Governmental Agencies meetings with NFIU, EFCC and other Law Enforcement Agencies, Inter-governmental Action Group against Money Laundering in West Africa (GIABA), Special Control Unit for Money Laundering (SCUML), Ministries of Justice, Finance and Interior.

Enhanced Due Diligence (EDD) was carried out on Nigeria Treasury Bills (NTB) transactions in all 37 CBN Branches. Similarly, customer due diligence was done on Lagos Branch, with respect to Bureau-De-Change (BDC) transactions, to ascertain the nature of their operations in the Branch, with a view to streamlining it with what was obtainable in Abuja, Awka and Kano Branches. Compliance checks on the rendition of AML/CFT returns on monthly basis in 20 Branches were ascertained, with measures to address identified lapses made to Management. Also, SWIFT sanctions screening was conducted, with 61,702 SWIFT messages screened. Reports generated indicating "hits" (suspected messages) were reviewed for Management consideration, but no true hit was found.

A sensitisation exercise on "Corruption: A Predicate Offence of Money Laundering" was also carried out in all the branches. AML/CFT questionnaires were received from 12 correspondent banks. The questionnaires were promptly completed and returned to the respective banks. Similarly, the CBN

AML/CFT questionnaires were administered to correspondent banks to assist in determining the level of compliance with FATF regulations and all other relevant laws.

1.1.13 The Financial System Strategy (FSS) 2020

The CBN continued to strengthen the domestic financial market by aligning it with the international financial markets, through the activities of the FSS 2020. This was aimed at ensuring sustainable economic growth through its five (5) sectors (mortgage, insurance, pension, commodity and MSME), as well as the three (3) Enabler initiatives (legal, communication and advocacy).

To provide a platform to advocate a common position on financial system stability before the National Assembly, the FSS 2020 secretariat reviewed the existing legislation and engagement with the National Assembly through High Level Legal Working Group in 2019. This enabled a review of the Financial Regulatory Policy Framework for drafting legislation, regulations and guidelines impacting the financial system. These included: Securitisation and Asset-Backed Securities Bill; Warehouse Receipts Bill; Factoring Bill; Financial Consumer Ombudsman Framework and Other Financial System Bill.

The Bank, with the support of the National Collateral Registry, developed a proposed framework for a private sector-led SME Bank, which would increase access to finance and meet the funding needs of SMEs in Nigeria. Furthermore, it was finalising the development of a framework for Business Community-based Credit Model (B2CM), as a credit model, to further enhance funding for MSMEs. The CBN, also facilitated cooperation between some women associations in SMEs to form the Federation of Women in MSME (FEDWIM), as well as the Group's membership in the Financial Inclusion Special Intervention Working Group.

On the development of the commodities trading ecosystem in Nigeria, the CBN, in collaboration with the Securities and Exchange Commission, held a national roundtable on the implementation of commodities trading ecosystem in Nigeria. Also, in collaboration with the National Pension Commission (PenCom), the Micro Pension Scheme was introduced in 2019, to meet the requirements of self-employed Nigerians and micro enterprises that employ three (3) or less persons. This was in line with the strategic objective of the Bank, to work with the PenCom to deepen the Scheme and enhance the Contributory Pension Scheme (CPS) in various states of the federation. The defined benefit contributory pension fund assets were valued at ₦10.00 trillion at end-December 2019. Also, to improve compliance, the Bank engaged key stakeholders to promote the adoption of pension compliance certificate, as a pre-condition for accessing the CBN SME Intervention funds. In addition, the Pension Sector Forum brought together all stakeholders from the pension industry to deliberate and brainstorm on emerging issues affecting the industry.

The CBN collaborated with stakeholders in the mortgage sector, to improve the rate of home ownership in Nigeria, through the introduction of additional schemes and programmes with reduced interest rates and other incentives for mortgages. The Secretariat engaged the Federal Mortgage Bank of Nigeria (FMBN), on the enhancement of National Housing Fund (NHF) collections and possible amendment of the enabling law to boost the Organisation's capacity to achieve its mandates. Furthermore, the CBN collaborated with the Nigeria Mortgage Refinance Company to facilitate the implementation of the Electronic Mortgage Asset Registry System, to increase the number of beneficiaries of mortgages in the country.

Also, the Bank organised a high-level roundtable on the proposed Nigeria Green Smart City Project (NGSCP). This would provide a veritable platform to attract international finance for sustainable housing delivery in Nigeria. Four (4) states (Lagos, Rivers, Kaduna and Enugu), and the Federal Capital Territory (FCT) were selected to pilot the NGSCP. The CBN collaborated with the African Diaspora Chamber of Commerce, on the use of diaspora fund for infrastructure development and the International Finance Corporation (IFC) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) agencies, to support the mobilisation of international credit for the mortgage/housing sector.

The Bank engaged with the National Insurance Commission, to enforce the need for compulsory insurance. It also commenced the drafting of an actuarial charter for the Nigeria Actuarial Society, as the professional body to regulate the actuarial practice in Nigeria.

Furthermore, to promote human capital development in the financial system, the Secretariat, in collaboration with financial system stakeholders, commenced the development of an Industry-wide Competency Framework for the banking sector. The Framework would broaden the coverage to address competency category areas of functional/technical, leadership and governance, business management and behavioural.

1.1.14 The Shared Services Project

The CBN Cash-less policy gained traction in the year under review with the re-introduction of the full implementation of the policy in Abia, Anambra, Lagos, Ogun, Kano, Rivers States, and the FCT on September 17, 2019. The Policy re-activation details were as follows:

Table 1.4: Withdrawal/Lodgement Limits and Applicable Fees Under the Cash-Less Policy

Account Type	Withdrawals/Lodgments Limits	Processing fee for withdrawals	Processing fee for lodgments
Individual	Above ₦500,000	3.0 per cent	2.0 per cent
Corporate	Above ₦3,000,000	5.0 per cent	3.0 per cent

Source: CBN.

The take-off date for nationwide implementation was scheduled for March 31, 2020. The re-introduction was premised on the rise in the Financial Access Points, the improved awareness level among Nigerians, resulting in increased adoption of electronic payment channels.

The Shared IT Infrastructure Programme, an initiative of the Bankers' Committee, with the support of the CBN, was focused on the implementation of key industry capabilities to drive cost reduction and efficiency in the Nigerian financial industry in a sustainable manner. These included the provision of a shared network - the Nigeria Financial Services Network (NFSN) and shared Remote Data Centre (RDC). The design for the NFSN was revalidated and updated to meet both current and future industry network requirements. On the Shared Data Centre, over twenty (20) banks had migrated their remote data centres to the shared RDC, saving the industry huge sums of money that each of them would have spent building a tier-3 data centre for their disaster recovery. The remaining banks were at various stages of concluding their plans to migrate their remote data centres to the shared RDC.

In the review period, the CBN, in conjunction with the Bankers' Committee, continued in their bid to ensure the adoption, implementation and compliance with Industry IT Standards through the IT Standards Programme. Compliance audits were conducted across the industry on the following maturing standards:

- IT Service Management – ITIL;
- IT Governance – COBIT;
- Project management (PMP/PRINCE2); and
- Information Security (ISO 27001).

The IT Standards Governance Council also updated the IT Standards Roadmap to include ISO 20022, to ensure readiness and prepare the Nigerian Financial Services industry for the global transition by November 2025.

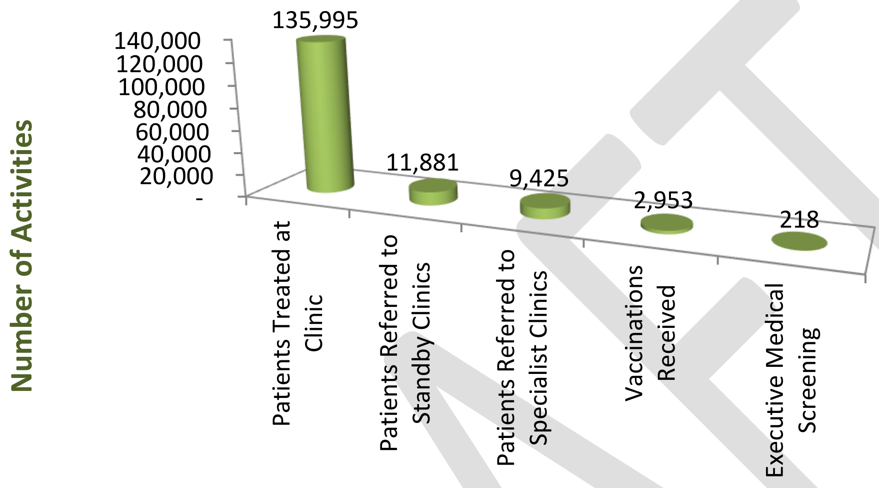
1.1.15 Medical Services

The Bank provided varied medical interventions to sustain a healthy and productive workforce in the year under review. The Bank's Staff Clinics attended to a total of 135,995 cases, involving staff and their dependents. Of these cases, 11,881 were referred to stand-by hospitals, while fifty (50) staff/dependents were treated overseas for conditions that could not be handled locally. A total of 755 adult vaccines were administered to staff, while 2,198 routine immunisation were administered to staff children. Also, 873 prospective employees were screened for diseases and substance abuse.

As part of the comprehensive health care plan for Bank staff, several health talks/seminars were conducted on topical health issues such as: ebola virus disease (EVD); hepatitis B infection; HIV/AIDS; diabetes mellitus; and hypertension.

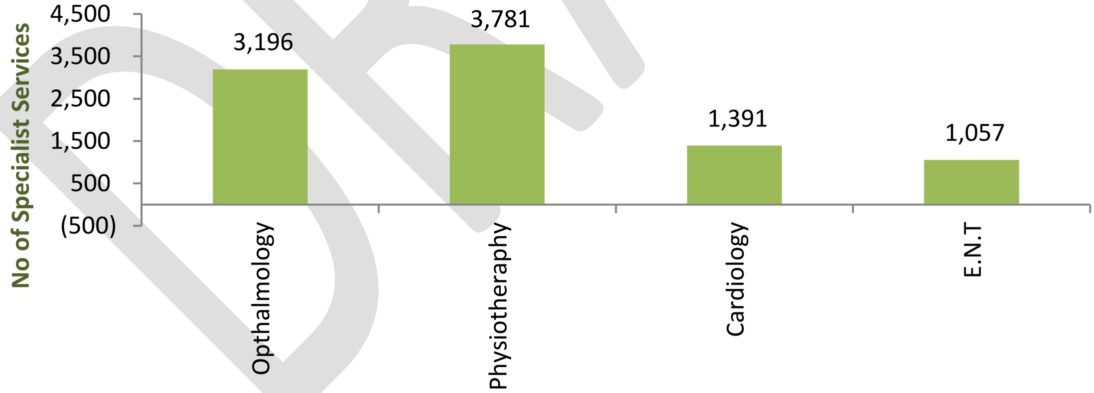
Of the in-house specialty clinics, physiotherapy had the highest attendance of 3,781, followed by ophthalmology with 3,196 and ear, nose and throat (ENT) recorded the least attendance of 1,057. The Bank also sponsored comprehensive medical screening for 218 Executives.

Figure 1.1: Staff Clinic Activities, 2019



Source: CBN.

Figure 1.2: Specialist Medical Services, 2019

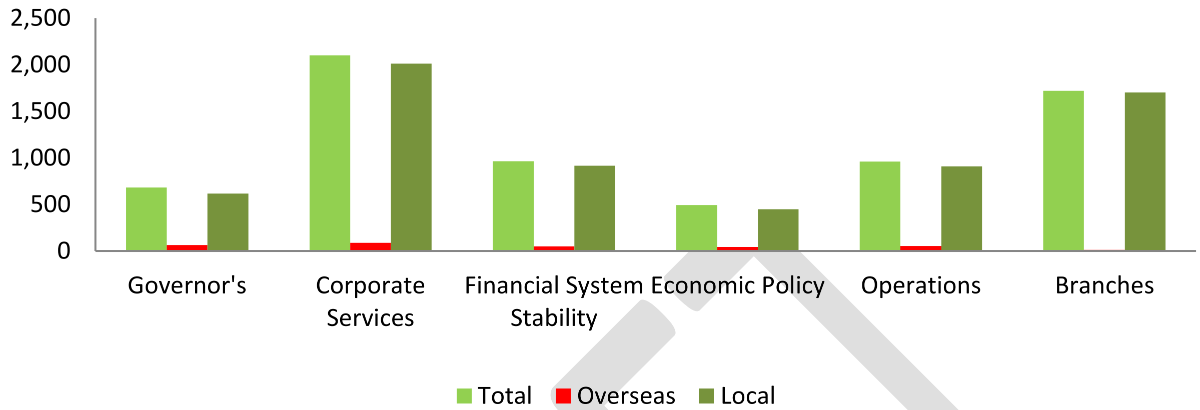


Source: CBN.

1.1.16 Training

In line with the Bank's manpower development strategy, 6,919 staff participated in various training programmes in the review period. The training distribution pattern of the five (5) directorates in the Bank, and Branches showed that the Corporate Services (CS) Directorate recorded the highest with 2,101; followed by Financial System Stability (FSS), 965; Operations Directorate (OPs) recorded 960; Governors Directorate 681; and the Economic Policy Directorate recorded the least of 494; and Branches recorded 1,718.

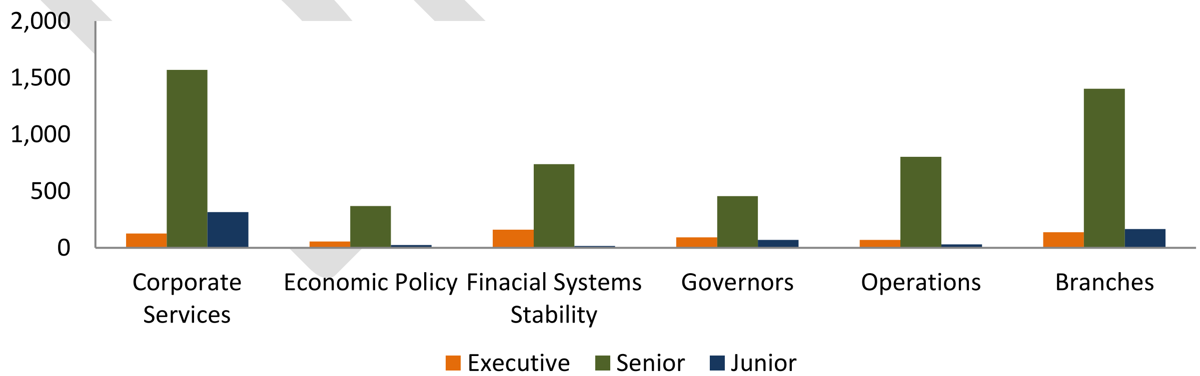
Figure 1.3: Local and Foreign Training Distribution by Directorate and Branches, 2019



Source: CBN.

The local training distribution pattern by directorate and status indicated that, in the executive cadre, FSS had the highest of 160, followed by Branches, 139, while EP recorded the least, 56. In the senior category, CS recorded the highest of 1,570, followed by Branches with 1,403, while EP had the least of 368. The junior cadre showed that CS had the highest of 316, followed by Branches, 165, and FSS recorded the least of 17.

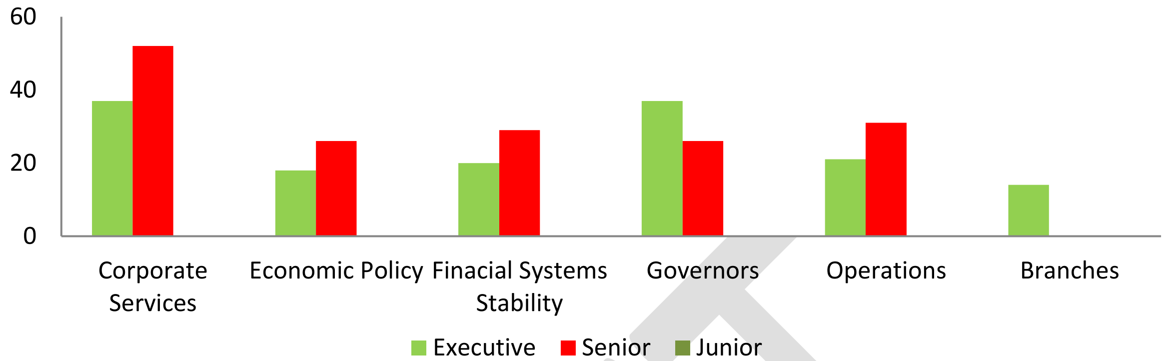
Figure 1.4: Local Training Distribution by Directorate and Status, 2019



Source: CBN.

The foreign training distribution pattern by directorate and status indicated that, in the executive cadre, CS and Governors directorates had the highest of 37, followed by OPs, 21, while Branches recorded the least, 14. In the senior category, CS recorded the highest of 52, followed by OPs, 31, while Branches had no participation in this category.

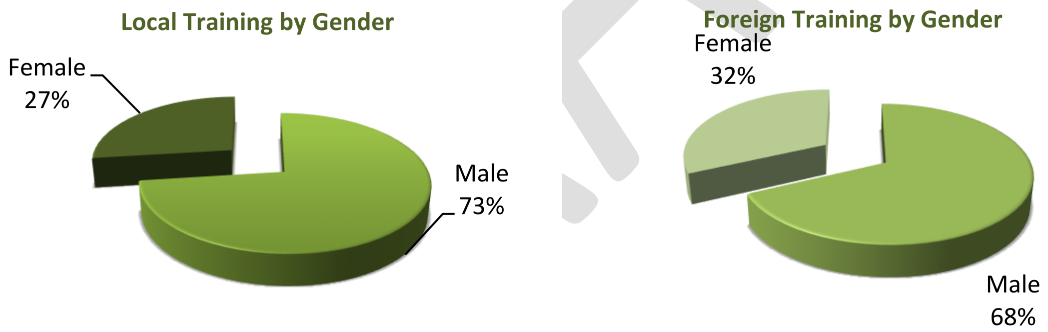
Figure 1.5: Foreign Training Distribution by Directorate and Status, 2019



Source: CBN.

Analysis of local training, by gender, indicated that 73.0 per cent of the staff who benefitted were male, while 27.0 per cent were females. Similarly, staff beneficiaries of foreign training comprised 68.0 per cent males and 32.0 per cent females.

Figure 1.6: Local and Foreign Training Distribution by Gender, 2019



Source: CBN.

1.1.17 The International Training Institute (ITI)

The ITI designed and delivered in-house training, soft skills leadership programmes, conferences, workshops and seminars to address identified skill gaps of staff in the review period. In this regard, it collaborated with the US Federal Reserve Bank of America (FRB), the International Monetary Fund (IMF), the International Finance Corporation (IFC), the West African Institute for Financial and Economic Management (WAIFEM), the World Bank, the United Nations Conference on Trade and Development (UNCTAD), University of

Westminster, the Financial Accreditation Agency (FAA) Malaysia, Association for Talents Development (ATD) and JvR Academy South Africa, to benefit from foreign expertise in programme delivery at minimum cost.

The Institute held 241 programmes, attended by 12,303 participants in the period under review. The programmes included workshops, seminars and meetings, and covered specialised areas such as: quantitative methods; economic policy; financial markets; financial system stability; as well as, leadership and management. Also, the ITI scheduled and delivered 19 courses, with an average attendance rate of 86.2 per cent. The overall course rating by participants was 4.4 out of 5.0

The Institute hosted participants from 5 African central banks, in 3 courses: 2 Supervision courses in collaboration with the US Federal Reserve Bank and 1 course on Stress Testing. Also, it continued business relationships with MDAs, including the Nigerian College for Aviation Technology, Nigerian Centre for Disease Control, American Embassy, Federal Ministries of Transport and Environment, the Nigerian Export-Import Bank (NEXIM) and Association of African Central Banks and non-MDAs, namely: Lagos Business School (LBS), Metropolitan School of Business and Management, United Kingdom and Institute of Directors for the utilisation of its facilities. In addition, it sustained discussions and engagement with local and international professional bodies and organisations to improve synergy, for optimal and effective performance on its mandate.

1.1.18 Staff Exit

The Bank lost the services of 129 staff through: deaths, twenty-one (21); dismissal, sixteen (16); end of contract appointments, three (3); mandatory retirements, 61; resignations, twelve (12); terminations, four (4); voluntary retirements, four (4); and withdrawal of services, eight (8).

1.1.19 Staff Promotion

The Bank appointed eleven (11) Deputy Directors to the position of Directors to replace the retired ones in 2019.

1.1.20 Recreational Activities

The finals of the 39th Edition of the CBN Governor's Cup Football Competition was played at the Nnamdi Azikwe Stadium Enugu, Enugu State on August 17, 2019, with Ilorin Branch emerging as the overall winner. Also, the CBN National Team won the 2019 edition of CBN/Nigerian Football Federation (NFF) sponsored All Financial Institutions Football Competition.

1.1.21 Corporate Social Responsibility (CSR)

The Bank continued its corporate social responsibility through capacity building and the provision of financial and other forms of assistance to institutions, organisations and individuals in 2019. Pursuant to this, 684 project requests for financial assistance were received and processed. Of this number, 99 projects, spread across the six geo-political zones of the country, were approved, resulting in the disbursement of ₦1,169,086,847.00. A further breakdown of the Projects indicated that: twenty-six (26) were on community development; health care, twenty-four (24); education and research, twenty-five (25); women and youth empowerment, eighteen (18); sports development, four (4); and disaster relief and environmental sustainability, two (2).

1.1.22 Staff Social Responsibility

Staff of the Bank sustained their support for the less-privileged in the society through their regular contributions to the CBN Staff Alms Fund (C-SAF), which supports worthy causes such as; orphanages, educational schemes and healthcare. A total of ₦84,679,419.00 was realised from monthly departmental contributions at end-December 2019.

1.1.23 Nigerian Sustainable Banking Initiatives

The Bank sponsored sustainability awards for the banking industry in three categories: Sustainable Bank of the Year; Bank of the Year in Women Economic Empowerment; and Sustainable Transaction of the Year in three sectors – agriculture, oil and gas, as well as power. Sixteen (16) banks participated in the 2019 Awards ceremony, an improvement over 2018, which featured fifteen (15) banks. The initiative was instituted to encourage industry operators to, effectively, implement sustainable banking principles. The Annual International Women (IWD) and World Environment Days (WED) were celebrated on March 8, 2018 and June 5, 2019, respectively. The theme for the IWD was "Balance for Better". However, the CBN adopted "Investing for Equality" as the them for its Programme.

In the review period, sensitisation programme on Green Bonds titled, "Green Bonds and making Sustainability Count in Investments" was held from March 25 to April 30, 2019 for all SBUs. it was conducted to strengthen institutional capacity on sustainability and was being considered as an investment option to assist nations in bridging the climate finance gap and meet their carbon emission reduction commitments.

1.2 RESEARCH AND COLLABORATIVE ACTIVITIES

The CBN conducted research and collaborative studies on the Nigerian economy and disseminated findings through the regular channels. These included the: CBN 2018 Economic Report; 2019 Half-Year Economic Report; Monetary Policy Review; bi-annual Financial Stability Report; Quarterly CBN Economic and Financial Review; the biennial CBN Briefs; the Statistical Bulletin; and the bi-annual CBN Journal of Applied Statistics. Others included: the CBN Bullion and occasional paper series, with various titles.

The Bank also collaborated with the National Bureau of Statistics and National Population Commission to conduct the 2019 Household, Finance and Consumption Survey. It honoured requests to present papers and facilitate in training programmes, including those from the Federal Ministry of Finance, Budget and National Planning, Chartered Institute of Bankers of Nigeria, Financial Institutions Training Centre, the West African Institute for Financial and Economic Management, the College of Supervisors for the West African Monetary Zone, the Association of African Central Banks, and the International Monetary Fund. In addition, staff presented papers at professional conferences, nationally and internationally, including those organised by the Nigerian Economic Society, and the Nigerian Statistical Association.

CHAPTER TWO

MONETARY POLICY, SURVEILLANCE ACTIVITIES, AND OPERATIONS OF THE CBN

Monetary policy in 2019 was anchored on key developments in the global and domestic macroeconomic environment. The external factors were: the trade war between the US and China; declining oil prices; lingering uncertainty around the Brexit; subdued growth in the European Union and Japan, as well as the dampening output growth in China. The major domestic influences were: slow economic recovery; banking system liquidity and the need for increased lending to the private sector; decline in external reserves, resurging inflationary pressure, and growing unemployment. The monetary policy rate (MPR) was reduced to 13.50 per cent in March and was maintained throughout the year. However, the asymmetric corridor of +200 and -500 basis points around the MPR for the standing facilities were retained, and the cash reserve ratio (CRR) and liquidity ratio (LR) were also maintained at the respective rates of 22.5 and 30.0 per cent. Also, a new minimum Loan-to-Deposit Ratio (LDR) of 60.0 per cent was introduced in July and raised to 65.0 per cent in December, to increase bank lending. In addition, the Global Standing Instruction (GSI) initiative was introduced to increase banks' credit risk management options.

Key monetary aggregates were generally lower than their indicative targets for the year. Interest rates mirrored liquidity conditions in the banking system and were, generally, lower than their levels in the preceding year. Open Market Operations (OMO) remained the main tool for liquidity management, complemented by discount window activities, reserve requirements and interventions in the foreign exchange market. Furthermore, the Bank sustained its supervisory and surveillance activities to maintain the stability and soundness of the banking system. The progress made in the payments and settlement system was enhanced, and development finance interventions of the Bank remained active in 2019.

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2.1 MONETARY OPERATIONS

2.1.1 Monetary and Credit Developments

Monetary policy was influenced by external and domestic macroeconomic factors in 2019. External factors were: the trade war between the US and China; downturn in global manufacturing; declining oil prices; lingering uncertainty around Brexit; subdued growth in the European Union and Japan, as well as the dampened output growth in China. The key developments on the domestic front included: slow economic recovery; banking system liquidity, declining external reserves, resurging inflationary pressure and growing unemployment. The Bank introduced a minimum Loan-to-Deposit Ratio (LDR) of 60.0 per cent in July and later to 65.0 per cent in December, to encouraging bank lending. Similarly, the Global Standing Instruction (GSI) initiative was introduced in the review year to increase banks' credit risk management options.

The monetary policy rate (MPR) was reduced by 50 basis points in March 2019, but cash reserve ratio (CRR), liquidity ratio (LR) and the asymmetric corridor around the MPR were retained at 22.50 per cent, 30.00 per cent and +200 and -500 basis points, respectively.

The broad measure of money supply M_3, grew by 6.2 per cent at end–December 2019, compared with 14.9 per cent at end-December 2018. The growth in M_3 was on account of the 38.6 per cent rise in net domestic assets, offsetting the decline of 51.0 per cent in net foreign assets of the banking system. Broad money supply, M_2, grew by 8.8 per cent and narrow money supply (M_1) grew by 1.3 per cent, compared with the respective benchmark growth of 13.1 and 17.2 per cent for the review year, and the growth of 10.5 and 9.7 per cent and at end-December 2018. The increase of 13.7 per cent in "other deposits" accounted for the growth in M_2, and the growth in M_1 reflected the respective increase of 6.0 and 0.2 per cent in the currency component and transferable deposits.

Net claims on the central government grew by 93.0 per cent on account of significant net lending by the CBN and claims by banks, and growth in claims on other private sectors stood at 13.4 per cent, compared with 32.4 and 5.8 per cent at end-December 2018, respectively. Consequently, aggregate credit to the domestic economy grew by 27.2 per cent at end-December 2019, compared with 9.6 per cent at end-December 2018. The growth in aggregate credit, however, exceeded the benchmark growth of 22.3 per cent for 2019.

Reserve money grew by 20.8 per cent at end-December 2019 and was higher than the benchmark rate of 14.6 per cent for the year and the 10.7 per cent growth at end-December 2018. The upward movement in reserve money was due to the 28.4 and 4.9 per cent respective growth in liabilities of other depository corporations and currency in circulation.

Table 2.1 : Key Policy Targets and Outcomes, 2015- 2019 (per cent)										
	2015		2016		2017		2018		2019	
	Target	Outcome	Target	Outcome	Target	Outcome	Target	Outcome	Target	Outcome
Growth in base money	16.78	-1.99	13.21	0.61	11.41	10.70	14.64	10.70	14.60	20.80
Growth in broad money (M_2)	15.25	5.90	10.98	17.78	10.29	1.74	11.92	10.49	13.11	8.80
Growth in broad money (M_3)		2.22		31.32		0.59	-	14.98		6.22
Growth in narrow Money (M_1)	9.91	24.14	11.34	31.50	11.07	-2.09	-	9.73	17.20	1.26
Growth in aggregate bank credit	29.30	12.13	17.94	24.27	17.93	-3.70	11.64	9.62	22.30	27.15
Growth in bank credit to the private sector	26.06	3.28	13.38	17.42	14.88	1.40	8.49	5.80	21.10	13.42
Inflation		9.55	11.90	18.55	10.71	15.37	12.71	11.37	11.74	11.98
Growth in real GDP	6.44	5.50	7.02	6.22	7.25	2.79	3.59	-1.51	2.58	2.30

Source: CBN
1/ Revised
2/Provisional

2.1.2 Liquidity Management

Liquidity surfeit remained a persistent feature of the banking system in 2019, due, largely, to maturing OMO bills and increased disbursements among the three-tiers of government. In addition, the liquidity condition was exacerbated by injections from the redemption of FGN Bonds and the purchase of foreign exchange by the Bank at the investors and exporters window (I&E). During the review period, liquidity management focused, primarily, on achieving monetary and price stability by ensuring optimal banking system liquidity that is conducive for sustainable economic growth. The Bank pursued a non-accommodative monetary policy stance to support yields, encourage foreign capital inflow and stabilise domestic prices. Accordingly, a combination of policy measures were implemented to ensure sound financial markets, encourage foreign inflow and boost credit delivery to the real economy. The measures included: reduction of MPR to 13.5 per cent with an asymmetric corridor of +200/-500 basis points for the standing lending facility (SLF) and standing deposit facility (SDF), respectively. Others were: retaining the Cash Reserve Ratio (CRR) at 22.5 per cent and Liquidity Ratio (LR) at 30.0 per cent. The MPC took these decisions to

Liquidity surfeit remained a persistent feature of the banking system in 2019, due, largely, to maturing OMO bills and increased disbursements among the three-tiers of government.

ensure adequate time lag required for monetary policy transmission to the real economy and achieve desired goals.

Furthermore, the Bank retained the maximum net foreign currency trading position at 0.5 per cent to limit the commercial banks' exposure to foreign exchange risks, given the adverse developments in the external environment, such as the sluggish global growth, weak consumer and business confidence, due to the trade tensions. To rein-in pressure in the foreign exchange market, the Bank continued to operate special windows to ease access to foreign exchange for small and medium enterprises and invisible transactions. In addition, the Bank intensified its intervention in the secondary segment of the foreign exchange market to ensure adequate liquidity to stabilise the exchange rate.

In general, the Bank's liquidity management instrument remained open market operations (OMO), conducted periodically to rein-in excess liquidity. The OMO instrument was complemented by macro-prudential requirements, tenored repurchase transactions and standing facilities.

The monetary policy implementation measures by the Bank helped to manage banking system liquidity, moderate exchange rate pressure and rein-in inflationary pressure. The key monetary aggregates, M_3, and M_2 grew by 6.2 and 10.5 per cent, respectively, compared with 14.9 and 1.7 per cent at end-December 2018. The key monetary aggregates performed below the benchmarks for the year. Aggregate bank credit to the economy grew by 27.2 per cent, performing significantly above the benchmark of 22.3 per cent, while credit to private sector, which grew by 13.4 per cent, performed below its 2019 benchmark of 22.1 per cent. The net foreign assets (NFA) of the banking system declined significantly by 51.0 per cent to ₦5,806.32 billion in 2019, in contrast to the growth of 7.9 per cent at end-December 2018. The decline in net claims by non-residents on the monetary authority and other depository corporations accounted for the decline in net foreign assets of the banking system. The reserve money (RM) at ₦8,190.17 billion grew by 20.8 per cent but fell below the benchmark of ₦9,166.04 billion for 2019. Headline inflation (year-on-year) increased to 11.98 per cent in 2019, from 11.44 per cent in 2018.

2.1.3 Interest Rate Policy and Developments

Interest rates movement in the money market reflected developments in the banking system credit and liquidity conditions during the review period. In furtherance of the Bank's monetary policy stance, the MPR was reduced to 13.5 per cent from March 2019, while the CRR and LR remained at 22.5 and 30.0 per cent, respectively, in 2019. In addition, the asymmetric corridor around the MPR was retained at +200/-500 basis points throughout the period under review.

2.1.3.1 Money Market Rates

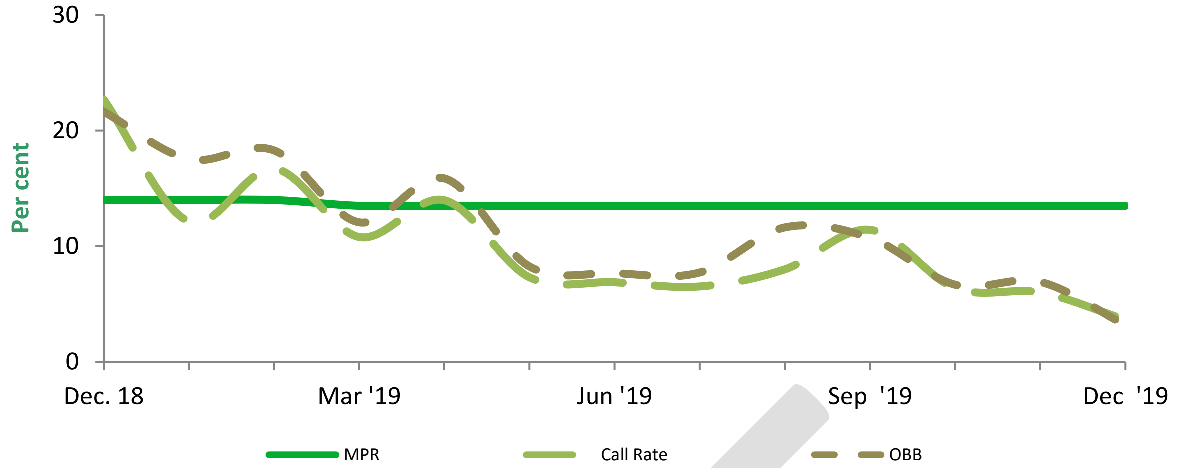
The annual weighted average inter-bank and Open-Buy-Back (OBB) rates were 9.15 and 10.55 per cent, compared with 13.11 and 12.15 per cent, respectively, in 2018. The weighted monthly average inter-bank call rate ranged from 3.64 to 16.71 per cent, while the average monthly OBB ranged from 3.18 to 18.29 per cent within the same period.

Table 2.2: Money Market Rates (Per cent)

WEIGHTED AVERAGE				
Month	MPR	Call Rate	OBB	NIBOR 30-day
Jan-19	14.00	12.14	17.54	14.78
Feb-19	14.00	16.71	18.29	11.92
Mar-19	13.50	10.80	12.07	10.82
Apr-19	13.50	13.98	15.87	12.06
May-19	13.50	7.31	8.25	11.51
Jun-19	13.50	6.88	7.67	12.03
Jul-19	13.50	6.52	7.73	11.01
Aug-19	13.50	8.00	11.63	13.63
Sep-19	13.50	11.42	10.73	13.42
Oct-19	13.50	6.37	6.67	12.44
Nov-19	13.50	6.00	6.91	12.90
Dec-19	13.50	3.64	3.18	11.58
Yearly Average (2019)	13.50	9.15	10.55	12.34
Yearly Average (2018)	14.00	13.11	12.15	13.75

Source: CBN

Figure 2.1: Money Market Rates, (per cent)



Source: CBN

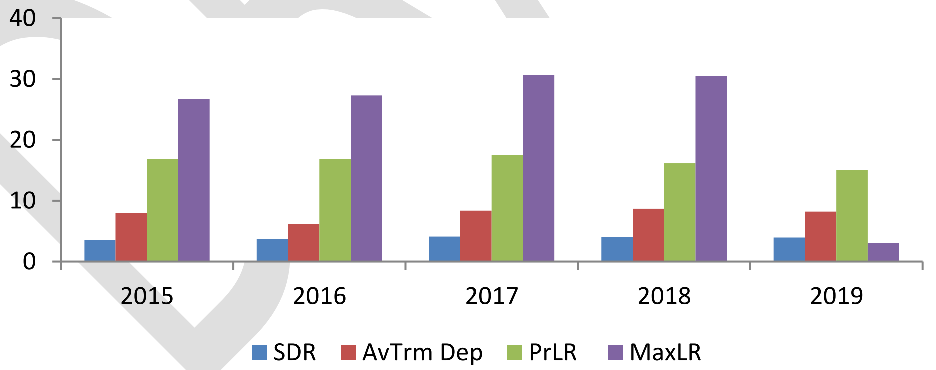
2.1.3.2 Deposit Rates

Average term deposit rate fell by 0.50 percentage point to 8.19 per cent in 2019, compared with 8.69 per cent in 2018.

2.1.3.3 Lending Rates

Weighted average prime lending rate fell by 1.10 percentage points, from 16.17 to 15.07 per cent, while maximum lending rate rose by 0.04 percentage point to 30.56 per cent in 2019, compared with 30.52 per cent in 2018.

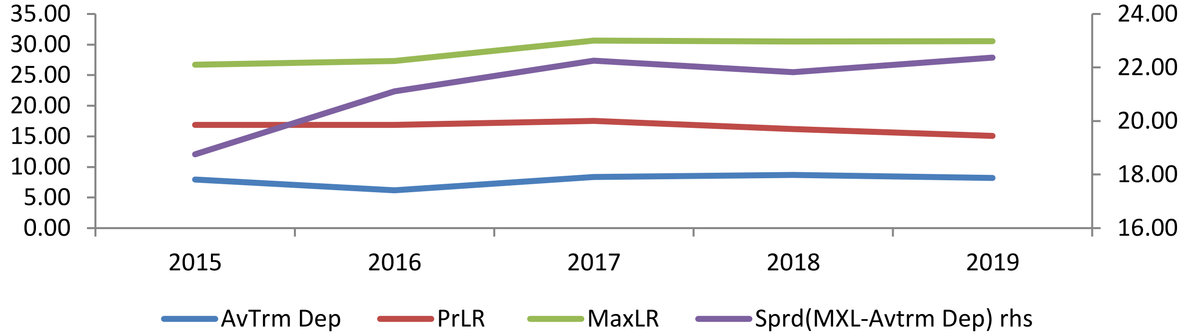
Figure 2.2: Average Savings, Prime and Maximum Lending Rates, 2015 - 2019



Source: CBN

Consequently, the spread between the average term deposit and maximum lending rates widened to 22.37 percentage points in the review year, from 21.83 percentage points in 2018.

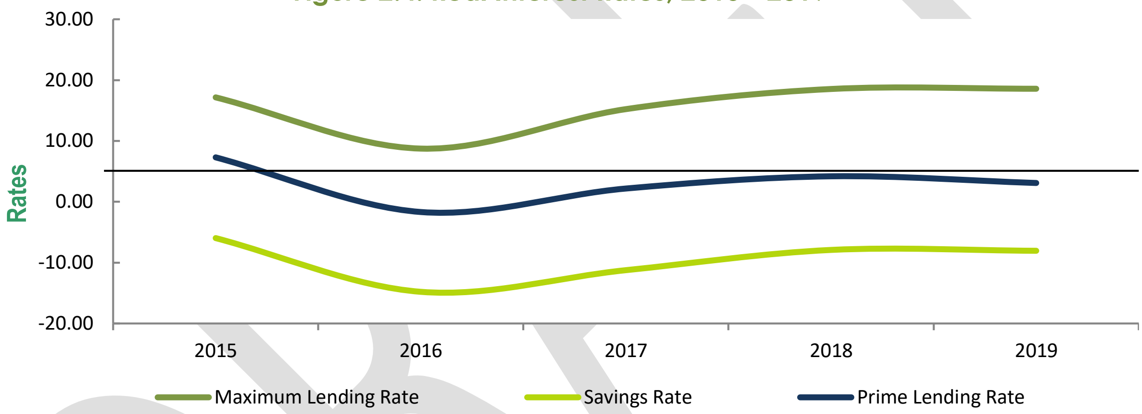
Figure 2.3: Spread Between the Average Term Deposit and Maximum Lending Rates, 2015-2019



Source: CBN

With the headline year-on-year inflation at 11.98 per cent at end-December 2019, all the deposit rates were negative in real terms, while the prime and maximum lending rates were positive.

Figure 2.4: Real Interest Rates, 2015 - 2019



Source: CBN

2.1.4 Developments in the Payments System

To improve the safety and efficiency of the Nigerian Payments System, the Bank continued with the implementation of its payment initiatives. The major activities in the review period were as follows:

2.1.4.1 The Bank Verification Number (BVN) Scheme

The CBN continued with the implementation of the Framework for BVN Operations and Watch-list. The BVN remained a unique identity that assisted financial institutions, credit bureaux and law enforcement agencies, among others, in reducing fraud and other financial crimes in the financial system.

At end-December 2019, the number of registered BVN increased by 10.5 per cent to 40,414,456, compared with the 36,170,176 recorded in 2018. Active customer accounts stood at 79,312,615, of which 53,351,720 accounts had been linked with BVN, while 2,189 were listed in the BVN watch-list at end-December 2019.

2.1.4.2 Nigeria electronic Fraud Forum (NeFF)

The Forum remained focused on achieving its mandate, thus a general meeting was held during the review period with the theme: "Enhancing Identity Verification: A Panacea for Fraud Mitigation". Presentations were made by subject matter experts at the meeting.

The Forum's Steering Committee held its annual retreat, aimed at strategising for 2020 deliverables. At the end of the Retreat, the following gaps were identified:

- Lack of awareness and inadequate consumer education;
- Skill gaps on deployed technology (in-house built and off-the-shelf technology);
- Poor implementation of the 2-Factor Authentication Policies;
- Heightened third party risk (improper authorisation of transactions);
- Misuse of Application Programming Interface (API) privileges;
- Poor synergy with other relevant stakeholders;
- Poor Funding of investigation by the police (mobilisation);
- Poor synergy among law enforcement agencies;
- BVN not fully operationalised (transactional authentication yet to be implemented);
- Inadequate fraud reporting; and
- Lack of full implementation of the Unstructured Supplementary Service Data (USSD) framework.

The Committee agreed on the actions required to address the gaps, and timelines were set for the deliverables.

2.1.4.3 Authorised Signature Verification (ASV) Portal

The Bank continued to use the ASV Portal for the verification of internal customers' mandate. The proposal for CBN users to verify signatories of banks' mandates was being considered, as this would reduce the turnaround time for processing the mandates.

2.1.4.4 Accreditation of Cheque Printers

In compliance with the stipulations of the Nigeria Cheque Standards and Nigeria Cheque Printers Accreditation Scheme Version 2.0, the CBN embarked on accreditation visits to accredited cheque printers and potential Cheque Personalisers (banks) during the year.

Only four (4) of the seven (7) accredited cheque printers; Tripple Gee and Company Plc, Superflux International Limited, Kas Arts Service Limited and Yaliam Press Limited maintained their accreditation licences. The licences of three (3) previously accredited cheque printers, namely: Nigeria Security Printing and Minting Company Plc; Papi Printing Company Limited; and Euphoria Group Limited, expired during the year and were yet to be renewed.

2.1.4.5 The Revised Nigerian Cheque Standards (NCS) and Nigeria Cheque Printers Accreditation Scheme (NICPAS)

The CBN, in collaboration with the MICR Technical Implementation Committee (MTIC), completed the review of the Nigeria Cheque Standards and Nigeria Cheque Printers Accreditation Scheme Version 2.0. The Document was released in the 2nd quarter of 2019 and implementation of the standards commenced immediately. Subsequently, all cheques ordered after September 1, 2019 were required to conform to the new standards and only cheques that conform to the new standards shall be allowed in the Automatic Cheque Clearing System effective September 1, 2020.

2.1.4.6 Cheque Standards Administration Unit (CSAU)

To complement the efforts of the Bank and the MTIC towards maintaining the highest quality of cheques in the Nigerian clearing system, the Bank approved the total upgrade of the RDM/QCX MICR and Image qualifier equipment. The upgraded equipment does the CSAU test, analyses Nigerian cheques to determine its compliance with the NCS/NICPAS Version 2.0 requirements.

2.1.4.7 Cheque Truncation System

A cheque truncation workshop was held in November 2019 to acquaint users with changes in the upgraded system. The Workshop was organised by the NIBSS in collaboration with the CBN.

2.1.4.8 Electronic Payments Incentive Scheme (EPIS)

The Electronic Payments Incentive Scheme (EPIS) was sustained in the review period. The 2019 Efficiency Award was held in February 2019, to reward the contributions and performance of stakeholders in the electronic payments landscape. To further improve participation of users and cover more payment channels, two new categories of awards were introduced. They were: Merchant Banks Award, to reward outstanding performance in achieving the highest number of transactions on various NIBSS platforms in 2018; and Cards Issuing Efficiency Award, for the bank with the lowest failure rate in card transactions authorisation in 2018.

2.1.4.9 Aggregator Model

The CBN sustained its efforts at improving the efficiency of the Treasury Single Account (TSA) at both the collection and payment segments. It pursued the implementation of the Aggregator model, which was designed to enable multiple participation of Payment Solution Service Providers (PSSPs) in the e-Collection scheme of Federal Government revenue. The Model enables eligible PSSPs transmit collections through a single gateway - the Nigerian Interbank Settlement System (NIBSS) for onward delivery to the CBN for settlement. This would eliminate multiple direct integration, thus mitigating against cyber risk and interference challenges at the CBN.

In addition, the model would ease payment of Government revenue, enable a single point of reporting on collections, promote competition and efficiency in service delivery and reduce charges.

2.1.4.10 Cash-less Nigeria

The Bank re-introduced processing charges on cash deposit above the cash-less policy thresholds in the six States and FCT where the policy had been operating, effective September 18, 2019. The cash-less policy, which imposes processing fee on deposits and withdrawals above thresholds, were extended to the remaining 30 states with effect from March 31, 2020.

2.1.4.11 Licensing and Approval of other Payments Schemes/Products

Nine (9) new operating licences were granted to Payment Solution Service Providers (PSSPs). Similarly, six (6) new licences were granted to Super Agents and two (2) Payment Terminal Service Providers (PTSPs) licences were renewed.

The status of all categories of licences issued to players in the payment ecosystem at end-December 2019 was as follows:

Table 2.3: Licensed Players in the Payments Ecosystem at end-December 2019

S/N	Payment Service Providers	Number of Operators
1	Mobile Money Operators	26
2	Card Scheme	6
3	Super-Agent	9
4	Payment Solution Service Providers	22
5	Switches	9
6	Third Party Processors	4
7	Payment Terminal Service Providers	21
8	Non-Bank Acquirers	6

Source: CBN

2.1.4.12 Payments System Vision 2020 (PSV 2020)

At the expiration of the PSV2020, the Bank was expected to launch the PSV2025 initiative, which would focus on trending cutting edge technologies. To this end, the draft PSV2025 was revised with focus on new payment methods such as QR codes, contactless payments and request to pay; cybersecurity; open banking; big data; and distributed ledger technology. In addition, the

CBN, through the Payments Scheme Boards, Special Interest Working Groups and Initiative Working Groups, delivered the following:

- Issued the 'Regulation for the Operation of Indirect Participants in the Payments System' to set out the procedures for effective integration and standardise the operation of indirect participants in the payments system, taking into cognizance their operational risks;
- Issued a circular on 'Pre-Authorisation of Cards in Nigeria' to enable dual messaging format for PoS and sales completion of card transactions, as against the single messaging format;
- Issued the 'Regulation on Electronic Payments and Collections of Public and Private Sectors in Nigeria' to guide the end-to-end electronic payment of salaries, pensions and other remittances, suppliers and revenue collections in Nigeria;
- Approved the 'Revised Standards on Nigeria Uniform Bank Account Number (NUBAN) for Banks and Other Financial Institutions', for the efficient operations of electronic funds transfer and cheque clearing operations;
- Continued work on the implementation of the proposed risk-based collateral management model that would address liquidity and credit risks associated with Deferred Net Settlement systems;
- Developed the 'Nigerian Payments System Risk and Information Security Management Framework', to set out standards regarding the management of risks in the payments system;
- Issued a circular on 'Operation of Mobile Money Wallets by Deposit Money Banks' to exempt banks from seeking licence to operate mobile money wallets. This was to further deepen financial inclusion;
- Review of the PAPSS documents by the WAMZ Special Interest Working Group, West African Monetary Institute (WAMI) and the initiators – Afreximbank. Pan African Payments and Settlement System (PAPSS) was being proposed by the Afreximbank to facilitate cross-border payment in the West African Monetary Zone (WAMZ);

- Approved the FinTech Special Interest Working Group to guide the usage of FinTech in the payment space; and
- Developed the draft 'Framework on Regulatory Sandbox' as a process for firms to conduct live tests of new, innovative products, services, delivery channels, or business models in a controlled environment, with regulatory oversight. The document was awaiting Management's approval.

2.1.4.13 e-Payment Transactions

The volume and value of electronic payments in 2019 rose by 46.7 and 25.5 per cent to 3,002.8 million and ₦167,014.32 billion, respectively, compared with 2,046.4 million and ₦133,042.24 billion in 2018. The rise reflected more acceptance of electronic-based transactions.

Table 2.4 : Breakdown of e-Payment Transactions in 2019

Channels	Volume	Value (₦)	Proportion in volume (Per cent)	Proportion in value (Per cent)
NAPS	47,311,582	25,131,998,130,797	1.58	15.05
ATM	839,819,922	6,512,612,259,811	27.97	3.90
PoS	438,614,182	3,204,749,863,644	14.61	1.92
INTERNET(WEB)	103,497,007	478,140,101,693	3.45	0.29
MOBILE MONEY	377,265,208	5,080,961,536,595	12.56	3.04
NIP	1,145,785,229	105,222,562,871,372	38.15	63.00
m-CASH	251,490	600,921,460	0.01	0.00
EBILLSPAY	1,099,805	652,586,389,583	0.04	0.39
REMITA	48,481,208	20,724,633,755,093	1.61	12.41
CENTRAL PAY	663,163	5,476,055,244	0.02	0.00
TOTAL	**3,002,788,796.00**	**167,014,321,885,292.00**	**100.00**	**100.00**

Source: CBN

2.2 CURRENCY OPERATIONS

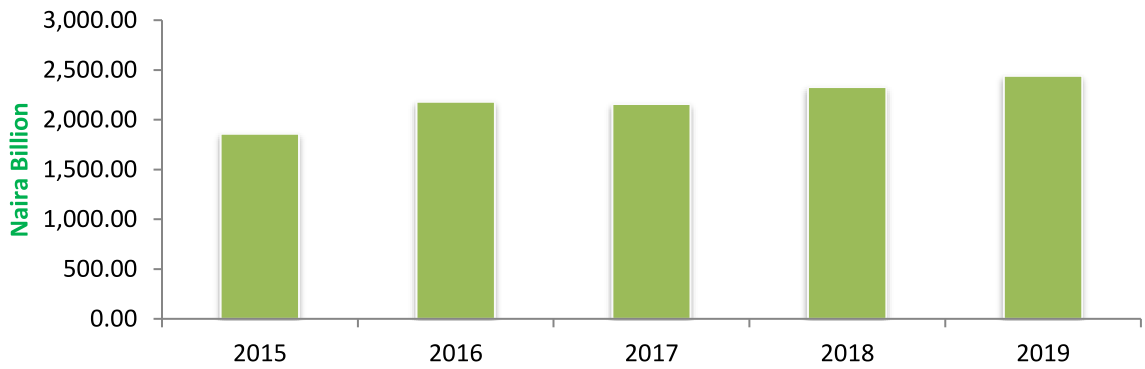
2.2.1 The Issuance of Legal Tender Currency

The Bank approved an indent of 3,830.94 million pieces of banknotes of various denominations for 2019. This was 14.3 per cent higher than the level in the preceding year. The Nigerian Security Printing and Minting (NSPM) PLC was awarded the contract for the production of the entire indent. The NSPM Plc delivered 3,047.60 million pieces or 79.6 per cent of the total, with an outstanding of 783.34 million pieces at end-December 2019.

2.2.2 Currency-in-Circulation (CIC)

Currency-In-Circulation (CIC) grew by 4.9 per cent to ₦2,442.99 billion at end-December 2019. The growth in CIC reflected increased use of cash in the economy. A breakdown of the CIC indicated that, in terms of volume and value, the proportion of higher denomination banknotes (₦100, ₦200, ₦500 and ₦1000), in total, rose to 45.8 and 97.7 per cent, from 44.3 and 97.6 per cent in 2018, respectively. The lower denomination currency notes continued to dominate in terms of volume, constituting 54.2 per cent of the total. In value terms, it constituted 2.3 per cent of total banknotes.

Figure 2.5: Currency-in-Circulation, 2015 - 2019



Source: CBN

Table 2.5: Currency Structure, 2015 – 2019

Coins	2015 Volume (million)	2015 Value (₦ billion)	2016 Volume (million)	2016 Value (₦ billion)	2017 Volume (million)	2017 Value (₦ billion)	2018 Volume (million)	2018 Value (₦ billion)	2019 Volume (million)	2019 Value (₦ billion)
₦2	107.57	0.22	107.71	0.22	107.57	0.22	204.38	0.41		
₦ 1	616.49	0.62	616.67	0.62	616.49	0.62	736.08	0.74		
50k	580.07	0.29	580.24	0.29	580.07	0.29	681.48	0.34		
25k	348.23	0.09	348.23	0.09	348.23	0.09	348.25	0.09		
10k	315.57	0.03	315.57	0.03	315.57	0.03	315.58	0.03		
1k	31.24	0.003	31.24	0.01	31.24	0.0003	31.372	0.0003		
Sub Total	**1,999.17**	**1.25**	**1,999.66**	**1.26**	**1,999.17**	**1.25**	**2,317.14**	**1.61**		
Notes										
₦1000	1,011.64	1,011.64	1,224.08	1,224.08	1,228.84	1,228.84	1,297.52	1,297.52		
₦500	1322.26	661.13	1,453.93	726.96	1,316.57	658.28	1,597.99	798.99		
₦200	401.63	80.33	559.11	111.82	664.46	132.89	562.9	112.58		
₦100	558.95	55.89	629.04	62.9	705.59	70.56	641.25	64.12		
₦50	388.18	19.41	365.27	18.26	608.25	30.41	449.42	22.47		
₦20	1065.56	21.31	1,189.44	23.79	1,058.81	21.18	1,097.84	21.96		
₦10	549.54	5.49	749.51	7.49	1006.82	10.07	797.68	7.98		
₦5	299.64	1.49	521.58	2.61	752.15	3.76	494.89	2.47		
Sub-Total	**5,597.40**	**1,856.69**	**6,691.96**	**2,177.91**	**7,341.49**	**2,155.99**	**6,939.49**	**2,328.09**		

Source: CBN

2.2.3 Clean Notes Policy and Banknote Fitness Guidelines

The CBN unveiled the Clean Note Policy and Banknote Fitness Guidelines on April 30, 2019 for use by major cash handlers such as banks, microfinance banks, service providers, and the public. The Guidelines were introduced to ensure integrity, maintain public confidence and reinforce the circulation of clean banknotes in the economy. The Policy encapsulates diverse currency management activities carried out to preserve the integrity and maintain the quality of banknotes in circulation. It provides that newly produced and used banknotes should conform to predefined currency management standards before circulation and re-circulation, respectively, in the economy. The Guidelines also provide the financial industry with clear and acceptable criteria for determining the quality of banknotes in circulation. They further provide guidelines on how to identify fit and unfit banknotes, and the various degradation levels of the banknotes, among others. Both documents were produced by the Bank in collaboration with key industry stakeholders, which included banks, Cash-in-Transit Companies (CITs), Currency Processing Companies (CPCs) and Nigeria Cash Management Scheme (NCMS).

During the review period, the Bank approved the mop-up of over-circulated/mutilated banknotes from banks at no fee for a 3-month period from June 3, 2019 to September 2, 2019. The Bank also commenced spot checks to ensure compliance with the Clean Note Policy & Banknote Fitness Guidelines at ATMs/Teller points of banks.

2.2.4 The Nigeria Cash Management Scheme (NCMS)

The Bank sustained its effort to foster efficiency in Nigeria's currency management via the Nigeria Cash Management Scheme. The Scheme leverages the Shared Services Platform to reduce the cost of currency management. As a precursor to the Integrated Cash Management Platform (ICMP), the Cash Activity Reporting Portal (CARP), designed to create visibility on all currency management assets, activity and expenses in the industry, went live in 2018. In 2019, the NCMS focused on upgrading the CARP to ease the reporting requirements of industry stakeholders, encourage the adoption of the portal by the CITs and CPCs, and further facilitate the actualisation of actionable intelligence from the portal's database. Upon completion, the upgrade would enable more cohesive and dynamic currency management operations in the country as well as bring them one step closer to the ICMP. Other activities included monitoring and collaboration with the eight (8) CIT operators and two (2) CPCs to enhance the productivity and reach of their services, as the industry transits to a more efficient utility model of currency management.

2.2.5 Sustainable Disposal of Banknote Waste

To ensure compliance with the Nigerian Sustainable Banking Principles (NSBP), the Bank continued to collaborate with recycling companies in a sustained effort to promote sustainable waste management in currency disposal. The process, which commenced with an in-depth chemical analysis of polymer waste, was carried out with a view to reducing the Bank's carbon footprint. During the review period, over 128,000 kg of polymer waste had been evacuated, generating about ₦4.5 million for the Bank. The Bank was in discussion with some companies for the evacuation of paper banknote waste to further reduce its carbon footprint.

2.2.6 Authentication and Processing of Foreign Currency Deposits by Banks

The Bank continued with the policy of processing and authentication of foreign currency deposits by banks during the review period. This was carried out through the receipts, processing and authentication of excess dollar deposits by banks at the Lagos Branch at a handling charge of 0.03 per cent of the total deposit. A total of US$9.82 billion was processed at end-December 2019, and the sum of ₦9.81 billion was generated as income.

2.2.7 Automation of Mint Banknote Tracking

The Bank embarked on automation of the banknote issuance tracking to enhance visibility of cash movement within the country. The initiative would curb illegal sales of the naira, hoarding and improve the Bank's regulatory activities as well as assist the Federal Government's anti-corruption efforts. A pilot run was planned for the first quarter of 2020.

2.2.8 Action Against Abuse of the Naira

The Bank approved the constitution of a committee on the enforcement of the following provisions of CBN Act, 2007:

- Section 20 (4)

It shall be an offence punishable by a term of imprisonment of not less than 5 years for any person to falsify, make or counterfeit any banknote or coin issued by the Bank, which is legal tender in Nigeria.

- Section 21 (1)

A person who tampers with a coin or note issued by the Bank is guilty of an offence and shall be punishable by imprisonment for a term not less than six months or to a fine not less than ₦50,000 or both.

The Enforcement Committee against the Abuse of the Naira collaborated with the Nigeria Police (NP), the Department of State Service (DSS) and the Nigeria Security and Civil Defence Corps (NSCDC) on sting operations, against the illegal hawking/selling of mint naira notes in several states across the six (6) geopolitical zones. A total of 132 suspects were arrested during the review period, ₦67,387,490.00 recovered as exhibits, five (5) Point of Sale (POS) devices seized, nine (9) suspects convicted, while 123 other suspects were being prosecuted in court.

2.2.9 Direct Disbursement of Lower Denomination Banknotes

In a bid to increase the circulation of lower denomination banknotes in the country, the Bank continued its direct disbursement of the banknotes to microfinance banks, merchants, shopping malls, market associations, toll gates, among others. A total disbursement of ₦7.72 billion was made to various market associations, merchants and retailers in fourteen (14) states at end-December 2019. Approval was given to Union Bank Plc in May 2019 to participate in the Scheme and it disbursed the sum of ₦117.42 billion in lower denominations through their configured ATMs/OTC across the country, while 3 microfinance banks disbursed the sum of ₦112.00 million.

The Bank was set to engage the services of banks and microfinance banks interested in configuring their ATMs to dispense lower bills. The Bank was also planning to extend the disbursement to more states in addition to the fourteen (14) state capitals, namely, Lagos, Ibadan, Umuahia, Port Harcourt, Asaba, Enugu, Yola, Jos, Gombe, Kano, Katsina, Minna, Uyo, and Abuja that were already part of the Scheme.

2.3 FOREIGN EXCHANGE MANAGEMENT

2.3.1 Foreign Exchange Market and Management

The Bank sustained its interventions in the foreign exchange market, aimed at maintaining exchange rate stability and engendering a stable macroeconomic environment. In furtherance to the efforts of boosting liquidity and promoting inflows of foreign exchange to the domestic economy, the Bank licensed five (5) additional International Money Transfer Operators (IMTOs), bringing the total number to 65. This was to deepen healthy competition within the IMTO space, encourage Nigerians in the diaspora to remit home, and increase the sale of foreign exchange to BDCs. Similarly, two (2) new Logistic Companies were licensed for the distribution of foreign exchange to BDC operators, to ensure regular supply of funds and further stabilise the naira exchange rate.

To further enhance trade facilitation in Nigeria, the Bank automated the Export Proceeds Form (generally known as "Form NXP") on the Trade Monitoring System, and also integrated the National Agency for Food and Drug Administration and Control (NAFDAC) e-permit with e-Form M. This was to ensure adequate monitoring and reduce the timeline for processing trade transactions.

2.3.2 Foreign Exchange Flows

Aggregate foreign exchange inflow to the economy increased by 16.3 per cent to US$140.26 billion, compared with US$128.13 billion in 2018. A disaggregation showed that inflow through the CBN and autonomous sources, were US$56.67 billion and US$83.59 billion, constituting 40.4 and 59.6 per cent, respectively, of the total.

A further analysis indicated that foreign exchange inflow through the CBN, decreased to US$56.67 billion, relative to US$59.25 billion in 2018. A breakdown of foreign exchange inflow through the CBN, showed that crude oil related earnings rose by 5.5 per cent to US$15.85 billion, compared with US$15.03 billion in the preceding year. Non-oil component of the inflow, on the other hand, decreased by 7.7 per cent to US$40.82 billion, relative to the US$44.22 billion in 2018. The development was attributed, mainly, to 46.7, 37.3, 50.8 and 3.0 per cent decrease in TSA and third-party receipts, interbank swaps, returned payments (wired/cash) and return of unutilised IMTOs funds, to US$4.68 billion, US$3.97 billion, US$0.74 billion, and US$1.48 billion, respectively.

A breakdown of non-oil inflow, through the CBN, showed increase in: foreign exchange purchases, US$10.69 billion; interest earned on reserves and investment, US$0.96 billion; and banks cash receipts, US$9.87 billion. In addition, unutilised funds from foreign exchange transactions and other official receipts rose by 10.4 and 42.3 per cent to US$2.27 billion and US$5.15 billion in 2019, compared with their respective levels in the preceding year. Although no government debt proceed was received in 2019, US$1.00 billion revaluation of gold holding was recorded in the review period.

Inflow through autonomous sources increased by 21.3 per cent to US$83.59 billion, compared with US$68.89 billion in 2018. A further analysis showed that: invisibles was US$78.59 billion; non-oil export receipts by banks, US$4.87 billion; and external account purchases, US$0.12 billion, constituting 94.0, 5.8 and 0.2 per cent, respectively, of the total. Of the invisibles, over-the-counter (OTC) purchases and domiciliary account were US$48.85 billion (62.2%) and US$29.74 billion (37.8%), respectively. A breakdown of OTC purchases showed that: capital importation stood at US$23.99 billion; other OTC purchases, US$22.27 billion; oil companies, US$0.85 billion; and home remittances, US$1.74 billion.

Aggregate foreign exchange outflow from the economy rose by 7.2 per cent to US$65.39 billion, compared with US$60.97 billion in the preceding year. Of this amount, outflow through the CBN constituted 93.5 per cent of the total, while autonomous sources accounted for the balance of 6.5 per cent. Foreign exchange outflow, through the CBN, rose by 8.5 per cent to US$61.15 billion, compared with US$56.33 billion in the preceding year. The development was due, largely, to increased intervention by the CBN in the foreign exchange market and other official payments. A disaggregation of foreign exchange supply to the market indicated that: inter-bank forwards was US$5.90 billion; inter-bank sales, US$1.43 billion; BDC sales, US$13.61 billion; matured swap contracts, US$3.47 billion; I&E sales, US$5.97 billion; SMIS sales, US$6.63 billion; and SME sales, US$1.46 billion.

A further breakdown of foreign exchange outflow, through the Bank, showed that other official payments rose by 50.6 per cent to US$15.24 billion, compared with US$10.12 billion in 2018. The development was attributed to 57.6 and 38.3 per cent increase in miscellaneous and Joint Venture Company (JVC) cash call payments to US$11.40 billion and US$3.74 billion, respectively. However, estacode payments fell by 46.1 per cent to US$0.09 billion, compared with US$0.18 billion in 2018. External debt service, Third party MDA transfers, and funds returned to remitters also decreased by 6.2, 5.9 and 82.0 per cent to US$1.36 billion, US$5.16 billion and US$0.07 billion, respectively, in the review period. Drawings on letters of credit was US$0.72 billion; foreign exchange special payment, US$0.11 billion; Bank and SDR charges, US$0.01 billion; and National priority projects US$0.002 billion.

Outflow through autonomous sources fell by 8.6 per cent to US$4.24 billion, relative to the level in 2018, out of which payments for invisibles and import were US$3.22 billion and US$1.02 billion, respectively.

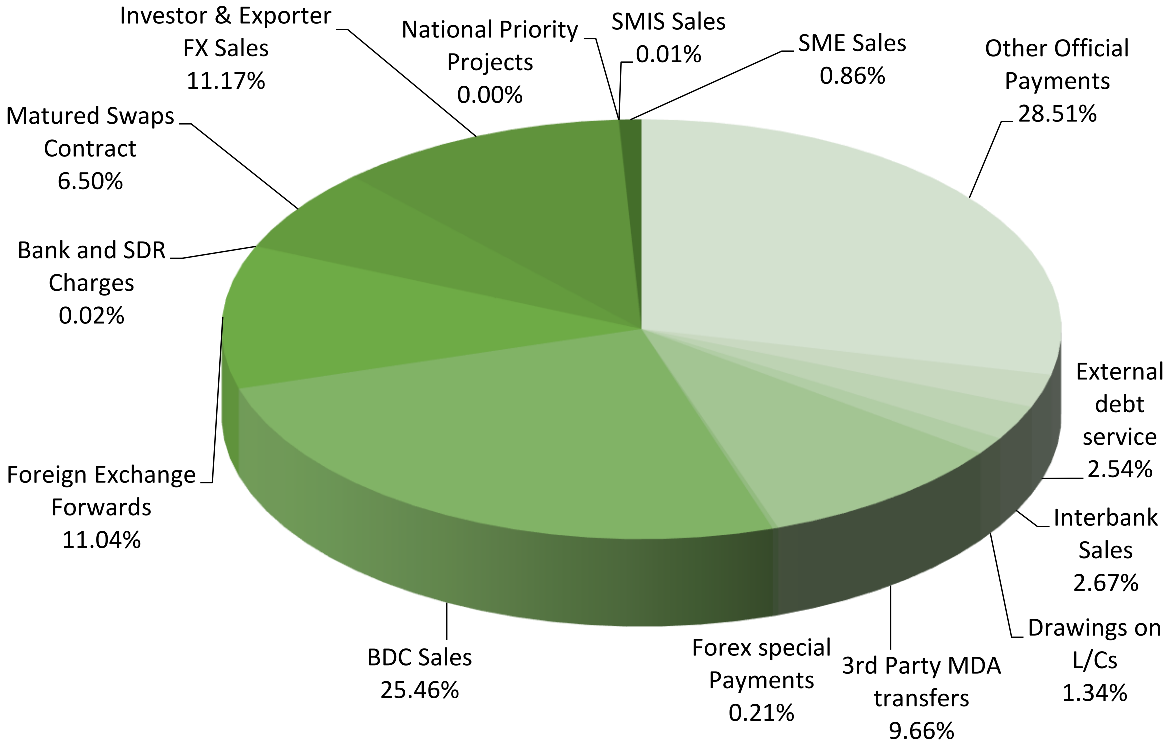
Overall, the economy recorded a higher net inflow of US$74.87 billion in 2019, compared with US$59.25 billion in 2018. The CBN, however, recorded a net outflow of US$4.47 billion in the review period, in contrast to a net inflow of US$2.91 billion in 2018.

Table 2.6: Foreign Exchange Flows through the Economy (US$' Million), 2018 – 2019

CATEGORY	2018 2/	2019 1/
INFLOW	**128,133.56**	**140,263.68**
A. Through the Central Bank	**59,246.37**	**56,672.71**
1. Oil	**15,026.53**	**15,854.54**
2.Non-oil	**44,219.83**	**40,818.17**
(i) Foreign Exchange Purchases	8,775.46	10,696.91
(ii) Interbank Swaps	6,331.84	3,970.04
(iii) Interest on Reserves & Investments	769.61	955.21
(iv) DMBs Cash Receipts	5,496.05	9,873.13
(v) proceeds from Government debt	5,368.35	-
(vi) Returned Payments [Wired/Cash]	1,501.44	738.70
(vii) Untilised funds from FX Transactions	2,060.05	2,273.85
(viii) Other official Receipts	3,619.30	5,151.90
(ix) Return of Unutilised IMTO Funds	1,523.81	1,477.46
(x) TSA and Third Party Receipts	8,773.88	4,680.21
(xi) Revalued Gold Holding		1,000.76
B. Through Autonomous Sources	**68,887.20**	**83,590.98**
1. Non-oil exports Receipts	**6,965.49**	**4,876.17**
2. External Account Purchases	**42.78**	**124.26**
3. Invisibles	**61,878.93**	**78,590.55**
(a) Ordinary Domiciliary Accoun	19,134.78	29,735.92
(b) Total OTC Purchases	42,744.15	48,854.63
(i) Oil Companies	229.29	850.37
(ii) Capital Importations	17,078.88	23,990.05
(iii) Home Remittances	4,369.35	1,741.69
(iv) Other OTC Purchases	21,066.63	22,272.52
OUTFLOW	**60,972.81**	**65,389.14**
A. Through the Central Bank	**56,332.60**	**61,147.58**
1. Interbank Utilisation	**38,141.51**	**38,471.31**
(i) Investor & Exporter FX Sales	5,930.23	5,967.39
(ii) Inter-bank FWD	12,900.72	5,901.42
(iii) BDC Sales	8,826.81	13,608.67
(iv) Inter-bank Sales	5,903.16	1,429.27
(v) Swaps	4,580.60	3,471.75
(vi) SMIS Intervention		6,634.96
(vii) SME Intervention		1,457.84
2. Drawings on L/C	412.59	715.01
3. External Debt Service	1,450.13	1,359.86
(i) Principal		
(ii) Interest		
(iii) Others /3	1,450.13	1,359.86
(iv) Professional fees/Commission		
4. Govt and International Grants / Contributions,Grants& Equity Invests.(AFC EQUITY PARTICIPATION)		
5. National Indpt Priority Projects (NIPP)	13.08	2.15
6. Forex Special Payment (Cash Swap/FX Advance/To MDAs)	263.29	114.08
7. Other Official Payments	**10,118.07**	**15,237.69**
(i) Int'l Organisations & Embassies /4		
(ii) Estacode	181.43	97.71
(iii) Parastatals (Public sector uses)		
(iv) Joint Venture Company (JVC) Cash Calls	2,704.92	3,739.85
(v) Miscellaneous	7,231.72	11,400.14
8. Bank & SDR Charges	34.17	9.97
9. Funds returned to remitters	409.35	73.53
10. 3rd Party MDA Transfer	5,490.42	5,163.98
B. Through Autonomous Sources	**4,640.21**	**4,241.56**
1. Imports	928.56	1,017.95
2. Invisibles	3,711.65	3,223.61
NETFLOW THROUGH THE CBN	**2,913.76**	**(4,474.87)**
NETFLOW THROUGH THE ECONOMY	**59,246.37**	**74,874.55**

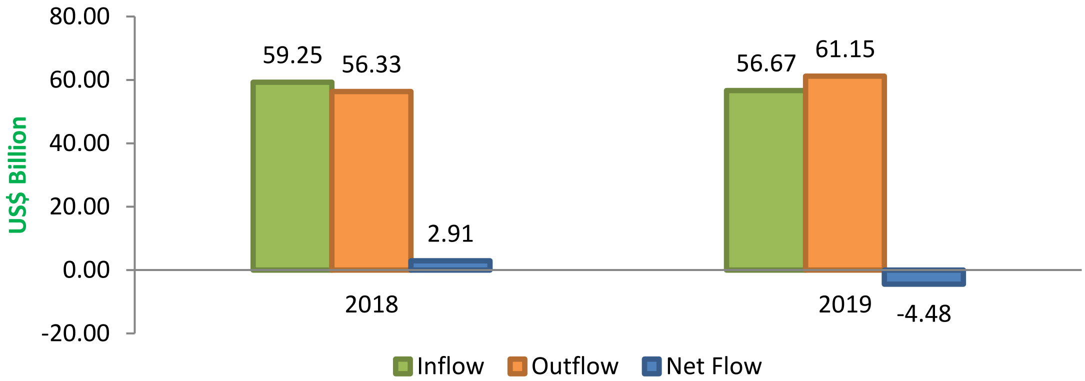
1/ Provisional
2/ Revised
Source: CBN

Figure 2.6: Foreign Exchange Disbursement through the CBN, 2019 (US$' Billion)



Source: CBN

Figure 2.7: Foreign Exchange Flows through the CBN, 2018-2019 (US$'billion)



Source: CBN

2.3.3 Developments in the Foreign Exchange Market

Demand pressure in the foreign exchange market persisted in 2019. Thus, in the Bank's continued effort to ensure stability in the foreign exchange market and boost liquidity, intervention was increased in the review periods. Foreign exchange sales to BDC operators and I&E window rose to US$13.61 billion and US$5.97 billion in 2019, compared with the US$8.83 billion and US$5.93 billion, respectively, in 2018. Foreign exchange disbursement for SMIS and SME interventions also increased to US$6.63 billion and US$1.46 billion, respectively.

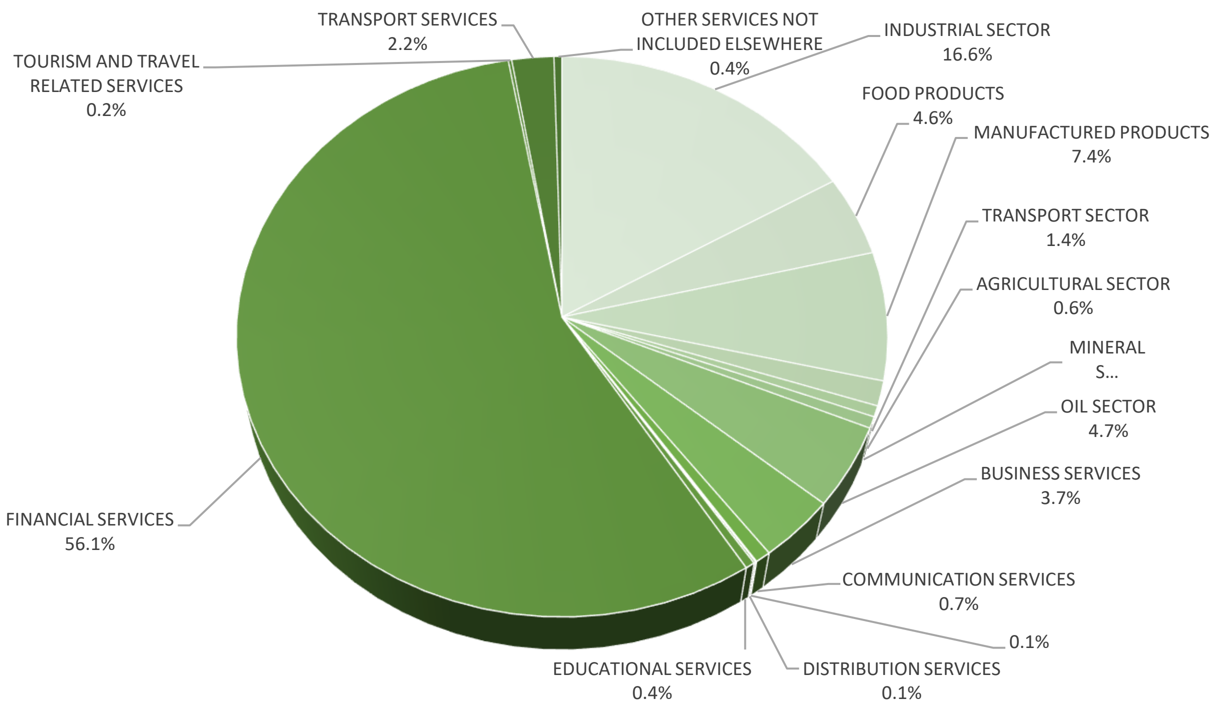
However, matured forward and swap contracts decreased by 54.3 and 24.2 per cent to US$5.90 billion and US$3.47 billion, relative to US$12.90 billion and US$4.58 billion, respectively, in 2018. Furthermore, foreign exchange sale at the interbank segment declined significantly by 75.8 per cent to US$1.43 billion in 2019, from US$5.93 billion in 2018. Consequently, the total supply of foreign exchange by the Bank increased by **8.0 per cent** to US$38.47 billion, relative to US$38.14 billion in 2018. The development helped in stabilising the naira exchange rate during the review period.

2.3.4 Sectoral Utilisation of Foreign Exchange

Aggregate foreign exchange utilised by the various sectors of the economy increased by 15.4 per cent to US$47.72 billion in 2019, relative to US$41.36 billion in 2018. A disaggregation showed that the amount utilised for invisible import rose by 19.8 per cent to US$30.52 billion, and accounted for 64.0 per cent of the total, compared with US$25.48 billion or 61.6 per cent of the total in 2018. The amount utilised for visible import also increased by 8.3 per cent to US$17.19 billion in the review period and accounted for the balance of 36.0 per cent. An analysis of visible import showed that foreign exchange utilised in the industrial, food products, manufacturing and agricultural sub-sectors fell by 7.2, 4.4, 0.6 and 1.2 per cent, to US$7.92 billion, US$2.21 billion, US$3.5 billion and US$0.3 billion, respectively, compared with the levels in 2018. However, utilisation of foreign exchange in the transport, mineral and oil sub-sectors rose by 43.9, 98.2 and 15.2 per cent to US$0.68 billion, US$0.31 billion and US$2.24 billion, in 2019, relative to their respective levels in the preceding year.

A breakdown of invisible import showed that foreign exchange utilisation for financial services at US$26.78 billion, accounted for 56.1 per cent of the total in the review period. This indicated an increase of 39.3 per cent, above the level in 2018. Similarly, foreign exchange utilised for communications, construction & related engineering, distribution, transport, and tourism & travel-related services rose to US$0.35 billion, US$0.02 billion, US$0.05 billion, US$1.06 billion and US$0.09 billion, respectively, compared with the levels in 2018. Foreign exchange utilisation in the health-related & social services, educational services, and business services, however, fell to US$1.02 million, US$0.21 billion and US$1.76 billion, respectively, from their levels in preceding period. Similarly, foreign exchange utilised in respect of "other services" declined by 51.9 per cent to US$0.19 million in 2019, compared with the level in 2018.

Figure 2.8: Sectoral Utilisation of Foreign Exchange, 2019

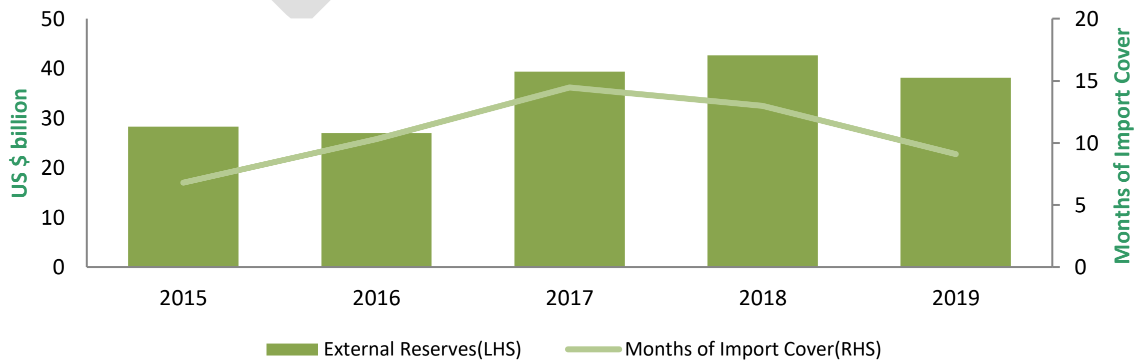


Source: CBN

2.3.5 External Reserves Management

External reserves at end-December 2019 stood at US$38.09 billion, compared with US$42.59 billion at end-December 2018, showing a depletion by 10.6 per cent. This was due to increased CBN intervention at the foreign exchange market and other official payments during the review period.

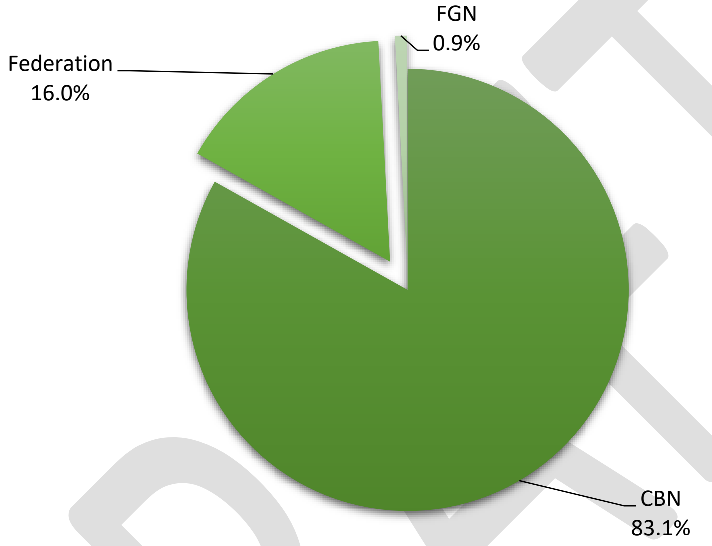
Figure 2.9: Gross External Reserves Position and Months of Import Cover, 2015 – 2019



Source: CBN

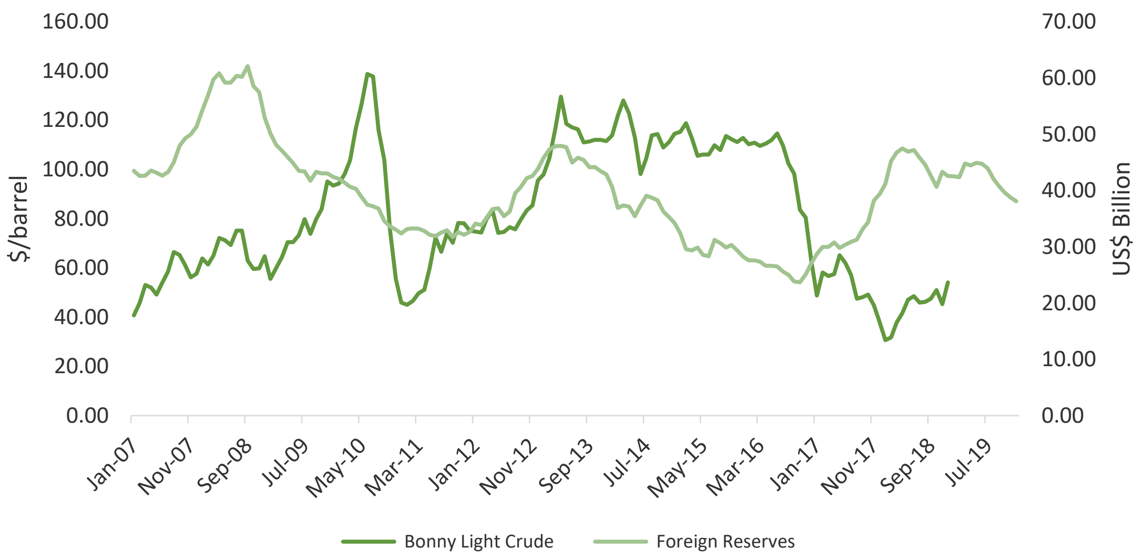
A disaggregation of external reserves by ownership at end-December 2019, showed that the share of the CBN, Federal Government and Federation stood at US$31.67 billion, US$6.09 billion and US$0.33 billion, representing 83.1, 16.0 and 0.9 per cent, respectively, of the total. The external reserves could finance 8.4 months (goods only) or 4.9 months (goods and services) of import at end-December 2019, compared with 12.5 months (goods) and 6.4 months (goods and services) of import, at end-December 2018.

Figure 2.10: Holdings of External Reserves at end-December 2019 (Per cent)



Source: CBN

Figure 2.11: Trend in External Reserves and Crude Oil Price



Source: CBN

2

MONETARY POLICY, SURVEILLANCE ACTIVITIES AND OPERATIONS OF THE CBN

2.3.6 External Assets Management Programme

The Bank continued with the Master Securities Lending Agreement with J. P. Morgan as the Global Custodian in the review period. Under the programme, the Custodian was allowed to lend the securities purchased by the Fund Managers to eligible borrowers in line with the agreed guidelines. At end-December 2019, the Net Asset of the entire Fixed Income portfolio managed by the six external managers stood at US$7.22 billion, which yielded an absolute return of about US$0.82 billion from inception to December 2019. The reserve management operations in 2019 earned interest of US$1.82 billion, representing 154.2 per cent increase above the level in 2018.

The Bank also maintained all the previous performance measures of its bonds in the review period. Thus, the performance of the World Bank US Treasury Bond portfolio was measured against the Bank of America Merrill Lynch 1-3 years US Treasury Index, while the Global Government Bonds Short-Duration (USD hedged) portfolio was measured against Bank of America Merrill Lynch Global Government Bond G7 1-3-year Index, ex-Italy 100.0 per cent hedged into USD. The CN portfolio was measured against the Citigroup DIM Sum off-shore CNY Index, and that of the World Bank portfolio was measured against Barclays US MBS Index.

2 .4 SURVEILLANCE OF THE ACTIVITIES OF FINANCIAL INSTITUTIONS

2.4.1 Banking Supervision

To ensure the safety and soundness of banking institutions and promote public confidence in the Nigerian banking system, the Bank enhanced its supervisory and surveillance activities in 2019. In this regard, it maintained the risk-based supervision (RBS) approach as the pivot of its supervisory framework. The Bank also continued to ensure effective macro prudential regulation and supervision, enforcement of corporate governance, sustenance of Nigeria's good ranking with the Financial Action Task Force (FATF) on AML/CFT, improvement in communication, collaboration,

To ensure the safety and soundness of banking institutions and promote public confidence in the Nigerian banking system, the Bank enhanced its supervisory and surveillance activities in 2019.

engagement, and coordination with all stakeholders, and deepening financial inclusion.

Monitoring of the implementation of IFRS 9, which commenced in January 2018, continued in the review period. The joint CBN/NDIC IFRS 9 Implementation Project Team continued to pilot the implementation process, in consultation with Messrs. KPMG Professionals, the Bank's IFRS 9 consultant. This was to ensure seamless implementation and minimal disruption to financial system stability. Similarly, the maiden Risk Asset Examination on the first full year IFRS 9-based financial report for 2018 was carried out in 2019, as well as the risk-based examination of some banks as at June 30, 2019. The examination scope, procedures, as well as the examiners' pre-examination sensitisation sessions, were redesigned to meet the following objectives:

- Ensure proper understanding of the basis of a bank's impairment charges for its top facilities;
- Validate the reasonability of the Credit Conversion Factors (CCF) applied by banks and consistency with the Basel CCF standard;
- Ensure consistency between the prudential classification and the IFRS 9 loan staging criteria;
- Effect relevant changes to the Credit Print-out as well as the Credit Analysis and Assessment System to aid the appraisal of credit and risk management practices under the new dispensation; and
- Ensure consistency in the prudential classification for same customers' on- and off-balance sheet engagements.

Bank examiners leveraged the two (2) runs of training exercises carried out by the Project Team in conjunction with the IFRS project consultant, Messrs KPMG Professionals, to conduct the examination. The Project Team also conducted a comprehensive on-site assessment of the validity of the IFRS 9 Expected Credit Loss (ECL) models deployed by 10 selected banks, which revealed: prevalent use of expert judgment; data integrity and model compatibility issues; misinterpretations of the requirements of the standard; and an instance of significant dissatisfaction/ qualification of report by the external auditor, among others. In addition, regular monitoring of the implementation of the IFRS

9 Transitional Arrangement revealed that banks had successfully taken in 60.0 per cent of the initial Day One impact of ₦300.0 billion.

A team from the IMF was on a technical assistance mission visit to the Bank in the third quarter of 2019. The team was to assist the Bank in establishing a roadmap for the development of non-interest banking in Nigeria and to conduct training on the implementation of IFRS 9 for non-interest banks. The electronic line card scheme, code-named Credit Assessment Analysis System (CAAS), was upgraded in 2019 to CAAS-5, in line with the IFRS 9 requirements, and was ready for deployment.

The off-site review of the Internal Capital Adequacy and Assessment Process (ICAAP) reports of all the banks and the on-site engagement to ensure that the findings from the Supervisory Review and Evaluation Process (SREP), which ultimately feed into the overall risk assessment of each bank, was concluded during the year.

The guidelines for Credit Concentration Risk, Interest Rate Risk in the Banking Book, Business & Strategy Risk, Reputation Risk and Stress Testing were concluded and issued in March 2019. All the guidelines had been implemented, except that of the Interest Rate in the Banking Book (IRRBB), which was expected to commence from January 1, 2020. The CBN developed the draft guidelines on Liquidity Standards: Liquidity Coverage Ratio (LCR) and Liquidity Monitoring Tools; Leverage Ratio (LeR) to complement Pillar 1 risks assessment; and the Large Exposure Measure to strengthen concentration risk management in banks. Other draft guidelines prepared in the review period were: Liquidity Risk Management; Internal Liquidity Adequacy Assessment Process (ILAAP); and Regulatory Capital definition. The IMF provided technical assistance for the review of the guidelines. The exposure drafts were released to the industry on November 1, 2019 and the guidelines had been updated in line with the industry comments. To conduct a quantitative impact study on the potential impact of some of the proposed guidelines on the banks and their state of readiness, questionnaires were administered to the industry on November 1, 2019. The feedback had been received and was being reviewed.

In the review period, the Bank developed the Basel III returns templates for: LCR and Liquidity Monitoring Tools (contractual maturity mismatch, concentration of funding, unencumbered assets, LCR by Significant Currency, and Market Related Monitoring Tools); Leverage Ratio (LeR); and Revised Capital Adequacy template for the banking and holding company group on a stand-alone basis. The Bank also developed pillar II capital add-on templates for: Single Name and Sectoral Credit Concentration Risk; Interest Rate Risk in the Banking Book (IRRBB); Business Model Risk; Reputational Risk; Residual Operational Risk; Stress Testing; ICAAP; Model Risk; and Country Risk. Capital add-on shall be imposed where the rating of the quality of risk management control functions for the listed parameters is either "Weak" or "Needs Improvement" and the risks scoring rated "Above Average" or "Weak". The assessment criteria for the parameters were also being developed.

The Islamic Financial Services Board (IFSB), Standards 4, 15 and 16 on Disclosure Requirements, Capital Adequacy Computation and Supervisory Review Process, respectively, for the Nigerian non-interest banking industry was issued on July 1, 2019. The standards for Non-Interest Financial Institutions (NIFIs) is the equivalent of the Basel II & III standards for conventional banks. The Standards were billed to become operational from January 1, 2020.

The CBN reconstituted and inaugurated the Financial Regulation Advisory Council of Experts (FRACE), an advisory body responsible for providing expert advice to the Bank on matters of Islamic Commercial jurisprudence as they relate to the operations of non-interest (islamic) financial institutions (NIFIs) in Nigeria.

In the other financial institutions (OFIs) sub-sector, the Bank reviewed the minimum capital requirements for MFBs. Unit MFBs were classified into Rural MFBs (Tier 2) and Urban MFBs (Tier 1). By April 2020 and April 2021, Tier 2 MFBs were required to have a minimum capital of ₦35.00 million and ₦50.00 million, respectively, while Tier 1 MFBs were expected to have ₦100.00 million and ₦200.00 million as minimum capital. State MFBs were required to have ₦500.00 million and ₦1.00 billion as minimum capital by April 2020 and April 2021, respectively, while National MFBs were required to have ₦3.50 billion and ₦5.00 billion, as minimum capital over the same period.

The recapitalisation policy would engender the emergence of stronger and more viable microfinance institutions, with strong capital base to provide loan caches to the active poor and SMEs to stimulate economic activities and serve as a catalyst for poverty alleviation. The Bank instituted the Transitional Committee to oversee the processes and procedures, aimed at authenticating the source(s) of fresh funds to be injected as part of its AML/CFT mitigants and to address issues that may arise from the mergers and acquisitions requests during the exercise.

In 2019, the CBN embarked on the review of the following policy documents for the microfinance sub-sector: Regulatory and Supervisory Guidelines for MFBs in Nigeria; Microfinance Banking Framework for Nigeria; and the Prudential Guidelines. The Bank issued the exposure draft for the Prudential Guidelines with a deadline of September 30, 2019, for submission of comments. Inputs received from stakeholders were being harmonised to update the Guidelines for issuance, while the other documents were under review.

In the review period, 902 candidates completed the Level II microfinance certification examination administered by the Chartered Institute of Bankers of Nigeria (CIBN). This brought the total number of certified candidates to 6,692 at end-December 2019, compared with 5,790 at end-December 2018.

The CBN earmarked a total subsidy package counterpart funding of ₦250.0 million from the grant component of the MSMEDF for the purchase of Data Capturing Machines (DCMs) for Bank Verification Number (BVN) to facilitate the enrolment for MFBs customers. The Bank approved the payment of ₦10.4 million in 2019 for the purchase of 52 DCMs at the cost of ₦200,000.0 each to verified MFBs, through the National Association of Microfinance Banks (NAMB). Cumulatively, the subsidy payment by the Bank amounted to ₦59.6 million for 298 DCMs. At end-December 2019, 457 MFBs had submitted their BVN enrolment data to the CBN, totaling 1.8 million and representing 20.6 per cent of the total 8.8 million active customers.

In the review period, the Mortgage Bankers' Committee (MBC) in its meetings recommended the following: enactment of mortgage/housing related laws on land ownership, titling, registration, transfers and foreclosures; reinforcement of investors' and depositors' confidence in PMBs; encouragement of PFAs and insurance companies in housing finance; and economic empowerment of low income groups through innovative products, promotion of property/mortgage registration and credit information system. Others were: establishment of Nigeria Mortgage Interest Drawback Fund; establishment of joint CBN/NDIC resolution fund for depositors of PMBs and MFBs; recognition and recapitalisation of FMBN; and resolution of Union Homes/Aso Savings and Loans Plc's insolvency and liquidity challenges, among others.

The CBN established the Mortgage Interest Drawback Fund (MIDF) as an intervention fund to catalyse and deepen the mortgage and housing finance market. The Bank also developed a regulatory framework for mortgage guarantee companies, designated and gazzetted both mortgage refinance and mortgage guarantee businesses as banking business. In addition, a preparatory task had been completed to setup the Mortgage Guarantee Company (MGC). The Bank approved a risk weight of 50.0 per cent to guaranteed legal mortgages and the maintenance of 75.0 per cent risk weight on non-guaranteed legal mortgages. The CBN also set the Loan-to-Value (LTV) threshold at 70.0 per cent, instead of the previous 80.0 per cent, and the maintenance of the 100.0 per cent risk weight on equitable mortgages.

Following the winding up of National Housing Finance Programme (NHFP), the Bank recommended to the Federal Ministry of Finance, Budget and National Planning, the cancelation of the unutilised portion of the US$300.00 million World Bank Loan, due to the inability of the PMBs to originate mortgages for the NMRC's refinancing within the specified period. To consolidate the benefits of the NHFP, NMRC had commenced consultations with other stakeholders on foreclosure laws and mortgage asset registry. The Bank also initiated the draft guidelines on the portion of RSA to holders as owner equity for mortgage loans meant to further improve accessibility and affordability of mortgage loans. The guidelines were awaiting approval by the Board of PENCOM.

The CBN, in collaboration with the Mortgage Banking Association of Nigeria (MBAN), initiated the Mortgage Warehouse Finance Facility to improve loan origination. This has led to the emergence of specialised products and institutions such as Mortgage Warehouse Funding Limited (MWFL) and the Nigeria Mortgage Guarantee Limited to deepen the evolving secondary mortgage market to improve affordability. The MWFL commenced operations in 2019, with the successful registration of its ₦20.00 billion Commercial Paper (CP) programme on the platform of the OTC Exchange of the FMDQ.

2.4.2 Credit Risk Management System

The CBN continued to monitor banks' compliance with the Credit Risk Management System (CRMS) provisions as stipulated in the CBN Act 2007 and subsequent guidelines and circulars. The Bank sustained the offsite CRMS compliance status checks, which commenced in December 2018 in line with the requirements of the CRMS guidelines (Regulatory Guidelines for the Operation of the Redesigned Credit Risk Management System for Commercial, Merchant and Non-Interest Banks). It also continued with the various efforts at ensuring quality of reported data and continually issued notices of regulatory breaches to erring banks and their officers. The phased deployment of the re-designed CRMS to OFIs and the pilot run on Development Financial Institutions (DFIs) was also intensified by the CBN. In addition, an interface was created for the NDIC to manage credit records in respect of banks-in-liquidation. The Bank commenced the re-validation of all eligible bank assets transferred to the AMCON by banks with a view to adequately capture them on the CRMS. The CBN CRMS also continued to serve as a useful platform for management of credit information in the banking industry.

At end-December 2019, the total number of credit facilities reported on the database stood at 10,694,298, indicating a significant increase of 115.0 per cent over the 4,976,292 reported in 2018. The number comprised 10,083,010 and 611,288 facilities granted to individuals and corporate borrowers, respectively. The significant increase reflected increased compliance with the regulatory guidelines by banks on the deployed redesigned CRMS, which required back-filling of hitherto unreported credits on the old CRMS. Thus, the total number of borrowers with outstanding facilities rose by 35.8 per cent to 2,534,836 at end-December 2019, from 1,866,468 in 2018. This consisted of 2,448,230 and 86,606 individuals and corporate borrowers, respectively. These previously unreported credits were due to deliberate non-compliance, credits below the initial CRMS ₦1.0 million benchmark, exclusion of investment securities on the CRMS, borrowers not meeting the initial CRMS creation criteria, among others.

Table 2.7
Borrowers from the Banking Sector (Commercial, Merchant and Non-Interest Banks)

Description	2018	2019	Absolute Change	% Change
Total No. of Credit/facilities reported on the CRMS:	**4,976,292**	**10,694,298**	**5,718,006**	**114.9**
• *Individuals*	4,453,336	10,083,010		
• *Corporates*	522,956	611,288		
Total No. of Outstanding Credit facilities on the CRMS:	**1,866,468**	**2,534,836**	**668,368**	**35.8**
• *Individuals*	1,763,960	2,448,230		
• *Corporates*	102,508	86,606		

Source: CBN CRMS

At end-December 2019, the average number of uniquely identified credit records in the database of the three (3) Private Credit Bureaux (PCBs), was 36.91 million, reflecting 32.0 per cent increase over the 28.0 million in 2018. The increase was attributed, mainly, to the on-boarding of Other Financial Institutions (OFIs) and the enactment of the Credit Reporting Act, 2017, which has increased the scope of coverage of the credit reporting system to include all credit providers. The number of borrowers with outstanding credit also increased from 22.0 million in 2018, to 29.0 million in 2019. The cumulative number of institutional subscribers to the three (3) PCBs stood at 2,871, compared with 2,592 in 2018. The development during the review year was attributed to the CBN efforts in driving financial inclusion.

2.4.3 Prudential Review and Examination

A review of banks' prudential ratios showed that the industry average capital adequacy ratio (CAR), fell to 14.5 per cent at end-December 2019, compared with 15.3 per cent at end-December 2018. It was, however, above the 10.0 per cent stipulated minimum capital requirement for banks. The industry non-performing loans (NPL) ratio, at 6.1 per cent, showed an improvement from the 11.4 per cent recorded at end-December 2018. At this level, the industry NPL ratio, however, remained above the maximum regulatory threshold of 5.0 per cent. Similarly, the industry average liquidity ratio (LR) stood at 45.6 per cent in December 2019, compared with 51.7 per cent at end-December 2018. The average liquidity ratio remained above the regulatory minimum of 30.0 per cent by 15.6 percentage points.

2.4.4 Corporate Governance in the Nigerian Financial Services Industry

In the review period, the CBN continued to use the Code of Corporate Governance Scorecard to ensure that banks adhere strictly to the provisions of the Code of Corporate Governance for banks. Consequently, the reporting regime for quarterly returns to the CBN on compliance with the Code of Corporate Governance and the Whistleblowing Guidelines, was strengthened. Failure or late rendition of returns, by any bank, will be served appropriate Notice of Regulatory Breach. The CBN also issued distinctive Codes of Corporate Governance for six categories of OFIs, namely; DFIs, finance companies, microfinance banks, primary mortgage banks, mortgage refinance companies and bureaux-de-change. The respective codes for OFIs would take effect from April 2020.

With the commencement of the Nigeria Code of Corporate Governance (NCCG) issued by the Financial Reporting Council of Nigeria (FRCN) in 2018, private companies, (banks inclusive) are also required to adhere to the NCCG. The commencement date for reporting on the compliance with the NCCG was slated for January 1, 2020. The CBN and other financial sector regulators were in the process of harmonising the provisions of their respective sectoral codes with the NCCG. The harmonised sectoral codes will, henceforth, be recognised as sectoral guidelines.

2.4.5 Nigerian Sustainable Banking Initiatives

In 2019, a total of 16 banks participated in the Bank's sponsored Sustainability Awards for the banking industry. The awards were in five categories:

Sustainable Bank of the Year; Excellence in Women Economic Empowerment; Sustainable Transaction in Agricultural sector; Sustainable Transaction in Oil & Gas; and Sustainable Transaction in Power sector. Winners were selected after a review of the routine reports/returns submitted to the CBN as well as onsite validation of various submissions received from the participating banks.

2.4.6 Guide to Charges

Since the last review of the Guide to Charges by Banks and Other Financial Institutions in Nigeria (GCBOFI) in 2017, the CBN had been inundated with complaints from bank customers and other stakeholders that some of the charges and fees stipulated in the Guide were excessive. Several stakeholders also requested the CBN to review the fees for electronic transactions in the Guide to better incentivise bank customers to embrace e-transactions.

Consequently, the Bank carried out holistic review of the regulation to assess the appropriateness of some of the charges contained therein and determine whether or not any revision was justified to address stakeholders' concerns. At the end, the CBN issued the Guide to Charges by Banks, Other Financial Institutions and Non-bank Financial Institutions, effective January 1, 2020. The revised Guide, covered:

- Downward review of charges for electronic banking transactions;
- Review of other bank charges to align with market developments; and
- Inclusion of new sections on Accountability/Responsibility and a Sanction Regime to directly address instances of excess, unapproved and/or arbitrary charges, among others.

2.4.7 Financial Crimes Surveillance/Anti-Money Laundering

The maiden Risk Based AML/CFT (RBA) examination of twenty-seven (27) banks was conducted from April 8 – May 17, 2019. The RBA examination entails both quantitative and qualitative risk assessment methodology, aimed at identifying the overall Money Laundering/ Financing of Terrorism (ML/TF) risk in banks, considering the structural and inherent risks as well as the effectiveness of AML/CFT risk mitigants. The RBA was conducted using the International Monetary Fund's (IMF) Off-site Risk Assessment Methodology (ORAM) tool. The exercise exposed the RBA methodology to all banks and prepared the CBN for the mutual evaluation exercise by the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA) and Financial Action Task Force (FATF) in September 2019.

The major findings / outcomes from the 2019 RBA examination were:

- ML/TF risk was mostly inherent in customers and delivery channels categories of banks;
- Corporate Governance/Board of Directors was observed to be the most effective risk mitigants, followed by Training and AML Policies/Procedures set by the banks;
- Seven (7) banks were rated "Low" risk, seven (7) with Moderate risk and thirteen (13) with "Above Average" ML risk rating. No bank was classified as "High" risk;
- Most banks did not recognise ML/TF risk as part of the risks they were exposed to in the Enterprise-wide Risk Management Framework (ERMF);
- Twenty-four (24) banks were yet to conduct a comprehensive ML/TF risk assessment of their institutions;
- Eight (8) banks defaulted in the conduct of customer due diligence and enhanced due diligence in respect of high-risk customers, while one (1) failed to appropriately risk profile its customers;
- Five (5) banks failed to identify some politically-exposed-persons and document source of funds and wealth of the customers; and
- Fifteen (15) banks were penalised for twenty-eight (28) infractions with a total penalty of ₦314.6 million.

Assessors from the FATF and GIABA conducted the second round of Mutual Evaluation Exercise (MEE) for Nigeria from September 23 to October 14, 2019. The objective of the exercise was to comprehensively review the effectiveness of Nigeria's AML/CFT regime and ascertain its level of compliance with the Revised FATF 40 Recommendations. The Assessors also evaluated the legal, institutional structure, standards and progress made in the implementation of

AML/CFT regime. The interim report of the exercise had been received by the Bank and the issues raised therein were being addressed.

To improve Nigeria's current rating by the Financial Action Task Force (FATF), the Bank reviewed the CBN AML/CFT regulation issued to the industry in 2013. This was to align the regulation with the revised FATF recommendations, domestic AML/CFT laws and address ML/TF emerging issues, which would facilitate the improvement of the country's good rating with the FATF.

A circular was issued on September 20, 2019, to remind financial institutions on the need to up-scale surveillance and forward reports on all transactions involving designated persons and entities under the United Nations Security Council Resolution (UNSCR) 1718 and all subsequent resolutions relating to financial transactions with the Democratic People's Republic of Korea (DPRK).

The Bank undertook a study visit to the Bank of England and Reserve Bank of South Africa in August 2019, to study the nature, dimension and operations of Virtual Currency (VC) and Distributed Ledger Technology (DLT) with a view to formulating appropriate policy options for Nigeria. A sensitisation excercise for compliance officers of banks and OFIs was conducted in the six geo-political zones in the country. The training sensitised them on what was expected of them during the MEE, intimated them on likely areas of interest to Assessors and how best to respond to them. The Bank also visited 21 banks to assess implementation of the recommendations of the AML/CFT National Risk Assessment Report. The recommendations, among others, require the institutions to understand, assess, and identify their ML/TF risks and to effectively deploy resources to mitigate the risks. The CBN participated in various plenary sessions organised by FATF and GIABA. The sessions provided opportunity to discuss threats and challenges associated with AML/CFT in member states and address relevant issues that required concerted and harmonised approach to resolving the threats.

2.4.8 Routine, Special and Target Examinations

The CBN/NDIC Joint Risk Assets Examination of all banks was conducted to determine the quality of banks' assets and the adequacy of loan loss-provisioning. Where the provisioning was found to be inadequate, the affected banks were required to make additional provision prior to obtaining "no objection" for the publication of their 2018 audited annual financial statements.

The CBN/NDIC Joint Risk-Based Examination, covering fifteen (15) banks with a Composite Risk Rating of "High" and "Above Average", as well as the examination of the three (3) financial holding companies, was conducted between July and August 2019. The risk-based examination of eleven (11) banks with Composite Risk Ratings (CRR) of "Moderate" and "Low" for the period ended September 30, 2019 was conducted between October and November 2019. Targeted monitoring of banks' implementation of Examiners' recommendations was also conducted periodically during the year. Appropriate remedial actions were identified for implementation by the examined institutions.

The Risk Based Examinations of the three (3) Credit Bureaux and the AMCON was carried out in 2019 to ensure continued compliance with extant laws and regulations, including the CBN's regulations on credit reporting and the AMCON Act 2010 (as amended). The AMCON examination reviewed the Corporation's operations to ascertain the performance of its acquired assets, ensure compliance with extant laws and regulations and identify issues for remedial actions, where necessary. The routine examination of the three (3) credit bureaux at end-December 2018 was conducted between April and May 2019. The key findings from the review included: expired and/or unexecuted data exchange and service exchange agreements; frequent changes in the Board composition which, adversely, affected policy implementation; failure to submit data to credit bureaux, as and when due, and in accordance with the requirements of the credit reporting templates; large amount of receivables outstanding, leading to high non-performing facilities (NPFs); and delays in dispute resolution due to protracted litigation processes. The examination reports had been issued to the institutions and the compliance with examiners recommendations was being monitored.

Similarly, the Bank, in collaboration with, and in accordance with, the examination schedule of host supervisors, conducted routine examinations of some Nigerian banks' foreign subsidiaries.

2.4.9 Cross Border Supervisory Activities

The CBN, under its cross border supervisory activities, participated in the following events in 2019:

- The College of Supervisors meeting of First Rand Ltd in Pretoria, South Africa, held from June 4 – 6, 2019;
- The 5th meeting of the College of Supervisors of UBA Plc Group, held from July 1 – 3, 2019 and the inaugural meeting of the College of Supervisors of the FBN Ltd Group, held from July 4 – 5, 2019;
- College of Supervisors meeting of Stanbic IBTC in Pretoria, South Africa, held from October 7 – 11, 2019;
- The 5th Ecobank Transnational Incorporated (ETI) College of Supervisors meeting in Cote d'Ivoire, held from October 28 – 29, 2019;
- Signing of an MoU of the College of Supervisors of ETI during the College meeting, held in October 2019;
- The meeting of the Community of African Banking Supervisors (CABS) Working Group on Cross Border Supervision in South Africa from December 2 – 3, 2019; and
- The meeting of the Financial Stability Board (FSB) Regional Consultative Group (RCG) for Sub-Saharan Africa (SSA), held in Cape Town, South Africa from December 12 – 13, 2019.

The Bank also participated in the following meetings and engagements with other regulatory authorities:

- Annual Conference of the Community of African Banking Supervisors (CABS) in Egypt from June 10 – 11, 2019. At the meeting, the Bank was assigned the responsibility of leading the work stream on FINTECH. A work plan for the Working Group was developed as well as the training plan for 2020. These meetings provided a platform for information sharing on crisis management and banking resolution practices in member countries.

- Two ECOWAS Convergence Council meetings were held in Ghana and Guinea in February and July 2019, respectively;
- The 32nd, 33rd, 34th and 35th meetings of the College of Supervisors of the West African Monetary Zone (CSWAMZ) were held and developments in the banking system across the Zone, including discussions on the implementation of IFRS 9, Basel I, II & III, Integrated Regulatory Solution (IRS) and other relevant issues concerning financial system stability in the sub-region, were reviewed;
- IMF/AFRITAC workshop on Basel Core Principles Self-Assessment Method at the CBN International Training Institute (ITI), Abuja, Nigeria, held from September 16 – 20, 2019. The Workshop was designed to enhance the understanding of participants on the Basel Core Principles (BCP), BCP self-assessment and its structure, assessing compliance, gaps in laws/prudential standards. Participants were drawn from Ghana, Guinea, The Gambia, Liberia, Nigeria, Sierra Leone, and WAMI;
- IMF/AFRITAC West 2 regional workshop on "Cross Border Supervision" for bank supervisors/regulators in the WAMZ region at the CBN ITI, Abuja, Nigeria from November 18 – 22, 2019. The Workshop was aimed at strengthening the capacity of bank examiners to effectively supervise cross-border banks. The Workshop, particularly, highlighted methodology for developing effective supervisory strategy for cross-border supervision; and
- The Bank hosted a team of examiners from the Bank of Uganda (BOU) to strengthen their capacity in areas of the AML/CFT and procedures of examining financial institutions.

The Community of African Banking Supervisors (CABS) Working Group (WG) on Crisis Management and Banking Resolution, which was led by the CBN, prioritised capacity building in Crisis Management and Banking Resolution regimes. To this end, with the support of the Association of African Central

Banks (AACB) Secretariat, the CBN engaged the World Bank for technical support to identify the minimum legal and regulatory requirements in member states to improve their crisis management and banking resolution regimes. This resulted in the development of a Concept Note (CN), with emphasis on building capacity in cross-border legal and regulatory issues.

2.4.10 Examination of Foreign Subsidiaries

The Bank conducted four (4) offshore joint examinations of Nigerian banks' foreign subsidiaries in 2019. Two (2) offshore banking subsidiaries, UBA Guinea and UBA Sierra Leone, were jointly examined by the CBN and the host supervisors, while two (2) solo examinations were conducted on UBA New York and FBN UK. Findings from the examination revealed that, two (2) of the offshore subsidiaries had a CRR rating of "High", one (1) was rated "Moderate", while the examination report of the remaining bank subsidiary was yet to be finalised. Major issues identified were reduction in the quality of risk assets and capital depletion. Regulatory directives were issued to the parent banks to address the identified issues.

2.4.11 Foreign Exchange Monitoring/Examination

The Bank conducted a review of the foreign exchange activities of 27 authorised dealers (ADs), consisting of 23 commercial banks and four (4) merchant banks, to ascertain compliance with extant laws and regulations and verify the utilisation of foreign exchange acquired for eligible transactions. The exercise covered foreign exchange activities for the period April 1, 2018 to March 31, 2019. Major infractions detected during the examination included: non-compliance by ADs with regulatory net open position (NOP) limit as well as breaching of CBN approved Foreign Currency Trading Position (FCTP) limit; engaging in high valued foreign exchange transactions with corporate customers who were not on-boarded to the FMDQ advised trading and surveillance system; sales of CBN Secondary Market Intervention Sales (SMIS) Forwards to customers in excess of 50 kobo margin, contrary to section 6.10 of Guidelines for FX Derivatives and Modalities for CBN FX Forwards; and non-repatriation of export proceeds within regulated time of 90 and180 days of shipment for oil and non-oil, respectively, contrary to CBN regulation.

There were also observed instances of permitting cash deposits into export proceeds domiciliary account, funding domiciliary accounts with funds from CBN interventions and failure to return unutilised intervention funds within two (2) days to the CBN. Other infractions included: sale of PTA of US$4,000.0 to customers more than the stipulated once a quarter; incorrect rendition of returns; and non-compliance with approved Net Foreign Currency Trading Positions. Appropriate penalties were imposed on the erring ADs, where applicable, in line with prevailing foreign exchange laws and regulations.

The ad-hoc reviews/spot checks were specific, addressing observed anomalies, investigating customers' complaints and reviewing other emerging issues/challenges in the foreign exchange market. Several requests by banks for approval to evacuate idle foreign cash from their vaults were processed during the year.

2.4.12 Domestic Systemically-Important Banks

The CBN, continued to subject the domestic systemically-important banks (D-SIBs) to enhanced supervision in line with the regulatory and supervisory framework for this category of banks. In the review period, the number of banks that were designated as D-SIBs reduced from seven (7) to six (6), following the merger of two (2) banks. At end-December 2019, the D-SIBs accounted for ₦25.19 trillion or 62.5 per cent of industry total assets of ₦40.33 trillion, ₦15.87 trillion or 65.9 per cent of total industry deposits of ₦24.07 trillion and ₦9.60 trillion or 64.3 per cent of aggregate industry credits of ₦17.57 trillion. Also, the six D-SIBs submitted their Recovery and Resolution Plans (RRPs) in compliance with the enhanced D-SIB Supervisory Framework. A review of the submissions revealed the following:

- Absence of board and management involvement in the preparation of the RRP;
- The impact of the critical functions/services on the financial system were not assessed;
- The stress scenarios were not extreme and plausible;

- Some of the recovery triggers were set below regulatory requirements; and
- Some of the recovery options were not feasible, among others.

Following the review, the D-SIBs were required to address the lapses observed in their RRPs and make presentations to the CBN. An onsite validation of the RRP was conducted in the second half of 2019, to verify that the recovery practices of the banks were in line with the information contained in their RRP.

2.4.13 Banking Sector Soundness

The health of the banks moderated slightly in 2019, but were generally above regulatory benchmark, due to challenging business environment. The industry average capital adequacy ratio (CAR) moderated to 14.5 per cent at end-December 2019, compared with 15.3 per cent in 2018, but was higher than 10.0 and 15.0 per cent benchmarks for banks with national and international authorisation, respectively. The decline was due, largely, to the increase in total risk-weighted assets of banks. The level of CAR was also above the 8.0 per cent stipulated minimum requirement for international banks under the Basel capital accord. The average industry liquidity ratio, at 45.6 per cent in 2019, was lower than the 51.7 per cent in 2018, but above the regulatory minimum of 30.0 per cent. Three (3) banks did not meet the minimum liquidity ratio at end-December 2019, compared with one (1) in the preceding year. However, the asset quality, measured by the ratio of non-performing loans to industry total, improved to 6.1 per cent at end-December 2019, from 11.4 per cent in December 2018, although it was slightly above the benchmark of 5.0 per cent. This was attributed to sales and write-offs during the year. Consequently, banks were required to intensify debt recovery, realise collateral for bad debts and strengthen risk management.

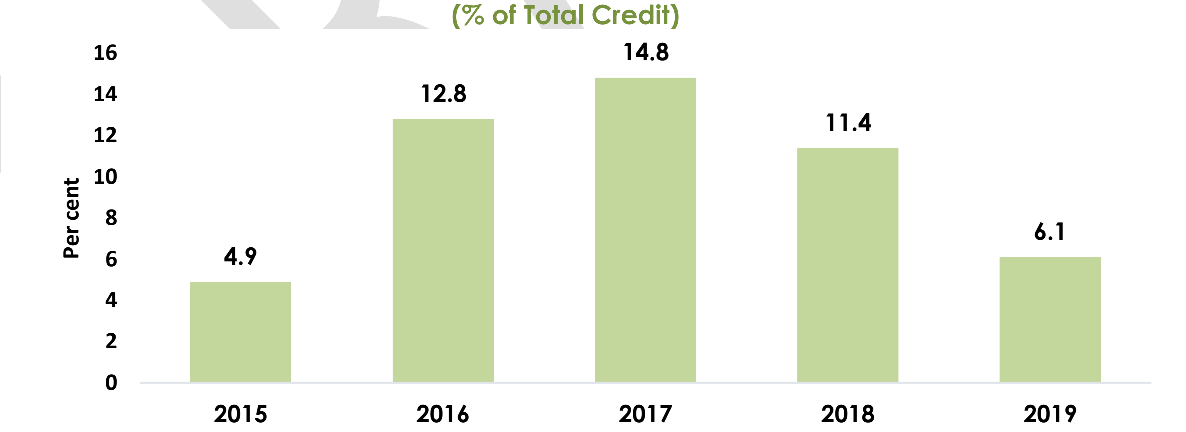
2.4.14 Macro-prudential Surveillance and Regulation

The CBN sustained the conduct of top-down solvency and liquidity assessment of the banking industry in the review period. Accordingly, the Bank carried out banking industry stress tests on twenty-two (22) commercial and five (5) merchant banks to assess their resilience to systemic risks, while the banks conducted bottom-up solvency and liquidity stress tests, in line with ICAAP provisions. In addition, the CBN continued the regular review of its stress test model to enhance its analytical capabilities and efficiency, in line with advancement in modelling techniques.

The post-shock result of the top-down stress test revealed that, the banking industry withstood a general credit risk shock of between zero to 100.0 per cent increase in NPL from the baseline position. The CAR will fall from 14.5 per cent to 12.3 and to 9.9 per cent if NPL increased by 50.0 and 100.0 per cent, respectively. Similarly, the banking industry could withstand up to 50.0 per cent credit default in exposure to Oil & Gas sector as the industry post-shock CAR will remain at 10.0 per cent (9.98%).

The test results on the net position of interest sensitive instruments showed that, the banking industry maintained a stable solvency position to interest rate shock (at 1000 bps downward shift in yield curve) as their post-shock positions (in terms of capital impairment) deteriorated marginally. The interest rate shocks, however, had significant adverse impact on the ROA and ROE of the banking industry.

Figure 2.12: Banks' Non-Performing Loans, 2015- 2019 (% of Total Credit)



Source: CBN

2.4.15 Examination of Other Financial Institutions

The Bank conducted routine and special examinations of 1,021 OFIs in 2019, compared with 902 in the preceding year. The exercise involved routine risk-based supervision of six (6) development finance institutions (DFIs), 63 finance companies (FCs), 398 microfinance banks (MFBs) and 34 primary mortgage banks (PMBs). AML/CFT RBS examination of 152 BDCs, income audit of 12 MFBs, 9 PMBs, and 2 FCs, as well as target examination of 345 MFBs.

A routine risk-based examination of the seven (7) existing DFIs revealed that the composite risk rating of five (5) of the institutions were “High”, while one (1) was “Moderate” and one (1) was “Low”. Earnings of three (3) institutions were rated “Acceptable”, and the remaining four (4) were rated “Weak”, arising from significant deterioration in asset quality and high provisions for loan losses. The capital ratings for two (2) of the institutions were “Strong”; two (2) “Acceptable”; while the remaining three (3) were “Weak”. Similarly, prudential and soundness analysis of the DFIs revealed that two (2) out of the five (5) retail DFIs met the minimum regulatory capital of ₦10.0 billion. The Wholesale DFI and the Mortgage Refinancing Company also met the regulatory minimum capital of ₦100.0 billion and ₦5.0 billion, respectively. Three (3) of the DFIs failed to meet the CAR and regulatory minimum of 10.0 per cent. Two (2) of the DFIs had no non-performing loan, while the other five (5) had NPL ratio above the 5.0 per cent regulatory threshold.

The Bank carried out examination of 755 MFBs, comprising RBS examination of 398 MFBs and income audit of 12 MFBs designated as Systemically-Important Other Financial Institutions (SIOFIs), as well as special examination of 345 MFBs. Highlights of the RBS examination revealed that capital rating for 41 MFBs was “Strong”, 199 “Acceptable”, 122 “Needs Improvement”, and 131, “Weak”. Earnings rating for four (4) institutions was “Strong”, 106 “Acceptable”, 236 “Needs Improvement” and 147 was “Weak”, while the composite risk rating for 35 MFBs was “Moderate”, 167 “Above Average” and 291 “High”.

The average capital adequacy ratio of the sub-sector fell to 22.6 per cent in 2019, from 41.8 per cent in 2018. Also, average portfolio-at-risk increased to 51.7 per cent at end-December 2019, from 23.1 per cent at end-December 2018, indicating a decline in the quality of risk assets. However, the industry average return on assets (ROA) increased to 3.8 per cent in 2019 from 1.2 per cent at end-December 2018, while return on equity (ROE) remain unchanged, as in the preceding year at 16.5 per cent. The average liquidity ratio, which decreased to 82.8 per cent at end-December 2018, rose to 121.2 per cent at end-December 2019.

Major highlights of the income audit reports were: the SIOFIs had, in collaboration with their firm of external auditors, complied with the required Standards for the recognition, measurement and disclosure of income; the need to review the current 5.0 per cent Pass and Watch regulatory provision in line with the recommended replacement of the '90 days past due' rebuttable presumption with '7 days past due' for Expected Credit Losses (ECL) under IFRS 9; and the need for the Bank to collaborate with external auditors to build competencies for staff of the MFBs in the recognition and measurments of impairment for their ECL models.

Similarly, the target examination report revealed that:

- 96 MFBs met the required minimum capital adequacy ratio of 10.0 per cent;
- 234 MFBs met the required minimum liquidity ratio of 20.0 per cent; and
- 5 MFBs were within the 5.0 per cent stipulated maximum portfolio-at-risk (PAR).

In all, 532 MFBs satisfied the minimum capital adequacy ratio of 10.0 per cent, while 731 MFBs met the minimum liquidity ratio of 20.0 per cent. However, only 45 MFBs satisfied the regulatory maximum PAR of 5.0 per cent.

Furthermore, there were: absence of Capital Management Plans and weak strategic objectives; high incidence of non-performing credit (above PAR of 5%); high operating costs; under capitalisation; poor corporate governance; and weak risk management practices by some MFBs. Regulatory directives were issued to the affected banks to immediately take definitive measures to meet required thresholds.

The industry average CAR and liquidity ratio were well above the regulatory minimum of 10.0 and 20.0 per cent, respectively. As the economy continues to improve, the ROA and LR are likely to improve on account of expected reduction in portfolio-at-risk (PAR) due to improved loan repayments.

The composite risk ratings of the 34 PMBs, examined in the review year, were "High" for twenty-three (23), "Above Average" for six (6) and "Moderate" for five (5). The average CAR of the sub-sector fell from 18.4 per cent in 2018 to 12.3 per cent at end-December 2019. With the exception of five (5), all PMBs met the minimum CAR of 10.0 per cent. The five (5) PMBs with capital below the regulatory minimum were given an extended deadline of September 30, 2019 to recapitalise. An examination conducted to assess the financial position of the institutions was being finalised.

The asset quality of the industry improved as the average non-performing loan ratio declined from 59.6 per cent, in 2018 to 48.9 per cent in 2019. Similarly, the sub-sector recorded increase in the average liquidity ratio from 50.0 per cent in 2018 to 97.0 per cent at end-December 2019. There were six (6) critically-illiquid PMBs with aggregate liquidity ratio of 2.7 per cent. In all, nine (9) PMBs failed the minimum liquidity ratio benchmark of 20.0 per cent at end-December 2019, compared with eight (8) at-end-December 2018. The industry average ROA and ROE fell to negative 0.2 per cent and 1.3 per cent, respectively, at end-December 2019, in contrast to 0.1 per cent and 0.5 per cent in 2018.

Reports of the RBS examination of 34 PMBs and income audit of nine (9) PMBs designated as SIOFIs revealed the following regulatory/supervisory challenges: credit concentration risk; inadequate capitalisation below the regulatory minimum of ₦2.5 billion and ₦5.0 billion for some institutions with either State or National authorisations, respectively; increase in personnel costs and impairment charges; deterioration in risk asset quality; and NPL ratios, generally, in excess of the regulatory 30.0 per cent maximum. However, liquidity ratio maintained by the institutions were, generally, above the 20.0 per cent regulatory minimum, signifying low liquidity risk.

Routine examination of 66 finance companies (FCs) was conducted in 2019. The examination consisted of RBS examination of 57 FCs, Target examination of seven (7) FCs and Special examination of two (2) FCs. The RBS examination revealed that: 37 FCs had composite risk rating of "High"; 14 were "Above Average", while six (6) were "Moderate". The target examination also revealed that four (4) of the institutions were under-capitalised, while three (3) were yet to commence operations. Supervisory letters were issued to the affected institutions, specifying recommendations for observed infractions and timelines to ensure compliance.

The special examination, which entailed the income audit of two (2) FCs designated as SIOFIs, was to authenticate their reported incomes in compliance with IFRS 9 disclosure requirements for the classification and measurement of financial instruments as well as the impairment of financial assets. The exercise prompted the issuance of "No Objection" for the publication of the financial statements of the institutions for the year ended December 31, 2018.

Analysis of the examination reports also highlighted the following constraints and challenges in the sub-sector:

- High NPL ratio due to poor asset quality arising from non-performing credit facilities and poor collateral cover;
- FCs were not permitted to accept deposits and their borrowings are not insured. This limits their ability to raise cheap funds;
- High cost of funds due to the high-risk perception of FCs;
- Dominance by owner/managers with sundry corporate governance issues in the sub-sector;
- Inability of many FCs to acquire and adopt appropriate IT platforms to cope with new Fintech innovations in the financial industry;
- Difficulty in pursuing mergers and acquisitions due to non-homogenous products, control, and lack of trust among equity holders;
- Data integrity as many FCs do not report their activities correctly, either deliberately or as a result of skills gap; and
- Competition with banks and OFIs.

The Bank conducted on-site examination of 152 BDCs during the review period. The examination revealed that many of the BDCs exhibited lapses that included:

- Failure to maintain basic accounting records for the preparation of financial statements, purchases and sales of foreign exchange;

- Non-submission of return on politically exposed persons (PEPs) to the CBN;
- Non-inclusion of AML/CFT in their training plans and non-compliance with the AML/CFT regulations;
- Lack of mechanism for identifying and monitoring suspicious customers' transactions;
- Lack of regular board meetings;
- Relocation of offices without the CBN's prior approval; and
- Engaging in wholesale forex transactions.

Various sanctions, including monetary penalties, were imposed on the errant BDCs for sundry infractions.

2.4.16 Financial Literacy and Education

In the review period, the Bank carried out numerous consumer education activities. In conjunction with other stakeholders, the Bank organised the National Financial Literacy Stakeholders Conference with the theme "Implementing Financial Literacy and Consumer Protection to Advance Financial Inclusion in Nigeria". The following policy and strategy documents were presented at the Conference: Revised National Financial Inclusion Strategy; Consumer Protection Framework; Nigeria Financial Education Strategy; National Financial Literacy Framework; and Monitoring and Administration of Instruments for Pilot Testing of Financial Education Curriculum in Katsina state.

The Bank, in collaboration with the German Agency for International Development (GIZ) and other stakeholders, commenced the development and implementation of the financial literacy e-Learning portal to enhance financial literacy in Nigeria. The aim was to deploy a fully digital national e-Learning platform for knowledge base and support to financial education trainers/facilitators/multipliers. The Federal University of Technology, Minna was selected as the vendor (consulting firm) for the Project, which was expected to kick off in the first quarter of 2020. The Bank carried out a targeted financial education for representatives of Methodist Church, Abuja Diocese from

August 26 - 30, 2019, and trained 31 participants to be master trainers for dissemination of financial education.

The Bank, in conjunction with the Federal Ministry of Youth and Sports and other relevant stakeholders, trained 135 Volunteer Corps Members in Abia, Sokoto and Plateau states. The volunteers were exposed to Financial Education Modules in their NYSC camps for further dissemination of the knowledge to the public, particularly in the hinterlands. The Bank, in conjunction with National Education Research Development Council (NERDC), monitored and administered instruments for the pilot testing of financial education curriculum in Katsina State. The aim was to test students' understanding of the subjects and ensure standardisation of teaching methodology prior to national roll out.

2.4.17 Consumer Protection

The number of complaints received from consumers against financial institutions rose by 81 or 2.7 per cent, from 3,051 in 2018 to 3,132 in 2019. Of this number, complaints against banks and OFIs accounted for 3,002 (95.8%) and 130 (4.2%), respectively, compared with 3,032 (99.4) per cent and 19 (0.6) per cent in 2018. The complaints included; ATM dispense errors, excess charges, account management issues, card related and international trade/ guarantees.

Following mediation meetings and other measures by the Bank toward resolving the complaints, 3,309 cases were resolved and closed in 2019, indicating a decrease of 2,910 or 46.8 per cent, compared with 6,219 in 2018. Accordingly, refunds based on resolved complaints were ₦12.38 billion and US$4.05 million in 2019, compared with ₦28.44 billion, US$1.93 million, €32.82 and £2,889.98 in 2018. Refunds based on directives and recommendations from compliance examination were ₦8.65 billion and US$1.04 million in 2019, compared with ₦9.88 billion, US$1.84 million, €26,319.44 and £2,889.98 in 2018. Also, the Bank held 11 mediation meetings and imposed sanctions on 8 banks, for failure to comply with specific regulatory directives in 2019, compared with 10 banks in 2018.

The Bank deployed the Consumer Complaints Management System (CCMS) in 2019. The CCMS is a web-enabled solution that provides an automated system for complaints management in the banking industry, whereby financial institutions upload complaints on a daily basis for resolution within set timelines. Unresolved complaints are escalated to the CBN through the Monitoring System. In addition, the CCMS allows for the exchange of correspondence between the CBN and the financial institutions on complaints. Some of the benefits of the CCMS include:

- Enables the CBN to have a global view of the complaints received in the industry;
- Ability to analyse the complaints data for supervisory actions;
- Ability to monitor financial institutions complaints management; and
- CBN can access all cases, including those that have breached the timelines given for resolution.

In 2019, the CBN conducted compliance examination (CE) of banks and some selected OFIs to assess their compliance with consumer protection related regulations and directives. The outcomes were communicated to the banks for corrective action. Similarly, the CBN issued the Consumer Protection Regulations (CPR) to the industry for implementation. The CPR covered major Consumer Protection Principles on Disclosure and Transparency, Fair Treatment of Consumers, Responsible Business Conduct and Complaints Handling and Redress.

In collaboration with relevant stakeholders, the Bank reviewed and issued the Guide to Charges by DMBs and Other Financial Institutions for implementation. The revised Guide was in response to development in the financial industry within the last two (2) years which included, among others, the downward review of charges for electronic banking transactions, new sanction regime on accountability, responsibility and excess, unapproved or arbitrary charges.

2.5 DEVELOPMENTAL FUNCTIONS OF THE CBN

The Bank continued the implementation of existing initiatives and introduced new ones to increase credit flow to the real sector. A key Management decision on the developmental function was the review of interest-sharing ratio between the Bank and participating financial institutions (PFIs), with respect to some interventions on September 18, 2019. However, the interest rate at which the micro, small and medium enterprises (MSMEs) access the funds was retained at a single digit of 9.0 per cent.

2.5.1 Agricultural Commodity Development Initiative (ACDI)

To consolidate the Bank's achievements in agricultural financing, it introduced the Agricultural Commodity Development Initiative (ACDI) in 2019. This is a strategic roadmap which isolates the value chains of ten commodities for targeted development. The focal commodities are: rice, cotton, tomato, livestock (dairy), oil palm, cassava, cocoa, fish, maize and poultry. The commodities were selected based on various criteria, including: their importance in household food consumption; income generation for the mostly rural poor farmers; high potential for conserving foreign exchange; and comparative advantage of production.

Key objectives of the ACDI are bridging the domestic supply gaps to guarantee food self-sufficiency and the reduction of the food import bill. Others are diversification of the economy and reducing insecurity through the provision of all-year round pasture and water for local pastoralists to minimise incidences of herder-farmer clashes. The Initiative would create about 10 million jobs and improve non-oil export receipts.

The Initiative emphasises increased productivity through the following strategies:

- Deployment and intensification of the adoption of technology and improved techniques in all areas of agro-production;
- Leveraging technological tools, such as analytics, in identifying and supporting farmers with good credit behaviour;
- Increased access to affordable term-friendly credit;
- Support for investments in backward integration; and

- Effectively, strengthening end-to-end linkages along the value chains, among: research, extension, production, processing, packaging and marketing.

The financing component of the ACDI was implemented through existing real sector interventions of the Bank. Major achievements in the review year included:

- The signing of two memoranda of understanding (MOUs) by stakeholders and strategic consumers in the cotton, textiles and garments (CTG) sub-sector on October 29, 2019. This was in compliance with the Executive Order 003 of 2017, which directs all Ministries, Departments and Agencies (MDAs) to grant preference to local content in their procurement of goods and services. One of the MOUs was between farmers under the National Cotton Association of Nigeria (NACOTAN), and ginning companies, in which the ginners guaranteed to off-take and process cotton lint and seeds from cotton farmers who were financed under the Anchor Borrowers' Programme (ABP). The other MOU was between the Nigerian Textile Manufacturers Association (NTMA) and the uniformed services (the Armed Forces, Police, paramilitary organisations and the National Youth Service Corps), to facilitate long-term contracts with textile and garment companies to produce domestically for use by the uniformed services.
- Extraction of commitment from rice value chain stakeholders not to arbitrarily increase the price of the commodity against the backdrop of the border protection policy. This, along with sustained intervention in the value chain through the ABP, Commercial Agriculture Credit Scheme (CACS), Paddy Aggregation Scheme (PAS) and the Rice Distribution Facility (RDF), contributed to relative stability in the price of rice towards the end of the year. The stakeholders included the Rice Farmers Association of Nigeria (RIFAN), Rice Processors Association of Nigeria (RIPAN), prime and private anchors for rice, and North East Commodity Association (NECAS).

- Facilitation of the acquisition of large expanses of arable land by tomato processors in states of their choice, for cultivation, plant expansion and construction of new processing and packaging lines. This direct intervention approach to backward integration was evident in Jigawa State where the State Government allocated 2,709 hectares of land in the Birniwa Tasha Reserves to Sonia Foods Industries Limited, for cultivation and on-going construction of a 750 – 900 tons per day processing factory; and in Kebbi State, where 705 hectares were allocated by the State Government to GB Foods Africa in Yauri Emirate, with a processing plant under construction specifically in Ngaski Local Government Area. Furthermore, the Bank renewed fruit off-take linkages between existing processing plants such as the Dangote Farms Limited and farmers under the ABP in Kano State. Intensification of cultivation was achieved with the use of hybrid tomato varieties, including heat-tolerant cultivars, capable of yielding 40 tons per hectare.

- Engagement with the Governors of 13 oil palm-producing states, resulting in their commitment to provide 954,624 hectares of land for new development by interested private firms. Investors with proven capabilities were matched with states of their choice to process necessary documentation and titling requirements. Efforts were being made to ensure that the investors were allocated land in the states. Moreover, 10 oil palm companies were supported with long-term credit to expand their production and processing facilities, from the Real Sector Support Facility through Differentiated Cash Reserve Requirement (RSSF-DCRR). Efforts were made to engage with the Nigerian Institute for Oil Palm Research (NIFOR) on the enhancement of its seedlings production capacity.

- The allocation of land to five dairy companies by the Niger State Government in the 31,000-hectare Bobi Grazing Reserve in Mariga LGA. The companies are FrieslandCampina WAMCO; Chi Limited; Neon Agro; Irish Dairy; and Hail Consortium. The reserve is inhabited by over 700 pastoralist families who own about 6,000 cattle. The President of the

Federal Republic of Nigeria and the Prime Minister of The Netherlands, witnessed the signing of the MoU between the Niger State Government and FrieslandCampina WAMCO, on November 26, 2019. The company had planted over 1,000 hectares of pasture, completed a hydroponic centre, milk collection centre and solar-powered boreholes. The other companies were at various stages of participation, including MoU signing, land clearing, and construction of irrigation facilities. Similarly, the Bank facilitated an agreement between the Ekiti State Government and Promasidor Group, to rehabilitate the Ikun Dairy Farm, which was established in the 1980s, but has remained moribund. The Company had cleared the land, planted pasture and commenced stocking of cows.

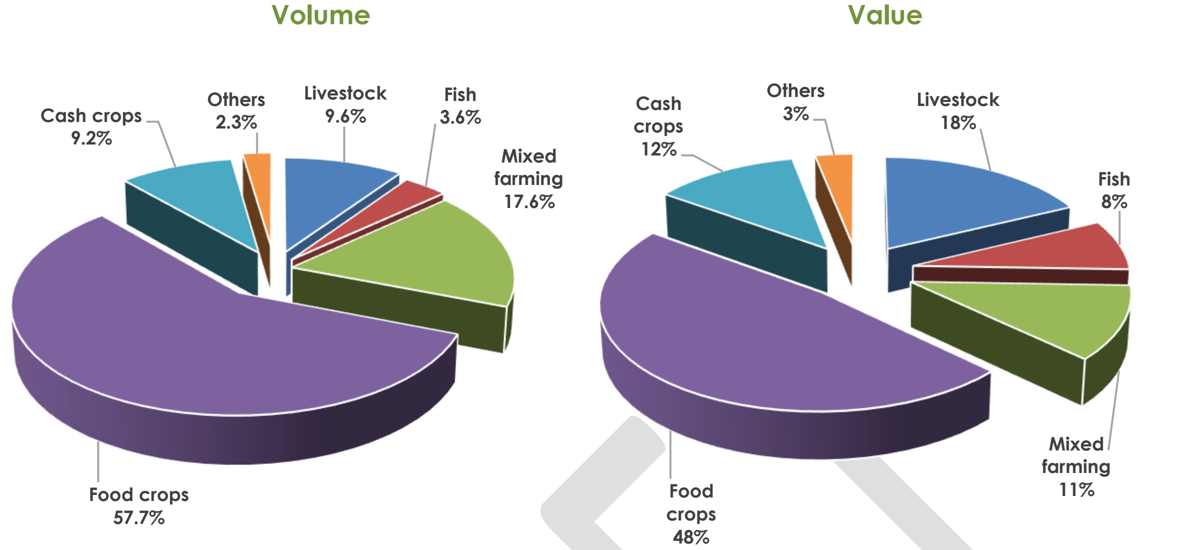
2.5.2 Agricultural Credit Guarantee Scheme (ACGS)

A total of 28,903 loans, amounting to ₦4.07 billion, were guaranteed, compared with 30,612 loans valued at ₦4.38 billion in 2018. This represented decrease of 5.6 and 7.1 per cent in number and value of loans, respectively. Analysis of the loans showed that microfinance banks granted 28,899 loans valued at ₦4.06 billion (99.9 per cent of number and value), while commercial banks granted four (4) loans valued at ₦3.76 million (0.01 per cent of number and value).

A further breakdown of the number of loans guaranteed by category of borrowers showed that: individuals were granted 25,653 loans (88.8%); self-help or informal groups, 3,242 (11.2%); cooperatives, 2 (0.0%); and companies, 6 (0.0%). By value of loans, the distribution showed that ₦3.95 billion (96.9%) was granted to individuals; self-help groups, ₦99.02 million (2.4%); cooperatives, ₦2.0 million (0.1%); and companies, ₦22.6 million (0.6%).

The distribution of number of loans guaranteed by purpose indicated that: food crops dominated with 16,664 loans (57.7%), followed by mixed farming, 5,093 (17.6%); livestock, 2,776 (9.6%); cash crops, 2,661 (9.2%); fisheries, 1,047 (3.6%); and 'others', 662 (2.3%). In terms of value of loans guaranteed, food crops accounted for ₦1.95 billion (47.8%); livestock, ₦0.72 billion (17.8%); cash crops, ₦0.49 billion (12.0%); mixed farming, ₦0.47 billion (11.5%); fisheries, ₦0.31 billion (7.7%); and 'others', ₦0.13 billion (3.1%).

Figure 2.13: Volume and Value of Loans Guaranteed by Purpose under ACGS, 2019 (Per cent)



Source: CBN

Cumulatively, 1,160,703 loans, valued at, ₦118.31 billion, had been guaranteed under the Scheme since inception in 1977 to end-December 2019.

A total of 23,888 loans, valued at ₦3.43 billion, were fully repaid in the review year. This represented a decrease of 21.6 and 37.5 per cent in number and value of fully repaid loans, respectively, compared with 30,372 loans, valued at ₦5.48 billion, in 2018. Analysis of number of fully repaid loans by state indicated that Adamawa State had the highest with 3,223 repayments, followed by Kwara and Osun States with 2,008 and 1,922, respectively. The distribution of fully repaid loans by value and state showed the top three were as follows: Ogun (₦0.42 billion), Kwara (₦0.32 billion), and Osun (₦0.26 billion). Cumulatively, repayments under the ACGS stood at ₦90.37 billion for 913,156 loans, since inception to end-December 2019.

The total value of default claims settled in 2019 was ₦7.08 million in respect of 208 loans, compared with ₦7.17 million in respect of 373 loans in the preceding year. This brought the cumulative claims settled, since inception in 1977, to ₦659.67 million in respect of 17,965 loans.

2.5.3 Interest Drawback Programme (IDP)

A total of 15,019 claims were settled, indicating an increase of 1.4 per cent relative to 14,811 loans in 2018. In value terms, ₦194.67 million were settled in 2019, representing a decline of 1.1 per cent relative to ₦196.74 million in 2018. Cumulatively, 366,559 claims valued at ₦3.30 billion had been settled since inception of the Programme in 2003.

2.5.4 Anchor Borrowers' Programme (ABP)

In 2019, ₦102.03 billion was disbursed through 6 PFIs to 582,519 smallholder farmers cultivating 668,367 hectares of land. This represented a decline of 14.2 per cent, relative to the ₦118.96 billion disbursed through 19 PFIs to 646,213 smallholder farmers who cultivated 640,422 hectares of land, in the preceding year. The farmers were linked to 36 anchors. The northern part of the country had 553,514 farmers, who mostly cultivated rice, maize, tomato and sorghum, while the southern part had 29,005 farmers who, mainly, produced fish, oil palm, poultry and cassava.

The number of PFIs increased from 19 in 2018 to 20 in the review period, with the participation of NIRSAL Microfinance Bank, while the number of commodities financed increased from 16 to 17, with the addition of yellow pepper. At end-December 2019, thirty-five (35) anchor companies had expressed interest to participate in the 2019/2020 dry season farming segment of the Programme.

From inception in 2015 to end-December 2019, a cumulative sum of ₦276.52 billion had been disbursed to 1,485,579 farmers through 20 PFIs, working with 228 anchor companies.

Table 2.8: Cumulative Disbursements under the ABP by Anchor (2015 – 2019)

Anchors	Number of Anchors	Number of Farmers	Number of Hectares	Total Disbursements (₦' Billion)
State Governments	14	184,354	97,816.5	39.70
Private	200	282,011	363,159.5	71.51
Commodity Associations	14	1,019,214	1,034,857.5	165.31
TOTAL	**228**	**1,485,579**	**1,495,833.5**	**276.52**

Source: CBN

Repayments made in the review year included ₦21.04 billion cash and 15,361.53 metric tons in paddy, resulting in cumulative repayment of ₦46.12 billion since inception of the Programme in 2015.

2.5.5 Commercial Agriculture Credit Scheme (CACS)

The sum of ₦19.69 billion was disbursed to 11 banks for 18 projects in 2019, compared with ₦79.71 billion released for 40 projects in 2018. The funds released comprised ₦12.44 billion for 14 private projects and ₦7.25 billion for four (4) state government-sponsored projects. From inception in 2009 to end-December 2019, a cumulative sum of ₦622.98 billion had been disbursed to 600 projects as follows: ₦273.3 billion for 315 projects from the CACS Receivables Account; and ₦349.63 billion for 274 projects from the CACS Repayment Account.

Analysis of cumulative funds released by number and value chain activity showed that production, processing, marketing, storage and input supplies accounted for 61.3, 28.0, 2.7, 4.7 and 3.3 per cent, respectively. A further analysis by amount disbursed and value chain activity indicated a similar trend.

Table 2.9: Cumulative Funds Disbursement by Value Chain Activity under CACS (2009 - 2019)

Category	Number	Percentage	Value (₦'billion)	Percentage
Production	368	61.3	365.07	58.6
Processing	168	28.0	179.38	28.8
Marketing	16	2.7	22.04	3.5
Storage	28	4.7	36.61	5.9
Input Supplies	20	3.3	19.88	3.2
Total	**600**	**100.0**	**622.98**	**100.00**

Source: CBN

Repayments amounting to ₦62.39 billion were received from 13 banks in the review year, indicating an increase of 14.1 per cent over the ₦54.69 billion from 17 banks in 2018. Cumulative repayments since inception of the Scheme in 2009 to end-December 2019, stood at ₦390.48 billion for 579 projects, representing steady repayments for 263 projects and full repayments for 316 projects. A key Management decision regarding the operation of the Scheme, which would require amendment of the guidelines. The guidelines for the CACS Fund were being amended to accommodate the establishment of the Maize Aggregation Scheme.

2.5.5.1 Paddy Aggregation Scheme (PAS)

The sum of ₦38.70 billion was released to 15 integrated rice millers, bringing the cumulative releases, since inception in 2017, to ₦92.33 billion to 26 millers. The sum of ₦2.08 billion was repaid by two (2) PFIs in respect of two (2) projects. Cumulative repayment at end-December 2019 stood at ₦43.21 billion. There was an upward review of the interest rate payable by borrowers under the Scheme from 5.0 to 9.0 per cent per annum.

2.5.5.2 Maize Aggregation Scheme (MAS)

The Maize Aggregation Scheme (MAS) was introduced to enhance access to affordable credit by feed millers, silo and warehouse operators, poultry farmers and confectionery companies. This would enable them to purchase homegrown maize for subsequent secondary production, thereby promoting the National Food Security Programme. The sum of ₦4.0 billion was released for two (2) companies, namely, Grand Cereals Limited and Babban Gona Farmer Services Limited.

2.5.6 Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS)

AGSMEIS is an initiative of the Bankers' Committee, which requires banks to set aside 5.0 per cent of their profit after tax into a common pool for MSMEs financing. At end-December 2019, the sum of ₦36.88 billion was paid by 21 banks, compared with ₦33.94 billion from 22 banks at end-December 2018. Cumulatively, ₦97.68 billion had been aggregated in the AGSMEIS Fund for on-lending to MSMEs. Disbursements totaling ₦12.17 billion were made in respect of 3,933 enterprises, compared with ₦414.93 million for 509 enterprises in 2018. Cumulative disbursement at end-December 2019 was ₦12.58 billion in respect of 4,442 enterprises, out of which ₦11.54 billion was disbursed through NIRSAL MFB to 3,565 enterprises. NIRSAL MFB has the mandate of administering AGSMEIS, leveraging existing infrastructure of the Nigerian Postal Service (NIPOST) in all 774 local government areas. Repayments commenced in 2019, after one year of moratorium on the earliest facilities. At end-December 2019, a total of ₦9.59 million was repaid under the Scheme.

2.5.7 Creative Industry Financing Initiative (CIFI)

As part of efforts to boost job creation in Nigeria, particularly among the youth, the Bank, in collaboration with the Bankers' Committee, introduced the Creative Industry Financing Initiative (CIFI) in 2019. The main objective of the programme was to improve access to long-term, low cost financing for entrepreneurs and investors in the Nigerian creative and information technology (IT) sub-sectors.

The initiative targets four sub-sectors, namely: fashion, information technology, movie and music production. Both start-ups and existing enterprises in the creative industry, as well as students of higher institutions engaged in software development, were eligible to access the facility. This Initiative was funded from the AGSMEIS Fund. At end-December 2019, the sum of ₦653.58 million had been disbursed for 80 projects.

2.5.8 Accelerated Agricultural Development Scheme (AADS)

In the review year, five (5) state governments accessed ₦7.36 billion from the public sector window of the Scheme. These were Abia (poultry), Akwa Ibom (cassava and maize), Kogi (fish), Ogun (cassava, maize and rice) and Kebbi (livestock). The purpose of the funding was land development and infrastructure provision, to support various value chains in designated areas of the states.

2.5.9 Micro, Small and Medium Enterprises Development Fund (MSMEDF)

A total of ₦2.63 billion was disbursed under the wholesale funding and grant components of the Micro, Small and Medium Enterprises Development Fund (MSMEDF). This represented a decrease of 58.8 per cent, compared with ₦6.37 billion disbursed in 2018. Analysis of disbursements under the wholesale component indicated that ₦2.62 billion (99.6%) was disbursed to state governments, while ₦10.4 million (0.4%) was released as grants, compared with ₦570.0 million in 2018.

The cumulative disbursement to MSMEs from inception in 2013 was ₦83.98 billion, comprising ₦58.24 billion (69.3%) through state governments, ₦12.66 billion (15.1%) through commercial banks and ₦11.35 billion (13.5%) through microfinance banks. Others were NGO-MFIs, ₦0.59 billion (0.7%); cooperatives, ₦0.42 billion (0.5%); development finance institutions (DFIs), ₦10.0 million (0.01%); and grants, ₦0.71 billion (0.8%).

The sum of ₦11.88 billion was repaid in 2019, representing an increase of 64.8 per cent above ₦7.21 billion repaid in 2018. Cumulative repayment under the intervention stood at ₦35.51 billion, at end-December 2019.

Table 2.10: Cumulative Funds Uptake and Repayment under the MSMEDF (2014-2019)

CLASS	DISBURSEMENT (₦ billion)	REPAYMENT (₦ billion)
State Governments	58.24	14.95
DMBs	12.66	11.20
MFBs	11.35	8.71
DFIs	0.01	0
Coop	0.42	0.28
NGO-MFIs	0.59	0.37
GRANT	0.71	N/A
TOTAL	**83.98**	**35.51**

Source: CBN

2.5.10 Nigeria Electricity Market Stabilisation Facility (NEMSF)

The sum of ₦6.1 billion was disbursed to one (1) market participant in the power sector in 2019, compared with ₦62.88 billion for 37 projects in 2018, bringing the cumulative disbursement since inception, in 2014, to ₦189.19 billion.

Table 2.11: Funds Uptake under the NEMSF (2018 – 2019)

	Description	January - December (2018)	January – December 2019	Total (from inception)
DisCos	No of Beneficiaries	7	-	7
	Amount (₦ billion)	0.16	-	49.89
GenCos	No of Beneficiaries	18	-	18
	Amount (₦ billion)	32.04	-	86.33
GasCos	No of Beneficiaries	6	-	6
	Amount (₦ billion)	12.58	-	28.31
Service Providers	No of beneficiaries	6	1	6
	Amount (₦ billion)	18.10	6.10	24.66
	Total (₦ billion)	**62.88**	**6.10**	**189.19**

Source: CBN

Note: DisCos - Electricity Distribution Companies;
GenCos - Electricity Generating Companies; and
GasCos - Gas Supplying Companies.

Repayments amounting to ₦19.61 billion were made by 11 DisCos that signed up under the Facility, bringing cumulative repayment to ₦50.07 billion. The Facility has:

- Ensured massive capital expenditure in the industry, leading to recovery of generating capacity of more than 1,200MW, in both hydro and thermal plants, through the overhaul of turbines. In specific terms:
    - Execution of capacity recovery programme was carried out in three (3) hydro-power stations as follows: Intake underwater repair project, overhaul of Unit 4 and compliant metering/supplementary protection at Shiroro Dam; overhaul of 2G6 at Jebba Hydro; and rehabilitation of three (3) units at Kainji Dam.
    - Rehabilitation of ten (10) gas turbines at major thermal power plants, including Geregu, Transcorp Ughelli, and Ibom Power Plants.
- Enabled the DisCos to carry out projected capital expenditure through issuance of letters of credit for the purchase of over 704,928 maximum demand, 3-phase and single-phase smart meters; rehabilitation of over 332km of 11KV lines and 130km of 0.45KV lines; 511 transformers purchased and installed; construction of 56 new distribution sub-stations and acquisition of one (1) mobile injection sub-station.

2.5.11 Power and Airline Intervention Fund (PAIF)

The sum of ₦3.76 billion was released to the Bank of Industry (BOI) for two (2) power projects under the Facility. These were the Flour Mills Limited (₦1.25 billion) and Kano Power Project (₦2.51 billion). By end-December 2019, the cumulative amount released to BOI stood at ₦305.13 billion, out of which ₦184.37 billion was disbursed for 47 power projects, while ₦120.76 billion was released for 24 airline projects. Repayments in the review year amounted to ₦26.90 billion, comprising ₦10.43 billion from airline projects and ₦16.47 billion from power projects. Cumulative repayment from inception in 2010 was

₦172.43 billion, comprising ₦81.61 billion for airline and ₦90.82 billion for power projects.

By end-December 2019, the achievements of PAIF were as follows:

Power

- A total of 1,398.8 MW of power was financed, with 939.8MW being added new capacity;
- Activities serviced: fast-moving consumer goods (FMCG), (4.3%); steel production (8.4%); industrial, (3.3%); cement (28.0%); packaging (1.0%); Agro-allied (0.6%); Independent Power Projects (IPP), (46.7%); wood products (1.6%); and gas to power (GTP), (6.1%);
- Construction of 120-kilometre natural gas pipeline from Ikpe Annang in Akwa Ibom State to Mfamosing in Cross River State;
- Provided seed capital that leveraged additional private sector investments into the Nigerian power sector. Private investors were required to provide 30.0 per cent of the total project cost as equity contribution, while the Fund provided the balance of 70.0 per cent; and
- Provided long-term facilities to banks with tenor up to 15 years, suitable for financing infrastructure projects.

2.5.12 Nigeria Bulk Electricity Trading-Payment Assurance Facility (NBET-PAF)

The Nigeria Bulk Electricity Trading Payment Assurance Facility (NBET-PAF) is a bridging facility through which NBET Plc. provides a minimum level of payment to GenCos, to enable them meet their obligations to gas suppliers (GasCos). This was aimed at increasing the level of power generation in the country. A total of ₦160.80 billion was released for invoices raised in the review year. This comprised ₦58.66 billion paid to GasCos, ₦102.13 billion to GenCos, and ₦5.71 million to equipment suppliers. Cumulatively, the sum of ₦694.98 billion had been released since inception.

2.5.13 Small and Medium Enterprises Refinancing and Restructuring Facility (SMERRF)

The Small and Medium Enterprises Refinancing and Restructuring Facility (SME-RRF) was discontinued at the end of 2014 after fulfilling its objectives and replaced with the Real Sector Support Facility (RSSF), with a different strategic focus. Cumulatively, the sum of ₦381.99 billion was disbursed to 604 projects under the SMERRF since inception to end-December 2014, when disbursements discontinued. Repayments stood at ₦18.90 billion in 2019, compared with ₦25.20 billion in 2018. This brought the total amount repaid since inception to ₦144.76 billion. The Scheme had created 29,642 jobs and sustained the operations of 604 companies, 340 of which were in operation before benefitting from the Facility, while the remaining 264 accessed the Facility to complete/ resuscitate their projects.

Table 2.12: Sectoral Distribution of Cumulative Loans under the SMERRF

S/N	Sector	Number of projects	Value (₦' billion)
1.	Agro-allied	69	22.92
2.	Chem. & Plastics	156	147.00
3.	Eng. & Constr.	92	56.81
4.	Food & Beverages	102	72.55
5.	Hotel & Tourism	2	0.53
6.	ICT	20	14.12
7.	Oil & Gas	21	8.23
8.	Paper & Allied Products	57	26.17
9.	Pharmaceuticals	37	11.61
10.	Solid Minerals	18	6.90
11.	Textile & Leather	18	8.52
12.	Transportation	12	6.63
	TOTAL	**604**	**381.99**

Source: CBN

2.5.14 Real Sector Support Facility (RSSF)

The sum of ₦48.70 billion was disbursed for 9 projects, compared with ₦58.50 billion for 13 projects in 2018. Cumulatively, ₦166.21 billion had been disbursed in respect of 40 projects since inception to end-December 2019. Repayments in the review year amounted to ₦8.35 billion, bringing cumulative repayments from inception in 2015 to end-December 2019, to ₦14.99 billion.

2.5.14.1 Real Sector Support Facility through Differentiated Cash Reserve Requirement (RSSF-DCRR)

This window of the RSSF was introduced in 2018 to enable banks draw down on their cash reserve with the CBN to provide long-term finance, mainly, for agricultural and manufacturing projects. In the review year, the sum of ₦242.96 billion was disbursed for 78 projects, compared with ₦6.16 billion for 4 projects in the preceding year.

2.5.14.2 National Food Security Programme (NFSP)

The National Food Security Programme (NFSP) is a special funding window established under the RSSF in November 2016, to encourage the commercial or large-scale production and processing of grains such as rice, maize, sorghum and millet. This was designed to support the Federal Government's Strategic Grain Reserves and boost national food security. The sum of ₦14.5 billion was disbursed under the Programme in 2019. The cumulative disbursement, from inception to end-December 2019, stood at ₦59.09 billion for four (4) large-scale enterprises.

2.5.14.3 Presidential Fertilizer Initiative (PFI)

There was no disbursement under the Scheme in the review year. The cumulative disbursement remained at ₦35.0 billion to fertilizer blending plants for procurement of raw materials, namely; diammonium phosphate, muriate of potash, urea and limestone. Repayments commenced in the review year, following the end of moratorium period, with ₦3.75 billion repaid. Furthermore, the Nigeria Sovereign Investment Authority (NSIA), the managing agent of the Initiative, sold over 6.5 million 50kg bags of fertilizer. Since inception in 2017 to end-December 2019, the number of functional blending plants have increased to 22, while about 18 million 50kg bags of NPK fertilizer were supplied to the market.

2.5.15 Non-Oil Export Stimulation Facility

The sum of ₦9.5 billion was disbursed to three (3) obligors, compared with ₦25.4 billion to eight (8) obligors in the preceding year. Cumulative disbursement, from inception to end-December 2019, was ₦34.9 billion to eleven (11) obligors who exported agricultural commodities, including cashew and sesame seeds. The sum of ₦3.47 billion was repaid in the review year, bringing cumulative repayment, since inception, to ₦8.69 billion.

2.5.16 Export Development Facility (EDF)

Under the Export Development Facility (EDF), the sum of ₦23.06 billion was disbursed for 67 projects, compared with ₦10.18 billion for 17 projects in 2018. Cumulatively, the sum of ₦29.16 billion was disbursed in respect of 82 projects in agriculture, manufacturing and solid minerals. Repayments, which commenced in the review year, totaled ₦1.63 billion.

2.5.17 Textile Sector Intervention Facility (TSIF)

The sum of ₦19.67 billion was disbursed for 23 projects, compared with the sum of ₦30.38 billion to two (2) obligors in 2018. Cumulatively, the sum of ₦75.44 billion had been disbursed to 40 obligors since inception of the Facility.

2.5.18 National Collateral Registry (NCR)

At end-December 2019, thirty-five (35) financial institutions, comprising one (1) commercial bank, one (1) development finance institution, 19 microfinance banks, two (2) finance companies and 12 non-bank financial institutions, were registered on the NCR portal. This brought the cumulative number of financial institutions registered to 663, comprising; 22 commercial banks, 570 microfinance banks, four (4) merchant banks, five (5) development finance institutions, one (1) specialised (non-interest) bank, 36 finance companies and 25 non-bank financial institutions.

Of this number, 81 financial institutions registered their priority interests in moveable assets pledged by 64,120 borrowers, valued at ₦190.07 billion, US$41.42 million and €70,690, through 37,362 financing statements. The number of financing statements was 119.2 per cent higher than 17,042 in 2018. However, the naira value of the statements was considerably lower, by 277.8 per cent, compared with ₦717.99 billion in 2018.

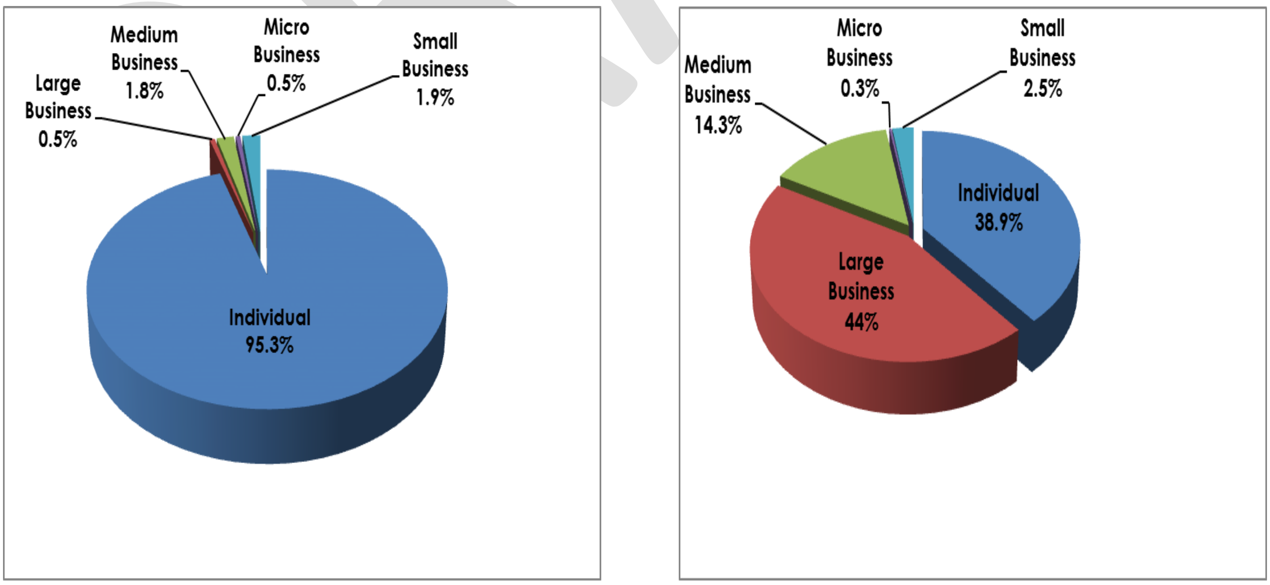
Table 2.13: Number and Value of Financing Statements at end-December 2019

Debtor type	Number of financing statements		Currency unit	Value of financing statements	
	2019	Cumulative		2019	Cumulative
Individual	35,622	69,786	₦ (billion)	74.03	206.29
			US$ million	0.30	0.94
Large Business	201	894	₦ (billion)	83.68	957.67
			US$ (million)	29.00	1,170.00
			€ ('000)	Nil	6,060.00
Medium Business	667	2,845	₦ (billion)	27.20	238.76
			US$ million	11.89	1,523.00
			€ ('000)	70.69	70.69
Micro Business	174	1,240	₦ (billion)	0.51	6.19
Small Business	698	2,381	₦ (billion)	4.66	24.57
			US$ million	0.23	0.34
			€ ('000)	Nil	22.95
Total	**37,362**	**77,146**	₦ (billion)	**190.07**	**1,430.00**
			US$ million	**41.42**	**1,190.00**
			€ ('000)	**70.69**	**6,150.00**

Source: CBN

Figure 2.14: Number and Value of Financing Statements Registered on the NCR by Debtor Type (2019) (Per cent)

Number of Financing Statements 2019 **Value of Financing Statements 2019**



Analysis of the number of financing statements by debtor type, in the review period, showed that 95.3 per cent was registered in respect of loans to individuals, while 0.5 per cent was in respect of micro businesses. In value terms, 44.0 per cent of financing statements were registered in respect of large businesses, while 0.3 per cent were in favour of micro businesses.

In addition, 48,283 searches, comprising 38,881 by financial institutions and 9,402 by the public, were conducted on the Registry in the review year. Comparatively, 14,851 searches, comprising 11,069 by financial institutions and 3,782 by the public, were conducted in the preceding year.

Since the commencement of operations in 2016, a total of 77,146 financing statements valued at ₦1.43 trillion, US$1.19 billion and €6.15 million had been registered in respect of 222,043 borrowers. Moreover, 64,712 searches, comprising 51,407 by financial institutions and 13,305 by the public, had been conducted on the Registry.

2.5.19 The Financial Inclusion Programme

During the review period, the Financial Inclusion Secretariat carried out the following activities:

- **Establishment of Gender Desk in the Financial Inclusion Secretariat**

  The Nigerian financial exclusion rate at end-December 2018 stood at 36.8 per cent. Analysis by gender indicated that 41.1 per cent of women were financially excluded, compared with 32.6 per cent of men. As part of efforts to reduce the gender gap and achieve 80.0 per cent financial inclusion in Nigeria by 2020, the Bank established a gender desk within the Financial Inclusion Secretariat in 2019, to drive implementation of policies, schemes and interventions targeted at improving women's access to finance.

- **Conduct of a Gender Landscape Study**

  To establish the reasons for the lack of access to finance by women in Nigeria, and to have an appropriate policy direction, a gender landscape study was conducted in the review year by the Bank, EFInA and the Bill and Melinda Gates Foundation. The results of the study outlined the barriers to women's access to finance and mitigation strategies for effective follow up.

- **Maiden Account Opening Week (AOW)**

  The Account Opening Week (AOW), an initiative of the CBN, the Bankers' Committee and other Stakeholders, was introduced in 2019, to provide opportunities for financially-excluded Nigerians and MSMEs, to open accounts with formal financial institutions. It was aimed, broadly, at improving access to financial services such as payments, savings, credit, insurance, pension and capital market products. The pilot exercise was held in six (6) purposely-selected states, covering the most financially-excluded in each geo-political zone. These were: Kano State (North West); Gombe State (North East); Nasarawa State (North Central); Ebonyi State (South East); Ondo State (South West); and Bayelsa State (South South). A total of 70,534 new accounts were opened in the 423 centres where the exercise was carried out, giving an average of 167 accounts per centre during the one-week event. Subsequent AOWs would be held quarterly.

- **Conduct of the National Peer Group Educators Programme**

  The Secretariat undertook the training of some members of the National Youth Service Corps (NYSC) on financial literacy and account opening in financially-excluded areas during the reporting period. The Corps members were mobilised to serve as financial inclusion resource persons in communities during their service year, providing financial literacy, assistance with account opening and reporting of progress. In addition, the Secretariat, secured approval from the Bankers' Committee, the Financial Inclusion Steering Committee, the NYSC and the Federal Ministry of Youth and Sports, to deploy corps members to financial institutions for the purpose of financial inclusion during their service year.

CHAPTER THREE

THE GLOBAL ECONOMY

Global growth slowed significantly to 2.9 per cent in 2019, from 3.6 per cent in 2018, due to a combination of factors. The key factors included: issues around global trade tariffs; the legacy macroeconomic strain in key emerging market economies; a significant slowdown in car production and sales; weak domestic demand in China; as well as, geopolitical tensions. Accordingly, headline inflation remained below central banks' targets, especially in advanced economies, justifying their shift towards accommodative monetary policy stance. Consequently, consumer confidence and investors' appetite rebounded, boosting activities in the global financial markets. Capital flows to emerging market and developing economies improved, building external reserves and stabilising currencies, further subduing global inflationary pressures. Central banks in advanced economies, therefore, adopted a broad-based accommodative monetary policy stance to lift inflation to targets. In the emerging market and developing economies, central banks also reduced policy rates to ease financial conditions and support economic growth.

3.0 GLOBAL ECONOMIC DEVELOPMENTS

3.1 OUTPUT GROWTH

Global growth slowed to 2.9 per cent in 2019, from 3.6 per cent in 2018 due to a combination of factors, including rising trade barriers, which heightened global uncertainty, Brexit-related issues and country-idiosyncratic factors, which elevated macroeconomic strains in key emerging market economies. Others were structural rigidities, such as aging demographics and low productivity growth in advanced economies, as well as, geopolitical tensions. Nevertheless, the significant shift towards broad-based monetary accommodation helped to cushion effects of these factors on financial market sentiments and investors' appetites (WEO, October 2019 and January 2020 Update).

In advanced economies, growth moderated to 1.5 per cent in 2019, from the 2.0 per cent in 2018, reflecting, mainly, the softer-than-expected growth in the United States. The lacklustre performance in the region was due, largely, to the general uncertainty surrounding trade and Brexit-related developments.

Growth in the United States weakened to 1.8 per cent in 2019, compared with 2.4 per cent in 2018, on account of weak business confidence due to the trade tensions between the United States and China, despite its fiscal stimulus and eased financial conditions on the back of monetary accommodation. In the euro area, growth slowed to 1.2 per cent in 2019, compared with 1.7 per cent in 2018, reflecting weaker export demand, a significant slowdown in car production and sales, as well as Brexit-related issues.

In the United Kingdom, growth moderated to 1.3 per cent in 2019, from 1.4 per cent in 2018. The lull in activity was due, mainly, to the uncertainty of Brexit-related negotiations. Japan's growth strengthened to 1.0 per cent in 2019, from 0.9 per cent in 2018, owing, largely, to robust private and public consumption.

Growth in emerging market and developing economies moderated further to 3.7 per cent in 2019, from 4.5 per cent in 2018, despite recoveries in stressed emerging markets, such as Argentina, Iran and Turkey. The development was due to trade and domestic policy uncertainty. Emerging and developing Asia's growth moderated to 5.6 per cent in 2019, from 6.5 per cent in 2018, reflecting growth slowdown in China and growth stabilisation in India. The Chinese economy slowed to 6.1 per cent in 2019, from 6.6 per cent in 2018, reflecting rising trade tariffs and a slowing domestic demand, following government actions to rein-in domestic debt. In the Indian economy, growth dropped to 4.8 per cent in 2019, from 6.8 per cent in 2018. The weaker-than-expected growth reflected country-idiosyncratic shocks, which weighed on domestic demand. Similarly, the Russian economy slowed to 1.1 per cent in 2019, from 1.7 per cent in 2018, due to weak macroeconomic conditions.

In the Middle East and North Africa (MENA) region, growth also slowed significantly to 0.1 per cent in 2019, from 1.1 per cent in 2018. In Saudi Arabia, output dropped significantly to 0.2 per cent in 2019, compared with 2.4 per cent in 2018, reflecting a generally weak global oil market. The Egyptian economy grew by 5.5 per cent in 2019, from 5.3 per cent in 2018.

In sub-Saharan Africa, growth inched up to 3.3 per cent in 2019, from 2.9 per cent in 2018, helped by oil-exporting countries in the region as global financial conditions remained loose. Growth performance was more heterogeneous in the region. In South Africa, growth slowed to 0.4 per cent in 2019, from 0.8 per cent in 2018, reflecting a larger-than-expected impact of labour strikes and energy supply issues in mining, coupled with weak agricultural production. In Angola, growth contracted by 0.3 per cent in 2019, compared with the contraction of 1.2 per cent in 2018. In Nigeria, growth strengthened to 2.3 per cent in 2019, from 1.9 per cent in 2018, on the back of relative exchange rate and macroeconomic stability, sustained interventions in growth-catalytic sectors and higher oil prices earlier in the year.

Table 3.1: Changes in World Output and Prices, 2015-2019 (per cent)

	Output					Consumer Prices				
Region/Country	**2015**	**2016**	**2017**	**2018**	**2019**	**2015**	**2016**	**2017**	**2018**	**2019**
World Output	**3.4**	**3.2**	**3.8**	**3.7**	**2.9**	**2.8**	**2.9**	**-**	**-**	**-**
Advanced Economies	2.2	1.7	2.4	2.3	1.7	0.3	0.8	1.7	2.0	1.5
United States	2.9	1.5	2.2	2.9	2.3	0.1	1.3	2.1	2.4	1.8
Japan	1.1	0.9	1.9	0.9	1.0	0.8	-0.1	0.5	1.2	1.0
Germany	1.5	1.5	2.5	1.5	0.5	0.1	0.4	1.7	1.8	1.5
France	1.1	1.1	2.3	1.5	1.3	0.1	0.3	1.2	1.9	1.2
Italy	0.8	0.8	1.6	1.0	0.2	0.1	-0.1	1.3	1.3	0.7
United Kingdom	2.2	1.9	1.8	1.4	1.3	0.0	0.7	2.7	2.5	1.9
Euro Area	2.0	1.8	2.4	1.8	1.2	0.0	0.2	1.5	1.7	1.2
Other Advanced Economies	**2.5**	**2.5**	**2.8**	**2.8**	**1.5**	**0.5**	**1.0**	**1.8**	**2.0**	**1.4**
Commonwealth of Independent	-2.2	-2.2	2.1	2.4	2.4	15.5	8.3	5.5	4.5	4.5
Regional Groups										
Emerging & Developing Europe	4.7	4.4	6.0	3.8	1.8	3.2	4.3	4.3	4.9	6.8
Russia	-2.8	-0.2	1.5	1.7	1.1	15.5	7.0	3.7	2.8	4.7
Latin America and the Caribbean	0.1	-0.7	1.3	1.1	0.1	5.5	5.6	6.0	6.1	7.2
Emerging & Developing Asia	6.6	6.4	6.5	6.5	5.6	2.7	2.8	2.4	3.0	2.7
Sub-Saharan Africa	3.4	1.4	2.9	2.9	3.3	7.0	11.3	11.0	8.6	8.4
Middle East	2.5	2.5	2.2	2.4	2.4	6.0	5.1	6.4	10.8	10.8
China	6.9	6.7	6.9	6.6	6.1	1.4	2.0	1.6	2.2	2.3

Source: World Economic Outlook, October 2018; and January 2020

Source: World Economic Outlook (WEO), October 2019, and January 2020

3.2 GLOBAL INFLATION

Generally, global consumer prices decreased in 2019, reflecting the muted oil prices later in the year, coupled with a slowdown in global activity. Nevertheless, the extension of the OPEC plus production cuts to the first quarter of 2020 supported oil prices. Other commodities experienced heterogeneous price developments. There was price increase for base metals and a softening of food and energy prices during the period. Inflation, generally, remained below targets, reflecting negative consumer and business sentiments, following the prolonged US-China trade tensions and Brexit-related uncertainty.

Consumer price inflation remained muted across advanced economies, and was, largely, below central banks' targets. Headline inflation in advanced economies decreased significantly to 1.5 per cent in 2019, from 2.0 per cent in 2018. In the United States, inflation decreased to 1.8 per cent in 2019, from 2.4 per cent in 2018, despite higher prices of gasoline, health care and rent. In the euro area, headline inflation decelerated to 1.2 per cent in 2019, from 1.7 per cent in 2018, reflecting weak activity. In Japan, headline inflation declined marginally to 1.1 per cent in 2019, from 1.2 per cent in 2018. In the United Kingdom, inflation also decreased to 1.8 per cent in 2019, from 2.4 per cent in 2018, as the pass-through of Brexit-related currency depreciation waned.

In emerging market and developing economies, consumer price inflation softened, reflecting more subdued activity. Headline inflation decreased to 4.8 per cent in 2019 (excluding Venezuela), from 5.1 per cent in 2018, due to exchange rate stability, owing to robust external reserves. In China, inflation inched to 2.3 per cent in 2019, up from 2.2 per cent in 2018, driven, mainly, by distortions in pork production on account of swine fever outbreak. India's inflation rate rose significantly to 7.4 per cent in 2019, from 2.1 per cent in 2018, due, largely, to increase in food prices and transport costs. In Brazil, inflation inched up to 3.8 per cent in 2019, from 3.7 per cent in 2018, underpinned by firming global oil prices.

In sub-Saharan Africa, inflationary pressure moderated, decreasing to 8.4 per cent in 2019, from 8.6 per cent in 2018. In South Africa, inflation decelerated to 4.0 per cent in 2019, from 4.7 per cent in 2018. In Nigeria, headline inflation rose marginally to 11.98 per cent in 2019, from 11.44 per cent in 2018, driven, mainly, by supply and other structural factors.

3.3 GLOBAL COMMODITY DEMAND AND PRICES

Global commodity prices were, generally, subdued in 2019, owing to sluggish global growth. The weak domestic demand in China, the legacy macroeconomic strain in several emerging market economies, and issues surrounding trade barriers and Brexit-related negotiations led to a lull in global trade, softening commodity prices. Specifically, prices of base metals generally gained throughout 2019, reflecting a modest rebound in consumer confidence in advanced economies and investors' appetites globally, while prices of agricultural commodities softened. Global crude oil prices, however, firmed up in 2019, as petroleum index rose from 126.1 at end-December 2018 to 149.1 at end-December 2019, due, primarily, to the extension of the OPEC plus production cuts to March 2020.

The IMF Energy Price Index (comprising crude oil, natural gas and coal price indices) decreased marginally to 132.4 points at end-December 2019, from 133.3 points at end-December 2018, due, mainly, to weak global growth, commodity-related supply issues, weak domestic demand in China and subdued global trade, as well as, a significant downturn in car production and sales.

The Food and Agriculture Organisation's (FAO) Food Price Index (FPI) averaged 171.4 points in 2019, higher by 2.99 points (1.8%) above 168.4 points in 2018, reflecting improved consumer confidence in advanced economies.

On a year-on-year basis, increase was recorded by vegetable oils price index (30.9%); followed by meat (17.0%); dairy (17.0%); and sugar (6.0%), while cereals price index recorded a decrease of 3.71 points (2.0%) during the review period.

The FAO Cereal Price Index averaged 164.3 points, representing a decrease of 0.94 point (0.6%), from 165.3 points in 2018. The decrease was driven, largely, by weak domestic demand in China, as US-China trade tariffs hurt global trade.

The FAO Dairy Price Index increased by 5.78 points (3.0%) to 198.7 points, from 192.9 points in 2018, reflecting strong import demand.

The FAO Vegetable Oils Price Index averaged 135.2 points, representing a decrease of 8.86 points (6.2%), below the 144.0 points in 2018. The decline reflected the weakness in global import demand, which coincided with lower-than-anticipated export availabilities.

The FAO Sugar Price Index averaged 180.3 points, representing an increase of 2.78 points (1.6%), from 177.5 points in 2018. The increase in sugar price was due to expectations of significant drop in sugar production among major producers, including Brazil, India and Mexico.

The FAO Meat Price Index increased by 9.30 points (5.6%) to 175.6 points, from 166.3 points in 2018, boosted by strong consumer confidence in advanced economies.

3.4 WORLD TRADE

In 2019, global trade slowed, reflecting a combination of key developments, including sluggish global growth, accentuated by the downturn in car manufacturing and sales, rising trade barriers, which heightened global uncertainty, and the elevated macroeconomic strain in several emerging market economies. Others were: the slowdown in domestic demand in China; and geopolitical tensions. Consequently, trade volumes deteriorated in both advanced and emerging market and developing economies.

World trade slowed to 1.1 per cent in 2019, compared with 3.6 per cent in 2018. In advanced economies, aggregate import grew by 1.2 per cent, while export grew by 0.9 per cent in 2019. Accordingly, terms of trade in advanced economies was nil, compared with 0.1 per cent contraction in 2018. In emerging market and developing economies, the volumes of import and export grew by 0.7 and 1.9 per cent, respectively. Thus, the terms of trade deteriorated by 1.3 per cent in 2019, in contrast to an improvement of 1.6 per cent in 2018.

Table 3.2: World Trade Volumes, 2015 - 2019										
(Average Annual Percentage Change in Trade in Goods and Services)										
	Advanced Economies					Emerging and Developing Economies				
Volume of Trade	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
Exports	3.1	2.2	3.8	3.4	0.9	3.9	2.5	4.8	4.7	1.9
Imports	3.9	2.7	4.0	3.7	1.2	1.3	2.0	4.4	6.0	0.7
Terms of Trade	1.6	1.2	-0.4	-0.1	0	-4.7	-1.2	0.1	1.6	-1.3

Source: WEO, October, 2019 Projection and January, 2020

3.5 INTERNATIONAL FINANCIAL MARKETS

During the review period, the performance of the global financial market was heterogeneous, influenced by a combination of key developments, including, primarily, a broad-based accommodative monetary policy stance of central banks, which eased global financial conditions, and a firm-up in global oil prices. Others were: the favourable news on US-China trade negotiations; the waning Brexit-related uncertainty, along with the diminished fears of a no-deal; as well as, geopolitical tensions in several regions.

Most central banks in advanced economies adopted accommodative monetary policy stance to achieve inflation targets during the review period. Central banks in emerging market and developing economies also reduced rates to achieve growth objectives.

3.5.1 Money Markets

The global money markets were impacted by some economic and non-economic developments, including: the favourable news surrounding the US-China trade negotiations; waning fears of a no-deal Brexit; as well as a firming global oil prices. Others were: a pickup in consumer confidence in advanced economies; strong portfolio inflows into the emerging market asset classes; investors' ability to differentiate across individual economies; as well as; geopolitical tensions.

The robust macroeconomic conditions in the United States, paired with favourable developments from the US-China trade and Brexit negotiations helped to stoke investors' appetite and strengthen consumer and business confidence. The development, along with the US Fed's shift to accommodative policy stance, impacted US trading partners. Thus, capital flows to emerging market and developing economies strengthened, boosting their external reserves. In the group of commodity-exporters among emerging market and developing economies, external reserves also improved on the back of a modest recovery in crude oil prices earlier in the year, spurred by extension of the OPEC Plus production cuts to 2020.

Monetary authorities generally adopted mixed reactions to these developments. The advanced economies shifted to a broad-based monetary accommodation and the EMDEs also steered towards a monetary accommodation path, primarily, to support growth.

3.5.2 Capital Markets

Global stock markets were predominantly bullish in the review period. In advanced economies, stock markets performance strengthened, supported, largely, by positive investors' appetite, following the favourable developments surrounding the US-China trade negotiations. In the euro area, the Brexit-related uncertainty waned, followed by diminished fears about a no-deal. Added to this, the ECB's monetary accommodative stance eased financial conditions, and supported the EU economy and its stock markets. In emerging market and developing economies, equity markets also generally gained, reflecting investors' ability to differentiate between individual economies on the bases of political and economic fundamentals.

Accordingly, in North America, the US S&P 500, the Canadian S&P/TSX Composite and the Mexican Bolsa indices increased by 28.9, 19.1 and 4.6 per cent, respectively. In South America, the Brazilian Bovespa, the Argentine Merval and the Colombian COLCAP indices increased by 27.1, 34.0 and 24.7 per cent, respectively. In Europe, the FTSE 100, French CAC 40 and the German DAX indices increased by 12.1, 26.4 and 26.5 per cent, respectively in 2019.

In Asia, the Japan's Nikkei 225, China's Shanghai Stock Exchange-A and India's BSE Sensex indices also increased by 18.2, 23.8 and 14.4 per cent, respectively.

In Africa, the South African JSE All-Share and the Egyptian EGX CASE 30 indices increased by 8.2 and 7.1 per cent, respectively, while the Nigerian NSE ASI, the Kenyan Nairobi NSE 20 and the Ghanaian GSE indices decreased by 14.6, 6.3 and 9.7 per cent, respectively. The Nigerian equities market was, largely, affected by diminished capital inflow in the later part of the year, despite a modest recovery in crude oil prices earlier in the year and the improvement in consumer and investors' confidence.

Table 3.3: Selected International Stock Markets Indices as at Dec 31, 2019

Country	Index	31-Dec-16	31-Dec-17	31-Dec-18	31-Dec-19	% Change b/w (a) and (e)
AFRICA		(a)	(b)	(c)	(d)	(f)
Nigeria	NSE All-Share Index	26,874.62	38,243.19	31,430.50	26,842.07	-14.60
South Africa	JSE All-Share Index	50,653.54	59,504.67	52,736.86	57,084.10	8.24
Kenya	Nairobi NSE 20 Share index	3,186.61	3,711.94	2,833.84	2,654.10	-6.34
Egypt	EGX CASE 30	12,290.61	15,019.14	13,035.77	13,961.56	7.10
Ghana	GSE All-Share Index	1,689.18	2,579.72	2,499.33	2,257.15	-9.69
NORTH AMERICA						
US	S&P 500	2,238.83	2,673.61	2,506.85	3,230.78	28.88
Canada	S&P/TSX Composite	15,287.59	16,209.13	14,322.86	17,063.43	19.13
Mexico	Bolsa	45,642.90	49,354.42	41,640.27	43,541.02	4.56
SOUTH AMERICA						
Brazil	Bovespa Stock	60,227.29	76,402.08	91,012.31	115,645.30	27.07
Argentina	Merval	16,917.86	30,065.61	31,096.63	41,671.41	34.01
Columbia	COLCAP	1,351.68	1,513.65	1,332.80	1,662.42	24.73
EUROPE						
UK	FTSE 100	7,142.83	7,687.77	6,728.13	7,542.44	12.10
France	CAC 40	4,862.31	5,312.56	4,730.69	5,978.06	26.37
Germany	DAX	11,481.06	12,917.64	10,580.19	13,385.93	26.52
ASIA						
Japan	NIKKEI 225	19,114.37	22,764.94	20,014.77	23,656.62	18.20
China	Shanghai SE A	3,249.59	3,463.48	2,581.37	3,195.98	23.81
India	BSE Sensex	26,626.46	34,056.83	36,068.33	41,253.74	14.38

Source: Bloomberg

3.5.3 The International Foreign Exchange Market

The performance of global currencies against the U.S. dollar was generally mixed during the review period, reflecting an interplay of a number of key factors. These included: a global shift to broad-based monetary accommodative stance; weak global growth, fueled by negative surprises to economic activity in a few emerging market economies, notably India; as well as, capital flight to safe assets. Others were: investors' perception of individual economies based on political and economic fundamentals; positive investors' sentiment on account of favourable news surrounding the US-China trade and Brexit negotiations; as well as geopolitical tensions in many regions. These developments influenced global portfolio flows and external reserves, thereby impacting major currencies.

In advanced economies, all major currencies appreciated against the U.S. dollar. Among the major European currencies: the British pound and the Russian ruble appreciated against the US dollar by 4.0 and 12.3 per cent, respectively. In North America, the Canadian dollar appreciated by 4.6 per cent against the US dollar. In Asia, the Japanese yen also appreciated against the US dollar by 1.3 per cent.

In emerging market and developing economies, most currencies, however, depreciated against the US dollar. In Asia, the Chinese yuan and the Indian rupee depreciated by 1.2 and 2.2 per cent, respectively. In South America, the Brazilian real, Argentine peso and the Colombian peso depreciated by 3.5, 37.8 and 1.0 per cent, respectively, against the US dollar. In North America, the Mexican peso appreciated marginally by 3.6 per cent against the US dollar.

In sub-Saharan Africa, the Ghanaian cedi depreciated by 14.4 per cent against the US dollar, while the South African rand, the Kenyan shilling and the Egyptian pound appreciated by 2.7, 0.5 and 11.8 per cent against the US dollar, respectively. The exchange rate of the Nigerian naira against the US dollar was generally stable in 2019.

Overall, the Russian ruble was the most appreciated among the currencies surveyed, while the Argentine peso was the most depreciated in the review period.

Table 3.4 Exchange Rates of Selected Countries (Value in currency units to US$)

	Currency	29-Dec-17	31-Dec-18	31-Dec-19	% Change (29Dec17/31 Dec18)	% Change (31 Dec18/31 Dec19)
AFRICA		a	b	c	YTY %	YTY %
Nigeria	Naira	306.00	307.00	307.00	-0.33	0.00
South Africa	Rand	12.62	14.38	14.00	-12.24	2.71
Kenya	Shilling	103.10	101.85	101.36	1.23	0.48
Egypt	Pound	17.81	17.93	16.04	-0.67	11.78
Ghana	Cedi	4.50	4.92	5.75	-8.54	-14.43
NORTH AMERICA						
Canada	Dollar	1.26	1.36	1.30	-7.35	4.62
Mexico	Peso	19.66	19.63	18.94	0.15	3.64
SOUTH AMERICA						
Brazil	Real	3.31	3.88	4.02	-14.69	-3.48
Argentina	Peso	18.62	37.67	59.87	-50.57	-37.08
Colombia	Peso	2986.84	3253.00	3286.84	-8.18	-1.03
EUROPE						
UK	Pound	0.74	0.78	0.75	-5.13	4.00
Euro Area	Euro	0.83	0.87	0.89	-4.60	-2.25
Russia	Ruble	57.63	69.64	62.00	-17.25	12.32
ASIA						
Japan	Yen	112.69	110.02	108.65	2.43	1.26
China	Renminbi	6.51	6.88	6.96	-5.38	-1.15
India	Rupee	63.83	69.77	71.35	-8.51	-2.21

Source: Bloomberg
YTD – Year-to-Date
PTP = Period to Period

3.5.4 Central Bank Policy Rates

Central banks generally adopted a common monetary policy stance during the review period. In advanced economies, central banks shifted to a broad-based monetary accommodation to achieve inflation targets and respond to domestic and global cross-winds. The cross-winds included: weak global growth, fueled by a slowdown in key emerging market economies; and capital flight to safer assets, due to investors' ability to differentiate among individual economies. Others were the positive investors' sentiments on account of favourable developments surrounding the US-China trade and Brexit negotiations, as well as, geopolitical tensions. Headline inflation remained, largely, subdued in most advanced economies, justifying the ongoing general shift towards broad-based monetary accommodation. Similarly, central banks in emerging market and developing economies also steered towards accommodative monetary policy stance to support growth objectives as inflationary pressures decelerated.

In advanced economies, central banks adopted monetary easing stance. The Federal Reserve reduced its policy rate seven (7) times in 2019, within the range of 2.43 to 1.55 per cent. The Bank of England (BoE) kept its policy rate unchanged at a low of 0.75 per cent throughout 2019. The ECB retained a zero per cent policy rate in 2019, in furtherance of its accommodative monetary policy stance.

In emerging market and developing economies, monetary policy stance was also accommodative in 2019. Most central banks reduced rates to ease domestic financial conditions and support growth, as inflationary pressures decelerated on the back of exchange rate stability. A few central banks, however, kept rates unchanged to achieve inflation targets and attract foreign capital inflow. The Central Bank of Brazil lowered its policy rate four (4) times within the range of 6.50 to 4.5 per cent between August and December 2019 to stimulate growth. In India, policy rate was lowered five (5) times, from 6.50 to 5.15 per cent in 2019. The Peoples Bank of China retained its policy rate at 2.25 per cent throughout 2019.

The South African Reserve Bank reduced its policy rate from 6.75 per cent to 6.50 per cent in July 2019. In Ghana, the policy rate was kept unchanged at 16.0 per cent throughout 2019, to rein-in inflationary pressure and strengthen domestic currency. The CBN also reduced its monetary policy rate from 14.0 per cent to 13.50 per cent in March 2019, largely, to ease domestic financial conditions, boost funding to the real economy and support growth.

Table 3.5: Monetary Policy Rates of Selected Countries, 2018-2019

	Ghana	S. Africa	Nigeria	Brazil	USA	India	Russia	China	UK	Indonesia	Chile	Kenya	Euro Area
Oct-18	17.00	6.50	14.00	6.50	2 - 2.5	6.75	1-1.25	4.35	0.75	5.75	2.75	9.00	0.00
Nov-18	17.00	6.75	14.00	6.50	2 - 2.5	6.75	1-1.25	4.35	0.75	6.00	2.75	9.00	0.00
Dec-18	17.00	6.75	14.00	6.50	2 - 2.5	6.75	1.25-1.5	4.35	0.75	6.00	2.75	9.00	0.00
2019													
Jan-19	16.00	6.75	14.00	6.50	2.43	6.50	1.25-1.5	2.25	0.75	6.00	3.00	9.00	0.00
Feb-19	16.00	6.75	14.00	6.50	2.45	6.25	1.25-1.5	2.25	0.75	6.00	3.00	9.00	0.00
Mar-19	16.00	6.75	13.50	6.50	2.43	6.25	1.5-1.75	2.25	0.75	6.00	3.00	9.00	0.00
Apr-19	16.00	6.75	13.50	6.50	2.45	6.00	1.5-1.75	2.25	0.75	6.00	3.00	9.00	0.00
May-19	16.00	6.75	13.50	6.50	2.40	6.00	1.5-1.75	2.25	0.75	6.00	3.00	9.00	0.00
Jun-19	16.00	6.75	13.50	6.50	2.40	5.75	1.75-2	2.25	0.75	6.00	2.50	9.00	0.00
Jul-19	16.00	6.50	13.50	6.50	2.40	5.75	1.75-2	2.25	0.75	5.75	2.50	9.00	0.00
Aug-19	16.00	6.50	13.50	6.50	2.13	5.40	1.75-2	2.25	0.75	5.50	2.52.5	9.00	0.00
Sep-19	16.00	6.50	13.50	6.50	1.90	5.40	3-2.25	2.25	0.75	5.25	2.00	9.00	0.00
Oct-19	16.00	6.50	13.50	6.50	1.58	5.15	2-2.25	2.25	0.75	5.00	1.75	9.00	0.00
Nov-19	16.00	6.50	13.50	6.50	1.56	5.15	2-2.25	2.25	0.75	5.00	1.75	9.00	0.00
Dec-19	16.00	6.50	13.50	6.50	1.55	5.15	2.25-2.5	2.25	0.75	5.00	1.75	9.00	0.00

Source: Bloomberg

3.6 THE IMPACT OF GLOBAL ECONOMIC DEVELOPMENTS ON NIGERIA'S ECONOMY

During the review period, the Nigerian economy was, largely, influenced by a combination of global developments. The developments included: sluggish global growth, due, mainly, to a slowdown in economic activity in key emerging markets; capital flight to safer assets, as well as, positive investors' sentiments, following favourable news surrounding the US-China trade and Brexit negotiations. Others were: the global shift towards broad-based monetary policy accommodation; improved consumer confidence, which supported domestic demand in advanced economies; as well as, geopolitical tensions.

These global developments shaped the Nigerian financial market, significantly, impacting negatively on investors' appetite for Nigerian equities. Capital inflow, coupled with the modest recovery in crude oil prices, stabilised the country's external reserves, and strengthened the domestic currency. The currency, stabilised in 2019, with marginal appreciations in some market segments. Consequently, inflationary pressure was benign during the review period, on account of the Bank's non-expansionary monetary policy.

Accordingly, the domestic capital market was plagued by substantial losses as the Nigeria All-Share Index (ASI) fell by 14.6 per cent to 26,842.07 at end-December 2019, from 31,430.50 at end-December 2018. Overall, however, global developments, including the modest recovery in crude oil prices and capital inflow, as well as fiscal receipts, stabilised external reserves and supported investment in infrastructure to raise growth.

CHAPTER FOUR

FINANCIAL SECTOR DEVELOPMENTS

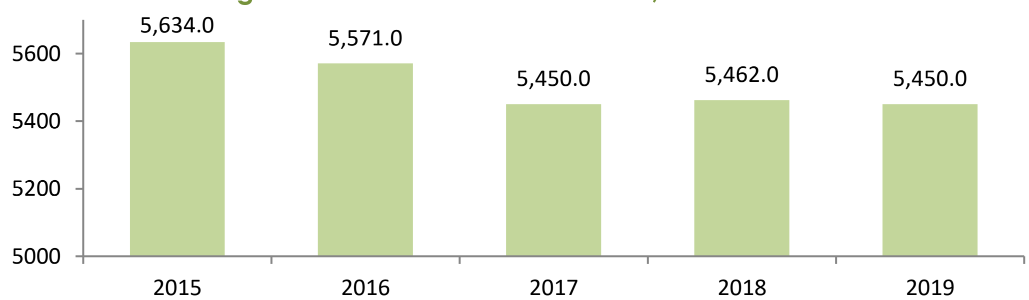
Indicators of financial sector performance were mixed in 2019. Systemic relevance of the banking sector, measured by the ratio of M_3 to GDP, stood at 24.1 per cent, compared with 25.8 per cent at end-December 2018. Similarly, a slight decline in financial savings was observed in 2019, with the ratio of quasi-money to GDP at 16.8 per cent, down from the 17.5 per cent recorded in 2018. In contrast, there was a slight improvement in intermediation efficiency indicator, measured by the ratio of currency outside banks to broad money supply, which stood at 5.82 per cent, from 5.7 per cent at end-December 2018. The capacity of the banking system to finance the economy grew, with the domestic claims to GDP ratio at 25.1 per cent, from 22.3 per cent in 2018. The ratio of private sector credit to GDP rose to 18.5 per cent, from 18.4 per cent in 2018. Interest rates mirrored liquidity condition in the money market and, generally, fell below their levels in 2018. Money market assets grew by 6.2 per cent in the review period. The number of licensed banks increased to 29 in 2019. Developments in the Nigerian capital market were mixed in 2019, as the equities market capitalisation closed on a positive note, while the NSE All-Share Index posted a negative return. Aggregate volume and value of traded securities fell by 20.8 and 19.7 per cent, respectively.

4.1 INSTITUTIONAL DEVELOPMENTS

4.1.1 Growth and Structural Changes

The number of licensed banks increased to 29 at end-December 2019, compared with 27 in the preceding year. The increase followed the issuance of licence to Globus Bank Limited and TAJ Bank Ltd (non-interest bank) to operate with regional authorisation. The licensed banks comprised 22 commercial banks, five (5) merchant banks and two (2) non-interest banks. Eight (8) banks had international authorisation, while twelve (12) and four (4) had national and regional authorisation, respectively. The number of bank branches stood at 5,450 at end-December 2019, compared with 5,462 in 2018.

Figure 4.1: Banks' Branch Network, 2015 – 2019



Source: CBN

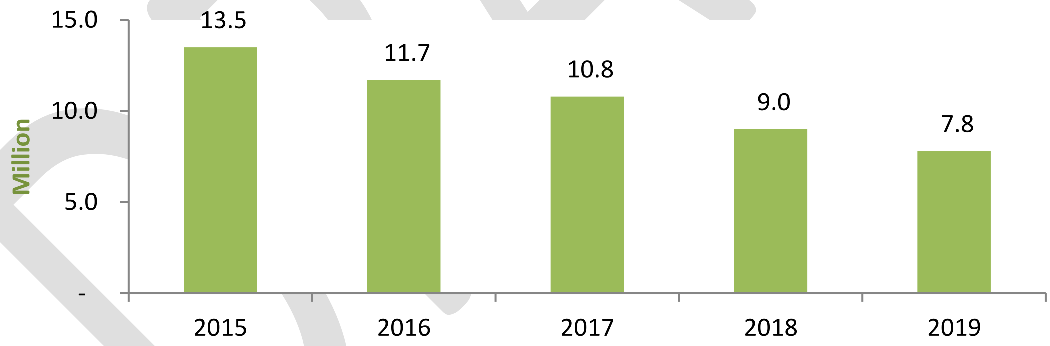
The number of offshore subsidiaries of Nigerian banks stood at 59 at end-December 2019, compared with 58 in 2018. The number of representative offices, affiliates and international branches of Nigerian banks stood at seven (7), one (1) and three (3), respectively, bringing the total number of offshore entities to 70 in 2019, compared with 67 in 2018.

In the other financial institutions (OFIs) sub-sector, there were 6,190 licensed institutions at end-December 2019, compared with 5,488 institutions in 2018. The total number of OFIs comprised 7 DFIs, 34 PMBs, 911 MFBs, 74 FCs and 5,164 BDCs. The increase was as a result of newly licensed OFIs (672 BDCs, 26 MFBs and 5 FCs).

4.1.2 Cheques

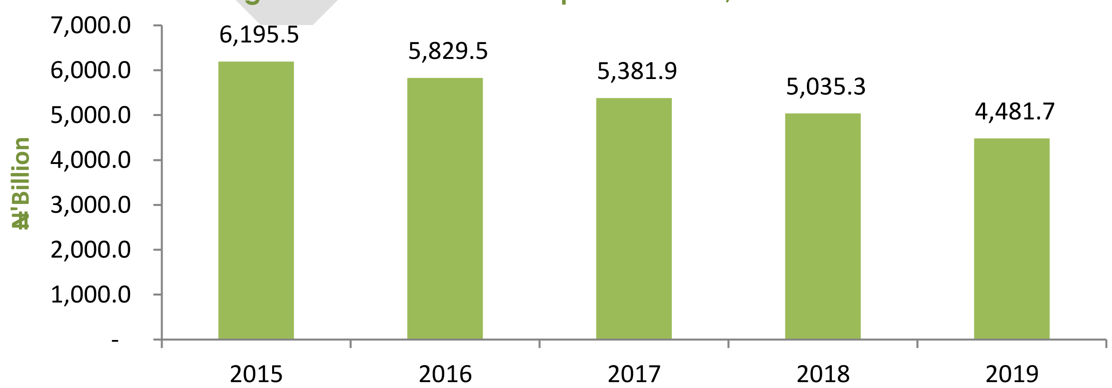
The volume and value of cheques cleared nationwide dropped by 13.3 and 11.0 per cent to 7.8 million and ₦4,481.67 billion, respectively, compared with 9.0 million and ₦5,035.33 billion in 2018. The development was attributed to increased acceptance of e-payment channels.

Figure 4.2a: Volume of Cheques Cleared, 2015 - 2019



Source: CBN

Figure 4.2b: Value of Cheques Cleared, 2015 - 2019



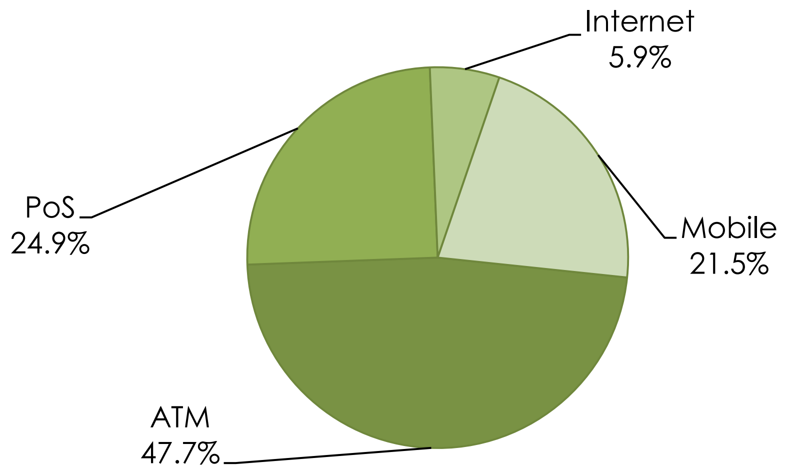
Source: CBN

4.1.3 Use of e-Money Products

The volume and value of payment on various channels (comprising ATM, PoS, Mobile Money and Internet) rose by 37.2 and 45.4 per cent to 1,759.2 million and ₦15,276.46 billion, respectively, compared with 1,282.1 million and ₦10,503.80 billion recorded in the preceding year.

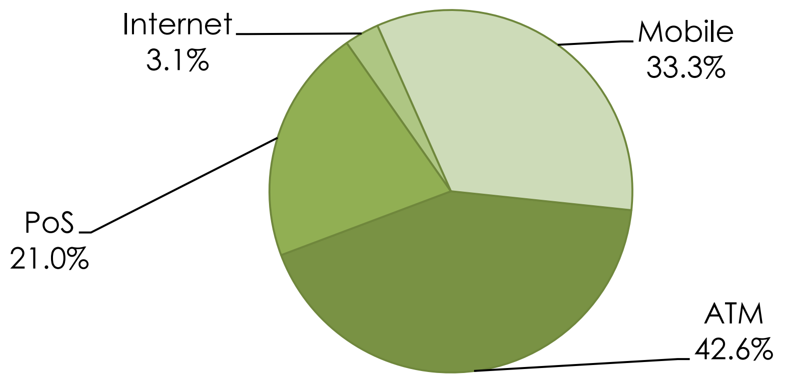
A breakdown of e-payment transactions for 2019, indicated that the ATM remained the most patronised, accounting for 47.7 per cent, followed by PoS terminals and mobile payments with 24.9 and 21.5 per cent, respectively. The web (internet) was the least patronised, accounting for 5.9 per cent of the aggregate. In terms of value, the ATM accounted for 42.6 per cent; PoS, 21.0 per cent; mobile channels, 33.3 per cent; and web (internet), 3.1 per cent. The rise in e-payment transactions was attributed to increased consumer confidence and preference for the e-payment channels.

Figure 4.3a: Classification of e-Money Products by Volume, 2019 (Per cent)



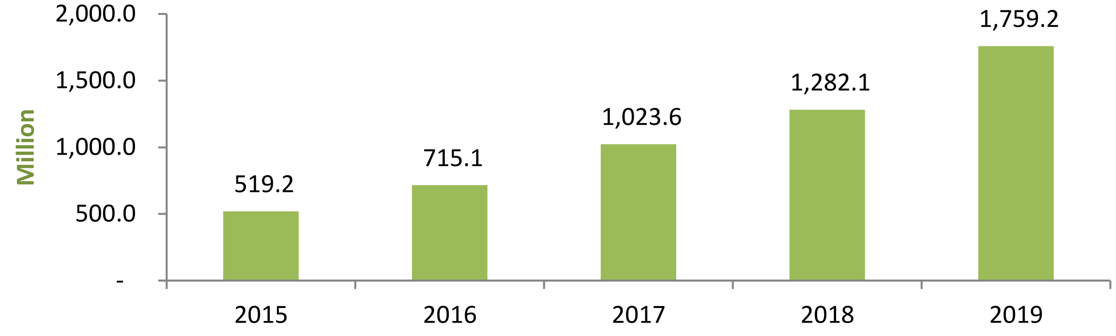
Source: CBN

Figure 4.3b: Classification of e-Money Products by Value, 2019 (Per cent)



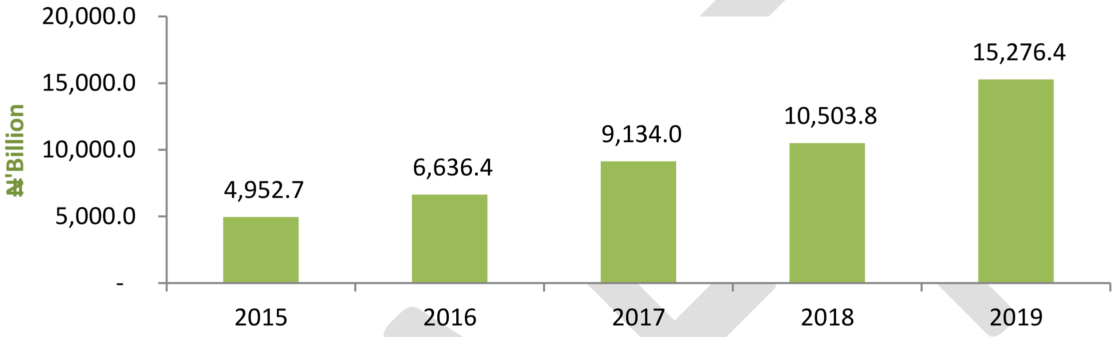
Source: CBN

Figure 4.4a: Volume of Electronic Payments (Million), 2015 – 2019



Source: CBN

Figure 4.4b: Value of Electronic Payments (₦' Billion), 2015 - 2019

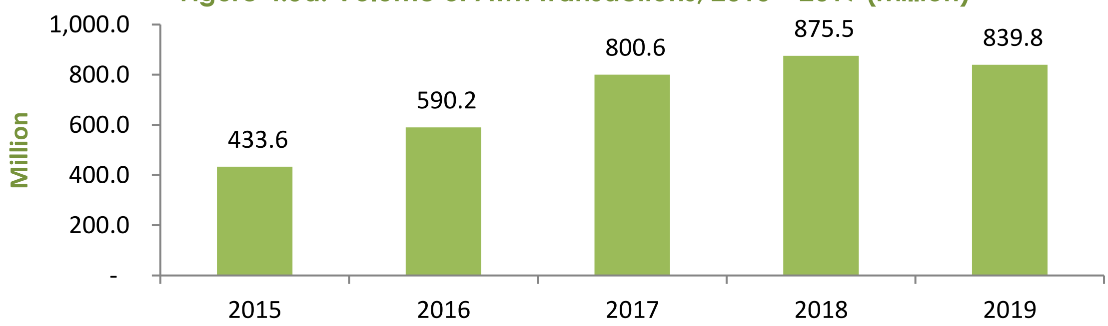


Source: CBN

4.1.3.1 Automated Teller Machine (ATM) Transactions

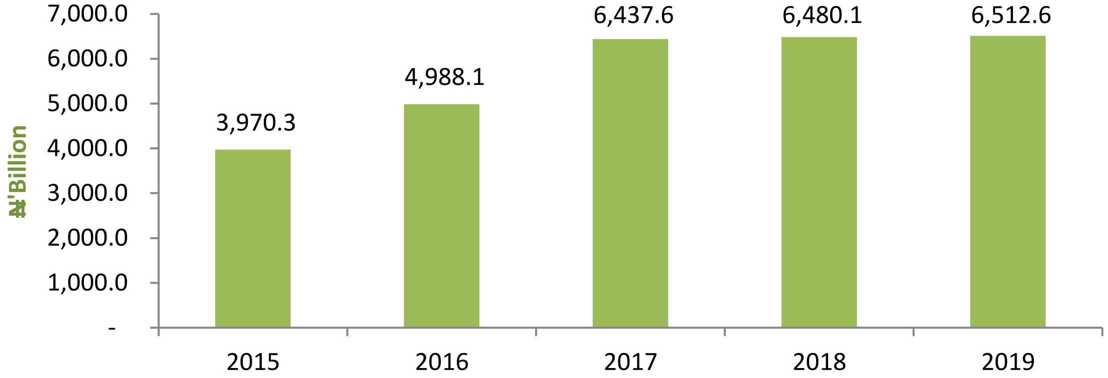
The number of ATMs deployed stood at 19,129 at end-December 2019, indicating an increase of 3.0 per cent, compared with 18,615 recorded at end-December 2018. The volume of ATM transactions decreased by 4.1 per cent to 839.8 million, compared with 875.5 million recorded in 2018, while the value rose marginally by 0.5 per cent to ₦6,512.61 billion, compared with ₦6,480.10 billion recorded in the preceding year. The reduction in volume was attributed to increase in the adoption of electronic funds transfer on the ATM or through other channels, as a means of payment, rather than withdrawal of cash for payment.

Figure 4.5a: Volume of ATM Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.5b: Value of ATM Transactions, 2015 – 2019, (₦' Billion)

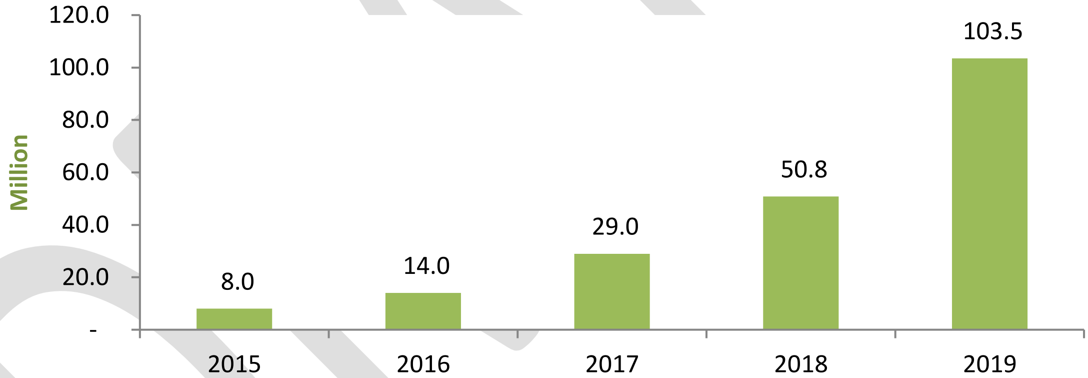


Source: CBN

4.1.3.2 Web Transactions

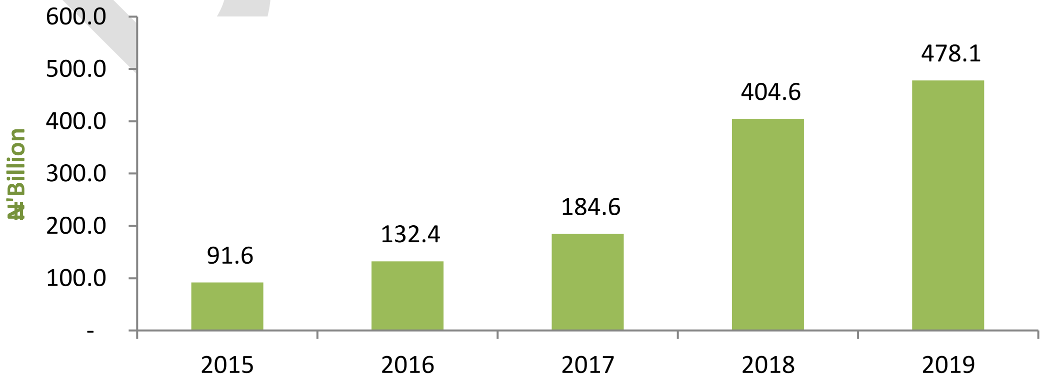
The volume and value of transactions on the web grew by 103.7 and 18.2 per cent to 103.5 million and ₦478.14 billion, respectively, compared with 50.8 million and ₦404.60 billion at end-December 2018. The rise in internet payments was attributed to increased e-commerce and mobile payment awareness.

Figure 4.6a: Volume of Web Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.6b: Value of Web Transactions, 2015 – 2019 (₦' Billion)

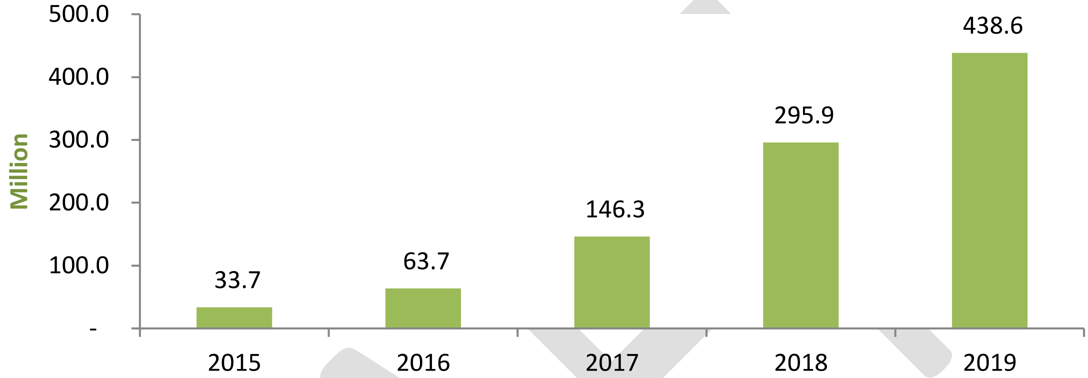


Source: CBN

4.1.3.3 Point-of-Sale (PoS) Transactions

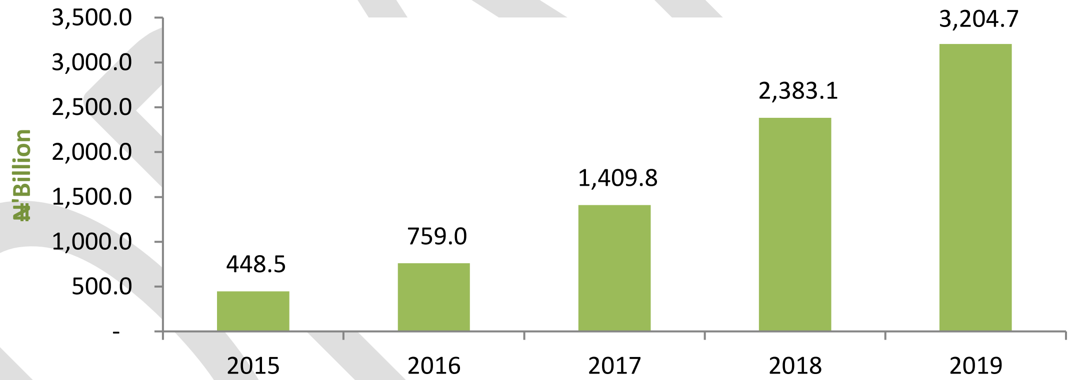
The volume and value of PoS transactions increased by 48.2 and 34.5 per cent to 438.6 million and ₦3,204.75 billion, respectively, at end-December 2019, compared with 295.9 million and ₦2,383.10 billion in 2018. The rise was attributed to increase in the use of the channel by merchants, due to the implementation of cash-less policy.

Figure 4.7a: Volume of PoS Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.7b: Value of PoS Transactions, 2015 – 2019 (₦' Billion)

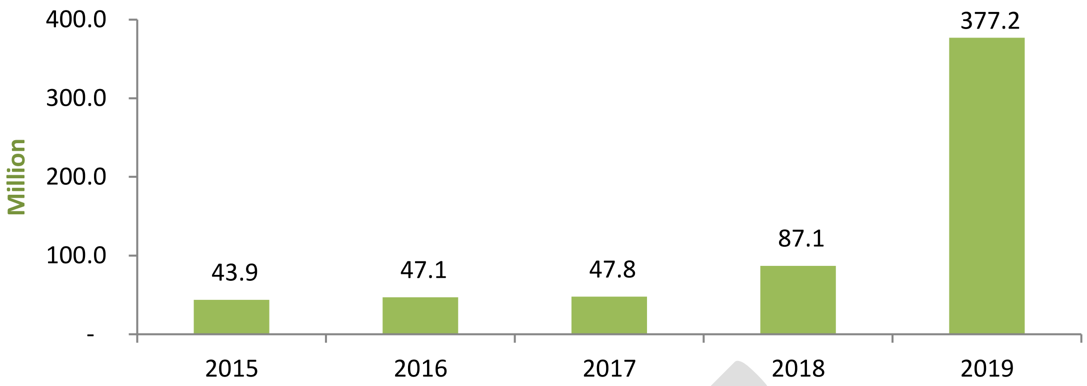


Source: CBN

4.1.3.4 Mobile Payments

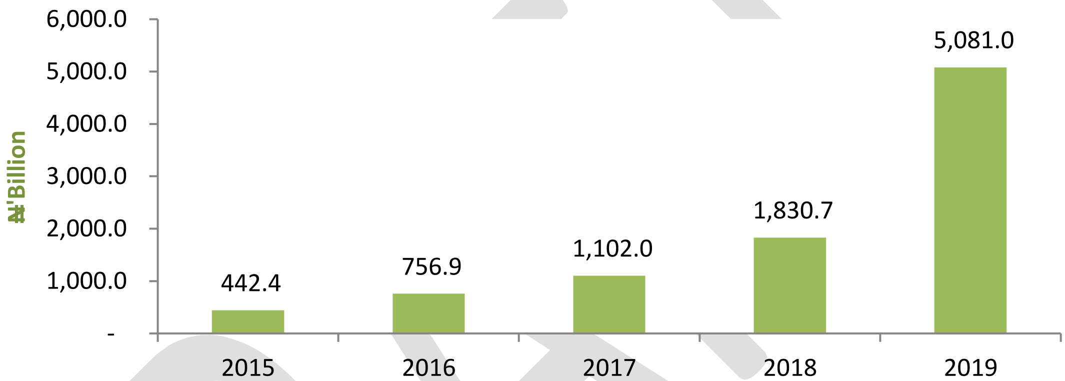
Mobile payments increased in both volume and value by 333.1 and 177.5 per cent in 2019 to 377.2 million and ₦5,080.96 billion, respectively, compared with 87.1 million and ₦1,831.00 billion in 2018. The significant increase in both volume and value of transactions was attributed to increase in the number of mobile money products, the effect of the Shared Agent Network Expansion Facility (SANEF), entrance of new players and increased confidence in the usage of the channel.

Figure 4.8a: Volume of Mobile Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.8b: Value of Mobile Transactions, 2015 – 2019 (₦' Billion)



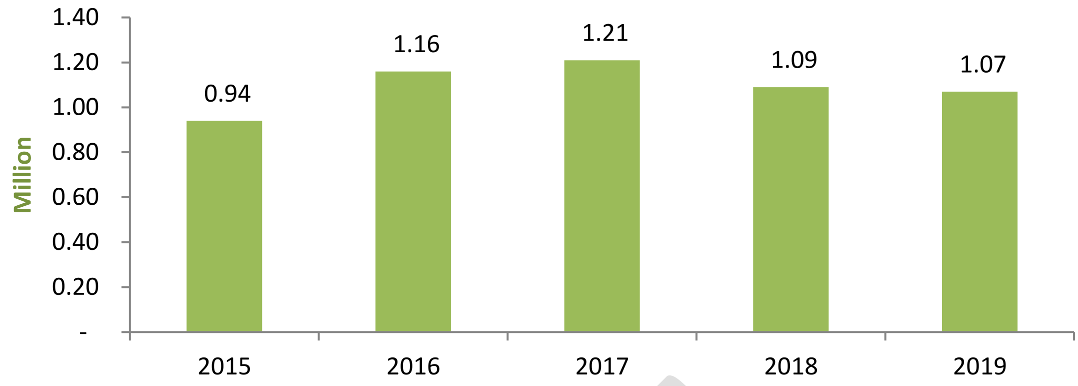
Source: CBN

4.1.4 The Wholesale Payments System

4.1.4.1 The Real Time Gross Settlement (RTGS) System

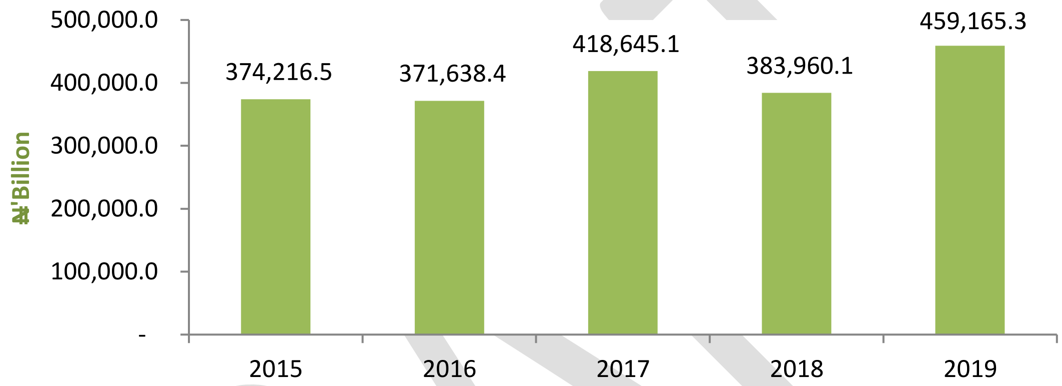
The volume of inter-bank fund transfers through the CBN RTGS System reduced by 1.8 per cent to 1.07 million, compared with 1.09 million at end-December 2018. The value of transactions rose by 19.6 per cent to ₦459,165.31 billion, compared with ₦383,960.06 billion in the preceding year. The decrease in volume was due to availability of alternative channels for large value payments.

Figure 4.9a: Volume of RTGS Transactions, 2015 – 2019



Source: CBN

Figure 4.9b: Value of RTGS Transactions, 2015 – 2019 (₦' Billion)

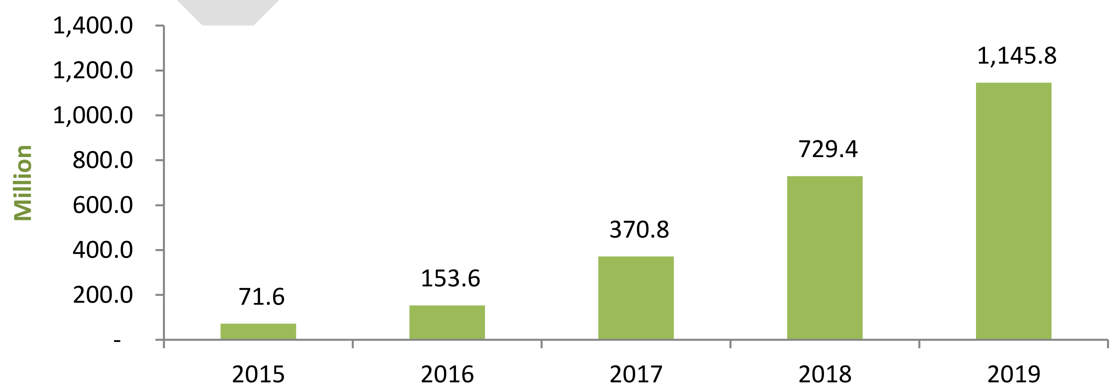


Source: CBN

4.1.4.2 NIBSS Instant Payment (NIP) Transactions

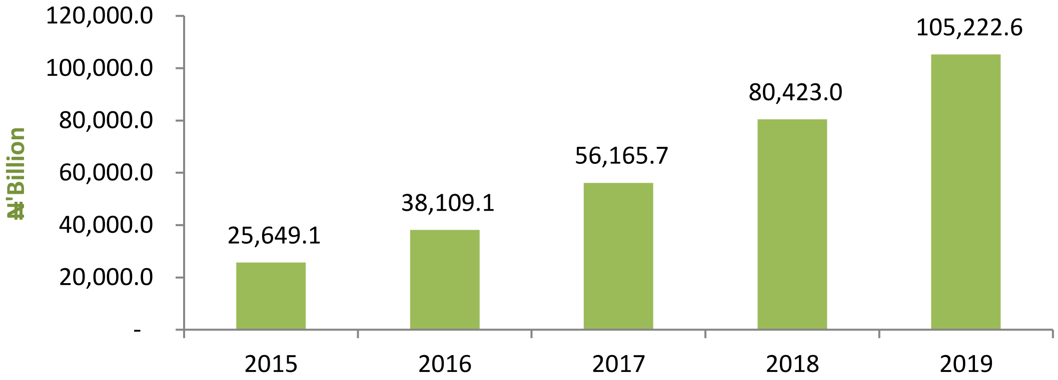
The volume and value of the NIBSS Instant Payment transactions increased by 57.1 and 30.8 per cent to 1,145.8 million and ₦105,222.56 billion, respectively, compared with 729.4 million and ₦80,423.03 billion in 2018. The rise in the use of the channel was attributed to users' preference for instant value, and increased consumer awareness and confidence.

Figure 4.10a: Volume of NIP Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.10b: Value of NIP Transactions, 2015 – 2019 (₦'Billion)

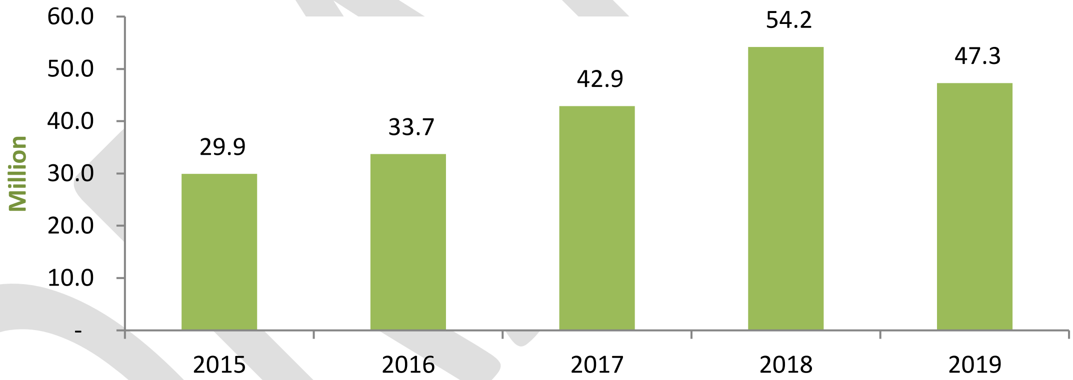


Source: CBN

4.1.4.3 The NIBSS Automated Payments System (NAPS)

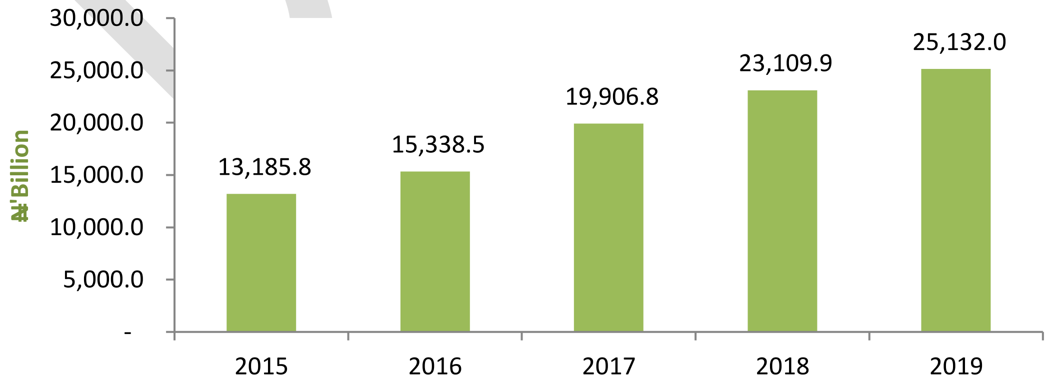
The volume of NAPS decreased by 12.7 per cent to 47.3 million, compared with 54.2 million in 2018. However, it increased in value by 8.8 per cent to ₦25,132.00 billion from ₦23,109.90 billion in the preceding year. The development was attributed to consumers' preference for the instant payment alternative, NIP.

Figure 4.11a: Volume of NAPS Transactions, 2015 – 2019 (Million)



Source: CBN

Figure 4.11b: Value of NAPS Transactions, 2015 – 2019 (₦'Billion)



Source: CBN

4.1.4.4 Institutional Savings

Aggregate financial savings rose by ₦2,437.1 billion to ₦17,715.8 billion, compared with the level in 2018. The ratio of financial savings to GDP was 12.3 per cent, compared with 12.0 per cent in 2018. Banks remained the dominant depository institutions in the financial system, accounting for 93.9 per cent of total financial savings, compared with 94.0 per cent in the preceding year. Other savings institutions, namely; PMBs, insurance companies, pension fund custodians, the Nigerian Social Insurance Trust Fund (NSITF) and microfinance banks, accounted for the balance of 6.1 per cent.

4.2 MONETARY AND CREDIT DEVELOPMENTS

4.2.1 Reserve Money (RM)

CBN's liabilities to other depository corporations and currency in circulation grew by 28.4 and 4.9 per cent to ₦6,226.84 billion and ₦2,442.99 billion at end-December 2019, respectively, compared with the growth of 12.1 and 8.0 per cent at end-December 2018. Consequently, reserve money (RM) grew by 20.8 per cent to ₦8,669.8 billion at the end of the review period, compared with 10.7 per cent at end-December 2018. At that level, reserve money was lower than the programmed level of ₦9,166.04 billion for 2019.

Table 4.1: Reserve Money (₦' Billion)

	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19
Currency-in-Circulation	1,857.94	2,179.17	2,157.23	2,329.71	2,442.99
Bank Reserves	3,900.77	3,668.85	4,326.57	4,850.31	6,226.84
Reserve Money	**5,760.99**	**5,847.92**	**6,484.80**	**7,180.01**	**8,669.83**

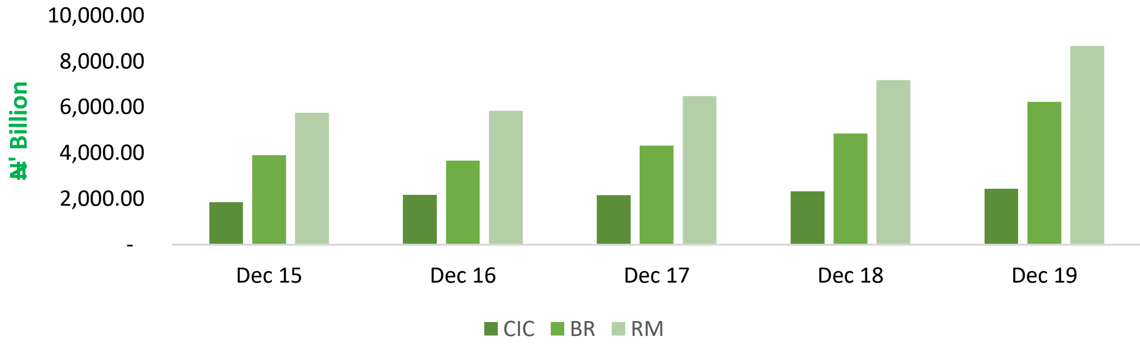
Source: CBN

Table 4.2: Reserve Money (Growth Rates %)

	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19
Currency-in-Circulation	3.34	17.29	(1.01)	8.00	4.86
Bank Reserves	(3.52)	(5.95)	17.93	12.11	28.38
Reserve Money	**3.02**	**1.51**	**10.87**	**10.74**	**20.75**

Source: CBN

Figure 4.12a: Reserve Money, 2015 - 2019



Source: CBN

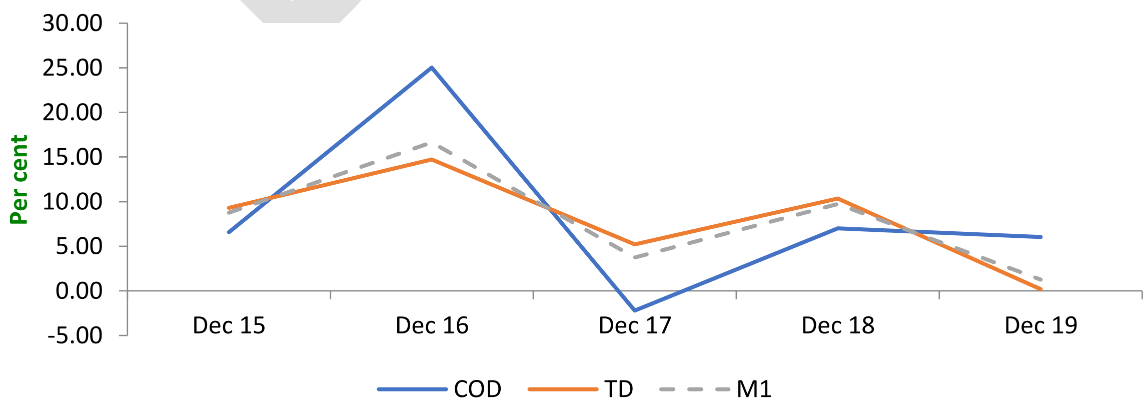
Figure 4.12b: Reserve Money Targets and Outcomes, 2015 - 2019

Source: CBN

4.2.2 Narrow Money (M_1)

Currency outside depository corporations and transferable deposits in banks grew by 6.0 and 0.2 per cent, respectively, to ₦2,022.63 billion and ₦8,510.49 billion at end-December 2019. Consequently, narrow money supply (M_1) grew by 1.3 per cent at end-December 2019 to ₦10,530.32 billion, compared with 9.7 per cent at end-December 2018.

Figure 4.13: Components of Narrow Money (M_1) (Per cent), 2015 – 2019

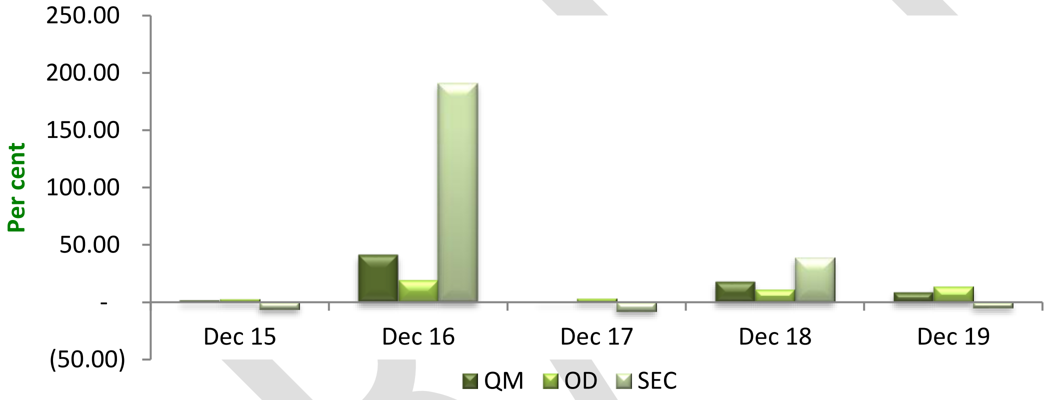


Source: CBN

4.2.3 Quasi-Money (QM)

Quasi money rose by 8.5 per cent to ₦24,243.2 billion at end-December 2019, compared with the growth of 17.6 per cent at end-December 2018. The drivers of quasi money were other deposits in commercial, merchant, mortgage and microfinance banks, which collectively grew by 13.7 per cent at end-December 2019, compared with 11.0 per cent at end-December 2018. Of the total "Other deposits" in banks, foreign currency deposits (FCD) constituted 16.5 per cent and grew by 13.8 per cent to ₦5,573.4 billion at end-December 2019, compared with 28.1 per cent at end-December 2018. Holdings of securities other than shares fell by 4.6 per cent, in contrast to the growth of 38.8 per cent at end-December 2018.

Figure 4.14: Growth in the Components of Quasi Money, 2015 – 2019 (Per cent)



Source: CBN

4.2.4 Broad Money Supply

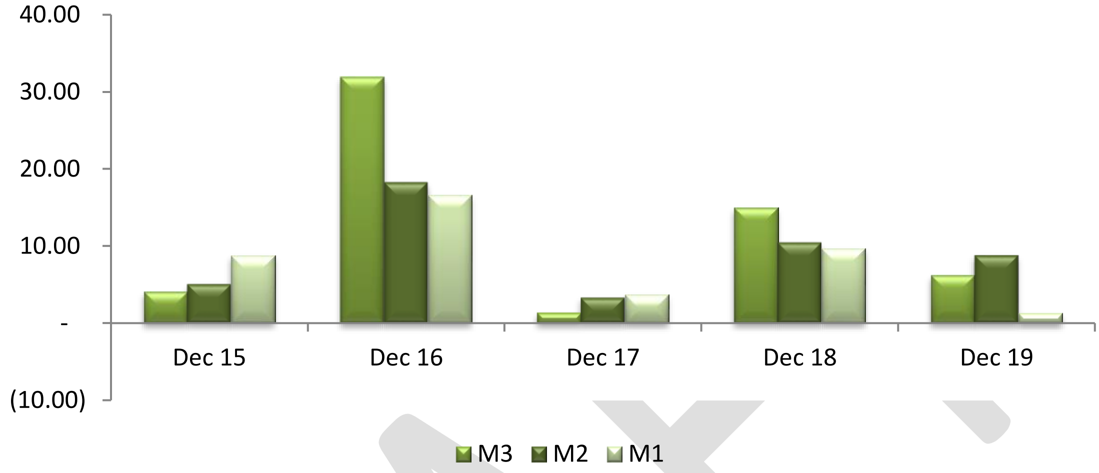
4.2.4.1 Broad Money (M_2)

Broad money supply (M_2), rose by 8.8 per cent at end-December 2019, compared with 10.5 per cent at end-December 2018, resulting from the growth of 13.7 per cent in other deposits, comprising savings and time deposits, compared with 11.0 per cent at end-December 2018.

4.2.4.2 Broad money (M_3)

Growth in the broader measure of money supply, M_3, stood at 6.2 per cent at end-December 2019, compared with 15.0 per cent at the end of the corresponding period of 2018. This was due to the 38.6 per cent growth in net domestic assets, offsetting the 51.0 per cent decline in net foreign assets of the banking system. Of the outstanding claims, net claims on central government grew by 93.0 per cent, and credit to other sectors grew by 13.4 per cent, compared with their respective growth of 32.4 and 5.8 and per cent at end-December 2018.

Figure 4.15: Growth in the Components of Broad Money (M_3), 2015 – 2019 (Per cent)



Source: CBN

4.2.5 Drivers of Broad Money Supply

4.2.5.1 Net Foreign Assets (NFAs)

Net foreign assets of the banking system fell by 51.0 per cent to ₦5,806.3 billion at the end of the review period, in contrast to the 7.9 per cent growth at end-December 2018. The decline in NFA was due to the fall in net claims by non-residents on the monetary authority and other depository corporations. Consequently, the share of NFA in M_3 fell to 16.7 per cent at end-December 2019, compared with 36.2 per cent at end-December 2018. Similarly, the contribution of NFA to the growth of M_3 was negative 18.4 percentage points at end-December 2019, against 10.0 percentage points at end-December 2018.

4.2.5.2 Domestic Claims (DC)

Claims on the domestic economy grew by 27.2 per cent to ₦36,182.6 billion at end-December 2019, compared with 9.5 per cent at the end of the preceding period. This was due to increased net claims on the Central Government and claims on other sectors. Consequently, domestic claims contributed 23.6

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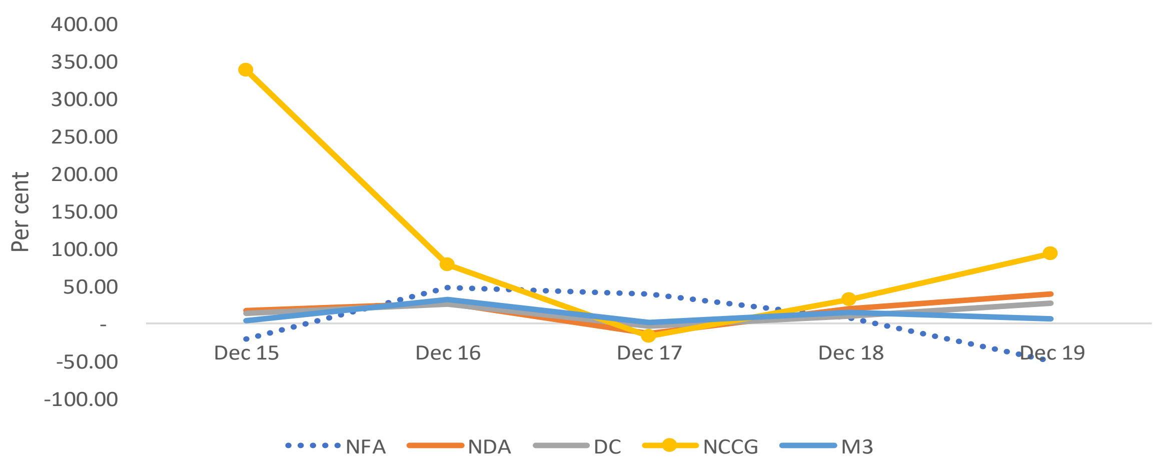
percentage points to the growth in M3 at end-December 2019, compared with 8.8 percentage points at end-December 2018.

4.2.5.2.1 Net Claims on the Central Government (NCG)

Net claims on the Central Government grew by 93.0 per cent to ₦9,482.8 billion at end-December 2019, compared with 32.4 per cent at end-December 2018. The development reflected the significant growth in claims by the CBN and other depository corporations. The contribution of claims on the Central Government to the growth in M3 was 13.9 percentage points, compared with 4.2 percentage points at the end of the preceding period.

Figure 4.16: Growth in Broad Money Supply (M3), 2015 – 2019 (per cent)



Source: CBN

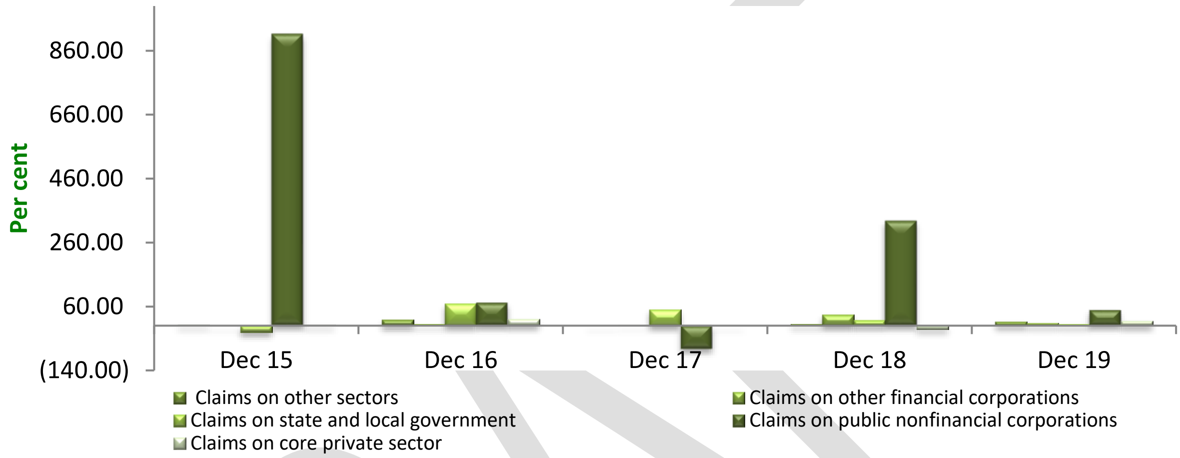
Table 4.3 Contribution to the Growth in M3 2015-2019 (%)					
	Dec - 15	**Dec - 16**	**Dec - 17**	**Dec - 18**	**Dec- 19**
Net foreign Assets	-6.94	11.87	11.13	3.03	-18.43
Net domestic Credit	11.03	20.05	-9.74	11.96	24.65
Domestic Claims	12.38	25.83	-3.11	8.77	23.60
Net Claims on Central Government	9.51	9.32	-2.82	4.23	13.95
Claims on other sectors	2.87	16.51	-0.30	4.54	9.65
Broad Money Liabilities (M3)	**4.09**	**31.92**	**1.39**	**14.98**	**6.22**
Currency outside depository corporations	0.44	1.71	-0.14	0.44	0.35
Transferable deposits	2.65	4.41	1.36	2.80	0.05
Other deposits	1.53	10.66	1.53	5.58	6.71
Securities other than shares	-0.53	15.13	-1.36	6.16	-0.89

Source: CBN

4.2.5.2.2 Claims on Other Sectors (COS)

Banking system claims on other sectors grew by 13.4 per cent to ₦26,694.52 billion at end-December 2019, compared with 5.8 per cent at end-December 2018. The development was due, largely, to the 49.0 per cent growth in claims on non-financial corporations; other private sectors, 15.3 per cent; other financial corporations, 8.2 per cent; and states and local governments, 7.1 per cent.

Figure 4.17: Growth in Domestic Claims, 2015 – 2019 (Per cent) – Dr Kure

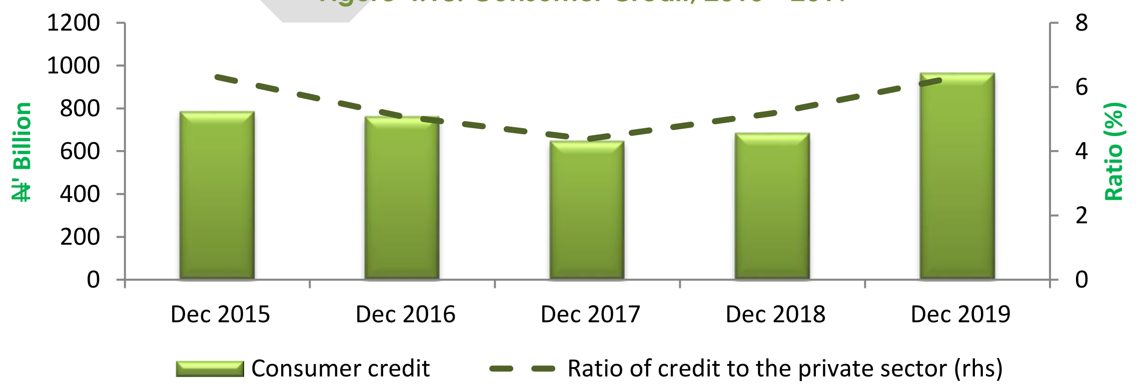


Source: CBN

4.2.5.2.2.1 Consumer Credit

Outstanding consumer credit grew by 41.0 per cent to ₦963.7 billion at end-December 2019 and constituted 6.3 per cent of banks' outstanding claims on the private sector, compared with 5.2 per cent in 2018. The growth in consumer credit reflected the drive for financial assets by banks, arising from the implementation of the new minimum loan-to-deposit ratio of 60.0 per cent, which was raised in July 2019.

Figure 4.18: Consumer Credit, 2015 - 2019



Source: CBN

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4.2.5.3 Other Items (Net) (OIN)

Other items (net) of the banking system fell by 37.7 per cent, in contrast to the 3.9 per cent increase at end-December 2018. The contribution of OIN to the growth of M_3 was negative 3.3 percentage points at end-December 2019, in contrast to 0.4 percentage point in 2018.

Table 4.4: Composition of Total Monetary Aggregates (M_3), 2015 – 2019 (Per cent)

	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19
Net Foreign Assets	**25.01**	**27.96**	**38.55**	**36.16**	**16.69**
Net Domestic Assets	**74.99**	**72.04**	**61.45**	**63.84**	**83.31**
Net Claims on Government	11.83	16.04	13.04	15.02	27.27
Claims on other Sectors	88.37	79.50	78.12	71.89	76.76
Broad Monetary Assets (M3)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
Currency outside depository corporations	6.85	6.49	6.26	5.83	5.82
Transferable deposits	29.96	26.05	27.03	25.95	24.47
Narrow Money (M1)	**36.81**	**32.54**	**33.29**	**31.77**	**30.29**
Other deposits	55.26	49.97	50.80	49.03	52.48
Broad Money M2	**92.07**	**82.51**	**84.09**	**80.81**	**82.77**
Securities other than shares	7.93	17.49	15.91	19.19	17.23
Broad Monetary Liabilities (M3)	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Source: CBN

4.2.6 Maturity Structure of Banks' Loans and Advances, and Deposit Liabilities

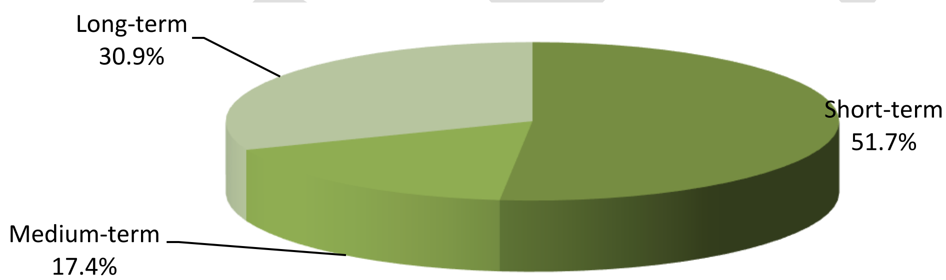
As in the preceding year, short-term maturities remained dominant in banks' outstanding credit and deposits. Outstanding loans and advances maturing one year and earlier, accounted for 51.7 per cent of the total, compared with 47.2 per cent at end-December 2018. The share of medium-term (above 1 year but less than 3 years) loans, remain unchanged at 17.4 per cent same as in the preceding year. Long-term (3 years and above) fell to 30.9 per cent, from 35.4 per cent at end-December 2018.

Deposit liabilities showed a similar trend, with short-term deposits constituting 90.3 per cent of the total at end-December 2019, compared with 88.1 per cent at end-December 2018. Deposits of less than 30-day maturity constituted 73.0 per cent, while the share of medium and long-term deposits stood at 4.0 and 5.7 per cent, respectively, compared with 3.8 and 8.1 per cent at end-December 2018. The structure of banks' deposit liabilities reflected their preference for short-term claims on the economy.

Table 4.5: Maturity Structure of DMBs' Loans and Advances, and Deposit Liabilities, 2017 - 2019						
Tenor	**Loans (%)**			**Deposits (%)**		
	2017	**2018**	**2019**	**2017**	**2018**	**2019**
0-30 days	25.6	25.2	28.7	74.4	72.9	73.0
31-90 days	7.8	9.3	10.2	12.9	10.1	10.9
91-180 days	5.3	4.4	5.7	4.8	3.2	4.2
181-365 days	5.0	8.3	7.1	3.7	1.9	2.3
Short-term	43.7	47.2	51.7	95.9	88.1	90.3
Medium-term - (above 1 year and below 3 Years)	18.0	17.4	17.4	1.3	3.8	4.0
Long-term (3 years and Above)	38.4	35.4	30.9	2.8	8.1	5.7

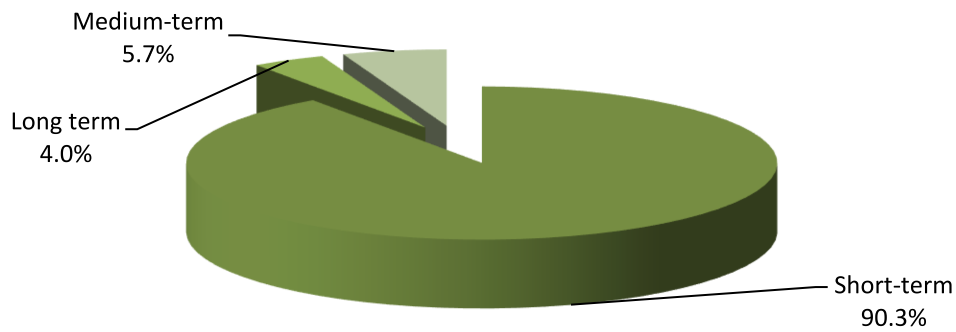
Source: CBN

Figure 4.19a: Maturity Structure of DMBs' Loans and Advances at end-December, 2019 (Per cent)



Source: CBN

Figure 4.19b: Maturity Structure of DMBs' Deposits at end-December, 2019 (Per cent)



Source: CBN

4.2.7 Sectoral Distribution of Credit

Of the total banks' claims on the core private sector in the review year, credit to the priority sectors, such as agriculture, services and construction, constituted 4.5, 37.7 and 4.2 per cent, respectively, compared with 4.0, 34.8

and 4.1 per cent at end-December 2018. The industry sector accounted for 37.4 per cent of total sectoral credit utilisation at end-December 2019, of which the manufacturing and oil & gas sub-sectors constituted 40.8 and 53.2 per cent, respectively, compared with 36.0 and 57.2 per cent at end-December 2018.

Table 4.6: Share in Outstanding Credit to the Core Private Sector, 2018 – 2019 (per cent)

ITEM	Dec 2018	Dec 2019	Percentage Share in Total		% Change Between
	₦' Billion	₦' Billion	Dec 18	Dec 19	
	1	2	3	4	(1) &(2)
[a] Agriculture	610.15	772.40	4.0	4.5	26.6
[b] Industry	6,203.19	6,423.30	41.0	37.4	3.5
Mining & Quarrying	20.69	11.30	0.1	0.1	-45.3
Manufacturing	2,230.15	2,622.50	14.7	15.3	17.6
Oil & Gas	3,548.97	3,416.30	23.5	19.9	-3.7
of which Downstream, Natural Gas and Crude Oil Refining	3,548.97	3,416.30	23.5	19.9	-3.7
Power and Energy	403.38	373.20	2.7	2.2	-7.5
of which IPP and Power Generation	403.38	373.20	2.7	2.2	-7.5
[c] Construction	614.51	723.10	4.1	4.2	17.7
[d] Trade/General Commerce	1,076.72	1,247.40	7.1	7.3	15.8
[e] Government	1,302.58	1,539.20	9.0	9.0	13.0
[f] Services	5,267.04	6,482.30	34	37.7	23.1
Real Estate	622.78	605.00	4.1	3.5	-2.9
Finance, Insurance and Capital Market	1,106.42	1,272.10	7.3	7.4	15.0
Education	57.25	58.40	0.4	0.3	2.0
Oil & Gas	1,096.55	1,162.50	7.2	6.8	6.0
of which Upstream and Oil & Gas Services	1,096.55	1,162.50	7.2	6.8	6.0
Power and Energy	309.12	298.20	2.0	1.7	-3.5
of which Power Transmission and Distribution	309.12	298.20	2.0	1.7	-3.5
Others	2,074.93	3086.10	13.7	18.0	48.7
of which: i. General	899.85	1,430.07	5.9	8.3	58.9
ii. Information & Communication	545.50	882.94	3.6	5.1	61.9
iii. Transportation & Storage	289.85	396.20	1.9	2.3	36.7
TOTAL PRIVATE SECTOR CREDIT	**15,134.20**	**17,187.77**	**100.0**	**100.0**	**13.6**

Source: CBN

4.2.8 Financial/Banking System Developments

Indicators of financial sector performance were mixed in 2019. Systemic relevance of the banking sector, measured by the ratio of total monetary assets to GDP, stood at 24.1 per cent, compared with 25.6 per cent at end-December 2018. Similarly, a decline in financial savings was observed in 2019, with the ratio of quasi money to GDP at 16.8 per cent, down from the 17.5 per cent recorded in 2018. There was a slight improvement in intermediation efficiency indicator, measured by the ratio of currency outside banks to broad money supply, which stood at 5.82 per cent, from 5.83 per cent at end-December 2018. Also, the capacity of the banking system to finance the economy grew, with the domestic claims to GDP ratio at 25.1 per cent, from 22.3 per cent in 2018. The ratio of credit to the private sector to GDP rose to 18.5 per cent, from 18.4 per cent in 2018.

Table 4.7: Indicators of Financial Development, 2015 – 2019 (per cent)

	2015	2016	2017	2018	2019
M_3/GDP	22.61	27.67	25.04	25.63	24.12
COB/M_3	6.85	6.49	6.26	5.83	5.82
QM/GDP	14.29	18.67	16.70	17.49	16.81
DC/GDP	22.66	26.44	22.83	22.27	25.09
COP/GDP	19.98	22.00	19.56	18.43	18.51
Cp (core)/GDP	22.61	27.67	25.04	25.63	24.12

Source: CBN

Table 4.8: Money Multiplier and Velocity of M_3, 2015 – 2019 (per cent)

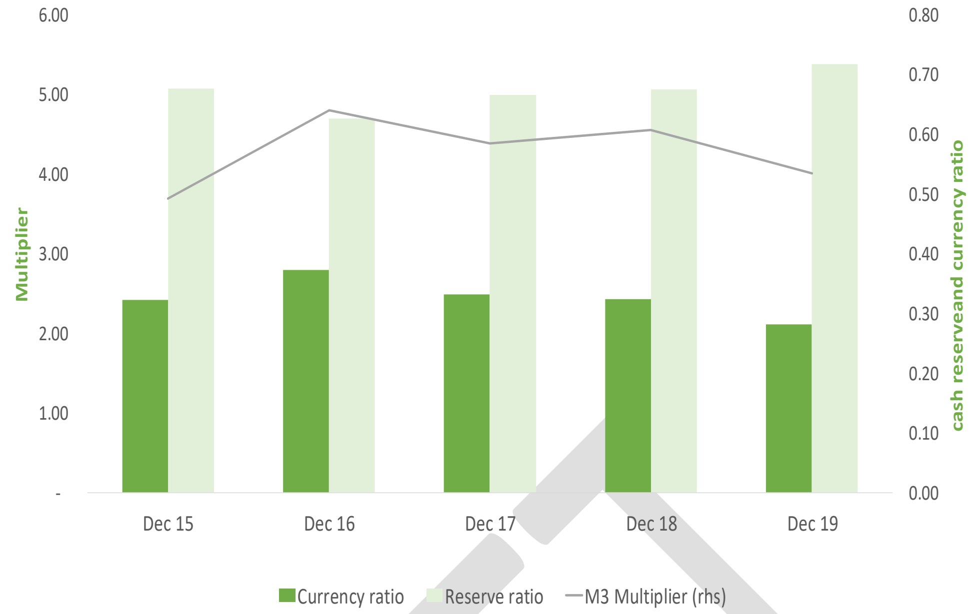
	2015	2016	2017	2018	2019
Currency ratio	22.61	27.67	25.04	25.63	24.12
Reserve ratio	6.85	6.49	6.26	5.83	5.82
M_3 Multiplier	14.29	18.67	16.70	17.49	16.81
Velocity of M_3	22.61	27.67	25.04	25.63	24.12
Currency ratio	22.61	27.67	25.04	25.63	24.12

Source: CBN

4.2.9 Money Multiplier and Velocity of Money

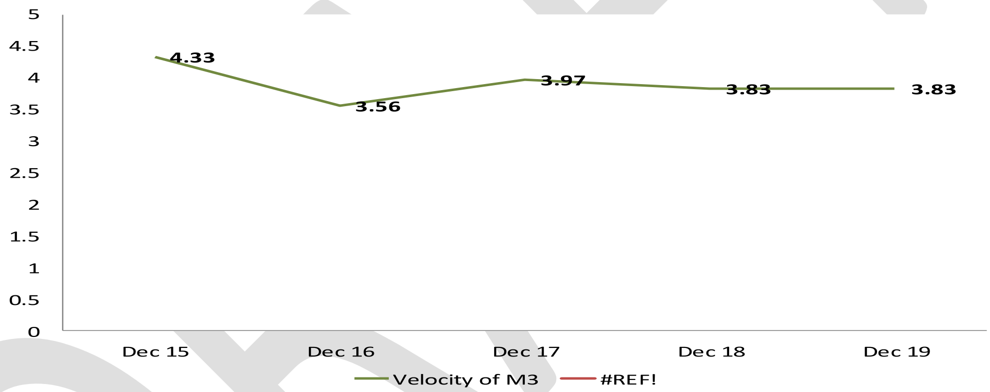
The broad money multiplier stood at 4.01, indicating a decrease of 0.6 below the level at end-December 2018, suggesting a slower rate of monetary expansion in the review period. Currency deposit ratio decreased to 0.28 below the ratio of 0.32 in 2018, owing to the impetus given to implementing the cash-less policy initiative of the Bank. The velocity of broad money, M_3, was stable at 3.8 per cent, as in the preceding year and averaged 3.9 per cent in the past five years, indicating stable economic activities.

Figure 4.20: Money Multiplier, Currency Ratio and Reserve Ratio, 2015 - 2019



Source: CBN

Figure 4.21: Velocity of Broad Money, 2015 - 2019



Source: CBN

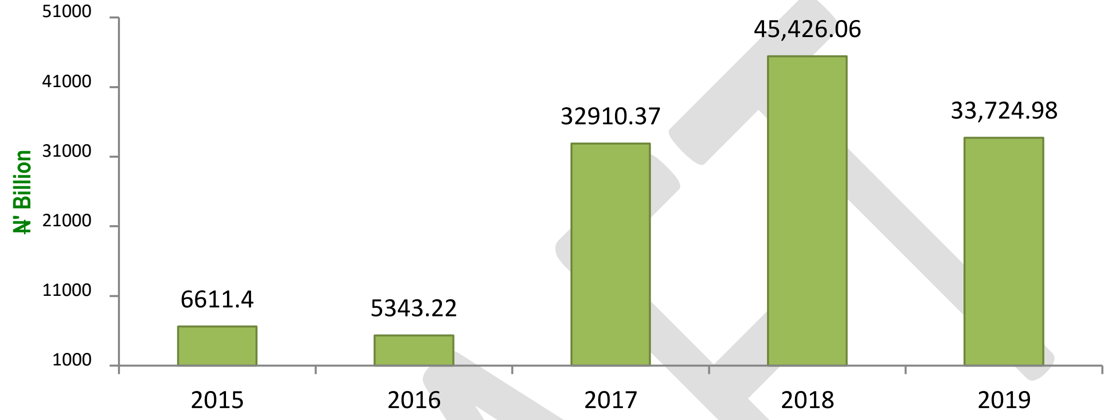
4.3 MONEY MARKET DEVELOPMENTS

Developments in the money market reflected the liquidity condition in the banking system in the year. Liquidity was influenced, largely, by statutory revenue flows, foreign exchange interventions and open market operations (OMO). The activities at the inter-bank market showed preference for collateralised transactions by authorised players.

4.3.1 The Inter-bank Funds Market

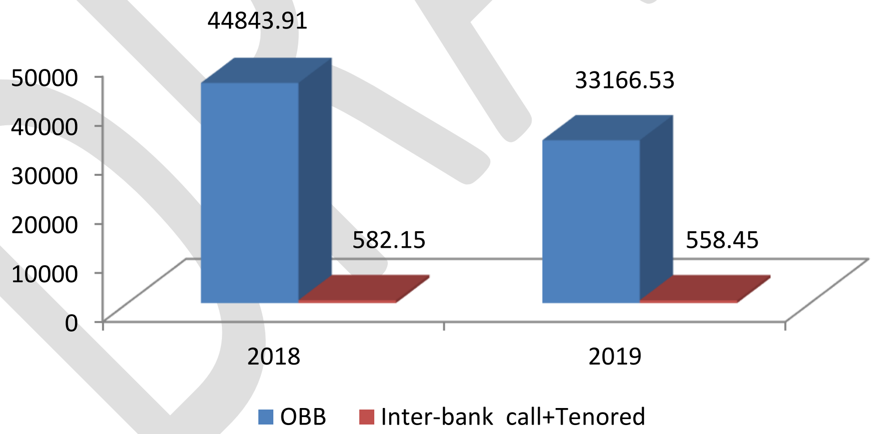
At the inter-bank funds market, the value of transactions decreased by 25.8 per cent to ₦33.724.98 billion in 2019, from ₦45,426.06 billion in 2018. OBB transactions accounted for 98.3 per cent of the total value of inter-bank deals, and transactions at the unsecured inter-bank segment accounted for the balance of 1.7 per cent. A breakdown of the transactions at the inter-bank market showed a decrease in call and tenored placements by 4.1 per cent to ₦558.45 billion, from ₦582.15 billion in 2018. At the OBB segment, transactions decreased by 26.04 per cent to ₦33,166.53 billion, from ₦44,843.91billion in 2018. The decrease in the volume of transactions in 2019 was attributed, largely, to the liquidity condition in the banking system.

Figure 4.22: Value of Interbank Funds Market Transactions, 2015 – 2019 (₦' Billion)



Source: CBN

Figure 4.23: Share of Interbank Funds Market Transactions, 2019 (Per cent)



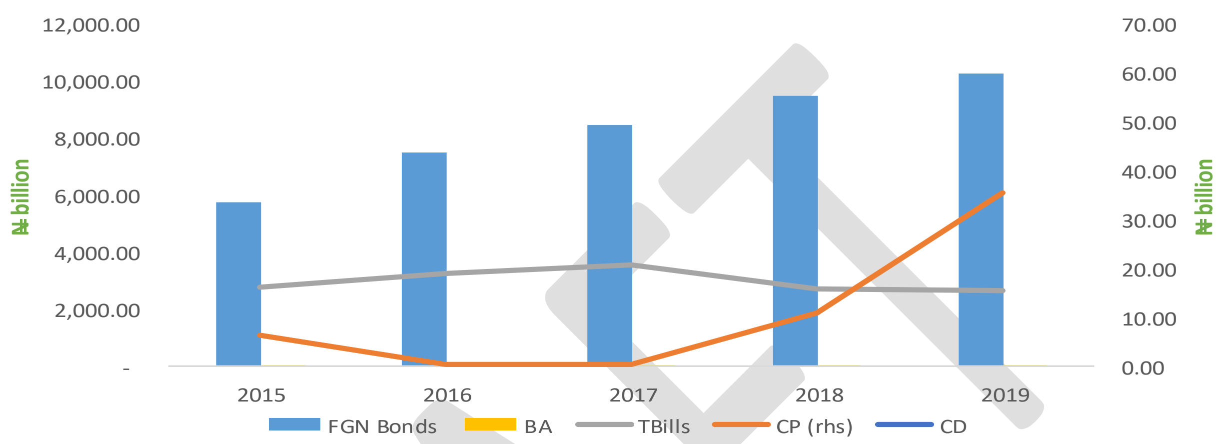
Source: CBN

4.3.2 Money Market Assets Outstanding

Government securities constituted 99.2 per cent of the total money market assets outstanding at end-December 2019.

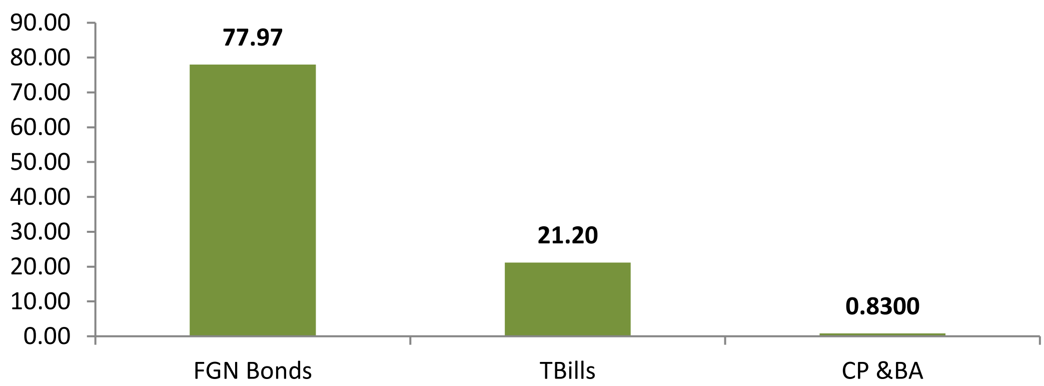
Total money market assets outstanding at end-December 2019, stood at ₦13,043.59 billion, representing an increase of 6.21 per cent over the ₦12,281.53 billion at end-December 2018. The development was attributed to increased investment in certificate of deposits, FGN bonds and commercial paper in the review period. Government securities constituted over 99.2 per cent of the total money market assets outstanding, while private sector-issued securities (commercial paper, bankers' acceptances and certificates of deposit) accounted for the balance.

Figure 4.24: Money Market Assets Outstanding, 2015 – 2019 (₦' billion)



Source: CBN

Figure 4.25: Growth of Money Market Assets Outstanding, 2019 (Per cent)



Source: CBN

Table 4.9: Composition of Money Market Assets Outstanding, 2018 and 2019

Asset	Share in total (%) in 2018	Share in total (%) in 2019
Treasury Bills	22.28	21.20
Certificate of Deposit	0.00	0.48
Commercial Paper	0.09	0.30
Bankers' Acceptance	0.09	0.05
FGN Bonds	77.54	77.97
Total	100	100

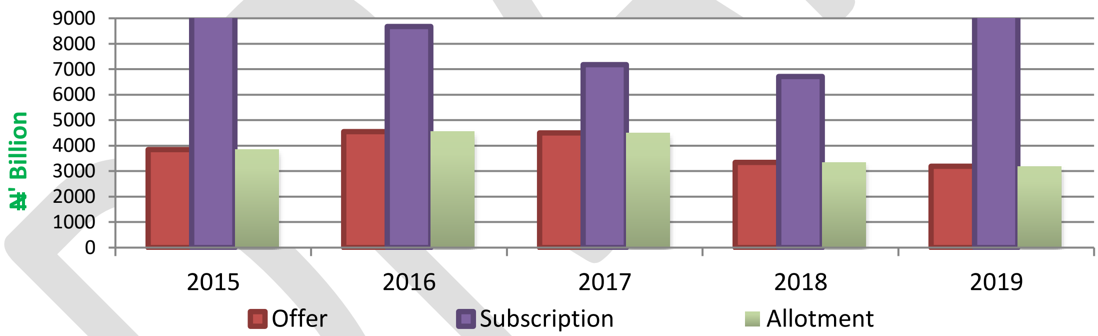
Source: CBN

4.3.2.1 Nigerian Treasury Bills (NTBs)

Nigerian Treasury Bills (NTBs) worth ₦3,190.61 billion were offered and allotted in 2019, representing a decline of ₦151.78 billion or 4.54 per cent, below the ₦3,342.39 billion in 2018. The reduction in NTBs holdings reflected the Federal Government preference for longer term bonds. Total public subscription stood at ₦9,608.87 billion, an increase of ₦2,895.09 billion or 43.12 per cent, compared with ₦6,713.78 billion in the preceding year. The tenors were for 91-, 182- and 364-day. The higher public subscription was attributed to the high patronage of NTBs, due to the exclusion of local corporates, PFA investors and individual investors from purchasing OMO bills.

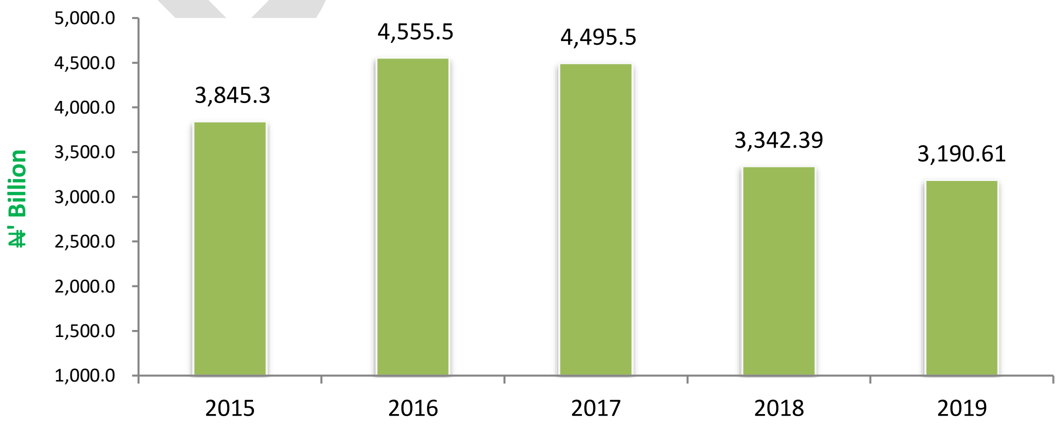
The stop rates ranged from 4.00 to 11.00 per cent for the 91-day, 5.00 to 13.50 per cent for the 182-day and 5.50 to 15.00 per cent for the 364-day tenors. In comparison, the stop rates in 2018 ranged from 10.00 to 12.55 per cent for the 91-day, 10.30 to 13.93 per cent for the 182-day and between 10.70 to 14.46 per cent for the 364-day tenors.

Figure 4.26: NTB Issues, Subscriptions and Allotments, 2015 - 2019



Source: CBN

Figure 4.27: Nigerian Treasury Bills Outstanding, 2015-2019



Source: CBN

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The structure of allotment of the instrument indicated that banks (including foreign investors) took up ₦1,769.42 billion or 55.46 per cent, mandate and internal funds customers (including CBN branches) ₦1,261.39 billion or 39.53 per cent, and merchant banks ₦86.35 billion or 2.71 per cent. There was CBN take-up of ₦73.45billion or 2.30 per cent in the period under review.

Table 4.10: NTB Issues, Subscription, Allotments and Repayments, 2015-2019 (₦' billion)

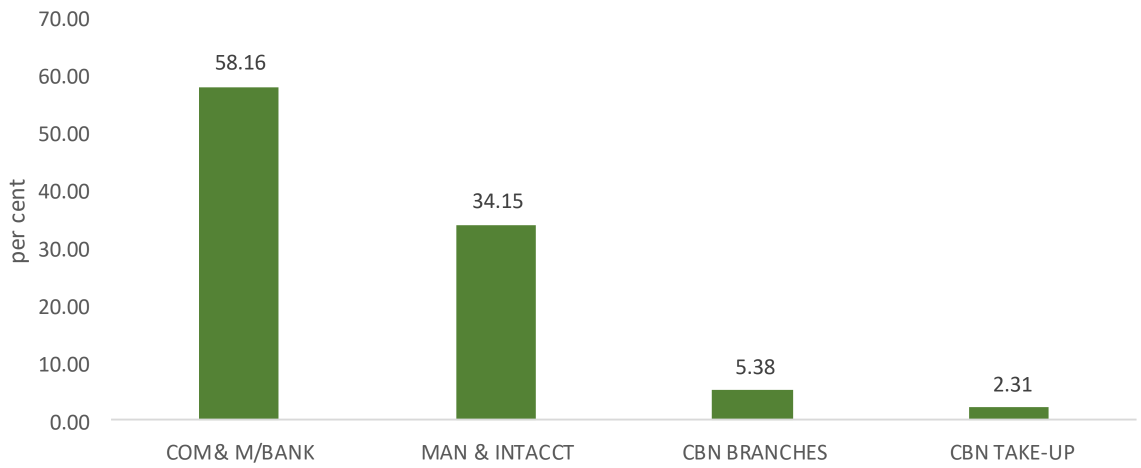
	2015	2016	2017	2018	2019
Offer Amount (₦'bn)	3,845.32	4,555.50	4,495.46	3,342.39	3,190.61
Total Subscription (₦'bn)	9,302.32	8,677.69	7,178.38	6,713.78	9,608.87
Allotment (₦'bn)	3,845.32	4,555.50	4,495.46	3,342.39	3,190.61
Commercial & MBs	2,765.62	2,633.04	2,550.04	1,834.20	1,855.77
Mandate and Internal Fund	999.50	1,609.71	1,698.22	1,332.46	1,089.69
CBN branches&CBN take-up	80.20	312.75	120.02	175.72	245.15
Average Range of Successful Bid Rates (%)	3.63 -15.90	6.34 -17.40	14.52-16.83	10.00-14.45	-
Bid-Cover Ratio[1]	2.42	1.90	1.60	2.01	3.01
Repayments	3,875.12	3,936.12	4,432.95	4,108.17	3,117.16
Net Flows[2]	29.8	-619.38	-62.52	765.78	-73.45

Source: CBN

[1]Bid-cover ratio equals Subscription divided by Allotments

[2]Net Flow equals Repayments minus Allotments

Figure 4.28: Nigerian Treasury Bills: Breakdown of Allotments, 2019 (Per cent)

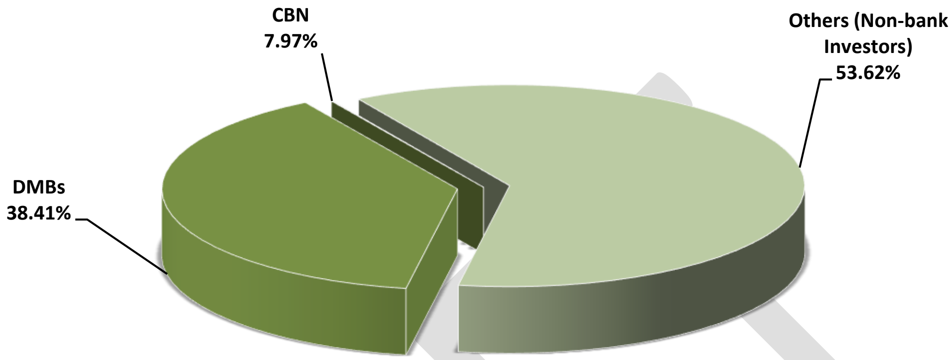


Source: CBN

The sum of ₦3,117.16 billion was repaid in the review year, resulting in a net outflow of ₦73.45 billion from the banking system, as against a net inflow of ₦765.78 billion in the preceding year.

Table 4.11: Liquidity Flows, 2018 - 2019			
Period	NTBs Allotted (₦bn)	NTBs repaid (₦bn)	Net flow (₦bn)
2019	3,190.61	3,117.16	-73.45
2018	3,342.39	4,108.17	765.78

Figure 4.29 Nigerian Treasury Bills Outstanding: Classes of Holders, 2019 (Per cent)



Source : CBN

4.3.2.2 Commercial Paper (CP)

Commercial Paper (CP) outstanding held by banks grew by 224.86 per cent to ₦35.28 billion at end-December 2019, from ₦10.86 billion at the end of the preceding year. The development was due to the increase in investment in CP by commercial and merchant banks, during the review period. Thus, CP constituted 0.3 per cent of the total value of money market assets outstanding in the review period, compared with 0.09 per cent at the end of the preceding year.

4.3.2.3 Bankers' Acceptances (BAs)

Bankers' Acceptances (BAs), held by the banks, declined by 49.5 per cent to ₦5.84 billion in 2019 from ₦11.57 billion at the end of the preceding year. The development was attributed to the shift in investments by the DMBs to government securities during the year. Consequently, BAs constituted 0.05 per cent of the total value of money market assets, compared with 0.09 per cent in the preceding year.

4.3.2.4 Federal Republic of Nigeria Treasury Bonds (FRNTBs)

There was no new issue of the Federal Republic of Nigeria Treasury Bonds (FRNTBs), as the Federal Government relied on the issuance of FGN Bonds to

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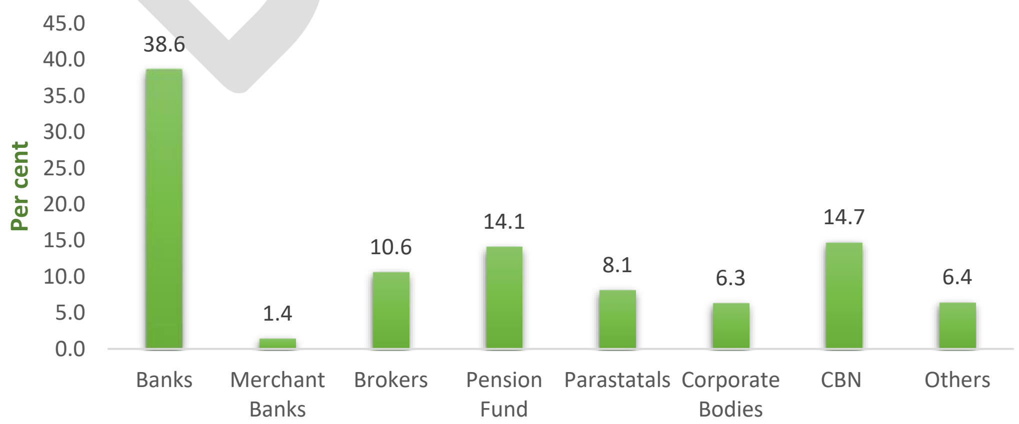
raise funds. Therefore, the outstanding stock of the instrument at end-December 2019 stood at ₦125.99 billion, compared with ₦150.99 billion at end-December 2018. The decline in the amount outstanding was due to the redemption of ₦25.00 billion at the end of 2019. A breakdown of the amount outstanding showed that the CBN held ₦29.27 billion, while ₦96.71 billion was held in the Sinking Fund, compared with ₦42.55 billion and ₦108.44 billion, respectively, in 2018.

4.3.2.5 Federal Government of Nigeria (FGN) Bonds

New issues and re-openings of the FGN Bonds series 1, 2, 3, 4, 5 and 6 were auctioned in 2019. Total FGN Bonds offered for sale was ₦1,590.00 billion, while public subscription and sale stood at ₦2,514.23 billion and ₦1,650.75 billion, respectively. This was higher than ₦1,070.00 billion, ₦1,506.03 billion and ₦762.04 billion, issued, subscribed to and alloted, respectively, in 2018. The higher subscription in 2019 was traceable to the high patronage of FGN Bonds, which resulted from the restriction placed on non-banking institutions and individuals on OMO bills. Total value of the FGN Bonds outstanding at end-December 2019, was ₦10,971.69 billion, compared with ₦9,814.61 billion at end-December 2018, representing an increase of ₦1,157.08 billion or 11.79 per cent.

The structure of holdings of the FGN Bonds in 2019 was as follows: banks, ₦4,231.43 billion (38.57%); merchant banks, ₦156.69 billion (1.43%); while the balance of ₦6,583.58 billion (60.01%) was held by the non-bank public.

Figure 4.30: FGN Bonds by Holder, 2019 (Per cent)



Source: CBN

4.3.2.6 Domestic Debt and Charges

4.3.2.6.1: Domestic Debt

At end-December 2019, the stock of the FGN domestic debt was ₦14,171.08 billion, showing an increase of ₦1,727.95 billion or 13.89 per cent above the ₦12,443.13 billion recorded at end-December 2018. The increase in the stock of the FGN domestic debt was driven by the need to fund infrastructural development.

Table 4.12: Outstanding Federal Government Debt Instrument as at December 31, 2019

	Instrument	2018		2019	
		₦'billion	Percentage Share %	₦'billion	Percentage Share %
1	FGN Bonds	9,134.19	73.41	10,291.27	72.62
2	Nigerian Treasury Bills	2,735.97	12.99	2,651.51	18.71
3	Nigerian Treasury Bonds	150.99	1.21	125.99	0.89
4	FGN Savings Bonds	10.75	0.09	12.67	0.09
5	FGN Special Bonds	200.54	1.61	232.89	1.64
6	FGN Sukuk Bonds	200.00	1.61	200.00	1.41
7	FGN Green Bonds	10.69	0.09	25.69	0.18
8	FGN Promisssory Notes	-	-	631.06	4.45
	Total	12,443.13	100.00	14,171.08	100.00

Source: DMO

4.3.2.6.1.1 Federal Government of Nigeria Savings Bond

A total of ₦5.76 billion was allotted during the review period, indicating an increase of ₦2.18 billion or 60.7 per cent, over the ₦3.59 billion at end-December 2018. The increase was attributed to a higher number of subscription and FGN's preference for domestic borrowing in the period under review. The new issues were for 2 and 3 years and the coupon rate applied ranged from 9.09 to 12.13 per cent and 10.09 to 13.13 per cent for the 2 and 3 years, respectively. The range of coupon in the previous year was higher, between 9.48 to 12.40 per cent and 10.48 to 13.40 per cent for the 2 and 3 years, respectively. Consequently, total value of FGN Savings Bonds outstanding at end-December 2019 was ₦12.67 billion.

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4.3.2.6.1.2 Federal Government of Nigeria Green Bond

A ₦15.00 billion 7-Year FGN Green Bond was issued and allotted during the review period. The Bond has a coupon of 14.50 per cent payable semi-annually. Consequently, total value of FGN Green Bond outstanding at end-December 2019 increased to ₦25.69 billion, representing a 140.3 per cent increase from the ₦10.69 billion in 2018.

4.3.2.6.1.3 Federal Government of Nigeria Sukuk Bond

There was no new issue of FGN Sukuk during the review period. Consequently, the total value of Sukuk outstanding at end-December 2019 remained at ₦200.00 billion.

Table 4.13: Domestic Debt Charges (₦' billion), 2019

	TOTAL 2019 (₦)	Percentage %	TOTAL 2018 (₦)	Percentage %
Nigeria Treasury Bills	352.32	21.19	640.68	35.60
Treasury Bonds Interest	20.35	1.22	23.84	1.32
FGN Sukuk	32.21	1.94	-	-
Coupon Paid on all FGN Bonds	1,257.61	75.65	1,135.22	63.08
TOTAL	1662.49	100.00	1,799.74	100.00

Source: CBN

4.3.2.6.2: Domestic Debt Charges

The total cost of domestic debt instruments issued by the FGN stood at ₦1,662.49 billion at end-December 2019, representing a decrease of ₦137.25 billion or 7.63 per cent, below the ₦1,799.74 billion at end-December 2018. The decrease in the cost of debt service in 2019 was attributed to the general decline in market rates of FGN Bonds and NTBs issued in 2019. A breakdown of the cost in 2019 depicted that FGN Bonds coupon payments (including Special Bonds) accounted for ₦1,257.61 billion or 75.7 per cent, while interest on NTBs stood at ₦352.32 billion or 21.2 per cent, FRN Treasury Bonds was ₦20.35 billion or 1.2 per cent, while FGN Sukuk constituted the balance of ₦32.21 billion or 1.9 per cent.

4.3.3 Over-the-Counter (OTC) Transactions

4.3.3.1 OTC Transactions in Nigerian Treasury Bills (NTBs)

Over-the-Counter (OTC) transactions in NTBs amounted to ₦85,981.06 billion, indicating an increase of ₦13,858.53 billion or 19.2 per cent over ₦72,122.54 billion recorded in 2018. The increase was attributed, largely, to the rise in transactions by foreign and other institutional investors.

4.3.3.2 OTC Transactions in FGN Bonds

OTC transactions in FGN Bonds amounted to ₦16,651.43 billion, indicating an increase of ₦4,850.96 billion or 41.1 per cent over the ₦11,800.47 billion recorded in 2018. The trend was attributed, largely, to active participation of investors, both local and foreign.

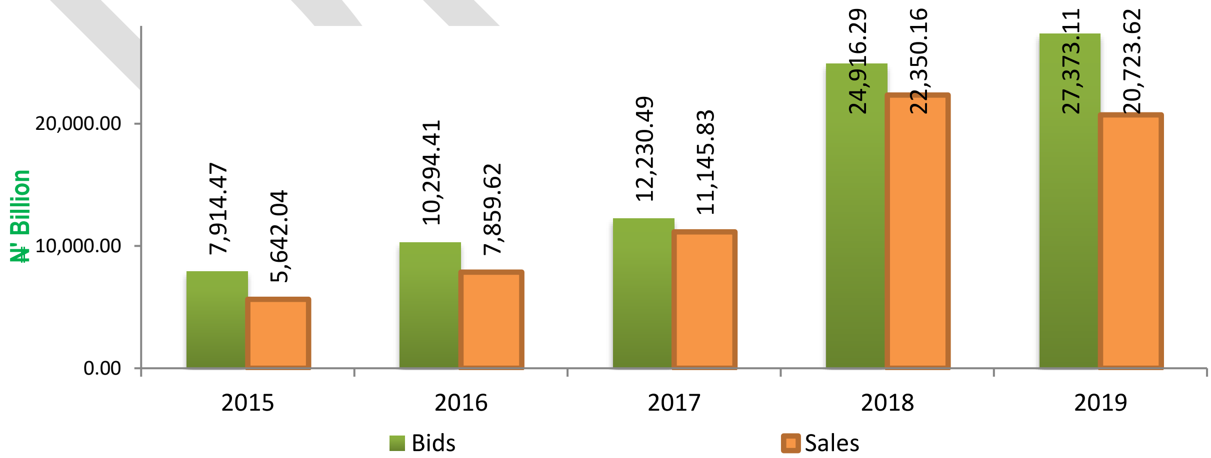
4.3.4 Open Market Operations (OMO)

OMO was the main instrument of monetary policy, complemented by discount window activities, CRR and interventions in the foreign exchange market.

4.3.4.1 OMO Auctions

Total CBN bills offered at the OMO was ₦21,501.14 billion, while public subscription and sale amounted to ₦27,373.11 billion and ₦20,723.62 billion, respectively, compared with ₦34,610.06 billion, ₦24,916.29 billion and ₦22,350.16 billion offered, subscribed to and sold, respectively, in 2018.

Figure 4.31: OMO Issues and Sales, 2015 - 2019



Source: CBN

4.3.4.2 CBN Promisory Notes

There was no issuance of promissory notes in 2019, same as in 2018.

4.3.4.3 Repurchase Transactions (Repo)

Total request for repo transactions was ₦1,667.81 billion, while the interest rates ranged from 18.50 to 19.50 per cent for 4 to 90-day tenors. Consequently, total interest earned on repo was ₦41.66 billion. In the preceding year, request for repo was ₦989.61 billion at the same interest rates for similar tenors. Total interest earned on repo was ₦23.55 billion in 2019.

4.3.5 Discount Window Operations

4.3.5.1 CBN Standing Facilities

Banks accessed the standing facilities to square-up their positions by borrowing at the Standing Lending Facility (SLF) or depositing excess funds at the Standing Deposit Facility (SDF) at the end of each business day. The trend at the discount window showed more frequent recourse to the SLF, than in 2018, despite increased net system liquidity. Meanwhile, the remunerable threshold for daily deposits per institution at the SDF was reduced to ₦2.0 billion. This was to curtail unbridled requests by market participants and encourage lending to the real sector of the economy. Applicable rates for the SLF and SDF, however, were adjusted to 15.50 and 8.50 per cent in 2019, from 16.00 and 9.00 per cent in 2018 by the MPC. The rates were anchored to the MPR.

4.3.5.1.1 The Standing Deposit Facility (SDF)

Patronage at the SDF window decreased to an average daily amount of ₦48.32 billion for the 251 transaction days in 2019, from ₦84.27 billion for the 246 transaction days in 2018. Similarly, the average daily interest payments on the deposits decreased to ₦17.22 million in the review period, from ₦30.51 million in 2018. The decreased volume of transactions in the year was due to the reduction in remunerable SDF from ₦7.5 billion to ₦2.0 billion.

4.3.5.1.2 The Standing Lending Facility (SLF)

SLF was granted to commercial and merchant banks to enable them square-up their positions in the period. Request was moderate in the review period due to improved liquidity condition. Consequently, the average monthly request for SLF was ₦81.06 billion in 238 transaction days, of which intraday liquidity facility (ILF) conversion averaged ₦30.76 billion, amounting to 37.9 per cent of average daily requests. The average daily interest charged was ₦55.13 million. In the previous year, the average daily request for SLF was ₦48.44 billion in 234 transaction days, out of which ILF conversion was ₦30.43 billion or 62.8 per cent, while average daily interest income stood at ₦35.81 million.

4.3.5.2 Rediscounting Transactions

Bills valued at ₦140.55 billion, with outstanding days to maturity of 1 to 352 days were rediscounted at rates ranging from 13.50 to 14.38 per cent, with total interest earned amounting to ₦6.98 billion in 2019. The need for rediscounting in 2019 was traceable to the CBN's policy on minimum Loan-to-Deposit Ratio (LDR) during the year. There was no rediscounting of CBN bills in 2018.

4.4 OTHER FINANCIAL INSTITUTIONS

Total assets of other financial institutions (OFIs), excluding the BDCs, rose by 6.4 per cent to ₦3,183.50 billion at end-December 2019, compared with ₦2,990.82 billion at end-December 2018. The increase in total assets was attributed, largely, to injection of capital by the newly licensed OFIs, mobilisation of deposits and enhancement in funding from liabilities due to "Other Banks". Similarly, aggregate net loans and advances of the sub-sector rose by 23.5 per cent to ₦1,667.00 billion at end-December 2019, compared with ₦1,349.42 billion at end-December 2018. Also, total deposits increased by 20.2 per cent to ₦750.02 billion, while the shareholders' funds declined by 11.8 per cent to ₦475.27 billion at end-December 2019, compared with ₦623.98 billion at end-December 2018. The increase in deposit liabilities was attributed to the rise in deposits for mortgages by the FMBN and improvement in deposits mobilised by the MFBs, while the decline in shareholders' funds reflected negative reserves disclosed by four (4) of the DFIs and the PMBs.

4.4.1 Development Finance Institutions (DFIs)

Total assets of the seven (7) DFIs increased by 4.2 per cent, to ₦2,021.18 billion, at end-December 2019, due, largely, to increase in long-term borrowings and loans and advances granted by the institutions. An analysis of the asset base by institution, indicated that, the Bank of Industry (BOI), DBN, FMBN, Nigerian Export-Import Bank (NEXIM), Nigeria Mortgage Refinancing Company (NMRC), Bank of Agriculture (BOA) and The Infrastructure Bank (TIB) accounted for 51.5, 23.2, 13.0, 5.7, 3.5, 2.9 and 0.3 per cent, respectively, of total assets. However, the paid-up capital of the sub-sector remain unchanged at ₦238.78 billion, while net loans and advances of the institutions increased by 19.0 per cent, to ₦1,092.90 billion in 2019, compared with ₦918.47 billion in 2018. The proportion of the industry net loans and advances attributed to each institution were: BOI (65.9%); FMBN (15.6%); DBN (8.9%); NEXIM (4.3%); NMRC (3.3%); and BOA (1.9%). The shareholders' funds increased to ₦271.14 billion in 2019, from ₦248.88 billion in 2018, due to the accretion to reserves by the BOI, DBN and NMRC.

4.4.2 The Asset Management Corporation of Nigeria (AMCON)

The net carrying value of AMCON's outstanding liabilities increased from ₦5.56 trillion at end-December 2018 to ₦5.71 trillion at end-December 2019. The carrying value of its assets, net of impairment, also rose to ₦950.16 billion, from ₦769.87 billion in 2018. The gap between AMCON's assets and its liabilities was expected to be recovered from the Banking Sector Resolution Cost Trust Fund (BSRCTF), credit recoveries and asset sales by the Corporation. **In December** 2019, the sum of ₦282.10 billion was generated through the BSRCTF and from AMCON's internal recoveries towards the redemption of AMCON's scheduled repayments for 2019.

In the reporting year, the National Assembly carried out a second amendment to the AMCON Act 2010, to ascribe additional functions to the Corporation, strengthen its powers to execute its mandate in obtaining value from assets acquired and increase its Board composition. The Amendment Act 2019 was signed into law by the President of the Federal Republic of Nigeria on July 29, 2019.

4.4.3 The Nigeria Mortgage Refinance Company (NMRC)

Total assets of the Nigeria Mortgage Refinance Company (NMRC) stood at ₦69.64 billion at end-December 2019, compared with ₦69.46 billion at end-December 2018. The development was due, largely, to increased borrowings and other liabilities. Similarly, refinanced mortgages increased by ₦0.85 billion to ₦17.98 billion in 2019, compared with ₦17.13 billion in 2018, reflecting the creation of additional mortgages. The adjusted capital of ₦11.69 billion in 2019 was higher than both the ₦11.49 billion recorded in 2018 and the minimum capital requirement of ₦5.0 billion for the Company. Similarly, the capital adequacy ratio (CAR) was 79.47 per cent at end-December 2019, compared with 79.51 per cent at end-December 2018, while the adjusted capital to net credit remain unchanged at 1:0.84. The reduction in CAR was attributed to increase in refinanced mortgages. The NMRC also complied with the regulatory minimum CAR and maximum adjusted capital to net credit of 10.0 per cent and 1:10, respectively.

The Composite Risk Rating, Earnings and Capital of the Company, all remain unchanged at "Moderate", "Acceptable" and "Strong", respectively. Similarly, all the credit facilities of the Institution remained 'Performing'. The Company's profit before tax (PBT) was ₦1.81 billion for the period ended December 2019, compared with ₦1.95 billion for the period ended December 2018.

4.4.4 Microfinance Banks (MFBs)

The number of microfinance banks (MFBs) stood at 911 at end-December 2019, compared with 885 MFBs at end-December 2018. This comprised 10 National, 135 State and 766 Unit MFBs, compared with nine (9) National, 134 State and 742 Unit MFBs in 2018. The increase in the number of MFBs was attributed to the licensing of 26 new MFBs in the review period.

Total assets/liabilities of MFBs was ₦496.85 billion at end-December 2019, compared with ₦421.95 billion at end-December 2018. The paid-up capital and shareholders' funds increased by 14.5 and 16.4 per cent to ₦78.80 billion and ₦113.67 billion, respectively, compared with the levels at end-December 2018. The development was attributed, mainly, to capital injection and accretion to reserves from ploughed back profits. Net loans and advances increased by 15.6 per cent to ₦255.47 billion at end-December 2019, compared with ₦220.95 billion at end-December 2018. Deposit liabilities rose by 17.3 per cent to ₦250.00 billion at end-December 2019, compared with ₦213.25 billion at end-December 2018. Reserves also increased by 21.0 per cent, to ₦34.87 billion at end-December 2019, compared with ₦28.81 billion at end-December 2018.

Overall, the average capital adequacy ratio (CAR) of the sub-sector fell to 22.6 per cent in 2019, compared with 41.8 per cent in 2018. Also, the average portfolio-at-risk (PAR) increased to 51.7 per cent at end-December 2019, from 23.1 per cent at end-December 2018, indicating a further decline in the quality of risk assets. Average liquidity ratio rose to 121.2 per cent at end-December 2019, compared with 82.8 per cent at end-December 2018. At that level, liquidity ratio in 2019 was 101.2 percentage points above the stipulated minimum ratio of 20.0 per cent.

Investible funds, available to the sub-sector in the review year, amounted to ₦75.70 billion, compared with ₦70.45 billion in 2018. The funds were sourced from increase in deposits (₦36.92 billion), other liabilities (₦13.30 billion), paid up capital (₦9.98 billion), draw-down on reserves (₦6.06 billion), and takings from other banks (₦8.52 billion). The funds were used to increase net loans and advances (₦34.52 billion), bank balances (₦25.34 billion) and investments in other assets and fixed assets by ₦5.64 billion and ₦4.33 billion, respectively.

4.4.4.1 The Maturity Structure of Microfinance Banks (MFBs) Loans & Advances and Deposit Liabilities

Short-term credit remained dominant with microfinance banks (MFBs) in the review year driven, largely, by the short-term structure of deposits collected by institutions in the sub-sector. Accordingly, at end-December 2019, short-term loans (with maturity of less than one year), accounted for 81.4 per cent of the aggregate loans and advances, indicating 1.5 percentage points below the 82.9 per cent in the preceding year. Loans with long-term maturity (over 360 days) accounted for 18.6 per cent of the total, compared with 17.1 per cent at end-December 2018. Similarly, analysis of the deposit structure showed that short-term deposit liabilities (less than one-year maturity) remained dominant, constituting 84.0 per cent of total deposit liabilities, indicating 5.3 percentage points decline, below the 89.3 per cent in 2018. Deposits of long-term maturity (above 1 year) increased by 5.3 percentage points, accounting for 16.0 per cent of total deposit liabilities at end-December 2019, compared with 10.7 per cent in 2018.

Table 4.14: Maturity Structure of Assets and Liabilities of Microfinance Banks (MFBs), 2018 - 2019 (Per cent)

	2018		2019	
Tenor/Period	**Loans and Advances**	**Deposits**	**Loans and Advances**	**Deposits**
0-30 days	19.5	36.4	20.8	35.2
31-60 days	7.6	15.4	10.6	11.5
61-90 days	9.8	12.8	9.4	11.3
91-180 days	22.0	13.0	19.0	15.3
181-360 days	24.0	11.7	21.6	10.7
Short-Term	**82.9**	**89.3**	**81.4**	**84.0**
Above 360 days	**17.1**	**10.7**	**18.6**	**16.0**
Total	**100.0**	**100.0**	**100.0**	**100.0**

Source: CBN

4.4.5 Finance Companies (FCs)

Total assets/liabilities of FCs increased by 33.6 per cent to ₦233.42 billion at end-December 2019, compared with ₦174.69 billion in the preceding year. The increase was attributed, largely, to injection of capital by the newly licensed institutions, accretion to reserves and increased borrowings. Similarly, loans and advances increased by 50.7 per cent to ₦80.13 billion at end-December 2019, compared with ₦53.16 billion in 2018. Investments fell by 10.5 per cent to ₦11.64 billion at end-December 2019, from ₦13.00 billion at end-December 2018. The development reflected disposal of investment holdings by the institutions. Shareholders' funds, increased by 27.5 per cent to ₦37.29 billion at end-December 2019, compared with ₦29.25 billion at end-December 2018. This was as a result of injection of additional capital and increase in ploughed back profit in the review period.

Investible funds available to the FCs, amounted to ₦65.40 billion. The funds were sourced, mainly, from borrowings (₦49.58 billion), paid up capital (₦4.26 billion) and reserves (₦3.78 billion). The funds were utilised, mainly, to increase loans and advances (₦26.96 billion), placement with banks (₦19.52 billion), bank balances (₦6.06 billion) and other assets (₦12.85 billion).

4.4.6 Primary Mortgage Banks (PMBs)

There were 34 licensed PMBs at end-December 2019, compared with 35 PMBs at end-December 2018. These comprised 12 National and 22 State PMBs. The decrease was as a result of the merger of FBN Mortgages Limited and TrustBond Mortgage Bank Plc to become First Trust Mortgage Bank Plc. The total assets/liabilities of the PMBs decreased by 4.4 per cent to ₦432.05 billion at end-December 2019, compared with ₦451.95 billion in 2018. This reflected the decline in cash holdings, non-current assets held for sale, other assets and investment in quoted shares. Shareholders' funds also fell by 35.9 per cent to ₦53.17 billion in 2019, compared with ₦82.99 billion in 2018. Loans and advances increased to ₦238.49 billion, compared with ₦222.96 billion in 2018, while placement with banks decreased to ₦40.87 billion in 2019, compared with ₦41.03 billion in 2018. Non-current assets held for sale decreased to ₦52.59 billion at end-December 2019, compared with ₦62.12 billion at end-December 2018.

Investible funds available to the PMBs, amounted to ₦46.75 billion. The funds were sourced, mainly, from increased other liabilities (₦11.33 billion), deposits (₦9.81 billion), placement from banks (₦2.01 billion) and reduction in investment in quoted shares and non-current assets held for sale amounting to ₦2.53 billion and ₦4.96 billion, respectively. The funds were utilised, mainly, to increase cash on hand (₦2.49 billion), placement with banks (₦2.87 billion), and decrease in reserves (₦24.83 billion).

4.4.7 Bureaux-de-Change (BDCs)

The number of licensed BDCs increased to 5,164 at end-December 2019, compared with 4,492 at end-December 2018. The increase was as a result of the licensing of 672 new BDCs in the review period.

4.5 CAPITAL MARKET DEVELOPMENTS

4.5.1 Developments in the Nigerian Capital Market

Activities in the Nigerian capital market mirrored the performance of the larger economy as it continued its path to recovery. The Securities and Exchange Commission (SEC) sustained its activities, aimed at strenghtening regulation and ensuring efficient functioning of the Nigerian capital market, in line with the stipulated recommendations contained in the Nigerian Capital Market Master Plan (2015 - 2025). To this end, the Commission continued with the implementation of exisiting initiatives and developed new ones as follows:

- Exposed the rules on the electronic Initial Public Offerings (e-IPO) initiative, to facilitate the process of public offerings of securities electronically and reduce time to market;
- Collaborated with the Corporate Affairs Commission (CAC) to get Company Secretaries of unlisted public companies to register their securities with the SEC;
- Organised a knowledge-sharing programme with the Korean Republic on the Operations and Regulations of Derivatives Markets in Nigeria. The Programme was aimed at improving economic cooperation between the two countries and providing regulators an opportunity to learn from their unique experiences;
- Continued with the drive to encourage investors who participated in public offers, which took place in Nigeria before 2010, to approach their stockbrokers, registrars, bankers or any other capital market operator for guidance on the steps to regularise those shares and reclaim any accrued dividends;
- Made progress towards resolving the issues around transmission of shares related to the estate of deceased investors. The process commenced with the Lagos State Probate Registry and the SEC, with the support of relevant stakeholders. This has led to reduction in the timeline for the transmission of the deceased's shares from three (3) to one (1) week;
- Continued with the verification of claims of 4,160 unpaid investors of the illegal investment scheme organised by Dantata Success and Profitable Company;
- Signed a Memorandum of Understanding (MoU) with the Nigerian Financial Intelligence Unit (NFIU) in July 2019, to combat Ponzi schemes and fraud in the capital market;

- Collaborated with the University of Lagos to organise a National Conference themed "Leveraging the Capital Market for Economic Growth and Development". The event discussed relevant areas that would provide innovative solutions to the capital market;
- Organised a Commodities Roundtable, where the Commission sought the buy-in of policymakers and major stakeholders towards encouraging investments and participation in the commodities markets. The Roundtable was a precursor to the Commodities Conference scheduled to hold in March 2020;
- Held the inaugural Biennial West Africa Capital Market Conference (WACMaC) in October 2019, in Abidjan, Côte d'Ivoire with the theme "Positioning West Africa's Capital Markets to Achieve Sustainable and Real Economic Growth through Integration and Sound Regulation". The conference discussed issues on Infrastructure and Sustainable Financing, Capital Market Integration, Fintech, Investor Protection, among others;
- Launched its first Fintech Roadmap document, a significant step to guide the industry towards innovation, aimed at further deepening Nigeria's capital markets; and
- The nine-member Board of the SEC was inaugurated by the Federal Government in June 2019, with a directive to ensure the stability of the capital market.

4.5.2 The Nigerian Stock Exchange (NSE)

The NSE continued with the execution of its 2018 - 2021 Corporate Strategy, geared towards enhancing the customer experience across the value chain, despite challenges faced in 2019. The Exchange continued to enhance its product portfolio, orchestrated groundbreaking investment fora and listed some of Africa's largest companies in the review period. To further serve as a guide for trading derivatives on the Exchange, the NSE released a derivatives market rule book in 2019.

The Exchange accomplished significant feats across the core areas of business development, market development and corporate citizenship. Some of these included:

- The launch of the X-mobile App to boost investors' participation; Collaborated with securities lending agents to develop a securities lending pool with an estimated worth of ₦1.07 billion;
- Launched two new factor indices- the NSE-Afrinvest Banking Value Index (NSE-Afr BVI) and NSE-Afrinvest High Dividend Yield Index (NSE-Afr HDYI), in collaboration with Afrinvest Securities Limited, to serve as benchmarks for measuring value in banking stocks and high dividend stocks listed on the Exchange;
- Launched two new style indices, namely the NSE-Meristem Growth Index and NSE-Meristem Value Index;
- Listed by introduction on its Premium Board, 20,354,513,050 ordinary shares of MTN Nigeria Communications Plc, at ₦90 per share;
- Signed an MoU with the Luxembourg Stock Exchange (LUxSE) to encourage cross-listing and trading of Green Bonds in Nigeria and Luxembourg; and
- Recorded a 150.0 per cent increase in the number of participants trained across several courses offered on the X-Academy platform.

Other achievements in the review period were: enlistment of the World Federation of Exchanges (WFE) and International Organisation for Securities Commission (IOSCO) in the inaugural "Ring the Bell for Financial Literacy Initiative"; ₦51.0 million raised in the 6th edition of the Annual 5km race and introduction of free cancer screening for 254 individuals; and receipt of multiple awards, including the best Corporate Social Responsibility (CSR) Initiative award (Marketing World Awards), CSR Practitioner of the Year (The Seras CSR Awards Africa), and Outstanding Invaluable Company Award for CSR (Rotary International).

4.5.2.1 The Secondary Market

Developments in the secondary segment of the Nigerian capital market in 2019 were mixed. The equities market capitalisation closed on a positive note, while the NSE All Share Index (ASI) posted a negative return. The market turnover volume and value also trended

The secondary market segment of the NSE were mixed and bulk of the transactions remained in equities.

downward in 2019. The increase in market capitalisation was, largely, on account of sustained primary market activities throughout the year, most notably the listings of MTN Nigeria Communications Plc and Airtel Africa.

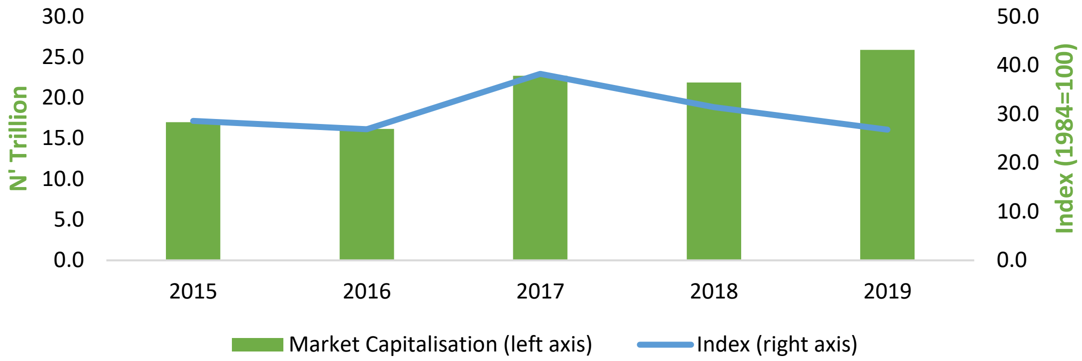
At end-December 2019, the cumulative volume and value of traded securities were 80.36 billion shares and ₦962.65 billion, respectively, in 880,275 deals. The total volume and value of traded securities fell by 20.8 per cent and 19.7 per cent, from the preceding year's levels of 101.43 billion shares and ₦1,198.9 billion, respectively, in 1,048,776 deals. The bulk of the transactions were in equities, which accounted for 99.9 per cent of the turnover volume and value of traded securities apiece, same as in the preceding year. The average daily volume and value of traded equities were 329.32 million shares and ₦3.95 billion, respectively, compared with 408.99 million shares and ₦4.83 billion, in 2018.

Transactions in the financial services sector accounted for the bulk of the activities, with volume of traded stocks at 75.0 billion shares (74.2%), valued at ₦776.2 billion (65.0%) in 619,493 deals, compared with 66.2 billion shares (66.0%), valued at ₦488.7 billion (38.4%) in 508,042 deals in the preceding year.

The aggregate market capitalisation of the 307 listed securities rose by 15.3 per cent to ₦25.89 trillion, compared with the level in 2018. This reflected an increase in the value of securities across different asset classes (equities and ETF). Similarly, market capitalisation of the 165 listed equities rose by 10.6 per cent, to ₦12.97 trillion at end-December 2019, compared with the level in 2018. The equities segment constituted 50.1 per cent of aggregate market capitalisation, compared with 53.6 per cent in 2018. There were eight (8) banks in the top twenty (20) most-capitalised stocks on the Exchange, indicating an increase from six (6) banks in 2018. The banks accounted for 23.2 per cent of the aggregate market capitalisation, compared with 22.3 per cent in 2018.

Total market capitalisation, as a percentage of the nominal GDP, was 18.0 per cent, compared with 17.1 per cent at end-December 2018. Similarly, the ratio of the value of traded stocks to GDP was 0.7 per cent, compared with 0.9 per cent recorded at end-December 2018.

Figure 4.32: Trends in Market Capitalisation and NSE Value Index, 2015 - 2019

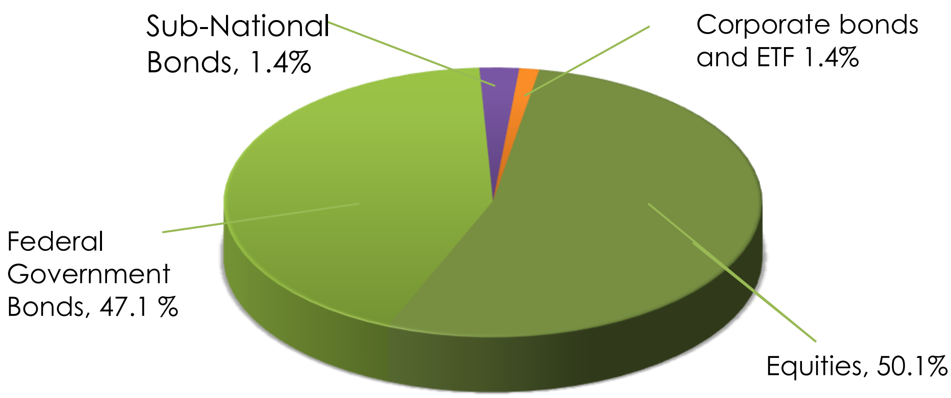


Source: NSE

The debt securities component of the market capitalisation, included Federal Government Bonds (₦12.2 trillion or 47.1%), sub-national and supra-national Bonds (₦363.0 billion or 1.4%) and Corporate Bonds/Debentures (₦355.8 billion or 1.4%), and the Exchange Traded Funds (ETFs) accounted for the balance (₦6.6 billion or 0.03%).

At end-December 2019, the number of listed securities rose to 307 from 286 at end-December 2018, while the number of listed companies fell to 160 from 164 at end-December 2018. The number of listed bonds rose significantly to 132 from 108 recorded at the end of the preceding year, while the number of ETFs rose to 10 from 9, at end-December 2018. In contrast, the number of listed equities fell to 165 from 169 at end-December 2018.

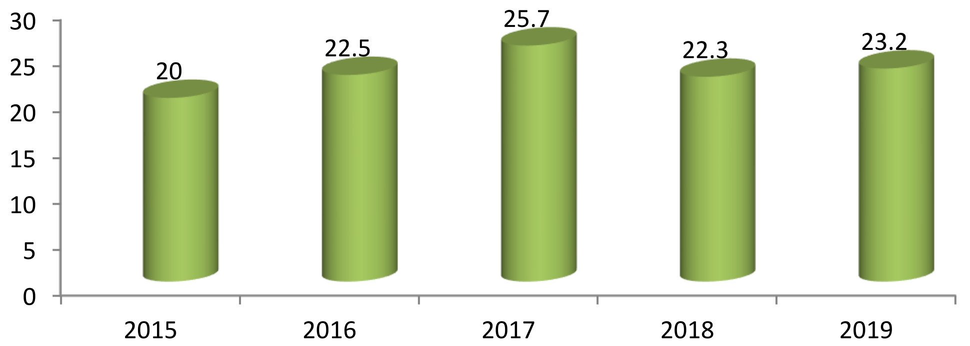
Figure 4.33: Aggregate Market Capitalisation (Per cent)



Source: SEC

Foreign portfolio investment flows was higher than domestic portfolio investment flows in nine (9) out of twelve (12) months in 2019. Accordingly, the share of foreign portfolio investors, in total transactions, was 50.8 per cent, while the domestic transactions accounted for 49.2 per cent of total transactions, compared with 50.9 per cent and 49.1 per cent, respectively, in 2018.

Figure 4.34: Share of Banks in the 20 Most Capitalised Stocks in the NSE, 2015 – 2019



Source: SEC

Table 4.15: Indicators of Capital Market Developments in the Nigerian Stock Exchange (NSE), 2015 - 2019					
	2015	**2016**	**2017**	**2018**	**2019**
Number of Listed Securities	257.00	247.00	261.00	286.00	307.00
Volume of Stocks Traded (Turnover Volume) (Billion)	92.90	95.80	100.30	101.43	80.36
Value of Stocks Traded (Turnover Value) (Billion Naira)	952.80	575.70	1273.20	1198.85	962.65
Value of Stocks Traded/GDP (%)	1.00	0.60		0.90	0.70
Total Market Capitalisation (Billion Naira)	17003.40	16185.70	22917.90	22462.81	25890.22
Of which: Banking Sector (Billion Naira)	1888.80	1905.70	3292.20		
Total Market Capitalisation / GDP (%)	18.00	16.00	20.10	17.10	18.00
Of which: Banking Sector / GDP (%)	2.00	1.90	2.90		
Banking Sec. Cap./Market Cap. (%)	8.50	11.80	14.40	11.00	
Annual Turnover Volume/Value of Stock (%)	9.80	16.60	7.90	8.50	8.30
Annual Turnover Value/ Total Market Capitalisation (%)	5.60	3.50	5.60	5.50	3.70
NSE Value Index (1984=100)	28642.30	26874.60	38243.20	31430.50	26842.07
Growth (In per cent)					
Number of Listed Securities	1.60	-3.90	5.70	9.60	7.30
Volume of Stocks	14.40	3.20	4.70	0.90	-20.80
Value of Stocks	-29.00	-39.60	121.20	-6.20	-19.70
Total Market Capitalisation	0.80	-4.80	41.60	-4.40	15.30
Of which: Banking Sector	-20.00	0.90	72.80	-26.90	
Annual Turnover Value	-29.00	-39.60	4.70	-5.80	-19.70
NSE Value Index	-17.40	-6.20	42.30	-17.80	-14.60
Share of Banks in the 20 Most Capitalised Stocks in the NSE (%)	20.90	22.50	22.70	22.30	23.20

Source: Securities and Exchange Commission (SEC)

4.5.2.2 The NSE Value Index

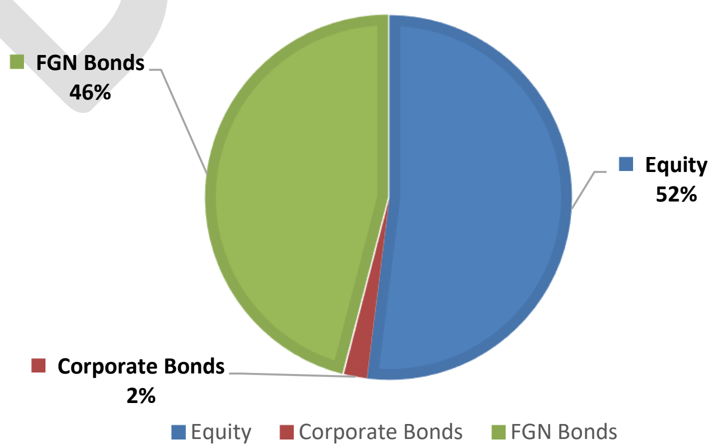
The NSE All-Share Index, which opened the year at 31,430.50 against the backdrop of gains made in 2018, generally, trended downwards to close at 26,842.07. This represented a 14.6 per cent decrease below the level in 2018.

Furthermore, all the twelve (12) sectoral indices of the NSE recorded negative growth at end-December 2019. The NSE-Insurance index had the lowest negative, declining by 0.5 per cent, other indices also declined by: NSE 30 (16.9%); NSE Consumer Goods (20.8%); NSE Banking (10.6%); NSE-Oil/Gas (13.1%); NSE Lotus Islamic (17.9%); NSE Industrial (13.1%); NSE-ASeM (7.4%); NSE Pension (12.7%); NSE Main Board (20.0%); NSE Premium (3.6%); and NSE CG (13.3%), relative to the levels at the end of the preceding year.

4.5.2.3 The New Issues Market

Activities in the primary segment of the Nigerian capital market improved in 2019. There were 88 new issues worth ₦6.46 trillion in the review year, compared with 62 securities, valued at ₦1.31 trillion in 2018. The issues comprised: thirteen (13) new listings amounting to ₦3,351.44 billion; four (4) memorandum listings (₦3.86 billion); and six (6) ETF (₦1.0 billion). In the debt securities category, two (2) corporate green bonds, amounting to ₦23.50 billion, and six (6) corporate bond listings worth ₦109.18 billion were issued. In the government segment of the primary market, twenty-eight (28) FGN bonds (₦1,203.80 billion), one (1) FGN Green bond (₦15.0 billion), twenty two (22) FGN Savings bond (₦4.65 billion), and one (1) FGN Sukuk bond (₦100.00 billion) were issued and allotted by the Debt Management Office (DMO) in the review period, compared with sixteen (16) corporate bonds, worth ₦180.69 billion, and thirty four (34) FGN bonds, worth ₦918.94 billion issued in 2018. The major bond listing in the review period was the five (5) FGN Eurobonds, worth ₦1,645.40 billion.

Figure 4.35: Value of New Issues by Sector, 2019



Source: SEC

CHAPTER FIVE

FISCAL POLICY AND GOVERNMENT FINANCE

Nigeria's fiscal policy thrust in 2019 was aimed at promoting economic diversification, inclusive growth and development to lift a significant proportion of the populace out of poverty. Actual federally-collected revenue (gross) was ₦10,215.1 billion or 6.9 per cent of GDP, indicating a rise of 6.9 per cent over the amount realised in Fiscal 2018. The development was attributed to increased earnings from non-oil revenue.

The sum of ₦6,368.7 billion was transferred to the Federation Account, reflecting a decrease of 4.0 per cent below the level in Fiscal 2018. Also, the Excess Crude Account (ECA) fell from US$0.5 billion at end-December 2018 to US$0.3 billion at end-December 2019, owing to significant draw-down to augment revenue shortfall of the three-tiers of government.

Estimated Federal Government retained revenue in 2019, at ₦4,787.9 billion, rose by 14.4 per cent above the level in Fiscal 2018, while estimated aggregate expenditure, at ₦9,391.4 billion, increased by 20.2 per cent above the level in 2018. Consequently, the fiscal operations of the Federal Government resulted in an estimated overall deficit of ₦4,603.5 billion, or 3.2 per cent of GDP, financed through domestic sources. Provisional data on state governments and the FCT finances indicated an overall deficit of ₦866.8 billion, or 0.6 per cent of GDP, while the local governments recorded a deficit of ₦0.3 billion.

The consolidated debt stock of the Federal Government at end-September 2019 was ₦22,172.6 billion, or 15.2 per cent of GDP, compared with ₦20,533.6 billion, or 15.9 per cent of GDP, at end-December 2018. External debt stock rose by 6.6 per cent to US$26.9 billion, following additional multilateral and bilateral loans to fund infrastructure. Despite the reduction in the net issuance of Nigerian Treasury Bills (NTBs) and Treasury Bonds in the fiscal year, domestic debt rose by 8.8 per cent to ₦13,901.5 billion.

5.1 THE FISCAL POLICY THRUST

The 2019 Budget tagged "Budget of Continuity", was based on the 2019-2021 Medium Term Fiscal Framework and Fiscal Strategy Paper (MTFF/FSP), aligned with the Economic Recovery and Growth Plan (ERGP). The Budget was intended to further place the economy on the path of inclusive, diversified and sustainable growth, to lift a significant proportion of Nigerians out of poverty. Hence, the 2019 Budget, especially as it relates to expenditure, focused on the three (3) broad objectives of the ERGP, which are: restoring and sustaining growth; investing in our people; and building a globally competitive economy.

The specific objectives of the 2019 budget were to:

- Develop Special Economic Zones through the establishment of Industrial Parks and special production and processing centres in the six geo-political zones;
- Encourage and enable 'prosperous small businesses', by improving access to funding, providing supporting infrastructure and off-take arrangements by the government and large enterprises;
- Build a digital economy around the technology and creative sectors to create jobs for the youths;
- Boost economic activities by updating existing infrastructure, with emphasis on power, road and rail;
- Expand generation, transmission and distribution of power from the national grid; and
- Expand ongoing reforms in the Ease of Doing Business Initiative by removing obstacles, reducing cost and ensuring timely delivery of services.

The key assumptions of the budget were: benchmark oil price of US$57 per barrel (pb); crude oil production of 2.3 million barrels per day (mbpd); single digit inflation rate of 9.98 per cent; and exchange rate of ₦305/US$. In line with these assumptions, the budget projected distributable revenue (net) of ₦7.0 trillion, with oil revenue constituting ₦3.7 trillion or 52.7 per cent of the total; and non-oil revenue, accounting for the balance of ₦3.3 trillion or 47.3 per cent.

The Budget envisaged aggregate expenditure of ₦9.0 trillion, comprising: statutory transfers, ₦0.5 trillion; debt service (including provision for Sinking Fund), ₦2.1 trillion; non-debt recurrent expenditure, ₦4.1 trillion; and capital expenditure, ₦2.3 trillion. Thus, the projected overall deficit was ₦1.9 trillion or 1.3 per cent of GDP and was expected to be financed from both external and domestic sources.

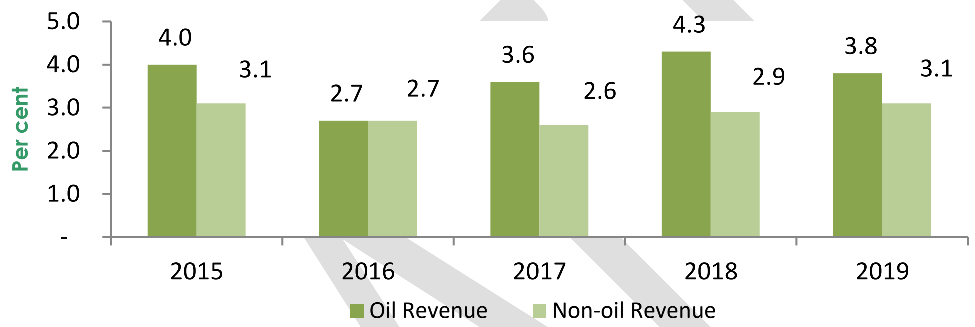
5.2 FEDERATION ACCOUNT OPERATIONS

5.2.1 Federally-collected Revenue

Total federally-collected revenue (gross) rose by 6.9 per cent to ₦10,215.1 billion, or 6.9 per cent of GDP in 2019. The development was attributed to significant improvement in receipts from non-oil sources.

Total federally-collected revenue rose by 6.9 per cent to ₦10,215.1 billion, or 6.9 per cent of GDP in 2019.

Figure 5.1: Oil and Non-Oil Revenue (per cent of GDP), 2015 – 2019



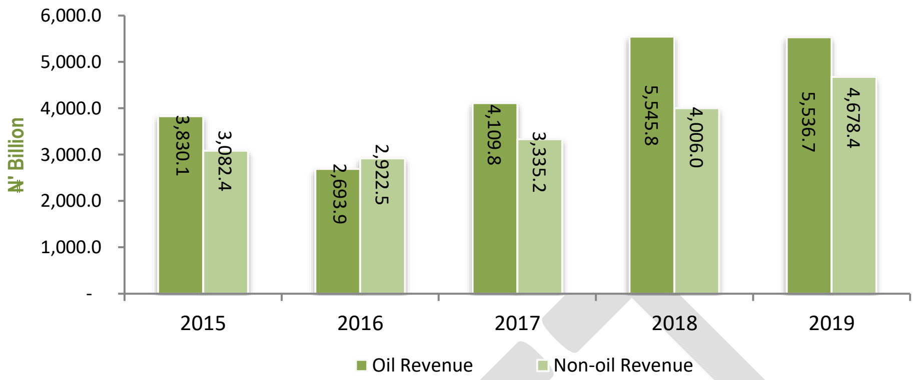
Sources: Federal Ministry of Finance (FMF) and the Office of the Accountant General of the Federation (OAGF) data

5.2.1.1 Oil Revenue

Oil revenue (gross), at ₦5,536.7 billion or 3.8 per cent of GDP, fell by 0.2 per cent below the level in 2018 and accounted for 54.2 per cent of total federally-collected revenue. A breakdown of oil revenue showed that petroleum profit tax (PPT)/royalties fell by 5.3 per cent to ₦3,529.1 billion, attributed, largely, to the fall in the price of crude oil in the international market, as a result of the US-China trade tension. The average price of crude oil in the international market fell by 8.0 per cent to US$66.5 pb in 2019, compared with the level in 2018. Also, average crude oil production and export declined by 0.5 and 0.7 per cent to 1.87 mbpd and 1.42 mbpd, respectively. The reduction in oil production during the period was attributed to pipeline repairs, owing to the activities of vandals, as well as shut-in and shut-down at various terminals.

Of the gross oil revenue, ₦1,242.8 billion was deducted for the Joint Venture Cash (JVC) calls, ₦128.3 billion for excess crude proceeds and ₦126.9 billion for “others”[1], leaving a balance of ₦4,038.7 billion for distribution to the three-tiers of government.

Figure 5.2: Federation Account: Composition of Revenue (Naira Billion), 2015 – 2019

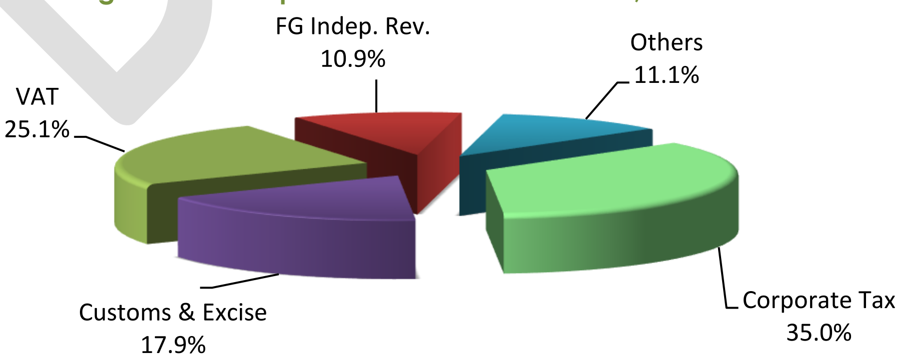


Sources: FMF and the OAGF data

5.2.1.2 Non-oil Revenue

Non-oil revenue (gross), at ₦4,678.4 billion, or 3.1 per cent of GDP, accounted for 45.8 per cent of total revenue, indicating a 16.8 per cent increase above the level in 2018. The rise in non-oil revenue reflected improvement in economic activities, filing of returns by companies, improved receipts by revenue collecting agencies and expansion of the tax base. A breakdown of non-oil revenue (gross) indicated that corporate tax (CT), Value Added Tax (VAT), customs & excise duties, FG Independent Revenue and “Others”[2], rose by 14.5, 7.2, 18.7, 29.1 and 37.0 per cent to ₦1,637.2 billion, ₦1,175.9 billion, ₦837.3 billion, ₦510.1 billion and ₦517.8 billion, respectively.

Figure 5.3: Composition of Non-oil Revenue, 2019



Sources: FMF and the OAGF data

[1] Include Lagos State 13% derivation, Pre-Export Financing cost and DPR cost of collection.
[2] Include Education Tax, Customs Special Levies (Federation and Non-Federation Accounts) and the National Information Technology Development Fund (NITDF)

The sum of ₦191.6 billion was deducted from the non-oil revenue as cost of collection, leaving a net distributable balance of ₦4,486.8 billion.

5.2.2 Federation Account Distribution

The sum of ₦8,525.5 billion was retained in the Federation Account, representing an increase of 0.7 per cent over the level in 2018, after providing for ₦2,156.8 billion as statutory deduction from both oil and non-oil revenue. Of this amount, ₦1,128.9 billion, ₦510.1 billion, and ₦517.8 billion were transferred to the VAT Pool Account, FG Independent Revenue, and 'Other Transfers'[3], respectively, leaving a net revenue of ₦6,368.7 billion for distribution to the three tiers of government. In addition, ₦108.1 billion from the Exchange Rate Differential Account[4,5]; ₦78.1 billion as Excess Oil Revenue; and ₦22.6 billion as Excess Non-Oil Revenue were added to the federally-collected revenue (net) to raise the distributable amount to ₦6,577.5 billion.

Analysis of the distribution, among the three-tiers of government, showed that the Federal Government (including Special Funds), received ₦3,175.2 billion; state governments, ₦1,610.5 billion; and local governments, ₦1,241.6 billion; while ₦550.1 billion was shared as 13.0% Derivation Fund among the oil-producing states.

5.2.3 VAT Pool Account Distribution

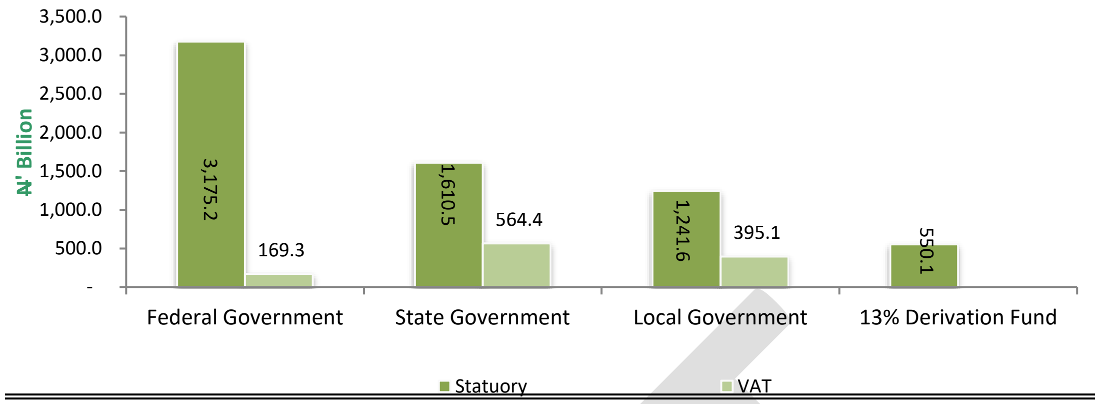
The sum of ₦1,128.9 billion was transferred to the VAT Pool Account, representing an increase of 7.9 per cent above the level in 2018. Analysis of the distribution showed that the Federal Government (including the FCT) received ₦169.3 billion (15.0%); state and local governments, ₦564.4 billion (50.0%) and ₦395.1 billion (35.0%), respectively.

5.2.4 Cumulative Distribution

Cumulatively, the three-tiers of government and the 13.0% Derivation Fund, shared the sum of ₦7,706.5 billion from statutory revenue and VAT in Fiscal 2019. This was below the preceding year's level of ₦8,001.8 billion by 3.7 per cent, and below the budget of ₦13,088.0 billion by 41.1 per cent.

[3]Include the Education Tax, Customs Levies, and the National Information Technology Development Fund.
[4] Include the difference between the mandated rate and the Exchange Gain, which was shared as "Forex Equalisation Account"
[5] This is the difference between the budgeted and actual exchange rate, which was shared as "Exchange Gain"

Figure 5.4: Cumulative Distribution of Statutory Revenue & VAT, 2019 (Naira Billion)



Sources: FMF and the OAGF data

5.3 GENERAL GOVERNMENT FINANCES[6]

5.3.1 Aggregate Revenue

Provisional data showed that, at ₦10,146.6 billion or 7.0 per cent of GDP, aggregate revenue of general government in 2019, comprised: the Federation Account, ₦6,445.1 billion; VAT Pool Account, ₦1,128.9 billion; Exchange Gain[7], ₦108.1 billion; Excess Non-Oil Revenue[8], ₦22.6 billion; and Excess Oil Revenue, ₦78.1 billion[9]. Revenue exclusive to the Federal Government consisted of: Federal Government Independent Revenue, ₦510.1 billion; and "Others[10]", ₦933.2 billion. In addition, revenue exclusive to the sub-national (state and local) governments included: ₦806.4 billion; ₦87.9 billion; ₦1.0 billion; ₦18.4 billion; and ₦6.8 billion, from Internally-Generated Revenue, Grants, Stabilisation, State allocations to local governments and "Others", respectively.

[6] Consolidated fiscal operations of the three-tiers of government.
[7] Includes revenue from Forex Equalisation Account
[8] Includes other memorandum sharing such as Excess Bank Charges
[9] Include additional Excess crude/PPT payment to the three-tiers of government.
[10] Include *Revenues from Special Accounts and FGN's share of Signature Bonus.*

Table 5.1: Sources of Funds for the Three-Tiers of Government 2019 (Naira Billion)

Source	Federal Government			State Governments			Local Governments	Grand Total
	FG's Share	FCT	Sub-Total	States	13%	Sub-Total		
Statutory Allocation	3,020.0	58.4	3,078.5	1,619.9	525.0	2,144.9	1,221.7	6,445.1
Additional: Share from Excess Oil Revenue	35.1	0.7	35.8	18.2	10.2	28.3	14.0	78.1
Additional: Excess Non-Oil Revenue (Excess Bank Charges, etc)	11.1	0.2	11.3	5.7	1.1	6.9	4.4	22.6
Additional: Share from Exchange Difference	48.7	0.9	49.7	25.2	13.8	39.0	19.4	108.1
Share of VAT	158.2	11.2	169.3	564.4	0.0	564.4	395.1	1,128.9
FG Independent Revenue	510.1	0.0	510.1	0.0	0.0	0.0	0.0	510.1
Internally-Generated Revenue	0.0	0.0	0.0	773.8	0.0	773.8	32.6	806.4
Less State Allocation to LG	0.0	0.0	0.0	18.4	0.0	18.4	0.0	18.4
Net Internally-Generated Revenue	0.0	0.0	0.0	773.8	0.0	773.8	32.6	806.4
Grants	0.0	0.0	0.0	78.1	0.0	78.1	9.8	87.9
Share of Stabilization Fund	0.0	0.0	0.0	1.0	0.0	1.0	0.0	1.0
State Allocation to LG	0.0	0.0	0.0	0.0	0.0	0.0	18.4	18.4
Others	933.2	0.0	933.2	0.0	0.0	0.0	6.8	940.0
TOTAL	**4,716.4**	**71.4**	**4,787.9**	**3,086.3**	**550.1**	**3,636.5**	**1,722.3**	**10,146.6**

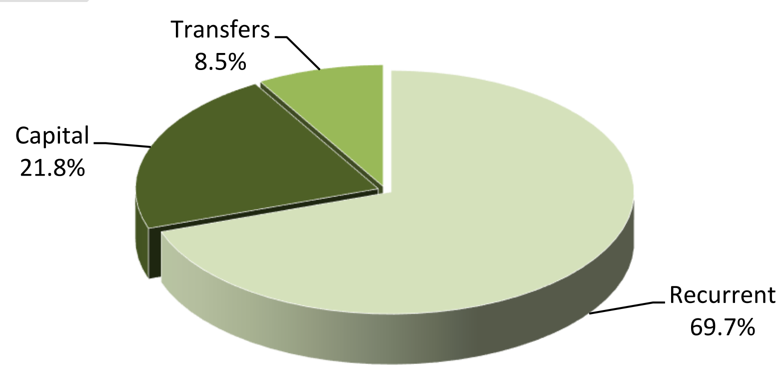
Sources: FMF, OAGF data and Staff Estimates.

5.3.2 Aggregate Expenditure

Provisional aggregate expenditure of the general government, at ₦15,617.2 billion, increased by 11.6 per cent, above the level in 2018. As a proportion of GDP, it represented 10.7 per cent, compared with 10.8 per cent in 2018. A breakdown showed that recurrent expenditure, which stood at ₦10,889.0 billion (7.5% of GDP), accounted for 69.7 per cent of the total; while capital expenditure at ₦3,408.0 billion (2.3% of GDP); and transfers, ₦1,320.2 billion (0.9% of GDP); represented 21.8 and 8.5 per cent of the total, respectively.

At ₦15,617.2 billion, aggregate estimated expenditure of general government increased by 11.6 per cent, above the level in 2018.

Figure 5.5: Composition of General Government Expenditure, 2019



Sources: FMF & the OAGF data

5.3.3 Consolidated Fiscal Balance and Financing

The fiscal operations of the general government resulted in estimated primary and overall deficits of ₦3,049.5 billion (2.1% of GDP) and ₦5,470.6 billion (3.8% of GDP), compared with ₦1,852.9 billion (1.4% of GDP), and ₦4,115.7 billion (3.2% of GDP), respectively, in 2018. The estimated overall deficit was financed, largely, from domestic sources.

The overall fiscal operations of the Federal Government resulted in an estimated deficit of ₦4,603.5 billion, or 3.2 per cent of GDP, compared with the deficit of ₦3,628.1 billion, or 2.8 per cent of GDP, recorded in FY2018.

5.3.4 Consolidated Expenditure on Primary Welfare Sectors[11]

Consolidated general government spending on the primary welfare sectors indicated that expenditure on education, health as well as agriculture & natural resources rose by 10.3, 12.4 and 5.8 per cent to ₦1,459.3 billion, ₦729.2 billion and ₦451.8 billion, respectively, over the levels in 2018. Aggregate expenditure on the primary welfare sectors amounted to ₦2,640.3 billion or 1.8 per cent of GDP, and accounted for 16.9 per cent of aggregate expenditure of the general government.

Aggregate general government expenditure on primary welfare sectors amounted to ₦2,640.3 billion, or 1.8 per cent of GDP, and accounted for 16.9 per cent of the total.

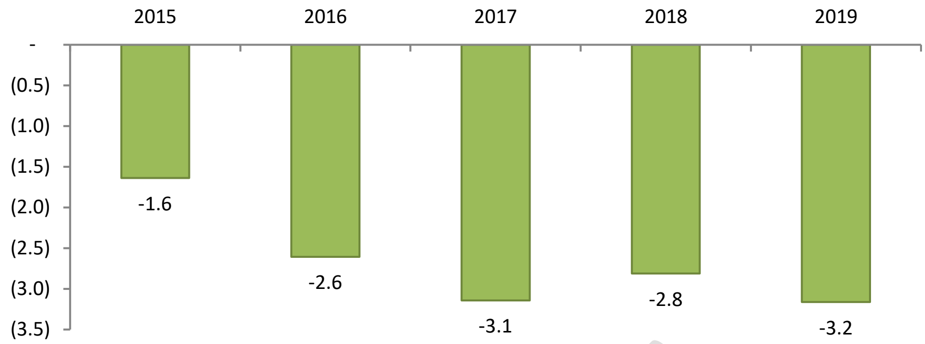
5.4 FEDERAL GOVERNMENT FINANCES

5.4.1 The Overall Fiscal Balance and Financing

The current balance in 2019 indicated an estimated deficit of ₦2,267.1 billion, or 1.6 per cent of GDP, compared with ₦1,489.5 billion or 1.2 per cent of GDP in Fiscal 2018. Similarly, the primary balance recorded an estimated deficit of ₦2,287.9 billion, or 1.6 per cent of GDP, compared with ₦1,466.7 billion, or 1.1 per cent of GDP in 2018. In addition, the overall fiscal balance of the Federal Government resulted in an estimated deficit of ₦4,603.5 billion, or 3.2 per cent of GDP, compared with ₦3,628.1 billion, or 2.8 per cent of GDP in 2018. The deficit was slightly above both the Fiscal Responsibility Act (FRA) threshold and the WAMZ primary convergence criterion of 3.0 per cent of GDP apiece, and was financed, wholly, from domestic sources.

[11] Classification for identifying poverty-reducing expenditures

Figure 5.6: Federal Government Fiscal Deficit, 2015 - 2019 (per cent of GDP)



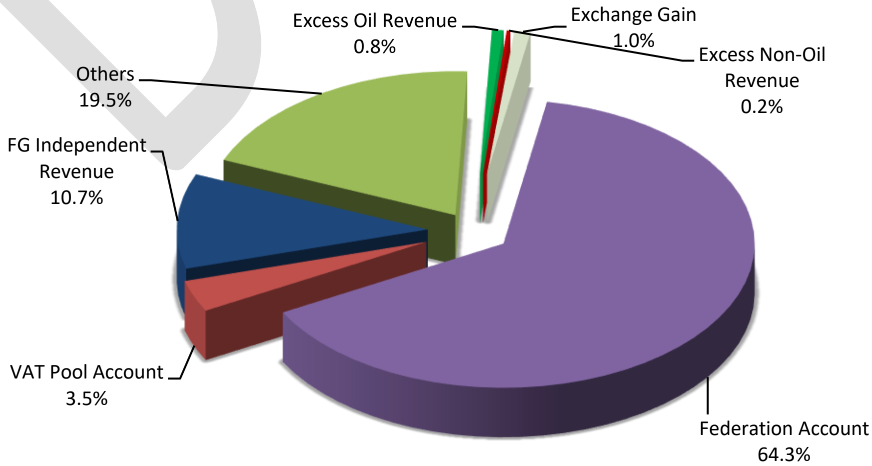
Sources: FMF and the OAGF data

5.4.2 Federal Government Retained Revenue

Estimated Federal Government retained revenue rose by 14.4 per cent to ₦4,787.9 billion, compared with ₦4,185.6 billion in 2018. The increase was attributed, largely, to improved receipts from FG Independent Revenue. Analysis of the revenue showed that the Federation Account contributed ₦3,078.5 billion or 64.3 per cent of the total; FG Independent Revenue, ₦510.1 billion (10.7%); and the VAT Pool Account, ₦169.3 billion (3.5%). There were also: Exchange Gain, ₦49.7 billion (1.0%); Excess Oil Revenue, ₦35.8 billion (0.8%); Excess Non-Oil Revenue ₦11.3 billion (0.2%); and 'Others''[12], ₦933.2 billion (19.5%).

Estimated Federal Government retained revenue rose to ₦4,787.9 billion, compared with ₦4,185.8 billion, in Fiscal 2018.

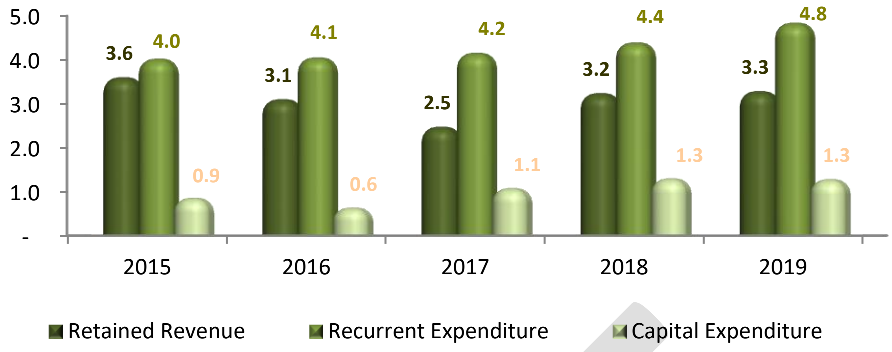
Figure 5.7: Composition of Federal Government Retained Revenue, 2019 (Per cent)



Sources: FMF and the OAGF data

[12] Include revenues from special accounts and FGN's share of Signature Bonus.

Figure 5.8: Federal Government Revenue and Expenditure, 2015 - 2019 (Per cent of GDP)

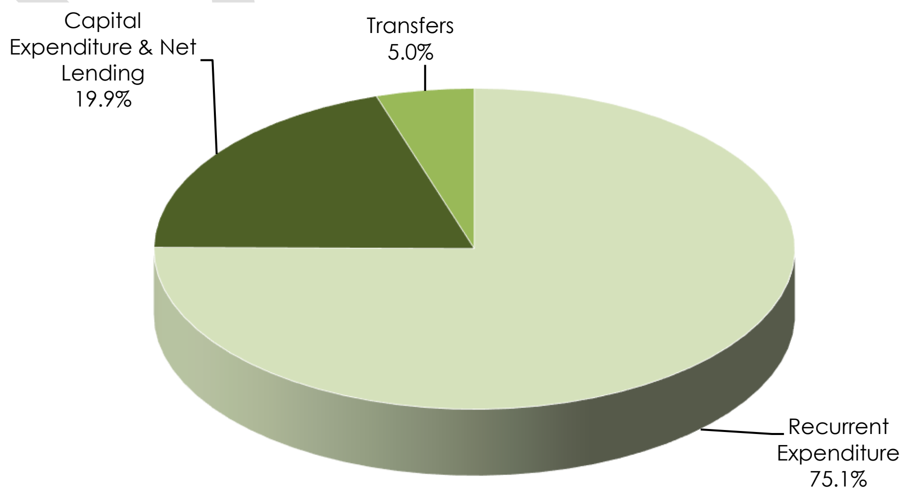


Sources: FMF and the OAGF data

5.4.3 Total Expenditure of the Federal Government

The FGN sustained its public expenditure reforms initiatives through the inclusion of more MDAs on the Integrated Payroll and Personnel Information System (IPPIS) platform, activated more modules of the Government Integrated Financial Management Information System (GIFMIS) as well as the use of the Treasury Single Account (TSA). Despite these efforts, estimated aggregate expenditure of the Federal Government increased by 20.2 per cent to ₦9,391.4 billion in 2019. As a proportion of GDP, it rose to 6.4 per cent over the 6.1 per cent in Fiscal 2018. Non-debt expenditure rose by 25.2 per cent to ₦7,075.7 billion, above the level in 2018. Total debt service payment amounted to ₦2,315.6 billion, or 1.6 per cent of GDP, representing 24.7 per cent of total expenditure and 48.4 per cent of total retained revenue.

Figure 5.9: Composition of Federal Government Expenditure, 2019 (Per cent)



Sources: FMF and the OAGF data

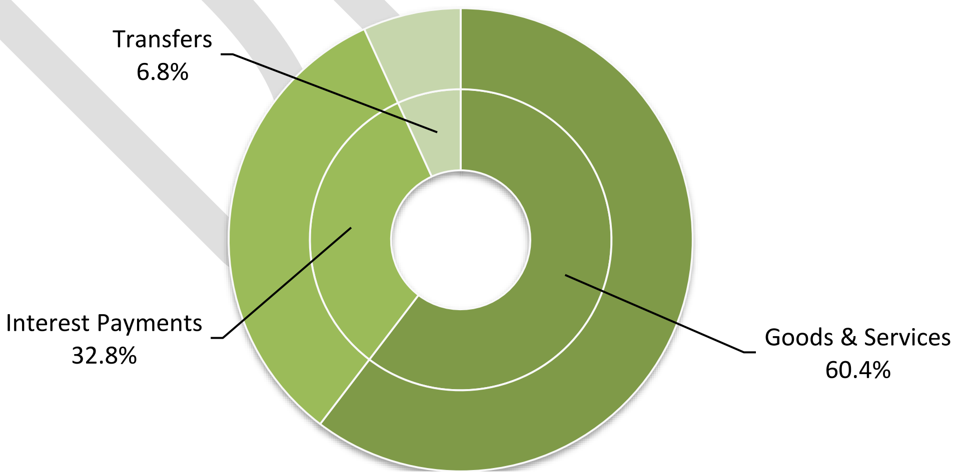
5.4.3.1 Recurrent Expenditure

Recurrent expenditure, at ₦7,055.0 billion or 4.8 per cent of GDP, rose by 24.3 per cent above the level in 2018. This accounted for 75.1 per cent of the total and reflected the significant increase in overhead costs. However, the Federal Government has continued to implement cost cutting measures such as, the Presidential Initiative on Continuous Audit and the extension of IPPIS across more MDAs, including the Military and the Police, which is expected to reduce personnel cost.

A disaggregation of recurrent expenditure showed that interest payment[13] increased by 7.1 per cent to ₦2,315.6 billion (32.8%) of the total, compared with the level in 2018. Similarly, the goods and services component rose by 31.5 per cent to ₦4,258.1 billion (60.4%) of the total, while transfers to the special funds[14] and "others" rose by 74.5 per cent to ₦481.2 billion (6.8%). A further analysis of the recurrent expenditure revealed that personnel cost and pensions amounted to ₦2,646.5 billion (37.5%) and overhead cost was ₦1,611.6 billion (22.8%) of the total. Also, a breakdown of interest payments indicated that external debt amounted to ₦445.3 billion, and ₦1,870.3 billion, for domestic debt.

Recurrent expenditure increased to 4.8 per cent of GDP, reflecting the substantial increase in overhead costs in FY2019.

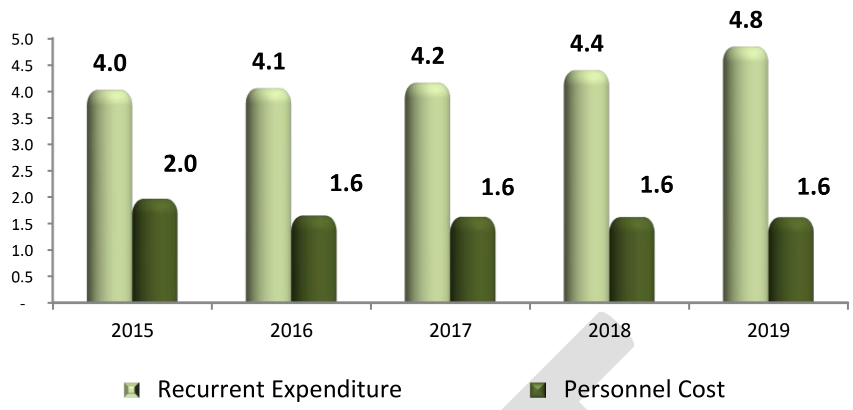
Figure 5.10: Economic Classification of FG Recurrent Expenditure, 2019 (Per cent)



Sources: FMF and the OAGF data

[13] Including interest payments on Ways and Means Advances.
[14] Comprising FCT, stabilisation, development of natural resources and ecological funds

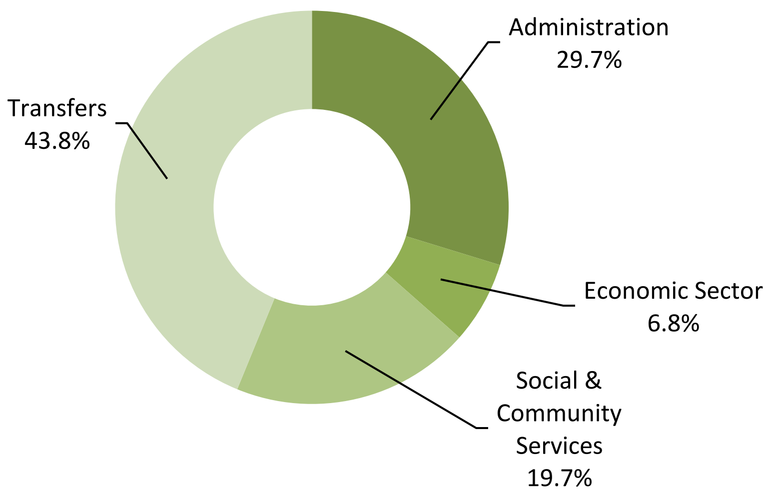
Figure 5.11: Federal Government Recurrent Expenditure & Personnel Cost, 2015 - 2019 (Per cent of GDP)



Sources: FMF and the OAGF data

Analysis of recurrent expenditure on a functional basis indicated that outlay on the economic sector, at ₦477.5 billion, rose by 28.2 per cent and constituted 6.8 per cent of the total. Within the economic sector, roads & construction accounted for 39.5 per cent, while agriculture & natural resources, transport & communications and "Others" were 14.7, 8.5, and 37.3 per cent of the total, respectively. Similarly, expenditure on administration, and social and community services at ₦2,098.3 billion (29.7%) of the total and ₦1,389.0 billion (19.7%), rose by 32.5 and 28.2 per cent above the levels in 2018, respectively. Transfers at ₦3,090.1 billion constituted 43.8 per cent of total recurrent expenditure. Within the social and community services sector, education and health constituted 42.6 and 27.9 per cent, respectively.

Figure 5.12: Functional Classification of Federal Government Recurrent Expenditure, 2019 (Per cent)



Sources: FMF and the OAGF data & Staff estimates

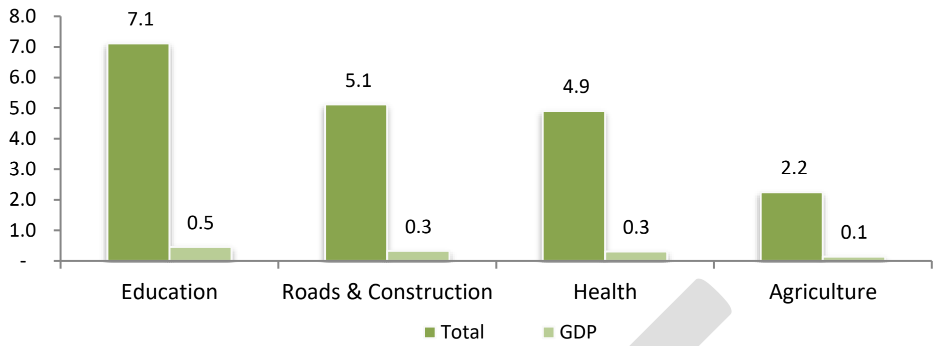
5.4.3.2 Capital Expenditure

Capital expenditure for Fiscal 2019 stood at ₦1,871.1 billion, representing 19.9 per cent of the total expenditure. Relative to 2018, it rose by 11.2 per cent, reflecting increased capital spending for the year 2019. As a percentage of GDP, capital expenditure for the Fiscal year was 1.3 per cent, same as in 2018. Analysis of capital expenditure by function showed that outlays in the economic and administration sectors were ₦812.7 billion and ₦483.3 billion, or 43.4 and 25.8 per cent of the total, respectively, compared with 44.8 and 26.5 per cent in 2018. Within the economic sector, roads & construction, and agriculture & natural resources accounted for 35.9 and 17.3 per cent of the total, respectively. Public investment in social & community services constituted ₦216.4 billion or 11.6 per cent of total capital expenditure, while transfers amounted to ₦358.7 billion or 19.2 per cent of the total. Within the social and community services sector, education and health accounted for 35.6 and 34.3 per cent of the total, respectively. As a ratio of capital spending, expenditure on education and health at 4.1 and 4.0 per cent, fell below the 4.3 and 4.2 per cent, respectively, in Fiscal 2018.

Analysis of total Federal Government spending on the primary welfare sectors revealed that expenditure on roads & construction rose by 14.0 per cent or ₦59.0 billion relative to the level in 2018. Furthermore, outlay on agriculture & natural resources, health and education increased by 15.8, 25.6 and 24.2 per cent, respectively, to ₦211.0 billion, ₦461.3 billion and ₦668.4 billion, compared with the levels in 2018. Aggregate expenditure on the primary welfare sectors amounted to ₦1,821.2 billion, or 1.3 per cent of GDP, and constituted 19.4 per cent of total expenditure.

At ₦1,871.1 billion, capital expenditure accounted for 19.9 per cent of total expenditure and rose by 11.2 per cent relative to 2018.

Figure 5.13: Federal Government's Expenditure on Key Primary Welfare Sectors, 2019 (Per cent of Total and GDP)



Sources: FMF and the OAGF data

5.5 STATE GOVERNMENTS AND FCT FINANCES[15]

5.5.1 The Overall Fiscal Balance and Financing

Provisional data on state governments (including the FCT) fiscal operations indicated a deficit of ₦866.8 billion or 0.6 per cent of GDP, compared with ₦706.2 billion or 0.5 per cent of GDP in 2018. The deficit was financed, largely, from domestic borrowings (commercial bank loans, restructured loans on FGN Bonds & new issued Bonds).

Provisional data on state governments' finances indicated an increase in the overall deficit to ₦866.8 billion, compared with ₦706.2 billion in 2018.

5.5.2 Revenue

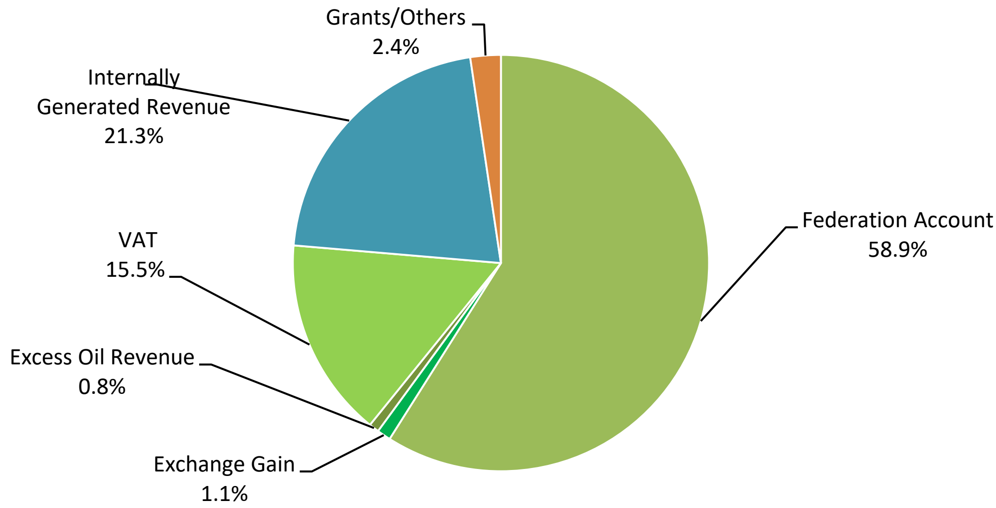
Total revenue of the state governments fell by 3.1 per cent to ₦3,636.5 billion, or 2.5 per cent of GDP, compared with ₦3,753.4 billion or 2.9 per cent of GDP in 2018. Analysis of the sources of revenue showed that allocation from the Federation Account, including 13.0% Derivation Fund was ₦2,144.9 billion, or 58.9 per cent of the total; VAT Pool Account, ₦564.4 billion (15.5%); Exchange Gain, ₦39.0 billion (1.1%); Excess Oil Revenue[16], ₦28.3 billion (0.8%); and "Grants and Others", including share of stabilisation fund and excess non-oil revenue, ₦86.0 billion (2.4%). Internally Generated Revenue (IGR)

Total revenue of the state governments fell by 3.1 per cent to ₦3,636.5 billion, or 2.5 per cent of GDP.

[15] Provisional data.
[16] Include NNPC Additional Distribution.

constituted ₦773.8 billion (21.3%), indicating an increase of 2.4 per cent, above the level in 2018.

Figure 5.14: State Governments' and FCT's Revenue, 2019 (Naira Billion)



Sources: FMF and the OAGF data & Staff estimates

Analysis of the ratio of IGR to total revenue by state (proxied by tax effort)[17] showed that Lagos State ranked highest with 62.2 per cent, followed by Rivers and Kwara States with 39.4 and 29.2 per cent, respectively, while Bayelsa State ranked the least with 4.4 per cent. Overall, the state governments' tax effort in 2019, relative to 2018, declined by 1.1 per cent.

Table 5.2: State Governments' Revenue, 2019

Item	State Governments' Revenue				Share in Overall GDP	
	2018 1/		2019 1/		2018	2019
	Amount (₦' Billion)	Share (%)	Amount (₦' Billion)	Share (%)	%	%
Federation Account 2/	2,273.6	60.6	2,144.9	59.0	1.8	1.5
Excess Oil Revenue 3/	27.2	0.7	28.3	0.8	0.0	0.0
VAT	533.7	14.2	564.4	15.5	0.4	0.4
Internally Generated Revenue	755.7	20.1	773.8	21.3	0.6	0.5
Exchange Gain	86.2	2.3	39.0	1.1	0.1	0.0
Grants & Others 4/	77.0	2.1	86.0	2.4	0.1	0.1
Total	**3,753.4**	**100.0**	**3,636.5**	**100.0**	**2.9**	**2.5**

Sources: FMF, OAGF and staff estimates.

1/ Provisional
2/ Including FCT
3/ Including 13% Derivation Fund
4/ Including stabilisation fund and Distribution from excess non-oil revenue.

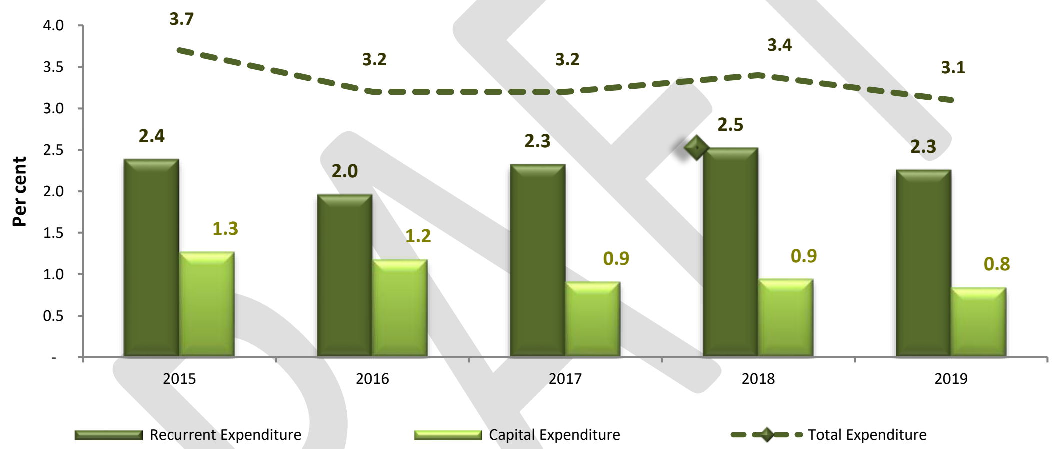
[15] Ratio of each state's IGR to its total revenue

5.5.3 Expenditure

5.5.4 Estimated total expenditure of state governments increased by 1.0 per cent to ₦4,503.3 billion, or 3.1 per cent of GDP. A breakdown showed that, at ₦3,283.1 billion or 2.3 per cent of GDP, recurrent expenditure was 0.9 per cent above the level in 2018, and accounted for 72.9 per cent of the total expenditure. Capital expenditure, at ₦1,220.2 billion, or 0.8 per cent of GDP, was 1.1 per cent above the level in 2018 and constituted 27.1 per cent of the total.

The total expenditure of the state governments rose by 1.0 per cent to ₦4,503.3 billion, or 3.1 per cent of GDP.

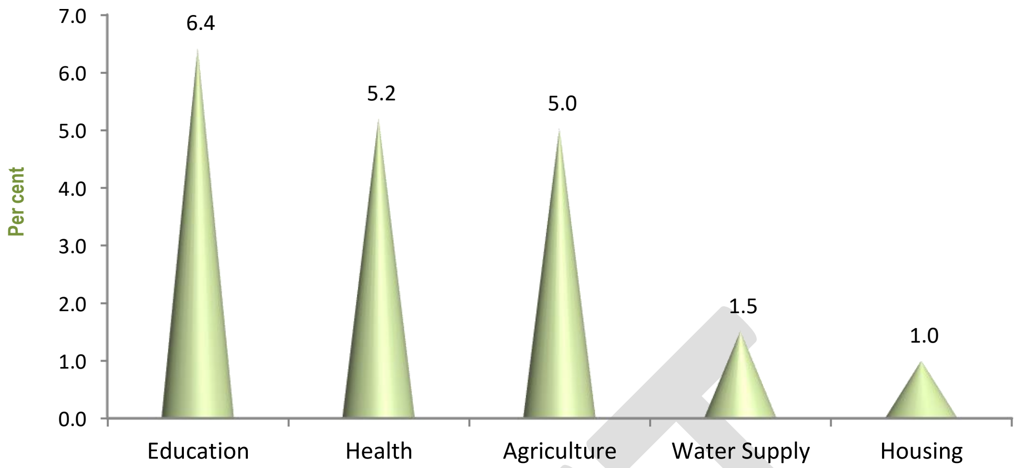
Figure 5.15: State Governments' Expenditure, 2015 - 2019 (per cent of GDP)



Source: Staff estimates

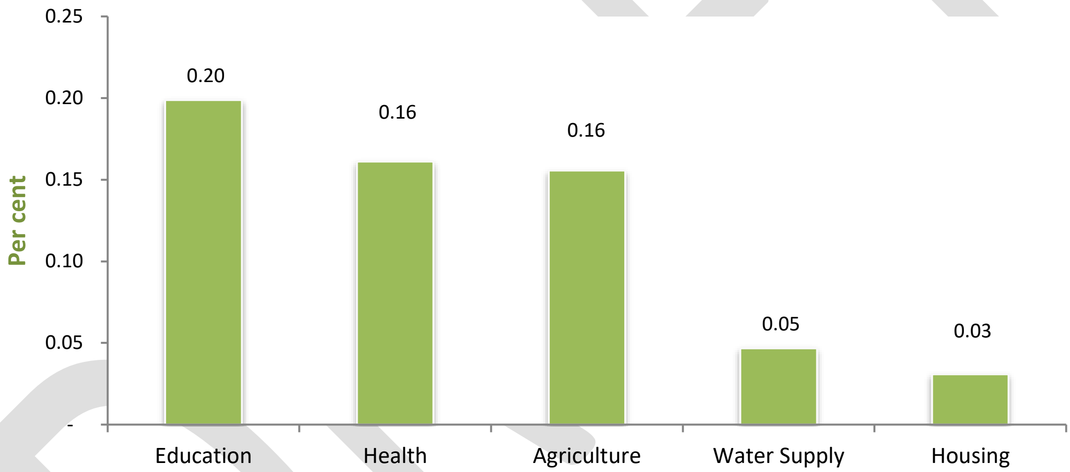
Analysis of spending on primary welfare sectors indicated that outlay on education rose by 3.8 per cent to ₦289.6 billion, compared with ₦278.9 billion in 2018, and represented 33.5 per cent of the total. Also, expenditure on water supply rose by 1.7 per cent to ₦68.1 billion, relative to the level in 2018. However, expenditure on housing, health and agriculture dropped by 9.5, 5.5 and 1.7 per cent to ₦45.1 billion, ₦234.6 billion and ₦226.7 billion, respectively, relative to the levels in 2018. Aggregate expenditure on primary welfare sector amounted to ₦864.0 billion, or 0.6 per cent of GDP, and accounted for 19.2 per cent of total expenditure.

Figure 5.16: State Governments' Expenditure in Key Primary Welfare Sectors, 2019 (Per cent of Total Expenditure)



Source: Staff Estimates

Figure 5.17: State Governments' Expenditure in Key Primary Welfare Sectors, 2019 (Per cent of GDP)



Source: Staff Estimates

5.6 LOCAL GOVERNMENTS FINANCES[18]

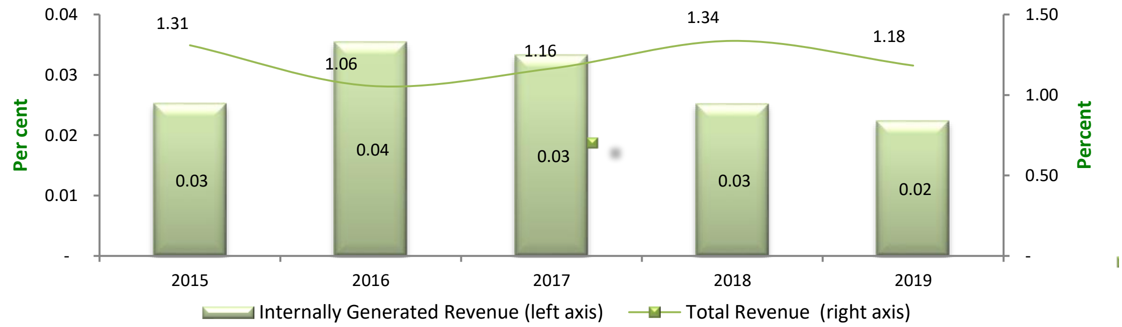
5.6.1 The Overall Fiscal Balance and Financing

Provisional data on local governments fiscal operations indicated a deficit of ₦0.3 billion.

Provisional data on the fiscal operations of local governments indicated a deficit of ₦0.3 billion, compared with ₦0.2 billion in 2018. The deficit was financed from domestic sources.

[18] Provisional

Figure 5.18: Local Governments Revenue & Overall Balance, 2015- 2019 (Per cent of GDP)



Sources: FMF, OAGF data and Staff Estimates.

5.6.2 Revenue

Provisional data on total revenue of local governments, at ₦1,722.3 billion or 1.2 per cent of GDP, represented a decrease of 0.1 per cent below the level in 2018. The revenue comprised allocations from the Federation Account, ₦1,221.7 billion (70.9%); and the VAT Pool Account, ₦395.1 billion (22.9%). Others included: Exchange Gain, ₦19.4 billion (1.1%); Excess Oil Revenue, ₦14.0 billion (0.8%); Excess Non-Oil Revenue, ₦4.4 billion (0.3%); State Allocation, ₦18.4 billion (1.1%); Grants & others, ₦9.8 billion (0.6%), while 'Others' amounted to ₦6.8 billion (0.4%). In addition, IGR accounted for ₦32.6 billion (1.9%), indicating an increase of 0.3 per cent, above the level in 2018.

The total provisional revenue of local governments at ₦1,722.3 billion, decreased by 0.1 per cent below the level in FY2018

Analysis of the cumulative local governments IGR on a state-by-state basis showed that Lagos State ranked highest with 14.0 per cent of the total, while Kwara State ranked the least with 0.4 per cent of the total.

Table 5.3: Local Governments Revenue, 2019

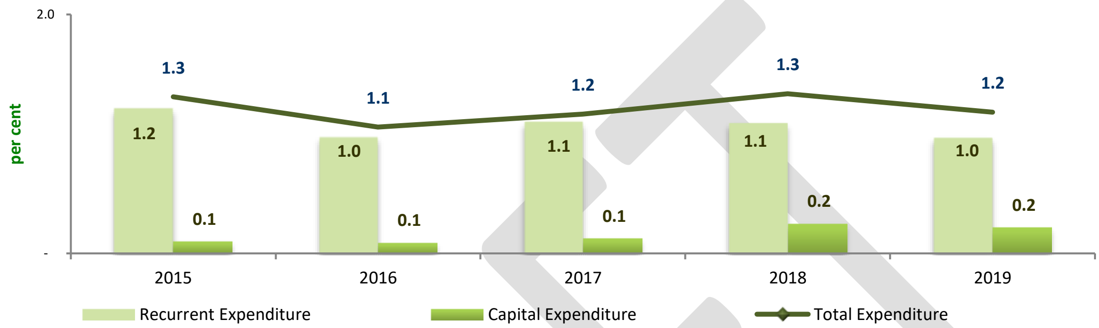
Item	Local Governments Revenue				Share in Overall GDP	
	2018 1/		2019 1/		2018	2019 1/
	Amount (₦' Billion)	Share (%)	Amount (₦' Billion)	Share (%)	%	%
Federation Account	1,243.1	72.1	1,221.7	70.9	1.0	0.8
VAT	366.3	21.2	395.1	22.9	0.3	0.3
Internally Generated Revenue	32.5	1.9	32.6	1.9	0.0	0.0
Excess Non-Oil Revenue	3.1	0.2	4.4	0.3	0.0	0.0
Excess Oil Revenue	13.1	0.8	14.0	0.8	0.0	0.0
Exchange Gain	41.6	2.4	19.4	1.1	0.0	0.0
Grants & Others 2/	24.9	1.4	35.0	2.0	0.0	0.0
Total	**1,724.7**	**100.0**	**1,722.3**	**100.0**	**1.3**	**1.2**

Sources: FMF, OAGF, and Staff Estimates.
1/Provisional
2/Including State Allocation and other miscellaneous revenue

5.6.3 Expenditure

At ₦1,722.5 billion, estimated total expenditure of local governments, was below the level in 2018 by 0.1 per cent and represented 1.2 per cent of GDP. A breakdown indicated that recurrent outlay was ₦1,405.8 billion or 81.6 per cent of the total, while capital expenditure at ₦316.7 billion, accounted for the balance.

Figure 5.19: Local Governments Expenditure, 2015- 2019 (per cent of GDP)



Source: Computed based on data from the FMF and Staff Estimates.

A breakdown of recurrent expenditure showed that personnel cost was ₦999.5 billion (71.1%) of the total, while overheads and consolidated revenue fund charges and 'others' amounted to ₦191.7 billion (13.6%) and ₦214.6 billion, (15.3%), respectively. A disaggregation of capital expenditure by functions revealed that: administration, ₦112.0 billion (35.4%); social & community services, ₦95.7 billion (30.2%); economic services, ₦66.0 billion (20.9%), and transfers, ₦42.9 billion (13.6%).

The expenditure of the local governments was 0.1 per cent below the level in 2018 and represented 1.2 per cent of the GDP.

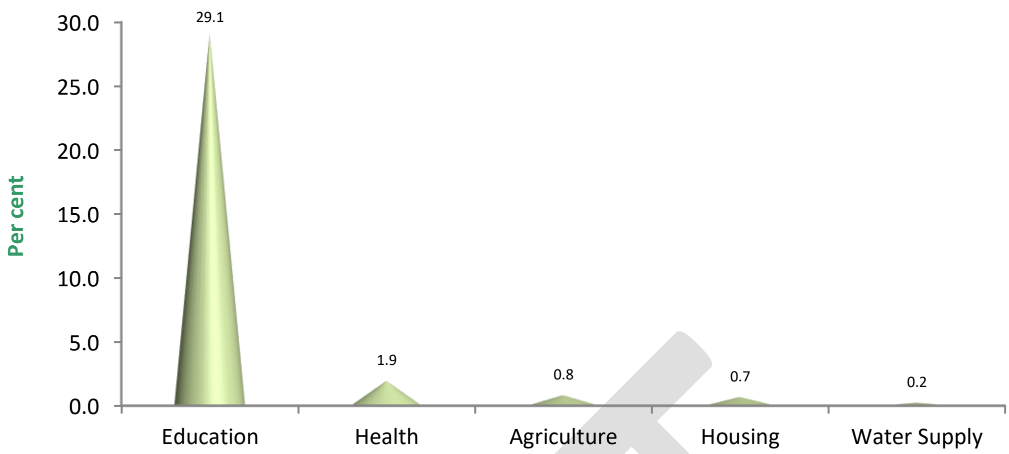
Analysis of spending on primary welfare sectors showed that expenditure on housing increased by 0.8 per cent. In contrast, expenditures on agriculture, water supply, education and health decreased by 2.0, 1.9, 1.0 and 0.01 per cent, respectively, compared with the levels in 2018. Overall, at ₦564.4 billion or 0.4 per cent of GDP, aggregate expenditure on the primary welfare sectors decreased by 0.9 per cent below the level in 2018 and accounted for 32.8 per cent of total expenditure.

Aggregate expenditure on the primary welfare sectors decreased by 0.9 per cent below the level in 2018 and accounted for 32.8 per cent of total expenditure.

5

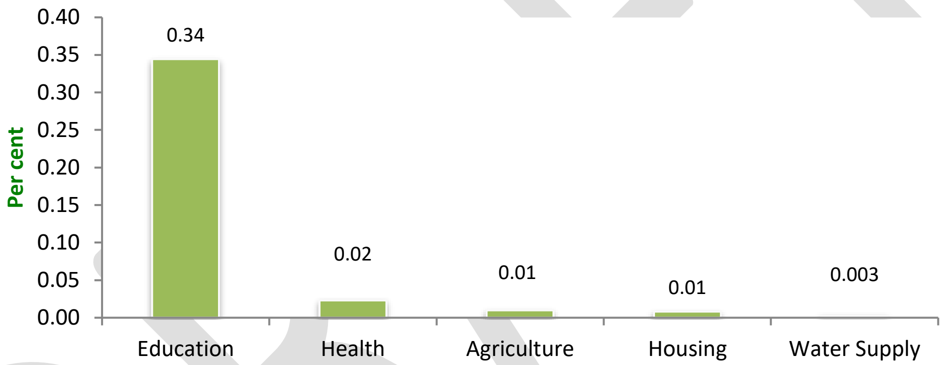
FISCAL POLICY AND GOVERNMENT FINANCE

Figure 5.20: Local Governments Expenditure on Primary Welfare Sectors, 2019 (Per cent of Total Expenditure)



Sources: Staff Estimates.

Figure 5.21: Local Governments Expenditure on Primary Welfare Sectors, 2019 (Per cent of GDP)

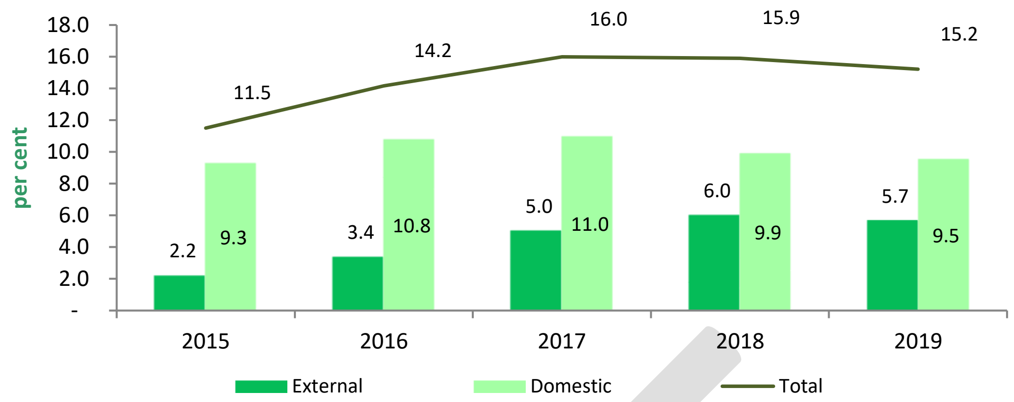


Sources: Staff Estimates.

5.7 CONSOLIDATED FEDERAL GOVERNMENT DEBT

Provisional data on the consolidated Federal Government debt stock, at end-September 2019, was ₦22,172.6 billion, or 15.2 per cent of GDP, compared with ₦20,533.6 billion or 15.9 per cent of GDP in 2018. This indicated an increase of 8.0 per cent, reflecting, largely, the additional borrowing from domestic sources, to bridge the FGN financing gap. Analysis of the debt stock showed that the domestic component constituted 62.7 per cent, while external debt accounted for 37.3 per cent of the total.

Figure 5.22: Consolidated Public Debt Stock, 2015 - 2019
(Per cent of GDP)



Sources: Debt Management Office (DMO) data

5.7.1 Domestic Debt

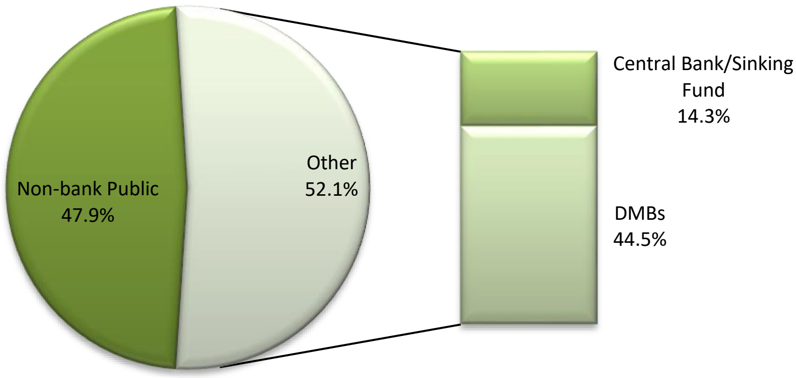
The stock of Federal Government domestic debt at end-September 2019 was ₦13,901.5 billion or 9.5 per cent of GDP, representing an increase of 8.8 per cent above the level in 2018. The development reflected the rise in the net issuance of existing domestic debt securities; FGN Bonds, Promissory Notes and Green Bonds, amounting to ₦1,236.6 billion. As a result, the outstanding FGN Bonds at year end, increased by 7.9 per cent to ₦10,074.9 billion, while the Treasury Bills (NTBs) and Treasury Bonds declined by 3.1 and 16.6 per cent to ₦2,651.5 billion and ₦126.0 billion, respectively. The decline in NTBs was as a result of the redemption of maturing NTBs and the need to reduce the share of short-term debt in favour of long-term debt in the ratio 25:75 to reduce the cost of debt service and roll-over risk. However, the issuance of Sukuk Bonds remain unchanged at ₦200.0 billion at end-September 2019.

The banking system remained the dominant holder of outstanding domestic debt with ₦7,239.5 billion or 52.1 per cent, while the non-bank public accounted for the balance of ₦6,662.1 billion or 47.9 per cent. Thus, the share of banking system holdings rose by 23.3 per cent, while, the share of the non-bank public declined by 3.5 per cent, below the level in 2018. A disaggregation of the banking system holdings showed that the banks held 72.6 per cent, while the CBN and the Sinking Fund accounted for the balance of 27.4 per cent.

The stock of Federal Government domestic debt outstanding at end-September 2019 stood at ₦13,901.5 billion, representing a rise of 8.8 per cent above the level at end-December 2018.

Analysis of the maturity structure of domestic debt showed that long-term instruments (tenors of over three years) accounted for ₦7,628.2 billion, or 54.9 per cent. Medium-term instruments (tenors of 1-3 years) amounted to ₦1,354.9 billion or 9.7 per cent, while short-term instruments (tenors of below one year) amounted to ₦4,918.4 billion, or 35.4 per cent.

Figure 5.23: Composition of Domestic Debt Stock by Holder, 2019



Source: DMO Data.

5.7.2 External Debt

At US$26.9 billion or 5.7 per cent of GDP, Nigeria's external debt at end-September 2019 grew by 6.6 per cent over the level at end-December 2018. The rise reflected, largely, additional multilateral and bilateral loans, for infrastructure funding and refinancing of matured NTBs. This was in line with Nigeria's Debt Management Strategy, aimed at reducing the cost of debt service through debt portfolio switching to less expensive external debt from domestic debt. As part of the strategy, maturing NTBs were refinanced from commercial loans (Eurobonds), leaving the stock of Eurobonds unchanged at US$10.9 billion in 2019, same as in 2018.

A breakdown of the debt portfolio showed that debt owed to multilateral institutions (concessional loans) was US$12.3 billion or 45.8 per cent of the total, while commercial and bilateral debts, at US$11.2 billion and US$3.4 billion, respectively, accounted for 41.5 and 12.7 per cent of the total.

5.7.3 Debt Service

Total debt service[19] was ₦1,764.5 billion, or 1.2 per cent of GDP, indicating a decrease of 21.5 per cent below the level in 2018. A disaggregation showed that the external component was ₦332.6 billion (US$1.1 billion) or 18.8 per cent of the total, while domestic debt accounted for ₦1,432.0 billion or 81.2 per cent. External debt service consisted of interest payments of 79.3 per cent and amortisation[20] of 20.7 per cent. Similarly, interest payments constituted 98.3 per cent and amortisation 1.7 per cent of the total domestic debt service.

[19] Represents actual debt service payments by the Debt Management Office which may differ from the figures in the Federal Government finances table that indicates contributions to the external creditors' fund.
[20] Principal Repayment

CHAPTER SIX

REAL SECTOR DEVELOPMENTS

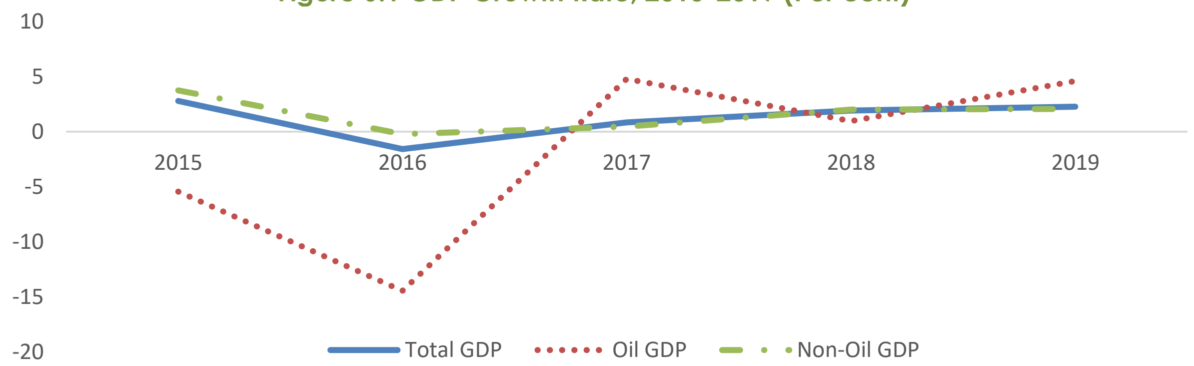
The economy maintained a modest growth in 2019. The real Gross Domestic Product (GDP) measured at 2010 constant basic prices grew by 2.3 per cent, compared with 1.9 per cent in 2018. The development was attributed, largely, to surge in confidence, following the peaceful conduct of the 2019 general elections, the effective implementation of the 2019 budget, increased capital inflows, which helped to stabilise the foreign exchange market, as well as increased lending to the real sector, following CBN's directive to banks to maintain a minimum Loan-to-Deposit ratio of 60.0 per cent in July 2019, which was raised to 65.0 per cent by end-December 2019. In addition, sustained interventions in the real sector by the Federal Government and the CBN contributed to the growth outcomes in 2019. The oil and non-oil sectors grew by 4.6 and 2.1 per cent, respectively. Analysis by sector indicated that the growth in GDP was driven by services, agriculture and industry sectors, which contributed 1.2, 0.6 and 0.5 per cent, respectively, while trade contributed negatively to the growth of real GDP by 0.1 per cent during the period. The year-on-year headline inflation remained above the single digit benchmark throughout 2019 on account of higher food CPI, shortage in supply of goods, as well as the unintended effect of the Federal Government border protection policy during the review period.

6.1 DOMESTIC OUTPUT

The economy sustained its modest growth in 2019. The Gross Domestic Product (GDP), measured at 2010 constant basic prices, was ₦71.4 trillion in 2019, indicating a growth of 2.3 per cent, compared with 1.9 per cent in 2018. The growth was driven, largely, by the services, agriculture and industry sectors, which contributed 1.2, 0.6 and 0.5 per cent, respectively.

The Gross Domestic Product (GDP), measured at 2010 constant basic prices was ₦71.4 trillion in 2019, indicating a growth of 2.3 per cent, compared with a growth of 1.9 per cent in 2018.

Figure 6.1 GDP Growth Rate, 2015-2019 (Per cent)



Source: National Bureau of Statistics (NBS)

The increased economic activities in 2019 was attributed to factors, such as: the surge in confidence in the economy, following the peaceful conduct of the 2019 general elections; increased capital inflows, which helped to stabilise the foreign exchange market; as well as increased lending activities, following CBN's directive to banks to maintain a minimum Loan-to-Deposit ratio of 60.0 per cent in July 2019 and later raised to 65.0 per cent by end-December 2019. In addition, sustained interventions in the real sector by the Federal Government and the CBN contributed to the growth outcomes in 2019.

Table 6.1: Sectoral Contributions to Growth Rates of GDP at 2010 Constant Basic Prices (percentage points)

Activity sector	2015	2016	2017	2018	2019
1. Agriculture	**0.9**	**1.0**	**0.8**	**0.5**	**0.6**
Crop Production	0.7	0.9	0.8	0.5	0.6
2. Industry	**-0.5**	**-2.0**	**0.4**	**0.3**	**0.5**
Crude Petroleum	-0.6	-1.3	0.4	0.1	0.4
Construction	0.2	-0.2	0.04	0.1	0.1
3. Service	**2.5**	**-0.5**	**-0.4**	**1.1**	**1.1**
Trade	0.9	-0.0	-0.2	-0.1	-0.1
Information and Communications	0.7	0.2	-0.1	1.1	1.1
TOTAL (GDP)	**2.8**	**-1.5**	**0.8**	**1.9**	**2.3**

Source: NBS

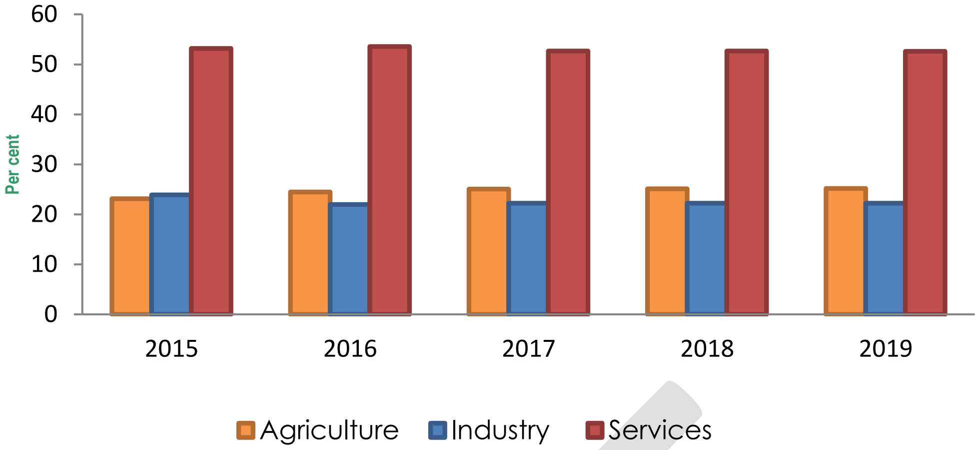
The non-oil sector was the main driver of growth in 2019, expanding by 2.1 per cent, compared with 2.0 per cent in 2018. The agriculture sector recorded the highest growth rate of 2.4 per cent, compared with 2.1 per cent recorded in 2018. Within the sector, fishery was the highest growing sub-sector at 3.3 per cent, followed by forestry, crop production and livestock at 2.6, 2.5 and 0.2 per cent, respectively. The oil sector grew by 4.6 per cent, compared with 1.0 per cent in 2018.

Table 6.2: Sectoral Growth Rates of GDP at 2010 Constant Basic Prices (Per cent)					
Activity Sector	**2015**	**2016**	**2017**	**2018**	**2019**
1. Agriculture	**3.7**	**4.1**	**3.5**	**2.1**	**2.4**
Crop Production	3.5	4.3	3.6	2.3	2.5
Livestock	6.0	2.9	1.6	0.3	0.2
Forestry	3.7	2.6	3.3	3.1	2.6
Fishery	5.9	-0.7	1.3	1.6	3.3
2. Industry	**-2.2**	**-9.0**	**2.2**	**1.6**	**2.3**
Crude Petroleum	-5.5	-13.7	4.8	1.0	4.6
Solid Minerals	7.7	-14.6	0.1	10.1	-5.0
Utilities	-4.0	-8.7	12.6	7.3	-1.9
Manufacturing	-1.5	-4.3	-0.2	2.1	0.8
Construction	4.4	-6.0	1.0	2.3	1.8
3. Services	**4.8**	**-0.8**	**-0.9**	**1.8**	**2.2**
Trade	4.5	-0.2	-1.1	-0.6	-0.4
Transport and Storage	4.5	0.4	3.9	13.9	10.7
Information & Communications	2.0	2.0	-1.0	9.7	9.2
Accomodation & Food Services	2.3	-5.3	-1.6	1.8	2.9
Finance & Insurance	7.1	-4.5	1.3	2.0	2.6
Real Estate	2.1	-6.9	-4.3	-4.7	-2.4
Human Health & Social Services	2.5	-1.8	-0.3	-0.3	0.3
TOTAL (GDP)	**2.8**	**-1.5**	**0.8**	**1.9**	**2.3**
OIL GDP	**-5.5**	**-14.5**	**4.7**	**1.0**	**4.6**
NON-OIL (GDP)	**3.8**	**-0.2**	**0.5**	**2.0**	**2.1**

Source: NBS

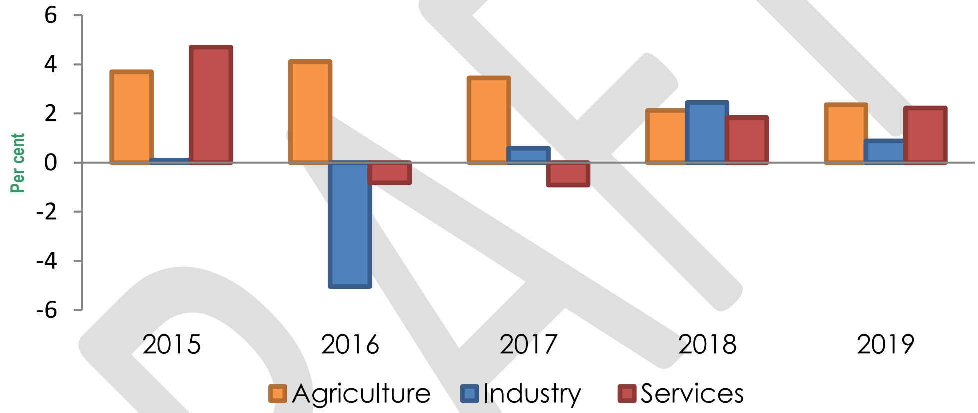
At 52.6 per cent, the services sector accounted for the largest share of total real GDP in 2019. Within the services sub-sector, the share of trade was 16.0 per cent, followed by information and communications technology (13.0%), real estate (6.1%), professional (3.6%), 'other services' (3.4%), finance and insurance (3.0%), education (2.1%), public administration (2.1%), and transport and storage (1.5%). Furthermore, agriculture and industry, accounted for 25.2 and 22.3 per cent, respectively, to the real GDP.

Figure 6.2: Sectoral Shares in GDP, 2015 - 2019



Source: NBS

Figure 6.3: Growth Rate of Major Sectors of Non-oil GDP, 2015 – 2019 (Per cent)



Source: NBS

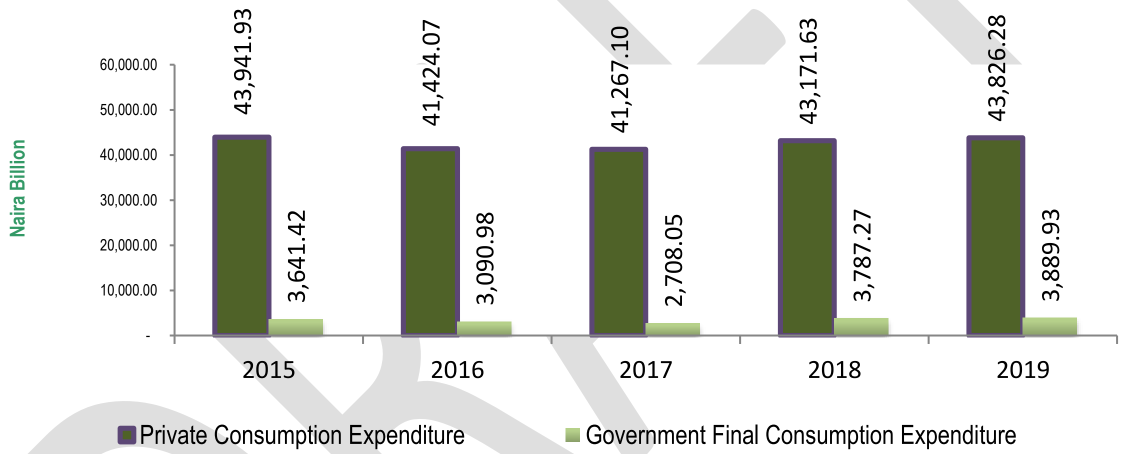
Figure 6.4: Contributions to Growth Rate of Non-oil GDP, 2015 – 2019

(Per cent)

Source: NBS

At ₦72,094.09 billion in 2019, the real domestic demand, at 2010 purchasers' price (GDP by Expenditure), increased by 2.2 per cent relative to ₦70,536.35 billion in 2018. Private consumption and government final consumption expenditure were ₦43,826.28 billion and ₦3,889.93 billion, respectively, compared with ₦43,171.63 billion and ₦3,787.27 billion, in 2018. Government final consumption expenditure and private consumption expenditure increased by 2.7 and 1.5 per cent, respectively. Net export was ₦11,545.95 billion in 2019, representing a decline of 6.6 per cent below the level of ₦12,368.24 billion in 2018. Real investment (gross fixed capital formation) was ₦12,030.06 billion in the period under review, representing an increase of 13.8 per cent over the level of ₦10,569.60 billion in the preceding year.

Figure 6.5: GDP (Expenditure Approach) at 2010 Purchasers' Price, 2015 - 2019



Source: NBS

6.2 Agriculture

6.2.1 Policy and Institutional Support

Food security, import substitution, job creation and economic diversification remained the major thrust of the agricultural policy in 2019. Pursuant to these priorities, the National Council on Agriculture and Rural Development (NCARD), at its 43rd Meeting, approved the following measures:

- Adoption of the National Gender Action Plan (NGAP) on Agriculture, designed to support and empower women farmers to move from subsistence to commercial farming. Under the plan, women farmers were allocated 35.0 per cent of all subsidised resources;

- Adoption of the National Agricultural Extension Policy with focus on a decentralised and demand-led extension system to meet farmers' needs; and
- Recapitalisation of the Nigeria Agricultural Insurance Corporation (NAIC) to provide adequate resources to enable the Corporation deliver on its mandate.

To revive the palm oil sector, the CBN entered into partnership with eleven (11) palm oil-producing states for the disbursement of loans at not more than 9.0 per cent interest rate. The states would provide, at least, 100 hectares of arable land for the take-off of the initiative. Similarly, the German government, in collaboration with Bill and Melinda Gates Foundation, provided €2.0 million for the implementation of the second phase of the Competitive African Rice Initiative (CARI) in the country to assist small-holder farmers increase their output and raise income.

In an effort to address farmers/herders' clashes in the country, the Federal Government inaugurated the National Livestock Transformation Plan (NLTP) in the year. The Plan, designed to run from 2019 – 2028, is part of the Government's broader initiative to develop the livestock sector. It is being implemented in seven (7) states; Adamawa, Benue, Kaduna, Plateau, Nasarawa, Taraba and Zamfara on a pilot basis. The Niger State government was investing ₦30.0 billion to establish a 31,000-hectare grazing reserve to support the NLTP initiative. An estimated ₦91.0 billion would be expended on the NLTP over a 10-year period.

The Federal Government approved the release of the pod borer resistant cowpea seeds (beans) to farmers. The cowpea variety was developed by the Institute for Agricultural Research (IAR), Ahmadu Bello University, Zaria. Its introduction was expected to bridge the deficit in national cowpea demand of about 500,000 tonnes and improve the national productivity average of 350kg/hectare.

6.2.2 Agricultural Production

The provisional aggregate index of agricultural production stood at 143.1 (2010=100), indicating a growth of 3.5 per cent in 2019. Crop, forestry, livestock, and fishery sub-sectors grew by 3.7, 2.3, 2.2 and 2.0 per cent, respectively. The prevalence of favourable weather conditions across the country, coupled with support from government and the CBN, accounted for the growth in the sector.

6.2.2.1 Crop Production

Provisional data showed that crop production grew by 3.7 per cent, compared with 2.3 per cent, in the preceding year. Similarly, the output of staples and 'other crops' rose by 3.8 and 3.0 per cent, compared with 2.2 and 3.4 per cent in 2018, respectively. Further analysis showed that the output of rice, cashew, beans, soyabean, cassava, rubber, wheat and potatoes grew by 8.6, 7.2, 6.3, 4.4, 4.0, 4.0, 3.7, and 3.6 per cent, respectively. Growth in output of other commodities were: yam (3.4%); cocoa (3.3%); sorghum (3.3%); maize (3.2%); millet (2.9%), and cocoa yam (2.2%). Favourable weather condition and the sustained funding of the intervention programmes such as the Anchor Borrowers Scheme contributed to the sustained growth during the review period. Favourable weather conditions and the sustained funding of intervention programmes, notably, the Anchor Borrowers' Programme, contributed to the growth in the review period.

Table 6.3: Growth in Major Crop Production (per cent)

Crop	2018	2019	Crop	2018	2019
Wheat	3.3	3.7	Cashew	4.4	7.2
Sorghum	2.0	3.3	Potatoes	2.0	3.6
Rice	5.4	8.6	Yam	2.9	3.4
Maize	0.4	3.2	Cassava	1.9	4.0
Millet	1.9	2.9	Rubber	3.1	4.0
Soya-Bean	7.6	4.4	Cocoa	3.5	3.3
Beans	2.2	6.3	Cocoyam	1.9	2.2

Source: *CBN Staff estimates based on NBS data*

6.2.2.2 Livestock

Provisional data revealed that the index of livestock production, at 131.4 (2010=100), rose by 2.2 per cent, compared with 0.3 per cent in the preceding year. Further analysis showed that the output of all the sub-components grew above their corresponding levels in 2018. The border protection policy, which curtailed smuggling of livestock products and encouraged local production, was a major factor in the performance of the livestock sector in the review period.

6.2.2.3 Fishery

Provisional index of fishery production stood at 146.7 (2010=100), indicating a growth of 2.0 per cent above the level in the preceding year. A further analysis revealed that fish farming, artisinal inland rivers and lakes catches, artisinal coastal and brackish water catches and industrial (trawling) coastal fish & shrimps grew by 3.3, 2.5, 1.2 and 0.6 per cent, respectively, in the review period. The development was attributed to improved private sector participation, particularly in small-scale fish farming.

6.2.2.4 Forestry

At 136.5 (2010=100), the provisional index of forestry production grew by 2.3 per cent, compared with 3.3 per cent, in 2018. The growth was attributed to the efforts of the Federal Government and other stakeholders, including the Food and Agriculture Organisation (FAO) at strengthening sustainable forest and land management practices in the country. The continued growing demand for construction works, and other wood products, such as paper, tissue and charcoal, also impacted on growth in the sub-sector.

6.2.3 Agricultural Prices

The average prices of major agricultural export commodities monitored, generally, exhibited a downward trend during the review period. The all-commodities price index, in US dollar terms, stood at 74.2 (2010=100), representing a decrease of 2.1 per cent, below the level in 2018. The decline in the index was attributed to lower prices for all the commodities, except cocoa and rubber, with price increase of 1.8 and 4.7 per cent, respectively. The upward trend for cocoa was on account of increased demand, resulting from adverse weather conditions in some parts of West African cocoa-growing region. For rubber, the implementation of the Agreed Export Tonnage Scheme (AETS) by top rubber producers, to curb the plummeting prices, contributed to shore-up the price of the commodity.

Cotton and soya bean prices declined the most by 14.7 and 9.1 per cent, respectively, on account of increased global inventories, due partly, to lingering trade dispute between the U.S and China.

Provisional data revealed that, domestic prices of major selected cash crops exhibited a rising trend in 2019, compared with their levels in 2018. Eleven out of the thirteen commodities monitored, indicated increases ranging from 0.6 per cent for benniseed to 27.9 per cent for cotton. The uptick in prices was attributed to: rising transportation costs; insurgency/banditry in food-producing areas; and the border protection policy. The price of soya bean and ginger, however, decreased by 13.5 and 15.7 per cent, respectively, due to bumper harvest and improved supply of the commodities to the market.

6.3 INDUSTRY

6.3.1 Industrial Policy and Institutional Support

In 2019, government continued to implement policies and programmes to engender growth and build a globally competitive industrial sector. To this end, the Federal Government launched the North Core Project, which involves building a 330 KV transmission line to link Nigeria, Niger, Benin, Togo and Burkina Faso under the ECOWAS Energy Master Plan. The Project, which would be supervised by the Transmission Company of Nigeria (TCN), was expected to boost Nigeria's electricity export and provide cheap energy in the sub-region upon completion by 2023.

In a related development, the World Bank approved a loan of US$3.0 billion for the development of the country's power infrastructure. The loan would be used to improve transmission and distribution networks, settle outstanding debt, and pay tariffs subsidy in the sector.

In the World Bank Ease-of-Doing-Business Index, Nigeria moved 15 places, from 146 to 131 in 2019, reflecting improvements in the business climate in the country. The improvement was in the areas of starting a business, dealing with construction permits, access to electricity, property registration, trading across borders and enforcing contracts.

In a bid to revive the textile and garment sub-sector, the CBN approved the sum of ₦19.2 billion, as loan to nine ginneries (cotton factories). The loan, which would be disbursed at a single digit interest rate, would be used to retool production lines and improve capacity utilisation. Also, the Bank facilitated the signing of a Memorandum of Understanding (MoU) between the Cotton Growers Association of Nigeria and Nigeria Ginning Association. This was to guarantee market for the commodity and ensure availability and cheap raw materials in the Nigeria textile and garment industry.

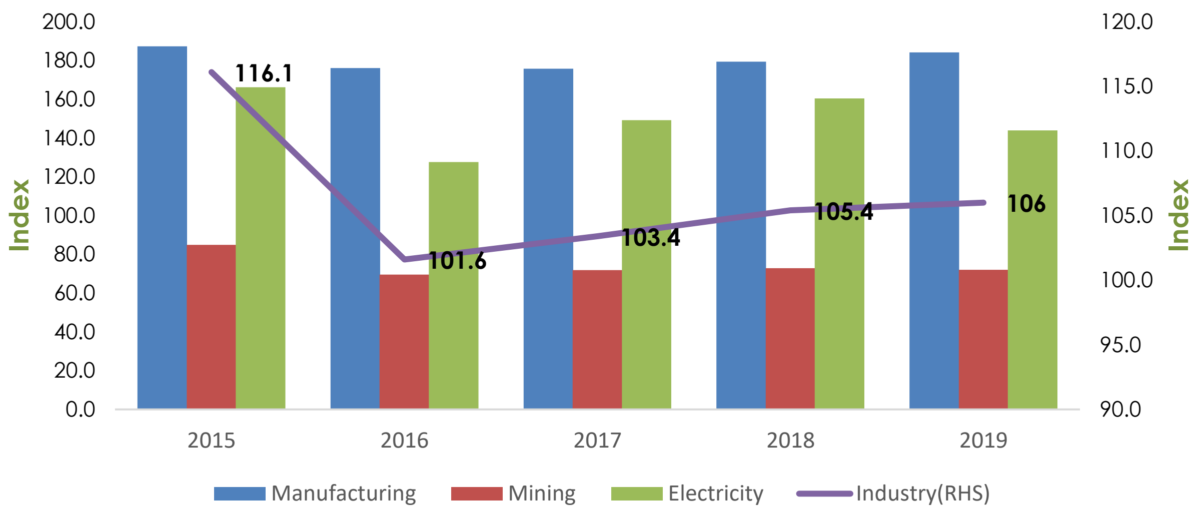
Similarly, the Kwara State Government signed an MoU with Libra Capital Limited and Almakaz Global Industrial for the construction of a renewable power plant and agro-industrial park in the State. The power plant was expected to generate 5,000 megawatts (MW), while the industrial park has the potential to create over 10,000 jobs. The Project would be funded through the Sukuk Emission Fund and was expected to promote stable power supply and food security in the State.

The drive to modernise the rail system in Nigeria, received a boost, as work commenced on the construction of the Railway Wagon Assembly Plant in Ogun State during the year. The Assembly Plant would produce wagons for the Lagos–Ibadan, Abuja–Kaduna and Central rail lines. The Plant was also expected to meet the demand of open wagons, container flat wagons, tank wagons and box wagons to serve Nigeria and other African countries. The Plant has the capacity to produce 500 wagons annually and generate about 5,000 jobs.

6.3.2 Industrial Production

Industrial production index (provisional) stood at 106.0 (2010=100), showing a marginal increase of 0.6 per cent above the level in 2018. The improvement reflected increased activities in the manufacturing sub-sector. The index of manufacturing sub-sector rose by 2.6, while the indices of mining and electricity declined by 1.1 and 10.3 per cent, respectively.

Figure 6.6: Index of Industrial Production, 2015 - 2019 (2010=100)

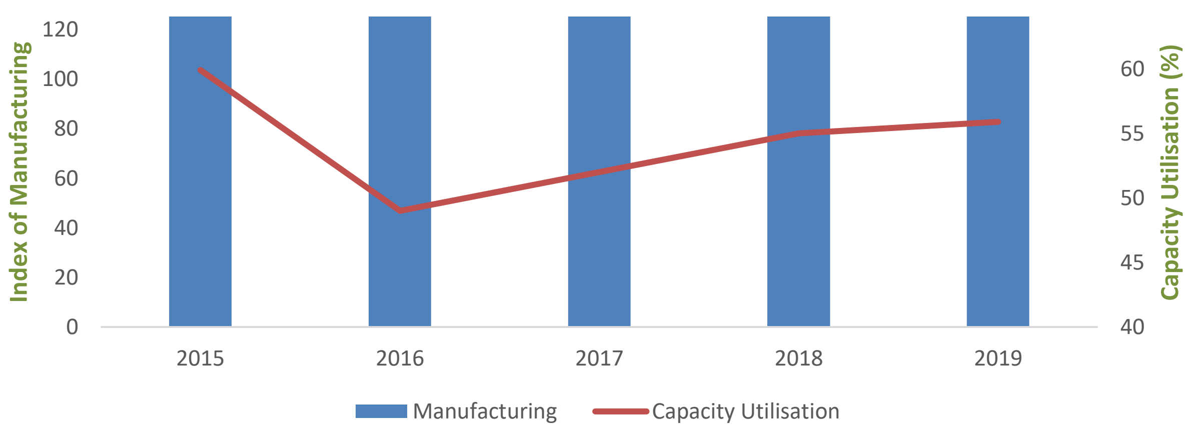


Source: CBN

6.3.2.1 Manufacturing

At 184.1 (2010=100), index of manufacturing output (provisional), showed an increase of 2.6 per cent, over the level in 2018. Similarly, the average manufacturing capacity utilisation in 2019 increased, marginally, by 1.6 percentage points to 55.9 per cent. The development was attributed to general improvement in domestic demand, which increased significantly in the last quarter of the year due to the border protection policy of the Federal Government, sustained access by manufacturers to the foreign exchange market, as well as moderation in input prices.

Figure 6.7: Index of Manufacturing Production, 2015 – 2019



Source: CBN

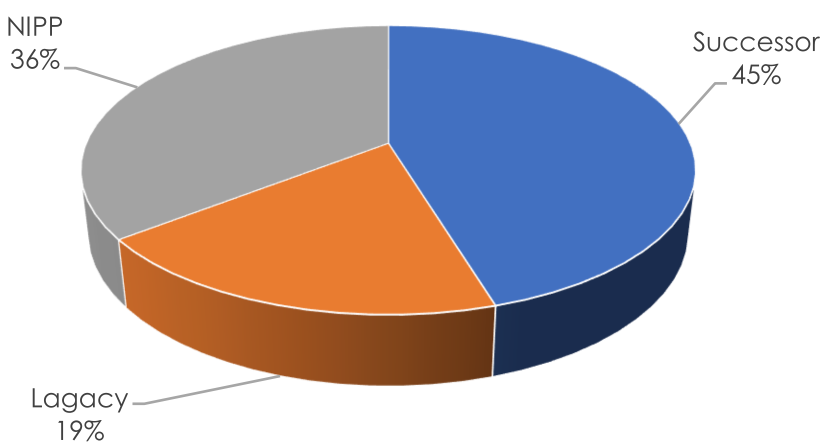
6.3.2.2 Electricity Generation

Provisional data showed that total installed electricity generation capacity stood at 13,786.4MW in 2019, compared with 13,502.8MW in 2018, indicating a 2.1 per cent increase. The increase was due to installation of new generating plants and expansion in the capacity of existing ones. A disaggregation of the installed capacity showed that thermal power constituted 84.3 per cent, while hydro-power accounted for the balance. Analysis by holding showed that the successor companies accounted for 45.3 per cent; National Integrated Power Plant, 35.5 per cent and Legacy Independent Power Plant, 19.2 per cent.

Figure 6.8: Nigeria's Power System: Composition in 2019 by Source (Per cent)

Sources: The Federal Ministry of Power and the Nigeria Electricity Regulatory Commission

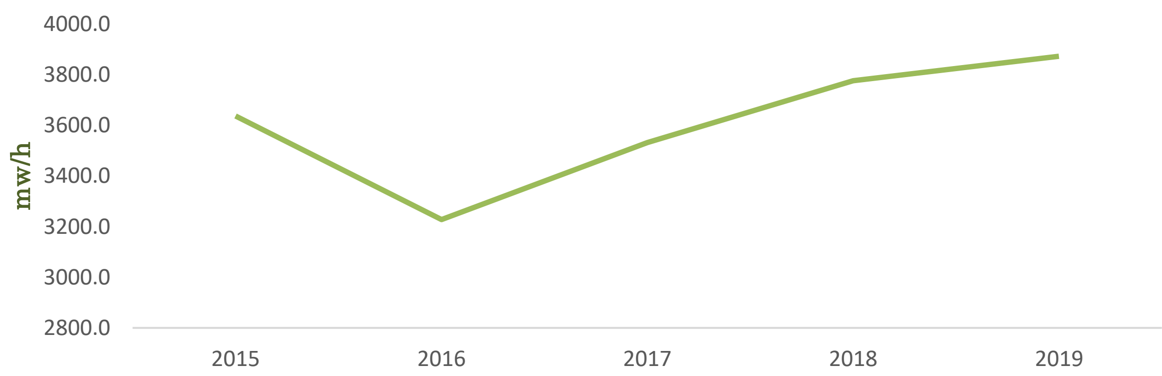
Figure 6.9: Nigeria's Power System: Composition in 2019 by Holding (Per cent)



Sources: The Federal Ministry of Power and the Nigeria Electricity Regulatory Commission

The average electricity generation in 2019, was estimated at 3,873.4 MW/h, indicating an increase of 2.6 per cent above the level in the preceding year. The increase in power generation was attributed to improvement in both gas supply to the thermal plants and transmission network.

Figure 6.10: Electricity Power Generation, 2015 – 2019



Source: The Ministry of Power and Nigerian Electricity Regulatory Commission

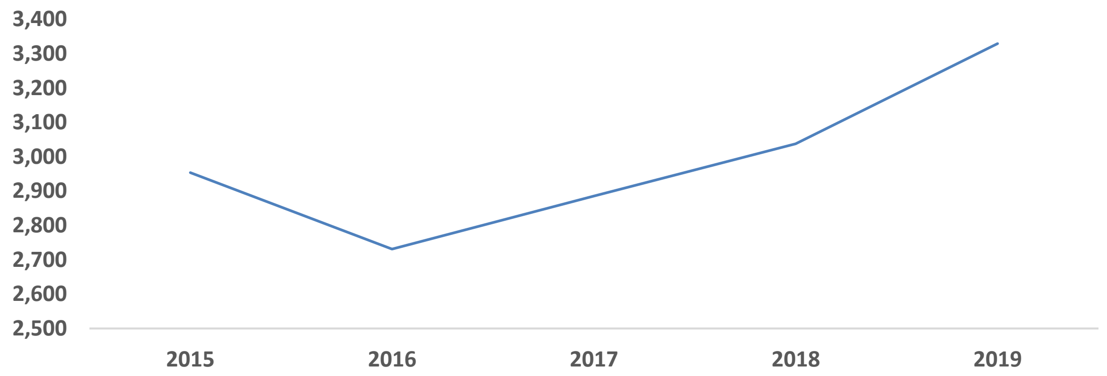
6.3.2.3 Energy Consumption

The estimated index of energy consumption for 2018 stood at 50.6 (2010=100), representing a fall of 1.0 per cent below the level in 2015. In absolute terms, estimated aggregate energy consumed in 2016 was 84,182.53 million tonnes of coal equivalent (tce), compared with 100,696.53 million tce in the preceding year. The decline in energy consumption during the review period was attributed to decrease in the consumption of gas and petroleum products due to deregulation in the downstream sector.

6.3.2.3.1 Electricity Consumption

Average electricity consumption (provisional) in 2019 was 3,329.8 MW/h, an increase of 9.6 per cent, above the level in the preceding year. The development was attributed to improvement in transmission and distribution infrastructure. Energy loss was lower at 14.0 per cent, compared with 19.5 per cent in 2018. The decrease in energy loss was due to fewer incidences of grid collapse during the period.

Figure 6.11: Electricity Consumption, 2015 - 2019



Source: The Federal Ministry of Power and Nigerian Electricity Regulatory Commission

6.3.2.3.2 Hydro-power Consumption

At 3,227,060.0 tons (provisional) of coal equivalent (tce), total hydro-power consumption grew by 1.8 per cent above the level in 2018. The development was attributed to increase in power generation from all the hydro-power plants.

6.3.3 The Extractive Industry
6.3.3.1 Crude Oil
(a) Policy and Institutional Support

In the review period, the Nigerian government carried out an amendment of the Deep Offshore and Inland Basin Production Sharing Contract (DOIBPSC) 2004, that culminated in the passage into law of the Deep Offshore and Inland Basin Production Sharing Contract (Amendment) Bill of 2019. The Law, which introduced provisions for price reflective royalties, 8-year periodic review of PSCs and penalties for non-compliance, was expected to increase Nigeria's revenue from crude oil and gas exploration. The Act, came into effect on November 5, 2019, and was expected to facilitate the generation of an additional revenue of about US$500.0 million in 2020 budget and about US$1.0 billion in 2021. Similarly, Nigeria and the Island of Sao Tome and Principe, through their Joint Oil Zone Organisation, signed a new PSC with Total E&P Nigeria Limited for the exploration of over 500 million barrels of crude oil. The exploration would occur within the hydrocarbon-rich Joint Development Zone (JDZ), owned by both countries in the Gulf of Guinea.

In a related development, the Nigerian National Petroleum Corporation (NNPC) and its production sharing partners in the development of the Bonga

Main and Bonga South West fields in OML 118 signed the Heads of Term Agreement for the development of the fields. The Project would be operated by: Shell Nigeria Exploration and Production Company (SNEPCo); Esso Exploration & Production Nigeria (Deep-water) Limited; Total E&P Nigeria Limited; and the Nigerian Agip Exploration Limited, with the Nigerian Agip Exploration Limited as co-ventures. The Project has the capacity to increase Nigeria's daily crude oil production by over 225,000 barrels.

In the review period, Nigeria and Russia signed an MoU, to allow the NNPC and Russia's Lukoil to take their business relationship to the level of a government-to-government backed partnership. The cooperation covers deep offshore exploration, production, trading and refining of crude oil.

The NNPC, in collaboration with the Economic and Financial Crimes Commission (EFCC), commenced the 'forensic tracking' of Nigeria's crude oil output and movements of vessels lifting crude oil from the country. Through this effort, the Corporation would collect information on vessel ownership, loading points, deadweight, and the volume of crude oil lifted from the country. The tracking system would be extended to the downstream sector to determine the volume of premium motor spirit (PMS) imported and distributed to depots nationwide up to the point of retail.

Similarly, to curb illegal oil bunkering through Nigeria's water ways, the Department of Petroleum Resources (DPR) developed the Automatic Identification System (AIS) to track maritime vessels. The AIS would provide the Agency, in real time, information on volume and source of products shipped from Nigeria. Additionally, the System provides data on movement and operations of vessels, including, loading, cargo details, ship details, destinations (country/continent), discharges and trade activities.

(b) Crude Oil Production, Refinery Utilisation, Petroleum Products Consumption and Prices

i. Crude Oil Production

Nigeria's aggregate crude oil production, including condensates and natural gas liquids, averaged 1.87 million barrels per day (mbd), or 682.55 million barrels (mb) in 2019, indicating a marginal decrease of 0.5 per cent, below the 1.88

mbd or 686.20 mb in the preceding year. The fall in output was attributed to production disruptions, arising from activities of vandals on oil infrastructure in the review period.

ii. Refinery Utilisation

The average capacity utilisation of the country's three (3) refineries was estimated at 8.4 per cent in 2019, indicating a 12.5 percentage point decline below their 2018 levels. On individual basis, the average capacity utilisation of the Warri Refining and Petrochemical Company (WRPC), Port Harcourt Refining Company (PHRC) and Kaduna Refining and Petrochemical Company (KRPC), were estimated at 13.3, 7.2 and 1.1 per cent, respectively, in the review period.

Aggregate output from the refineries was estimated at 1.58 million metric tons in 2019, compared with 1.67 million metric tons in 2018. The decline in output was on account of poor maintenance and obsolescence of component parts. A breakdown of total output showed that output from WRPC was 0.72 million tons, while the PHRC and the KRPC produced 0.83 and 0.025 million metric tons, respectively. Of the total, PMS accounted for the largest share at 26.6 per cent, while Automotive Gas Oil (AGO), fuel oil, dual purpose kerosene (DPK), 'fuel & losses' and liquefied petroleum gas (LPG) accounted for 24.1, 21.7, 17.9, 5.6 and 4.1 per cent, respectively.

iii. Petroleum Products Consumption

The volume of petroleum products consumed in 2019 was estimated at 15.41 billion litres. This represented a decrease of 9.7 per cent below the 16.91 billion litres in 2018. A breakdown by product showed that PMS had the highest consumption with 13.5 billion litres (87.6%); AGO, 1.08 billion litres (7.0%); DPK, 0.48 billion litres (3.1%); LPFO, 0.18 billion litres (1.2%) and 'Others', 0.17 billion litres (1.1%).

The significant decline in the consumption of petroleum products was a direct fall-out from the border protection initiative of the Federal Government. This was underscored by data from the NBS, which showed consistent decline in PMS import from 1.99 billion litres to 1.64 billion litres and further down to 1.46

billion litres in July, August and September 2019, respectively. Similarly, AGO recorded consistent decline in import volumes from 483 million litres to 378 million litres and 323 million litres in July, August and September 2019, respectively. The development supports the fact that there exists illegal sale of petroleum products across the border.

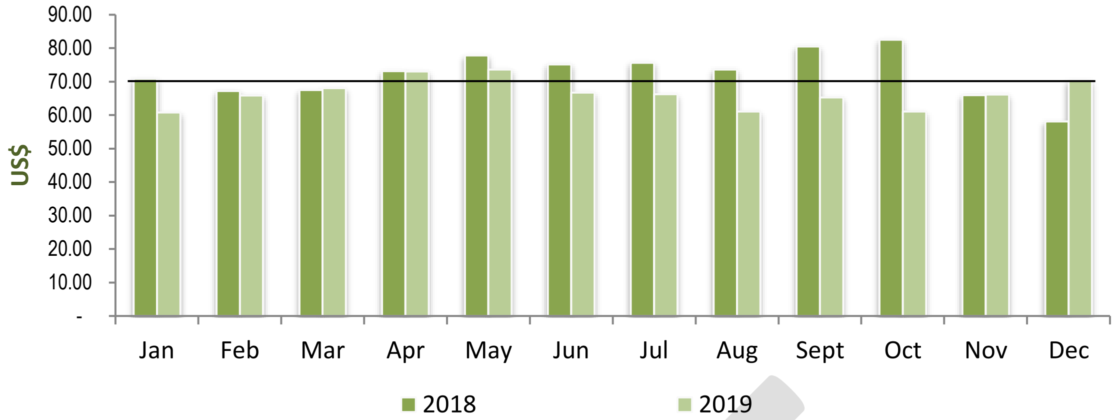
iv. Prices

The average spot price of Nigeria's reference crude, the Bonny Light (37^{0}API), averaged US$66.41 per barrel in 2019, down by 8.4 per cent, below the preceding year's average of US$72.53 per barrel. A further analysis of price movements showed that it was above the US$70.0 per barrel mark only in April, May and December 2019. The lowest price of US$60.76 was recorded in January, while the peak price of US$73.65 was in May 2019. The price closed at US$70.39 per barrel in December 2019.

The West Texas Intermediate (WTI) recorded an average price of US$56.23 per barrel in 2019, representing a decrease of 2.7 per cent, relative to the level in the preceding year. Also, the UK Brent and Forcados crude prices, followed a similar trend, decreasing to US$64.72 and US$66.45 per barrel, from US$71.17 and US$72.57 per barrel, respectively, in the preceding year. The average price of the OPEC basket of 15 crude streams also declined by 8.0 per cent to US$64.06 per barrel in 2019.

Despite supply cut by OPEC+, outages in Venezuela, United States' sanctions on Iran, among other factors, to prop-up the market, global prices dipped, largely on account of rising inventory positions in non-OPEC countries, particularly, the U.S, with booming shale-oil production. Other factors that weighed on world oil demand included; weak demand from China, arising from uncertainties surrounding its trade-dispute with the U.S. and a deteriorating outlook for global growth.

Figure 6.12: Bonny Light Monthly Average Prices in 2018 and 2019 (US$)



Source: REUTERS

(C) Global Crude Oil Production and Demand

Aggregate crude oil supply, including natural gas liquids (NGLs) and condensates by OPEC, averaged 34.66 million barrels per day (mbd) in 2019. This represented a decrease of 5.4 per cent, below the level in 2018. Non-OPEC supply was estimated at an average of 64.33 mbd, indicating a 3.0 per cent increase over the levels in 2018. Higher production by the U.S, Brazil and Australia accounted for the rise.

Total world supply averaged 98.99 mbd, indicating a marginal decline of 0.1 per cent below the level in 2018. The decline in global supply was due, largely, to the effectiveness of OPEC-led supply cut. World crude oil demand was estimated at an average of 99.77 mbd, compared with 98.84 mbd in 2018, representing an increase of 1.1 per cent. Of this, demand from the Organisation for Economic Co-operation and Development (OECD) countries, was 48.0 mbd, representing 48.1 per cent of the total, while non-OECD countries accounted for the balance.

6.3.3.2 Gas

(a) Policy and Institutional Support

In an effort to resolve the challenges bordering around gas supply to gas trains, the NNPC and Nigeria LNG Limited (NLNG) signed a US$2.5 billion pre-payment agreement for upstream gas development projects to supply gas to NLNG Trains 1 to 7. The Agreement aligns with the Federal Government's aspirations of monetising the nation's enormous gas resources, protecting the

Federation's investment in NLNG, and ensuring full capacity utilisation of Trains 1 to 6 plants, among others.

Also, the NLNG and the Nigerian Content Development Monitoring Board (NCDMB), signed the Development Plan for Nigeria Content for NLNG's Train 7 Project. The Project covers all phases from design through to start up support, and acceptance testing of expansion to the existing NLNG facility. This would deepen local content in line with the Nigerian Oil and Gas Industry Content Development (NOGICD) Act and ramp up NLNG's production by 35.0 per cent from 22.0 million to 30.0 million tonnes per annum.

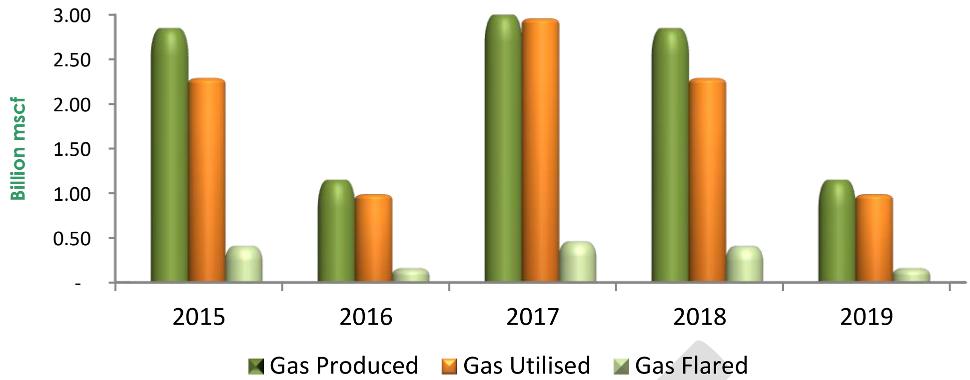
The NNPC took a major step towards attaining sufficiency in domestic gas supply with the execution of the Final Investment Decision on the development of the 4.3 trillion cubic feet Assa North/Ohaji South Fields (ANOH) in OML 21 with its Joint Venture partners. These partners include: Shell Petroleum Development Company (SPDC); Total Exploration and Production Nigeria (TEPNG); and Nigeria Agip Oil Company (NAOC). The Project would add about 600 million standard cubic feet of gas per day (mmscfd) to the national gas grid with capacity to expand to 1.2 billion cubic feet per day. The ANOH project would provide the linkage between the Eastern, Western and Northern gas pipeline system in the country.

(b) Gas Production and Utilisation

Total estimated volume of gas produced in 2019 was 1,147.20 million standard cubic feet (mscf), representing an increase of 17.1 per cent above the level in 2018. Of the total gas produced, 86.3 per cent was utilised, while 13.7 per cent was flared. Of the volume utilised, 39.6 per cent was sold to industries, including power, cement and steel companies; and 28.3 per cent was re-injected. Gas sold to the NLNG Company, utilised as fuel, and converted to natural gas liquid, accounted for 21.8, 8.5, and 1.8 per cent, respectively.

The estimated capacity utilisation of the NLNG plant was 90.2 per cent in 2019, indicating a marginal decline of 0.2 percentage point relative to the level in the preceding year. Of the total installed capacity of 64, 500 tons/day, LNG Trains 1, 2 and 3 had 9,500 tons/day each, while, LNG Trains 4, 5 and 6 had installed capacity of 12, 000 tons/day, each. **(To be updated)**

Figure 6.13: Gas Production and Utilisation, 2015 – 2019 (Billion mscf)



Source: NNPC

6.3.3.3 Solid Minerals

(a) Policy and Institutional Support

The Federal Government suspended all forms of mining activities in Zamfara State and ordered foreign miners to vacate all mining sites. This was to curb the activities of armed bandits and illicit miners towards restoring law and order in the mining communities of the State.

Gold production in Nigeria received a significant boost in the year as a Canadian mineral exploration company - Thor Explorations Ltd., signed an MoU with NORINCO International Cooperation Limited worth US$67.5 million for the full delivery of design, engineering, procurement, construction and commissioning of a 650,000 ton per annum Segilola gold processing plant. The Project, which is situated in Osun State Nigeria, would be delivered within 18 months of the commencement date.

To further boost the performance of the solid mineral sub-sector, the Federal Government invested ₦15.0 billion to upgrade the Geo-Science Data Bank. The Project would generate detailed reports that would help in locating the vast mineral resources available in Nigeria.

(b) Solid Minerals Production

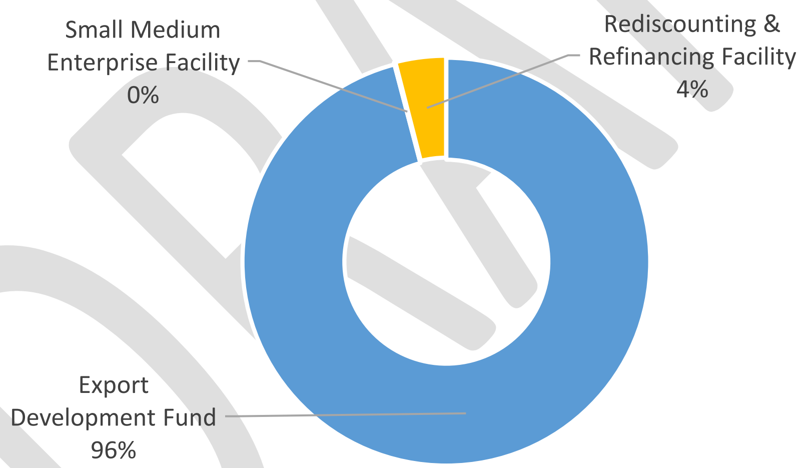
Aggregate production of solid minerals increased in 2019, relative to the level in the preceding year. Provisional data showed that aggregate output rose from 43.94 million tonnes in 2018 to 46.53 million tonnes in 2019, indicating an increase of 5.9 per cent. The development was attributed to increase in the production of columbite ore, limestone, iron ore, shale and marble aggregates.

6.3.4 Industrial Financing

6.3.4.1 The Nigeria Export-Import Bank (NEXIM)

The total funding support provided to the non-oil export sector, under the various lending facilities in 2019, was ₦24.7 billion for 37 projects, compared with ₦10.3 billion disbursed in 2018 to 20 projects. The significant increase in disbursement was attributed to streamlining of its loan processes, which enabled existing clients to quickly utilize and roll over their facilities. A breakdown of the disbursement by facility showed that 95.9, 4.0 and 0.1 per cent were disbursed under Export Development Fund, Rediscounting & Refinancing and Small Medium Enterprise facilities, respectively.

Figure 6.14: Summary of NEXIM Disbursements by Facility, 2019 (per cent)



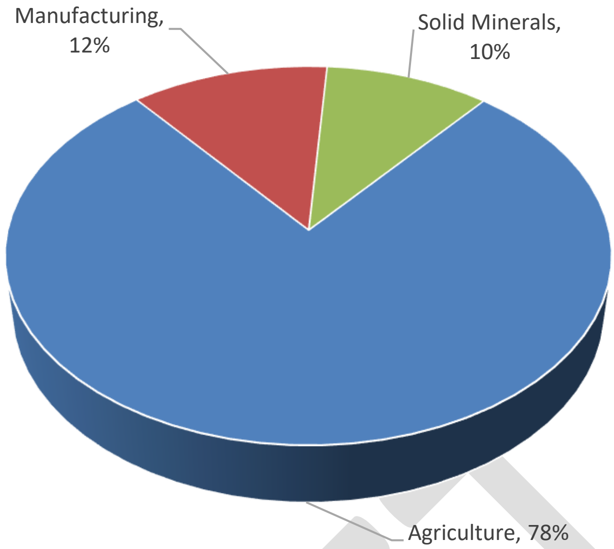
Source: NEXIM

A sectoral analysis of disbursements showed that the agricultural sector received ₦19.2 billion, representing 78.0 per cent of total. This was followed by the manufacturing sector, with ₦3.0 billion or 12.0 per cent; and solid minerals, ₦2.4 billion, or 10.0 per cent of the total.

6

REAL SECTOR DEVELOPMENTS

Figure 6.15: Summary of NEXIM Disbursements by Sector, 2019 (per cent)



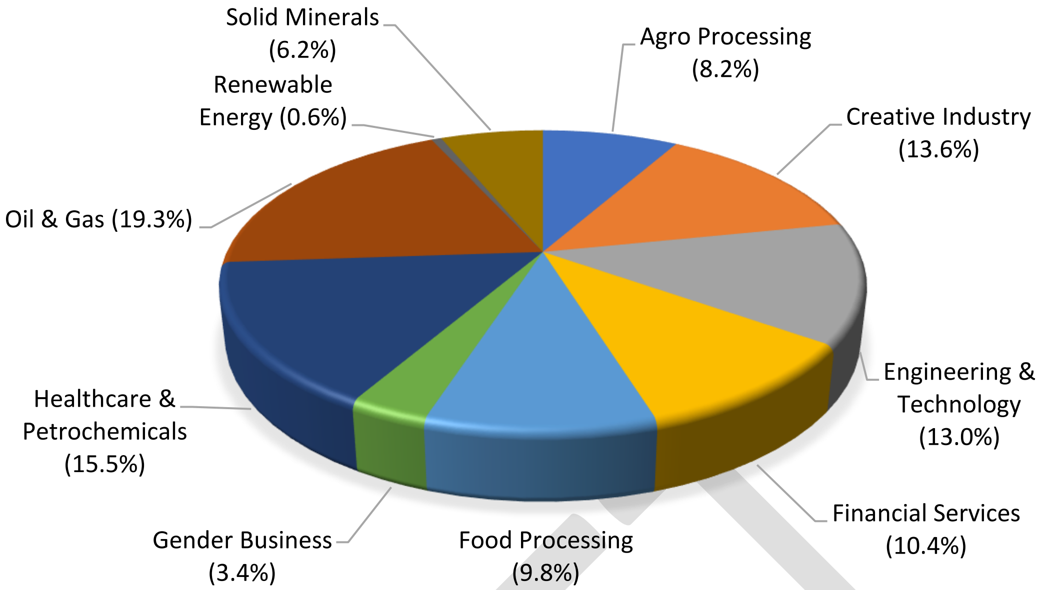
Source: NEXIM

6.3.4.2 The Bank of Industry

The total credit disbursed to the industrial sector under the BoI various facilities in 2019 fell by 9.6 per cent, to ₦234.6 billion, compared with ₦259.6 billion in 2018. The decline in the value of desbursement was due to fall in the number of applications approved. Of the total, large enterprises received ₦181.5 billion, representing 77.4 per cent, while small and medium enterprises, got ₦53.0 billion (22.6%).

A sectoral analysis of the disbursements showed that oil & gas sector received ₦45.4 billion, representing 19.3 per cent of the total, followed by the healthcare & petrochemicals sector, ₦36.4 billion (15.5%), creative industry ₦31.8 billion (13.6%), and engineering & technology, ₦30.6 billion (13.0%). Others included: Financial services ₦24.4 billion (10.4%); food processing ₦22.9 billion (9.8%); agro processing ₦19.3 billion (8.2%) and solid minerals ₦14.6 billion (6.2%). Gender business and renewable energy received ₦7.9 billion or 3.4 per cent and ₦1.3 billion or 0.6 per cent respectively.

Figure 6.16: Summary of BOI Disbursements by Sector, 2019 (per cent)



Source: BOI

6.4 TRANSPORT AND COMMUNICATIONS

6.4.1 Road Transport

The Federal Government continued to accord priority attention to road infrastructure in the country. Road projects embarked upon in the review period included: rehabilitation of roads across the country in Umuahia-Ikot Ekpene road, Calabar-Oban-Ekang road, Ado-Ekiti-Igede-Aramoko-Itawure road, Funtua-Dandume-Kaduna road, Makurdi-Gboko-Katsina-Ala road, Old Enugu-Onitsha road and the dualisation of the 74km Aba-Ikot Ekpene road, Billiri-Filiya-Taraba road. Also included were the construction of Yola-Fufore-Gurin road, 4km Gaya road in Kano State, Igbo-Oloko-Agbole road in Oyo, Niger to Federal Capital Territory (FCT) road, and the Sharada - Madobi and Dambori road in Kano State. The sum of ₦189.3 billion was approved for the projects.

To further address the road infrastructure deficit in a sustainable manner, the Federal Government signed Executive Order 007 of 2019 on Road Infrastructure Development and Refurbishment Investment Tax Credit Scheme. The Executive Order 007 seeks to incentivise the private sector to invest in road construction and other critical infrastructure, by using tax credits to reduce corporate taxes payable to government until they recoup the value of their investments. The Scheme will relieve Government of the burden of providing the initial outlays for these investments. To give vent to the Order, the Government endorsed six companies: Dangote Industries Limited; Lafarge Africa Plc; Unilever Nigeria Plc; Flour Mills of Nigeria Plc; Nigeria LNG Limited; and China Road and Bridge Corporation Nigeria Limited to construct 19 roads of 794.4 km in eleven (11) states across the six (6) geo-political zones.

6.4.2 Aviation Services

6.4.2.1 Policy and Airport Developments

The Federal Government, African Development Bank and Africa Export Import Bank jointly funded the construction of the Ekiti Agro-Allied Cargo Airport, which commenced in the review period. The Facility would be used to transport cash crops from the proposed Special Agriculture Processing Zone (SAPZ) to different destinations and secure early-to-market advantage for the State's Agricultural and Industrial Development Plans. Similarly, the Anambra State Government earmarked ₦6.0 billion for the construction of the Anambra State International Cargo Airport at Umueri, Awka.

The Federal Airports Authority of Nigeria commenced the rehabilitation of the runway at the Akanu Ibiam International Airport, Enugu. Consequently, the Airport was closed and flights were diverted to neighbouring airports in Port Harcourt, Owerri and Asaba. Also, in the period, the Nigerian Airspace Management Agency installed a new CAT 2 Instrument Landing System/ Distance Measuring Equipment (ILS/DME) at the Akanu Ibiam International Airport, Enugu. The equipment would provide Aeronautical Fixed Telecommunication Network link that would enhance effective data communication for transmission of flight plans, NOTAMs and Aeronautical Communication Messages. Similarly, the Delta State Government installed a new Instrument Landing System (ILS) at the Asaba International Airport, as part of its effort to upgrade the Facility. Installation of the ILS would enhance visibility for aircrafts during bad weather conditions. The State also commenced the installation of the Air Field Lighting System at the facility to enable effective operations at night in line with the Nigerian Civil Aviation Authority standards.

The Federal Government granted the Ebonyi State Government approval to construct an international airport in Abakaliki. The approval is contigent on the Federal Ministry of Transportation and its agencies being carried along at every stage of developing the airport to ensure compliance with the stipulated standards.

Air Peace Airline set a record during the review period with an order for 10 brand new Embraer 195-E2 aircraft valued at US$2.12 billion. The aircraft type is a 124-seater jet in dual class or 146-seater jet in single class configurations. The airline also set a domestic record as the first Nigerian airline to acquire and register the Boeing 777 aircraft in the country. The acquisition enabled the airline to expand its flight operation to the Lagos-Sharjah-Dubai route.

Cabo Verde Airline, the national carrier of the Cape Verde Islands, commenced direct flights from Cape Verde to Lagos in the review period. The Airline's Boeing 757-200 was scheduled to fly five times a week into the Lagos International Airport from its hub in Sal, Cape Verde.

6.4.2.2 Domestic Operations

The harmonized data from Federal Airport Authority of Nigeria (FAAN) revealed that a total of 12,791,639 passengers were airlifted by domestic airlines in 2018. This represented a 23.2 per cent increase from the 10,383,452 passengers airlifted in 2017. Total aircraft movement for 2018 was 234,367, an 11.2 per cent increase above the 210,693 recorded in 2017.

6.4.2.3 International Operations

The number of passengers airlifted by airlines on international routes in 2018 increased by 9.4 per cent to 4,438,799 com`pared with 4,056,717 recorded in 2017. Aircraft movement also increased by 38.9 per cent to 55,961 in the review period, compared with 40,283 recorded in 2017.

Cargo movement at designated airports increased by 19.8 per cent to 164.94 million kg, compared with the 137.68 million kg recorded in 2017. Mail movement, also rose by 1,113.3 per cent to 47.32 million kg in 2018, compared with 3.90 million kg recorded in 2017.

6.4.3 Railway Services

The Federal Government and the China Railway Construction Corporation (CRCC) signed a US$ 3.9 billion public private partnership agreement for the construction of Abuja – Itakpe – Lokoja railway line. The contract also included the completion of the railway connection from Warri Central Station to the new Warri Sea Port.

The Federal Government and the CRCC made equity contributions of 15.0 and 10.0 per cent, respectively, while the remaining 75.0 per cent was loaned from China EXIM Bank. The CRCC would operate both the rail line and the seaport and use the proceeds to liquidate the loan. Ownership of the rail and seaport facilities would be transferred to Nigeria at the end of 30 years.

Data from NIMASA showed that between January and December 2018, a total of 18,206 ocean going vessels berthed at Nigerian ports, compared with 4,175 vessels in 2017. Cargo throughput stood at 90,456,622 metric tons in the same period, compared with 71,903,266 metric tons recorded in 2017, representing an increase of 31.2 per cent.

6.4.4 Maritime Services

During the review period, the Lekki Free Trade Zone (LFTZ) secured a facility of US$629 million from the China Development Bank (CDB) for the completion of the Lekki Deep Seaport Project. This was in a bid to strengthen the maritime infrastructure, reduce congestion and complement the capacities of the existing ports in Apapa and Tin Can Island. The Facility has a 45-year concessionary agreement between the Lekki Port LFTZ and the China Harbour Engineering Company (CHEC), which own majority shares in the Project. The Lekki Deep Seaport would have two container berths of 680-metre long and 16.5-metre water depth, and a capacity to berth fifth generation container ships, with capacity of 18,000 TEU.

The Nigerian Export–Import Bank partnered with the Nigerian Navy on a project on regional sealink, internal waterways operation, and coastal trade. The Project was designed to bridge maritime transport infrastructure gap among the Economic Community of West African States (ECOWAS) and the Central

African Economic and Monetary Community member-states, as well as promote inland waterways operations. It is focused on the provision of security support for safe navigation along the trade routes/channels, the use of the Naval Dockyard Limited for servicing/repairs of Sealink vessels and the design and construction of barges. The Project was endorsed and adopted by the ECOWAS, as one of its priority projects under the ECOWAS Community Development Programmes.

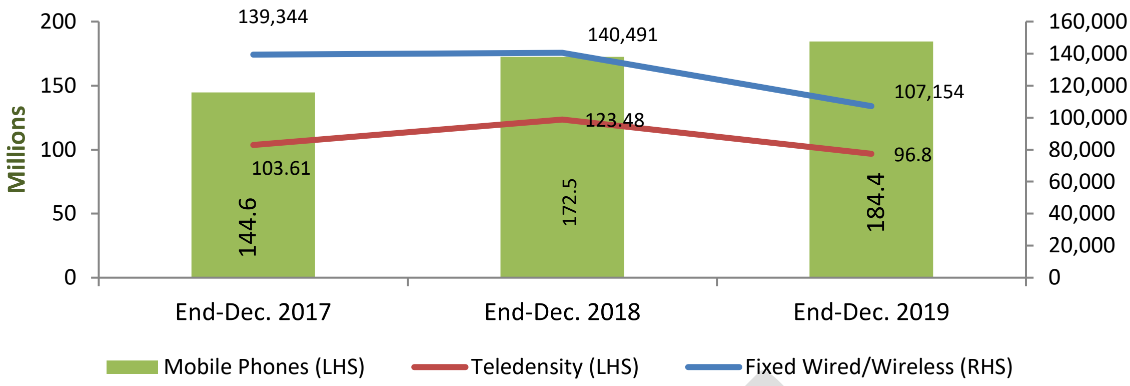
Data from the Nigerian Ports Authority (NPA) showed that at end-June, 2018, a total of 9,289 ocean going vessels berthed at Nigerian ports, compared with 1,540 in 2017. Cargo throughput stood at 96,603,396.94 metric tonnes in the same period, compared with 73,628,546.62 metric tonnes in 2017, representing an increase of 31.2 per cent.

6.4.5 Communications

Digital mobile lines continued to drive growth in the communications sector during the review period. Data from the Nigerian Communications Commission (NCC) showed that the number of active telephone lines was 184.7 million at end-December 2019, compared with 172.9 million at end-December 2018. This represented an increase of 6.8 per cent. However, teledensity declined to 96.76 lines per 100 inhabitants at end-December 2019, compared with 123.48 lines per 100 inhabitants at end-December 2018. With this development, teledensity fell below the International Telecommunication Union minimum standard of 1:100. The sudden decline in teledensity was due to the use of a higher national population figure of 190 million in its computation as against the 140 million used previously.

The number of internet users increased to 126.1 million at end-December 2019, compared with 112.1 at end-December 2018. Consequently, the broadband internet penetration target of 30.0 per cent for Nigeria was again exceeded with a 37.8 per cent broadband penetration at end-December 2019, compared with 31.48 per cent at end-December 2018.

Figure 6.17: Active Lines and Teledensity (2017– 2019)



Source: Nigerian Communication Commission (NCC)

A further analysis indicated that the wireless Global System for Mobile (GSM) communication segment accounted for 172.5 million lines in the telecoms sector, representing 93.4 per cent of the total 184.7 million connected lines at end-December 2019. Mobile Telecommunications Network (MTN) had the largest share of the market with 68.8 million, up from 67.1 million subscribers in 2018, followed by Globacom with 51.7 million, up from 45.3 million subscribers in 2018, and Airtel with 50.2 million, up from 44.2 million subscribers. However, 9mobile recorded a decline in number of subscribers with 13.6 million, compared with 15.9 million in 2018.

6.5 CONSUMER PRICES

Inflation remained above the single digit benchmark in 2019. Data obtained from the NBS indicated that the all-items composite Consumer Price Index (CPI) stood at 307.5 (November 2009=100) at end-December 2019, compared with 274.6 at end-December 2018. The Year-on-Year headline inflation stood at 11.98 per cent at end-December 2019, indicating an increase of 0.54 percentage point, above the level at end-December 2018.

A further analysis indicated that inflation decelerated consistently from 11.37 per cent at end-January to 11.25 per cent at end-March 2019. The trend, however, reversed at end-April and end-May at 11.37 and 11.40 per cent, respectively. Thereafter, it slowed to 11.22 per cent at end-June and 11.02 per cent at end-August. The trend was again reversed for the rest of the year from end-September at 11.24 per cent to close at 11.98 per cent at end-December 2019.

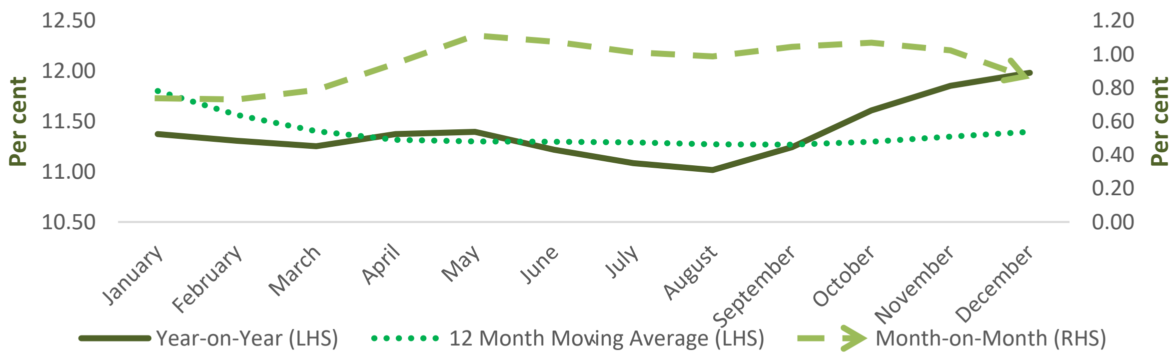
The persistent increase in inflationary pressure in the last four months of the year was driven, mainly, by the food component of the CPI, following supply shocks arising from the implementation of the border protection policy of the Government which commenced in August 2019 and the seasonal effect of the yuletide.

Core inflation (all-items, less farm produce), was contained within the single digit band all through the year. It trended downward for most of the year, starting at 9.9 per cent at end-January to 8.68 per cent at end-August 2019. Thereafter, it rose to 8.94 per cent at end-September and closed at 9.33 per cent at end-December 2019.

The decline in core inflation was attributed, partly, to the effect of sustained interventions by the CBN in the foreign exchange market, which moderated the exchange rate of the naira, thereby, reducing the pass-through effect to domestic prices. The observed reversal in trend from September 2019 was attributed to supply shocks arising from the aforementioned factors.

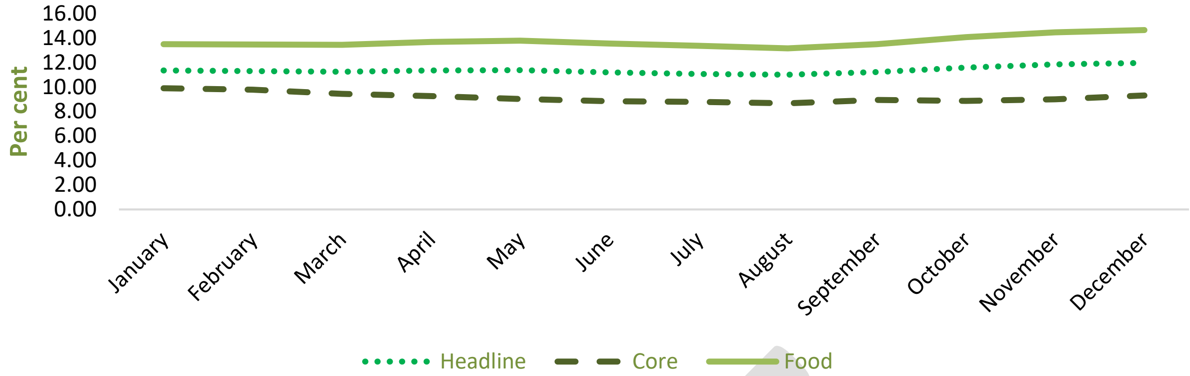
Food inflation remained above the single digit band throughout 2019. However, there were episodes with observed trend reversals at end-January and end-March. The trend was reversed at end-April and end-May with food inflation increasing to 13.75 and 13.79 per cent, respectively. Subsequently, food inflation was 13.51 per cent at end-August and closed at 14.67 per cent at end-December 2019. Increased inflationary pressure from August was attributed to food supply shocks caused by severe floods and the border protection policy in August 2019.

Figure 6.18: Trends in Headline Inflation, 2019
(Year-on-year, 12-Month Moving Average and Month-on-Month)



Source: ***NBS***

Figure 6.19: Trends in Inflation, (Year-on-Year), 2019 (Headline, Core and Food)



Source: NBS

Table 6.4: Headline Inflation (Year -on-Year) (Per cent)					
	2015	**2016**	**2017**	**2018**	**2019**
January	8.2	9.6	18.7	15.13	11.37
February	8.4	11.4	17.8	14.33	11.31
March	8.5	12.8	17.3	13.34	11.25
April	8.7	13.7	17.2	12.48	11.37
May	9.0	15.6	16.3	11.61	11.40
June	9.2	16.5	16.1	11.23	11.22
July	9.2	17.1	16.1	11.14	11.08
August	9.3	17.6	16.0	11.23	11.02
September	9.4	17.9	16.0	11.28	11.24
October	9.3	18.3	15.9	11.26	11.61
November	9.4	18.5	15.9	11.28	11.85
December	9.6	18.5	15.4	11.44	11.98

Source: NBS

The urban headline inflation (Year-on-Year) increased moderately to 12.6 per cent at end-December 2019, from 11.73 per cent at end-December 2018. Urban core also increased to 10.20 per cent at end-December 2019, from 10.09 per cent at end-December 2018. Similarly, urban food inflation rose to 16.0 per cent at end-December 2019, from 14.19 per cent at end-December 2018.

Rural inflation (year-on-year) increased to 11.40 per cent at end-December 2019, from 11.18 per cent at end-December 2018. Similarly, rural food inflation increased to 13.60 per cent at end-December 2019, compared with 13.02 per cent at end-December 2018. However, rural core inflation decreased to 8.60 per cent at end-December 2019, compared with 9.50 per cent in December 2018.

6.6 THE SOCIAL SECTOR

6.6.1 Education

During the review period, the Universal Basic Education Commission (UBEC), approved ₦2.8 billion for the construction of classrooms across the country. The Project covered 2,505 communities with expected total classrooms output of 5,010. While UBEC would be responsible for construction, state governments would supply furniture, renovate existing classrooms, complete abandoned buildings and procure teaching materials to further enhance the teaching environment.

The Federal Government approved the establishment of four new private universities, namely: Greenfield University, Kaduna, Dominion University, Ibadan, Trinity University, Laloko in Ogun and Westland University in Iwo, Osun state.

Also, the Federal Government approved the establishment and immediate take-off of six (6) new Federal Colleges of Education (FCE) to be sited in the following states: Bauchi; Benue; Ebonyi; Osun; Sokoto; and Edo states.

In a bid to support the Federal Government improve infrastructure in the education sector, Dangote Foundation donated ₦1.2 billion to Ahmadu Bello University for the construction of additional hostel facilities. The hostel complex comprised ten (10) blocks, fully equipped with capacity to accommodate 2,160 students.

6.6.2 Health

The health sector received a boost during the review period with the Federal Government roll out of the Basic Health Care Provision Fund (BHCPF). The BHCPF is funded from the constitutional provision of 1.0 per cent of the Consolidated Revenue Fund (CRF) and contributions from International Development Partners. The Government earmarked ₦55 .1 billion from the CRF, while the Bill and Melinda Gates Foundation contributed US$2.0 million, out of which US$ 1.5 million has been released. The Global Financing Facility also committed US$20.0 million to the Fund, while the Department for International Development (DFID) pledged £50.0 million over five years. In the same vein, the Federal Government gave further impetus to childhood immunisation with the signing of the US$75.0 million Financing Agreement with the Bill & Melinda Gates Foundation. The Agreement would increase funding for routine immunisation to strengthen primary healthcare in Nigeria.

To curtail incidences of severe acute malnutrition in the north-eastern part of the country, DFID committed ₦18.5 billion. The funds would be used in eight areas notably: community-based management of acute malnutrition; infant and young child feeding practices; micro-nutrient supplementation; health; child protection; water and sanitation hygiene; early childhood development; and surveillance.

Also, the European Union granted an equivalent of ₦102.0 million in humanitarian aid to provide life-saving treatment to under-nourished children in Sokoto and Zamfara States, where violence and forced displacement were prevalent. Similarly, the United States Agency for International Development, in collaboration with Heartland Alliance International, provided a grant of US$20.0 million to strengthen Nigeria's efforts at controlling HIV/AIDs pandemic.

The Nigeria Centre for Disease Control (NCDC) declared an outbreak of Lassa Fever during the review period, with 4,897 suspected cases reported as at December 15, 2019 from 23 states (Edo, Ondo, Bauchi, Nasarawa, Ebonyi, Plateau, Taraba, Adamawa, Gombe, Kaduna, Kwara, Benue, Rivers, Kogi, Enugu, Imo, Delta, Oyo, Kebbi, Cross River, Zamfara, Lagos and Abia). Of these, 810 were confirmed positive, 19 probable and 4,068 negative at end-December 2019. The NCDC reported the lassa fever fatality rate as 20.6 per cent for January to December 2019.

6.7 HOUSING AND URBAN DEVELOPMENT

Efforts of the Government at reducing the housing deficit in the country received a boost with the sustained implementation of the Model National Housing Programme in 2019. To this end, the Federal Government continued with the construction of 2,000 mass housing units in each state of the Federation. Also, 1,000 Certificates of Occupancy in respect of Federal Government landed properties nationwide were approved and issued to the beneficiaries during the year.

6.8 ENVIRONMENT

In a bid to engage the youth in the country's climate change campaign, the United Nations Development Programme (UNDP) and the Federal Ministry of Environment hosted the Regional Youth Roundtable on Climate Action in Abuja during the year. The Roundtable sought to establish youth-based regional climate change innovation hubs that would serve as a platform for continuing interface between youths, government and development partners.

Furthermore, the resilience of the country to tackle environmental challenges such as climate change, land degradation and biodiversity received a boost in 2019 with the allocation of US$20.7 million from the Global Environmental Facility (GEF-7).

To promote sustainable production and consumption of circular electronics system in Nigeria, the Federal Government, through the National Environmental Standards and Regulations Enforcement Agency (NESREA), launched a US$15.0 million initiative named the Circular Economy Approaches for the Electronics Sector in Nigeria. The Project was aimed at developing a financially self-sustaining circular economy approach for electronics in Nigeria to protect the environment with huge potential for employment generation.

CHAPTER SEVEN

EXTERNAL SECTOR DEVELOPMENTS

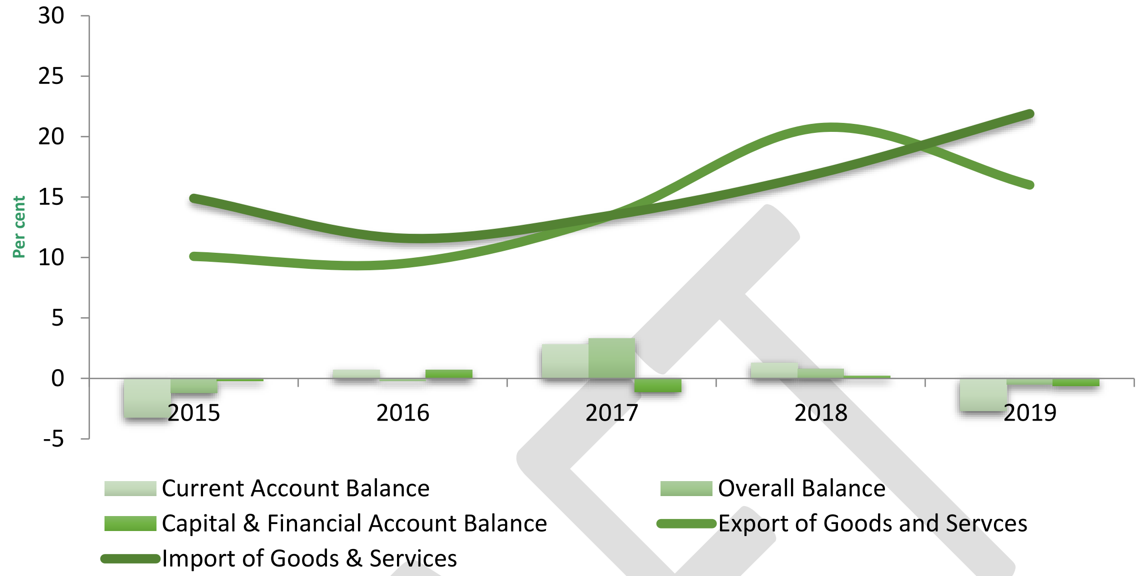
Nigeria external sector experienced pressure during the review period due to slowdown in global trade, arising from weak demand, and decline in crude oil prices. However, sustained policy measures taken by the monetary and fiscal authorities reinforced the sector's resilience. Following this development, an overall balance of payments deficit of US$2.33 billion equivalent to 0.6 per cent of GDP was recorded in the review period, in contrast to a surplus of US$3.29 billion or 0.8 per cent of GDP in 2018. Similarly, the current account recorded a deficit of 2.7 per cent of GDP, as against a surplus of 1.3 per cent of GDP in 2018. The capital and financial account posted a net financial asset of 0.6 per cent of GDP, in contrast to a net financial liability of 0.2 per cent of GDP in 2018. The stock of external reserves at end-December 2019 was US$38.09 billion, compared with the US$42.59 billion at end-December 2018. The level of external reserves could finance 8.4 months of current import commitments, which was higher than both the international benchmark and that of the West African Monetary Zone (WAMZ) convergence criterion of three (3) months. The stock of external debt increased by 25.8 per cent, to US$26.94 billion or 6.4 per cent of GDP at end-September 2019, relative to the US$21.59 billion or 6.0 per cent of GDP at end-December 2018, but remained within the international threshold of 40.0 per cent of GDP. The exchange rate remained relatively stable, supported by the Bank's exchange rate management policies. The International Investment Position (IIP) recorded a net financial liability of US$80.26 billion in 2019, compared with US$80.65 billion in 2018, indicating a marginal decrease of 0.5 per cent.

7.1 BALANCE OF PAYMENTS

7.1.1 Major Developments

An overall balance of payments deficit of US$2.33 billion, representing 0.6 per cent of GDP was recorded in 2019, in contrast to a surplus of US$3.29 billion or 0.8 per cent of GDP in 2018. The current account recorded a deficit of 2.7 per cent of GDP, as against a surplus of 1.3 per cent of GDP in 2018, owing, largely, to increased import of goods and services. The capital and financial account recorded a net financial asset equivalent to 0.6 per cent of GDP in 2019, in contrast to a net financial liability of 0.2 per cent of GDP in the preceding year, attributed, mainly, to higher foreign currency holdings of the private sector. The stock of external reserves at end-December 2019 was US$38.09 billion and could finance 8.4 months of imports for goods only, or 4.9 months of import of goods and services. The stock of external debt at end-September 2019 increased by 25.8 per cent to US$26.94 billion, representing 6.4 per cent of GDP, which was within the international threshold of 40.0 per cent of GDP.

Figure 7.1: Balance of Payments, 2015-2019 (Per cent of GDP)



Source: CBN

7.2 THE CURRENT ACCOUNT

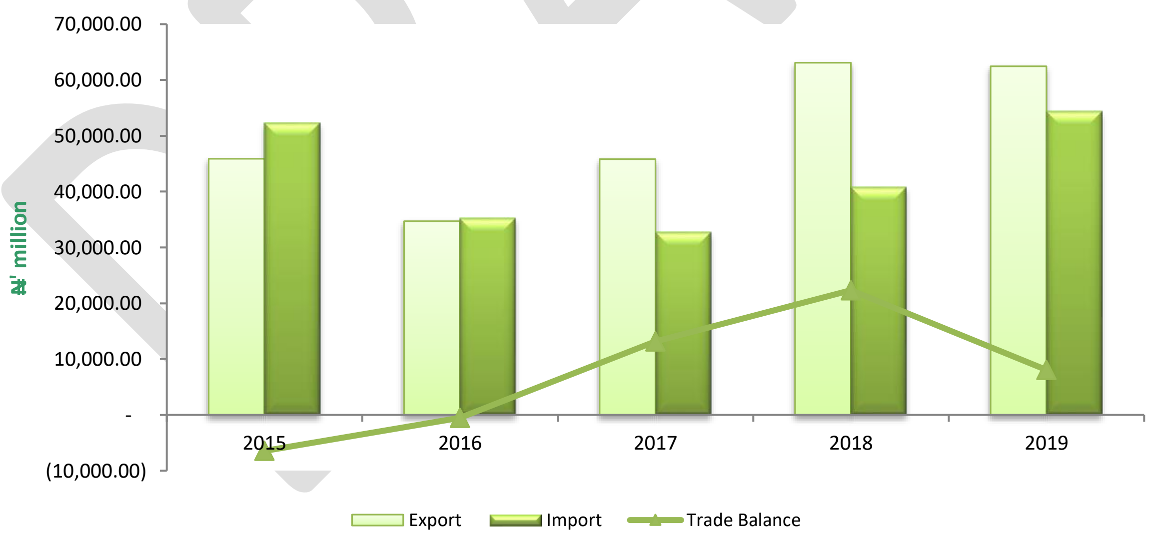
The current account swung to a deficit of US$11.19 billion or 2.7 per cent of GDP in 2019, from a surplus of US$5.33 billion or 1.3 per cent of GDP in 2018, owing, largely, to increase in import of goods and services by 33.4 and 23.4 per cent, respectively. Aggregate export and import of goods were US$62.46 billion and US$54.37 billion, compared with US$63.09 billion and US$40.75 billion in 2018. The increase in import was largely made up of pharmaceutical products (mainly glassware), used vehicles, and motorcycles. Despite the higher import bill, the goods account recorded a trade surplus of US$8.09 billion or 1.9 per cent of GDP, though lower than the US$22.34 billion (5.3% of GDP) in 2018. The deficit in the services account further widened to US$32.88 billion (7.8% of GDP) in the review period, from US$26.07 billion (6.2% of GDP) in 2018, due, largely, to increased expenditure on freight payment, travels and other business services.

The deficit in the income account, however, narrowed to US$12.34 billion (2.9% of GDP) in 2019, compared with US$15.07 billion (3.6% of GDP) in 2018, due, largely, to lower repatriation of dividends and other interest payments to non-resident investors. The current transfers account recorded a higher surplus of US$25.94 billion or 6.4 per cent of GDP in 2019, compared with US$24.13 billion, or 5.7 per cent of GDP in 2018.

7.2.1 The Goods Account

The goods account recorded a lower trade surplus of US$8.09 billion or 1.9 per cent of GDP, compared with US$22.34 billion or 5.3 per cent of GDP in 2018. Aggregate export, which represented 14.8 per cent of GDP, fell marginally by 1.0 per cent to US$62.46 billion in 2019, relative to the US$63.09 billion in 2018. A breakdown of total export showed that crude oil remained dominant, accounting for 77.8 per cent of the total, non-oil accounted for 11.9 per cent, while gas represented the balance. Aggregate merchandise import rose by 33.4 per cent to US$54.37 billion in 2019, compared with US$40.75 billion in 2018. An analysis of aggregate import showed that non-oil import, at 10.7 per cent of GDP, remained dominant, accounting for 83.3 per cent of the total, while oil import, representing 2.2 per cent of GDP, accounted for the balance.

Figure 7.2: Value of Import, Export and Trade Balance, 2015 – 2019 (US$ million)



Source: CBN

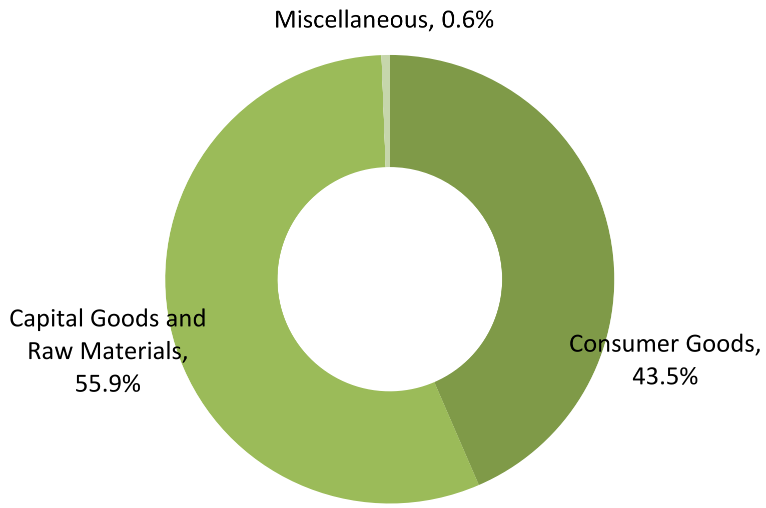
7.2.1.1 Import (CIF)

Aggregate import, unadjusted for balance of payments, increased by 34.3 per cent to US$58.13 billion in 2019, relative to the US$43.30 billion in 2018. This was as a result of increased importation of some major items, such as pharmaceutical products (mainly glassware), used vehicles, and motorcycles. A disaggregation, based on returns from commercial banks, showed that the industrial sector accounted for 45.5 per cent of total import, followed by manufactured products with 20.5 per cent. Food products, oil, transport, minerals and agriculture sub-sectors accounted for 14.5, 12.4, 3.7, 1.7 and 1.6 per cent, respectively, of the total.

(a) Import by Major Groups

A disaggregation of import by major groups showed the dominance of capital goods and raw material category with a value of ₦7,937.47 billion or 55.9 per cent of the total, compared with ₦7,810.51 billion or 58.1 per cent in 2018, reflecting intense drive for economic diversification. The consumer goods category, which constituted 43.5 per cent of the total, rose to ₦6,173.95 billion in 2019, while miscellaneous import, at ₦81.71 billion, accounted for the balance. A further breakdown revealed that, under the consumer goods category, importation of durable goods, valued at ₦3,466.39 billion, accounted for 24.4 per cent of the total, while non-durable goods, at ₦2,707.55 billion, represented 19.1 per cent. In the capital goods and raw material category, the former dominated, with ₦6,405.46 billion or 45.1 per cent of the total, while the latter, mainly industrial chemicals, at ₦1,532.02 billion, constituted 10.8 per cent of the total.

Figure 7.3: Import by Major Groups, 2019 (Per cent)



Source: CBN

(b) Import by the Harmonised System (HS) Classification

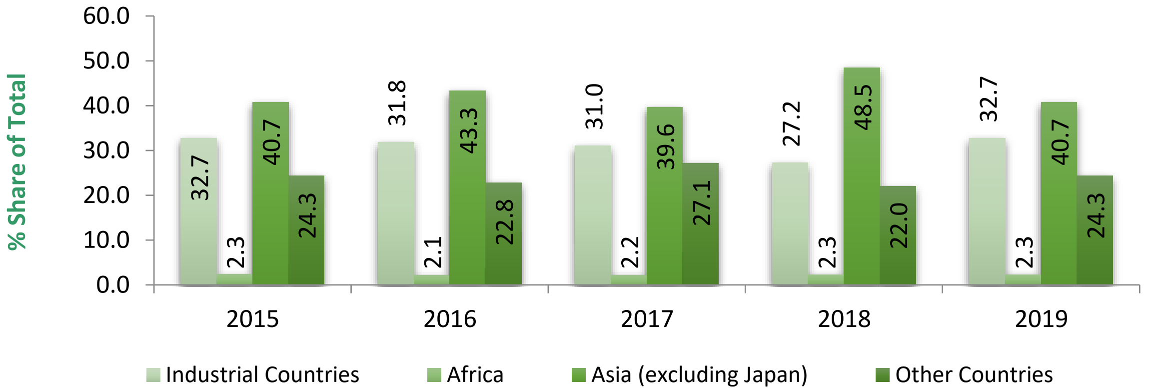
Analysis of import by Harmonised System (HS) classification showed that machinery and mechanical appliances, at ₦4,266.53 billion, accounted for the largest share of 30.1 per cent of the total. This was followed by vehicles, aircrafts, vessels and associated transport equipment category, at ₦1,847.35 billion or 13.0 per cent. The value of products of chemicals or allied was ₦1,593.58 billion (11.2%); base metals and articles of base metal, ₦1,087.72 billion (7.7%); plastic and articles thereof, ₦968.73 billion (6.8%); vegetable products, ₦936.34 billion (6.8%); and prepared foodstuffs, ₦960.98 billion (6.8%). A further analysis revealed that live animals & animal products, at, ₦683.51 billion, constituted 4.8 per cent of the total; mineral products, ₦542.56 billion (3.2%); and pulp of wood ₦353.63 billion (2.5%). Others included: textile & textile articles, ₦290.51 billion (2.0%); optical photographic, cinematographic, measuring appliances, ₦291.57 billion (2.1%); while "other" categories accounted for the balance.

(c) Non-oil Import by Country of Origin

A disaggregation of non-oil import to Nigeria by country of origin showed that China remained the dominant source of import, accounting for 25.7 per cent of the total. This was followed by USA and India, with 11.2 and 6.9 per cent, respectively. Import from Korea Republic was 4.5 per cent, while the United Kingdom had a share of 4.2 per cent of the total. Import from The Netherlands represented 3.1 per cent; Belgium and Brazil had shares of 2.6 per cent apiece; and other countries accounted for the balance.

Analysis of import by group showed that the share of Asia (excluding Japan) decreased to 40.7 per cent, from 48.5 per cent in 2018. The share of industrialised countries increased to 32.7 per cent, compared with 27.2 per cent in 2018. "Other" countries as a group, recorded an increase in their share to 24.3 per cent in 2019, from 22.0 per cent in 2018. The share of African countries remain unchanged at 2.3 per cent.

Figure 7.4: Non-oil Import by Country of Origin, 2015-2019
(Percentage share of total)



Source: CBN

7.2.1.2 Export (FOB)

Aggregate merchandise export fell marginally by 1.0 per cent to US$62.46 billion, equivalent to 14.8 per cent of GDP in 2019, compared with US$63.09 billion or 14.9 per cent of GDP in 2018. The moderation was attributed to the decrease in crude oil and gas export. A breakdown showed that crude oil receipts fell by 5.6 per cent to US$48.57 billion or 11.5 per cent of GDP in the review period, relative to US$51.45 billion or 12.2 per cent of GDP in 2018, attributed, largely, to decline in the price of Nigeria's reference crude, Bonny Light, by 8.0 per cent to US$66.53 per barrel in the review period, compared with US$72.34 per barrel in 2018. The decline was occasioned by the persistence of geo-political tensions, slowdown in the Chinese economy, and dampened global demand. Gas export, including liquefied natural gas and condensate, also declined by 6.8 per cent to US$6.47 billion or 1.5 per cent of GDP, compared with US$6.94 billion (1.6% of GDP) in 2018. The value of non-oil export increased significantly by 57.8 per cent, to US$7.41 billion in the review period, compared with the US$4.69 billion in 2018. This was as a result of increased export of agricultural products.

[a] Direction of Oil Export

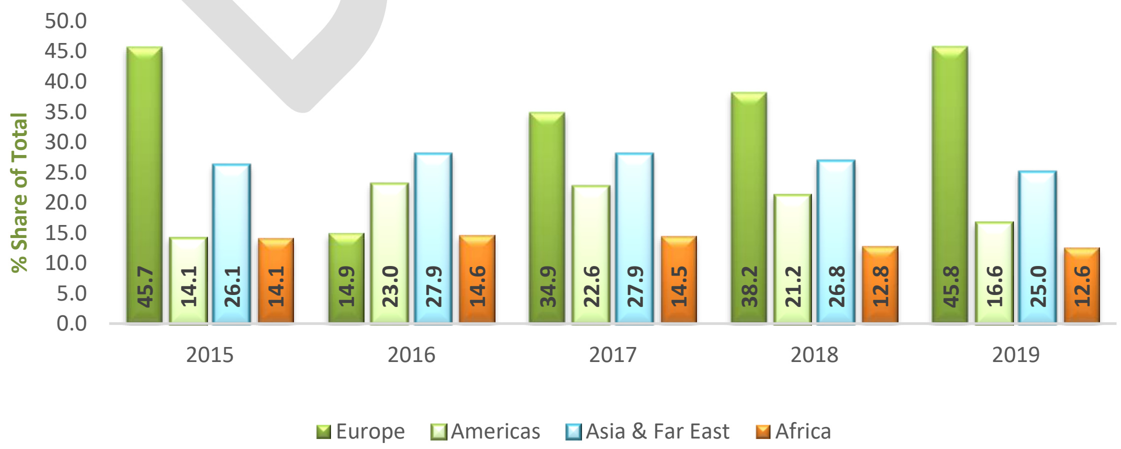
Available data on the direction of Nigeria's crude oil export in the review period, revealed that, on continent basis, Europe, remained the major destination for Nigeria's crude oil export. This was followed by Asia and the Far East, the Americas, and African countries, in that order. By country of destination, India ranked highest, followed by The Netherlands, Brazil, Spain, South Africa and France.

Europe constituted 45.8 per cent of the total, with crude oil export of ₦4,764.86 billion. Within the group, The Netherlands was the highest crude oil export destination, with a share of 13.2 per cent of the total, followed by Spain, 10.3 per cent; France, 6.4 per cent; Italy, 4.6 per cent; the United Kingdom, 4.1 per cent; and Germany, 2.3 per cent. Within the Oceania/Pacific region, Australia was the only destination of Nigeria's crude oil with a value of ₦139.63 billion, representing 1.3 per cent of the total.

Asia and the Far East, as a group, accounted for 25.0 per cent of the total, with a value of ₦2,597.38 billion. Export to India dominated the group, accounting for 17.6 per cent, followed by Indonesia with 4.5 per cent; China, 1.5 per cent; Thailand, 0.8 per cent; and Singapore, 0.3 per cent. Export to the Americas, as a group, decreased to ₦1,582.58 billion or 15.2 per cent, of the total in 2019, compared with ₦3,325.39 billion or 21.2 per cent of the total in 2018. Within the group, export to Brazil accounted for 10.4 per cent, followed by the United States of America, with 3.1 per cent; Uruguay and Peru, 0.6 per cent apiece. Other countries in the group accounted for the balance.

The share of African countries was the least at 12.6 per cent of the total. South Africa was the highest buyer with 6.6 per cent of the total, followed by Côte d'Ivoire, 2.9 per cent; Cameroon, 1.7 per cent; Senegal, 0.8 per cent; Ghana, 0.6 per cent; and 'other countries' accounted for the balance.

Figure 7.5: Direction of Crude Oil Exports, 2015 - 2019



Source: CBN

[b] Non-oil Export

Non-oil export increased by 57.8 per cent to US$7.41 billion, or 1.8 per cent of GDP, in 2019, compared with US$4.69 billion or 1.1 per cent of GDP in 2018, mainly, as a result of improved agricultural produce export, particularly, cocoa and sesame seeds.

A breakdown of non-oil export by product showed that agricultural produce category, valued at US$4.08 billion, constituted the highest share of 55.1 per cent of the total. Within the category, export of cocoa beans, represented 19.4 per cent, followed by sesame seeds, 5.3 per cent; rubber, 2.6 per cent; beef/crustaceans, 2.4 per cent; and other agricultural produce made up the balance.

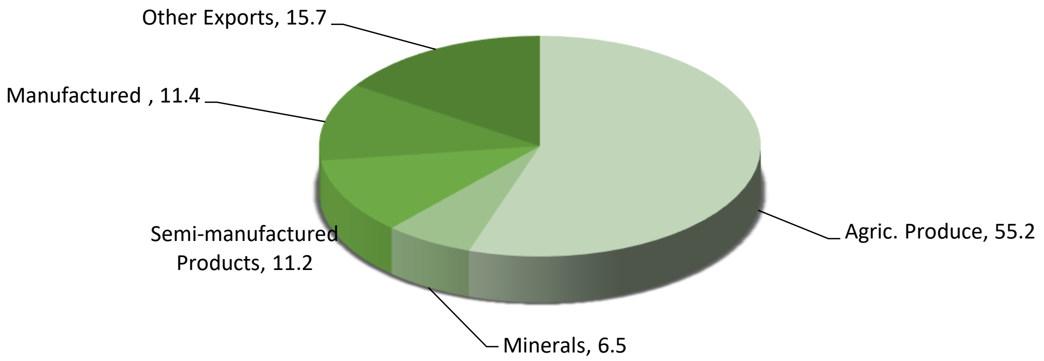
The manufactured goods category, at US$0.85 billion, accounted for 11.4 per cent of the total, of which export of tobacco was 6.5 per cent. Other manufactured products had 1.6 per cent; beer/beverages, 0.9 per cent; soap and detergent, 0.7 per cent; ceramic tile and glass, 0.6 per cent; and PET flakes/plastics, 0.6 per cent, while "others" accounted for the balance.

The semi-manufactured products category with a value of US$0.83 billion, constituted 11.2 per cent of the total. Within the category, export of leather & processed skins recorded the highest performance of 4.7 per cent, followed by aluminium products at 3.6 per cent. Poly products constituted 0.7 per cent; steel/iron, 0.3 per cent; copper, 0.2 per cent; and textured yarn, 0.1 per cent. Other products within the sub-category accounted for the balance.

The minerals category recorded export value of US$0.48 billion, accounting for 6.5 per cent of the total. Lead constituted 3.2 per cent; copper, 2.1 per cent; and "other minerals" accounted for the balance.

The "other" export category, at US$1.16 billion, accounted for 15.7 per cent of total non-oil export, of which urea constituted 9.8 per cent. Cement/lime products and petroleum products represented 2.6 and 1.0 per cent, respectively, of the total.

Figure 7.6: Non-oil Export by Product, 2019 (Per cent)



Source: CBN

[c] Non-oil Export to the ECOWAS Sub-Region

The value of non-oil export to the ECOWAS sub-region was US$335.68 million, compared with US$464.72 million in 2018. Among member-countries, export to Ghana dominated with US$101.06 million, or 30.1 per cent of the total. This was followed by Niger, US$64.13 million (19.1%); Togo, US$60.94 million (18.2%); Cote d'Ivoire, US$32.23 million (9.6%); and Benin Republic, US$29.68 million (8.8%). At US$0.94 million, export to Guinea Bissau was the least. The dominant export products to the sub-region remained: tobacco; plastics; rubber; plastic footwear; soap and detergents; as well as polybags.

[d] Activities of the Top 100 Non-oil Exporters

Aggregate value of the top one hundred non-oil export decreased by 16.9 per cent to US$1.74 billion, compared with US$2.10 billion in 2018. A breakdown showed that Olam Nigeria Limited ranked 1st with proceeds of US$294.16 million, accounting for 16.9 per cent of the total, from the export of premium grade sesame seeds and fermented cocoa bean seeds to Australia, Greece, Turkey, The Netherlands and Syria. Indorama Eleme Fertilizer and Chemicals Limited ranked 2nd with US$178.86 million or 10.3 per cent of the total, from the export of granular urea in bulk to Cote d'Ivoire, Brazil, Canada, the USA, Senegal, Benin, Cameroon and Argentina.

In the 3rd place was the British American Tobacco (BAT) Nigeria, with US$119.40 million (6.9% of the total), from the export of cigarettes to Liberia, Guinea, Ghana, Cameroon, Cote d'Ivoire and Niger. Metal Recycling Industries Limited ranked 4th with proceeds of US$97.02 million (5.6% of the total), from the export of copper and aluminum ingots to Japan, China and South Africa. Mamuda

Industries (Nigeria) Limited ranked 5th with proceeds of US$68.22 million (3.9% of the total) from the export of processed and finished leather to Italy, India and Spain.

Tulip Cocoa Processing Limited ranked 6th with a value of US$16.77 million (3.8% of the total), while Wacot Limited ranked 7th with export receipts valued at US$60.24 million (3.5% of the total), from the export of sesame seed and ginger to The Netherlands, Italy, Poland, Turkey, Japan and India. Dangote Cement and Valency Agro Nigeria Limited ranked 9th and 10th with receipts valued at US$35.46 million or 2.0 per cent and US$33.30 million or 1.9 per cent of the total, respectively. Dangote Cement exported Portland lime cement to Niger Republic, Togo and Ghana, while Valency Agro Nigeria Limited exported agro & consumer goods, sulphur & fertilizers, and steel & scrap to The Netherlands and the USA.

The 39th major exporter was NNPC/PPMC with US$8.70 million or 0.5 per cent of total, from export of low pour fuel oil (LPFO) and NAPTHA to the US, The Netherlands, Spain and Togo. PZ Cussons Nigeria Plc was the 44th major exporter with US$7.73 million (0.4% of the total) from export of morning fresh, soap, Nunu filled milk and hair cream to Libya, Gabon, Liberia, DR Congo and Ghana. At the 50th position was Everest Metal Nigeria Limited with US$6.43 million from the export of lead concentrate and secondary aluminum ingot to Germany and Japan. Unilever Nigeria Plc was at the 65th position with US$3.73 million from the export of OMO multi-active relaunch detergent and Close-up deep action tooth paste to Ghana and Cote D'Ivoire. The 73rd exporter was Olatunde International Limited with US$3.21 million, realised from the export of raw cocoa beans to Spain, The Netherlands and Belgium.

Banarly (Nigeria) Limited ranked 86th and earned US$2.51 million through the export of frozen shrimps and sole fillets to Belgium, Portugal and Spain. In the 91st position was Procter and Gamble Nigeria Limited, with export earnings of US$2.35 million from Ariel detergent and Pampers baby diapers to Cote D'Ivoire, Ghana, Cameroon, Senegal and Benin Repiblic. B&B Leather Limited and Fullmark Commodities Limited were in the 94th and 96th positions with proceeds of US$2.31 million, and US$2.26 million, respectively, from the export of sheep leather to Spain; and dried Hibiscus siftings to Russia. Nigerian Bottling Company Limited was placed 100th with earnings of US$1.94 million from the export of various carbonated drinks to the West African Coast.

7.2.2 Services Account

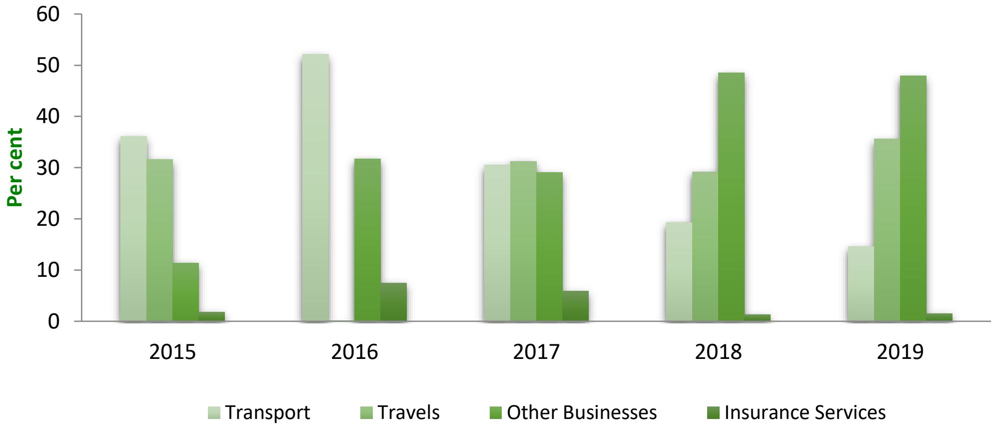
The deficit in the services account widened, significantly by 26.2 per cent, to US$32.88 billion (7.8% of GDP), compared with US$26.07 billion (6.2% of GDP) in 2018. This was as a result of increased payments, particularly in respect of travel, freight charges, and other business services, in the review period.

A breakdown of the account showed that net-payment, in respect of travel services, increased significantly, to US$11.70 billion, relative to US$7.61 billion in 2018. This was due, largely, to increase in both personal (mainly education and health-related) and business travels, following the sustained access to foreign exchange. Other business services also increased to US$15.76 billion, from the US$12.65 billion in 2018, due to increased payment for operational leasing, technical and professional services. Net payments in insurance services increased by 52.6 per cent to US$0.51 billion, compared with US$0.33 billion in 2018.

On the other hand, net payment for transportation services declined by 4.1 per cent to US$4.82 billion, compared with US$5.02 billion in 2018, due, largely, to decline in the payment of passenger fares. Net payments in respect of computer & information services also decreased to US$0.15 billion, compared with US$0.26 billion in 2018. Communication, financial and government services sub-accounts recorded net surpluses of US$0.06 billion, US$0.18 billion and US$0.20 billion, respectively, in the review period.

In terms of their share in total net deficit, other business services accounted for 47.9 per cent of the total, travel services, 35.6 per cent; transportation services, 14.6 per cent; insurance services, 1.5 per cent; and other categories accounted for the balance.

Figure 7.7: Percentage Share of Major Invisible Services Payment, 2015-2019



Source: CBN

Table: 7.1 Net Share of Major Invisible Transactions (Per cent), 2015 – 2019					
Items	2015	2016	2017	2018	2019
Transportation	36.1	52.1	25.3	19.3	14.6
Travel	31.6	0.1	24.5	29.2	35.6
Insurance Services	1.8	7.5	5.6	1.3	1.5
Communication Services	3.9	1.0	(0.5)	(0.2)	(0.2)
Construction Services	0.3	0.0	0.01	0.2	0.1
Financial Services	5.3	1.5	1.9	0.5	(0.6)
Computer and Information Services	2.1	1.8	1.7	1.0	0.5
Royalties and License Fees	1.5	3.1	1.9	1.0	0.8
Government Services	5.1	1.0	(1.7)	(0.8)	(0.6)
Personal, Cultural & Recreational Services	1.0	0.2	0.8	0.2	0.3
Other Business Services	11.4	31.7	40.5	48.5	47.9
Total	100	100	100	100	100

Source: CBN

7.2.3 The Income Account

In 2019, the deficit in the income account narrowed by 18.1 per cent to US$12.34 billion, equivalent to 2.9 per cent of GDP, relative to US$15.07 billion or 3.6 per cent of GDP in 2018. The development was attributed, mainly, to lower deficit recorded in the investment income sub-account, which fell by 17.9 per cent, to US$12.56 billion, compared with US$15.30 billion in 2018. This was due to decline in the payment of dividends and distributed branch profits amidst the challenging business environment, following the gradual recovery of the economy from recession. However, compensation of employees and "Other" investment income sub-accounts, recorded surplus positions of US$0.97 billion and US$0.22 billion, respectively, in 2019.

7.2.4 Current Transfers

The surplus in the current transfers account increased by 7.5 per cent to US$25.94 billion, representing 6.1 per cent of GDP, from US$24.13 billion or 5.7 per cent of GDP in 2018. This was attributed to higher inflow of general government and other transfers. The surplus in the general government sub-account, which comprised receipts from foreign embassies and international organisations, increased to US$0.61 billion in 2019, compared with US$0.41 billion in the preceding year. Similarly, the "Other" sectors sub-account, increased by 6.5 per cent to US$25.26 billion, compared with US$23.72 billion in 2018, as a result of significant inflow of other transfers amounting to US$2.14 billion, in contrast to an outflow of US$0.29 billion in 2018. Inflow of workers' remittances, which has been the major driver of the surplus in the account was US$23.59 billion in 2019, compared with US$24.06 billion in 2018.

Table 7.2: Current Transfers (US$ Million), 2015 – 2019

	2015	2016	2017	2018	2019
INFLOW (credit)					
1.General government (Grants, ODA, Technical Assistance & Gifts)	1,672.51	1,406.97	679.66	414.62	680.35
2. Other sector account (remittances and other transfers in kind)	20,444.82	19,535.69	21,837.54	24,111.04	25,731.21
OUTFLOW (debit)					
1.General government (Payments to International Organizations & other payments)	10.65	7.63	-	-	-
2. Other sector account (remittances and other transfers)	1,797.90	1,045.86	521.63	391.57	469.85
NET CURRENT TRANSFERS	20,168.79	19,889.17	21,995.57	24,134.10	25,941.71

Source: CBN

7.3 THE CAPITAL AND FINANCIAL ACCOUNT

The capital and financial account posted a net financial asset of US$2.55 billion, equivalent to 0.6 per cent of GDP, as against a net financial liability of US$0.91 billion or 0.2 per cent of GDP in 2018. This was attributed, mainly, to higher foreign currency holdings of the private sector during the review period.

The increased foreign currency holding was attributed to portfolio switching for safety and precautionary purposes.

A disaggregation of financial flows showed that financial assets, representing financial outflows, increased by 19.1 per cent to US$24.95 billion or 5.9 per cent of GDP in the review period, compared with US$20.95 billion or 5.0 per cent of GDP in 2018. Of the total financial assets, direct investment abroad, driven by equity investments in foreign enterprises, increased by 7.3 per cent to US$1.48 billion (0.4% of GDP), compared with US$1.38 billion (0.3% of GDP) in 2018. This reflected renewed interest of resident investors in international enterprises. Portfolio investment assets also increased to US$0.11 billion in 2019, signifying confidence of domestic investors in the international financial markets. Similarly, other investment asset increased significantly to US$25.69 billion or 6.1 per cent of GDP, compared with US$16.28 billion in 2018 or 2.9 per cent of GDP, driven, largely, by higher loans and increased foreign currency holdings by banks and the private sector.

Total financial liabilities, representing foreign financial inflow, increased to US$22.40 billion (5.2% of GDP) in 2019, compared with US$21.86 billion (5.2% of GDP) in 2018. The development was due to significant inflow of foreign direct and portfolio investments. A breakdown showed that, inflow of foreign direct investment increased by 63.9 per cent to US$3.27 billion (0.8% of GDP) in the review period, compared with US$2.00 billion (0.5% of GDP) in 2018. This was due, largely, to higher inflow of new equity capital, occasioned by stable macroeconomic conditions, improved ease of doing business and policy consistency.

Inflow of portfolio investment also increased by 44.1 per cent to US$18.09 billion (4.3% of GDP) in 2019, compared with US$12.55 billion or 3.0 per cent of GDP in 2018. This was as a result of 79.3 per cent increase in the purchase of money market instruments, driven by high returns on investment. Further analysis showed that inflow for the purchase of equity securities declined by 47.5 per cent to US$1.16 billion in the review period, compared with US$2.21 billion in 2018, reflecting the bearish performance of the Nigeria’s capital market. Inflow in respect of debt securities, increased by 63.7 per cent to US$16.93 billion, compared with the US$10.34 billion in 2018. The ratio of external reserves to portfolio investment was 210.6 per cent in 2019, which was lower than the 339.4 per cent in 2018 but was well above the benchmark of 100.0 per cent short-term debt cover of the Greenspan-Guidotti measure of external reserves adequacy.

Other investment liabilities, driven, largely, by loans, declined significantly to US$1.04 billion (0.3% of GDP), compared with US$7.31 billion (1.7% of GDP) in 2018. Repayment of loans by the private sector increased, significantly, to US$2.81 billion in 2019, as against an inflow of US$2.54 billion in 2018. The banking sector, on the other hand, recorded an increased loan disbursement of US$1.63 billion in the review period, compared with US$0.36 billion in 2018. Placement of currency and deposits by non-residents in Nigerian banks increased significantly by 76.1 per cent to US$2.90 billion in the review period, compared with US$1.65 billion in the preceding year.

In terms of share of the components in total capital inflow, portfolio investment liabilities accounted for the largest share of 80.8 per cent; foreign direct investment, 14.6 per cent; and 'other investment inflow', the balance of 4.6 per cent.

The stock of external reserves decreased by 10.6 per cent, to US$38.09 billion at end-December 2019, compared with US$42.59 billion at end-December 2018. This could finance 8.4 months of current import of goods or 4.9 months of import of goods and services, compared with 12.5 and 7.1 months, respectively, in 2018.

The external debt stock at end-September 2019 was US$26.94 billion, an increase of 24.8 per cent compared with the US$21.59 billion at end-December 2018. This was due, largely, to additional disbursements from multilateral and bilateral sources during the review period. Multilateral borrowing, mainly, from the World Bank and the African Development Bank, increased to US$12.34 billion, constituting 45.8 per cent of total external debt, compared with US$11.01 billion or 43.6 per cent in 2018. Loans from commercial sources, in form of Euro and Diaspora bonds, remain unchanged at US$11.17 billion or 41.5 per cent of the total. Loans from bilateral sources, principally the China Exim Bank, also increased to US$3.43 billion, representing the remaining 12.7 per cent of the total, compared with the US$3.09 billion or 12.2 per cent in 2018. At 6.4 per cent of GDP, public sector external debt remained within the international threshold of 40.0 per cent of GDP. The rising debt stock was influenced by the need to bridge the financing gap for the on-going upscale of the country's socio-economic infrastructure.

7.4 CAPITAL IMPORTATION AND OUTFLOW

7.4.1 Capital Importation by Nature of Investment

Returns from commercial banks showed that aggregate new capital injected into the economy was US$23.99 billion in 2019, compared with US$17.08 billion in 2018, indicating an increase of 37.6 per cent. A disaggregation of capital imported by type of investment showed that portfolio investment, at US$16.37 billion, accounted for the largest share of 68.2 per cent of the total. Of this amount, money market instruments amounted to US$13.45 billion, representing 56.1 per cent of total; equity securities, US$1.89 billion or 7.9 per cent; and government bonds, US$1.02 billion or 4.3 per cent of total. Inflow of FDI was US$0.93 billion (3.9% of total), of which equity was US$0.92 billion or 3.8 per cent, while FDI "other" capital amounted to US$0.01 billion or 0.1 per cent. Other investment inflow at US$6.69 billion constituted 27.9 per cent of the total. A further breakdown of other investment inflow showed that loans was US$5.08 billion or 21.2 per cent of total, while other claims at US$1.61 billion accounted for 6.7 per cent. Trade credit and currency deposits accounted for the balance.

Table 7.3: New Capital Inflows (US$' Million), 2015 - 2019					
NATURE OF CAPITAL	2015	2016	2017	2018	2019
Foreign Direct Investment – Equity	1,469.09	1,059.53	1,038.70	1288.27	922.23
Foreign Direct Investment - Other capital	4.21	0.29	2.32	5.64	12.10
Sub-Total	1,473.30	1,062.41	1,041.02	1293.90	934.33
Portfolio Investment – Equity	4,691.54	859.05	3,593.99	2,456.40	1,893.19
Portfolio Investment – Bonds	827.14	395.90	526.81	980.23	1,022.39
Portfolio Investment - Money Market Instruments	571.96	577.85	3,309.51	8731.72	13,449.88
Sub - Total	6,090.64	1,832.81	7,430.31	12,168.35	16,365.47
Other Investments - Trade Credits	-	0.16	295.65	6.92	0.11
Other Investments - Loans	1,685.97	2,424.60	2,894.33	3,684.66	5,078.78
Other Investments - Currency Deposits	8.10	0.03	3.52	1.03	2.96
Other Investments - Other Claims	527,58	26.94	739.60	284.90	1,608.40
Sub - Total	2,221.65	2,451.72	3,933.10	3977.51	6,690.25
TOTAL	9,258.01	5,346.93	12,404.42	17439.76	23,990.05

Source: CBN

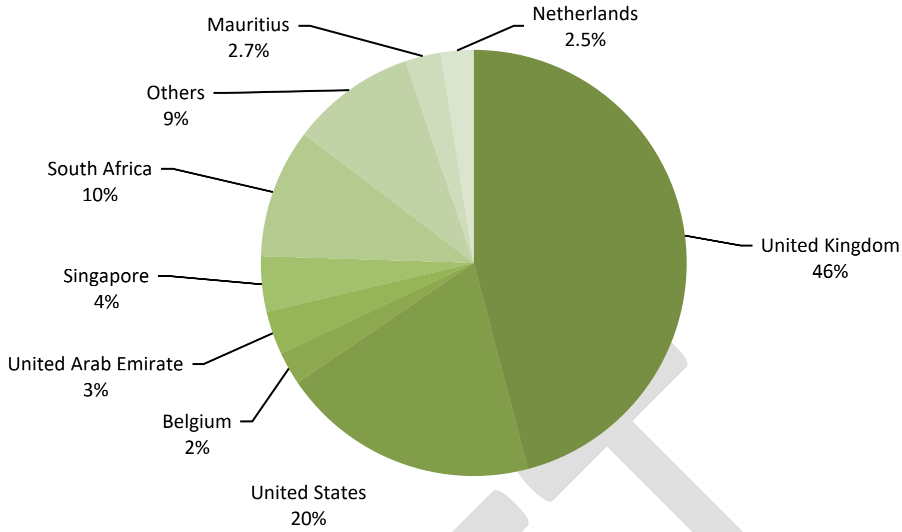
7.4.2 Capital Importation by Country of Origin

A breakdown of capital importation by country of origin showed the United Kingdom was the dominant source of capital with a value of US$11.01 billion or 45.9 per cent of total capital inflow, followed by the United States, US$4.69 billion or 19.6 per cent. Inflow from South Africa, US$2.35 billion (9.8%); Singapore, US$1.02 billion (4.2%); United Arab Emirates, US$0.79 billion (3.3%); Mauritius, US$0.64 billion (2.7%); The Netherlands, US$0.61billion (2.5%); and Belgium, US$0.60 billion (2.5%). Other countries accounted for the balance.

7

EXTERNAL SECTOR DEVELOPMENTS

Figure 7.8: Capital Importation by Country of Origin, 2019
(Per cent)

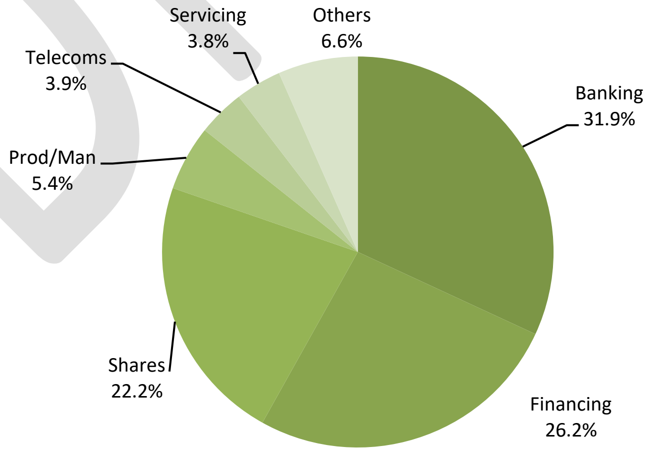


Source: CBN

7.4.3 Capital Importation by Sector

Analysis of imported capital by economic sectors indicated that banking received the highest share of 31.9 per cent, valued at US$7.66 billion. Inflow for financing amounted to US$6.28 billion and accounted for 26.2 per cent of the total. Shares, production/manufacturing, telecoms and servicing received US$5.33 billion, US$1.30 billion, US$0.94 billion and US$0.92 billion, representing 22.2, 5.4, 3.9 and 3.8 per cent, respectively. Inflow to other sectors accounted for the balance.

Figure 7.9: Capital Importation by Sector, 2019
(Per cent)



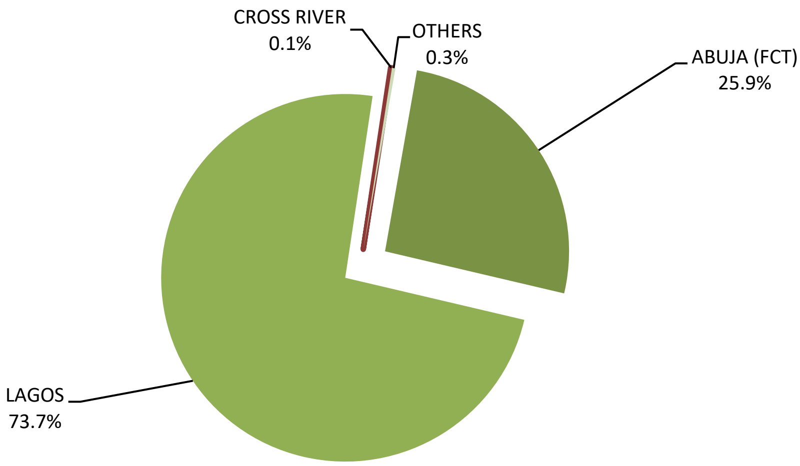
Source: CBN

7.4.4 Capital Importation by Destination

A breakdown of capital importation on state-by-state basis showed that Lagos State received the highest inflow, representing 73.7 per cent, followed by the

Federal Capital Territory (FCT) with 25.9 per cent of the total. Cross River State received 0.1 per cent, while other states accounted for the balance.

Figure 7.10: Capital Importation by States, 2019 (Per cent)



Source: CBN

Table 7.4: Capital Importation: Country and Sector Inflow (US$' Million)

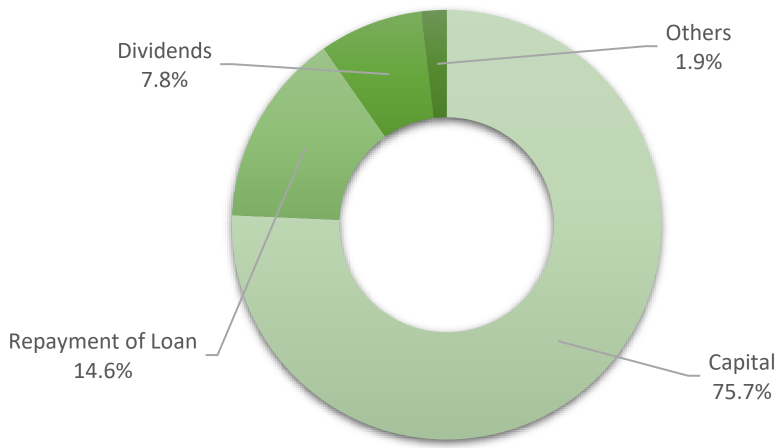
Country	2015	2016	2017	2018	2019	Sector	2015	2016	2017	2018	2019
United Kingdom	3,913	2,190.72	4,969.13	6190.92	11,009.22	Shares	5,503	1466.04	7,502.52	10614.24	5,335.30
United States	2,477	945.6	2301.47	3757.68	4,694.30	Banking	964	958.11	1061.72	2076.43	7,658.49
Belgium	-	78.8	1,025.34	919.59	595.55	Financing	866	95.34	439.31	1804.7	6,281.21
Mauritius	557	136.53	718.65	584.58	644.6	Services	201	300.65	1,096.43	1209.98	915.52
Singapore	-	306.84	672.11	894.08	1,017.55	Prod./Man.	433	413.7	1003.33	691.95	1,297.31
South Africa	261	176.87	614.43	1202.9	2,351.42	Agriculture	-	43.29	159.47	299.96	489.91
Switzerland	119	272	415.91	358.27	383.99	Oil & Gas	32	720.15	331.87	142.65	216.23
United Arab Emirates (U.A.E)	62	57.75	358.89	956.45	790.74	Trading	175	134.74	81.9	134.85	534.51
The Netherlands	1,152	606.69	236.8	380.26	607.22	Telecom	944	955.19	544.63	203.67	944.05
France	-	77.1	153.1	114.37	281.12	Construction	28	33.17	98.9	54.55	30.29
Luxembourg	48	140.05	117.01	216.02	126.94	Electrical	-	135.74	13.4	22.41	48.79
China	11	16.79	50.65	45.89	45.53	Transport	10	5.2	2.98	14.8	24.6
Sweden	32	92.19	24.45	6.42	2.86	Breweries	9	72.95	27.19	4.81	26.19
Others	626	248.97	746.48	1812.33	1,439.01	Others	93	12.71	40.87	164.76	187.65
Total	**9,258**	**5,346.93**	**12,404.42**	**17,439.76**	**23,990.05**	**Total**	**9,258**	**5,346.93**	**12,404.42**	**17,439.76**	**23,990.05**

Source: CBN

7.4.5 Capital Outflow

In the review period, aggregate capital outflow stood at US$16.03 billion, compared with US$15.65 billion in 2018, indicating an increase of 2.4 per cent. A disaggregation showed that, outflow in form of reversal increased by 26.1 per cent to US$12.14 billion or 75.7 per cent of total, compared with US$9.62 billion in 2018. Repayment of loans also increased by 2.0 per cent to US$2.33 billion, representing 14.6 per cent of the total, relative to the US$2.29 billion in the preceding year. Similarly, payment of profit to non-residents increased by 50.1 per cent to US$0.13 billion (0.1% of the total), from US$0.09 billion in 2018. Conversely, payment of dividends to non-resident investors declined, significantly, by 65.2 per cent to US$1.25 billion or 7.8 per cent of the total, relative to US$3.61 billion in 2018. "Others", at US$0.29 billion accounted for the balance of 1.8 per cent of the total.

Figure 7.11: Capital Outflow, 2019 (Per cent)



Source: CBN

7.5 THE INTERNATIONAL INVESTMENT POSITION (IIP)

Nigeria's International Investment Position (IIP) recorded a lower net financial liability of US$80.26 billion in 2019, compared with US$80.65 billion in 2018. The country's stock of financial assets increased by 14.5 per cent to US$179.59 billion at end-December 2019, from US$156.81 billion at end-December 2018 due, largely, to higher asset positions in direct investments, loans, currency and deposits and trade credits to non-residents.

A breakdown of financial assets showed that foreign direct investment increased by 9.5 per cent to US$17.15 billion, compared with US$15.67 billion at end-December 2018. Also, portfolio investment assets increased marginally by 0.4 per cent to US$25.30 billion at end-December 2019, relative to the level at end-December 2018. Other investment assets also increased significantly by 35.0 per cent to US$99.04 billion, compared with US$73.35 billion at end-December 2018, due, largely, to the increase in trade credit, loans, and foreign currency holdings. Trade credit to non-residents increased to US$19.74 billion at end-December 2019, compared with the US$10.37 billion in 2018. Similarly, the stock of loans increased by 12.4 per cent, to US$15.04 billion at the end of the review year, relative to US$13.37 billion at end-December, 2018. Total currency deposits, increased by 29.6 per cent to US$64.27 billion at end-December 2019, compared with US$49.61 billion at end-December 2018, as a result of the 39.4 per cent increase in currency holdings of the private sector. The stock of external reserves at end-December 2019, however, decreased by 10.6 per cent to US$38.09 billion, relative to US$42.59 billion at end-December 2018. This was due, largely, to 11.1 per cent reduction in the foreign exchange component of the reserve asset. As a share of total stock of assets at end-December 2019, other investment assets remained dominant at 51.9 per cent, followed by reserve assets, 22.7 per cent; portfolio investment, 15.1 per cent; and direct investment accounted for the balance.

The stock of financial liabilities increased by 9.4 per cent to US$259.85 billion at end-December 2019, compared with US$237.46 billion at end-December 2018. A disaggregation of the stock showed that direct investment increased by 2.3 per cent to US$102.96 billion at end-December 2019, compared with US$99.68 billion at end-December 2018. Direct investment in equity capital and reinvested earnings increased by 3.4 per cent to US$100.90 billion, compared with US$97.63 billion at end-December 2018. Similarly, other FDI capital increased marginally by 0.3 per cent to US$2.06 billion, relative to US$2.05 billion at the end of the preceding year.

A further analysis revealed that portfolio investments increased by 21.3 per cent to US$103.05 billion, compared with US$84.96 billion, at end-December

2018. This was due, majorly, to the 32.4 per cent increase in the purchase of debt securities to US$69.15 billion at end-December 2019, compared with US$52.22 billion, at end-December 2018. Other investment liabilities increased by 2.0 per cent to US$53.85 billion at end-December 2019, compared with US$52.82 billion at end-December 2018. The stock of loan liabilities, decreased by 4.7 per cent to US$37.41 billion, compared with US$39.27 billion at the end of the preceding year. A breakdown showed that loans to general government and the private sector decreased by 3.2 and 26.4 per cent, to US$20.91 billion and US$7.82 billion, respectively, as a result of principal repayments, while loans to banks increased by 23.2 per cent to US$8.67 billion at end-December 2019. The stock of currency & deposits increased by 21.4 per cent to US$16.45 billion at the end of the review period, compared with US$13.55 billion at end-December 2018.

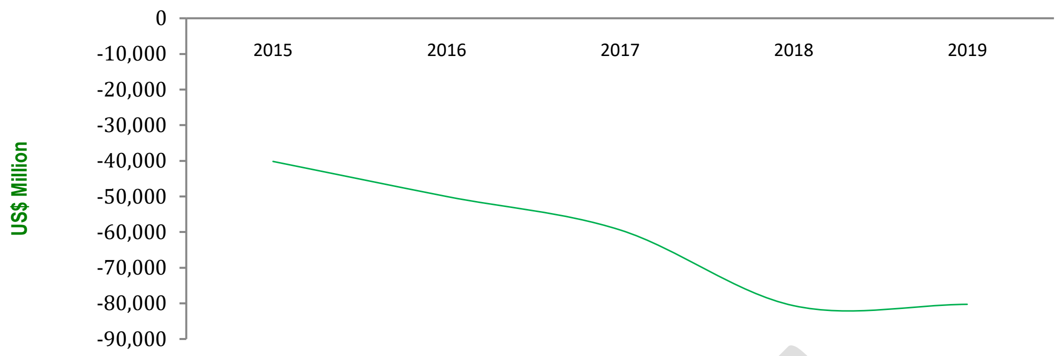
The stock of portfolio investment dominated total financial liabilities, accounting for 39.7 per cent of the total, followed by FDI, with a share of 39.6 per cent and other investment liabilities accounted for the balance.

Table 7.5: International Investment Position (IIP) of Nigeria, 2015-2019 (US$ Million)

Type of Asset/Liability	2015 /1	2016 /1	2017 /1	2018/2	2019/2
Net international investment position	**(40,169.16)**	**(50,003.30)**	**(59,392.72)**	**(80,646.82)**	**(80,263.78)**
Assets	**148,707.16**	**142,670.08**	**157,024.03**	**156,810.70**	**179,590.65**
Direct investment abroad	***11,694.15***	***12,999.19***	***14,285.36***	***15,666.22***	***17,150.54***
Portfolio investment abroad	***25,009.48***	***25,186.90***	***25,194.14***	***25,194.87***	***25,303.25***
Equities	21,605.98	21,747.91	21,753.70	21,754.29	21,840.99
Debt Securities	3,403.51	3,438.99	3,440.44	3,440.59	3,462.26
Other foreign assets	**83,715.88**	**77,493.41**	**78,191.03**	**73,354.76**	**99,044.13**
Trade Credits	7,543.19	5,704.75	7,531.64	10,371.00	19,739.30
Loans	13,886.51	12,489.70	14,968.17	13,374.01	2,997.76
Currency and Deposits	62,286.19	59,298.96	55,691.22	49,609.76	64,267.62
Reserve Assets	***28,287.64***	***26,990.58***	***39,353.49***	***42,594.84***	***38,092.72***
Liabilities	**188,876.32**	**192,673.38**	**216,416.74**	**237,457.52**	**259,854.43**
Direct investment	***89,735.40***	***94,184.14***	***97,687.14***	***99,684.62***	***102,958.26***
Portfolio investment	***61,990.19***	***63,877.88***	***72,408.65***	***84,957.21***	***103,045.22***
Equities	27,284.64	27,609.77	30,534.04	32,740.33	33,898.61
Debt Securities	34,705.55	36,268.11	41,874.62	52,216.88	69,146.61
Other Investment Liabilities	**37,150.72**	**34,611.36**	**46,320.96**	**52,815.69**	**53,850.95**
Trade Credits	-	-	-	-	-
Loans	25,081.49	24,461.83	34,419.61	39,268.46	37,405.37
Currency and Deposits	12,069.24	10,149.53	11,901.35	13,547.23	16,445.58

1/ Revised
2/ Provisional
Source: CBN

Figure 7.12: Net International Investment Position (IIP) 2015 - 2019 (US$' Million)



Source: CBN

7.6 EXCHANGE RATE MOVEMENTS

The exchange rate of the naira to the US dollar maintained relative stability at the interbank, BDC and I&E window of the foreign exchange market, driven, largely, by sustained intervention by the Bank to ensure foreign exchange liquidity and access in the market.

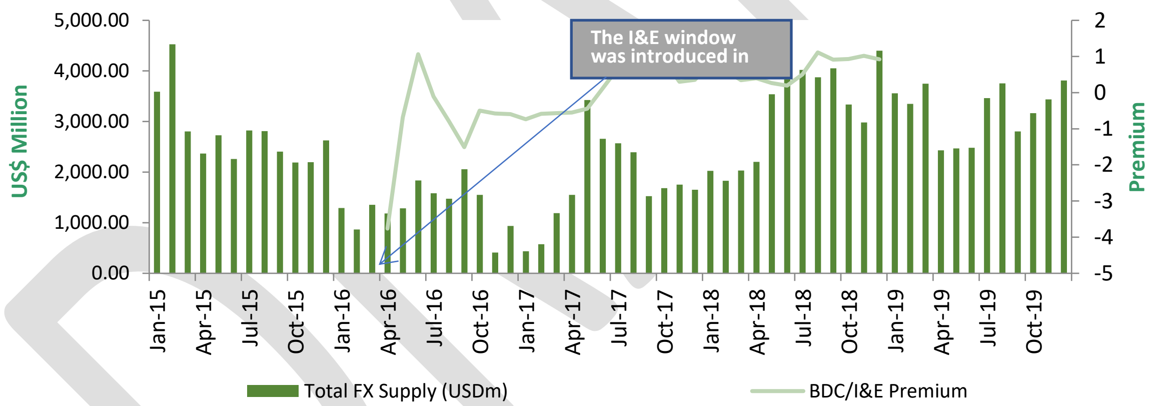
The average exchange rate of the naira, at the interbank segment, depreciated to ₦306.77/US$ in February 2019, from ₦305.92/US$ in December 2018. The naira further depreciated to ₦306.96/US$ in April 2019, but gradually strengthened to ₦306.94/US$ and ₦306.92/US$ in July and September 2019, respectively. It, however, depreciated marginally to ₦306.95/US$ in December 2019. The annual average exchange rate at the interbank market, in 2019 was ₦306.92/US$, representing a depreciation of 0.3 per cent, compared with ₦306.08/US$ in 2018. The end-period interbank exchange rate closed at ₦307.00/US$, same as at end-December 2018.

At the BDC segment, the naira appreciated to ₦360.94/US$ in January 2019, from ₦363.46/US$ in December 2018. The exchange rate further appreciated to ₦359.43/US$ and ₦359.00/US$ in July and November 2019, but depreciated to ₦360.25/US$, in December 2019. Consequently, the annual average exchange rate at the BDC segment in 2019, was ₦359.53/US$, indicating an appreciation of 0.6 per cent relative to ₦361.51/US$ in 2018. The end-period BDC rate, however, closed at ₦362.00/US$ in 2019, showing a depreciation of 0.3 per cent, compared with ₦361.00/US$ in 2018.

At the Investors' & Exporters (I&E) window, the exchange rate appreciated to ₦363.76/US$ and ₦360.63/US$ in January and June 2019, respectively, from ₦364.76/US$ in December 2018. The naira, however depreciated to ₦363.00/US$ in August 2019 but appreciated to ₦362.27/US$ in September 2019, and thereafter, depreciated to ₦362.66/US$ and ₦363.57/US$ in November and December 2019, respectively. The average naira exchange rate at the "I&E" window was ₦361.92/US$, indicating a marginal appreciation of 0.01 per cent, compared with ₦361.96/US$ in 2018. The end-period exchange rate, however, depreciated by 0.1 per cent to ₦364.51/US$ in 2019, compared with ₦364.00/US$ in 2018.

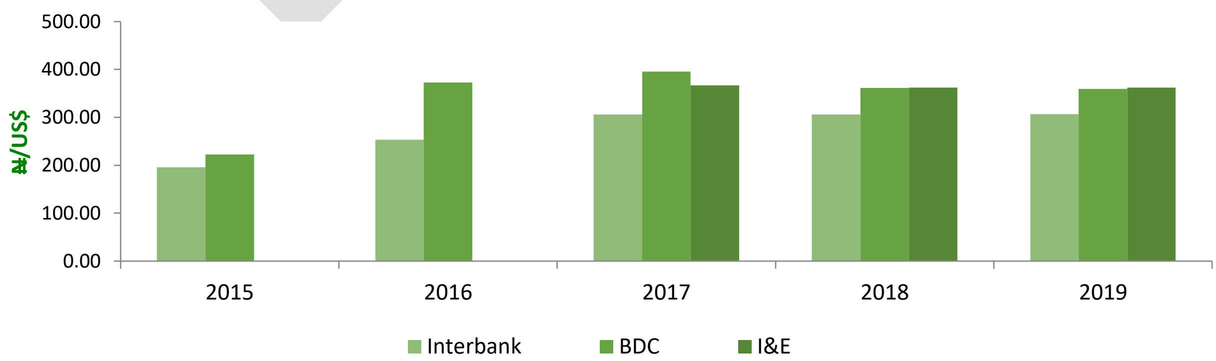
The premium between annual I&E/BDC rates widened to 0.7 per cent in 2019, from 0.1 per cent in 2018. The premium between the end-period I&E/BDC rates was 0.7 per cent, compared with 0.8 per cent in 2018.

Figure 7.13: Supply of Foreign Exchange and Premium between BDC and I&E Rates, 2015-2019



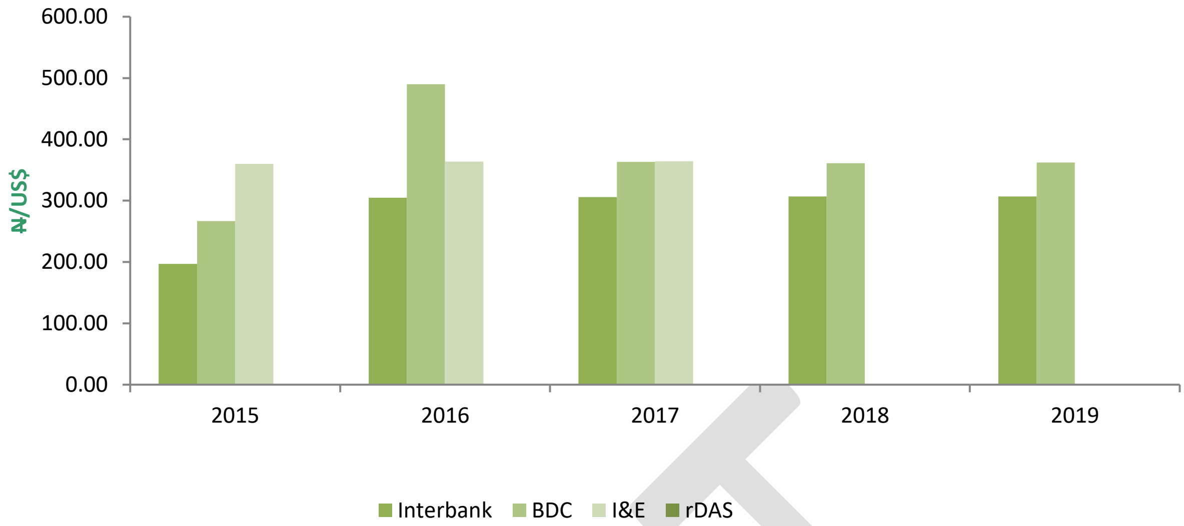
Source: CBN

Figure 7.14: Average Yearly Exchange Rate of the Naira per US Dollar, 2015 – 2019



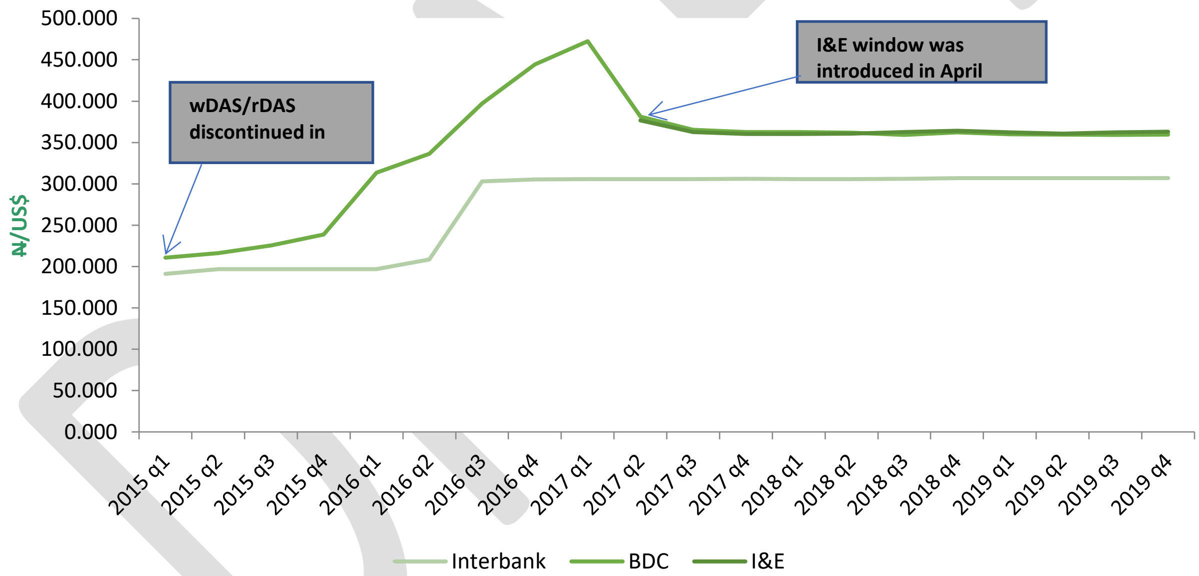
Source: CBN

Figure 7.15: End-period Exchange Rate of the Naira per US Dollar, 2015 - 2019



Source: CBN

Figure 7.16: Quarterly Average Exchange Rate of the Naira vis-à-vis US Dollar, 2015 - 2019



Source: CBN

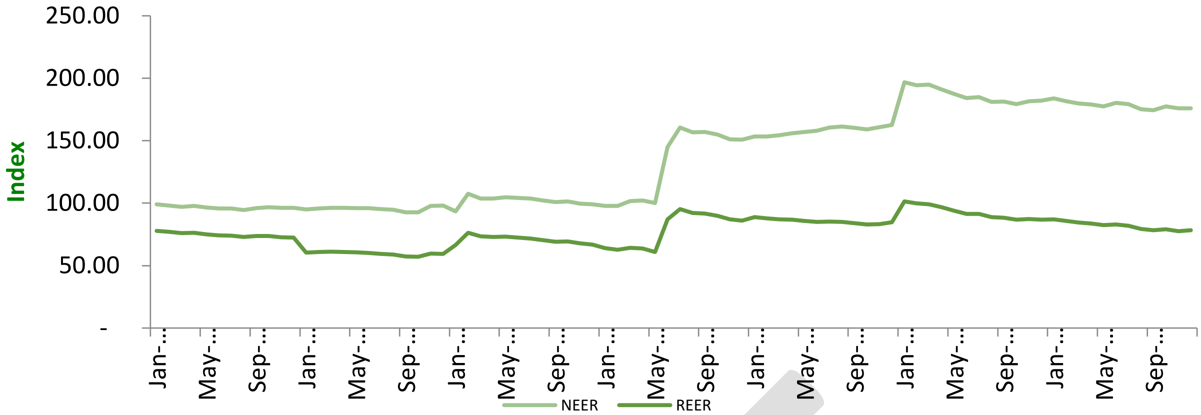
7.7 THE NOMINAL AND REAL EFFECTIVE EXCHANGE RATES

The average 13-currency nominal effective exchange rate (NEER) index fell by 4.4 per cent to 178.38, compared with the level in 2018. The average 13-currency real effective exchange rate (REER) index, fell by 11.7 per cent to 81.76, relative to the level in 2018. The REER index opened at 87.10 in January 2019 and closed at 78.39 in December 2019.

7

EXTERNAL SECTOR DEVELOPMENTS

Figure 7.17: Nominal and Real Effective Exchange Rate Indices, 2015 - 2019



Source: CBN

Table 7.6: Nominal and Real Effective Exchange Rate Indices (November 2009=100)

	2018 1/		2019 2/		Percentage Change	
	Monthly Index	Annual Average Index	Monthly Index	Annual Average Index	Monthly Index	Annual Average Index
NEER	181.98	186.59	176.02	178.38	(3.28)	(4.40)
REER	86.67	92.63	78.39	81.76	(9.56)	(11.74)

1/ Revised
2/ Provisional
Source: CBN

CHAPTER EIGHT

INTERNATIONAL AND REGIONAL INSTITUTIONS

The 2019 Spring and Annual Meetings of the Bretton Woods Institutions (BWIs) advocated multilateralism in addressing trade disputes and challenged the Fund to champion multilateral approach to trade. At the sidelines of the Meetings, the Inter-Governmental Group of Twenty-Four (G-24) affirmed its commitment to strong governance, including tackling corruption, fostering innovation and fair market competition to harness the gains from technological change and economic integration. At the continental level, the African Caucus Meeting of the IMF/World Bank addressed how human capacity and skills development would accelerate jobs creation, economic transformation, public financial management and promote innovative finance for private sector-led growth. At the regional level, the Annual Meetings of the Association of African Central Banks (AACB) encouraged African countries to expand trade and investment links with other countries after the example of the China's 'Belt and Road' initiative, which has developed infrastructure significantly in Africa. At the Sub-regional level, the 44th Meeting of the WAMZ Technical Committee advised member states to improve their revenue regimes, eliminate the vast array of exemptions and leakages that drain tax systems, and further Intensify the provision of reliable trade statistics.

8.1 THE INTERNATIONAL MONETARY SYSTEM

8.1.1 The International Monetary Fund (IMF)/World Bank Spring and Annual Meetings

The 2019 Spring and Annual Meetings of the Bretton Woods Institutions (BWIs) were held in Washington D. C., USA from April 8 – 14, 2019 and October 14 – 20, 2019, respectively. The sideline meetings of the Ministers and Governors of the Inter-Governmental Group of Twenty-Four (G-24), International Monetary and Finance Committee (IMFC) of the Governors of the International Monetary Fund (IMF), and the Development Committee were also held.

The G24 Ministers:

- Noted that, while global growth was projected to moderate in 2019, it was expected to pick-up in 2020. They highlighted the ongoing trade tensions, sharp tightening in financial conditions, large swings in commodity prices and limited policy space, as downside risks confronting the global economy. Specifically, they identified the major challenges confronting emerging market and developing economies

(EMDEs) to include weak productivity growth, increasing inequality, climate change, migration, demographic shifts and policy uncertainty;

- Advocated for multilateralism in addressing trade dispute, while challenging the Fund to champion the multilateral approach to trade. They stressed the importance of deepening the voice and governance reforms for the legitimacy and effectiveness of the two institutions, while reiterating that the stalled progress of the IMF 15th General Review of Quota was a major setback to the completion of the Board Representation Reforms under the 14th Review. They further called for a third Chair for Sub-Saharan Africa to enhance the voice and representation of the region without sacrificing the other EMDE Chairs;
- Observed that, global growth was subdued, and the projected growth pickup in 2020 was subject to high downside risks, stressing that continued escalation in trade tensions and their potential implications on financial markets could further cloud this outlook;
- Reiterated their call for a strong, quota-based and adequately resourced IMF at the center of the Global Financial Safety Net. In view of rising risks and the buildup of vulnerabilities in the global economy, they called for, at the least, maintaining the current lending capacity of the IMF; and
- Noted that improving governance, fighting corruption and promoting transparency were essential to boost productivity and growth.

The International Monetary and Financial Committee (IMFC):

- Affirmed its commitment to strong governance, including tackling corruption, implementing policies that foster innovation and fair market competition, addressing challenges from demographic shifts, ensuring that gains from technological change and economic integration were widely shared, and effectively assisting those bearing the cost of adjustment;
- Noted the report to the Board of Governors on progress on the 15th General Review of Quotas and requested the Executive Board to

continue its work on IMF resources and governance reform as a matter of highest priority, and to report on its outcome when it concludes its work, no later than during the Annual Meetings of 2019. It called for full implementation of the 2010 governance reforms;

- Promised to expedite work for a globally fair and modern international tax system and to address harmful tax competition, artificial profit shifting and other tax challenges, such as those related to digitalisation. The Committee, also, promised to tackle sources and channels of money laundering and terrorism financing, and other illicit finances, as well as addressing correspondent banking relationship withdrawal and its adverse consequences. On promoting debt transparency and sustainable financing practices by both debtors and creditors, the Committee promised to strengthen creditor coordination in debt restructuring;
- Endorsed a transformative capital package for the International Bank for Reconstruction and Development (IBRD) and International Finance Corporation (IFC) developed a year ago and noted that this package and the Forward Look Guide represent the World Bank Group (WBG) strategic direction to 2030. The Committee also welcomed the paper 'Update: The Forward Look and IBRD-IFC Capital Package Implementation' and the significant policy reforms delivered, including: IBRD loan pricing and Single Borrower Limit differentiation; the IFC additionality framework; the IBRD Financial Sustainability Framework; as well as, the revised methodology for staff compensation;
- Pledged to employ all appropriate policy tools, individually and collectively, to mitigate risks, enhance resilience, and shore up growth to benefit all; and
- Noted that free, fair, and mutually beneficial goods and services trade and investment were key engines for growth and job creation, and further noted that a strong international trading system with well-enforced rules, addressing current and future challenges would support global growth.

The Development Committee:

- Asked the WBG and the IMF to promote effective regulatory and operational measures for fostering tax transparency and combatting illegal tax avoidance, money laundering, illicit financial flows and other challenges to the integrity of the international financial system, including tackling corruption; and
- Called on the WBG to work with member-countries to strive to realise free, fair, non-discriminatory, transparent, predictable and stable trade and investment, while protecting the environment and ensuring that the gains from participation were equitably distributed.

8.1.2 The African Caucus Meeting of the IMF/World Bank

The African Caucus meeting, comprising African Governors of the IMF and the WBG, took place in Accra, Ghana, from July 31 - August 2, 2019. The theme of the Meeting was "Africa Beyond Aid: Enhancing Institutional Capacity and Innovative Finance for Sustainable Growth". In addition to the theme of the Meeting, the panels discussed human capacity and skills development to accelerate jobs and economic transformation, strengthening capacity and public financial management and promoting innovative finance for private sector-led growth.

The Meeting mapped out strategies, and policy and operational issues of common interest, which African central banks' governors would deliberate on actions to be communicated in a memorandum to the Heads of the Bretton Woods institutions (BWIs) at the annual meetings in October 2019.

The Meeting was chaired by Hon. Ken Ofori-Atta, Chairman of the African Caucus of the IMF and the WBG. The Central Bank of Nigeria (CBN) was represented by Dr O. J. Nnana (Deputy Governor, Economic Policy) and Miss L. R. Bala-Keffi (Deputy Director, Monetary Policy Department).

In his opening remarks, the Minister of State for Industry, Trade and Investment of the Federal Republic of Nigeria, Mrs. Aisha Abubakar, stated that the objective of the Meeting was to deliberate on the report of the assessment of intra-WAMZ trade performance, Member States' compliance with the ECOWAS trade-related protocols and conventions, trade statistics issues and other relevant policy analyse. This was followed by remarks from the Representative of the ECOWAS, Mr. Gideon Ghappy, who commended member states for their steadfastness towards the attainment of the ECOWAS trade integration. Other remarks were given by the Minister of Commerce and Industry of the Republic of Liberia, Prof. Wilson K. Tarpeh, and the Director-General of WAMI, Dr. (Mrs.) Ngozi E. Egbuna.

Highlights of the Meeting:

- Following the nomination of Nigeria by Ghana and the subsequent acceptance by other Member States, the election of Bureau was held with Nigeria emerging as the Chairman for the West African Monetary Zone. In view of this, the Minister of State for Industry, Trade and Investment of the Federal Republic of Nigeria, Mrs. Aisha Abubakar, emerged as the new Chairman.

8.2 REGIONAL INSTITUTIONS

8.2.1 Association of African Central Banks (AACB)

The 2019 Continental Seminar of the Association of African Central Banks (AACB) was held in Balaclava, Mauritius, from May 6 – 8, 2019, on the theme: '*Renewed Protectionist Tendencies: Some Implications for Macroeconomic Policy in Africa*'. Seventy (70) delegates from twenty-four (24) member central banks, and twelve (12) regional and international institutions were in attendance.

The discussions at the plenary session focused on the following sub-themes:

- Mitigating the Impact of Rising Protectionist tendencies: Role of Central Banks and the Continental Free Trade Area in Promoting Intra-African Trade;
- Trade War and Protectionist Tendencies: Implications on External Sector Performance in Africa; and
- Protectionist Trends around the World: Prospects for Monetary Integration in Africa.

At the end of the seminar, the following recommendations were made:

- African countries and regional or continental institutions should conduct in-depth studies on the impact of trade war on African economies, which would help to develop and propose strategies for adoption by African countries;
- African countries were encouraged to pay greater attention to expanding trade and investment links in Africa from major countries, learning from China's 'Belt and Road' initiative, which has had a significant impact on infrastructure in Africa;
- African countries should consider diversifying their economies to enhance their productive capacities and resilience;
- The implementation of the AfCFTA should be fast-tracked;
- AACB-focused programmes, such as the convergence criteria, which will facilitate intra-regional trade should be implemented;
- Overall macroeconomic conditions should be improved, with emphasis on addressing structural impediments;
- There should be increased investment in commodity exchanges to influence global market prices of commodities for which African economies have comparative advantage, to derive maximum benefits from those resources; and
- Macro-prudential regulation should be strengthened to detect vulnerabilities emanating from the corporate sector that could arise from their exposure to the external environment.

8.2.2 African Union (AU) Commission

The 2019 Meeting of Experts of the African Union (AU) 3rd Specialised Technical Committee on Finance, Monetary Affairs, Economic Planning and Integration was held at the Palais des Congress in Yaoundé, Cameroon, from March 4 to 6, 2019. The Meeting was held under the theme: "Public Policies for Productive Transformation" and "Capacity Building for the Formulation of Public Policies for Productive Transformation". Forty-four (44) member States, eighteen (18) regional economic communities and international institutions attended the 3rd Specialised Technical Committee of the African Union (AU). Nigeria was represented by the Federal Ministry of Finance (FMF), Federal Ministry of Budget and Planning (FMB&P) and the Central Bank of Nigeria (CBN).

The discussions and presentations at the Meeting held under the following Sub-themes:

- Evaluation of Regional Integration: African Multidimensional Regional Integration Index (AMRII) & Status of Regional Integration in Africa;
- Progress Report on the Establishment of the AU Financial Institutions and their Roles in Fostering Productive Transformation;
- Report of the Experts Group on the Refinement of the Convergence Criteria of the African Monetary Cooperation Programme (AMCP);
- Proposal of a Monitoring Framework and a Peer Review Mechanism for Macroeconomic Convergence;
- Progress Report on Statistical Development in Africa;
- Agenda 2063: First-Ten Year Implementation Plan Monitoring and Evaluation;
- Status and Progress Report on the Financing of the Union;
- Report of the Workshop on the Role of Capital Markets in Mobilising Domestic Resources in Africa;
- Update on the Establishment of the African Continental Free Trade Area (ACFTA);
- Inclusive Labour Market Governance for Productive Transformation;
- African Pair Review Mechanism (APRM) Support to Member States in the Field of Rating Agencies;
- Revenue Statistics; and
- Status of Africa Population Report: A Common African Position on Population.

8.3 SUB-REGIONAL INSTITUTIONS

8.3.1 Economic Community of West African States (ECOWAS)

The 2019 Annual ECOWAS Report reviewed the implementation of the activities of the Community, its Institutions and Agencies.

Highlights of the Report:

- Africa's real average GDP was expected to grow by 1.9 per cent in 2019 against the rate of 3.0 per cent recorded in 2018. This slowdown was partly to the uncertainty of global trade, with negative effects on investments, leading to a decline in the global demand for raw materials;
- ECOWAS member states were, generally, going through a positive phase of accelerated economic growth. The real GDP of the ECOWAS would reach 3.3 per cent in 2019, up from 3.0 per cent in 2018. The boost in activity was due to the expected consolidation of economic activity in nearly all the States of the region;
- With regard to the customs union and taxation, activities carried out over the period under review focused on the following: (i) strengthening the Free Trade Area with the ECOWAS Trade Liberalisation Scheme (ETLS) as the promotional tool, (ii) application of the Common External Tariff (CET), and (iii) harmonisation of the customs procedures;
- The ECOWAS Policy and Investment Code were adopted in December 2018. These documents establish the creation of a single investment market with the following main characteristics: (i) protection of capital, (ii) equal treatment of investors, (iii) free movement of capital and entrepreneurship; and (iv) certainty and predictability of regulations for the entry, establishment, use and handling of investments in the entire region;
- As part of the creation of a common investment market and the deepening of regional integration, this project aims at improving the regional investment climate and facilitating investment in the region by eliminating the various barriers to entry, establishment, use and handling

of investments as well as the settlement of disputes between investors and member states;

- To strengthen the role of the private sector in the economic and social development of ECOWAS member states, the Community decided to organise the regional private sector and facilitate the establishment of an ECOWAS Business Council (EBC) to act in advisory capacity to the Community's decision-making bodies in private sector development matters;
- The programme was aimed at (i) establishing an integrated financial market in the region; and (ii) facilitating free movement of funds in order to ease trade and investments among economic operators in the Member States. The ECOWAS Investment Common Market programme has been implemented across national markets through harmonised regulation, integrated market technologies and financial markets infrastructure;
- The Charter of the West African Securities Market Regulators' Association (WASRA) has been signed by all the Securities and Exchange Commissions in the region. Furthermore, the operational rules of West African Capital Markets have been considered by the West African Capital Markets Integration Council (WACMIC), in accordance with the recommendations by WASRA;
- To promote renewable energy and energy efficiency, ECOWAS established a dedicated centre, the ECOWAS Centre for Renewable Energy and Energy Efficiency (ECREEE), based in Praia in Cabo Verde. The main objective was to increase the share of renewable energy in the energy mix, by 10.0 per cent in 2020 and 19.0 per cent in 2030. However, by adding hydropower, the share should reach 35.0 per cent in 2020 and 48.0 per cent in 2030; and
- To ensure the successful implementation of regional integration projects, the following recommendations were made:
  - the Commission and Member States must continue their efforts to maintain peace and security in the Region by guaranteeing

peaceful elections and pooling efforts in the fight against terrorism and violent extremism;

- the Commission and Member States must take steps to accelerate economic reforms and stabilise the macroeconomic environment in the ECOWAS Member States with a view to facilitating the achievement of the region's Single Currency by 2020;
- the Commission and other Community Institutions should continue their engagement in humanitarian affairs and social intervention programmes in the region to mitigate the growing wave of illegal migration of West African nationals to Europe and the rest of the world; and
- the ECOWAS Commission should ensure that existing legal provisions on the Community Levy are rigorously applied and effectively monitored with a view to ensuring a sustainable financing mechanism for the implementation of Community programmes.

8.3.2 West African Institute for Financial and Economic Management (WAIFEM)

The 39th Meeting of the Technical Committee of the West African Institute for Financial and Economic Management (WAIFEM) was held at the Kempinski Hotel, Accra, Ghana on February 3, 2019. The purpose of the meeting was to review WAIFEM's work-programme for 2019 and other administrative issues at the Institute for the year. The meeting had in attendance representatives of member states central banks, ministries of finance, and the West African Monetary Institute (WAMI).

The Institute's progress report was presented under seven (7) main headings, namely: (i) Training and capacity building activities; ii) Business development and consultancy unit (BD&CU); iii) E-Learning programmes; (iv) Research Department; (v) Administrative developments; and (vi) International relations.

8.3.3 West African Monetary Zone (WAMZ)

The 44th Meeting of the Technical Committee of the West African Monetary Zone (WAMZ) was held at Kempinski Hotel, Accra, Ghana on February 4-5, 2019. The objective of the meeting was to deliberate on the status of implementation of the WAMZ work programme and activities under the

ECOWAS Single Currency Programme. All the WAMZ member states, ECOWAS Commission and WAMI were represented at the meeting.

Highlights of the Meeting:

The Meeting considered and noted the report on macroeconomic developments and convergence in the WAMZ as at the end of June 2018 and urged Member States to:

- Deepen structural reforms and diversify their economic bases given the strong linkages between structural reforms and macroeconomic development;
- Address the multiple legal and regulatory constraints as well as infrastructure and logistic challenges to boost manufacturing subsectors, and accelerate industrialisation;
- Monitor infrastructure investment in the region, financed by external borrowing, to ensure that revenue streams (generated in local currencies) were adequate to meet debt obligations when they fall due;
- Put in place better revenue regimes, including progressive elimination of the vast array of exemptions and leakages that drain tax systems, to capture the gains from growth and rapid structural change that some countries were experiencing;
- Intensify efforts to ensure the provision of reliable trade statistics, improve coordination among agencies responsible for the implementation of trade and trade-related issues as well as the provision of adequate funding to enable the responsible institutions in member states meet their targets and/or deliverables;
- Deepen and broaden sensitisation on the ECOWAS Trade Liberalisation Scheme (ETLS) to enable more companies participate in the scheme. Member states were also encouraged to harmonise trade policies with the protocols of the ETLS and the CET as well as to encourage proper identification and automation of the ETLS products and the CET tariff lines;
- Direct WAMI to prepare a form of ombudsman framework that would investigate and address the repeated non-compliance of member

states to the recommendations of the Council on challenges observed during multilateral surveillance visits;

- Direct WAMI to prepare a concept note on the institutionalisation of the College of Insurance and Non-Bank Financial Institutions Supervisors for consideration at the next meeting; explore the possibility of facilitating national currency swaps among member states through their respective central banks, similar to what obtains between some Member States and China, with a view to improving trade financing in the Zone;
- Further promote quoting and trading in the WAMZ national currencies; and
- Note the Report of the College of Supervisors of the WAMZ.

8.3.4 West African Monetary Agency (WAMA)

The 2018 End-of-Year Statutory meetings of the West African Monetary Agency (WAMA) took place in Dakar, Senegal from February 18-21, 2019. The Meetings had in attendance representatives of central banks of member states of the ECOWAS, Ministries of Finance of the respective countries, and other regional institutions.

Highlights of the Meeting:

The Technical Committee reviewed the following documents and presented to the Committee of Governors:

- Director General's Progress Report;
- Report on the ECOWAS Monetary Cooperation Programme for 2018;
- Report on Exchange Rate Developments of ECOWAS Currencies as at End-December 2018;
- Study on the effectiveness of the interest rate channel of monetary policy transmission mechanism in the ECOWAS; and
- Proposed WAMA Budget and Work Programme 2019.

8.3.5 ECOWAS Single Currency Working Group

The 2nd Meeting of the ECOWAS Single Currency Working Group was held at the headquarters of the ECOWAS Commission, Abuja, Nigeria, on June 10, 2019. The purpose of the Meeting was to review the study reports and proposals of two Consultants on the "Choice of Monetary Policy Framework and Exchange Rate Regime", and "Model of the Common Central Bank", which were essential for the establishment of the proposed monetary union in ECOWAS.

The Meeting had in attendance, representatives of the ECOWAS Commission, Central Bank of Nigeria (CBN), Central Bank of West African States (Banque Centrale des États de l'Afrique de l'Ouest , BCEAO), Bank of Ghana (BoG), Central Bank of the Republic of Guinea, West African Monetary Agency (WAMA), and West African Monetary Institute (WAMI). The United Nations Economic Commission for Africa (UNECA) attended the meeting as an observer.

8.3.6 Extra-Ordinary Meeting of the Technical Committee of the West African Institute for Financial and Economic Management (WAIFEM)

The technical committee of the West African Institute for Financial and Economic Management (WAIFEM), held an Extra-Ordinary Meeting, centered on the Restructuring of WAIFEM, at the Noom Hotel, Conakry, Guinea from August 14-15 2019, under the Chairmanship of Dr. Moses K. Tule, Director, Monetary Policy Department, Central Bank of Nigeria. In attendance were Central Bank of The Gambia, Bank of Ghana, Central Bank of Liberia, Central Bank of Nigeria and Bank of Sierra Leone.

8.3.7 The 2019 Mid-Year Statutory Meetings of the West African Monetary Zone (WAMZ), West African Monetary Agency (WAMA) and the West African Institute for Financial and Economic Management (WAIFEM)

The 2019 Mid-Year Statutory Meetings of the West African Monetary Zone (WAMZ), West African Monetary Agency (WAMA) and the West African Institute for Financial and Economic Management (WAIFEM) was held in Conakry, Republic of Guinea from August 16 – 23, 2019. The meetings took place as follows:

- Extra-Ordinary Meeting of the Technical Committee of WAIFEM,----- Aug 14-15, 2019
- 35th Meeting of the Technical Committee of WAMA,--------------------- Aug 18-19, 2019
- 40th Meeting of the Technical Committee of WAIFEM,------------------ Aug 19, 2019
- 45th Meeting of the Technical Committee of WAMZ,--------------------- Aug 20-21, 2019
- 37th Meeting of WAIFEM Board of Governors,------------------------------ Aug 22, 2019
- 39th Meeting of the Committee of Governors of WAMZ,--------------- Aug 22, 2019
- 54th Meeting of the Committee of Governors of WAMA,--------------- Aug 22, 2019
- 42nd Meeting of the Convergence Council,--------------------------------- Aug 23, 2019

The Meetings had in attendance representatives from member central banks, ministries of finance, African Development Bank (AfDB), West African Bankers Association (WABA). The Meetings were hosted by the Central Bank of the Republic of Guinea (BCRG).

8.3.8 Technical Committee and Ministerial Meetings on the ECOWAS Single Currency Programme

The Meeting of the Ministers of Finance and Central Bank Governors Presidential Task Force on the ECOWAS Single Currency took place in Abuja, Nigeria from December 6-7, 2019. This was preceded by the Technical Committee Meeting held on December 2 - 4, 2019.

The meetings were attended by ministers, central bank governors and technical experts from the respective ministries of finance and central banks of the ECOWAS member states, as well as representatives of regional institutions involved in the implementation of the ECOWAS Single Currency Programme, including the ECOWAS Commission, the UEMOA Commission, the West African Monetary Agency (WAMA), the West African Monetary Institution (WAMI) and the West African Institute for Financial and Economic Management. The Central Bank of Nigeria (CBN) was represented by the Governor, Mr. Godwin I. Emefiele, the Director, Monetary Policy Department (MPD), Dr. Moses K. Tule, Mrs. Omolara O. Duke (Deputy Director, MPD), Mr. Isa Audu (Deputy Director, MPD) as well as other staff of the Bank.

At the meetings, the following issues were discussed:

- The ECOWAS Convergence Report for the First Half of 2019;
- The Report of the Meeting of the Working Group on the Symbol for the ECOWAS Single Currency and a name for the ECOWAS Central Bank;
- The status of implementation of the revised roadmap activities assigned to the ECOWAS Commission, WAMA and WAMI;
- The Report on the creation of the ECOWAS Monetary Union in 2020: Assessment of Progress and Gaps;
- The Terms of Reference for hosting of the ECOWAS Central Bank; and
- The Report of the Meeting of Experts to Validate the Draft Charter of the West African Securities Regulators Association (WASRA) and the Operational Rules of the West African Capital Markets Integration Council (WACMIC)

Appendix A

GLOSSARY OF SELECTED TERMS

Approval in Principle: This refers to the granting of an initial permit/permission to any financial institution, pending the time it would meet the necessary requirements for operations to qualify it for a formal licence.

Balance of Payments (BOP): These are records of economic transactions between the residents of a country and the rest of the world during a given period of time. The major components of a BOP are the ***current account, the capital and financial account, and the official settlement balance***. The current account comprises transactions arising from the sale or purchase of goods and services and unrequited transfers, while the capital and financial account is the record of assets and financial transactions. The official settlement account is used to equalise any imbalance that may exist in the current and capital accounts, so that all the BOP accounts sum to zero.

Balance of Payments Position: see ***Foreign Exchange and Balance of Payments Position***

Bank Credit is a major determinant of the money supply and is the amount of loans and advances given by the CBN, as well as deposit money banks to economic agents. This is the banking system credit to the economy which can be broken down into bank credit to government (net) and the private sector.

Capital Expenditure: Payment for non-financial assets used in the production process for more than one year. Loan amortisation (capital repayment) is included.

Cost of Capital is the cost incurred in securing funds or capital for productive purposes. The cost includes interest rate, legal, administrative and information search charges. This means that the cost of capital is likely to be greater than or equal to interest rates on loans.

Cost of Funds: This refers to net expenses incurred in raising funds, including a reasonable profit margin. The expenses include the interest on deposits, reserve requirements and other administrative expenses, as a proportion of total funds borrowed.

APPENDIX

A

GLOSSARY OF SELECTED TERMS

Credit Risk: Credit risk arises from the potential that an obligor is either unwilling to perform an obligation, or its ability to perform such an obligation is impaired, resulting in a loss to the Bank. In addition to direct accounting loss, credit risk should be viewed in the context of other economic exposures, including opportunity costs, transaction costs, and expenses associated with non-performing assets over and above the accounting loss.

Debentures are fixed interest-bearing securities. They are usually of two types, debenture with a floating charge and debenture with a fixed charge. Debenture holders are creditors to the company rather than owners.

Debt Stock/GDP: This measures the level of domestic indebtedness relative to the country's economic activity.

Discount House is a financial institution devoted to trading in government instruments (treasury bills, bonds, certificates, and other eligible instruments).

Distressed Banks: These are banks with problems relating to illiquidity, poor earnings, and non-performing assets. The extreme case of distress is referred to as insolvency, which implies that a bank's liabilities are more than its assets.

Dutch Auction System (DAS): This is a method of exchange rate determination, through auction, where the bidders pay according to their bid rates. The ruling rate is arrived at with the last bid rate that clears the market where the authorities elect to operate a single exchange rate.

Equity Price Risk: Equity price risk is the risk to earnings or capital resulting from adverse changes in the value of the equity-related portfolios of a financial institution. The price risk could relate to changes in the overall level of equity prices or price volatility that is determined by firm specific characteristics.

Exchange Rate: This is the price of one currency in terms of another.

External Assets: These are the reserves held by the monetary authorities, as well as the banking and non-bank public, in foreign countries. Thus, external assets comprise the external reserves and the private sector holdings of foreign exchange.

External Reserves: These are portions of foreign exchange receipts saved by the monetary authorities for the purpose of enhancing the creditworthiness of the economy, protecting the international value of the domestic currency, and financing temporary shocks in the balance of payments. Reserves are held in the form of monetary gold, the reserve position at the International Monetary Fund (IMF), Special Drawing Rights (SDRs), and foreign bank balances.

Federation Account: This is an account opened by the Federal Republic of Nigeria into which all revenues of the Federation are paid for eventual distribution to all tiers of government in Nigeria.

Fiscal Deficit refers to the excess of expenditure over revenue of government. It is usually assessed by its size in relation to the nominal Gross Domestic Product (GDP). The fiscal deficits may be financed in various ways – external borrowing and internal borrowing (banking system and non-bank public). It is inflationary when financed by the banking system, especially the central banks.

Fiscal Operations: This refers to government financial transactions involving the collection, spending and borrowing of government for a given period.

Fixed Deposit Rate: When deposits are for a fixed period of time, say, 90 or 180 days, the interest rates paid are called fixed deposit rates. They normally attract higher interest rates; early withdrawals may attract penalties in terms of forfeiture of interest income.

Foreign Exchange: This is a means of international payments. It includes the currencies of other countries that are freely acceptable in effecting international transactions.

Foreign Exchange and Balance of Payments Position: The foreign exchange position is the difference between foreign exchange receipts and foreign exchange disbursements. If receipts are higher than disbursements, there is a net inflow or an accretion to reserves. On the other hand, if receipts are lower, there is a net outflow and the reserves would be depleted. The balance of payments position is the difference between the receipts by the residents of one economy from the rest of the world and the payments by these residents to the rest of the world. An excess of receipts over payments shows a balance of payments surplus, while the reverse represents a deficit. When foreign exchange receipts and payments are adjusted for valuation changes in reserves, the net position would be identical to the balance of payments position.

Foreign Exchange Risk: Foreign exchange risk is the current or prospective risk to earnings and capital arising from adverse movements in currency exchange rates. Foreign exchange risk may also arise as a result of exposures of banks to interest rate risk arising from the maturity mismatch of foreign currency positions.

Government Expenditure: Payment or flow of financial resources out of government.

High-powered Money: *see* ***Monetary Base***

Interbank Interest Rate: This is the rate that applies to transactions among banks, mostly for overnight and other short-term funds.

Interest Rate is the price of money. It is the opportunity cost of holding money and the return for parting with liquidity.

Interest Rate Risk: Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustments within a specified period. Interest rate risk is usually assessed from two perspectives: the earnings perspective which focuses on the impact of variation in interest rate on accruals or reported earnings, and the economic value perspective which reflects the impact of fluctuations in interest rates on the economic value of a financial institution.

Interest rate risk also includes risks associated with the term structure of interest rates and basis risk. Basis risk is also known as spread risk and it arises when a bank prices its assets and liabilities using different interest rate basis. On the other hand, risks associated with the term structure of interest rates are also known as the yield curve risk. The impact of shifts in the yield curve on earnings is evaluated using stress tests.

Internal Balance: This refers to a state of convergence between domestic output and absorption or expenditure. When output is identical with expenditure, internal balance is considered to have been achieved and the rate of inflation is expected to be stable. The achievement of the savings-investment identity is also viewed as internal balance. Monetary and fiscal policies and external debt management measures are usually applied to achieve internal balance.

Key Risk Indicator: A key risk indicator is a risk item that has been assessed to be important, given all relevant factors. This indicator is used to monitor exposure to risks and could be quantitative or qualitative in nature. It should be forward-looking in order to serve as an effective risk mitigant.

Liquidity Ratio: This ratio is defined as the ratio of total specified liquid assets to total current liabilities and reflects the liquidity position of a bank.

Liquidity Risk: Liquidity risk is the potential loss to a bank, arising from either its inability to meet its obligations as they fall due or to fund increases in assets without incurring unacceptable costs or losses. Liquidity risk should not be seen in isolation, because financial risks are not mutually exclusive and liquidity risk is often triggered by consequences of other bank risks, such as credit, market and operational risks.

Market Capitalisation is the market value of a company's issued share capital. It is the product of the current quoted price of shares and the number of shares outstanding. The term is also used as a performance indicator of the capital market.

Maximum Lending Rate: This refers to the rate charged by banks for lending to customers with a low credit rating.

Minimum Rediscount Rate: This refers to the amount that is charged by the CBN for lending to banks in the performance of its function of lender-of-last resort and also as a signal of the desired direction of monetary policy.

Monetary Base (or High-powered Money or Reserve Money) comprises certain liabilities of the CBN and includes currency-in-circulation and total bank reserves. The main sources of monetary base are the net foreign assets of the CBN, net claims on government, claims on deposit money banks, and other assets (net) of the CBN.

Money Supply (or Money Stock) refers to the total value of money in the economy and this consists of currency outside banks with the non-bank public (notes and coins) and deposits with the deposit money banks (DMBs). For purposes of policy, there are two variants of money supply in Nigeria – M_1 and M_2. M_1 is the narrow measure of money supply which includes currency outside banks with the non-bank public and demand deposits (current accounts) at the deposit money banks. M_2 is the broad measure of money supply and includes M_1 and savings and time deposits and foreign currency deposits at the DMBs. Savings and time deposits and foreign currency deposits are also called quasi-money. M_2 measures total liquidity in the economy. Excess liquidity is the amount of liquidity over and above the optimum level of liquidity, determined by the levels of output and prices.

Net Foreign Assets (NFA) constitute the foreign exchange holdings of the CBN and the deposit money banks, after netting out the claims of foreigners. Changes in NFA should reflect developments in the balance of payments. A deficit in the balance of payments would lead to a decrease in foreign asset holdings and, ultimately, the money stock. A surplus in the balance of payments produces the opposite effect.

New Issues are securities raised in the primary market for the first time.

Nominal Exchange Rate: The nominal exchange rate is the price of one currency relative to another.

Nominal Interest Rate: This is the actual rental value paid for the use of money or credit. It includes the effects of inflation and uncertainty.

Offer for Sale is an offer by shareholders to sell existing shares to the public. The sale is effected usually through stockbrokers and does not affect the capital base of a company.

Offer for Subscription is an invitation by a company to the public to subscribe to new issues. This increases the capital base of the company.

Open Market Operations involve the discretionary power of the CBN to purchase or sell securities in the financial markets in order to influence the volume of liquidity and levels of interest rates which, ultimately, would affect money supply. When the CBN sells financial instruments, the liquidity (excess reserves) of the banking system reduces. This restricts the capacity of banks to extend credit or induce monetary expansion. On the other hand, when the CBN purchases such instruments, it injects money into the system and banks' ability to expand credit is enhanced.

Operational Risk: Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk is present in virtually all banking transactions and activities.

Other Assets (net) means the other assets of the CBN and deposit money banks less (their) other liabilities.

Preference Shares are shares of companies on which dividends must be paid before any other shares.

Prime Lending Rate: This is the interest rate applied to loans made to customers with the highest rating. For each bank, this rate also represents the minimum lending rate.

Prudential Guidelines: These are guidelines and practices which all licensed banks are required to adhere to in reviewing and reporting their performance, particularly in the areas of credit portfolio classification and disclosure; the provision for non-performing facilities and interest accrual; the classification of other assets; and off-balance sheet engagements.

Real Exchange Rate: This is the nominal exchange rate deflated by change in relative prices. *See also* ***Nominal Exchange Rate***

Real Interest Rate: This is the nominal interest rate adjusted for expected inflation. In order to encourage savings, real interest rate is expected to be positive.

Recurrent Expenditure: Expenditure on goods and services (other than capital assets) used in the process of production within one year. Interest on loans is included.

Required Reserves are a fraction of commercial and merchant banks' money held for the purpose of backing up their deposit operations and partly to control the level of liquidity in the economy. They are made up of cash reserves and liquid assets and specified in the form of ratios. The cash reserves ratio is the percentage of deposit money banks' cash deposits with the CBN in relation to their total demand, savings and time deposits liabilities. The liquidity ratio is the percentage of banks' liquid assets to their total deposit liabilities.

Reserve Money: *see* ***Monetary Base***

Reserve Requirement refers to the proportion of total deposit liabilities which the deposit money banks are expected to keep as cash in vaults and deposits with the CBN. The CBN can control the money stock by varying the requirement as desirable. Usually, banks keep reserves over and above the legal requirement for safety. The cash ratio requires the deposit banks to keep a certain proportion of their total deposit liabilities as cash balances with the CBN, while the liquidity ratio stipulates the proportion of total deposits to be kept in specified liquid assets, mainly to safeguard the ability of banks to meet depositors' cash withdrawals and ensure confidence in the banking system. The CBN also has powers to call for special deposits from banks for the purpose of controlling liquidity.

Rights Issues are shares offered to companies' existing shareholders in proportion to the number of shares held and usually at below the market price to make the offer attractive.

Savings Deposit Rate: The savings deposit rate is the amount paid by banks for funds withdrawable after giving seven days' notice. This restriction is, however, seldomly applied.

Total Reserves: This is the sum of required reserves and excess reserves.

Vault Cash: Deposit money banks keep "petty cash" in their vaults for emergency transactions before they can access their accounts with the CBN. The amount so kept is called vault cash.

Ways and Means Advances constitute a portion of credit by the CBN to government. These are temporary loans to government to bridge shortfalls in revenue. Statutorily, the CBN must not give more than 5.0 per cent of government's current revenue.

Yield Curve: Shows the relationship between the rate of interest and the time to maturity of different financial assets.

Appendix B
Policy Circulars and Guidelines Issued in 2018

1. BANKING SUPERVISION DEPARTMENT

S/N	Name of Circular	Reference No.	Date Issued
1.	Re: Internal capital generation and dividend payout ratio	BSD/DIR/GEN/LAB/11/002	31/1/2018
2.	Presidential committee on audit of recovered assets by Federal Government Agencies	BSD/DIR/GEN/LAB/11/003	14/2/2018
3.	Re: Collection and remittance of statutory charges on receipts to Nigeria postal service under the Stamp Duties Act	BSD/DIR/GEN/LAB/11/004	26/2/2018
4.	Compliance with the Cybercrime (Prohibition, Prevention, etc.) Act 2015: Collection and remittance of levy for the national cybersecurity fund	BSD/DIR/GEN/LAB/11/006	1/3/2018
5.	Request for schedule of all ministries, departments and agencies (MDAs) accounts and their balances	BSD/DIR/GEN/LAB/11/008	11/5/2018
6.	Request for 2017 Mortgage Loan data from commercial banks	BSD/DIR/GEN/LAB/11/009	30/3/2018
7.	Account balances of the national health insurance scheme (NHIS)	BSD/DIR/GEN/LAB/11/010	5/6/2018
8.	Re: Registration of form 'M' for goods not valid for foreign exchange by banks without the CBN's Approval	BSD/DIR/GEN/LAB/11/012	12/6/2018
9.	Account balances of the National Health Insurance Scheme (NHIS)	BSD/DIR/GEN/LAB/11/013	13/6/2018
10.	Compliance with the cybercrime (Prohibition, prevention etc), Act 2015: Collection and remittance of levy for the national cybersecurity fund	BSD/DIR/GEN/LAB/11/014	14/6/2018
11.	Submission of accounts maintained on behalf of electricity distribution companies (DISCOs)	BSD/DIR/GEN/LAB/11/015	22/6/2018

12.	Exposure draft of the risk-based cyber-security framework and guidelines for Deposit Money Banks and payment service providers	BSD/DIR/GEN/LAB/09/016	25/6/2018
13.	5th National Credit Reporting Conference with the theme: "Expanding the Frontiers of Access to Credit in Nigeria"	BSD/DIR/GEN/LAB/11/017	30/7/2018
14.	Exposure drafts of proposed guidance notes on implementation of Islamic Financial Services Board's Standards 4, 15 and 16 for non-interest banks in Nigeria	BSD/DIR/GEN/LAB/11/019	24/9/2018
15.	Revocation of operating licenses of some other financial institutions	BSD/DIR/GEN/LAB/11/020	3/10/2018
16.	Letter to all Banks the 2018 sustainable banking awards	BSD/DIR/GEN/LAB/11/022	3/10/2018
17.	Compliance with the cybercrime (Prohibition, prevention etc), Act 2015: Collection and remittance of levy for the national cybersecurity fund	BSD/DIR/GEN/LAB/11/023	5/10/2018
18.	Issuance of risk-based cybersecurity framework and guidelines for DMBs and payment service providers	BSD/DIR/GEN/LAB/11/025	10/10/2018
19.	Request for information on – All South Medical Supply Inc. Account	BSD/DIR/GEN/LAB/11/024	10/10/2018
20.	Request for information	BSD/DIR/GEN/LAB/11/026	15/10/2018
21.	Transitional arrangements treatment of IFRS 9 expected credit loss for regulatory purposes by banks in Nigeria	BSD/DIR/GEN/LAB/11/027	18/10/2018
22.	Omission in the Credit Reporting Act, 2017	BSD/DIR/GEN/LAB/11/029	2/11/2018

2. TRADE AND EXCHANGE DEPARTMENT

S/N	NAME OF THE CIRCULAR/GUIDELINES	REFERENCE	DATE ISSUED
1.	Charges on the Sale of Foreign Exchange for Invisible Transactions (BTA, PTA, School Fees and Medical)	TED/FEM/FPC/GEN/01/001	9/2/2018
2	Temporary Engagement of Pre-Shipment Inspection Agents (PIAs) for Non-oil Exports	TED/FEM/FPC/GEN/01/002	28/02/2018
3	Development in the Foreign Exchange Market Re: Review of Weekly Foreign Exchange Cash Sales to BDC Operators	TED/FEM/FPC/GEN/01/003	28/05/2018
4	Introduction of the Revised Foreign Exchange Manual	TED/FEM/FPC/GEN/01/004	26/07/2018
5	Review of Weekly Foreign Exchange Cash Sales to Bureau De Change Operators	TED/FEM/FPC/GEN/01/005	29/11/2018
6	Re: Inclusion of Some Imported Goods and Services on the List of Items 'Not Valid for Foreign Exchange' in the Nigerian Foreign Exchange Market	TED/FEM/FPC/GEN/01/006	10/12/2018

3. FINANCIAL MARKETS DEPARTMENT

S/N	NAME OF THE CIRCULAR/GUIDELINES	REFERENCE	DATE ISSUED
1.	Regulations for Transactions with Authorised Dealers in Renminbi		7/6/2018
2	Pledge of ₦1 Billion Worth Government/CBN Securities for OTC Trade Settlement	FMD/DIR/CUR/GEN/09/003	31/5/2018

4. CONSUMER PROTECTION DEPARTMENT

S/N	NAME OF THE CIRCULAR/GUIDELINES	REFERENCE	DATE ISSUED
1.	Deployment of the Consumer Complaints Management (CCMS)	CPD/DIR/GEN/CIR/01/001	21/12/2018

5. OTHER FINANCIAL INSTITUTIONS SUPERVISION DEPARTMENT

S/N	NAME OF THE CIRCULAR/GUIDELINES	REFERENCE	DATE ISSUED
1.	Letter to all Bureaux De Change (BDCs) on Submission of Audited Financial Statements	OFI/DIR/CIR/GEN/19/241	20/12/2018
2.	Bank Verification Number (BVN) Enrollment for OFIs Customers	OFI/DIR/CIR/GEN/018/217	2/1/2018

6. BANKING SERVICES DEPARTMENT

S/N	Name of Circular	Reference No.	Date Issued
1.	Revised Nigerian Cheque Standard (NCS) and Nigerian Cheque Printers Accreditation Scheme (NICPAS): Sort Code and MICR Reject Flag	BKS/DSO/GEN/MPF/01/003	7/11/2018
2.	Notification for Change of Name from "Banking & Payments System Department" (BPSD) to Banking Services Department (BKSD)	BKS/DSO/GEN/CIR/05/014	23/11/2018
3.	Revised Nigerian Cheque Standard (NCS) and Nigerian Cheque Printers Accreditation Scheme (NICPAS)		18/9/2018
4.	Regulation on Instant (Inter-bank) Electronic Funds Transfer Services in Nigeria	BPS/DIR/GEN/CIR/05/011	13/9/2018
5.	Nigeria Bankers' Clearing System Rules, 2018 (Revised)	BPS/DIR/GEN/CIR/05/010	31/7/2018
6.	Shared Agency Network Expansion Fund Initiative: Regulatory Data Rendition Requirements	BPS/DIR/GEN/CIR/05/009	5/7/2018
7.	Amendment to the Regulatory Framework for Bank Verification Number Operations and Watch-list for the Nigerian Banking Industry	BPS/DIR/GEN/CIR/05/007	4/7/2018
8.	Compliance with the Cybercrime (Prohibition, Prevention, etc.) Act 2015: Collection and Remittance of Levy for the National Cybersecurity Fund	BPS/DIR/GEN/CIR/05/008	25/6/2018

9.	Extension of the Regulatory Framework for the Use of Unstructured Supplementary Service Data (USSD) in the Nigerian Financial System	BPS/DIR/GEN/CIR/05/005	1/6/2018
10.	Exposure Draft of the "Nigerian Payments System Risk and Information Security Management Framework"	BPS/PSV/SIG/CIR/01/001	7/5/2018
11.	The Regulatory Framework for the Use of Unstructured Supplementary Service Data (USSD) in the Nigerian Financial System	BPS/DIR/GEN/CIR/05/002	17/4/2018
12.	Re: Sanctions on Erring Banks/e-Payment Service Providers for Infractions of Payments System Rules and Regulations	BPS/DIR/GEN/CIR/05/001	4/1/2018

7. MONETARY POLICY DEPARTMENT

S/N	Name of Communiqué
1.	Central Bank of Nigeria, Communiqué No. 117 of the Monetary Policy Committee (MPC) Meeting of Tuesday 3 and Wednesday 4, April, 2018
2.	Central Bank of Nigeria, Communiqué No. 118 of the Monetary Policy Committee Meeting of Monday 21 and Tuesday 22, May, 2018
3.	Central Bank of Nigeria, Communiqué No. 119 of the Monetary Policy Committee Meeting of Monday 23 and Tuesday 24, July, 2018
4.	
5.	
6.	

Appendix C: Tables in the Appendices

Table 1
Selected Interest Rates
(Per cent)

	2015				2016				2017				2018				2019 /1			
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
Government Securities																				
Treasury Bill Issue Rate	10.77	9.95	10.36	4.57	5.53	8.32	14.00	13.96	13.60	13.50	13.20	13.01	11.84	10.11	11.00	10.91	10.58	9.93	11.10	4.47
Monetary Policy Rate	13.00	13.00	13.00	11.00	12.00	12.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	13.50	13.50	13.50	13.50
Deposit Rates (Weighted Average)																				
Savings	3.76	3.60	3.72	3.33	3.26	3.61	4.05	4.18	4.23	4.08	4.08	4.08	4.07	4.07	4.07	4.07	3.97	3.93	3.93	3.89
Term Deposits Maturing in:																				
7 days	4.51	4.11	4.24	3.36	2.53	2.58	3.46	4.14	4.51	4.27	4.36	4.58	3.68	3.79	3.61	3.88	3.83	3.34	3.20	2.96
1 month	8.42	9.02	9.08	7.11	7.01	6.62	7.50	8.53	8.58	8.65	9.11	9.09	8.82	8.88	8.79	8.99	9.15	8.81	8.22	5.57
3 months	9.02	10.27	10.61	6.91	6.90	6.92	7.68	8.80	9.11	9.01	10.26	9.61	9.72	9.38	9.44	9.50	9.48	9.10	8.96	6.55
6 months	9.88	10.81	10.89	5.78	5.97	6.59	7.47	10.23	10.56	10.68	11.46	11.14	10.93	10.15	9.76	10.49	10.09	10.84	10.31	7.48
12 months	9.52	10.83	11.21	4.88	5.29	5.17	5.75	10.76	10.57	11.15	11.70	10.93	10.21	10.05	10.08	10.33	10.23	10.57	9.97	9.03
Over 12 months	8.70	9.79	9.87	4.55	4.61	5.32	5.05	7.90	7.87	8.58	7.24	7.41	8.49	8.96	8.92	8.94	9.59	9.81	9.48	10.76
Lending Rates (Weighted Average)																				
Prime	16.90	17.24	17.02	16.96	16.82	16.78	17.09	17.09	17.43	17.59	17.88	17.71	17.35	16.78	16.59	16.17	14.92	15.80	15.15	14.99
Maximum	26.61	26.84	26.99	26.84	26.93	26.93	27.49	28.55	30.18	30.94	31.39	30.99	31.55	31.17	30.77	30.52	30.83	31.04	31.43	30.72
Average Term Deposit	8.34	9.14	9.32	5.43	5.38	5.53	6.15	8.39	8.54	8.72	9.02	8.79	8.64	8.54	8.43	8.69	8.73	8.74	8.36	7.06
Spread (Maximum Lending-Average Term Deposit)	18.27	17.71	17.68	21.41	21.55	21.40	21.34	20.15	21.65	22.22	22.37	22.20	22.90	22.64	22.33	21.83	22.10	22.30	23.07	23.66
Inter-bank call Rate (weighted average)	12.59	10.85	8.12	0.77	4.32	35.26	14.50	10.39	12.56	13.46	20.44	9.49	15.16	5.00	8.68	22.68	10.80	8.38	11.42	3.82

/1 Provisional
Source: Central Bank of Nigeria

Table 2
Loans Guaranteed under ACGSF by Size and Purpose
(January – December, 2019)

Purpose	5,000 & Below		5,001 - 20,000		20,001 - 50,000		50,001 - 100,000		Above 100,000		Total		Percentage of Total	
	No	Amount (N' Thousand)	No	Amount (N' Thousand)	No	Amount (N' Thousand)	No	Amount (N' Thousand)	No	Amount (N' Thousand)	No	Amount (N' Thousand)	No	Amount (N' Thousand)
LIVESTOCK														
Poultry	-	-	-	-	34	1,690.00	352	34,230.00	1,557	487,813.96	1,943	523,733.96	6.72	12.87
Cattle	1	5.00	4	67.00	5	217.00	11	1,005.00	32	11,390.00	53	12,684.00	0.18	0.31
Sheep/Goat	10	50.00	63	1,070.00	1	50.00	9	770.00	15	4,130.00	98	6,070.00	0.34	0.15
Others	-	-	-	-	8	400.00	74	7,105.00	600	175,470.00	682	182,975.00	2.36	4.50
Sub-Total	**11**	**55.00**	**67**	**1,137.00**	**48**	**2,357.00**	**446**	**43,110.00**	**2,204**	**678,803.96**	**2,776**	**725,462.96**	**9.60**	**17.82**
FISHERIES	**-**	**-**	**-**	**-**	**40**	**1,890.00**	**132**	**11,770.00**	**875**	**300,045.00**	**1,047**	**313,705.00**	**3.62**	**7.71**
MIXED FARMING	**-**	**-**	**554**	**45,575.00**	**1,801**	**77,952.00**	**1,594**	**137,010.50**	**1,144**	**206,178.00**	**5,093**	**466,715.50**	**17.62**	**11.47**
FOOD CROPS														
Vegetables	-	-	1	20.00	89	4,390.00	163	15,265.00	277	65,375.00	530	85,050.00	1.83	2.09
Beans	-	-	-	-	21	950.00	31	2,630.00	18	4,740.00	70	8,320.00	0.24	0.20
Soya Beans	-	-	-	-	1	60.00	5	440.00	10	1,730.00	16	2,230.00	0.06	0.05
Grains	1	5.00	303	5,695.00	2,531	102,406.50	2,373	182,771.54	1,020	205,503.97	6,228	496,382.01	21.55	12.20
Tuber/Roots	-	-	560	10,167.00	2,351	84,372.00	2,401	227,305.00	4,508	1,033,563.00	9,820	1,355,407.00	33.98	33.30
Sub-Total	**1**	**5.00**	**864**	**15,882.00**	**4,993**	**192,178.50**	**4,973**	**428,411.54**	**5,833**	**1,310,911.97**	**16,664**	**1,947,389.01**	**57.65**	**47.85**
CASH CROPS														
Oil Palm	-	-	-	-	29	1,410.00	224	21,420.00	528	136,770.00	781	159,600.00	2.70	3.92
Rubber	-	-	-	-	-	-	7	600.00	20	5,080.00	27	5,680.00	0.09	0.14
Ginger	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cotton	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Groundnuts	-	-	-	-	14	690.00	39	3,170.00	13	2,860.00	66	6,720.00	0.23	0.17
Cocoa	-	-	-	-	88	4,920.00	622	60,350.00	1,077	252,020.00	1,787	317,290.00	6.18	7.80
Sub-Total	**-**	**-**	**-**	**-**	**131**	**7,020.00**	**892**	**85,540.00**	**1,638**	**396,730.00**	**2,661**	**489,290.00**	**9.21**	**12.02**
OTHERS	**-**	**-**	**-**	**-**	**34**	**1,680.00**	**243**	**22,600.00**	**385**	**103,190.00**	**662**	**127,470.00**	**2.29**	**3.13**
Total	**12**	**60.00**	**1,485**	**62,594.00**	**7,047**	**283,077.50**	**8,280**	**728,442.04**	**12,079**	**2,995,858.93**	**28,903**	**4,070,032.47**	**100.00**	**100.00**

Source: Central Bank of Nigeria

Table 3
Currency in Circulation
(Naira Billion)

Year	Month	Vault Cash	Currency Outside Banks	Currency in Circulation
2015	December	401.8	1,456.1	1,857.9
2016	January	347.1	1,378.0	1,725.1
	February	334.1	1,377.5	1,711.6
	March	369.7	1,441.4	1,811.1
	April	319.2	1,444.4	1,763.5
	May	353.1	1,393.7	1,746.7
	June	305.5	1,379.0	1,684.6
	July	290.6	1,374.1	1,664.7
	August	310.0	1,369.5	1,679.5
	September	316.9	1,477.4	1,794.3
	October	303.9	1,521.8	1,825.7
	November	320.8	1,587.1	1,907.9
	December	358.8	1,820.4	2,179.2
2017	January	363.6	1,631.0	1,994.6
	February	366.8	1,612.1	1,978.9
	March	322.6	1,661.0	1,983.6
	April	369.2	1,606.6	1,975.8
	May	377.3	1,520.6	1,897.9
	June	396.4	1,477.1	1,873.5
	July	327.6	1,442.2	1,769.8
	August	345.5	1,523.2	1,868.7
	September	345.7	1,435.3	1,781.0
	October	327.4	1,463.8	1,791.2
	November	342.6	1,553.5	1,896.2
	December	374.6	1,782.7	2,157.2
2018 /1	January	357.5	1,587.9	1,945.4
	February	366.4	1,571.0	1,937.3
	March	370.9	1,668.4	2,039.3
	April	358.0	1,599.2	1,957.2
	May	353.2	1,577.5	1,930.7
	June	380.8	1,519.9	1,900.7
	July	356.5	1,468.3	1,824.8
	August	387.2	1,541.6	1,928.7
	September	324.5	1,601.9	1,926.4
	October	354.3	1,601.7	1,956.0
	November	388.0	1,712.1	2,100.1
	December	422.4	1,907.3	2,329.7
2019 /2	January	417.0	1,722.7	2,139.7
	February	410.7	1,832.3	2,243.1
	March	375.3	1,779.7	2,155.0
	April	447.2	1,711.5	2,158.7
	May	411.8	1,700.1	2,111.8
	June	380.1	1,633.9	2,014.1
	July	422.3	1,580.8	2,003.1
	August	371.2	1,647.6	2,018.8
	September	382.0	1,623.6	2,005.6
	October	358.8	1,698.4	2,057.3
	November	398.5	1,804.7	2,203.3
	December	420.4	2,022.6	2,443.0

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

Table 4
Money Supply and Its Determinants
(Naira Billion)

Category	Dec-15	Dec-16	Dec-17	Dec-18 1/	Dec-19 2/
1.Domestic Credit (net)	**21,612,452.09**	**26,857,719.34**	**25,929,552.00**	**27,574,319.41**	**36,462,268.39**
(a) Claims on Federal Government (net)	**2,891,946.66**	**4,875,570.30**	**3,638,893.69**	**4,866,094.44**	**9,825,655.75**
By Central Bank	-1,653,067.50	109,158.25	-355,592.43	342,214.29	5,051,497.77
By Commercial & Merchant Banks	4,545,014.16	4,766,412.05	3,994,486.12	4,493,596.31	4,699,397.75
By Non Interest Banks	0.00	0.00	0.00	0.00	41,069.49
By Primary Mortgage Banks				7,426.95	8,185.73
By Microfinance Banks				22,856.90	25,505.02
(b) Claims on Private Sector	**18,720,505.43**	**21,982,149.04**	**22,290,658.31**	**22,708,224.97**	**26,636,612.63**
By Central Bank	5,061,611.28	5,298,255.90	5,870,697.13	6,574,674.48	8,378,393.46
By Commercial & Merchant Banks	13,631,389.50	16,645,330.37	16,370,600.56	15,668,207.03	17,746,442.98
By Non Interest Banks	27,504.65	38,562.77	49,360.61	56,127.30	66,580.49
By Primary Mortgage Banks				169,466.28	152,721.61
By Microfinance Banks				239,749.87	292,474.09
(i) Claims on State and Local Governments 3/	**585,060.12**	**989,541.97**	**1,544,829.78**	**1,553,644.79**	**1,681,300.17**
By Central Bank	0.00	300,379.00	640,431.37	656,531.37	716,237.62
By Commercial & Merchant Banks	583,817.73	688,102.72	898,329.46	886,938.92	964,495.72
By Non Interest Banks	1,242.40	1,060.25	6,068.95	10,165.01	557.34
By Primary Mortgage Banks				9.49	9.49
By Microfinance Banks				0.00	0.00
(ii) Claims on Non-Financial Public Enterprises	**25,588.0**	**25,603.3**	**27,524.4**	**44,859.4**	**412,680.2**
By Central Bank	25,588.0	25,603.3	27,524.4	44,859.4	412,680.2
By Commercial & Merchant Banks	0.0	0.0	0.0	0.0	0.0
By Non Interest Banks	0.0	0.0	0.0	0.0	0.0
By Primary Mortgage Banks				0.0	0.0
By Microfinance Banks				0.0	0.0
(iii) Claims on Other Private Sector	**18,109,857.30**	**20,967,003.77**	**20,718,304.11**	**21,109,720.74**	**24,542,632.25**
By Central Bank	5,036,023.27	4,972,273.60	5,202,741.34	5,873,283.68	7,249,475.63
By Commercial & Merchant Banks	13,047,571.77	15,957,227.65	15,472,271.11	14,781,268.11	16,781,947.26
By Non Interest Banks	26,262.25	37,502.52	43,291.66	45,962.29	66,023.15
By Primary Mortgage Banks				169,456.79	152,712.12
By Microfinance Banks				239,749.87	292,474.09
(2) Foreign Assets (net) 4/	**5,653,320.37**	**9,149,659.29**	**15,520,760.99**	**18,397,816.89**	**13,913,754.21**
By Central Bank	5,545,320.51	8,790,652.82	15,134,616.53	18,181,445.77	14,978,559.77
By Commercial & Merchant Banks	106,598.58	357,911.75	380,695.07	208,143.23	-1,077,179.73
By Non Interest Banks	1,401.28	1,094.72	5,449.39	8,227.89	12,374.17
By Primary Mortgage Banks				0.00	0.00
By Microfinance Banks				0.00	0.00
(3) Other Assets (net)	**-5,546,912.18**	**-7,505,491.25**	**-12,780,728.39**	**-12,612,887.76**	**-15,252,170.17**
Total Monetary Assets	**21,718,860.28**	**28,501,887.38**	**28,669,584.60**	**33,359,248.53**	**35,123,852.42**
Quasi-Money 5/	**11,458,129.82**	**12,320,225.75**	**12,965,060.24**	**15,316,017.08**	**17,301,032.88**
Money Supply (M1)	**8,571,701.30**	**11,271,506.82**	**11,175,573.96**	**11,752,557.98**	**11,836,767.57**
Currency Outside Banks	1,456,096.85	1,820,415.90	1,782,664.58	1,912,975.63	2,021,731.96
Demand Deposits 6/	7,115,604.46	9,451,090.92	9,392,909.39	9,839,582.35	9,815,035.61
Money Supply (M2)	20,029,831.12	23,591,732.58	24,140,634.21	27,068,575.06	29,137,800.45
Central Bank Securities	1,689,029.17	4,910,154.80	4,528,950.39	6,290,673.48	5,986,051.97
Total Monetary Liabilities	**21,718,860.28**	**28,501,887.38**	**28,669,584.60**	**33,359,248.54**	**35,123,852.42**
GROWTH RATE OVER THE PRECEDING DECEMBER (%)					
Credit to the Domestic Economy (net)	12.13	24.27	-3.46	6.34	32.23
Credit to the Private Sector	3.28	17.42	1.40	1.87	17.30
Claims on Federal Government (net)	151.98	68.59	-25.36	33.72	101.92
By Central Bank	22.81	106.60	-425.76	196.24	1376.12
Claims on State and Local Governments	8.59	69.14	56.12	0.57	8.22
Claims on Non-Financial Public Enterprises	-0.01	0.06	7.50	62.98	819.94
Credit to the Other Private Sector	3.12	15.78	-1.19	1.89	16.26
Foreign Assets (net)	-18.71	61.85	69.63	18.54	-24.37
Other Assets (net)	-11.35	-35.31	-70.29	1.31	-20.93
Quasi-Money	-4.58	7.52	5.23	18.13	12.96
Money Supply (M1)	24.14	31.50	-0.85	5.16	0.72
Money Supply (M2)	5.90	17.78	2.33	12.13	7.64
CBN Bills Held by Money Holding Sector	-27.61	190.71	-7.76	38.90	-4.84
Broad Money (M3)	2.22	31.23	0.59	16.36	5.29

NOTES :

1/ Revised

2/ Provisional

3/ For the purpose of monetary and credit survey, credit to government sector refers strictly to the Federal Government and excludes state and local governments.

4/ External assets and liabilities were converted into naira at the official rate on the balance sheet date, except holdings purchased at the AFEM.

5/ Quasi-Money consists of Time, Savings and Foreign Currency Deposits of Deposit Money Banks.

6/ Demand Deposits consists of state, local and parastatals deposits at the CBN; state, local and private sector deposits, as well as demand deposits of non-financial public enterprises at Deposit Money Banks.

Source: Central Bank of Nigeria

Table 5
Banking System Credit to the Economy
(Naira Million)

End of Month	Aggregate Credit to the Economy	Credit to Federal Govt	Credit to Private Sector	Credit to State &Local Governments	Credit to Non-Financial Public Enterprises	Credit to 'Other' Private Sector	Central Bank Credit to					Deposit Money Banks Credit to			
							Federal Government	Private Sector	State &Local Governments	Non-Financial Public Enterprises	'Other' Private Sector	Federal Government	Private Sector	State & Local Governments	'Other'Private Sector
2015															
January	20,148,715.4	1,973,084.7	18,175,630.7	471,271.6	25,588.0	17,678,771.1	-1,737,093.9	4,859,710.4	0.0	25,588.0	4,834,122.3	3,710,178.6	13,315,920.3	471,271.6	12,844,648.7
February	20,485,155.9	1,732,411.5	18,752,744.4	523,282.4	25,588.0	18,203,873.9	-1,723,079.6	4,883,528.4	0.0	25,588.0	4,857,940.4	3,455,491.0	13,869,216.0	523,282.4	13,345,933.6
March	20,635,772.0	1,985,433.7	18,650,338.3	544,585.7	25,588.0	18,080,164.6	-1,563,080.2	4,918,937.3	0.0	25,588.0	4,893,349.3	3,548,513.9	13,731,401.0	544,585.7	13,186,815.4
April	19,990,580.1	1,590,233.2	18,400,346.9	534,687.4	23,587.7	17,842,071.7	-1,545,824.2	4,711,258.2	0.0	23,587.7	4,687,670.4	3,136,057.4	13,689,088.7	534,687.4	13,154,401.3
May	21,042,266.9	2,363,590.7	18,678,676.3	483,597.1	25,588.0	18,169,491.1	-837,716.2	4,933,697.4	0.0	25,588.0	4,908,109.4	3,201,306.9	13,744,978.9	483,597.1	13,261,381.8
June	21,409,774.2	2,511,101.1	18,898,673.1	472,792.8	51,033.5	18,374,846.7	-769,517.4	5,093,071.5	0.0	51,033.5	5,042,038.0	3,280,618.5	13,805,601.6	472,792.8	13,332,808.8
July	21,542,547.3	2,875,906.7	18,666,640.6	501,885.9	25,588.0	18,139,166.6	-359,863.7	5,065,985.1	0.0	25,588.0	5,040,397.0	3,235,770.4	13,600,655.5	501,885.9	13,098,769.6
August	21,393,011.5	2,760,460.3	18,632,551.2	416,312.6	25,588.0	18,190,650.6	-535,177.5	5,107,317.9	0.0	25,588.0	5,081,729.9	3,295,637.8	13,525,233.4	416,312.6	13,108,920.7
September	21,519,790.1	2,786,333.5	18,733,456.6	398,264.4	192,913.6	18,142,278.6	-1,042,187.1	5,275,248.5	0.0	192,913.6	5,082,334.9	3,828,520.6	13,458,208.1	398,264.4	13,059,943.7
October	21,348,605.0	2,260,615.0	19,087,990.0	444,594.5	468,281.2	18,175,114.4	-1,826,265.3	5,535,822.5	0.0	468,281.2	5,067,541.4	4,086,880.3	13,552,167.5	444,594.5	13,107,573.0
November	20,470,803.5	1,762,749.4	18,708,054.1	503,201.6	25,588.0	18,179,264.5	-2,445,764.7	5,092,919.4	0.0	25,588.0	5,067,331.4	4,208,514.1	13,615,134.7	503,201.6	13,111,933.1
December	21,612,452.1	2,891,946.7	18,720,505.4	585,060.1	25,588.0	18,109,857.3	-1,653,067.5	5,061,611.3	0.0	25,588.0	5,036,023.3	4,545,014.2	13,658,894.2	585,060.1	13,073,834.0
Monthly Average	**20,966,622.8**	**2,291,155.5**	**18,675,467.3**	**489,961.3**	**78,376.7**	**18,107,129.3**	**-1,336,553.1**	**5,044,925.7**	**0.0**	**78,376.7**	**4,966,549.0**	**3,627,708.7**	**13,630,541.6**	**489,961.3**	**13,140,580.3**
2016															
January	22,358,143.3	3,417,394.8	18,940,748.6	614,996.1	190,138.9	18,135,613.6	-1,388,814.5	5,212,402.5	0.0	190,138.9	5,022,263.6	4,806,209.3	13,728,346.1	614,996.1	13,113,350.0
February	22,568,685.7	3,516,381.2	19,052,304.5	687,443.0	286,200.7	18,078,660.8	-1,342,344.5	5,302,035.0	0.0	286,200.7	5,015,834.4	4,858,725.8	13,750,269.4	687,443.0	13,062,826.5
March	22,664,815.7	3,781,378.7	18,883,437.0	669,147.4	170,006.9	18,044,282.8	-850,708.8	5,166,685.1	0.0	170,006.9	4,996,678.3	4,632,087.5	13,716,751.9	669,147.4	13,047,604.5
April	23,312,346.2	3,932,580.4	19,379,765.8	690,029.3	595,990.6	18,093,745.9	-621,205.8	5,610,210.6	14,580.3	595,990.6	4,999,639.7	4,553,786.2	13,769,555.2	675,449.0	13,094,106.1
May	23,070,907.8	4,031,554.4	19,039,353.4	729,488.7	187,291.8	18,122,572.9	-356,335.8	5,252,009.4	14,580.3	187,291.8	5,050,137.3	4,387,890.2	13,787,344.0	714,908.4	13,072,435.6
June	24,623,626.7	3,171,443.5	21,452,183.3	729,427.5	319,694.1	20,403,061.6	-1,185,761.7	5,402,940.9	27,800.0	319,694.1	5,055,446.9	4,357,205.1	16,049,242.3	701,627.5	15,347,614.8
July	25,424,599.1	3,004,853.1	22,419,746.0	763,867.9	319,785.5	21,336,092.6	-1,466,906.7	5,531,256.2	47,260.0	319,785.5	5,164,210.7	4,471,759.8	16,888,489.8	716,607.9	16,171,881.9
August	26,356,276.3	3,550,157.1	22,806,119.2	887,056.7	428,581.3	21,490,481.1	-1,052,875.7	6,003,357.9	143,170.0	428,581.3	5,431,606.6	4,603,032.8	16,802,761.3	743,886.7	16,058,874.6
September	26,254,661.0	3,514,975.1	22,739,685.8	833,146.2	345,937.0	21,560,602.6	-1,275,292.9	6,044,822.1	145,950.0	345,937.0	5,552,935.1	4,790,268.0	16,694,863.8	687,196.2	16,007,667.6
October	26,700,723.5	3,520,265.4	23,180,458.1	871,631.5	552,999.6	21,755,826.9	-1,177,917.6	6,396,913.8	183,724.0	552,999.6	5,660,190.2	4,698,183.0	16,783,544.2	687,907.5	16,095,636.7
November	26,695,865.7	3,579,216.8	23,116,648.9	923,449.1	376,976.1	21,816,223.7	-927,906.1	6,332,037.0	222,609.0	376,976.1	5,732,451.9	4,507,122.9	16,784,611.9	700,840.1	16,083,771.8
December	26,857,719.3	4,875,570.3	21,982,149.0	989,542.0	25,603.3	20,967,003.8	109,158.3	5,298,255.9	300,379.0	25,603.3	4,972,273.6	4,766,412.1	16,683,893.1	689,163.0	15,994,730.2
Monthly Average	**24,740,697.5**	**3,657,980.9**	**21,082,716.6**	**782,435.5**	**316,600.5**	**19,983,680.7**	**-961,409.3**	**5,629,410.5**	**91,671.1**	**316,600.5**	**5,221,139.0**	**4,619,390.2**	**15,453,306.1**	**690,764.4**	**14,762,541.7**
2017															
January	26,508,030.4	4,629,967.2	21,878,063.2	1,037,043.8	28,047.2	20,812,972.1	-383,336.3	5,339,255.0	338,153.0	28,047.2	4,973,054.7	5,013,303.6	16,538,808.2	698,890.8	15,839,917.4
February	27,209,343.4	4,977,649.8	22,231,693.6	1,034,854.8	198,307.1	20,998,531.8	-274,044.2	5,665,760.9	340,375.0	198,307.1	5,127,078.9	5,251,693.9	16,565,932.7	694,479.8	15,871,452.9
March	27,675,371.9	5,303,542.0	22,371,829.9	1,089,377.9	282,369.6	21,000,082.4	191,425.9	5,792,858.8	379,260.0	282,369.6	5,131,229.3	5,112,116.1	16,578,971.1	710,117.9	15,868,853.2
April	27,514,336.9	5,270,202.6	22,244,134.3	1,108,334.4	336,371.4	20,799,428.5	492,821.7	5,730,338.5	418,145.0	336,371.4	4,975,822.1	4,777,380.9	16,513,795.8	690,189.4	15,823,606.4
May	26,836,772.5	4,811,650.0	22,025,122.5	1,192,134.9	120,015.8	20,712,971.8	113,808.0	5,662,247.0	495,915.0	120,015.8	5,046,316.2	4,697,842.0	16,362,875.5	696,219.9	15,666,655.6
June	27,236,433.6	5,250,486.4	21,985,947.2	1,180,310.1	32,984.5	20,772,652.6	232,806.3	5,692,288.3	495,915.0	32,984.5	5,163,388.8	5,017,680.1	16,293,658.9	684,395.1	15,609,263.8
July	28,033,384.6	5,861,018.0	22,172,366.6	1,210,952.6	70,482.6	20,890,931.4	807,403.3	5,871,157.2	530,915.0	70,482.6	5,269,759.5	5,053,614.7	16,301,209.4	680,037.6	15,621,171.9
August	26,821,446.8	4,824,226.2	21,997,220.6	1,237,218.2	75,256.5	20,684,745.9	-194,244.3	5,580,612.7	530,915.0	75,256.5	4,974,441.2	5,018,470.6	16,416,607.9	706,303.2	15,710,304.7
September	26,985,305.2	4,963,406.0	22,021,899.2	1,257,114.9	27,399.5	20,737,384.8	-137,860.1	5,532,614.4	538,115.0	27,399.5	4,967,099.9	5,101,266.1	16,489,284.8	718,999.9	15,770,284.8
October	27,174,805.8	5,245,888.6	21,928,917.2	1,242,820.0	33,887.2	20,652,210.0	-50,343.6	5,541,110.6	538,115.0	33,887.2	4,969,108.4	5,296,232.2	16,387,806.7	704,705.0	15,683,101.7
November	26,349,068.5	4,392,408.3	21,956,660.2	1,594,910.6	27,478.4	20,334,271.2	-558,140.3	5,712,637.1	590,415.0	27,478.4	5,094,743.7	4,950,548.7	16,244,023.1	1,004,495.6	15,239,527.5
December	25,929,552.0	3,638,893.7	22,290,658.3	1,544,829.8	27,524.4	20,718,304.1	-355,592.4	5,870,697.1	640,431.4	27,524.4	5,202,741.3	3,994,486.1	16,419,961.2	904,398.4	15,515,562.8
Monthly Average	**27,022,821.0**	**4,930,778.2**	**22,092,042.7**	**1,227,491.8**	**105,010.3**	**20,759,540.5**	**-9,608.0**	**5,665,964.8**	**486,389.1**	**105,010.3**	**5,074,565.3**	**4,940,386.3**	**16,426,077.9**	**741,102.7**	**15,684,975.2**

1/ Revised

2/ Provisional

Source: Central Bank of Nigeria

Table 5 Cont.
Banking System Credit to the Economy
(Naira Million)

End of Month	Aggregate Credit to the Economy	Credit to Federal Govt	Credit to Private Sector	Credit to State &Local Governments	Credit to Non-Financial Public Enterprises	Credit to 'Other' Private Sector	Central Bank Credit to: Federal Government	Central Bank Credit to: Private Sector	Central Bank Credit to: State &Local Governments	Central Bank Credit to: Non-Financial Public Enterprises	Central Bank Credit to: 'Other' Private Sector	Deposit Money Banks Credit to: Federal Government	Deposit Money Banks Credit to: Private Sector	Deposit Money Banks Credit to: State & Local Governments	Deposit Money Banks Credit to: 'Other'Private Sector
2018 /1															
January	25,964,493.1	3,971,062.1	21,993,431.0	1,613,718.6	30,447.2	20,349,265.2	357,586.0	5,796,443.5	648,131.4	30,447.2	5,117,864.9	3,613,476.1	16,196,987.6	965,587.2	15,231,400.4
February	27,097,901.6	4,596,990.2	22,500,911.5	1,606,888.6	151,717.1	20,742,305.8	864,823.5	6,106,640.1	656,531.4	151,717.1	5,298,391.6	3,732,166.7	16,394,271.4	950,357.2	15,443,914.2
March	26,440,662.1	4,077,433.9	22,363,228.2	1,631,933.2	265,109.2	20,466,185.8	790,612.9	6,258,212.3	656,531.4	265,109.2	5,336,571.7	3,286,820.9	16,105,015.9	975,401.8	15,129,614.1
April	27,262,815.6	4,986,326.8	22,276,488.8	1,617,860.5	333,421.9	20,325,206.4	1,554,120.2	6,458,319.4	656,531.4	333,421.9	5,468,366.2	3,432,206.7	15,818,169.4	961,329.2	14,856,840.2
May	25,235,877.1	3,029,133.2	22,206,743.9	1,603,013.1	152,300.8	20,451,430.0	-187,110.0	6,408,823.7	656,531.4	152,300.8	5,599,991.6	3,216,243.2	15,797,920.2	946,481.8	14,851,438.4
June	25,086,874.7	2,805,008.2	22,281,866.5	1,628,824.5	164,064.2	20,488,977.9	-457,922.6	6,420,376.2	656,531.4	164,064.2	5,599,780.7	3,262,930.8	15,861,490.3	972,293.1	14,889,197.2
July	25,497,325.4	3,236,115.5	22,261,209.9	1,615,452.0	115,006.7	20,530,751.1	10,192.1	6,444,125.4	656,531.4	115,006.7	5,672,587.3	3,225,923.4	15,817,084.5	958,920.6	14,858,163.9
August	24,691,470.0	2,221,228.3	22,470,241.8	1,614,780.7	47,303.8	20,808,157.3	-1,042,716.3	6,427,730.1	656,531.4	47,303.8	5,723,894.9	3,263,944.5	16,042,511.7	958,249.3	15,084,262.4
September	26,408,425.7	3,440,986.9	22,967,438.8	1,341,864.4	44,857.9	21,173,748.2	-91,459.1	6,431,581.1	656,531.4	44,857.9	5,730,191.9	3,532,446.0	16,535,857.7	685,333.1	15,443,556.4
October	26,894,678.5	3,756,182.6	23,138,495.8	1,565,834.4	44,857.7	21,527,803.8	150,828.4	6,439,381.8	656,531.4	44,857.7	5,737,992.8	3,605,354.2	16,699,114.0	909,303.0	15,789,811.0
November	26,075,984.1	2,980,818.9	23,095,165.2	1,566,929.4	44,857.7	21,483,378.1	-908,664.9	6,453,891.4	657,530.6	44,857.7	5,751,503.1	3,889,483.8	16,641,273.7	909,398.8	15,731,874.9
December	27,574,319.4	4,866,094.4	22,708,225.0	1,553,644.8	44,859.4	21,109,720.7	342,214.3	6,574,674.5	656,531.4	44,859.4	5,873,283.7	4,523,880.2	16,133,550.5	897,113.4	15,236,437.1
Monthly Average	**26,185,902.3**	**3,663,948.4**	**22,521,953.9**	**1,580,062.0**	**119,900.3**	**20,788,077.5**	**115,208.7**	**6,351,683.3**	**655,914.6**	**119,900.3**	**5,575,868.4**	**3,548,739.7**	**16,170,270.6**	**924,147.4**	**15,212,209.2**
2019 /2															
January	28,652,344.4	5,705,553.5	22,946,790.9	1,551,639.6	139,561.6	21,255,589.6	1,440,677.3	6,703,142.2	660,731.4	139,561.6	5,902,849.1	4,264,876.3	16,243,648.7	890,908.2	15,352,740.5
February	30,520,863.1	6,355,285.1	24,165,578.0	1,578,199.8	222,783.5	22,364,594.7	1,847,764.4	7,737,445.6	662,131.4	222,783.5	6,852,530.7	4,507,520.8	16,428,132.4	916,068.4	15,512,064.0
March	31,736,895.8	7,742,158.5	23,994,737.2	1,618,854.4	91,109.5	22,284,773.2	3,215,423.5	7,678,570.9	716,674.1	91,109.5	6,870,787.3	4,526,735.0	16,316,166.3	902,180.4	15,413,985.9
April	32,891,837.8	8,003,857.7	24,887,980.1	1,618,036.7	102,804.6	23,167,138.8	3,268,535.8	8,656,135.6	719,474.1	102,804.6	7,833,857.0	4,735,321.9	16,231,844.5	898,562.7	15,333,281.8
May	32,194,612.3	7,312,174.0	24,882,438.3	1,582,677.8	68,470.2	23,231,290.3	2,706,883.9	8,505,979.3	719,474.1	68,470.2	7,718,035.0	4,605,290.1	16,376,459.1	863,203.8	15,513,255.3
June	32,341,481.4	7,583,241.8	24,758,239.6	1,595,805.4	44,565.9	23,117,868.4	2,754,064.2	8,504,880.9	719,474.1	44,565.9	7,740,840.9	4,829,177.6	16,253,358.8	876,331.3	15,377,027.5
July	33,433,375.8	9,143,121.8	24,290,254.0	1,542,985.4	44,566.0	22,702,702.7	4,241,052.6	7,613,936.1	719,474.1	44,566.0	6,849,896.1	4,902,069.2	16,676,317.9	823,511.3	15,852,806.5
August	34,273,009.9	9,453,781.5	24,819,228.4	1,453,768.6	44,566.1	23,320,893.7	4,450,029.9	8,022,063.5	719,474.1	44,566.1	7,258,023.3	5,003,751.6	16,797,164.9	734,294.5	16,062,870.4
September	35,938,328.7	10,451,819.6	25,486,509.1	1,585,082.9	154,671.3	23,746,754.9	5,674,863.2	8,139,409.3	719,474.1	154,671.3	7,265,263.9	4,776,956.4	17,347,099.8	865,608.8	16,481,491.0
October	34,937,934.2	9,089,561.7	25,848,372.5	1,567,449.0	358,453.3	23,922,470.1	4,238,171.6	8,349,109.2	716,576.0	358,453.3	7,274,079.9	4,851,390.2	17,499,263.3	850,873.0	16,648,390.2
November	35,459,616.6	9,101,095.2	26,358,521.5	1,602,740.4	453,646.5	24,302,134.6	4,100,774.2	8,444,578.7	716,237.6	453,646.5	7,274,694.5	5,000,321.0	17,913,942.8	886,502.8	17,027,440.0
December	36,462,268.4	9,825,655.8	26,636,612.6	1,681,300.2	412,680.2	24,542,632.3	5,051,497.8	8,378,393.5	716,237.6	412,680.2	7,249,475.6	4,774,158.0	18,258,219.2	965,062.5	17,293,156.6
Monthly Average	**33,236,880.7**	**8,313,942.2**	**24,922,938.5**	**1,581,545.0**	**178,156.6**	**23,163,236.9**	**3,582,478.2**	**8,061,137.1**	**708,786.0**	**178,156.6**	**7,174,194.5**	**4,731,464.0**	**16,861,801.5**	**872,759.0**	**15,989,042.5**

1/ Revised

2/ Provisional

Source: Central Bank of Nigeria

Table 6
Summary of Deposit Money Banks' Activities
(Naira Million)

	2015	2016	2017	2018 /1	2019 /2	2015	2016	2017	2018 /1	2019 /2
Item										
Reserves /3	5,097,605.47	4,997,153.93	7,613,040.67	9,732,867.02	11,504,625.35	-7.70	-1.97	52.35	27.84	18.20
Aggregate Credit (Net)	18,091,452.53	21,296,805.72	20,232,569.71	20,174,597.00	22,495,558.10	10.06	17.72	-5.00	-0.29	11.50
Loans and Advances	12,262,502.40	15,076,668.21	14,777,941.92	14,136,154.84	16,032,535.83	0.71	22.95	-1.98	-4.34	13.42
Total assets	28,369,031.69	32,130,449.38	35,146,836.65	38,690,642.00	43,531,670.35	2.85	13.26	9.39	10.08	12.51
Total Deposit Liabilities	17,343,986.35	18,521,914.63	19,384,722.34	22,040,370.13	24,417,204.99	13.84	6.79	4.66	13.70	10.78
Demand deposits	5,885,856.53	6,201,688.88	6,419,662.10	6,724,353.05	7,116,172.11	26.08	5.37	3.51	4.75	5.83
Time, Savings & Foreign Currencies Deposits	11,458,129.82	12,320,225.75	12,965,060.24	15,316,017.08	17,301,032.88	8.44	7.52	5.23	18.13	12.96
Foreign Assets (Net)	107,999.86	359,006.47	386,144.46	216,371.12	-1,064,805.56	-88.86	232.41	7.56	-43.97	-592.12
Credit from Central Bank	732,244.52	992,267.90	1,003,885.20	1,098,516.47	1,227,726.26	226.05	35.51	1.17	9.43	11.76
Capital Accounts	5,051,419.96	5,684,981.50	5,966,426.80	6,020,385.30	6,136,070.72	18.31	12.54	4.95	0.90	1.92
Capital & Reserves	3,470,957.43	3,745,131.39	3,451,298.49	3,329,765.05	3,904,589.01	17.13	7.90	-7.85	-3.52	17.26
Other Provisions	1,580,462.52	1,939,850.12	2,515,128.31	2,690,620.24	2,231,481.71	21.00	22.74	29.66	6.98	-17.06
Average Liquidity Ratio (%)	**39.43**	**41.28**	**46.89**	**51.86**	**69.91**					
Average Loan/Deposit Ratio (%)	**68.13**	**74.85**	**79.13**	**64.06**	**60.63**					

1/ Revised
2/ Provisional
3/ Includes CBN Bills held by Deposit Money Banks
Source: Central Bank of Nigeria

Table 7
Deposit Money Banks' Sources and Application of Funds
(Naira Million)

Item	2015		2016		2017		2018		2019 /1	
	Sources	Application	Sources	Application	Sources	Application	Sources	Application	Sources	Application
Assets										
Reserves	0.00	239126.15	0.00	165666.52	0.00	338778.30	0.00	88896.32	0.00	665056.37
Foreign assets	-8,861.6	0.0	0.0	7,682.2	0.0	310,414.5	-40,930.8	0.0	-192,823.8	0.0
Claims on Central Bank	0.0	80,552.9	-29,358.4	0.0	0.0	1,415,599.1	0.0	221,939.9	0.0	338,194.3
Claims on Central Government	0.0	334,304.9	0.0	236,299.7	-877,708.8	0.0	0.0	689,176.5	-233,228.9	0.0
Claims on State & Local Government	0.0	81,858.6	-16,396.2	0.0	-99,872.3	0.0	-12,293.2	0.0	0.0	78,489.3
Claims on Private Sector	-32,665.6	0.0	-87,500.7	0.0	0.0	285,086.7	-475,112.6	0.0	0.0	254,652.0
Claims on Other Financial Institutions	-7,788.3	0.0	-20,812.1	0.0	0.0	1,165.1	-27,270.0	0.0	0.0	73,727.7
Unclassified Assets	-21,036.6	0.0	-72,976.5	0.0	-83,435.6	0.0	-373,647.8	0.0	0.0	40,220.7
Liabilities										
Demand Deposits	683,584.2	0.0	195,111.1	0.0	663,161.9	0.0	208,486.3	0.0	403,411.5	0.0
Time, Savings & Foreign Currency Deposits	76,561.7	0.0	371,785.2	0.0	767,844.6	0.0	554,438.4	0.0	0.0	-36,213.1
Money Market Instruments	0.0	-5,558.1	0.0	-41,394.2	0.0	-4,938.6	0.0	-1,625.0	4,647.9	0.0
Bonds	0.0	-20,504.6	24,757.1	0.0	38,634.5	0.0	38,632.3	0.0	0.0	-235,018.1
Foreign Liabilities	0.0	-70,187.3	0.0	-105,296.7	95,564.6	0.0	124,182.7	0.0	236,370.9	0.0
Central Government Deposits	1,317.9	0.0	0.0	-2,249.9	0.0	-3,646.8	1,694.0	0.0	0.0	-3,937.1
Credit from Central Bank	128,696.0	0.0	12,377.9	0.0	0.0	-19,406.7	0.0	-122,405.3	0.0	-165,672.3
Capital Accounts	0.0	-8,060.9	0.0	-92,626.6	36,505.5	0.0	0.0	-853,312.5	0.0	-35,081.7
Unclassified Liabilities	0.0	-120,358.5	0.0	-179,859.4	0.0	-283,691.9	120,667.5	0.0	855,779.7	0.0
Funds Sourced & Used	960,511.9	960,511.9	831,075.3	831,075.3	2,662,727.8	2,662,727.8	1,977,355.6	1,977,355.6	1,926,262.8	1,926,262.8

1/ Provisional
Source: Central Bank of Nigeria

Table 8
Summary of Assets and Liabilities of Finance Companies
(₦' Million)

Item	2015	2016	2017	2018 /1	2019 /2
1. Cash and Cash Items	3,169.63	4,298.53	3,947.27	9,471.88	14,794.68
2. Investments	11,143.99	15,396.36	12,173.85	13,269.02	11,639.10
3. Due from other Finance Companies	5,593.85	5,772.56	6,704.05	10,009.88	27,952.63
4. Loans and Advances	49,623.93	40,578.52	40,905.00	54,149.00	80,125.26
5. Fixed Assets	10,893.08	13,909.04	38,078.11	50,367.02	46,276.93
6. Other Assets	26,931.71	41,840.70	37,553.57	41,004.45	52,633.63
Total Assets	**107,356.18**	**121,795.71**	**139,361.85**	**178,271.25**	**233,422.23**
1.Capital and Reserves	21,655.86	21,872.04	26,695.67	30,762.58	37,287.59
2. Share Deposits	0.00	0.00	0.00	0.00	0
3. Due to other Finance Companies	1,553.09	1,603.51	3,234.50	3,197.04	3,283.25
4. Borrowings	62,028.93	71,529.99	80,468.50	107,456.64	153,400.02
5. Other Liabilities	22,118.30	26,790.17	28,963.00	36,854.98	39,451.37
Total Liabilities	**107,356.18**	**121,795.71**	**139,361.85**	**178,271.25**	**233,422.23**

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

Table 9
Value of Money Market Assets
(Naira Million)

	2015	2016	2017	2018 /1	2019 /1
Treasury Bills	2,772,867.0	3,277,278.8	3,579,799.1	2,735,967.5	2,651,514.0
Treasury Certificates	0.0	0.0	0.0	0.0	0.0
Development Stocks	0.0	0.0	0.0	0.0	0.0
Certificates of Deposits	75,702.8	0.0	59,497.9	59,692.4	59,692.4
Commercial Papers	6,291.9	490.5	516.0	10,863.8	12,167.7
Bankers' Acceptances	28,417.9	27,795.3	26,428.8	12,179.4	3,266.1
FGN Bonds	5,808,140.8	7,564,937.5	8,715,811.7	9,334,738.0	10,524,157.3
Total	**8,691,420.4**	**10,870,502.1**	**12,382,053.6**	**12,152,441.1**	**13,250,797.5**
Growth (%)	**2015**	**2016**	**2017**	**2018 /1**	**2019 /1**
Treasury Bills	-1.5	18.2	9.2	-23.6	-3.1
Treasury Certificates	0.0	0.0	0.0	0.0	0.0
Eligible Development Stocks	0.0	0.0	0.0	0.0	0.0
Certificates of Deposits	48.6	-100.0	0.0	0.3	0.0
Commercial Papers	-36.1	-92.2	5.2	1811.7	12.0
Bankers' Acceptances	-22.4	-2.2	-4.9	-53.9	-73.2
FGN Bonds	21.2	30.2	15.2	7.1	12.7
Total	**12.8**	**25.1**	**13.9**	**-1.9**	**9.0**

1/ Provisional
Source: Central Bank of Nigeria

Table 10
Treasury Bills: Issues, Subscriptions and Allotments
(Naira Million)

Period	Issues	Subscriptions	Allotments		
			Central Bank	Deposit Money Banks	Non-Bank Public
2015					
January	384,296.66	1,072,435.60	0.00	319,265.47	65,031.19
February	334,833.44	716,276.38	0.00	200,774.18	134,059.26
March	519,995.04	1,063,496.45	0.00	388,933.09	131,061.96
April	353,093.49	1,092,823.87	0.00	269,072.27	84,021.22
May	261,555.23	572,718.53	0.00	155,090.04	106,465.18
June	380,023.16	695,451.88	0.00	212,850.32	167,172.84
July	178,366.05	274,652.27	0.00	104,449.98	73,916.06
August	257,614.38	293,295.83	0.00	105,804.69	151,809.69
September	315,350.60	725,913.47	0.00	198,118.39	117,232.21
October	265,251.80	769,209.27	0.00	183,379.26	81,872.54
November	242,902.74	836,934.73	0.00	203,878.95	39,023.79
December	352,034.71	1,189,108.13	0.00	344,843.52	7,191.20
Total	**3,845,317.30**	**9,302,316.42**	**0.00**	**2,686,460.16**	**1,158,857.14**
Average	**320,443.11**	**775,193.03**	**0.00**	**223,871.68**	**96,571.43**
2016					
January	332,211.45	600,570.59	0.00	242,080.25	90,131.21
February	384,833.44	914,565.58	0.00	297,282.92	87,550.52
March	611,511.14	1,546,878.46	0.00	298,689.12	312,822.01
April	386,411.43	699,082.11	0.00	278,815.57	107,595.86
May	261,555.23	478,054.42	0.00	132,907.26	128,647.97
June	480,753.95	818,235.68	28,000.00	260,910.92	191,843.03
July	394,962.89	616,653.90	0.00	234,700.00	160,262.89
August	307,614.38	765,849.83	0.00	188,733.43	118,880.95
September	536,976.07	1,168,211.57	0.00	145,846.75	391,129.33
October	267,848.66	427,144.42	56,685.51	46,322.62	164,840.53
November	242,902.74	257,199.10	35,393.18	45,032.60	162,476.96
December	347,920.69	385,243.03	43,511.80	157,769.48	146,639.42
Total	**4,555,502.05**	**8,677,688.68**	**163,590.48**	**2,329,090.90**	**2,062,820.67**
Average	**379,625.17**	**723,140.72**	**13,632.54**	**194,090.91**	**171,901.72**
2017					
January	321,808.31	636,403.06	0.00	220,747.79	101,060.52
February	384,833.44	1,017,230.59	0.00	268,414.89	116,418.55
March	698,966.18	778,653.12	14,130.18	330,783.44	354,052.56
April	402,411.43	417,092.54	113,050.28	163,504.05	125,857.10
May	341,555.23	469,851.27	0.00	158,014.69	183,540.53
June	487,067.69	621,188.38	0.00	217,907.79	269,159.90
July	381,962.90	517,720.19	0.00	257,133.52	124,829.38
August	484,723.43	612,045.52	0.00	199,329.07	285,394.37
September	390,032.17	946,590.00	0.00	196,054.28	193,977.90
October	264,155.58	722,660.39	0.00	212,860.11	51,295.47
November	337,956.63	438,943.81	0.00	271,154.47	66,802.16
December	0.00	0.00	0.00	0.00	0.00
Total	**4,495,472.98**	**7,178,378.86**	**127,180.46**	**2,495,904.08**	**1,872,388.44**
Average	**374,622.75**	**598,198.24**	**10,598.37**	**207,992.01**	**156,032.37**
2018					
January	391,390.89	860,003.52	0.00	263,416.54	127,974.36
February	428,884.25	585,074.96	0.00	252,966.49	175,917.75
March	279,665.33	615,826.39	0.00	171,538.56	108,126.78
April	153,691.50	623,015.73	0.00	112,452.53	41,238.97
May	178,866.91	578,999.50	0.00	82,808.22	96,058.69
June	220,867.59	314,026.68	0.00	36,882.88	183,984.71
July	209,349.98	326,492.60	0.00	117,877.03	91,472.95
August	455,968.39	575,183.85	0.00	61,391.48	394,576.92
September	318,447.27	653,318.59	0.00	185,784.25	132,663.03
October	281,121.04	642,449.99	0.00	217,086.86	64,034.18
November	424,135.15	939,385.03	0.00	261,265.39	162,869.76
December	0.00	0.00	0.00	0.00	0.00
Total	**3,342,388.31**	**6,713,776.83**	**0.00**	**1,763,470.22**	**1,578,918.08**
Average	**278,532.36**	**559,481.40**	**0.00**	**146,955.85**	**131,576.51**
2019 /1					
January	554,922.91	691,857.94	73,450.55	222,241.10	259,231.25
February	268,503.85	1,165,939.96	-	93,918.57	174,585.28
March	138,065.00	859,054.75	-	106,324.95	31,740.04
April	154,171.38	420,669.35	-	97,559.09	56,612.29
May	210,923.77	618,082.19	-	163,520.54	47,403.24
June	147,254.83	398,030.28	-	82,803.63	64,451.20
July	195,904.17	863,721.95	-	169,634.20	26,269.97
August	466,209.88	868,425.97	-	233,137.30	233,072.59
September	338,400.77	702,682.20	-	61,698.05	276,702.73
October	388,405.26	1,537,913.56	-	265,574.35	122,830.92
November	275,845.73	1,089,910.17	-	225,561.81	50,283.92
December	52,000.00	392,586.10	-	47,448.05	4,551.95
Total	**3,190,607.55**	**9,608,874.41**	**73,450.55**	**1,769,421.63**	**1,347,735.37**
Average	**265,883.96**	**800,739.53**	**6,120.88**	**147,451.80**	**112,311.28**

1/ Provision

Note: No auctions were held in December 2017 and December 2018

Source: Central Bank of Nigeria

Table 11
Holdings of Treasury Bills Outstanding
(Naira Million)

Period	Total Outstanding	Central Bank including Rediscount	Deposit Money Banks	Others
2015				
January	2,815.52	214.50	1,044.87	1,556.16
February	2,815.52	242.84	1,012.78	1,559.90
March	2,865.52	242.84	1,060.87	1,561.81
April	2,865.52	242.84	1,051.52	1,571.16
May	2,865.52	242.84	1,058.53	1,564.16
June	2,824.95	242.84	1,044.35	1,537.76
July	2,772.87	777.16	851.76	1,143.95
August	2,772.87	824.94	838.42	1,109.50
September	2,772.87	759.57	1,106.62	906.68
October	2,772.87	214.50	1,044.59	1,513.79
November	2,772.87	184.76	1,085.88	1,502.23
December	2,772.87	232.84	1,046.87	1,493.15
Average	**2,807.48**	**368.54**	**1,020.59**	**1,418.35**
2016				
January	2,772.87	219.86	1,025.31	1,527.70
February	2,822.87	226.82	1,023.08	1,572.97
March	2,824.81	242.84	1,064.39	1,517.58
April	2,824.81	224.42	1,087.75	1,512.64
May	2,824.81	30.00	1,185.81	1,609.00
June	2,901.81	31.08	1,181.98	1,688.74
July	2,901.81	31.08	1,181.98	1,688.74
August	3,124.81	3.04	1,085.46	2,036.30
September	3,261.49	3.02	1,253.04	2,005.43
October	3,261.49	3.04	1,149.04	2,109.40
November	3,261.49	1.79	1,248.07	2,011.64
December	3,277.28	2.12	1,265.21	2,009.95
Average	**3,005.03**	**84.93**	**1,145.93**	**1,774.17**
2017				
January	3,397.28	3.04	1,284.81	2,109.42
February	3,517.28	1.79	1,503.76	2,011.74
March	3,600.53	2.12	1,444.90	2,153.51
April	3,600.53	2.12	1,588.46	2,009.95
May	3,680.53	13.57	1,636.16	2,030.80
June	3,702.83	2.12	1,663.43	2,037.27
July	3,702.83	172.11	1,709.37	1,821.36
August	3,702.83	110.90	2,059.02	1,532.91
September	3,777.83	206.47	1,371.76	2,199.61
October	3,777.83	91.16	1,598.51	2,088.16
November	3,777.83	66.27	2,182.63	1,528.93
December	3,579.80	62.80	2,141.68	1,375.32
Average	**3,651.50**	**61.21**	**1,682.04**	**1,908.25**
2018				
January	3,592.48	86.29	876.36	2,629.82
February	3,592.48	94.22	885.73	2,612.53
March	3,312.81	113.76	976.16	2,222.89
April	3,159.12	74.60	822.68	2,261.85
May	2,980.25	133.30	655.78	2,191.18
June	2,953.58	150.23	848.66	1,954.69
July	2,814.01	92.20	1,585.87	1,135.95
August	2,814.01	257.80	1,217.71	1,338.50
September	2,814.01	93.14	1,233.93	1,486.94
October	2,814.01	107.11	1,239.45	1,467.45
November	2,814.01	141.48	1,222.80	1,449.74
December	2,735.97	367.27	1,324.72	1,043.98
Average	**3,033.06**	**142.62**	**1,074.15**	**1,816.29**
2019 /1				
January	2,651.51	485.98	1,131.08	1,034.46
February	2,651.51	397.59	1,149.31	1,104.62
March	2,651.51	359.68	1,088.59	1,203.25
April	2,651.51	432.78	1,179.84	1,038.89
May	2,651.51	360.09	1,075.65	1,215.78
June	2,651.51	317.95	1,126.98	1,206.59
July	2,651.51	321.69	1,065.33	1,264.49
August	2,651.51	356.27	1,300.17	995.07
September	2,651.51	195.78	1,255.20	1,200.54
October	2,651.51	209.80	1,095.78	1,345.93
November	2,651.51	190.40	1,097.39	1,363.72
December	2,651.51	211.30	1,018.57	1,421.64
Average	**2,651.51**	**319.94**	**1,131.99**	**1,199.58**

1/ Provisional
Source: Central Bank of Nigeria

Table 12
Open Market Operations

Period	Total Bids (N 'Million)	Amount Sold (N 'Million)	Average Tenor (Days)	Average Yield (%)
2015				
January	1,657,287.09	1,295,880.94	168	15.21
February	318,998.68	217,327.54	192	15.90
March	620,835.41	543,859.44	188	16.07
April	1,027,454.90	933,744.73	261	15.81
May	719,156.21	524,540.43	202	15.11
June	1,011,258.51	746,365.40	148	14.03
July	963,381.34	771,823.73	235	15.06
August	226,718.17	73,269.49	329	16.02
September	632,433.24	53,081.41	300	15.18
October				
November				
December	736,950.00	482,150.00	299	8.51
Total	**7,914,473.55**	**5,642,043.11**		
Average	**791,447.35**	**564,204.31**	**232**	**14.69**
2016				
January	913,260.00	698,420.00	186	8.15
February	630,890.00	509,230.00	175	8.08
March	706,990.00	394,630.00	231	8.81
April	710,300.00	363,720.00	233	9.72
May	367,700.00	64,630.00	288	10.56
June	540,800.00	299,120.00	285	12.93
July	909,780.00	695,210.00	233	19.38
August	2,248,650.00	1,728,150.00	275	17.87
September	1,067,340.00	1,057,950.00	232	20.64
October	832,900.00	807,020.00	234	20.67
November	732,660.00	665,570.00	278	17.25
December	633,140.00	575,970.00	266	21.12
Total	**10,294,410.00**	**7,859,620.00**		
Average	**857,867.50**	**654,968.33**	**243**	**14.60**
2017				
January	1,237,870.00	700,520.00	248	20.89
February	621,146.00	619,140.00	249	20.91
March	418,192.00	391,160.00	252	20.94
April	376,660.00	316,090.00	266	21.11
May	585,900.00	580,080.00	259	21.03
June	1,354,120.00	1,267,280.00	252	19.65
July	1,546,700.00	1,517,530.00	260	21.00
August	1,175,660.00	1,104,570.00	205	19.86
September	787,080.00	741,850.00	219	19.25
October	1,204,690.00	1,179,200.00	226	16.49
November	1,568,350.00	1,461,130.00	226	16.41
December	1,468,530.00	1,467,930.00	219	15.61
Total	**12,344,898.00**	**11,346,480.00**		
Average	**1,028,741.50**	**945,540.00**	**240**	**19.43**
2018				
January	2,132,608.00	2,132,608.00	163	14.71
February	919,310.30	845,282.70	173	14.42
March	1,599,250.20	1,561,378.30	199	14.57
April	3,423,078.00	2,084,455.30	189	13.54
May	2,484,392.20	2,033,421.30	201	13.65
June	1,092,612.10	1,086,612.10	230	12.51
July	1,669,120.00	1,669,120.00	203	12.40
August	1,694,130.00	1,529,930.00	178	12.30
September	2,029,460.00	1,651,510.00	177	12.29
October	1,749,510.00	1,743,640.00	213	13.92
November	3,128,050.00	3,020,280.00	227	14.14
December	2,994,770.00	2,991,920.00	222	14.15
Total	**24,916,290.80**	**22,350,157.70**		
Average	**2,076,357.57**	**1,862,513.14**	**198**	**13.55**
2019 /1				
January	3,070,420.00	3,070,420.00	214	14.60
February	3,721,500.00	3,474,130.00	236	14.73
March	2,574,900.00	2,158,570.00	188	13.62
April	991,410.00	841,200.00	253	14.34
May	1,529,970.00	1,152,690.00	241	13.29
June	1,166,120.00	1,130,620.00	243	13.30
July	2,978,830.00	1,348,830.00	251	13.01
August	1,451,390.00	608,110.00	228	13.44
September	2,646,200.00	1,801,030.00	254	13.74
October	3,988,480.00	1,962,210.00	207	13.42
November	1,446,310.00	1,446,310.00	289	13.77
December	1,807,580.00	1,729,500.00	232	13.46
Total	**27,373,110.00**	**20,723,620.00**		
Average	**2,281,092.50**	**1,726,968.33**	**236**	**13.73**

1/ Provisional

Source: Central Bank of Nigeria

Table 13
Transactions on the Nigerian Stock Exchange

Items	2015	2016	2017	2018	2019 /1
Volume of Stocks ('000)					
Government	324.36	2,184.76	756.35	793.54	5,472.99
Industrial	0.00	0.00	0.00	0.00	0.00
Second-Tier Securities	0.00	0.00	0.00	0.00	0.00
Bonds	55.00	52.76	0.00	13.21	300.00
Equities	93,639,474.80	95,830,464.33	93,289,866.04	101,437,864.21	77,780,280.50
Total	**93,639,854.16**	**95,832,701.85**	**93,290,622.39**	**101,438,670.96**	**77,786,053.48**
Number of Deals					
Government	127	555	435	1,031	858
Industrial	0	0	0	0	0
Second-Tier Securities	0	0	0	0	0
Bonds	6	3	0	1	1
Equities	955,517	836,863	878,632	1,047,745	874,852
Total	**955,650**	**837,421**	**879,067**	**1,048,777**	**875,711**
Value of Stocks (N' Million)					
Government	382.61	2,431.35	485.69	934.07	5,795.87
Industrial	0.00	0.00	0.00	0.00	0.00
Second-Tier Securities	0.00	0.00	0.00	0.00	0.00
Bonds	58.49	58.59	0.00	15.00	305.57
Equities	960,780.41	576,056.82	1,077,735.52	1,202,422.01	925,383.29
Total	**961,221.51**	**578,546.76**	**1,078,221.21**	**1,203,371.08**	**931,484.74**
Market Capitalization (N' Million)	**17,003,387.95**	**16,185,729.64**	**22,917,906.74**	**21,904,036.44**	**25,890,216.32**
Value Index of Equities (1984 = 100)	**28,679.06**	**26,914.60**	**38,243.19**	**31,430.50**	**26,842.07**

1/ Provisional
Source: Nigerian Stock Exchange

Table 14
Market Capitalisation of Quoted Companies: Equities
(Naira Thousand)

C A T E G O R Y	2015	2016	2017	2018	2019 /1
AGRICULTURE	**66,174,672.2**	**81,709,764.2**	**137,171,367.4**	**139,109,141.7**	**110,977,395.7**
FINANCIAL	**1,887,384,181.7**	**1,844,005,216.2**	**3,182,476,733.4**	**2,405,762,228.2**	**2,009,098,316.1**
Banking	1,447,631,306.5	1,456,910,669.8	2,501,840,594.6	1,675,686,421.1	1,341,717,637.7
Managed Funds	0.0	0.0	0.0	0.0	0.0
Insurance	156,890,813.9	135,537,320.3	147,276,168.4	115,906,657.0	117,624,240.0
Other Financial Institutions	253,800,765.4	224,191,704.4	505,909,562.3	588,146,151.2	527,173,472.8
Mortgage	29,061,295.9	27,365,521.8	27,450,408.1	26,022,999.0	22,582,965.6
MANUFACTURING/CONSUMER GOODS	**2,624,173,306.6**	**2,503,350,709.5**	**3,862,342,386.4**	**2,958,826,371.2**	**2,260,447,507.6**
Breweries	1,342,728,396.5	1,378,848,868.4	1,760,533,745.3	1,119,439,397.7	626,979,157.2
Food, Beverages & Tobacco	1,005,729,386.3	927,768,183.6	1,777,191,923.7	1,571,557,731.5	1,476,506,481.1
Textiles	0.0	0.0	0.0	0.0	0.0
Automobile & Tyres	2,386,334.6	2,386,334.6	2,386,334.6	954,533.8	954,533.8
Household Durables	7,660,366.3	4,360,036.9	4,893,333.5	6,266,735.4	7,184,021.1
Household Products	265,668,822.9	189,987,285.9	317,337,049.2	260,607,972.7	148,823,314.5
HEALTHCARE	**52,627,619.5**	**27,837,497.3**	**40,207,855.1**	**32,873,602.6**	**22,913,179.1**
CONGLOMERATES	**106,004,537.7**	**75,374,617.1**	**95,968,286.3**	**84,537,973.0**	**68,598,584.6**
COMMERCIALS	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Commercial/Services	0.0	0.0	0.0	0.0	0.0
Footwear	0.0	0.0	0.0	0.0	0.0
Machinery (Marketing)	0.0	0.0	0.0	0.0	0.0
Petroleum (Marketing)	0.0	0.0	0.0	0.0	0.0
CONSTRUCTION/REAL ESTATE	**109,158,908.5**	**96,293,629.5**	**85,074,428.8**	**66,907,025.7**	**29,552,630.8**
INDUSTRIAL GOODS	**577,987,694.8**	**306,278,350.2**	**324,348,019.3**	**426,658,891.7**	**392,506,181.6**
NATURAL RESOURCES	**6,599,635.2**	**5,859,521.7**	**6,272,145.1**	**4,459,017.1**	**5,006,977.2**
OIL & GAS	**760,255,397.0**	**628,782,077.5**	**667,012,542.8**	**266,763,668.7**	**187,610,062.0**
SERVICES	**103,992,391.7**	**87,308,986.1**	**134,186,065.2**	**124,341,525.8**	**107,343,024.4**
Advertising	2,219,523.5	2,219,523.5	2,219,523.5	2,219,523.5	1,509,276.0
Apparel Retailers	210,492.2	0.0	0.0	0.0	0.0
Engineering Technology	0.0	0.0	0.0	0.0	0.0
Airline Services	0.0	0.0	19,403,792.3	19,988,831.3	15,796,052.0
Printing & Publishing	4,771,626.2	4,028,392.5	3,148,712.2	3,475,867.3	2,831,541.2
Hotel, Hospitality and Tourism	66,073,563.4	56,461,808.5	72,846,171.8	62,849,097.0	51,691,907.2
Automobile and Auto Parts Retailers	588,178.4	588,178.4	588,178.4	447,015.6	247,034.9
Maritime	0.0	0.0	0.0	0.0	0.0
Aviation	0.0	0.0	0.0	0.0	0.0
Road Transport	828,850.0	828,850.0	828,850.0	480,733.0	745,965.0
Courier/Freight/Delivery	2,730,027.6	2,792,605.5	3,383,924.2	2,780,637.0	3,054,599.9
Employment Solutions	941,409.5	0.0	0.0	0.0	0.0
Speciality	3,812,275.0	3,715,228.2	3,715,228.2	1,978,426.3	1,883,746.5
Leasing	0.0	0.0	0.0	0.0	0.0
Media	6,000,000.0	6,000,000.0	6,000,000.0	4,800,000.0	4,320,000.0
Transport Related Services	7,540,686.9	6,717,531.3	15,300,690.6	15,536,998.4	13,289,625.2
Support and Logistics	8,275,759.1	3,956,868.2	6,750,994.0	9,784,396.4	11,330,950.8
ICT	**34,097,307.2**	**41,897,052.4**	**34,213,034.9**	**27,152,680.3**	**1,145,326,868.6**
FOREIGN LISTING	0.0	0.0	0.0	0.0	0.0
PREMIUM BOARD	**3,522,149,848.6**	**3,548,225,397.6**	**5,040,201,380.4**	**5,186,275,466.4**	**6,595,212,979.2**
ETFs	**4,018,648.2**	**4,798,651.1**	**6,694,586.0**	**6,127,651.7**	**6,583,062.3**
RITCEF					**26,950,252.4**
ASEM	**8,641,416.0**	**8,957,153.6**	**10,432,160.9**	**7,606,022.8**	**7,042,454.1**
Total	**9,863,265,564.8**	**9,260,678,624.1**	**13,626,600,992.1**	**11,737,401,267.0**	**12,975,169,475.7**

Note: RITCEP stands for Real Estate Investment Trust & Close End Fund; ASEM for Alternative Security Exchange Market.

1/ Provisional

Source: Nigerian Stock Exchange

Table 15
Value Index of All Common Stocks Listed by Sector on the Nigerian Stock Exchange
(1984 =100)

Category	2015	2016	2017	2018 /1	2019 /2	Growth Rate (%)				
						2015	2016	2017	2018 /1	2019 /2
AGRICULTURE	**192.4**	**237.5**	**385.0**	**372.5**	**229.6**	**16.2**	**23.4**	**62.1**	**-3.2**	**-38.4**
FINANCIAL	**5,487.9**	**5,359.3**	**8,931.7**	**6,442.2**	**4,156.3**	**-43.5**	**-2.3**	**66.7**	**-27.9**	**-35.5**
Banking	4,209.2	4,234.3	7,021.4	4,487.2	2,775.6	-41.1	0.6	65.8	-36.1	-38.1
Managed Funds	0.0	0.0	0.0	0.0	0.0					
Insurance	456.2	393.9	413.3	310.4	243.3	-4.8	-13.7	4.9	-24.9	-21.6
Other Financial Institutions	738.0	651.6	1,419.8	1,574.9	1,090.6	-63.1	-11.7	117.9	10.9	-30.8
Mortgage	84.5	79.5	77.0	69.7	46.7	-1.6	-5.9	-3.1	-9.5	-33.0
MANUFACTURING/CONSUMER GOODS	**7,630.2**	**7,275.6**	**10,839.7**	**7,923.2**	**4,676.2**	**-18.8**	**-4.6**	**49.0**	**-26.9**	**-41.0**
Breweries	3,904.2	4,007.4	4,941.0	2,997.6	1,297.0	-20.9	2.6	23.3	-39.3	-56.7
Food, Beverages & Tobacco	2,924.3	2,696.4	4,987.7	4,208.3	3,054.5	-21.9	-7.8	85.0	-15.6	-27.4
Textiles	0.0	0.0	0.0	0.0	0.0					
Automobile & Tyres	6.9	6.9	6.7	2.6	2.0	-3.7	0.0	-3.4	-61.8	-22.7
Household Durables	22.3	12.7	13.7	16.8	14.9	24.0	-43.1	8.4	22.2	-11.4
Household Products	772.5	552.2	890.6	697.9	307.9	11.3	-28.5	61.3	-21.6	-55.9
HEALTHCARE	**153.0**	**80.9**	**112.8**	**88.0**	**47.4**	**-19.1**	**-47.1**	**39.5**	**-22.0**	**-46.2**
CONGLOMERATES	**308.2**	**219.1**	**269.3**	**226.4**	**141.9**	**-49.2**	**-28.9**	**22.9**	**-16.0**	**-37.3**
COMMERCIALS	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**					
Commercial/Services	0.0	0.0	0.0	0.0	0.0					
Footwear	0.0	0.0	0.0	0.0	0.0					
Machinery (Marketing)	0.0	0.0	0.0	0.0	0.0					
Petroleum (Marketing)	0.0	0.0	0.0	0.0	0.0					
CONSTRUCTION/REAL ESTATE	**317.4**	**279.9**	**238.8**	**179.2**	**61.1**	**-33.8**	**-11.8**	**-14.7**	**-25.0**	**-65.9**
INDUSTRIAL GOODS	**1,680.6**	**890.1**	**910.3**	**1,142.5**	**812.0**	**-85.2**	**-47.0**	**2.3**	**25.5**	**-28.9**
NATURAL RESOURCES	**19.2**	**17.0**	**17.6**	**11.9**	**10.4**	**-14.7**	**-11.3**	**3.4**	**-32.2**	**-13.3**
OIL & GAS	**2,210.6**	**1,827.4**	**1,872.0**	**714.3**	**388.1**	**-2.7**	**-17.3**	**2.4**	**-61.8**	**-45.7**
SERVICES	**302.4**	**253.7**	**376.6**	**333.0**	**222.1**	**50.8**	**-16.1**	**48.4**	**-11.6**	**-33.3**
Advertising	6.5	6.5	6.2	5.9	3.1	-3.7	0.0	-3.4	-4.6	-47.5
Apparel Retailers	0.6	0.0	0.0	0.0	0.0	-8.3	-100.0			
Engineering Technology	0.0	0.0	0.0	0.0	0.0					
Airline Services	0.0	0.0	54.5	53.5	32.7				-1.7	-39.0
Printing & Publishing	13.9	11.7	8.8	9.3	5.9	-4.8	-15.6	-24.5	5.3	-37.1
Hotel, Hospitality and Tourism	192.1	164.1	204.4	168.3	106.9	167.2	-14.6	24.6	-17.7	-36.5
Automobile and Auto Parts Retailers	1.7	1.7	1.7	1.2	0.5	-37.5	0.0	-3.4	-27.5	-57.3
Maritime	0.0	0.0	0.0	0.0	0.0					
Aviation	0.0	0.0	0.0	0.0	0.0					
Road Transport	2.4	2.4	2.3	1.3	1.5	-12.5	0.0	-3.4	-44.7	19.9
Courier/Freight/Delivery	7.9	8.1	9.5	7.4	6.3	2.4	2.2	17.0	-21.6	-15.1
Employment Solutions	2.7	0.0	0.0	0.0	0.0	-3.7	-100.0			
Speciality	11.1	10.8	10.4	5.3	3.9	-6.3	-2.6	-3.4	-49.2	-26.4
Leasing	0.0	0.0	0.0	0.0	0.0					
Media	17.4	17.4	16.8	12.9	8.9	-3.7	0.0	-3.4	-23.7	-30.5
Transport Related Services	21.9	19.5	42.9	41.6	27.5	-13.6	-11.0	119.9	-3.1	-33.9
Support and Logistics	24.1	11.5	18.9	26.2	23.4	-31.8	-52.2	64.8	38.3	-10.5
ICT	**99.1**	**121.8**	**96.0**	**72.7**	**2,369.4**	**-57.1**	**22.8**	**-21.1**	**-24.3**	**3,158.7**
FOREIGN LISTING	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**					
PREMIUM BOARD	**10,241.2**	**10,312.3**	**14,145.4**	**13,887.8**	**13,643.7**		**0.7**	**37.2**	**-1.8**	**-1.8**
ETFs	**11.7**	**13.9**	**18.8**	**16.4**	**13.6**	**-14.4**	**19.4**	**34.7**	**-12.7**	**-17.0**
RITCEF			**0.0**	**0.0**	**55.8**					
ASEM	**25.1**	**26.0**	**29.3**	**20.4**	**14.6**	**-2.9**	**3.6**	**12.5**	**-30.4**	**-28.5**
Total	**28,679.1**	**26,914.6**	**38,243.2**	**31,430.5**	**26,842.1**	**-17.3**	**-6.2**	**42.1**	**-17.8**	**-14.6**

Note: RITCEP stands for Real Estate Investment Trust & Close End Fund; ASEM for Alternative Security Exchange Market.

1/ Provisional

2/ Revised

Source: Nigerian Stock Exchange

Table 16
Federation Accounts Operations
(Naira Billion)

	2015	2016	2017	2018	2019 1/
Total Revenue(Gross) 2/	**6,912.5**	**5,616.4**	**7,445.0**	**9,551.8**	**10,262.3**
Oil Revenue (Gross)	**3,830.1**	**2,693.9**	**4,109.8**	**5,545.8**	**5,536.7**
Crude Oil / Gas Exports	898.6	389.6	795.4	415.7	398.6
PPT and Royalties, etc.	1,782.4	1,192.3	1,801.4	3,726.2	3,529.1
Domestic Crude Oil Sales	1,050.7	1,028.4	1,470.5	1,393.3	1,478.1
Other Oil Revenue	98.4	83.6	42.5	10.6	130.8
Less:					
Deductions 3/	943.0	1,040.1	1,443.4	927.9	1,498.0
Oil Revenue (Net)	**2,887.1**	**1,653.8**	**2,666.4**	**4,617.9**	**4,038.7**
Non- Oil Revenue	**3,082.4**	**2,922.5**	**3,335.2**	**4,006.0**	**4,725.6**
Corporate Tax	1,029.1	988.4	1,206.3	1,429.9	1,637.2
Customs & Excise Duties	546.2	548.8	628.0	705.5	837.3
Value-Added Tax (VAT)	778.7	811.0	967.7	1,097.4	1,175.9
FG Independent Revenue	323.4	237.7	283.4	395.2	557.3
Education Tax	202.1	152.3	49.0	136.6	247.8
Customs Special Levies (Federation Account)	73.6	53.9	68.3	61.2	37.9
National Information Technology Development Fund (NITDF)	11.3	8.8	1.0	8.8	15.2
Customs Special Levies (Non-Federation Account)	118.1	121.6	131.5	171.4	217.0
Less:					
Deductions 3/	123.7	115.4	168.7	161.8	191.6
Non- Oil Revenue (Net)	**2,958.7**	**2,807.1**	**3,166.5**	**3,844.2**	**4,534.0**
Federally - collected revenue + Transfers	**5,845.8**	**4,460.9**	**5,832.9**	**8,462.1**	**8,572.7**
Less	**1,476.0**	**1,353.0**	**1,462.2**	**1,826.9**	**2,204.1**
Transfer to Federal Govt. Ind. Revenue	323.4	237.7	283.4	395.2	557.3
Transfer to VAT Pool Account	747.6	778.6	929.0	1,053.7	1,128.9
Other Transfers 4/	405.0	336.7	249.8	378.0	517.8
Federally Collected Revenue (Net)	**4,369.8**	**3,107.9**	**4,370.7**	**6,635.2**	**6,368.6**
Memorandum Items:					
Deductions:	**1,066.7**	**1,155.5**	**1,612.1**	**1,089.7**	**1,689.6**
Oil Revenue	**943.0**	**1,040.1**	**1,443.4**	**927.9**	**1,498.0**
JVC Cash calls	792.8	704.5	1,237.0	539.0	1,242.8
Excess Crude Proceeds	12.6	-	14.4	285.0	128.3
Excess PPT & Royalty	36.9	242.7	137.2	24.5	-
Others	100.7	92.9	54.8	79.4	126.9
Non -oil Revenue	**123.7**	**115.4**	**168.7**	**161.8**	**191.6**
4% FIRS collection cost	41.6	38.4	48.6	56.7	64.7
7% NCS collection cost	38.2	44.3	43.9	49.4	58.6
Cost of collection for VAT	31.1	32.4	38.7	43.6	47.0
Others 5/	12.7	0.3	37.5	12.1	21.3

1/ Provisional
2/ Includes other receipts from Education Tax, FGN Independent Revenue and Levies
3/ As contained in memorandum items, including Lagos State 13% derivation, Pre-export financing and DPR cost of collection
4/ Includes Education Tax and Custom Levies
5/ Includes excess non-oil Revenue
Source: Federal Ministry of Finance (FMF)

Table 17
Federally collected Revenue Distributions
(Naira Billion)

	2015	2016	2017	2018	2019 1/
Federally Collected Revenue (Net)	**4,369.8**	**3,107.9**	**4,370.7**	**6,635.2**	**6,368.6**
Add					
Other Revenue	**696.6**	**847.8**	**626.2**	**320.5**	**208.8**
Excess Oil Revenue 2/	451.2	429.1	313.5	73.3	78.1
Excess Non-Oil Revenue 3/	0.0	12.9	0.9	15.0	22.6
Exchange Rate Gain and Forex Equalisation	245.4	405.8	311.8	232.2	108.1
Total Revenue	5,066.4	3,955.7	4,996.9	6,955.7	6,577.4
Distributed as Follows					
Statutory Allocation	**4,369.8**	**3,107.9**	**4,370.7**	**6,634.8**	**6,368.7**
Federal Government	**2,104.3**	**1,524.0**	**2,119.9**	**3,179.0**	**3,078.5**
State Government	**1,067.3**	**773.0**	**1,075.2**	**1,612.4**	**1,561.4**
Local Government	**822.9**	**596.0**	**828.9**	**1,243.1**	**1,203.8**
13% Derivation	**375.3**	**214.9**	**346.8**	**600.3**	**525.0**
Excess Oil Revenue	**451.2**	**429.1**	**313.5**	**73.3**	**78.1**
Federal Government	271.6	239.8	158.3	33.6	35.8
State Government	99.2	83.1	71.4	17.0	18.2
Local Government	76.5	64.1	52.0	13.1	14.0
13% Derivation	3.9	42.1	31.8	9.5	10.2
Share of Excess Non-Oil Revenue	**0.0**	**12.9**	**0.9**	**15.0**	**22.6**
Federal Government	0.0	6.1	0.5	7.9	11.3
State Government	0.0	3.1	0.3	4.0	5.7
Local Government	0.0	2.4	0.2	3.1	4.4
13% Derivation	0.0	1.3	0.0	0.0	1.1
Exchange Rate Gain and Forex Equalisation	**245.4**	**405.8**	**311.8**	**232.2**	**108.1**
Federal Government	112.9	194.7	146.0	106.4	49.7
State Government	57.3	98.7	74.0	54.0	25.2
Local Government	44.2	76.1	57.1	41.6	19.4
13% Derivation	31.0	36.3	34.7	30.2	13.8
Total Statutory Revenue Distribution	**5,066.4**	**3,955.6**	**4,996.9**	**6,955.3**	**6,577.5**
Federal Government	2,488.8	1,964.6	2,424.6	3,326.9	3,175.2
State Government	1,223.8	957.9	1,220.9	1,687.5	1,610.5
Local Government	943.5	738.5	938.2	1,301.0	1,241.6
13% Derivation	410.3	294.6	413.2	640.0	550.1
VAT POOL	**747.6**	**778.6**	**929.0**	**1,046.5**	**1,128.9**
Federal Government	112.1	116.8	139.3	157.0	169.3
State Government	373.8	389.3	464.5	523.3	564.4
Local Government	261.7	272.5	325.1	366.3	395.1
Total Statutory Revenue and VAT Distribution	5,814.0	4,734.2	5,925.9	8,001.8	7,706.5
Federal Government	**2,600.9**	**2,081.4**	**2,564.0**	**3,483.9**	**3,344.6**
State Government	1,597.6	1,347.2	1,685.4	2,210.7	2,175.0
Local Government	1,205.2	1,011.0	1,263.3	1,667.2	1,636.8
13% Derivation	410.3	294.6	413.2	640.0	550.1

1/ Provisional
2/ Includes Excess PPT/Crude, NNPC additional Revenue, NLNG Distribution and NNC Refunds
3/ Includes Other memorandum sharing such as Excess Bank Charges, Recovery of Understated Revenue, Budget Augmentation
Source: FMF and CBN

Table 18
Summary of General Government Finances
(Naira Billion)

	2015	2016 1/	2017	2018	2019 2/
Total Revenue (Gross)	**8,944.8**	**8,162.8**	**8,970.6**	**11,335.3**	**12,344.5**
Oil Revenue (Gross)	**3,830.1**	**2,693.9**	**4,109.8**	**5,545.8**	**5,536.7**
Less:					
Deductions	943.0	1,040.1	1,443.4	927.9	1,498.0
Oil Revenue (Net)	2,887.1	1,653.8	2,666.4	4,617.9	4,038.7
Add:					
Share from Excess Oil Revenue	696.6	844.8	625.3	305.5	186.2
Revenue from Oil Sources	**3,583.7**	**2,498.6**	**3,291.7**	**4,923.4**	**4,224.9**
Non-Oil Revenue (Gross)	**3,082.4**	**2,922.5**	**3,335.2**	**4,006.0**	**4,725.6**
of which: VAT	778.7	811.0	967.7	1,097.4	1,175.9
International Trade Taxes	546.2	548.8	628.0	705.5	837.3
Corporate Tax	1,029.1	988.4	1,206.3	1,429.9	1,637.2
FGN Independent Revenue	323.4	237.7	283.4	395.2	557.3
Less:					
Deductions	123.7	115.4	168.7	161.8	191.6
Non-Oil Revenue (Net)	2,958.7	2,807.1	3,166.5	3,844.2	4,534.0
Add:					
SG Internally-Generated Revenue	755.8	746.3	765.0	755.7	773.8
LG Internally-Generated Revenue	24.0	36.4	38.2	32.5	32.6
Non-oil excess revenue 3/	0.0	3.0	0.9	15.0	22.6
Grants & Others	49.2	53.3	84.5	77.4	87.9
Revenue from Non-Oil Sources	**3,787.7**	**3,605.8**	**4,055.2**	**4,724.8**	**5,451.0**
Add:					
Balances in FG Special Accounts for the Previous Year & Others 4/	506.7	865.6	12.6	612.4	1,001.7
Total Collected Revenue (Net)	**7,878.1**	**6,970.0**	**7,359.5**	**10,260.6**	**10,677.5**
Transfers:					
Education Tax & Other Levies	320.2	273.9	180.5	308.0	464.8
Others 5/	11.3	8.2	69.3	69.9	53.0
AGGREGATE REVENUE	**7,546.7**	**6,687.9**	**7,109.7**	**9,882.6**	**10,159.7**
TOTAL EXPENDITURE	**9,704.3**	**10,605.8**	**11,498.2**	**13,998.3**	**15,940.6**
Recurrent Expenditure	**6,821.8**	**6,920.9**	**8,160.8**	**9,718.1**	**11,054.5**
Goods & Services	**5,696.7**	**5,429.8**	**6,249.9**	**7,455.3**	**8,495.0**
Personnel Cost	3,665.8	3,440.3	3,745.6	4,064.6	4,265.2
Pension	423.7	427.9	419.3	433.4	551.1
Overhead Cost	1,130.9	1,370.5	1,560.3	1,936.0	2,677.2
Others	476.3	191.1	524.7	1,021.3	1,001.5
Interest Payments	**1,125.1**	**1,491.1**	**1,910.9**	**2,262.8**	**2,559.5**
Foreign	63.6	77.3	181.4	292.4	448.7
Domestic	1,061.5	1,413.7	1,729.5	1,970.4	2,110.9
Capital Expenditure	**2,116.1**	**2,043.7**	**2,426.3**	**3,209.2**	**3,825.9**
Transfers	**766.5**	**1,641.2**	**911.1**	**1,071.0**	**1,060.3**
NDDC	37.9	37.6	0.0	0.0	0.0
NJC	74.0	70.0	0.0	0.0	0.0
UBE	56.8	77.1	0.0	0.0	0.0
Subnational Governments' Transfers	0.0	0.00	12.9	16.1	18.4
Special funds	221.5	241.0	173.8	275.7	258.2
Other Transfers	376.3	1,215.4	724.5	779.3	783.8
Balances					
Current Balance	724.9	(233.0)	-1,051.1	164.5	(894.8)
Primary Balance	-1,032.6	(2,426.8)	-2,477.7	-1,852.9	(3,221.4)
OVERALL BALANCE	**-2,157.7**	**(3,917.9)**	**-4,388.6**	**-4,115.7**	**(5,781.0)**
FINANCING	**2,157.7**	**3,917.9**	**4,388.6**	**4,115.7**	**5,780.9**
Foreign (Net)	35.8	53.7	1,309.1	1,161.4	112.9
Domestic (Net)	2,121.9	3,864.2	3,079.4	2,954.3	5,668.0
Banking System	1,334.0	647.0	1,773.1	487.3	542.6
CBN/Sinking Fund	616.0	0.2	0.0	0.0	-
DMBs	718.1	646.8	1,773.1	487.3	542.6
Non-Bank Public	111.9	246.6	-517.2	668.8	912.8
Other Funds	676.1	2,970.6	1,823.5	1,798.2	4,212.6

1/ Revised

2/ Provisional

3/ Includes Recovered Excess Bank Charges

4/ Includes share of Stabilisation Fund, State Allocation & Other Subnational Government's Revenue

5/ Includes Transfer to NITDF & Customs Special Levies (Federation Account)

Source: FMF

Table 19
General Government's Expenditure on Selected Primary Welfare Sectors
(Naira Billion)

Selected Sectors	2015			2016			2017			2018			2019 2/			2019 2/		2018 1/	2019 2/
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Changes	% Change	As % of GDP	
Education	901.3	103.6	**1,004.9**	804.3	103.1	**907.4**	1,031.6	140.0	**1,171.6**	1,156.3	167.2	**1,323.5**	1,286.7	191.7	**1,478.4**	155.0	11.71	1.03	1.02
Health	401.7	170.7	**572.4**	276.3	76.2	**352.5**	457.5	127.5	**585.0**	481.3	167.4	**648.7**	572.1	174.9	**747.0**	98.3	15.16	0.50	0.51
Agriculture	108.3	205.0	**313.4**	127.3	106.9	**234.2**	173.1	171.7	**344.8**	194.7	232.5	**427.2**	218.9	264.5	**483.5**	56.3	13.19	0.33	0.33
Total	**1,411.3**	**479.3**	**1,890.6**	**1,207.8**	**286.2**	**1,494.1**	**1,662.2**	**439.3**	**2,101.5**	**1,832.2**	**567.1**	**2,399.3**	**2,077.8**	**631.2**	**2,708.9**	**309.6**	**12.91**	**1.86**	**1.86**

1/ Revised
2/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

Table 20
Summary of Federal Government Finances
(Naira Billion)

	2015	2016	2017	2018 1/	2019 2/
FEDERAL GOVERNMENT RETAINED REVENUE	**3,431.0**	**3,184.7**	**2,847.3**	**4,185.6**	**4,801.0**
Share of Federation Account	2,104.3	1,524.0	2,119.9	3,179.0	3,078.5
Share of VAT Pool Account	112.1	116.8	139.3	157.0	169.3
Federal Government Independent Revenue	323.4	237.7	283.4	395.2	557.3
Excess Oil Revenue	271.6	239.8	158.3	33.6	35.8
Excess Non-Oil Revenue	0.0	6.1	0.5	7.9	11.3
Exchange Rate Gain and Forex Equalisation	112.9	194.7	146.0	106.4	49.7
Others (including TSA/ E-collection Pool Account) 3/	506.7	865.6	0.0	306.6	899.1
TOTAL EXPENDITURE	**4,988.9**	**5,858.6**	**6,456.7**	**7,813.7**	**9,714.8**
Recurrent Expenditure	**3,831.9**	**4,160.1**	**4,780.0**	**5,675.2**	**6,997.4**
Goods and Services	**2,550.0**	**2,493.1**	**2,782.3**	**3,238.1**	**4,285.2**
Personnel Cost	1,869.3	1,690.0	1,865.6	2,090.3	2,288.6
Pension	208.1	184.8	191.5	197.8	307.4
Overhead Cost 4/	472.6	618.4	725.3	950.0	1,689.2
Interest Payments	**1,060.4**	**1,426.0**	**1,823.9**	**2,161.4**	**2,454.1**
Foreign	63.6	77.3	181.4	292.4	448.7
Domestic 5/	996.8	1,348.6	1,642.5	1,869.0	2,005.4
Transfers	**221.5**	**241.0**	**173.8**	**275.7**	**258.2**
Special Funds and Others 6/	221.5	241.0	173.8	275.7	258.2
Capital Expenditure & Net Lending	**818.4**	**653.6**	**1,242.3**	**1,682.1**	**2,289.0**
Domestic Financed Budget	818.4	173.1	408.4	739.1	1,123.5
Budgetary (CRF)	601.3	104.8	0.0	0.0	-
Spillover from Previous Year's Capital Budget	217.1	68.3	408.4	739.1	1,123.5
SURE-P/CDF Releases 7/	0.0	480.5	833.9	943.0	1,165.5
Transfers	**338.6**	**1,044.8**	**434.4**	**456.5**	**428.5**
NDDC	37.9	37.6	0.0	0.0	-
NJC	74.0	70.0	0.0	0.0	-
UBE	56.8	77.1	0.0	0.0	-
Others 8/	169.9	860.1	434.4	456.5	428.5
BALANCES					
Primary Surplus(+)/Deficit(-)	-497.5	-1,247.8	-1,785.5	-1,466.7	(2,459.7)
Current Surplus(+)/Deficit(-)	-400.9	-975.4	-1,932.7	-1,489.5	(2,196.4)
OVERALL SURPLUS(+)/DEFICIT(-)	**-1,557.8**	**-2,673.8**	**-3,609.4**	**-3,628.1**	**(4,913.8)**
FINANCING	**1,557.8**	**2,673.8**	**3,609.4**	**3,628.1**	**4,913.8**
Foreign (Net)	0.0	0.0	1,240.4	1,073.3	-
Domestic (Net)	1,557.8	2,673.8	2,369.0	2,554.8	4,913.8
Banking System	834.1	278.2	1,337.6	0.0	-
Central Bank	616.0	0.2	0.0	0.0	-
Deposit Money Banks	218.1	278.0	1,337.6	0.0	-
Non-Bank Public	111.9	246.6	-517.2	668.8	912.8
Privatization Proceed	72.6	5.9	372.4	0.0	-
Other Funds 9/	539.3	2,143.1	1,176.3	1,886.0	4,001.0

` **1/ Revised**
2/ Provisional
3/ Includes unspent balances from previous FY& FG balances of special accounts
4/ Includes 1% Police Reform Deductions in 2015
5/ Includes sinking fund and settlement of state component of coupon payment and states deferred loans
6/ Includes other statutory deductions and Refunds to MDAs & Banks in 2017
7/ Includes 2016 Capital implemented from 1st January to 5th May, 2017
8/ Includes National Assembly, Public Complaints Commission, National Human Right Commission, INEC and Refund to MDAs and Banks
9/ Includes FG's contribution to the External Creditors' Fund
Source: Federal Ministry of Finance

Table 21
Functional Classification of Federal Government Recurrent and Capital Expenditure
(Naira Billion)

	2015	2016	2017	2018	2019 1/
TOTAL EXPENDITURE	**4,988.9**	**5,858.6**	**6,456.7**	**7,813.8**	**9,714.8**
A. RECURRENT EXPENDITURE	**3,831.9**	**4,160.1**	**4,780.0**	**5,675.2**	**6,997.4**
A1. ADMINISTRATION	**1,229.0**	**1,277.0**	**1,324.3**	**1,584.1**	**2,105.2**
General Administration	488.2	479.2	564.4	652.3	847.6
Defence	330.6	380.2	361.9	442.2	589.0
Internal Security	410.2	417.7	398.0	489.7	668.6
A2. ECONOMIC SERVICES	**275.4**	**255.8**	**334.9**	**372.5**	**479.0**
Agriculture & Natural Resources	41.3	36.3	50.3	54.0	70.3
Roads & Construction	114.6	97.9	126.2	150.2	189.1
Transport & Communications	24.4	20.6	30.0	30.5	40.7
Others	95.1	101.0	128.5	137.9	178.9
A3. SOCIAL & COMMUNITY SERVICES	**807.6**	**775.6**	**931.7**	**1,083.7**	**1,393.6**
Education	325.2	339.3	404.0	465.3	593.3
Health	257.7	200.8	245.2	296.4	388.4
Others	224.7	235.4	282.5	322.0	411.9
A4. TRANSFERS	**1,520.0**	**1,851.8**	**2,189.1**	**2,634.9**	**3,019.6**
Public Debt Charges (Int)	**1,060.4**	**1,426.0**	**1,823.9**	**2,161.4**	**2,454.1**
Domestic	996.8	1,348.6	1,642.5	1,869.0	2,005.4
Foreign	63.6	77.3	181.4	292.4	448.7
Pensions & Gratuities	208.1	184.8	191.5	197.8	307.4
FCT & Others	221.5	241.0	173.8	275.7	258.2
Others	30.0	0.0	0.0	0.0	-
B. CAPITAL EXPENDITURE	**818.4**	**653.6**	**1,242.3**	**1,682.1**	**2,289.0**
B1. ADMINISTRATION	**226.8**	**147.7**	**328.9**	**446.2**	**591.3**
General Administration	110.2	108.8	210.4	279.6	367.9
Defence	80.6	18.0	66.7	92.1	131.0
Internal Security	36.0	20.9	51.9	74.5	92.3
B2 ECONOMIC SERVICES	**348.7**	**278.9**	**542.2**	**753.5**	**994.2**
Agriculture & Natural Resources	73.9	42.6	86.3	128.3	172.5
Manuf., Mining & Quarrying	4.9	0.6	10.5	9.9	12.1
Transport & Communications	44.3	41.4	74.4	106.2	137.6
Housing	16.0	11.3	26.3	35.7	45.3
Roads & Construction	134.3	103.0	175.3	271.4	357.3
Others	75.3	80.2	169.4	202.0	269.4
B3 SOCIAL & COMMUNITY SERVICES	**83.0**	**68.8**	**167.7**	**203.4**	**264.7**
Education	30.4	25.3	55.4	72.8	94.2
Health	30.3	23.2	53.8	70.7	90.7
Others	22.2	20.3	58.4	59.9	79.8
B4 TRANSFERS	**159.8**	**158.1**	**203.5**	**278.9**	**438.9**
Capital Supplementation	111.5	158.1	107.9	179.3	315.0
Net Lending to States/LGs/Parast.	0.0	0.0	0.0	0.0	-
Grants to States	0.0	0.0	0.0	0.0	-
Others	48.3	0.0	95.6	99.7	123.9
C. STATUTORY TRANSFERS	**338.6**	**1,044.8**	**434.4**	**456.5**	**428.5**
NDDC	37.9	37.6	0.0	0.0	-
NJC	74.0	70.0	0.0	0.0	-
UBE	56.8	77.1	0.0	0.0	-
Others	169.9	860.1	434.4	456.5	428.5

1/ Provisional

Source: Federal Ministry of Finance, Office of the Accountant-General of the Federation and Central Bank of Nigeria.

Table 22
Federal Government Expenditure on Primary Welfare Sectors
(Naira Billion)

Selected Sectors	2015			2016			2017			2018			2019 2/			2019 2/		2018 1/	2019 2/
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Change	% Change	As % of GDP	
Education	325.2	30.4	**355.6**	339.3	25.3	**364.6**	404.0	55.4	**459.4**	465.3	72.8	**538.1**	593.3	94.2	**687.5**	**149.4**	27.76	0.42	**0.47**
Health	257.7	30.3	**288.0**	200.8	23.2	**224.0**	245.2	53.8	**299.0**	296.4	70.7	**367.1**	388.4	90.7	**479.1**	**112.0**	30.50	0.28	**0.33**
Agriculture & Natural Resources	41.3	73.9	**115.2**	36.3	42.6	**78.9**	50.3	86.3	**136.5**	54.0	128.3	**182.3**	70.3	172.5	**242.7**	**60.5**	33.17	0.14	**0.17**
Roads and Contruction	114.6	134.3	**248.9**	97.9	103.0	**200.9**	126.2	175.3	**301.5**	150.2	271.4	**421.6**	189.1	357.3	**546.4**	**124.9**	29.62	0.33	**0.38**
Total	**738.8**	**268.9**	**1,007.7**	**674.3**	**194.0**	**868.4**	**825.6**	**370.8**	**1,196.4**	**965.9**	**543.2**	**1,509.1**	**1,241.1**	**714.7**	**1,955.7**	**446.7**	29.60	**1.17**	**1.34**
Total Expenditure			**4,988.9**			**5,858.6**			**6,456.7**			**7,813.8**			**9,714.8**	**1,901.1**	**24.33**	**6.05**	**6.67**

1/ Revised
2/ Provisional
Source: Federal Ministry of Finance and Central Bank of Nigeria

Table 23
State Governments' and FCT's Finances
(Naira Billion)

	2015	2016	2017	2018	2019 1/
Total Revenue plus Grants	**2,859.0**	**2,467.7**	**2,992.5**	**3,753.4**	**3,636.5**
Share of Federation Account 2/	1,482.6	1,016.9	1,462.3	2,273.6	2,144.9
Exchange Gain and Forex Equalisation	97.4	140.5	112.2	86.2	39.0
Excess Oil Revenue	101.4	128.0	105.4	27.2	28.3
Excess Non-Oil Revenue	-	4.3	0.3	4.2	6.9
Share of VAT	381.3	397.1	473.8	533.7	564.4
Internally Generated Revenue	755.8	746.3	765.0	755.7	773.8
Share of Stabilization Fund	-	0.1	3.1	1.0	1.0
Grants & Others	40.6	34.5	70.4	71.8	78.1
					76.95
Total Expenditure	**3,469.2**	**3,209.2**	**3,702.9**	**4,459.6**	**4,503.3**
Recurrent Expenditure	**2,267.3**	**2,007.7**	**2,663.0**	**3,252.2**	**3,283.1**
Personnel Cost	890.9	961.6	941.5	973.8	977.1
Overhead Cost	507.7	636.5	713.5	794.0	796.2
CRF Charges	209.5	17.8	294.5	670.9	681.2
Pensions	215.6	243.1	227.8	235.6	243.7
Debt Charges	64.7	65.1	87.0	101.4	105.5
Transfer to LGs	-	-	12.9	16.1	18.4
Other Transfers	206.4	-	290.1	322.8	355.3
Others	172.6	83.7	95.7	137.7	105.7
Capital Expenditure 3/	**1,201.8**	**1,201.5**	**1,039.9**	**1,207.4**	**1,220.2**
Current Balance 4/	**591.7**	**460.0**	**329.5**	**501.1**	**353.4**
Overall Balance 4/	**(610.1)**	**(741.5)**	**(710.4)**	**(706.2)**	**(866.8)**
Financing	**610.1**	**741.5**	**710.4**	**706.2**	**866.8**
External Loans	35.8	53.7	68.7	88.1	112.9
Internal Loans	494.3	365.9	433.5	482.5	536.9
Other Funds	80.0	321.9	208.1	135.7	217.0

1/ Provisional and comprises 36 states and FCT
2/ Gross Statutory Allocation
3/ Includes Contribution to External Debt and other Deductions at Source
4/ positive (+) sign connotes surplus while negative (-) sign connotes deficit
Sources: State Governments' Ministries of Finance and Office of the Accountant-General of the Federation's Reports

Table 24
Functional Classification of State Governments' Recurrent and Capital Expenditure
(Naira Billion)

	2015	2016	2017	2018	2019 1/
TOTAL EXPENDITURE	**3,469.2**	**3,209.3**	**3,702.9**	**4,459.6**	**4,503.3**
A. RECURRENT EXPENDITURE	**2,267.3**	**2,007.8**	**2,663.0**	**3,252.2**	**3,283.1**
A1. ADMINISTRATION	**1,357.9**	**1,076.8**	**1,196.8**	**1,717.9**	**1,656.9**
General Administration	1,157.5	937.8	844.5	1,390.9	1,317.9
State Assembly	28.9	6.8	84.4	56.2	60.5
State Judiciary	76.9	14.3	90.8	83.5	76.1
Others	94.6	117.9	177.1	187.3	202.4
A2. ECONOMIC SERVICES	**194.4**	**436.3**	**528.3**	**543.6**	**637.8**
Agriculture, Forestry, Livestock, Fishing	45.0	49.6	82.6	90.8	92.9
Industry	6.3	3.8	21.2	14.8	16.2
Commerce	10.3	33.0	13.0	27.8	32.2
Finance	35.2	9.6	47.1	53.0	44.3
Transport	22.1	83.8	38.7	68.7	83.3
Cooperative/Supply	10.3	1.8	6.3	12.5	8.3
Power (Incl. Rural Electrification)	6.6	0.8	18.4	12.8	12.9
Works/Roads Construction	49.1	141.5	60.1	125.2	142.1
Others	9.4	112.4	240.7	138.1	205.7
A3. SOCIAL SERVICES	**565.5**	**362.0**	**762.4**	**776.2**	**771.8**
Education	130.7	93.7	230.4	205.0	212.3
Health	122.4	62.3	198.5	167.9	166.9
Water Supply	38.4	22.6	40.5	47.5	45.5
Information & Culture	42.2	7.4	64.4	46.4	42.4
Social & Comm. Dev.	85.4	23.8	62.1	77.1	63.4
Housing	38.7	2.6	31.6	30.3	22.5
Town & Country Planning	80.1	114.5	40.9	132.3	139.0
Others	27.6	35.1	94.2	69.7	79.8
A4. TRANSFERS	**149.5**	**132.6**	**175.5**	**214.5**	**216.6**
Debt Charges (Interest Payments)	82.6	51.5	54.6	89.5	80.6
Pensions & Gratuities	56.5	80.5	109.4	115.0	127.6
Others	10.4	0.6	11.5	10.0	8.4
B. CAPITAL EXPENDITURE	**1,201.8**	**1,201.5**	**1,039.9**	**1,207.4**	**1,220.2**
B1. ADMINISTRATION	**97.4**	**100.1**	**169.3**	**131.7**	**144.5**
General Administration	69.6	25.5	120.2	73.7	73.4
State Assembly	8.1	16.6	9.7	13.4	15.6
State Judiciary	18.1	16.9	15.2	19.5	19.6
Others	1.6	41.1	24.2	25.0	35.8
B2. ECONOMIC SERVICES	**353.9**	**377.1**	**385.2**	**393.9**	**411.0**
Agriculture, Forestry, Livestock, Fishing	41.8	42.3	40.5	44.0	45.1
Industry	4.7	16.6	6.3	9.7	11.6
Commerce	82.0	2.6	35.5	43.4	28.7
Finance	6.0	2.5	8.2	5.9	5.9
Transport	171.7	20.5	110.5	108.5	84.5
Cooperative/Supply	0.6	0.5	0.4	0.5	0.5
Power (Incl. Rural Electrification)	9.6	1.9	31.9	15.1	17.3
Works/Roads Construction	36.5	222.3	146.3	140.8	181.8
Others	1.0	68.0	5.7	26.0	35.7
B3. SOCIAL SERVICES	**338.7**	**321.2**	**294.1**	**334.8**	**336.5**
Education	65.9	68.1	75.4	74.0	77.3
Health	120.6	44.3	66.3	80.3	67.7
Water Supply	10.5	29.5	15.2	19.5	22.6
Information & Culture	9.5	2.9	16.9	10.6	11.0
Social & Comm. Development	42.6	47.4	27.6	41.0	40.8
Housing	11.0	17.9	25.5	19.5	22.5
Town & Country Planning	72.6	70.7	37.4	62.7	60.0
Others	5.9	40.4	29.7	27.3	34.6
B4. TRANSFERS	**411.8**	**403.0**	**191.4**	**347.0**	**328.2**
Capital Repayments	409.1	384.9	119.3	297.4	266.4
Grants to LGs/Parastatals/Higher Inst.	2.2	16.2	71.1	48.2	60.2
Others	0.5	2.0	1.1	1.4	1.6

1/ Provisional and comprises 36 states and FCT
Sources: CBN Fiscal Survey, State Governments' Accountants-General and OAGF

Table 25
Summary of State Governments' and FCT's Finances: State-by-State, 2019 1/
(₦' Billion)

S/N	STATES	REVENUE & OTHER RECEIPTS									
		Gross Statutory Allocation 2/	Excess Oil Revenue	Excahnge Gain and FOREX Equalisation Account	Non-oil Excess	VAT	Internally Gen. Rev. (IGR)	Grants	Stabilization Fund & Others	Others	TOTAL
		(1)				(2)	(3)	(4)	(5)	(6)	
1	Abia	45.2	0.2	0.8	0.6	11.5	18.2	0.0	0.0	0.0	76.6
2	Adamawa	41.0	0.1	0.7	0.5	12.0	7.7	8.1	0.0	1.6	71.6
3	Akwa Ibom	159.9	0.8	3.9	2.2	13.4	22.3	0.0	0.0	0.0	202.5
4	Anambra	40.9	0.1	0.7	0.5	13.5	8.9	6.8	0.0	2.9	74.3
5	Bauchi	49.3	0.2	0.8	0.6	13.8	4.2	16.0	0.0	0.0	84.8
6	Bayelsa	137.2	0.7	3.1	1.7	10.3	7.2	1.7	0.0	2.0	163.9
7	Benue	46.2	0.2	0.7	0.6	13.2	15.3	0.1	0.1	0.0	76.4
8	Borno	51.2	0.2	0.8	0.6	13.1	3.9	0.0	0.0	0.0	69.8
9	Cross River	41.4	0.1	0.7	0.5	11.6	13.1	0.0	0.0	0.0	67.4
10	Delta	203.3	1.1	5.0	2.9	14.7	28.8	0.0	0.0	0.0	255.8
11	Ebonyi	36.8	0.1	0.6	0.5	10.9	3.9	0.0	0.0	0.0	52.8
12	Edo	56.4	0.2	1.1	0.7	12.9	22.8	0.0	0.1	0.2	94.5
13	Ekiti	36.8	0.1	0.6	0.5	11.0	5.0	1.2	0.0	0.0	55.3
14	Enugu	41.4	0.1	0.7	0.5	12.7	7.6	0.0	0.0	0.0	63.0
15	Gombe	38.8	0.1	0.6	0.5	10.9	17.4	2.6	0.0	0.0	71.0
16	Imo	52.1	0.2	1.0	0.7	13.0	9.6	0.0	0.0	0.0	76.6
17	Jigawa	46.0	0.2	0.7	0.6	13.7	4.4	0.1	0.0	5.3	71.0
18	Kaduna	54.0	0.2	0.9	0.7	16.4	17.1	0.6	0.0	0.0	89.7
19	Kano	65.3	0.2	1.1	0.8	21.4	22.5	0.0	0.0	0.0	111.3

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
Sources: State Governments' and FCT Abuja Accountants-General's Reports

Table 25 Contd.
Summary of State Governments' and FCT's Finances: State-by-State, 2019 1/
(₦' Billion)

S/N	STATES	REVENUE & OTHER RECEIPTS									
		Gross Statutory Allocation 2/	Excess Oil Revenue	Excahnge Gain and FOREX Equalisation Account	Non-oil Excess	VAT	Internally Gen. Rev. (IGR)	Grants	Stabilization Fund & Others	Others	TOTAL
		(1)				(2)	(3)	(4)	(5)	(6)	
20	Katsina	50.6	0.2	0.8	0.6	15.1	5.9	0.2	0.0	0.0	73.6
21	Kebbi	43.5	0.1	0.7	0.5	12.0	7.0	0.0	0.0	0.0	63.8
22	Kogi	45.5	0.2	0.7	0.6	12.1	6.1	1.0	0.0	0.0	66.2
23	Kwara	36.7	0.1	0.6	0.5	11.0	20.7	0.9	0.1	0.4	70.9
24	Lagos	55.2	0.2	0.9	0.7	107.9	270.8	0.0	0.0	0.0	435.6
25	Nassarawa	38.0	0.1	0.6	0.5	10.4	4.4	0.0	0.0	0.0	54.0
26	Niger	48.8	0.2	0.8	0.6	13.0	5.8	0.0	0.1	0.8	70.1
27	Ogun	38.3	0.1	0.6	0.5	13.5	20.6	0.0	0.0	1.9	75.5
28	Ondo	51.7	0.2	1.0	0.7	12.4	7.0	0.0	0.0	0.0	73.0
29	Osun	37.6	0.1	0.6	0.5	12.2	10.0	0.0	0.0	0.0	61.0
30	Oyo	46.2	0.2	0.7	0.6	18.8	21.8	0.0	0.0	2.3	90.6
31	Plateau	43.0	0.1	0.7	0.5	12.0	6.6	0.0	0.0	0.0	63.0
32	Rivers	141.3	0.7	3.2	1.8	17.8	107.6	0.0	0.5	0.0	272.9
33	Sokoto	45.4	0.2	0.7	0.6	12.5	5.8	0.0	0.1	0.8	66.1
34	Taraba	39.7	0.1	0.6	0.5	10.8	6.1	2.1	0.0	0.2	60.1
35	Yobe	40.9	0.1	0.7	0.5	11.1	3.3	0.0	0.0	0.0	56.6
36	Zamfara	41.0	0.1	0.7	0.5	11.9	5.4	0.0	0.0	18.4	77.9
37	FCT	58.4	0.2	0.1	0.6	11.3	18.9				89.5
38	Escrow (Disputed Fund)						0.0	0.0	0.0	0.0	0.0
TOTAL		2,144.9	8.6	39.1	27.4	575.7	773.8	41.4	1.0	36.7	3,648.7

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
Sources: State Governments' and FCT Abuja Accountants-General's Reports

Table 25 Contd.
Summary of State Government and FCT's Finances: State-By-State, 2019 1/
(₦' Billion)

S/N	STATES	EXPENDITURE & TRANSFERS							BALANCE		FINANCING				
		RECURRENT				SUB-TOTAL	CAPITAL	TOTAL EXPENDITURE	Current	Overall	LOANS			OTHER FUNDS 3/	TOTAL
		Personnel Cost	Overhead Cost	Transfers	Others						Internal	External	Sub-Total		
		(7)	(8)		(9)	(10)	(11)	(13)	(14)	(15)	(17)	(18)		(19)	
1	Abia	9.7	0.7	27.3	0.0	37.7	19.9	57.5	38.9	19.1	20.4	0.9	21.3	-40.4	-19.1
2	Adamawa	21.7	39.3	2.0	49.7	112.7	27.4	140.1	-41.1	-68.5	24.0	2.2	26.2	42.3	68.5
3	Akwa Ibom	33.4	8.2	4.6	0.0	46.2	146.5	192.7	156.3	9.8	0.0	1.8	1.8	-11.6	-9.8
4	Anambra	6.9	10.2	9.0	0.0	26.1	27.9	54.0	48.2	20.3	0.0	2.7	2.7	-23.0	-20.3
5	Bauchi	15.2	29.0	10.5	44.5	99.2	34.1	133.3	-14.4	-48.5	3.4	7.4	10.8	37.7	48.5
6	Bayelsa	40.0	24.3	34.1	0.0	98.4	31.9	130.3	65.5	33.6	186.7	0.9	187.6	-221.2	-33.6
7	Benue	27.7	17.0	2.8	69.2	116.8	23.0	139.7	-40.4	-63.3	0.0	0.0	0.0	63.3	63.3
8	Borno	24.4	16.3	5.4	0.0	46.0	21.8	67.8	23.8	2.0	0.0	-0.9	-0.9	-1.1	-2.0
9	Cross River	22.8	18.1	6.9	0.0	47.8	21.6	69.3	19.7	-1.9	0.0	6.2	6.2	-4.3	1.9
10	Delta	35.5	33.9	63.0	0.0	132.4	46.8	179.1	123.4	76.7	0.0	-2.1	-2.1	-74.6	-76.7
11	Ebonyi	13.1	6.8	2.8	0.0	22.7	25.3	48.0	30.1	4.8	2.0	1.6	3.5	-8.4	-4.8
12	Edo	31.8	36.4	8.3	0.0	76.5	22.3	98.7	18.0	-4.2	0.0	-0.6	-0.6	4.8	4.2
13	Ekiti	21.2	4.6	20.5	0.0	46.3	17.2	63.5	9.0	-8.3	17.2	0.3	17.5	-9.2	8.3
14	Enugu	19.9	13.0	2.8	1.6	37.4	16.0	53.4	25.7	9.7	19.2	2.7	21.8	-31.5	-9.7
15	Gombe	13.9	29.3	7.3	59.6	110.0	22.3	132.3	-39.0	-61.3	15.5	3.3	18.7	42.5	61.3
16	Imo	12.6	23.1	13.9	112.4	162.0	3.0	165.0	-85.4	-88.4	21.5	0.2	21.7	66.7	88.4
17	Jigawa	3.1	11.3	3.3	82.4	100.1	43.8	143.9	-29.1	-73.0	0.8	2.5	3.3	69.7	73.0
18	Kaduna	22.6	27.8	9.3	0.0	59.7	24.8	84.5	30.0	5.3	0.0	14.7	14.8	-20.0	-5.3
19	Kano	121.8	42.0	2.6	0.0	166.4	11.5	177.9	-55.2	-66.6	0.0	6.6	6.6	60.0	66.6

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in fund
Sources: State Governments' and FCT Abuja Accountants-General's Reports

Table 25 Contd.
Summary of State Government and FCT's Finances: State-By-State, 2019 1/
(₦' Billion)

S/N	STATES	EXPENDITURE & TRANSFERS							BALANCE		FINANCING				
		RECURRENT				SUB-TOTAL	CAPITAL	TOTAL EXPENDITURE	Current	Overall	LOANS			OTHER FUNDS 3/	TOTAL
		Personnel Cost	Overhead Cost	Transfers	Others						Internal	External	Sub-Total		
		(7)	(8)		(9)	(10)	(11)	(13)	(14)	(15)	(17)	(18)		(19)	
20	Katsina	31.0	10.3	3.0	0.0	**44.3**	**26.8**	**71.1**	29.3	2.5	0.0	1.6	1.6	-4.1	**-2.5**
21	Kebbi	8.5	10.6	11.7	0.0	**30.7**	**33.1**	**63.9**	33.1	0.0	2.4	0.6	3.0	-3.0	**0.0**
22	Kogi	17.1	6.1	4.7	15.5	**43.4**	**19.3**	**62.7**	22.8	3.5	7.1	0.8	7.9	-11.4	**-3.5**
23	Kwara	11.4	25.2	10.4	0.0	**47.0**	**22.7**	**69.7**	23.9	1.2	0.0	9.1	9.1	-10.3	**-1.2**
24	Lagos	60.8	75.7	13.4	185.3	**335.2**	**143.4**	**478.6**	100.4	-43.0	97.4	36.0	133.4	-90.5	**43.0**
25	Nassarawa	10.6	26.0	18.3	0.0	**55.0**	**9.9**	**64.9**	-1.0	-10.9	10.3	3.0	13.3	-2.4	**10.9**
26	Niger	33.6	11.8	0.9	0.0	**46.2**	**5.7**	**51.9**	23.9	18.2	0.0	1.5	1.5	-19.6	**-18.2**
27	Ogun	24.5	19.3	1.6	0.0	**45.4**	**7.7**	**53.1**	30.1	22.4	0.0	9.4	9.4	-31.8	**-22.4**
28	Ondo	26.7	55.2	2.1	0.0	**84.1**	**16.0**	**100.0**	-11.0	-27.0	0.0	5.2	5.2	21.8	**27.0**
29	Osun	26.5	54.9	3.5	13.7	**98.6**	**11.5**	**110.1**	-37.7	-49.1	0.0	-1.5	-1.5	50.6	**49.1**
30	Oyo	20.8	11.2	5.6	41.0	**78.6**	**24.0**	**102.6**	12.0	-12.0	0.0	-8.8	-8.8	20.8	**12.0**
31	Plateau	22.9	29.9	9.1	0.0	**62.0**	**22.5**	**84.5**	1.0	-21.5	9.3	-3.3	6.0	15.5	**21.5**
32	Rivers	67.9	28.6	8.2	77.2	**181.9**	**206.9**	**388.8**	90.9	-116.0	71.3	1.2	72.5	43.4	**116.0**
33	Sokoto	33.6	11.8	0.9	0.0	**46.2**	**5.7**	**51.9**	19.9	14.2	0.0	1.6	1.6	-15.8	**-14.2**
34	Taraba	19.8	10.0	8.2	0.0	**38.0**	**23.8**	**61.8**	22.2	-1.6	17.8	0.2	18.0	-16.4	**1.6**
35	Yobe	15.8	7.6	3.0	73.8	**100.1**	**18.7**	**118.8**	-43.5	-62.2	0.0	0.8	0.8	61.4	**62.2**
36	Zamfara	27.5	3.2	25.4	168.9	**225.0**	**9.4**	**234.4**	-147.1	-156.5	10.6	0.7	11.3	145.3	**156.5**
37	FCT	20.9	7.7	7.2	141.4	**177.2**	**26.2**	**203.4**	-87.6	-113.8	0.0	4.2	4.2	109.6	**113.8**
38	Escrow (Disputed Fund)	0.0	0.0	0.0	0.0	**0.0**	**0.0**	**0.0**	0.0	0.0	0.0	0.0	0.0	0.0	**0.0**
TOTAL		**977.1**	**796.2**	**373.7**	**1,136.1**	**3,283.1**	**1,220.2**	**4,503.3**	**365.6**	**-854.6**	**536.9**	**112.9**	**649.7**	**204.8**	**854.6**

1/ Provisional
2/ Gross allocation
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in fund
Sources: State Governments' and FCT Abuja Accountants-General's Reports

Table 26
State Governments' and FCT's Expenditures on Primary Welfare Sectors
(Naira Billion)

Selected Sectors	2015			2016			2017			2018			2019 2/			2019 2/		2018 1/	2019 2/
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Change	% Change	As % of GDP	
Education	130.7	65.9	196.6	93.7	68.1	161.8	230.4	75.4	305.8	205.0	74.0	278.9	212.3	77.3	289.6	10.6	3.82	0.22	0.20
Health	122.4	120.6	243.0	62.3	44.3	106.6	198.5	66.3	264.8	167.9	80.3	248.2	166.9	67.7	234.6	-13.6	-5.49	0.19	0.16
Agriculture and Industries	61.6	128.5	190.1	86.4	61.5	147.8	116.9	82.3	199.1	133.4	97.1	230.5	141.3	85.4	226.7	-3.9	-1.67	0.18	0.16
Water Supply	38.4	10.5	48.9	22.6	29.5	52.1	40.5	15.2	55.7	47.5	19.5	67.0	45.5	22.6	68.1	1.1	1.70	0.05	0.05
Housing	38.7	11.0	49.7	2.6	17.9	20.6	31.6	25.5	57.0	30.3	19.5	49.8	22.5	22.5	45.1	-4.7	-9.51	0.04	0.03
Total	391.9	336.5	728.4	267.6	221.2	488.9	617.7	264.7	882.4	584.0	290.4	874.4	588.5	275.5	864.0	-10.4	-1.19	0.68	0.59
Total Expenditure	2,267.3	1,201.8	3,469.2	2,007.7	1,201.5	3,209.2	2,663.0	1,039.9	3,702.9	3,252.2	1,207.4	4,459.6	3,283.1	1,220.2	4,503.3	43.7	0.98	3.45	3.09

1/ Revised
2/ Provisional
Source: CBN Annual Fiscal Survey, Federal Ministry of Finance and OAGF

Table 27
Summary of Local Governments' Finances
(Naira Billion)

	2015	2016	2017	2018 1/	2019 2/
A. Gross Revenue	**1,245.6**	**1,083.5**	**1,338.0**	**1,724.7**	**1,722.3**
Share of Federation Account 3/	822.9	596.0	828.9	1,243.1	1,221.7
Share of VAT	261.6	272.5	325.1	366.3	395.1
Internally Generated Revenue	24.0	36.4	38.2	32.5	32.6
Grants and Others 4/	5.3	18.8	14.1	5.6	9.8
State Allocation	6.9	9.8	12.9	16.1	18.4
Excess Oil Revenue	5.4	64.1	42.6	13.1	14.0
Exchange Gain and Forex Equalisation	44.2	76.1	66.6	41.6	19.4
Excess Non-Oil revenue	0.0	2.4	0.2	3.1	4.4
Others 5/	75.3	7.6	9.4	3.3	6.8
B. Total Expenditure	**1,246.3**	**1,084.8**	**1,338.6**	**1,725.0**	**1,722.5**
Recurrent Expenditure	**1,150.4**	**994.0**	**1,194.5**	**1,405.2**	**1,405.8**
Personnel Cost	905.6	788.7	938.5	1,000.5	999.5
Overhead Cost	150.6	115.7	121.5	191.9	191.7
CRFC & Others	94.2	89.7	134.5	212.8	214.6
Capital Expenditure	**95.9**	**90.8**	**144.1**	**319.8**	**316.7**
Administration	9.5	40.7	61.1	119.2	112.0
Economic Services	34.2	12.0	31.2	70.3	66.0
Social & Community Services	52.2	36.8	48.2	93.9	95.7
Transfers	0.0	1.3	3.5	36.4	42.9
C. Current Balance	**95.2**	**89.5**	**143.5**	**319.5**	**316.4**
D. Overall Balance	**-0.7**	**-1.3**	**-0.6**	**-0.2**	**(0.3)**
E. Financing	**0.7**	**1.3**	**0.6**	**0.2**	**0.3**
External Loans	0.0	0.0	0.0	0.0	-
Internal Loans	5.6	2.9	2.0	4.9	5.7
Opening Cash Balance	-0.5	1.9	1.9	-1.2	(1.9)
Other Funds 6/	-4.4	-3.5	-3.3	-3.5	(3.6)
F. Outstanding Debt	**12.0**	**18.2**	**19.1**	**1.2**	**5.7**
Domestic	12.0	18.2	19.1	1.2	5.7
Local Contractors	2.5	1.5	1.6	0.1	0.5
Staff Salaries	7.2	8.9	9.3	0.6	2.8
Staff Pensions/Gratuities	1.4	7.3	7.7	0.5	2.3
Others	0.9	0.5	0.5	0.0	0.2
Foreign	0.0	0.0	0.0	0.0	0.0

1/ Revised
2/ Provisional
3/ Gross
4/ Includes other non-statutory allocations
5/ Includes Additional Funds to LGCs
6/ Includes Closing Balance
Sources: Federal Ministry of Finance and Staff Estimates

Table 28
Summary of Local Governments' Finances (State-by-State, 2019) 1/
(Naira Billion)

S/N	STATES	REVENUE & OTHER RECEIPTS														
		Gross Statutory Allocation 2/	Share of Excess Oil Revenue	Share of Excess Non-Oil Revenue	Solid Mineral	NLNG Dividend	SURE-P	Exchange Gain	VAT	Internally Gen. Rev. (IGR)			State Allocation	Grants and Others 2/	Others	TOTAL
										Tax	Non-Tax	Sub-Total				
		1	2	3	5	6	6	4	5	6	7	8	9	10	11	15
1	Abia	25.4	0.4	0.1	-	-	-	0.2	7.0	0.2	0.2	0.4	-	-	0.0	33.4
2	Adamawa	32.0	0.4	0.1	-	-	-	0.3	8.3	0.3	0.9	1.2	0.3	0.2	0.7	43.5
3	Akwa Ibom	42.6	0.6	0.1	-	-	-	0.3	11.8	0.1	0.1	0.2	-	-	0.4	56.1
4	Anambra	32.2	0.5	0.1	-	-	-	0.3	9.3	0.3	1.0	1.3	-	-	0.0	43.6
5	Bauchi	36.5	0.5	0.1	-	-	-	0.3	9.3	0.1	0.2	0.3	0.0	-	0.0	47.0
6	Bayelsa	14.9	0.2	0.0	-	-	-	0.1	3.7	0.2	0.2	0.4	-	-	0.0	19.3
7	Benue	39.7	0.6	0.1	-	-	-	0.3	9.6	0.3	0.3	0.5	0.0	0.0	0.1	51.0
8	Borno	43.1	0.6	0.1	-	-	-	0.4	10.6	0.5	0.6	1.1	0.4	0.2	0.0	56.6
9	Cross River	27.8	0.4	0.1	-	-	-	0.2	7.2	0.1	0.2	0.3	-	0.0	0.0	36.1
10	Delta	35.6	0.5	0.1	-	-	-	0.3	11.1	0.4	0.7	1.0	5.8	0.0	0.3	54.8
11	Ebonyi	20.6	0.3	0.0	-	-	-	0.2	5.5	0.1	0.2	0.4	0.2	0.1	0.1	27.3
12	Edo	27.3	0.4	0.1	-	-	-	0.2	8.0	0.4	0.4	0.8	-	-	0.1	36.8
13	Ekiti	21.6	0.3	0.1	-	-	-	0.2	6.3	0.1	0.0	0.1	-	-	0.0	28.7
14	Enugu	27.7	0.4	0.1	-	-	-	0.2	7.7	0.2	0.1	0.4	-	-	0.2	36.6
15	Gombe	19.0	0.3	0.0	-	-	-	0.2	5.0	0.1	0.1	0.1	0.5	0.2	0.5	25.8
16	Imo	37.1	0.5	0.1	-	-	-	0.3	10.6	1.0	0.2	1.2	-	0.0	0.0	49.9
17	Jigawa	39.0	0.5	0.1	-	-	-	0.3	11.0	0.2	0.1	0.3	0.1	0.7	0.1	52.3
18	Kaduna	43.9	0.6	0.1	-	-	-	0.4	11.8	0.1	0.9	0.9	1.2	0.0	0.1	58.9
19	Kano	69.8	1.0	0.2	-	-	-	0.6	20.6	0.6	1.6	2.2	0.6	0.0	0.1	95.1

1/ Provisional
2/ Includes receipts from the Stabilization Fund
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
Sources: Federal Ministry of Finance and Staff Estimates

Table 28 Contd.
Summary of Local Governments' Finances (State-by-State, 2019) 1/
(Naira Billion)

S/N	STATES	REVENUE & OTHER RECEIPTS														
		Gross Statutory Allocation 2/	Share of Excess Oil Revenue	Share of Excess Non-Oil Revenue	Solid Mineral	NLNG Dividend	SURE-P	Exchange Gain	VAT	Internally Gen. Rev. (IGR)			State Allocation	Grants and Others 2/	Others	TOTAL
										Tax	Non-Tax	Sub-Total				
		1	2	3	5	6	6	4	5	6	7	8	9	10	11	15
20	Katsina	53.2	0.7	0.1	-	-	-	0.4	13.9	0.4	0.8	1.2	-	-	0.1	69.7
21	Kebbi	33.5	0.5	0.1	-	-	-	0.3	8.3	0.5	0.7	1.2	0.6	0.3	0.0	44.8
22	Kogi	34.7	0.5	0.1	-	-	-	0.3	8.4	0.2	0.2	0.3	0.1	0.0	0.1	44.4
23	Kwara	24.5	0.3	0.1	-	-	-	0.2	6.3	0.0	0.1	0.1	1.0	0.0	0.1	32.7
24	Lagos	41.8	0.6	0.1	-	-	-	0.3	62.6	2.9	1.6	4.6	-	0.3	0.0	110.4
25	Nassarawa	21.9	0.3	0.1	-	-	-	0.2	5.1	0.3	0.4	0.7	0.2	0.1	0.0	28.6
26	Niger	40.5	0.6	0.1	-	-	-	0.3	10.1	0.4	1.3	1.7	1.7	0.1	0.7	55.8
27	Ogun	28.9	0.4	0.1	-	-	-	0.2	9.0	0.5	0.2	0.7	-	7.3	0.0	46.7
28	Ondo	27.6	0.4	0.1	-	-	-	0.2	7.8	0.1	0.1	0.1	-	0.0	0.0	36.3
29	Osun	37.4	0.5	0.1	-	-	-	0.3	10.8	0.2	0.1	0.3	1.6	-	1.4	52.3
30	Oyo	47.2	0.7	0.1	-	-	-	0.4	15.7	0.2	0.6	0.8	2.3	0.1	1.1	68.3
31	Plateau	29.6	0.4	0.1	-	-	-	0.2	7.3	0.3	0.2	0.5	-	0.1	0.2	38.4
32	Rivers	36.7	0.5	0.1	-	-	-	0.3	12.3	0.2	0.7	0.9	-	-	0.0	50.8
33	Sokoto	36.9	0.5	0.1	-	-	-	0.3	9.2	0.1	0.1	0.2	0.3	-	0.0	47.5
34	Taraba	27.7	0.4	0.1	-	-	-	0.2	6.2	0.3	0.3	0.6	-	-	0.0	35.2
35	Yobe	27.8	0.4	0.1	-	-	-	0.2	6.6	0.7	0.9	1.5	-	0.1	0.0	36.8
36	Zamfara	25.1	0.4	0.1	-	-	-	0.2	6.4	1.1	1.1	2.2	-	0.0	0.0	34.4
37	FCT	11.1	0.2	0.0	-	-	-	0.1	19.6	0.2	1.3	1.4	1.2	-	0.0	33.7
TOTAL		1,221.7	17.1	2.9	-	-	-	10.0	400.1	14.0	18.6	32.6	18.4	9.8	6.8	1,719.3

1/ Provisional
2/ Includes receipts from the Stabilization Fund
3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds
Sources: Federal Ministry of Finance and Staff Estimates

Table 28 Cont'd
Summary of Local Governments' Finances (State-by-State, 2019) 1/
(Naira Billion)

EXPENDITURE & TRANSFERS							BALANCE		FINANCING						OUTSTANDING DEBT		
RECURRENT				SUB-TOTAL	CAPITAL	TOTAL EXPENDITURE	Current	Overall	OPENING BALANCE	LOANS			OTHER FUNDS	TOTAL	Domestic	Foreign	TOTAL
Personnel Cost	Overhead Cost	CRFC	Others							Internal	External	Sub-Total					
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
15.8	2.8	3.5	0.9	23.0	1.3	24.3	10.4	9.1	-0.0	-	-	-	-0.1	-0.1	-	-	-
21.9	17.3	4.4	1.1	44.8	5.9	50.7	-1.3	-7.2	-0.0	0.1	-	0.1	-0.0	0.0	0.1	-	0.1
27.7	2.3	5.9	1.5	37.3	10.1	47.4	18.7	8.6	-0.0	-	-	-	-0.3	-0.4	-	-	-
25.4	1.8	4.5	1.1	32.8	0.9	33.7	10.8	9.9	-0.1	-	-	-	0.1	-0.0	-	-	-
23.4	0.9	5.1	1.3	30.6	0.1	30.7	16.4	16.3	-0.0	0.0	-	0.0	0.1	0.0	0.0	-	0.0
12.0	0.7	2.1	0.5	15.3	1.6	16.9	4.0	2.5	0.1	0.8	-	0.8	-0.2	0.7	0.8	-	0.8
36.7	4.8	5.5	1.4	48.3	2.9	51.2	2.7	-0.2	-0.1	0.8	-	0.8	-0.3	0.5	0.8	-	0.8
31.6	6.0	6.0	1.5	45.0	10.4	55.4	11.6	1.1	-0.0	-	-	-	-0.5	-0.5	-	-	-
38.5	1.5	3.9	1.0	44.8	6.5	51.3	-8.7	-15.2	-0.0	-	-	-	-0.1	-0.1	-	-	-
38.4	5.1	4.9	1.2	49.7	1.3	50.9	5.1	3.9	-0.1	0.2	-	0.2	0.1	0.1	0.2	-	0.2
14.5	1.6	2.9	0.7	19.6	1.3	20.9	7.6	6.4	-0.1	-	-	-	-0.1	-0.2	-	-	-
25.4	2.9	3.8	0.9	33.0	2.9	35.9	3.8	0.9	0.2	-	-	-	-0.1	0.1	-	-	-
18.9	1.1	3.0	0.8	23.7	1.5	25.2	4.9	3.4	-0.1	-	-	-	0.1	0.0	-	-	-
26.3	4.0	3.8	1.0	35.1	9.1	44.2	1.5	-7.6	-0.0	-	-	-	0.1	0.0	-	-	-
18.7	2.7	2.6	0.7	24.7	4.1	28.8	1.1	-3.0	-0.0	0.6	-	0.6	-0.0	0.5	0.6	-	0.6
21.1	0.8	5.1	1.3	28.3	0.9	29.2	21.6	20.7	-0.0	-	-	-	-0.2	-0.2	-	-	-
34.8	8.5	5.4	1.4	50.0	14.9	65.0	2.2	-12.7	-0.0	-	-	-	-0.3	-0.3	-	-	-
35.1	5.5	6.1	1.5	48.2	4.6	52.7	10.8	6.2	-0.0	-	-	-	-0.1	-0.1	-	-	-
64.9	24.3	9.7	2.4	101.2	11.8	113.0	-6.1	-17.9	-0.0	-	-	-	-0.6	-0.7	-	-	-

1/ Provisional

2/ Includes receipts from the Stabilization Fund

3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds

Sources: Federal Ministry of Finance and Staff Estimates

Table 28 Cont'd
Summary of Local Governments' Finances (State-by-State, 2019) 1/
(Naira Billion)

EXPENDITURE & TRANSFERS							BALANCE		FINANCING						OUTSTANDING DEBT		
RECURRENT				SUB-TOTAL	CAPITAL	TOTAL EXPENDITURE	Current	Overall	OPENING BALANCE	LOANS			OTHER FUNDS	TOTAL	Domestic	Foreign	TOTAL
Personnel Cost	Overhead Cost	CRFC	Others							Internal	External	Sub-Total					
16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33
37.4	3.3	7.4	1.8	49.9	2.4	52.4	19.7	17.3	-0.1	-	-	-	0.1	-0.0	-	-	-
26.4	2.3	4.7	1.2	34.5	39.8	74.4	10.3	-29.6	-0.0	-	-	-	-0.4	-0.4	-	-	-
25.3	6.5	4.8	1.2	37.7	3.7	41.4	6.7	3.0	-0.1	0.0	-	0.0	-0.3	-0.4	0.0	-	0.0
17.9	2.1	3.4	0.9	24.3	1.1	25.4	8.4	7.3	-0.1	-	-	-	-0.2	-0.3	-	-	-
43.8	6.3	5.8	1.4	57.4	15.5	72.9	53.0	37.5	-0.2	1.3	-	1.3	0.2	1.2	1.3	-	1.3
13.6	1.0	3.0	0.8	18.4	3.2	21.6	10.2	7.0	-0.0	0.0	-	0.0	-0.1	-0.1	0.0	-	0.0
33.5	6.3	5.6	1.4	46.8	11.8	58.7	8.9	-2.9	-0.1	0.3	-	0.3	-0.2	0.0	0.3	-	0.3
32.9	1.4	4.0	1.0	39.4	0.6	39.9	7.3	6.7	-0.1	0.0	-	0.0	-0.0	-0.1	0.0	-	0.0
25.8	1.6	3.8	1.0	32.2	3.0	35.3	4.0	1.0	-0.1	-	-	-	0.1	0.0	-	-	-
21.3	6.3	5.2	1.3	34.0	3.6	37.7	18.3	14.7	-0.2	0.1	-	0.1	-0.3	-0.3	0.1	-	0.1
37.7	2.9	6.5	1.6	48.8	15.5	64.3	19.5	4.0	-0.1	0.6	-	0.6	0.3	0.8	0.6	-	0.6
17.1	5.3	4.1	1.0	27.6	7.6	35.1	10.8	3.3	-0.1	0.9	-	0.9	0.3	1.1	0.9	-	0.9
35.6	18.2	5.1	1.3	60.1	6.7	66.8	-9.3	-16.0	-0.0	-	-	-	0.1	0.1	-	-	-
24.8	4.7	5.1	1.3	35.8	17.9	53.8	11.7	-6.3	-0.0	-	-	-	-0.1	-0.1	-	-	-
24.6	4.7	3.8	1.0	34.1	12.2	46.2	1.1	-11.1	-0.0	-	-	-	-0.1	-0.1	-	-	-
16.1	3.6	3.9	1.0	24.5	12.0	36.5	12.3	0.3	-0.0	0.0	-	0.0	-0.1	-0.1	0.0	-	0.0
12.8	18.8	3.5	0.9	36.0	67.1	103.1	-1.5	-68.7	-	0.0	-	0.0	-0.3	-0.3	0.0	-	0.0
21.9	1.9	1.5	0.4	25.7	0.9	26.6	8.0	7.1	-0.0	0.0	-	0.0	-0.0	-0.1	0.0	-	0.0
999.5	**191.7**	**169.4**	**42.3**	**1,402.9**	**316.7**	**1,719.6**	**316.4**	**-0.3**	**-1.9**	**5.7**	**-**	**5.7**	**-3.6**	**0.3**	**5.7**	**-**	**5.7**

1/ Provisional

2/ Includes receipts from the Stabilization Fund

3/ Positive (+) sign connotes decrease while (-) sign connotes increase in funds

Sources: Federal Ministry of Finance and Staff Estimates

Table 29
Local Governments' Expenditure on Selected Primary Welfare Sectors
(Naira Billion)

Sector	2015			2016			2017			2018 1/			2019 2/		
	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total	Recurrent	Capital	Total
Education	445.4	7.3	**452.7**	371.3	9.7	**381.0**	397.3	9.2	**406.5**	486.0	20.4	**506.4**	481.1	20.2	**501.3**
Health	21.6	19.7	**41.3**	13.2	8.7	**21.9**	13.8	7.4	**21.2**	16.9	16.4	**33.4**	16.8	16.5	**33.4**
Agriculture	5.4	2.7	**8.1**	4.6	2.9	**7.5**	6.0	3.2	**9.2**	7.3	7.1	**14.4**	7.4	6.7	**14.1**
Water Supply	9.0	0.0	**9.0**	2.2	0.7	**2.9**	2.3	0.6	**2.9**	2.8	1.3	**4.1**	2.7	1.3	**4.0**
Housing	3.4	0.0	**3.4**	5.3	6.0	**11.3**	4.0	3.0	**7.0**	4.9	6.7	**11.5**	4.6	7.0	**11.6**
TOTAL	**484.8**	**29.7**	**514.5**	**396.5**	**28.0**	**424.6**	**423.4**	**23.4**	**446.7**	**517.9**	**51.8**	**569.7**	**512.6**	**51.8**	**564.4**

1/ Revised
2/ Provisional
Sources: CBN Annual Fiscal Survey and Staff Estimates

Table 30
Consolidated Debt of the Federal Government
(Naira Billion)

	2015	2016	2017	2018 1/	2019 2/
External Debt	2,111.5	3,478.9	5,787.5	7,759.2	8,271.0
Domestic Debt	8,837.0	11,058.2	12,589.5	12,774.4	14,171.1
Total	**10,948.5**	**14,537.1**	**18,377.0**	**20,533.6**	**22,442.1**

Domestic Public Debt (end - Period)

Item	2015	2016	2017	2018 1/	2019 2/
COMPOSITION OF DEBT.					
Instruments					
Treasury Bills	2,772.9	3,277.3	3,579.8	2,736.0	2,651.5
Treasury Bonds	256.0	216.0	176.0	151.0	126.0
Green Bond 3/			10.7	10.7	25.7
FGN Bonds	5,808.1	7,564.9	8,715.8	9,334.7	10,524.16
Special FGN Savings Bond			7.2	10.8	12.67
FGN Sukuk 4/	-		100.0	200.0	200.0
Promisory Notes				331.3	631.1
	8,837.0	**11,058.2**	**12,589.5**	**12,774.4**	**14,171.1**
HOLDERS					
Banking System	4,161.3	5,424.2	7,055.6	7,073.1	7,471.3
Central Bank	877.3	1,688.2	1,703.8	2,032.3	1,899.4
Deposit Money Banks (DMBs)	3,284.0	3,736.0	5,351.8	5,040.8	5,571.9
Sinking Fund	162.2	140.4	118.4	108.44	96.71
Non-Bank Public	4,513.5	5,493.5	5,415.5	5,592.9	**6,603.0**
	8,837.0	**11,058.2**	**12,589.5**	**12,774.4**	**14,171.1**
TENOR**					
Below 1 year	3,379.3	3,902.4	4,105.4	4,107.0	5,029.9
Over 1 - 3 years	980.0	910.1	1,248.9	1,159.3	1,471.7
Over 3 years	4,477.7	6,245.7	7,235.2	7,508.2	7,669.5
Total Debt Outstanding	**8,837.0**	**11,058.2**	**12,589.5**	**12,774.4**	**14,171.1**

1/ Revised
2/ Provisional

Sources: Debt Management Office (DMO) and CBN Staff Estimates

Table 31
External Public Debt Outstanding
External Debt Stock

Holder	US$ Million					Naira Billion				
	2015	2016	2017	2018	2019 1/	2015	2016	2017	2018	2019 1/
MULTILATERAL	**7,560.4**	**7,988.2**	**10,241.4**	**11,014.3**	**12,343.2**	**1,489.4**	**2,436.4**	**3,133.9**	**3,381.4**	**3,789.4**
IBRD	3.6	3.9	124.2	124.2	409.5	0.7	1.2	38.0	38.1	125.7
IDA	6,290.2	6,669.6	7,905.6	8,550.1	9,405.6	1,239.2	2,034.2	2,419.1	2,624.9	2,887.5
IFAD	96.4	107.4	148.3	169.5	182.9	19.0	32.8	45.4	52.0	56.2
ADB Group	**1,072.4**	**1,118.6**	**1,971.1**	**2,087.3**	**2,269.6**	**211.3**	**341.2**	**603.1**	**640.8**	**696.8**
ADB	400.0	403.3	1,186.6	1,264.6	1,366.3	78.8	123.0	363.1	388.2	419.4
ADF	672.4	715.3	784.5	822.7	903.4	132.5	218.2	240.0	252.6	277.3
Others 2/	97.8	88.7	92.3	83.3	75.5	19.3	27.1	28.3	25.6	23.2
BILATERAL	**1,658.0**	**1,918.1**	**2,372.0**	**3,091.7**	**3,429.98**	**326.6**	**585.0**	**725.8**	**949.1**	**1,053.0**
Exim Bank of China	1,444.7	1,638.1	1,931.0	2,485.1	2,746.9	284.6	499.6	590.9	762.9	843.3
French Devt. Agency (AFD)	158.0	198.3	275.0	344.6	365.5	31.1	60.5	84.1	105.8	112.2
Others 3/	55.3	81.8	166.0	262.0	317.6	10.9	24.9	50.8	80.4	97.5
COMMERCIAL	**1,500.0**	**1,500.0**	**6,300.0**	**11,168.4**	**11,168.4**	**295.5**	**457.5**	**1,927.8**	**3,428.7**	**3,428.7**
Eurobonds	1,500.0	1,500.0	6,000.0	10,868.4	10,868.4	295.5	457.5	1,836.0	3,336.6	3,336.6
Diaspora Bond	-	-	300.0	300.0	300.0	-	-	91.8	92.1	92.1
Others 4/	-	-	-	-	-	-	-	-	-	-
Total Debt Outstanding	**10,718.4**	**11,406.3**	**18,913.4**	**25,274.4**	**26,941.5**	**2,111.5**	**3,478.9**	**5,787.5**	**7,759.2**	**8,271.0**

External Debt Service Payments

Holder	US$ Million					Naira Billion				
	2015	2016	2017	2018	2019 1/	2015	2016	2017	2018	2019 1/
MULTILATERAL	**138.65**	**165.33**	**191.72**	**249.06**	**279.63**	**26.78**	**41.91**	**58.63**	**76.46**	**85.85**
IBRD	0.01	0.05	0.87	4.06	8.40	0.00	0.01	0.27	1.25	2.58
IDA	112.91	136.84	151.04	179.38	188.69	21.81	34.69	46.19	55.07	57.93
IFAD	3.15	3.36	4.32	4.66	10.91	0.61	0.85	1.32	1.43	3.35
ADB Group	**15.54**	**18.10**	**28.59**	**54.29**	**66.05**	**3.00**	**4.59**	**8.74**	**16.67**	**20.28**
ADB	1.84	3.66	13.45	28.93	55.23	0.36	0.93	4.11	8.88	16.96
ADF	13.69	14.44	15.14	25.36	10.81	2.65	3.66	4.63	7.79	3.32
Others 2/	7.04	6.97	6.90	6.67	5.59	1.36	1.77	2.11	2.05	1.71
BILATERAL	**59.42**	**63.38**	**71.83**	**150.36**	**152.20**	**11.48**	**16.07**	**21.96**	**46.16**	**46.72**
Exim Bank of China	54.88	58.79	65.01	133.05	138.77	10.60	14.90	19.88	40.85	42.60
French Devt. Agency (AFD)	3.42	4.29	5.65	11.28	8.66	0.66	1.09	1.73	3.46	2.66
Others 3/	1.12	0.30	1.17	6.03	4.77	0.22	0.08	0.36	1.85	1.47
COMMERCIAL	**91.26**	**91.26**	**158.76**	**1,030.88**	**630.81**	**17.63**	**23.13**	**48.55**	**316.48**	**193.66**
Eurobonds	91.26	91.26	150.32	1,014.00	622.37	17.63	23.13	45.97	311.30	191.07
Diaspora Bond	-	-	8.44	16.88	8.44	-	-	2.58	5.18	2.59
Others 4/	-	-		-	-	-	-	-	-	-
OTHERS 5/	**41.73**	**33.12**	**41.74**	**41.75**	**20.86**	**8.06**	**8.40**	**12.76**	**12.82**	**6.40**
Total Debt Service Payments	**331.06**	**353.09**	**464.05**	**1,472.04**	**1,083.50**	**63.95**	**89.51**	**141.90**	**451.92**	**332.63**

1/ Figures as at September 30, 2019.
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
Source: DMO

Table 32
Gross Domestic Product at 2010 Constant Basic Prices /1
(Naira Billion, unless otherwise stated)

Activity Sector	2015	2016	2017	2018 /2	2019 /3	Percentage Share in Total Real GDP (%)				
						2015	2016	2017	2018 /2	2019 /3
1. Agriculture	**15,952.22**	**16,607.34**	**17,179.50**	**17,544.15**	**17,958.58**	**24.45**	**25.08**	**25.13**	**25.16**	**23.11**
(a) Crop Production	14,274.94	14,894.45	15,437.05	15,786.44	16,181.99	21.93	22.54	22.62	22.67	20.68
(b) Livestock	1,151.32	1,185.12	1,204.21	1,208.13	1,210.06	1.74	1.76	1.73	1.70	1.67
(c) Forestry	167.26	171.64	177.33	182.75	187.47	0.25	0.26	0.26	0.26	0.24
(d) Fishing	358.70	356.13	360.91	366.83	379.06	0.52	0.53	0.53	0.53	0.52
2. Industry	**16,366.66**	**14,918.15**	**15,238.28**	**15,523.43**	**15,882.35**	**21.96**	**22.25**	**22.24**	**22.25**	**23.71**
2.1 Mining and Quarrying	**6,732.51**	**5,759.82**	**6,025.78**	**6,092.48**	**6,362.63**	**8.48**	**8.80**	**8.73**	**8.91**	**9.75**
(a) Crude Petroleum & Natural Gas	6,629.96	5,672.21	5,938.05	5,995.88	6,270.86	8.35	8.67	8.59	8.78	9.61
(b) Solid Minerals	102.54	87.61	87.73	96.60	91.77	0.13	0.13	0.14	0.13	0.15
(i) Coal Mining	7.27	7.34	7.24	6.82	7.71	0.01	0.01	0.01	0.01	0.01
(ii) Metal Ores	4.16	5.02	6.10	7.70	6.60	0.01	0.01	0.01	0.01	0.01
(iii) Quarrying and Other Minerals	91.11	75.24	74.40	82.08	77.46	0.11	0.11	0.12	0.11	0.13
2.2 Manufacturing	6,586.62	6,302.23	6,288.90	6,420.59	6,469.83	9.28	9.18	9.20	9.06	9.54
2.3 Electricity, Gas, Steam and Air Conditioning Supply	272.43	231.57	269.62	289.29	275.23	0.34	0.39	0.41	0.39	0.39
2.4 Water Supply, Sewerage, Waste Management and Remediation	94.88	103.68	107.99	115.78	122.11	0.15	0.16	0.17	0.17	0.14
2.5 Construction	2,680.22	2,520.85	2,545.99	2,605.29	2,652.54	3.71	3.72	3.73	3.72	3.88
3. Services	**36,705.05**	**36,405.75**	**36,073.21**	**36,732.37**	**37,546.90**	**53.59**	**52.67**	**52.63**	**52.60**	**53.18**
(a) Trade	11,697.59	11,669.06	11,546.45	11,473.79	11,430.55	17.18	16.86	16.44	16.01	16.95
(b) Accommodation and Food Services	654.22	619.42	609.47	620.19	637.86	0.91	0.89	0.89	0.89	0.95
(c) Transport and Storage	805.46	808.60	839.85	956.64	1,059.27	1.19	1.23	1.37	1.48	1.17
(d) Information and Communication	7,708.11	7,858.70	7,776.90	8,527.66	9,309.92	11.57	11.35	12.22	13.04	11.17
(e) Arts, Entertainment & Recreation	141.33	146.58	152.63	156.48	162.94	0.22	0.22	0.22	0.23	0.20
(f) Finance & Insurance	2,123.90	2,027.51	2,053.00	2,094.68	2,148.39	2.98	3.00	3.00	3.01	3.08
(g) Real Estate	5,264.70	4,903.60	4,694.39	4,471.86	4,366.35	7.22	6.85	6.41	6.12	7.63
(h) Professional, Scientific & Technical Services	2,516.07	2,536.29	2,529.68	2,544.14	2,547.30	3.73	3.69	3.64	3.57	3.65
(i) Administrative and Support Services	14.47	14.37	14.47	14.44	14.72	0.02	0.02	0.02	0.02	0.02
(j) Public Administration	1,644.78	1,569.52	1,563.62	1,531.58	1,470.22	2.31	2.28	2.19	2.06	2.38
(k) Education	1,498.71	1,518.93	1,507.98	1,507.56	1,519.66	2.24	2.20	2.16	2.13	2.17
(l) Human Health & Social Services	484.34	475.69	474.24	472.70	474.17	0.70	0.69	0.68	0.66	0.70
(m) Other Services	2,151.38	2,257.47	2,310.55	2,360.64	2,405.54	3.32	3.37	3.38	3.37	3.12
TOTAL GDP AT 2010 CONSTANT BASIC PRICES	**69,023.93**	**67,931.24**	**68,490.98**	**69,799.94**	**71,387.83**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
NON-OIL GDP AT 2010 CONSTANT BASIC PRICES	**62,393.97**	**62,259.03**	**62,552.93**	**63,804.07**	**65,116.97**	**91.65**	**91.33**	**91.41**	**91.22**	**90.39**
NET INDIRECT TAXES ON PRODUCTS	**756.76**	**721.19**	**714.71**	**736.41**	**706.27**					
TOTAL GDP AT 2010 CONSTANT MARKET PRICES	**69,780.69**	**68,652.43**	**69,205.69**	**70,536.35**	**72,094.09**					
TOTAL GDP GROWTH RATE (%)	**2.79**	**-1.58**	**0.82**	**1.91**	**2.27**					
OIL GDP GROWTH RATE (%)	**-5.45**	**-14.45**	**4.69**	**0.97**	**4.59**					
NON-OIL GDP GROWTH RATE (%)	**3.75**	**-0.22**	**0.47**	**2.00**	**2.06**					
Growths in Total GDP										
Agriculture (%)	**3.72**	**4.11**	**3.45**	**2.12**	**2.36**					
Industry (%)	**-2.24**	**-8.85**	**2.15**	**1.87**	**2.31**					
Services (%)	**4.78**	**-0.82**	**-0.91**	**1.83**	**2.22**					
Construction (%)	**4.35**	**-5.95**	**1.00**	**2.33**	**1.81**					
Trade (%)	**5.14**	**-0.24**	**-1.05**	**-0.63**	**-0.38**					
Finance & Insurance (%)	**7.12**	**-4.54**	**1.26**	**2.03**	**2.56**					
Manufacturing (%)	**-1.46**	**-4.32**	**-0.21**	**2.09**	**0.77**					
Solid Minerals (%)	**7.70**	**-14.56**	**0.14**	**10.11**	**-5.00**					
Information and Communication (%)	**6.22**	**1.95**	**-1.04**	**9.65**	**9.17**					

1/ Revised real GDP by production table based on NBS template.
2/ Revised
3/ Provisional
Source: National Bureau of Statistics (NBS)

Table 33
Gross Domestic Product at Current Basic Prices /1
(Naira Billion, unless otherwise stated)

Activity Sector	2015	2016	2017	2018 /2	2019 /3	Percentage Share in Total Nominal GDP (%)				
						2015	2016	2017	2018 /2	2019 /3
1. Agriculture	**19,636.97**	**21,523.51**	**23,952.55**	**27,371.30**	**31,904.14**	**21.21**	**21.06**	**21.43**	**22.12**	**20.86**
(a) Crop Production	17,189.97	18,883.08	21,096.11	24,207.80	28,296.93	18.61	18.55	18.95	19.62	18.26
(b) Livestock	1,748.03	1,875.78	1,974.45	2,048.60	2,108.95	1.85	1.74	1.60	1.46	1.86
(c) Forestry	222.83	236.25	257.21	272.79	285.88	0.23	0.23	0.21	0.20	0.24
(d) Fishing	476.14	528.39	624.79	842.11	1,212.39	0.52	0.55	0.66	0.84	0.51
2. Industry	**19,188.58**	**18,641.17**	**25,639.90**	**33,218.33**	**39,879.69**	**18.37**	**22.55**	**26.01**	**27.65**	**20.38**
2.1 Mining and Quarrying	**6,100.01**	**5,469.55**	**10,481.97**	**13,648.66**	**12,769.42**	**5.39**	**9.22**	**10.68**	**8.85**	**6.48**
(a) Crude Petroleum & Natural Gas	5,990.42	5,367.32	10,355.95	13,423.87	12,400.43	5.29	9.11	10.51	8.60	6.36
(b) Solid Minerals	109.59	102.22	126.03	224.79	369.00	0.10	0.11	0.18	0.26	0.12
(i) Coal Mining	7.98	8.49	9.44	9.78	12.91	0.01	0.01	0.01	0.01	0.01
(ii) Metal Ores	4.46	5.74	7.93	10.90	11.14	0.01	0.01	0.01	0.01	0.00
(iii) Quarrying and Other Minerals	97.15	87.99	108.66	204.10	344.95	0.09	0.10	0.16	0.24	0.10
2.2 Manufacturing	8,973.77	8,903.24	10,044.48	12,455.53	16,781.06	8.77	8.83	9.75	11.64	9.53
2.3 Electricity, Gas, Steam and Air Conditioning Supply	536.67	524.68	667.92	871.55	1,037.77	0.52	0.59	0.68	0.72	0.57
2.4 Water Supply, Sewage, Waste Management and Remediation	105.87	137.15	163.75	211.52	294.53	0.14	0.14	0.17	0.20	0.11
2.5 Construction	3,472.26	3,606.56	4,281.78	6,031.06	8,996.90	3.55	3.77	4.72	6.24	3.69
3. Services	**55,319.41**	**61,324.81**	**64,119.18**	**67,147.20**	**72,426.66**	**60.42**	**56.39**	**52.57**	**50.22**	**58.76**
(a) Trade	18,028.90	20,675.86	21,573.73	21,918.44	22,509.26	20.37	18.97	17.16	15.61	19.15
(b) Accommodation and Food Services	893.67	925.06	984.20	1,144.37	1,398.70	0.91	0.87	0.90	0.97	0.95
(c) Transport and Storage	1,361.07	1,573.52	1,787.49	2,328.37	3,052.57	1.55	1.57	1.82	2.12	1.45
(d) Information and Communication	10,781.08	11,479.50	11,717.56	12,979.87	15,402.79	11.31	10.30	10.16	10.68	11.45
(e) Arts, Entertainment & Recreation	210.42	239.38	261.09	269.08	291.21	0.24	0.23	0.21	0.20	0.22
(f) Finance & Insurance	3,260.50	3,593.33	3,835.78	3,996.76	4,230.92	3.54	3.37	3.13	2.93	3.46
(g) Real Estate	8,187.55	8,340.43	8,591.54	8,632.82	8,997.60	8.22	7.56	6.76	6.24	8.70
(h) Professional, Scientific & Technical Services	3,927.30	4,507.76	4,726.80	4,862.49	5,017.46	4.44	4.16	3.81	3.48	4.17
(i) Administrative and Support Services	22.25	25.52	27.03	27.59	29.00	0.03	0.02	0.02	0.02	0.02
(j) Public Administration	2,552.45	2,783.83	2,921.59	2,926.09	2,896.76	2.74	2.57	2.29	2.01	2.71
(k) Education	2,116.35	2,445.95	2,590.86	2,734.53	2,969.32	2.41	2.28	2.14	2.06	2.25
(l) Human Health & Social Services	682.70	745.58	784.80	821.69	896.19	0.73	0.69	0.64	0.62	0.73
(m) Other Services	3,295.20	3,989.09	4,316.71	4,505.11	4,734.86	3.93	3.80	3.53	3.28	3.50
TOTAL GDP AT CURRENT BASIC PRICES	**94,144.96**	**101,489.49**	**113,711.63**	**127,736.83**	**144,210.49**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**
NON-OIL GDP AT CURRENT BASIC PRICES	**88,154.54**	**96,122.17**	**103,355.69**	**114,312.95**	**131,810.07**	**94.71**	**90.89**	**89.49**	**91.40**	**93.64**
NET INDIRECT TAXES ON PRODUCTS	**1,032.78**	**1,085.93**	**1,187.62**	**1,350.08**	**1,428.65**					
TOTAL GDP AT CURRENT MARKET PRICES	**95,177.74**	**102,575.42**	**114,899.25**	**129,086.91**	**145,639.14**					
TOTAL GDP GROWTH RATE (%)	**5.73**	**7.80**	**12.04**	**12.33**	**12.90**					
OIL GDP GROWTH RATE (%)	**-37.71**	**-10.40**	**92.94**	**29.62**	**-7.62**					
NON-OIL GDP GROWTH RATE (%)	**10.99**	**9.04**	**7.53**	**10.60**	**15.31**					
Growths in Total GDP										
Agriculture (%)	**8.98**	**9.61**	**11.29**	**14.27**	**16.56**					
Industry (%)	**-13.62**	**-2.85**	**37.54**	**29.56**	**20.05**					
Services (%)	**13.33**	**10.86**	**4.56**	**4.72**	**7.86**					
Construction (%)	**8.89**	**3.87**	**18.72**	**40.85**	**49.18**					
Trade (%)	**14.80**	**14.68**	**4.34**	**1.60**	**2.70**					
Finance & Insurance (%)	**16.81**	**10.21**	**6.75**	**4.20**	**5.86**					
Manufacturing (%)	**3.32**	**-0.79**	**12.82**	**24.00**	**34.73**					
Solid Minerals (%)	**9.30**	**-6.72**	**23.29**	**78.37**	**64.15**					
Information and Communication (%)	**12.44**	**6.48**	**2.07**	**10.77**	**18.67**					

1/ Revised real GDP by production table based on NBS template.
2/ Revised
3/ Provisional
Source: NBS

Table 34
Gross Domestic Product at 2010 Purchasers' Price
(Expenditure Approach)
(Naira Billion)

COMPONENT	2015	2016	2017	2018 /1	2019 /2
Domestic demand	**58,015.58**	**54,442.31**	**53,606.85**	**57,528.50**	**59,746.26**
Private Consumption Expenditure	43,941.93	41,424.07	41,267.10	43,171.63	43,826.28
Government Final Expenditure	3,641.42	3,090.98	2,708.05	3,787.27	3,889.93
Gross Fixed Capital Formation	10,432.23	9,927.26	9,631.70	10,569.60	12,030.06
Increase in Stocks	**517.50**	**511.28**	**615.86**	**639.61**	**801.88**
Net Export of Goods and Non-Factor Service	**11,247.61**	**13,698.84**	**14,982.98**	**12,368.24**	**11,545.95**
Export of Goods and Non-Factor Services	16,519.69	18,424.67	19,933.37	19,752.31	21,419.95
Less Import of Goods and Non-Factor Services	5,272.08	4,725.83	4,950.38	7,384.07	9,873.99
Gross Domestic Product (At 2010 Purchasers' Prices)	**69,780.69**	**68,652.43**	**69,205.69**	**70,536.35**	**72,094.09**

1/ Revised
2/ CBN Staff Estimate
Source: NBS and CBN

Table 35
Gross Domestic Product at Current Purchasers' Price
(Expenditure Approach)
(Naira Billion)

COMPONENT	2015	2016	2017	2018 /1	2019 /2
Domestic demand	**94,546.81**	**104,262.29**	**114,032.64**	**130,660.04**	**154,860.17**
Private Consumption Expenditure	74,785.69	83,635.16	92,065.13	98,875.34	106,369.92
Government Final Consumption Expenditure	5,648.95	5,522.95	5,059.38	7,234.46	7,722.96
Gross Fixed Capital Formation	14,112.17	15,104.18	16,908.13	24,550.24	40,767.29
Increase in Stocks	**630.96**	**658.31**	**871.75**	**1,026.75**	**1,136.98**
Net Export of Goods and Non-Factor Service	**-0.03**	**-2,345.18**	**-5.14**	**-2,599.88**	**-10,358.01**
Export of Goods and Non-Factor Services	10,151.95	9,455.51	15,134.03	20,004.45	19,971.77
Less Import of Goods and Non-Factor Services	10,151.98	11,800.70	15,139.17	22,604.34	30,329.78
Gross Domestic Product (At Current Purchasers' Prices)	**95,177.74**	**102,575.42**	**114,899.25**	**129,086.91**	**145,639.14**

1/ Revised
2/ CBN Staff Estimate
Source: NBS and CBN

Table 36
National Income at 2010 Constant Market Prices
(Naira Billion)

COMPONENT	2015	2016	2017	2018 /1	2019 /2
1. Gross Domestic Product					
(At 2010 Constant Market Prices)	**69,780.69**	**68,652.43**	**69,205.69**	**70,536.35**	**72,094.09**
Net Factor Income From Abroad	-1,037.55	-451.27	-767.92	-1,151.89	-1,343.87
LESS					
Other Current Transfers	6,247.41	10,405.11	9,027.84	9,253.53	9,479.23
2. Gross National Income	**64,570.83**	**58,698.59**	**60,945.78**	**62,434.70**	**63,958.73**
LESS					
Consumption of Fixed Capital (Depreciation)	3,649.09	3,676.68	3,612.02	3,702.32	3,738.44
3. Net National Income (Market Prices)	**60,921.74**	**55,021.91**	**57,333.76**	**58,732.38**	**60,220.29**

1/ Revised
2/ CBN Staff Estimate
Source: NBS and CBN

Table 37
Index of Agricultural Production by Type of Activity
(2010=100)

Sub-Sector	2015	2016	2017	2018	2019 1/
Crops	125.3	131.4	136.2	139.3	
(a) Staples	126.6	132.2	137.9	140.9	
(b) Other Crops	125.7	133.7	136.6	141.3	
Livestock	125.1	126.1	128.1	128.5	
Fishery	140.1	139.6	141.5	143.8	
Forestry	122.7	125.2	129.4	133.4	
Aggregate	**125.2**	**130.9**	**135.4**	**138.3**	

1/ Provisional
Source: Derived from data compiled by NBS

Table 38
Estimated Output of Major Agricultural Commodities
('000 Tonnes, Except Otherwise Stated)

Item	Area Planted (Million Ha)					Production ('000 Tonnes)				
	2015	2016	2017	2018 1/	2019 2/	2015	2016	2017	2018 1/	2019 2/
Crop Production	**180,009.0**	**183,802.3**	**187,680.5**	**191,640.6**		**202,947.33**	**212,851.16**	**220,598.94**	**225,672.72**	
Staples	**169,332.3**	**173,858.4**	**177,526.8**	**181,272.7**		**186,880.75**	**195,032.07**	**203,413.48**	**207,905.64**	
Maize	8,392.1	8,443.3	8,621.5	8,803.4		17,240.80	18,097.50	18,570.26	18,647.38	
Millet	6,167.4	6,286.3	6,418.9	6,554.4		11,382.00	11,455.23	11,761.40	11,986.91	
Guineacorn/Sorghum	9,472.4	9,542.4	9,743.8	9,949.4		16,756.4	17,109.0	17,600.8	17,955.6	
Rice	56,856.2	60,255.9	61,527.3	62,825.5		6,724.6	6,971.0	8,277.7	8,727.1	
Wheat	26.2	29.3	29.9	30.5		93.5	98.6	102.0	105.3	
Acha	329.9	361.4	369.0	376.8		155.4	168.3	170.1	179.0	
Beans/Cowpeas	13,522.5	13,720.0	14,009.5	14,305.1		7,617.4	7,787.2	8,112.0	8,288.6	
Cassava	8,254.4	9,467.1	9,666.9	9,870.8		66,457.6	68,947.9	71,200.5	72,538.1	
Potatoes	334.8	347.1	354.4	361.9		2,814.1	2,905.0	3,023.9	3,083.4	
Yam	4,423.2	4,452.0	4,546.0	4,641.9		44,690.5	45,409.8	46,912.7	48,291.6	
Cocoyam	60,397.9	61,058.3	62,346.6	63,662.1		4,007.8	4,064.8	4,522.2	4,606.2	
Plantain	172.9	185.4	189.3	193.3		2,069.3	2,514.3	2,723.7	2,806.3	
Vegetables	1,964.6	2,014.7	2,057.2	2,100.6		8,360.8	9,503.3	10,436.3	10,690.0	
			-					-	-	
Other crops	**11,676.7**	**11,943.9**	**12,195.9**	**12,452.0**		**15,819.77**	**16,819.09**	**17,185.45**	**17,767.08**	
Melon	483.7	535.3	546.6	558.1		894.51	966.17	1,002.30	1,015.35	
Groundnut/Peanut	4,230.1	4,399.1	4,491.9	4,586.3		5,721.28	6,054.56	6,217.30	6,275.98	
Benniseed/Sesame	98.2	99.2	101.3	103.4		206.23	382.88	399.20	413.38	
Soya Bean	3,091.4	3,294.0	3,363.5	3,434.1		2,720.65	2,807.96	2,829.70	3,044.78	
Cotton	999.8	1,104.1	1,127.4	1,151.1		908.98	938.31	969.30	1,011.59	
Palm Oil	136.8	143.6	146.6	149.7		394.15	409.16	426.60	456.41	
Cocoa	1,327.8	1,403.3	1,432.9	1,463.0		382.85	395.20	412.50	426.99	
Rubber	6.1	6.4	6.5	6.7		402.26	488.18	522.20	538.21	
Sugarcane	189.6	252.2	257.5	262.9		3,853.08	3,988.57	4,004.70	4,151.49	
Kolanut	138.4	144.9	148.0	151.1		144.79	168.11	171.50	185.44	
Ginger	11.3	11.8	12.0	12.3		144.81	158.60	163.80	177.57	
Cashew	7.1	7.3	7.5	7.6		36.02	44.75	48.20	50.31	
Pinneaple	2.0	2.0	2.0	2.1		6.35	7.85	8.45	9.64	
Palm Produce	6.3	6.3	6.4	6.6		7.35	8.80	9.70	9.92	
Livestock Products						**5,809.01**	**5,853.16**	**5,947.40**	**5,967.02**	
Poultry						223.42	224.10	226.00	228.75	
Goat Meat						914.38	915.16	920.89	922.93	
Mutton						882.05	884.32	892.90	894.84	
Beef						458.58	459.84	463.80	464.33	
Pork						111.92	113.01	116.70	115.09	
Milk						2,243.94	2,232.48	2,242.50	2,250.90	
Eggs						1,023.65	1,024.25	1,084.61	1,090.19	
Fishery						**1,045.60**	**1,042.05**	**1,056.01**	**1,073.33**	
(1) Artisanal Coastal and Brackish Water Catches						418.66	411.01	413.11	414.89	
(2) Artisanal Inland Rivers and Lakes Catches						401.65	390.35	396.45	398.95	
(3) Fish Farming						169.46	163.91	168.56	176.32	
(4) Industrial (Trawling) Coastal Fish & Shrimps						82.78	76.79	77.89	83.17	
Forestry ('000 cu meters)						**209,064.86**	**213,413.41**	**220,477.39**	**227,312.19**	
Roundwood						212,541.08	208,257.01	214,997.18	221,477.09	
Sawnwood						5,220.51	4,709.19	4,974.21	5,278.41	
Wood Based Panels						335.67	388.87	444.40	488.18	
Papers & Paperboards ('000 MT)						57.35	58.35	61.60	68.51	

1/ Provisional
Source: NBS

Table 39
Indices of Average World Prices (C.I.F.) of Nigeria's Major Agricultural Export Commodities
(Dollar-based, 2010 = 100)

COMMODITY	2015	2016	2017	2018	2019
Cocoa	102.44	94.51	66.31	74.95	**76.33**
Cotton	41.98	44.23	49.80	54.41	**46.42**
Coffee	64.45	66.05	61.50	53.52	**52.66**
Wheat	65.30	46.71	53.42	68.49	**65.84**
Rubber	33.09	33.79	42.04	32.96	**34.53**
Groundnut	128.09	118.30	104.60	87.82	**87.25**
Palm oil	46.02	52.10	55.35	50.93	**48.99**
Soya beans	63.50	66.31	69.43	74.04	**67.31**
Sorghum	91.00	70.22	73.58	76.09	**72.83**
All Commodities	**96.36**	**84.05**	**76.39**	**75.77**	**74.06**

Sources: [1]Index Mundi
[2]International Cocoa Organisation (ICCO)
[3]International Coffee Organisation (ICO)

Table 40
Indices of Average World Prices (C.I.F.) of Nigeria's Major Agricultural Export Commodities
(Naira-based, 2010 = 100)

COMMODITY	2015	2016	2017	2018	2019
Cocoa	131.29	155.38	132.84	150.30	**153.50**
Cotton	53.79	74.53	99.77	109.12	**93.35**
Coffee	82.45	111.08	123.21	107.33	**105.89**
Wheat	83.51	75.61	107.03	137.35	**132.42**
Rubber	42.36	57.12	84.21	66.10	**69.44**
Groundnut	164.08	195.62	209.56	176.10	**175.47**
Palm oil	58.89	87.18	110.89	102.13	**98.53**
Soya beans	81.31	110.76	139.10	148.47	**135.37**
Sorghum	116.51	115.57	147.41	152.58	**146.46**
All Commodities	**123.42**	**138.68**	**153.05**	**151.93**	**148.95**

Sources: [1]Index Mundi
[2]International Cocoa Organisation (ICCO)
[3]International Coffee Organisation (ICO)

Table 41
Average Prices of Selected Cash Crops
(Naira per Tonne)

COMMODITY	2015	2016	2017	2018	2019 1/
Benniseed	418,891.1	479,788.1	390,000.0	434,894.1	
Cocoa	395,695.8	411,458.0	570,240.0	686,768.0	
Coffee (Arabica)	304,194.0	349,479.5	402,113.5	375,796.5	
Tea	423,618.6	433,704.7	442,378.8	451,226.4	
Cotton	210,686.4	235,584.6	300,127.8	267,856.2	
Groundnut (Unshelled)	215,715.7	227,617.1	240,175.1	253,432.8	
Ginger (Peeled)	418,787.1	451,538.5	380,245.0	506,444.0	
Palm Kernel	67,586.3	68,486.1	115,261.0	91,873.5	
Palm Oil (Special)	608,193.4	695,701.4	718,000.0	740,976.0	
Soya Beans	161,848.6	172,507.2	130,000.0	151,253.6	
Rubber (100% Dry Lump top quality)	149,377.4	153,605.1	160,007.0	166,727.3	
Cashew Nut	501,294.1	575,345.3	550,000.0	528,000.0	
Wheat	182,192.6	199,643.2	178,220.1	159,150.5	

1/ Provisional
Source: CBN Nationwide Survey

Table 42
Index of Industrial Production 1/
(2010 = 100)

Year/Quarter	Manufacturing	Mining	Electricity	Total (All Sectors)
2015	**184.08**	**80.38**	**150.58**	**111.80**
1st Quarter	187.01	87.26	129.89	**117.11**
2nd Quarter	178.55	82.13	147.57	**111.35**
3rd Quarter	189.30	88.83	138.65	**119.01**
4th Quarter	181.45	63.31	186.19	**99.73**
2016	**176.08**	**69.00**	**127.56**	**101.24**
1st Quarter	173.92	82.16	72.14	**108.90**
2nd Quarter	172.54	72.75	132.13	**102.86**
3rd Quarter	181.01	68.71	129.39	**102.51**
4th Quarter	176.84	52.38	176.58	**90.68**
2017	**175.72**	**71.77**	**149.17**	**103.36**
1st Quarter	176.28	69.50	68.50	**100.78**
2nd Quarter	173.64	75.30	179.04	**105.64**
3rd Quarter	175.85	84.27	144.23	**111.98**
4th Quarter	177.08	57.99	204.89	**95.05**
2018	**179.39**	**72.85**	**160.48**	**105.36**
1st Quarter	182.27	79.82	71.88	**109.72**
2nd Quarter	174.82	72.41	192.64	**104.19**
3rd Quarter	179.24	81.90	170.58	**111.72**
4th Quarter	181.25	57.27	206.83	**95.80**
2019 /2				
1st Quarter				
2nd Quarter				
3rd Quarter				
4th Quarter				

1/ Revised
2/ Provisional
Sources: CBN Surveys, NNPC, Federal Ministry of Power and Steel, Ministry of Solid Minerals Development and real GDP data from National Bureau of Statistics (NBS).

Table 43
Index of Manufacturing Production
(Base Quarterly Average, 2010 = 100)

Year/Quarter	Oil Refining	Cement	Food, Beverage and Tobacco	Textile, Apparel and Footwear	Wood and Wood Products	Pulp, Paper and Paper Products	Chemical and Pharmaceutical Products	Non-Metallic Products	Plastic and Rubber Products	Electrical and Electronics	Basic Metal, Iron and Steel	Motor Vehicles & Assembly	Other Manufacturing	Total Manufacturing
2015	78.67	269.60	127.80	406.58	166.37	220.30	599.86	382.41	628.02	204.77	378.04	241.36	304.63	**184.08**
1st Quarter	53.72	265.40	131.31	443.28	164.57	212.13	548.66	391.72	643.00	198.38	368.63	279.72	326.17	**187.01**
2nd Quarter	44.97	266.17	125.94	412.62	163.87	217.38	619.56	365.61	618.08	196.08	367.76	251.58	280.10	**178.55**
3rd Quarter	128.79	269.60	128.28	409.88	171.93	223.21	624.42	415.24	630.04	210.94	380.25	215.02	310.83	**189.30**
4th Quarter	87.19	277.24	125.68	360.55	165.12	228.47	606.79	357.08	620.94	213.66	395.53	219.14	301.42	**181.45**
2016	**80.68**	**255.16**	**119.74**	**401.58**	**159.63**	**211.12**	**607.10**	**394.71**	**650.60**	**188.05**	**380.74**	**171.69**	**262.02**	**176.08**
1st Quarter	41.58	253.85	116.71	430.15	164.00	208.83	580.98	413.30	673.89	156.22	364.78	226.03	286.30	**173.92**
2nd Quarter	67.10	251.58	118.97	405.58	154.13	203.97	634.09	376.30	637.32	191.45	374.64	177.75	243.33	**172.54**
3rd Quarter	127.69	252.72	120.90	406.15	161.10	213.56	614.89	427.80	650.06	202.35	383.95	143.39	264.44	**181.01**
4th Quarter	86.34	262.50	122.35	364.43	159.28	218.13	598.45	361.42	641.15	202.18	399.58	139.56	253.99	**176.84**
2017	**58.41**	**249.57**	**122.56**	**404.73**	**160.49**	**211.37**	**611.81**	**402.38**	**654.27**	**184.21**	**381.34**	**134.48**	**243.59**	**175.72**
1st Quarter	42.83	258.51	121.46	435.18	168.04	211.41	575.75	410.29	661.89	135.30	361.89	142.46	257.55	**176.28**
2nd Quarter	74.67	241.12	122.16	406.37	150.91	200.19	627.90	390.63	648.40	188.21	375.15	142.69	216.85	**173.64**
3rd Quarter	69.72	241.20	121.61	406.92	163.10	209.80	616.39	435.44	643.77	209.79	382.61	112.90	238.75	**175.85**
4th Quarter	46.42	257.45	125.01	370.44	159.93	224.07	627.19	373.17	663.03	203.52	405.71	139.88	261.21	**177.08**
2018 1/	**56.27**	**260.84**	**127.63**	**411.72**	**163.22**	**218.66**	**615.52**	**400.41**	**666.99**	**253.32**	**324.45**	**185.98**	**215.76**	**179.39**
1st Quarter	45.86	272.15	128.09	443.24	170.60	218.61	583.60	390.01	664.76	403.78	149.02	365.06	145.72	**182.27**
2nd Quarter	58.62	250.39	123.64	417.48	154.27	211.96	617.72	392.99	656.71	195.19	360.09	138.58	208.91	**174.82**
3rd Quarter	57.59	260.84	125.13	411.16	165.49	214.11	624.04	437.01	660.63	210.12	381.67	108.37	242.73	**179.24**
4th Quarter	63.02	259.98	133.66	375.02	162.52	229.94	636.70	381.62	685.85	204.18	407.02	131.90	265.66	**181.25**
2019 2/														
1st Quarter														
2nd Quarter														
3rd Quarter														
4th Quarter														

1/ New Report Template
2/ Provisional
Sources: Data Derived from the NBS and CBN Surveys.

Table 44
Production of Principal Solid Minerals
(Tonnes)

SOLID MINERALS	2015	2016	2017	2018 /1	2019 /2	Absolute Change Between	Percentage Change Between
	1	2	3	4	5	4&5	4&5
Baryte	3,322.64	537.00	714.00	387.00			
Clay	1,042,079.02	1,808,268.31	2,547,916.66	3,468,007.79			
Coal	121,952.93	104,634.86	788,749.27	352,679.00			
Marble Aggregates	16,400.00	25,517.50	16,046.70	17,808.15			
Sand	2,968,789.84	1,843,605.45	3,054,957.90	2,285,714.27			
Stone Aggregates	5,106,662.07	-	-	-			
Gold (G)	21,473.00	0.02	0.01	0.06			
Granite Aggregates	9,443,503.53	7,132,851.86	988,554.55	11,691,040.78			
Lead/Zinc	13,563.00	9,789.84	18,493.05	310,653.00			
Limestone	18,906,749.19	28,400,854.67	22,247,997.20	27,195,278.56			
Iron Ore	5,874.13	1,548.08	15.87	1,581.87			
Laterite	3,365,151.48	1,994,015.55	3,533,286.25	5,065,618.13			
Shale	904,286.00	1,214,672.93	624,884.95	946,351.28			
Tin Ore (Cassiterite)	881.30	2,897.23	5,102.88	11,720.68			
Columbite	571.89	1,858.06	1,326.21	1,814.05			
Other Minerals	576,722.63	1,402,868.86	1,773,586.87	3,638,992.62			
TOTAL	**42,497,982.65**	**43,943,920.23**	**35,601,632.37**	**54,987,647.24**			

1/ Revised
2/ Provisional
Source: Federal Ministry of Mines and Steel Development

Table 45
Energy Consumption
(Tonnes of Coal Equivalent (TCE))
(2010 = 100)

Type	Weight	2015	2016	2017	2018 1/	2019 2/
Coal	**0.2**	**100,696.50**				
Percentage Share		0.71				
Hydro - Power	**19.4**	**2,947,681.40**				
Percentage Share		20.87				
Natural Gas	**13.2**	**3,528,757.60**				
Percentage Share		24.98				
Petroleum Products	**67.2**	**7,547,279.30**				
Percentage Share		53.43				
Total	**100.0**	**14,124,414.80**				
Percentage Share		100.00				
Index of Energy Consumption (2010 = 100)		**98.70**				

/1 Revised
/2 Provisional

Sources: Federal Ministry of Solid Mineral Development; Federal Ministry of Power & Steel, NNPC & PHCN

Table 46
Consumption of Petroleum Products
('000 Liters)

Product	2015	2016	2017	2018 1/	2019 2/
Liquefied Petroleum Gas or Cooking Gas	-	32,297.06	-		
Premium Motor Spirit (PMS - Gasoline)	15,894,471.33	17,408,276.04	13,313,545.56		
Dual Purpose Kerosine (DPK)	3,091,064.80	919,292.52	647,388.74		
Automotive Gas Oil (AGO)	2,830,756.79	3,902,176.20	1,297,599.56		
Low Pour Fuel Oil (LPFO)	-	102,374.77	304,963.46		
Bitumen/Asphalt	-	-	-		
Others (Wax, Petroleum Jelly, Grease, Base Oil, etc.)	-	534,250.20	311,427.99		
Total	**21,816,292.92**	**22,898,666.79**	**15,874,925.31**		**-**

1/ Revised
2/ Provisional
Source: Nigerian National Petroleum Corporation (NNPC)

Table 47
Contribution from Local Refineries (Metric Tonnes)

Type	2015*	2016	2017	2018 /1	2019 2/
LPG	6,516	121,685	131,699	51,314	
PMS	716,218	931,095	1,150,952	385,511	
DPK	204,355	398,431	536,072	281,379	
AGO	242,871	669,302	870,868	371,440	
Fuel Oil	149,772	349,847	819,518	346,981	
Asphalt	26	7,034	5,143	-	
Fuel & Losses	217,904	129,629	160,744	75,598	
Total	**1,537,662**	**2,607,023**	**3,674,996**	**1,512,223**	

1/ Revised
2/ Provisional
*** 2015 does not include contributions from KRPC**
Source: NNPC

Table 48
Gas Production, Utilisation and Disposal (mscf)

ITEM	2015	2016	2017	2018 1/	2019 2/
Gas Produced	2,929,852,323.00	2,777,791,240.00	2,901,632,487.00		
Gas Used as Fuel	159,191,015.00	147,441,070.00	139,441,222.00		
Gas Sold to Third Parties	1,017,209,664.00	431,534,480.00	421,944,634.00		
Gas to NGC	133,537,081.00	-	-		
Gas Reinjected	727,455,410.00	-	-		
Gas Lift	77,070,650.00	747,745,030.00	756,074,800.00		
Fuel Gas to EPCL	10,908,370.00	-			
Gas Converted to NGLs	41,913,989.00	130,688,430.00	106,818,307.00		
Gas Sold to LNG	421,193,880.00	1,007,914,170.00	1,119,649,753.00		
Total Gas Utilised	2,588,480,059.00	2,465,323,180.00	2,543,928,718.00		
Gas Utilised as % of Gas Produced	88.30	88.80	87.70		
Gas Flared	341,372,264.00	312,468,060.00	357,703,770.00		
Gas Flared as % of Gas Produced	11.70	11.20	12.30		

/1 Revised
/2 Provisional
Source: NNPC, DPR, CBN Estimates

Table 49
World Crude Oil Production and Consumption
(Million Barrels Per Day)

	2015	2016	2017	2018	2019	Absolute Change Between				Percentage Change Between			
	1	2	3	4	5	(1)&(2)	(2)&(3)	(3)&(4)	(4)&(5)	(1)&(2)	(2)&(3)	(3)&(4)	(4)&(5)
Supply													
OPEC	38.01	38.78	36.96	36.62	34.66	0.77	-1.82	-0.34	-1.96	2.03	-4.69	-0.92	-5.35
Crudes	31.85	32.64	32.02	31.86	29.86	0.79	-0.62	-0.16	-2.00	2.48	-1.90	-0.50	-6.28
NGLs and condensates	6.16	6.14	4.94	4.76	4.80	-0.02	-1.20	-0.18	0.04	-0.32	-19.54	-3.64	0.84
TOTAL NON -OPEC	56.87	57.02	59.45	62.47	64.33	0.15	2.43	3.02	1.86	0.26	4.26	5.08	2.98
Total World Supply	**94.88**	**95.80**	**96.41**	**99.09**	**98.99**	**0.92**	**0.61**	**2.68**	**-0.10**	**0.97**	**0.64**	**2.78**	**-0.10**
Demand													
OECD	46.21	46.90	49.42	48.01	47.99	0.69	2.52	-1.41	-0.02	1.49	5.37	-2.85	-0.04
NON - OECD	46.71	48.52	47.87	50.83	51.78	1.81	-0.65	2.96	0.95	3.87	-1.34	6.18	1.87
Total World Demand	**92.92**	**95.42**	**97.29**	**98.84**	**99.77**	**2.50**	**1.87**	**1.55**	**0.93**	**2.69**	**1.96**	**1.59**	**0.94**
Nigeria													
Output	2.12	1.62	1.72	1.88	1.87	-0.50	0.10	0.16	-0.01	-23.58	5.92	9.57	-0.53
Exports	1.67	1.17	1.27	1.43	1.42	-0.50	0.10	0.16	-0.01	-29.94	8.19	12.97	-0.70
Domestic Consumption	0.45	0.45	0.45	0.45	0.45								

Source: OPEC, Reuters

Table 50
Analysis of Average Spot Prices of Selected Crudes Traded at the International Oil Market
(US Dollar per Barrel)

Crude Type	2015	2016	2017	2018	2019	Absolute Change Between				Percentage Change Between			
	1	2	3	4	5	(1)&(2)	(2)&(3)	(3)&(4)	(4)&(5)	(1)&(2)	(2)&(3)	(3)&(4)	(4)&(5)
Bonny Light	53.07	48.82	54.91	72.53	**66.41**	-4.25	6.09	17.62	**-6.12**	-8.01	12.47	32.09	**-8.44**
UK Brent	47.60	43.21	54.13	71.17	**64.72**	-4.39	10.92	17.04	**-6.45**	-9.22	25.27	31.48	**-9.06**
West Texas Intermediate(WTI)	49.11	43.25	50.42	57.81	**56.23**	-5.86	7.17	7.39	**-1.58**	-11.93	16.58	14.66	**-2.73**
Forcados	47.40	43.99	54.76	72.57	**66.45**	-3.41	10.77	17.81	**-6.12**	-7.19	24.48	32.52	**-8.43**
OPEC Basket	49.50	40.76	52.43	69.61	**64.06**	-8.74	11.67	17.18	**-5.55**	-17.66	28.63	32.77	**-7.97**

Source: OPEC, Reuters

Table 51
Composite Consumer price Index
(November 2009 = 100)

	2015	2016	2017	2018	2019	*Percentage change between*			
	1	2	3	4	5	(1) & (2)	(2) & (3)	(3) & (4)	(4) & (5)
All- Item	180.1	213.6	246.4	274.6	307.5	18.5	15.4	11.4	12.0
All- Item Less Farm Produce	176.7	208.6	233.8	256.7	280.6	18.1	12.1	9.8	9.3
All- Item Less Farm Produce & Energy	173.8	199.3	224.4	247.8	272.5	14.7	12.6	10.4	9.9
Imported Food	177.1	214.4	248.5	287.5	333.6	21.1	15.9	15.7	16.0
Food	186.2	218.6	261.0	296.4	339.9	17.4	19.4	13.6	14.7
Food & Non-Alcoholic Beverages	185.6	217.6	259.8	294.9	337.9	17.2	19.4	13.5	14.6
Alcoholic Beverage, Tobacco & Kola	157.8	181.2	196.8	216.9	238.2	14.8	8.6	10.2	9.8
Clothing & Footwear	177.1	208.6	239.8	264.1	290.3	17.8	15.0	10.1	9.9
Housing, Water, Electricity, Gas & other Fuel	184.6	234.9	254.4	273.3	294.4	27.3	8.3	7.4	7.7
Furnishing & household Equipment Maintenance	167.2	190.0	216.0	237.1	258.7	13.6	13.7	9.8	9.1
Health	165.8	184.5	205.6	225.8	247.4	11.3	11.4	9.8	9.6
Transport	176.1	206.5	232.0	255.4	279.1	17.3	12.3	10.1	9.2
Communication	129.3	136.2	140.9	151.4	163.5	5.3	3.5	7.4	8.0
Recreation & Culture	149.4	164.5	180.9	196.7	212.8	10.1	9.9	8.7	8.2
Education	160.8	195.5	216.9	238.2	259.2	21.6	11.0	9.8	8.8
Restaurant & Hotels	157.2	171.2	189.1	207.0	224.3	8.9	10.5	9.4	8.4
Miscellaneous goods & Services	170.3	191.9	213.9	234.4	255.9	12.7	11.5	9.6	9.1
End-December CPI	**180.1**	**213.6**	**246.4**	**274.6**	**307.5**				

Note: Imported Food component was introduced in 2009.
Source: NBS

Table 52
Urban Consumer Price Index
(November 2009 = 100)

	2015	2016	2017	2018	2019	*Percentage change between*			
	1	2	3	4	5	(1) & (2)	(2) & (3)	(3) & (4)	(4) & (5)
All- Item	179.2	215.3	249.3	278.5	313.6	20.1	15.8	11.7	12.6
All- Item Less Farm Produce	174.3	208.5	235.8	259.5	286.1	19.6	13.1	10.1	10.2
All- Item Less Farm Produce & Energy	170.7	197.5	224.7	249.0	276.5	15.7	13.8	10.8	11.1
Imported Food	177.2	215.3	251.5	292.2	339.9	21.5	16.8	16.2	16.3
Food	183.8	216.2	260.3	297.2	344.9	17.6	20.4	14.2	16.0
Food & Non-Alcoholic Beverages	183.1	215.0	258.7	295.3	342.3	17.4	20.3	14.1	15.9
Alcoholic Beverage, Tobacco & Kola	151.5	175.0	191.5	212.5	234.9	15.5	9.4	10.9	10.6
Clothing & Footwear	178.5	210.1	243.8	270.1	298.5	17.7	16.0	10.8	10.5
Housing, Water, Electricity, Gas & other Fuel	185.9	247.7	267.4	287.2	309.4	33.2	8.0	7.4	7.7
Furnishing & household Equipment Maintenance	163.3	186.6	216.4	239.0	262.5	14.3	15.9	10.4	9.9
Health	165.6	184.4	208.4	230.3	253.9	11.3	13.0	10.5	10.3
Transport	182.4	215.7	246.5	273.3	300.5	18.3	14.3	10.9	9.9
Communication	127.2	133.4	139.4	150.8	163.9	4.9	4.5	8.2	8.7
Recreation & Culture	152.1	166.5	186.2	203.7	221.6	9.4	11.9	9.4	8.8
Education	161.2	194.4	217.6	240.5	263.4	20.6	12.0	10.5	9.5
Restaurant & Hotels	158.2	171.7	194.3	214.1	233.3	8.6	13.1	10.2	9.0
Miscellaneous goods & Services	170.7	193.1	218.6	241.1	265.0	13.1	13.2	10.3	9.9
End-December CPI	**179.2**	**215.3**	**249.3**	**278.5**	**313.6**				

Source: NBS

Table 53
Rural Consumer Price Index
(November 2009 = 100)

	2015	2016	2017	2018	2019	*Percentage change between*			
	1	2	3	4	5	(1) & (2)	(2) & (3)	(3) & (4)	(4) & (5)
All- Item	181.1	212.2	244.1	271.4	302.4	17.2	15.0	11.2	11.4
All- Item Less Farm Produce	178.7	208.7	232.2	254.3	276.1	16.8	11.3	9.5	8.6
All- Item Less Farm Produce & Energy	176.3	200.9	224.2	246.9	269.1	13.9	11.6	10.1	9.0
Imported Food	177.0	213.7	246.1	283.5	328.2	20.7	15.1	15.2	15.8
Food	188.6	220.8	261.9	296.0	336.1	17.1	18.6	13.0	13.6
Food & Non-Alcoholic Beverages	188.1	220.1	260.9	294.8	334.6	17.0	18.6	13.0	13.5
Alcoholic Beverage, Tobacco & Kola	164.4	187.4	202.5	221.8	242.2	14.0	8.0	9.6	9.2
Clothing & Footwear	175.5	206.9	235.8	258.4	282.5	17.8	14.0	9.6	9.4
Housing, Water, Electricity, Gas & other Fuel	183.2	221.7	241.3	259.6	279.8	21.1	8.8	7.6	7.8
Furnishing & household Equipment Maintenance	171.1	193.4	216.2	236.1	256.2	13.0	11.8	9.2	8.5
Health	166.0	184.6	203.4	222.2	242.2	11.2	10.2	9.2	9.0
Transport	167.5	193.6	214.3	234.4	254.7	15.6	10.7	9.4	8.7
Communication	130.0	137.2	140.9	150.5	161.5	5.5	2.7	6.8	7.3
Recreation & Culture	146.9	162.6	176.1	190.4	205.1	10.6	8.3	8.1	7.7
Education	160.4	196.4	216.4	236.3	255.7	22.5	10.1	9.2	8.2
Restaurant & Hotels	156.4	170.8	184.9	201.2	216.8	9.2	8.3	8.8	7.8
Miscellaneous goods & Services	169.9	190.9	210.1	228.9	248.3	12.4	10.0	8.9	8.5
CPI, End-December	**181.1**	**212.2**	**244.1**	**271.4**	**302.4**				

Source: NBS

Table 54
Balance of Payments
(US$' Million)

	2015	2016	2017	2018 /1	2019 /2
CURRENT ACCOUNT	**(15,438.64)**	**2,722.34**	**10,399.24**	**3,877.82**	**(17,016.39)**
Goods	**(6,447.02)**	**(536.06)**	**13,148.15**	**20,467.32**	**2,867.51**
Credit	45,887.74	34,703.90	45,817.49	61,221.02	64,977.55
Debit	(52,334.76)	(35,239.95)	(32,669.34)	(40,753.70)	(62,110.03)
Exports fob	***45,887.74***	***34,703.90***	***45,817.49***	***61,221.02***	***64,977.55***
Crude oil & gas	42,443.39	32,029.04	42,296.86	56,555.45	54,511.11
Crude oil	35,911.26	27,356.57	36,117.17	49,611.76	47,940.26
Gas	6,532.13	4,672.47	6,179.69	6,943.70	6,570.85
Non-oil and Electricity	3,444.35	2,674.86	3,520.63	4,665.57	10,466.44
Electricity	*129.37*	*116.19*	*112.29*	*132.27*	*142.30*
Other Non-oil	3,314.97	2,558.67	3,408.34	4,533.30	10,324.14
Imports fob	**(52,334.76)**	**(35,239.95)**	**(32,669.34)**	**(40,753.70)**	**(62,110.03)**
Crude oil & gas /3	(8,494.92)	(8,950.42)	(8,155.14)	(11,566.37)	(11,025.06)
Non-oil	(43,839.84)	(26,289.53)	(24,514.20)	(29,187.32)	(51,084.98)
Trading Partner Adjustment	-	-	-	-	-
Services(net)	(16,452.66)	(8,014.66)	(13,234.28)	(26,065.89)	(33,760.99)
Credit	3,160.03	3,743.64	5,030.50	4,817.78	4,949.17
Debit	(19,612.69)	(11,758.31)	(18,264.78)	(30,883.66)	(38,710.16)
Transportation(net)	(5,941.14)	(4,263.54)	(3,346.25)	(5,019.84)	(4,938.72)
Credit	1,808.04	1,664.50	1,300.53	1,330.97	1,968.26
Debit	(7,749.18)	(5,928.03)	(4,646.79)	(6,350.81)	(6,906.98)
Of which: Passenger	(3,348.89)	(3,427.01)	(2,330.13)	(3,626.77)	(2,873.86)
Credit	56.55	18.47	65.98	15.48	22.27
Debit	(3,405.44)	(3,445.48)	(2,396.11)	(3,642.25)	(2,896.13)
Of which: Freight	(3,716.64)	(2,038.81)	(1,925.71)	(2,350.22)	(2,966.67)
Credit	450.71	369.08	235.72	195.30	557.54
Debit	(4,167.35)	(2,407.89)	(2,161.43)	(2,545.52)	(3,524.21)
Of which: Other	1,124.39	1,202.28	909.59	957.15	901.81
Credit	1,300.78	1,276.94	998.83	1,120.18	1,388.45
Debit	(176.39)	(74.66)	(89.24)	(163.03)	(486.64)
Travel	(5,201.29)	(8.81)	(3,248.17)	(7,606.46)	(12,059.85)
Credit	403.92	1,070.29	2,549.09	1,962.36	1,449.09
Debit	(5,605.20)	(1,079.11)	(5,797.26)	(9,568.83)	(13,508.94)
Business travel	(1,310.63)	(306.86)	(768.72)	(1,163.59)	(1,576.25)
Credit	-	-	-	-	-
Debit	(1,310.63)	(306.86)	(768.72)	(1,163.59)	(1,576.25)
Personal travel	(3,890.66)	298.05	(2,479.44)	(6,442.87)	(10,483.59)
Credit	403.92	1,070.29	2,549.09	1,962.36	1,449.09
Debit	(4,294.58)	(772.25)	(5,028.54)	(8,405.24)	(11,932.69)
Education related expenditure	(2,247.49)	(497.47)	(2,295.74)	(4,284.93)	(6,016.49)
Credit	-	-	-	-	-
Debit	(2,247.49)	(497.47)	(2,295.74)	(4,284.93)	(6,016.49)
Health related expenditure	(746.35)	(17.00)	(783.77)	(1,662.67)	(2,555.51)
Credit	-	-	-	-	-
Debit	(746.35)	(17.00)	(783.77)	(1,662.67)	(2,555.51)
Other Personal Travels	(896.82)	812.52	600.07	(495.28)	(1,911.60)
Credit	403.92	1,070.29	2,549.09	1,962.36	1,449.09
Debit	(1,300.73)	(257.78)	(1,949.02)	(2,457.64)	(3,360.69)
Insurance services	(289.28)	(614.78)	(743.71)	(331.39)	(865.18)
Credit	43.11	79.62	70.07	224.74	122.26
Debit	(332.39)	(694.40)	(813.78)	(556.14)	(987.44)
Communication services	(640.35)	(79.63)	72.00	62.03	91.61
Credit	77.18	117.65	290.05	230.57	211.87
Debit	(717.54)	(197.28)	(218.04)	(168.54)	(120.27)
Construction services	(51.50)	(0.26)	(1.12)	(60.28)	(20.64)
Credit	-	-	-	-	-
Debit	(51.50)	(0.26)	(1.12)	(60.28)	(20.64)
Financial services	(865.53)	(120.14)	(247.60)	(117.42)	255.89
Credit	253.56	248.09	290.93	539.49	685.09
Debit	(1,119.09)	(368.23)	(538.53)	(656.91)	(429.20)
Computer & information services	(338.41)	(148.72)	(222.28)	(262.22)	(170.55)
Credit	-	-	-	-	-
Debit	(338.41)	(148.72)	(222.28)	(262.22)	(170.55)
Royalties and license fees	(252.84)	(252.84)	(252.84)	(252.84)	(252.84)
Credit	-	-	-	-	-
Debit	(252.84)	(252.84)	(252.84)	(252.84)	(252.84)
Other business services	(1,871.70)	(2,595.47)	(5,354.81)	(12,645.24)	(15,915.44)
Credit	87.53	64.68	48.27	62.92	49.66
Debit	(1,959.23)	(2,660.15)	(5,403.08)	(12,708.15)	(15,965.10)

Table 54 Cont'd
Balance of Payments
(US$' Million)

	2015	2016	2017	2018 /1	2019 /2
Operational leasing services	(576.32)	(849.31)	(713.16)	(948.76)	(1,121.21)
Credit	-	-	-	-	-
Debit	(576.32)	(849.31)	(713.16)	(948.76)	(1,121.21)
Misc. business, professional, and technical services	(1,295.38)	(1,746.16)	(4,641.65)	(11,696.48)	(14,794.23)
Credit	87.53	64.68	48.27	62.92	49.66
Debit	(1,382.91)	(1,810.84)	(4,689.93)	(11,759.39)	(14,843.88)
Personal, cultural & recreational services	(160.75)	(15.90)	(109.31)	(40.47)	(89.60)
Credit	-	-	-	-	-
Debit	(160.75)	(15.90)	(109.31)	(40.47)	(89.60)
Government Services	(839.87)	85.44	219.80	208.24	204.33
Credit	486.69	498.81	481.54	466.72	462.94
Debit	(1,326.56)	(413.37)	(261.75)	(258.48)	(258.60)
Income(net)	(12,707.75)	(8,616.11)	(11,510.20)	(14,657.71)	(12,492.21)
Credit	930.77	1,250.74	1,568.15	2,060.06	2,367.92
Debit	(13,638.52)	(9,866.85)	(13,078.35)	(16,717.77)	(14,860.13)
Compensation of employees	204.75	179.73	228.91	233.82	219.33
Credit	217.87	191.29	235.33	249.37	259.94
Debit	(13.12)	(11.56)	(6.42)	(15.56)	(40.61)
Investment income	(12,912.50)	(8,795.84)	(11,739.11)	(14,891.53)	(12,711.54)
Credit	712.90	1,059.45	1,332.82	1,810.68	2,107.98
Debit	(13,625.40)	(9,855.29)	(13,071.93)	(16,702.21)	(14,819.52)
Direct investment	(12,162.11)	(8,334.83)	(11,243.30)	(14,192.33)	(12,234.96)
Credit	300.56	340.58	427.00	425.63	473.79
Debit	(12,462.68)	(8,675.40)	(11,670.30)	(14,617.96)	(12,708.75)
Income on equity	(12,115.41)	(8,267.28)	(11,152.24)	(14,090.69)	(12,092.65)
Credit	297.60	336.97	423.12	421.52	469.13
Debit	(12,413.02)	(8,604.25)	(11,575.36)	(14,512.21)	(12,561.78)
Dividends and distributed branch profits	(10,004.99)	(6,679.74)	(9,506.80)	(12,460.44)	(10,466.90)
Credit	270.01	302.91	380.79	379.36	422.22
Debit	(10,275.00)	(6,982.65)	(9,887.59)	(12,839.80)	(10,889.12)
Reinvested earnings and undistributed branch profit	(2,110.42)	(1,587.55)	(1,645.45)	(1,630.25)	(1,625.75)
Credit	27.60	34.06	42.32	42.16	46.91
Debit	(2,138.02)	(1,621.60)	(1,687.77)	(1,672.41)	(1,672.66)
Income on Direct Investment Loans (interest)	(46.70)	(67.54)	(91.05)	(101.63)	(142.31)
Credit	2.96	3.61	3.88	4.11	4.66
Debit	(49.66)	(71.15)	(94.94)	(105.75)	(146.97)
Portfolio investment	(531.68)	(488.45)	(684.23)	(971.29)	(1,016.03)
Credit	23.13	248.58	256.55	248.43	256.63
Debit	(554.81)	(737.03)	(940.78)	(1,219.73)	(1,272.66)
Other investment	(218.71)	27.43	188.42	272.09	539.46
Income on debt (interest)	(218.71)	27.43	188.42	272.09	539.46
Credit	389.21	470.29	649.27	1,136.62	1,377.56
Debit	(607.92)	(442.86)	(460.86)	(864.53)	(838.11)
Current transfers(net)	20,168.79	19,889.17	21,995.57	24,134.10	26,369.30
Credit	22,117.34	20,942.66	22,517.20	24,525.66	27,080.39
Debit	(1,948.55)	(1,053.49)	(521.63)	(391.57)	(711.09)
General government	1,521.86	1,399.34	679.66	414.62	1,812.16
Credit /4	1,672.51	1,406.97	679.66	414.62	1,812.16
Debit	(150.65)	(7.63)	-	-	-
Other sectors	18,646.93	18,489.82	21,315.91	23,719.47	24,557.14
Credit	20,444.82	19,535.69	21,837.54	24,111.04	25,268.23
Debit	(1,797.90)	(1,045.86)	(521.63)	(391.57)	(711.09)
Workers' remittances	19,385.85	18,773.44	21,532.76	24,009.53	23,499.35
Credit	20,408.18	19,506.65	21,801.69	24,061.65	23,549.34
Debit	(1,022.33)	(733.21)	(268.93)	(52.12)	(49.99)
Other Transfers	(738.92)	(283.61)	(216.85)	(290.06)	1,057.79
Credit	36.64	29.04	35.85	49.39	1,718.88
Debit	(775.57)	(312.65)	(252.70)	(339.45)	(661.10)
CAPITAL AND FINANCIAL ACCOUNT	**(5,334.59)**	**2,899.54**	**(3,997.83)**	**(13,101.63)**	**18,087.46**
Capital account(net)	-	-	-	-	-
Credit	-	-	-	-	-
Debit	-	-	-	-	-
Capital transfers	-	-	-	-	-
Credit	-	-	-	-	-
General Government	-	-	-	-	-
Debt Forgiveness	-	-	-	-	-
Other Sector	-	-	-	-	-
Debit	-	-	-	-	-
Acquisition/disposal of nonproduced, nonfin assets	-	-	-	-	-
Credit					
Debit					

Table 54 Cont'd
Balance of Payments
(US$' Million)

	2015	2016	2017	2018 /1	2019 /2
Financial account(net)	**(5,334.59)**	**2,899.54**	**(3,997.83)**	**(13,101.63)**	**18,087.46**
Assets	**(10,683.68)**	**(3,260.88)**	**(24,521.54)**	**(18,146.33)**	**364.22**
Direct investment (Abroad)	(1,435.20)	(1,305.04)	(1,286.18)	(1,380.86)	(1,494.91)
Equity capital	(1,407.61)	(1,270.98)	(1,243.85)	(1,338.70)	(1,448.00)
Claims on direct investment enterprises	(1,407.61)	(1,270.98)	(1,243.85)	(1,338.70)	(1,448.00)
Liabilities to direct investors					
Reinvested earnings	(27.60)	(34.06)	(42.32)	(42.16)	(46.91)
Other capital	-	-	-	-	-
Claims on direct investment enterprises					
Liabilities to direct investors					
Portfolio investment	(1,676.50)	(177.42)	(7.24)	(0.73)	(131.96)
Equity securities	(1,341.20)	(141.94)	(5.79)	(0.58)	(105.57)
Debt securities	(335.30)	(35.48)	(1.45)	(0.15)	(26.39)
Long-term					
Short-term	(335.30)	(35.48)	(1.45)	(0.15)	(26.39)
Other investment	(13,425.47)	(2,759.23)	(10,985.95)	(13,478.08)	(2,498.60)
Trade credits	(6,883.16)	(5,205.58)	(6,872.62)	(9,183.15)	(9,746.63)
Loans	717.85	(540.87)	(505.58)	(737.98)	(1,489.89)
Currency and deposits	(7,260.16)	2,987.22	(3,607.75)	(3,556.96)	8,737.92
Monetary authorities					
General government	1,350.85	99.84	(507.13)	(606.42)	542.90
Banks	4,463.84	1,290.32	(1,836.79)	(1,087.85)	(220.06)
Other sectors	(13,074.85)	1,597.07	(1,263.83)	(1,862.68)	8,415.09
Other Assets					
Reserve assets	5,853.49	980.81	(12,242.18)	(3,286.65)	4,489.69
Monetary Gold					
SDRs					
Reserve Positions in the Fund					
Foreign exchange	5,853.49	980.81	(12,242.18)	(3,286.65)	4,489.69
Other Claims					
Liabilities	**5,349.09**	**6,160.42**	**20,523.71**	**5,044.70**	**17,723.24**
Direct Invesment in reporting economy	3,064.17	4,448.73	3,503.00	1,997.49	3,299.09
Equity capital	921.93	2,826.25	1,812.91	139.27	1,614.32
Claims on direct investors					
Liabilities to direct investors	921.93	2,826.25	1,812.91	139.27	1,614.32
Reinvested earnings	2,138.02	1,621.60	1,687.77	1,672.41	1,672.66
Other capital	4.22	0.88	2.31	185.80	12.10
Claims on direct investors					
Liabilities to direct investors	4.22	0.88	2.31	185.80	12.10
Portfolio Investment	2,535.20	1,887.69	8,530.77	(2,285.17)	9,125.44
Equity securities	(476.62)	325.13	2,924.27	1,259.17	(1,548.46)
Debt securities	3,011.82	1,562.56	5,606.50	(3,544.34)	10,673.90
Long-term	2,440.21	984.70	2,397.65	(255.31)	149.79
Short-term	571.61	577.86	3,208.86	(3,289.02)	10,524.11
Other investment liabilities	(250.28)	(176.00)	8,489.94	5,332.39	5,298.72
Trade credits	-	-	-	-	-
Short-term	-	-	-	-	-
Long-term	-	-	-	-	-
Loans	(996.29)	1,743.70	6,738.12	3,686.50	(961.30)
General government	1,009.78	3,082.11	5,226.12	2,771.08	(684.13)
Long-term	1,009.78	3,082.11	5,226.12	2,771.08	(684.13)
Drawings	1,114.05	3,227.03	5,473.52	3,455.21	-
Repayments	(104.27)	(144.92)	(247.40)	(684.13)	(684.13)
short-term					
Monetary authorities					
Banks	697.52	(728.08)	602.80	357.45	928.54
Other sectors	(2,703.59)	(610.33)	909.21	557.97	(1,205.72)
Long-term	(2,703.59)	(610.33)	909.21	557.97	(1,205.72)
Short-term	-	-	-	-	-
Currency & Deposits	746.01	(1,919.70)	1,751.81	1,645.88	6,260.02
Monetary Authority	-	-	-	-	-
Banks	746.01	(1,919.70)	1,751.81	1,645.88	6,260.02
Other Liabilities -monetary authority SDR allocation	-	-	-	-	-
NET ERRORS AND OMISSIONS	**20,773.24**	**(5,621.87)**	**(6,401.41)**	**9,223.81**	**(1,071.07)**

Memorandum Items:	**2015**	**2016**	**2017**	**2018 /1**	**2019 /2**
Current Account Balance as % of GDP	**(3.19)**	**0.67**	**2.79**	**0.92**	**(3.58)**
Capital and Financial Account Balance as % of GDP	**(1.10)**	**0.71**	**(1.07)**	**(3.10)**	**3.81**
Overall Balance as % of GDP	**(1.21)**	**(0.24)**	**3.29**	**0.78**	**(0.94)**
External Reserves - Stock (US $ million)	**28,284.82**	**26,990.58**	**39,353.49**	**42,594.84**	**38,092.72**
Number of Months of Imports Equivalent	**6.49**	**9.19**	**14.46**	**12.54**	**7.36**
External Debt Stock (US$ million)	**10,718.43**	**11,406.28**	**18,913.44**	**25,274.36**	**26,941.50**
Debt Service Due as % of Exports of Goods and Non Factor Services	-	-	-	-	-

1/ Revised
2/ Provisional
3/ Covers data on imports of PMS under the Petroleum Support Fund Scheme from the PPPRA
Source: CBN

Table 55
Balance of Payments Analytic Presentation
(US$' Million)

	2015	2016	2017	2018 /1	2019 /2
CURRENT ACCOUNT	**(15,438.64)**	**2,722.34**	**10,399.24**	**3,877.82**	**(17,016.39)**
Goods	**(6,447.02)**	**(536.06)**	**13,148.15**	**20,467.32**	**2,867.51**
Exports (fob)	*45,887.74*	*34,703.90*	*45,817.49*	*61,221.02*	*64,977.55*
Oil and Gas	42,443.39	32,029.04	42,296.86	56,555.45	54,511.11
Non-oil and Electricity	3,444.35	2,674.86	3,520.63	4,665.57	10,466.44
Imports (fob)	*(52,334.76)*	*(35,239.95)*	*(32,669.34)*	*(40,753.70)*	*(62,110.03)*
Oil and Gas /3	(8,494.92)	(8,950.42)	(8,155.14)	(11,566.37)	(11,025.06)
Non-oil	(43,839.84)	(26,289.53)	(24,514.20)	(29,187.32)	(51,084.98)
Unrecorded(TPAdj)	-	-	-	-	-
Services(net)	**(16,452.66)**	**(8,014.66)**	**(13,234.28)**	**(26,065.89)**	**(33,760.99)**
Credit	3,160.03	3,743.64	5,030.50	4,817.78	4,949.17
Transportation	1,808.04	1,664.50	1,300.53	1,330.97	1,968.26
Travel	403.92	1,070.29	2,549.09	1,962.36	1,449.09
Insurance Services	43.11	79.62	70.07	224.74	122.26
Communication Services	77.18	117.65	290.05	230.57	211.87
Construction Services	-	-	-	-	-
Financial Services	253.56	248.09	290.93	539.49	685.09
Computer & information Services	-	-	-	-	-
Royalties and License Fees	-	-	-	-	-
Government Services	486.69	498.81	481.54	466.72	462.94
Personal, cultural & recreational services	-	-	-	-	-
Other Bussiness Services	87.53	64.68	48.27	62.92	49.66
Debit	(19,612.69)	(11,758.31)	(18,264.78)	(30,883.66)	(38,710.16)
Transportation	(7,749.18)	(5,928.03)	(4,646.79)	(6,350.81)	(6,906.98)
Travel	(5,605.20)	(1,079.11)	(5,797.26)	(9,568.83)	(13,508.94)
Insurance Services	(332.39)	(694.40)	(813.78)	(556.14)	(987.44)
Communication Services	(717.54)	(197.28)	(218.04)	(168.54)	(120.27)
Construction Services	(51.50)	(0.26)	(1.12)	(60.28)	(20.64)
Financial Services	(1,119.09)	(368.23)	(538.53)	(656.91)	(429.20)
Computer & information Services	(338.41)	(148.72)	(222.28)	(262.22)	(170.55)
Royalties and License Fees	(252.84)	(252.84)	(252.84)	(252.84)	(252.84)
Government Services	(1,326.56)	(413.37)	(261.75)	(258.48)	(258.60)
Personal, cultural & recreational services	(160.75)	(15.90)	(109.31)	(40.47)	(89.60)
Other Bussiness Services	(1,959.23)	(2,660.15)	(5,403.08)	(12,708.15)	(15,965.10)
Income(net)	**(12,707.75)**	**(8,616.11)**	**(11,510.20)**	**(14,657.71)**	**(12,492.21)**
Credit	*930.77*	*1,250.74*	*1,568.15*	*2,060.06*	*2,367.92*
Investment Income	712.90	1,059.45	1,332.82	1,810.68	2,107.98
Compensation of employees	217.87	191.29	235.33	249.37	259.94
Debit	*(13,638.52)*	*(9,866.85)*	*(13,078.35)*	*(16,717.77)*	*(14,860.13)*
Investment Income	(13,625.40)	(9,855.29)	(13,071.93)	(16,702.21)	(14,819.52)
Compensation of employees	(13.12)	(11.56)	(6.42)	(15.56)	(40.61)

Table 55 Cont'd
Balance of Payments Analytic Presentation
(US$' Million)

	2015	2016	2017	2018 /1	2019 /2
Current transfers(net)	**20,168.79**	**19,889.17**	**21,995.57**	**24,134.10**	**26,369.30**
Credit	*22,117.34*	*20,942.66*	*22,517.20*	*24,525.66*	*27,080.39*
General Government	1,672.51	1,406.97	679.66	414.62	1,812.16
Other Sectors	20,444.82	19,535.69	21,837.54	24,111.04	25,268.23
Workers Remittance	20,408.18	19,506.65	21,801.69	24,061.65	23,549.34
Debit	*(1,948.55)*	*(1,053.49)*	*(521.63)*	*(391.57)*	*(711.09)*
General Government	(150.65)	(7.63)	-	-	-
Other Sectors	(1,797.90)	(1,045.86)	(521.63)	(391.57)	(711.09)
Workers Remittance	(1,022.33)	(733.21)	(268.93)	(52.12)	(49.99)
CAPITAL AND FINANCIAL ACCOUNT	**(5,334.59)**	**2,899.54**	**(3,997.83)**	**(13,101.63)**	**18,087.46**
Capital account(net)	-	-	-	-	-
Credit	-	-	-	-	-
Capital Transfers(Debt Forgiveness)	-	-	-	-	-
Debit	-	-	-	-	-
Capital Transfers	-	-	-	-	-
Financial account(net)	**(5,334.59)**	**2,899.54**	**(3,997.83)**	**(13,101.63)**	**18,087.46**
Assets	**(10,683.68)**	**(3,260.88)**	**(24,521.54)**	**(18,146.33)**	**364.22**
Direct investment (Abroad)	(1,435.20)	(1,305.04)	(1,286.18)	(1,380.86)	(1,494.91)
Portfolio investment	(1,676.50)	(177.42)	(7.24)	(0.73)	(131.96)
Other investment	(13,425.47)	(2,759.23)	(10,985.95)	(13,478.08)	(2,498.60)
Change in Reserve	5,853.49	980.81	(12,242.18)	(3,286.65)	4,489.69
Liabilities	**5,349.09**	**6,160.42**	**20,523.71**	**5,044.70**	**17,723.24**
Direct Invesment in reporting economy	3,064.17	4,448.73	3,503.00	1,997.49	3,299.09
Portfolio Investment	2,535.20	1,887.69	8,530.77	(2,285.17)	9,125.44
Other investment liabilities	(250.28)	(176.00)	8,489.94	5,332.39	5,298.72
NET ERRORS AND OMISSIONS	**20,773.24**	**(5,621.87)**	**(6,401.41)**	**9,223.81**	**(1,071.07)**

Memorandum Items:	2015	2016	2017	2018 /1	2019 /2
Current Account Balance as % of GDP	**(3.19)**	**0.67**	**2.79**	**0.92**	**(3.58)**
Capital and Financial Account Balance as % of GDP	**(1.10)**	**0.71**	**(1.07)**	**(3.10)**	**3.81**
Overall Balance as % of GDP	**(1.21)**	**(0.24)**	**3.29**	**0.78**	**(0.94)**
External Reserves - Stock (US $ million)	**28,284.82**	**26,990.58**	**39,353.49**	**42,594.84**	**38,092.72**
Number of Months of Imports Equivalent	**6.49**	**9.19**	**14.46**	**12.54**	**7.36**
External Debt Stock (US$ million)	**10,718.43**	**11,406.28**	**18,913.44**	**25,274.36**	**26,941.50**
Debt Service Due as % of Exports of Goods Non Factor Services	-	-	-	-	-

1/ Revised
2/ Provisional
3/ Covers data on imports of PMS under the Petroleum Support Fund Scheme from the PPPRA
Source: CBN

Table 56
Visible Trade
(Naira Million)

Items	2015	2016	2017	2018 /1	2019 /2
Imports (cif)	**57,459.73**	**38,241.07**	**35,391.63**	**43,998.95**	**66,737.18**
Crude Oil and Gas	8,920.60	9,422.22	8,567.44	12,065.20	11,535.26
Non-Oil	48,539.13	28,818.85	26,824.19	31,933.75	55,201.92
Exports (fob)	**45,887.74**	**34,703.90**	**45,817.49**	**61,221.02**	**64,977.55**
Crude oil and Gas	42,443.39	32,029.04	42,296.86	56,555.45	54,511.11
Non-Oil sector	3,444.35	2,674.86	3,520.63	4,665.57	10,466.44
Total Trade	**103,347.47**	**72,944.97**	**81,209.12**	**105,219.97**	**131,714.73**
Crude oil and Gas	51,364.00	41,451.26	50,864.30	68,620.66	66,046.37
Non-Oil	51,983.47	31,493.70	30,344.82	36,599.32	65,668.36
Balance of Trade	**(11,571.99)**	**(3,537.18)**	**10,425.86**	**17,222.07**	**(1,759.63)**
Crude oil and Gas	33,522.79	22,606.82	33,729.42	44,490.25	42,975.85
Non-Oil	(45,094.78)	(26,143.99)	(23,303.56)	(27,268.18)	(44,735.48)

1/ Revised
2/ Provisional
The figures include estimates made for informal/unrecorded imports and exports.
Source: Central Bank of Nigeria

Table 57
Imports by Major Groups
(Naira Million)

IMPORT GROUP	2015	2016	2017	2018 /1	2019 /2
Consumer Goods	**31,046.12**	**18,886.47**	**18,262.69**	**18,208.32**	**28,723.00**
Durable	21,047.46	10,926.95	10,053.06	10,759.59	16,155.96
Non Durable	9,998.66	7,959.52	8,209.62	7,448.73	12,567.04
Capital Goods And Raw Materials	**25,977.24**	**18,932.01**	**16,903.94**	**25,559.78**	**37,602.58**
Capital Goods	19,550.56	14,661.82	13,161.70	20,973.84	30,506.90
Raw Materials	6,426.68	4,270.18	3,742.24	4,585.94	7,095.68
Miscellaneous	**436.37**	**422.60**	**225.00**	**230.85**	**411.59**
Total	**57,459.73**	**38,241.07**	**35,391.63**	**43,998.95**	**66,737.18**

1/ Revised
2/ Provisional
The figures include estimates made for informal imports – shuttle trade
Source: CBN

Table 58
Non-Oil Import by Country of Origin (cif) 1/

	Value (US$' million)					Percentage (%)				
	2015	2016	2017	2018 /1	2019 /2	2015	2016	2017	2018 /1	2019 /2
Industrial Countries	**15,422.53**	**8,942.08**	**8,562.88**	**8,671.32**	**21,485.82**	**31.77**	**31.03**	**31.92**	**27.15**	**38.92**
United States of America	4,969.33	2,833.76	2,748.31	2,707.86	2,379.98	10.24	9.83	10.25	8.48	4.31
Japan	777.19	494.49	367.69	447.38	179.07	1.60	1.72	1.37	1.40	0.32
France	903.44	570.66	577.22	505.32	956.95	1.86	1.98	2.15	1.58	1.73
Germany	1,842.53	1,218.15	1,337.24	1,203.34	15,134.17	3.80	4.23	4.99	3.77	27.42
Switzerland	0.00	0.00	0.00	375.39	60.82	0.00	0.00	0.00	1.18	0.11
Belgium	1,292.03	733.68	724.07	725.06	652.61	2.66	2.55	2.70	2.27	1.18
Norway	482.64	280.63	0.00	0.00	33.37	0.99	0.97	0.00	0.00	0.06
Italy	1,306.11	630.26	612.46	677.89	827.54	2.69	2.19	2.28	2.12	1.50
Netherlands	1,546.91	972.51	921.86	1,020.21	241.88	3.19	3.37	3.44	3.19	0.44
United Kingdom	2,302.35	1,207.95	1,274.04	1,008.87	1,019.43	4.74	4.19	4.75	3.16	1.85
African	**1,010.45**	**644.09**	**648.82**	**739.82**	**1,953.77**	**2.08**	**2.23**	**2.42**	**2.32**	**3.54**
Cote d'Ivoire	0.00	0.00	0.00	0.00	340.72	0.00	0.00	0.00	0.00	0.62
Ghana	0.00	0.00	0.00	0.00	411.37	0.00	0.00	0.00	0.00	0.75
Niger	0.00	0.00	0.00	0.00	74.00	0.00	0.00	0.00	0.00	0.13
South Africa	1,010.45	644.09	463.02	578.47	109.12	2.08	2.23	1.73	1.81	0.20
Egypt	0.00	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00
Swaziland	0.00	0.00	0.00	161.35	0.00	0.00	0.00	0.00	0.51	0.00
Others	0.00	0.00	185.80	0.00	1,018.54	0.00	0.00	0.69	0.00	1.85
Asia (excluding Japan)	**21,031.78**	**11,420.12**	**10,565.07**	**15,483.51**	**25,402.49**	**43.33**	**39.63**	**39.39**	**48.49**	**46.02**
China, P.R	14,295.14	7,695.98	7,110.59	8,949.50	22,702.55	29.45	26.70	26.51	28.03	41.13
Hong Kong	0.00	0.00	0.00	151.56	0.38	0.00	0.00	0.00	0.47	0.00
India	3,454.54	2,055.91	1,836.85	2,215.83	1,533.17	7.12	7.13	6.85	6.94	2.78
Indonesia	767.05	466.99	462.50	433.82	862.39	1.58	1.62	1.72	1.36	1.56
Korea, Republic of	980.60	487.93	486.42	2,774.97	61.55	2.02	1.69	1.81	8.69	0.11
Singapore	0.00	0.00	193.00	214.43	0.00	0.00	0.00	0.72	0.67	0.00
Malaysia	433.58	385.94	308.08	743.41	202.52	0.89	1.34	1.15	2.33	0.37
Thailand	1,100.87	327.38	167.64	0.00	0.00	2.27	1.14	0.62	0.00	0.00
Taiwan, Province of China	0.00	0.00	0.00	0.00	14.73	0.00	0.00	0.00	0.00	0.03
Others	0.00	0.00	0.00	0.00	25.20	0.00	0.00	0.00	0.00	0.05
Others	**11,074.36**	**7,812.56**	**7,047.42**	**7,039.10**	**6,359.84**	**22.82**	**27.11**	**26.27**	**22.04**	**11.52**
Russia	482.55	571.81	536.52	604.87	0.00	0.99	1.98	2.00	1.89	0.00
Turkey	470.88	296.21	303.00	278.97	229.42	0.97	1.03	1.13	0.87	0.42
Isreal	0.00	0.00	0.00	0.00	82.61	0.00	0.00	0.00	0.00	0.15
Ukraine	0.00	0.00	149.01	0.00	0.00	0.00	0.00	0.56	0.00	0.00
Lebanon	317.97	0.00	0.00	0.00	0.00	0.66	0.00	0.00	0.00	0.00
United Arab Emirates	838.64	462.05	402.18	530.09	192.77	1.73	1.60	1.50	1.66	0.35
Sweden	424.92	265.98	0.00	0.00	0.00	0.88	0.92	0.00	0.00	0.00
Ireland	540.69	464.99	431.62	280.71	0.00	1.11	1.61	1.61	0.88	0.00
Spain	543.96	381.11	380.81	499.75	554.83	1.12	1.32	1.42	1.56	1.01
Greece	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Portugal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Argentina	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	5,125.73	3,008.19	2,720.17	2,650.11	2,543.87	10.56	10.44	10.14	8.30	4.61
Saudi Arabia	308.48	331.36	324.78	333.04	0.00	0.64	1.15	1.21	1.04	0.00
Iceland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
New Zealand	339.19	197.24	208.31	187.39	0.00	0.70	0.68	0.78	0.59	0.00
Mauritania	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Finland	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Canada	427.77	357.96	396.60	380.63	86.90	0.88	1.24	1.48	1.19	0.16
Poland	0.00	0.00	0.00	0.00	5.79	0.00	0.00	0.00	0.00	0.01
Denmark	0.00	0.00	0.00	0.00	16.25	0.00	0.00	0.00	0.00	0.03
Cyprus	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Chile	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Latvia	0.00	0.00	0.00	165.22	0.00	0.00	0.00	0.00	0.52	0.00
Australia	0.00	230.76	242.44	0.00	0.00	0.00	0.80	0.90	0.00	0.00
Brazil	1,253.57	1,244.89	951.98	1,128.30	2,647.40	2.58	4.32	3.55	3.53	4.80
TOTAL	**48,539.13**	**28,818.85**	**26,824.19**	**31,933.75**	**55,201.92**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

1/ Revised
2/ Provisional
The figures include estimates for informal imports - shuttle trade
Source: CBN

Table 59
Import by H. S. Section
(US$ Million)

Section	2015	2016	2017	2018 /1	2019 /2
01 - Live animals; animal products	2,801.07	1,745.43	1,991.15	1,851.58	3,106.72
02 - Vegetable products	3,585.09	2,705.51	3,023.69	2,744.45	4,446.14
03 - Animal or vegetable fats and oils and their cleavage products; prepared edible	636.30	446.16	471.53	414.60	581.95
04 - Prepared foodstuffs; beverages, spirits and vinegar; tobacco and manufactured	2,976.21	3,062.42	2,723.26	2,438.10	4,432.24
05 - Mineral products	10,924.48	1,225.63	1,121.59	1,199.54	2,053.60
06 - Products of the chemical or allied	4,966.60	4,950.65	4,800.16	5,051.64	7,362.76
07 - Plastics and articles thereof; rubber and articles thereof	3,249.15	3,161.66	2,864.26	3,378.66	4,660.81
08 - Raws hides and skins, leather, furskins and articles thereof; saddlery and	64.82	53.55	53.35	54.82	160.90
09 - Wood and articles of wood; wood charcoal; cork and articles of cork;	136.32	93.30	97.91	102.78	278.41
10 - Pulp of wood or of other fibrous cellulosic material; waste and scrap of paper or	1,300.42	1,114.20	1,063.56	1,175.08	1,658.74
11 - Textiles and textiles articles	790.70	751.55	711.45	676.81	1,302.43
12 - Footwear, headgear, umbrellas, sun umbrellas, walking sticks, seat sticks, whips	264.59	299.64	212.71	137.43	251.50
13 - Articles of stone, plaster,cement,asbestos, mica or similar materials; ceramic	843.48	530.89	336.24	308.18	512.01
14 - Natural or cultured pearls, precious or semi-precious stones, precious metals,	7.63	6.21	6.26	6.97	11.80
15 - Base metals and articles of base metal	4,925.13	3,009.13	2,527.42	3,253.25	4,997.63
16 - Machinery and mechanical appliances; electrical equipment; parts thereof; sound	13,554.22	10,637.43	9,578.46	10,960.91	20,311.62
17 - Vehicles, aircraft, vessels and associated transport equipment	5,220.03	3,255.67	3,043.24	9,374.53	8,795.74
18 - Optical, photographic, cinematographic, measuring, checking, precision, medical	776.32	768.72	540.00	638.39	1,399.54
19 - Arms and ammunition; parts and accessories thereof	6.74	0.50	0.11	0.20	8.10
20 - Miscellaneous manufactured articles	429.62	422.10	224.89	230.65	403.49
21 - Works of art, collectors pieces and antiques	0.83	0.73	0.39	0.37	1.05
	57,459.73	**38,241.07**	**35,391.63**	**43,998.95**	**66,737.18**

1/ Revised
2/ Provisional
The figures include estimates made for informal imports – shuttle trade
Source: CBN

Table 60
Direction of Crude Oil Exports

Region/Country	Quantity (Thouand Barrels)					Value (US$' Million)				
	2015	2016	2017	2018 /1	2019 /2	2015	2016	2017	2018 /1	2019 /2
Canada	8,599	23,427	24,404	22,349	23,842	400.18	992.95	1,335.49	1,834.48	1,772.67
U.S.A	22,617	94,901	94,554	86,592	92,377	1,052.49	4,022.34	5,174.41	7,107.75	6,868.28
Panama	905	-	-	-	-	42.13	-	-	-	-
Atlantic Coast	-	-	-	-	-	-	-	-	-	-
Mexico	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL: NORTH AMERICA	**32,121**	**118,328**	**118,958**	**108,941**	**116,219**	**1,494.80**	**5,015.29**	**6,509.91**	**8,942.23**	**8,640.95**
Argentina	10,647	3,939	5,962	5,460	5,825	495.49	166.95	326.29	448.21	433.11
Uruguay	4,805	4,347	-	-	-	223.60	184.23	-	-	-
Brazil	53,271	17,585	7,793	7,137	7,614	2,479.01	745.35	426.49	585.83	566.10
Colombia	549	948	-	-	-	25.54	40.17	-	-	-
Peru	-	974	953	873	931	-	41.30	52.15	71.64	69.22
Chile	-	-	-	-	-	-	-	-	-	-
Puerto Rico	-	-	-	-	-	-	-	-	-	-
Venezuela	1,901	-	3,779	3,461	3,692	88.45	-	206.79	284.06	274.49
South America for Orders	-	-	2,144	1,963	2,095	-	-	117.32	161.16	155.73
SUB-TOTAL: SOUTH AMERICA	**71,173**	**27,793**	**20,631**	**18,894**	**20,156**	**3,312.08**	**1,178.00**	**1,129.04**	**1,550.89**	**1,498.64**
Bahamas	-	-	-	-	-	-	-	-	-	-
Trinidad & Tobago	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL: CENTRAL AMERICA	-	-	-	-	-	-	-	-	-	-
Virgin Island	-	-	-	-	-	-	-	-	-	-
SUB-TOTAL: CARRIBEAN ISLAND	-	-	-	-	-	-	-	-	-	-
OMSP Mediterranean	-	-	-	-	-	-	-	-	-	-
Germany	13,972	10,482	11,701	10,715	11,431	650.20	444.27	640.32	879.56	849.93
France	54,505	38,948	46,873	42,926	45,794	2,536.46	1,650.81	2,565.11	3,523.52	3,404.81
Italy	21,757	16,222	17,671	16,183	17,264	1,012.49	687.56	967.04	1,328.35	1,283.60
Netherlands	116,339	50,834	59,976	54,925	58,595	5,413.94	2,154.56	3,282.12	4,508.44	4,356.54
Potugal	1,895	1,974	1,896	1,736	1,852	88.19	83.68	103.73	142.49	137.69
N, WE	999	-	-	-	-	46.50	-	-	-	-
Spain	81,686	56,647	66,466	60,869	64,935	3,801.34	2,400.98	3,637.29	4,996.31	4,827.98
United Kingdom	35,874	33,204	28,856	26,426	28,192	1,669.45	1,407.36	1,579.13	2,169.14	2,096.06
Switzerland	-	-	-	-	-	-	-	-	-	-
Scotland	-	-	-	-	-	-	-	-	-	-
Denmark	6,774	650	996	912	973	315.23	27.57	54.51	74.88	72.35
Ireland	997	592	528	483	516	46.39	25.09	28.88	39.67	38.34
Bulgaria	-	-	-	-	-	-	-	-	-	-
Turkey	2,697	-	1,227	1,124	1,199	125.52	-	67.15	92.24	89.13
Malta	-	-	-	-	-	-	-	-	-	-
WESTERN EUROPE	-	-	-	-	-	-	-	-	-	-
Sweden	11,468	13,608	16,218	14,853	15,845	533.65	576.79	887.54	1,219.15	1,178.08
Belgium	-	-	-	-	-	-	-	-	-	-
Croatia	-	-	-	-	-	-	-	-	-	-
Norway	1,001	400	-	-	-	46.59	16.95	-	-	-
Lithuania	950	-	-	-	-	44.19	-	-	-	-
Poland	-	1,555	-	-	-	-	65.90	-	-	-
EUROPE FOR ORDERS	905	-	-	-	-	42.11	-	-	-	-
SUB-TOTAL EUROPE	**351,820**	**225,118**	**252,407**	**231,152**	**246,595**	**16,372.25**	**9,541.54**	**13,812.82**	**18,973.75**	**18,334.50**
Australia	-	545	6,394	5,856	6,247	-	23.09	349.93	480.67	464.48
New Zealand	-	-	-	-	-	-	-	-	-	-
SUB-OCEANIA/PACIFIC	-	**545**	**6,394**	**5,856**	**6,247**	-	**23.09**	**349.93**	**480.67**	**464.48**
Japan	-	-	-	-	-	-	-	-	-	-
India	155,801	133,439	131,666	120,578	128,634	7,250.34	5,655.76	7,205.32	9,897.47	9,564.01
Indonesia	25,876	29,867	24,043	22,018	23,489	1,204.14	1,265.88	1,315.73	1,807.33	1,746.44
Korea	-	-	-	-	-	-	-	-	-	-
Taiwan	-	-	949	869	927	-	-	51.93	71.34	68.94
China	10,558	6,420	5,772	5,286	5,639	491.31	272.11	315.88	433.90	419.28
Singapore	6,061	7,198	4,748	4,348	4,639	282.07	305.10	259.84	356.92	344.90
Thailand	649	-	5,553	5,086	5,426	30.18	-	303.91	417.46	403.39
Malaysia	5,928	2,850	3,361	3,078	3,284	275.87	120.79	183.94	252.66	244.15
Israel	-	-	-	-	-	-	-	-	-	-
U.A.E	-	-	927	849	906	-	-	50.73	69.69	67.34
OMSP (S) ASIA	1,996	-	-	-	-	92.87	-	-	-	-
SUB-TOTAL: ASIA & FAR EAST	**206,868**	**179,774**	**177,019**	**162,113**	**172,943**	**9,626.78**	**7,619.64**	**9,687.28**	**13,306.77**	**12,858.44**
Ghana	2,799	6,618	2,295	2,101	2,242	130.25	280.49	125.58	172.50	166.69
Cote D'Ivoire	22,980	16,513	10,567	9,677	10,324	1,069.40	699.88	578.29	794.36	767.60
Senegal	10,772	10,607	7,759	7,106	7,581	501.29	449.57	424.63	583.28	563.63
Cameroun	8,787	10,418	8,313	7,613	8,122	408.93	441.57	454.94	624.92	603.86
Mediterranean	-	-	-	-	-	-	-	-	-	-
Morocco	-	-	-	-	-	-	-	-	-	-
Equitorial Guinea	-	-	-	-	-	-	-	-	-	-
Benin Republic	-	-	-	-	-	-	-	-	-	-
South Africa	56,773	43,353	36,128	33,086	35,296	2,641.98	1,837.52	1,977.08	2,715.79	2,624.29
WAF For Others	1,995	-	-	-	-	92.83	-	-	-	-
Tunisia	900	439	-	-	-	41.87	18.61	-	-	-
Gulf of Guinea	906	-	-	-	-	42.16	-	-	-	-
Angola	948	-	-	-	-	44.13	-	-	-	-
Togo	2,847	2,895	17,657	16,170	17,250	132.51	122.72	966.25	1,327.27	1,282.55
Cape Verde	-	1,973	1,853	1,697	1,811	-	83.62	101.43	139.33	134.64
Others	-	1,063	-	-	-	-	45.04	-	-	-
SUB-TOTAL: AFRICA	**109,708**	**93,879**	**84,573**	**77,451**	**82,625**	5,105.35	3,979.01	4,628.19	6,357.44	6,143.25
TOTAL	**771,690**	**645,435**	**659,983**	**604,407**	**644,786**	**35,911.26**	**27,356.57**	**36,117.17**	**49,611.76**	**47,940.26**

1/ Revised
2/ Provisional
Figures are compiled from various editions of the NNPC Annual Statistics Bulletin
Source: CBN

Table 61
Non-Oil Exports by Products
(US$ Million)

Product	2015	2016	2017	2018 /1	2019 /2	% Share in Total				
						2015	2016	2017	2018 /1	2019 /2
(1) Agricultural Produce	**1,685.61**	**1,070.70**	**1,101.83**	**2,122.68**	**5,693.01**	**48.94**	**40.03**	**31.30**	**45.50**	**54.39**
Cashew Nuts	97.57	69.52	152.86	39.79	73.66	2.83	2.60	4.34	0.85	0.70
Cocoa Beans	721.62	516.14	365.54	712.46	2,003.15	20.95	19.30	10.38	15.27	19.14
Coffee	-	0.22	-	19.79	76.50	-	0.01	-	0.42	0.73
Cotton	25.76	1.89	6.72	9.35	35.04	0.75	0.07	0.19	0.20	0.33
Cow Horn/Bones	2.12	0.65	0.31	0.32	0.22	0.06	0.02	0.01	0.01	0.00
Fish & Crustaceans	126.00	126.65	95.44	105.65	244.36	3.66	4.73	2.71	2.26	2.33
Ginger	51.94	18.85	11.75	6.29	1.11	1.51	0.70	0.33	0.13	0.01
Groundnuts	0.01	1.57	11.51	2.56	-	0.00	0.06	0.33	0.05	-
Gum Arabic	6.41	3.52	1.84	2.84	9.16	0.19	0.13	0.05	0.06	0.09
Rubber	97.12	78.59	114.89	93.65	273.03	2.82	2.94	3.26	2.01	2.61
Sesame Seeds	511.93	229.73	258.39	254.45	548.08	14.86	8.59	7.34	5.45	5.24
Other Agricultural Products	*45.13*	*23.38*	*82.58*	*875.52*	*2,428.70*	1.31	0.87	2.35	18.77	23.20
(2) Minerals	**22.48**	**20.35**	**66.37**	**105.31**	***674.19***	**0.65**	**0.76**	**1.89**	**2.26**	**6.44**
Copper	0.14	-	0.11	14.79	215.01	0.00	-	0.00	0.32	2.05
Lead	10.89	3.69	3.60	33.09	327.98	0.32	0.14	0.10	0.71	3.13
Manganese	1.08	8.35	0.53	1.22	-	0.03	0.31	0.01	0.03	-
Quartz	-	-	0.25	-	-	-	-	0.01	-	-
Zinc	5.58	4.61	9.22	17.89	69.69	0.16	0.17	0.26	0.38	0.67
Zirconium	0.92	1.14	0.78	0.68	0.04	0.03	0.04	0.02	0.01	0.00
Other Minerals	3.87	2.55	51.88	37.65	61.47	0.11	0.10	1.47	0.81	0.59
(3) Semi-Manufactured	**790.79**	**568.74**	**709.92**	**710.85**	**1,158.20**	**22.96**	**21.26**	**20.16**	**15.24**	**11.07**
Aluminium	102.71	68.92	63.53	113.12	375.66	2.98	2.58	1.80	2.42	3.59
Cocoa Products	172.48	138.73	124.10	30.62	-	5.01	5.19	3.52	0.66	-
Copper	22.10	3.49	4.21	9.40	18.09	0.64	0.13	0.12	0.20	0.17
Cotton Products	9.32	7.84	4.47	6.75	-	0.27	0.29	0.13	0.14	-
Furniture/Processed Wood	7.28	39.18	51.52	30.06	-	0.21	1.46	1.46	0.64	-
Lead	72.41	48.81	48.37	81.03	-	2.10	1.82	1.37	1.74	-
Leather & Processed Skins	252.30	100.43	90.09	217.20	484.38	7.32	3.75	2.56	4.66	4.63
Palm Products	1.71	11.27	19.20	10.18	1.04	0.05	0.42	0.55	0.22	0.01
Poly Products	11.37	76.27	100.18	105.39	73.27	0.33	2.85	2.85	2.26	0.70
Steel/Iron	1.39	10.63	36.36	46.27	27.76	0.04	0.40	1.03	0.99	0.27
Textured Yarn/Polyester	0.20	0.80	1.37	4.15	8.19	0.01	0.03	0.04	0.09	0.08
Tin	100.01	-	-	0.01	-	2.90	-	-	0.00	-
Wheat Bran Pellets	17.78	32.39	27.42	2.98	-	0.52	1.21	0.78	0.06	-
Zinc	2.20	1.19	1.44	1.28	1.54	0.06	0.04	0.04	0.03	0.01
Other Semi-Manufactured Products	17.54	28.79	137.66	52.40	168.27	0.51	1.08	3.91	1.12	1.61
(4) Manufactured	**685.89**	**591.65**	**488.22**	**550.43**	**1,179.73**	**19.91**	**22.12**	**13.87**	**11.80**	**11.27**
Aluminium Products	7.79	2.47	-	62.66	0.05	0.23	0.09	-	1.34	0.00
Asbestos Products	2.08	1.97	0.77	0.08	-	0.06	0.07	0.02	0.00	-
Beer/Beverages	39.83	43.94	41.61	45.62	96.31	1.16	1.64	1.18	0.98	0.92
Carpet/Rug	0.75	0.33	0.40	0.08	2.78	0.02	0.01	0.01	0.00	0.03
Copper	5.59	5.41	2.67	0.47	-	0.16	0.20	0.08	0.01	-
Confectionery	0.35	-	-	0.73	-	0.01	-	-	0.02	-
Electrical	6.71	1.28	5.03	1.17	1.57	0.19	0.05	0.14	0.03	0.01
Empty Bottles	25.74	24.14	11.87	2.17	-	0.75	0.90	0.34	0.05	-
Furniture	1.12	0.39	0.42	0.17	0.50	0.03	0.01	0.01	0.00	0.00
Glass	0.90	0.34	0.67	13.20	59.83	0.03	0.01	0.02	0.28	0.57
Insecticide	23.93	26.63	22.91	5.12	-	0.69	1.00	0.65	0.11	-
Milk Products	26.69	14.69	11.70	19.10	-	0.77	0.55	0.33	0.41	-
Paper Products	5.37	3.37	5.28	10.75	22.96	0.16	0.13	0.15	0.23	0.22
Pharmaceuticals	4.02	2.02	1.29	1.65	3.09	0.12	0.08	0.04	0.04	0.03
Plastic	62.83	37.64	33.42	35.33	64.73	1.82	1.41	0.95	0.76	0.62
Plastic Footwear	60.40	5.13	6.75	5.98	12.28	1.75	0.19	0.19	0.13	0.12
Soap & Detergents	38.69	33.64	21.07	25.73	76.77	1.12	1.26	0.60	0.55	0.73
Steel/Iron Products	11.07	9.91	4.53	7.26	-	0.32	0.37	0.13	0.16	-
Textiles	2.70	0.48	0.40	4.86	1.37	0.08	0.02	0.01	0.10	0.01
Tobacco	202.19	252.78	212.95	224.91	668.49	5.87	9.45	6.05	4.82	6.39
Vehicles	5.78	1.03	1.42	0.20	0.33	0.17	0.04	0.04	0.00	0.00
Other Manufactured Products	151.34	124.06	103.07	83.20	168.67	4.39	4.64	2.93	1.78	1.61
(5) Other Exports	**259.58**	**423.41**	**1,154.28**	**1,176.29**	**1,761.30**	**7.54**	**15.83**	**32.79**	**25.21**	**16.83**
Cement/Lime Products	21.82	65.08	59.25	144.57	272.98	0.63	2.43	1.68	3.10	2.61
Charcoal	19.63	5.86	18.66	8.54	23.68	0.57	0.22	0.53	0.18	0.23
Fertilizer	-	0.50	-	0.07	-	-	0.02	-	0.00	-
Petroleum Products	6.09	72.48	633.08	338.88	107.78	0.18	2.71	17.98	7.26	1.03
Urea	53.03	135.91	316.01	411.97	1,009.34	1.54	5.08	8.98	8.83	9.64
Used/Re-Exported Machinery	21.96	14.99	5.10	5.41	7.24	0.64	0.56	0.14	0.12	0.07
Electricity	129.37	116.19	112.29	132.27	142.30	3.76	4.34	3.19	2.83	1.36
Other Products	7.69	12.40	9.89	134.58	197.97	0.22	0.46	0.28	2.88	1.89
TOTAL	**3,444.35**	**2,674.86**	**3,520.63**	**4,665.57**	**10,466.44**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

1/ Revised
2/ Provisional
The figures include estimates made for informal/unrecorded exports
Source: CBN

Table 62
Top 100 Non-Oil Exporters in Nigeria in 2019

S/N	EXPORTER	FOB VALUE (USD)	EXPORTED PRODUCT	DESTINATION
1	OLAM NIGERIA LIMITED	286,763,580.10	NIGERIAN SESAME SEEDS (DHS) PREMIUM GRADE,GOOD FERMENTED SUPERIOR GRADE NIGERIAN COCOA BEANS	AUSTRALIA, SYRIA, GREECE, TURKEY, NETHERLAND
2	INDORAMA ELEME FERTILIZER CHEMICALS LIMITED	197,316,206.94	GRANULAR UREA IN BULK	ARGENTINA, COTE D'IVIORE, BRAZIN, CANADA, USA, SENEGAL, BENIN,CAMEROUN
3	NNPC/PPMC	165,926,580.24	LOW POUR FUEL OIL (LPFO),NAPHTHA	USA, NETHERLAND, SPAIN, TOGO
4	BRITISH AMERICAN TOBACCO NIGERIA LIMITED	101,568,489.36	BENSON & HEDGES LIBERIA CIGARETTES, GLADSTONE FF CIGARETTES, LONDON KING SIZE, STATE EXPRESS 555, CRAVEN A FF KSHL 20 KSHL 20 UV_IB CIGARETTES	LIBERIA, GUINEA, GHANA, CAMEROUN, COTE D'IVOIRE, NIGER
5	WACOT LIMITED	87,886,810.76	NIGERIAN SESAME SEEDS, NIGERIAN GINGER, NIGERIAN PREMIUM QUALITY HULLED SESAME SEEDS	NETHERLANDS, ITALY, POLAND, TURKEY, JAPAN, INDIA
6	INDORAMA ELEME PETROCHEMICAL LTD	75,590,925.19	NGL020FG C-LINEAR, OFF SPEC FILM GRADE NORMAL PACKAGE, RAMAPET PET GRADE S1	GHANA, INDIA, GREECE, SPAIN, PORTUGAL
7	METAL RECYCLING INDUSTRIES LIMITED	75,453,603.70	REMELTED COPPER INGOTS, ALUMINIUM INGOT, ALUMINIUM INGOTS ADC 12 GRADE	JAPAN, CHINA, SOUTH KOREA
8	MAMUDA INDUSTRIES (NIG) LIMITED	67,931,726.80	NIGERIA PURE PRIME PRESSED COCOA BUTTER	UNITED KINGDOM, NETHERLANDS, INDONESIA
9	DANGOTE CEMENT PLC	54,287,297.05	GREY ORDINARY DANGOTE PORTLAND LIMESTONE CEMENT CEM II/A-L 42.5R	NIAMEY, NIGER REPUBLIC, TOGO, GHANA
10	STARLINK GLOBAL AND IDEAL LIMITED	45,523,509.00	GOOD FERMENTED NIGERIAN RAW COCOA BEANS	MALAYSIA, NETHERLANDS, VIETNAM, FRANCE
11	TULIP COCOA PROCESSING LIMITED	44,380,362.50	NIGERIAN COCOA CAKE, PURE PRIME PRESSED NIGERIAN COCOA BUTTER	NETHERLANDS, MEXICO, SPAIN
12	ETC AGRO COMPANY NIGERIA LIMITED	42,954,219.90	NIGERIAN SESAME SEEDS	TURKEY, GREECE, JAPAN,
13	SPRINGFIELD AGRO LIMITED	31,404,607.89	NATURAL WHITE SESAME SEEDS, DRIED RAW CASHEW NUTS IN SHELL	TURKEY, VIETNAM, TURKEY, INDIA
14	FIRST PATRIOT LIMITED	30,934,345.98	ZINC CONCENTRATE	CHINA
15	ATLANTIC SHRIMPERS LIMITED	30,729,743.12	SEA FROZEN SHRIMPS AND CRABS	NETHERLANDS, CHINA (TAIWAN), UNITED STATES OF AMERICA, VIETNAM
16	DE UNITED FOODS INDUSTRIES LIMITED	30,533,790.24	INDOMIE INSTANT NOODLES HMS ONION FLAVOUR (210G), INDOMIE NOODLES ORIENTAL FRIED AND INSTANT NOODLES PEPPER CHICKEN JUMBO, NOODLE CHICKEN FLAVOUR MINIMIE (70G)	GHANA, CAMEROON, UNITED STATE OF AMERICA
17	VALENCY CASHEW PROCESSING LIMITED	30,031,921.64	NIGERIAN CASHEW KERNELS, CASHEW NUTS IN SHELL, SESAME SEEDS	VIETNAM, UNITED STATES OF AMERICA, GERMANY, INDIA
18	AFRICAN NON-FERROUS INDUSTRIES LIMITED	28,912,197.65	LEAD INGOT	ITALY, UAE, INDONESIA, SOUTH KOREA
19	AURA AGRO-ALLIED LIMITED	24,813,110.00	NIGERIAN DRIED HIBISCUS FLOWER, NIGERIAN SESAME SEEDS, NIGERIAN DRIED SPLIT GINGER	MEXICO, TURKEY, INDIA, JAPAN, UNITED STATES OF AMERICA, MOROCCO, UAE, SAUDI ARABIA, SOUTH AFRICA, CHINA
20	BROADGRAIN AFRICA LIMITED	24,614,894.85	NIGERIAN HIBISCUS FLOWER	SENEGAL, CHINA, TAIWAN
21	RUBBER ESTATE NIGERIA LIMITED	24,411,765.23	TECHNICALLY SPECIFIED NATURAL RUBBER (TSNR) PROCESSED RENL 20	SPAIN, FRANCE, ITALY, POLAND, SPAIN, SINGAPORE
22	PURE FLOUR MILLS LIMITED	22,812,530.05	WHEAT BRAN,WHITE SESAME SEEDS,NIGERIAN SESAME SEEDS,RAW SESAME SEEDS	VIETNAM, CHINA, GHANA
23	GUINNESS NIGERIA PLC	20,702,739.06	GUINNESS FES - 600ML, 325 ML, MALTA GUINNESS (330ML)	UNITED KINGDOM, GHANA, CAMEROON
24	SARO AGRO ALLIED LIMITED.	20,340,453.00	COCOA BEANS - UTZ CERTIFIED	ESTONIA, NETHERLANDS, MALAYSIA, SPAIN
25	UNIQUE LEATHER FINISHING CO. LIMITED	19,376,606.06	CRUST LEATHER (SHEEP AND GOAT SKINS) GRADES FIVE, SIX AND TR	ITALY, GLASCOW-SCOTLAND
26	ALFA SYSTEMS AND COMMODITY COMPANY LIMITED	19,253,308.85	NIGERIA PURE PRIME PRESSED COCOA BUTTER	UNITED KINGDOM, NETHERLANDS
27	AGRO TRADERS LIMITED	18,190,560.00	UTZ CERTIFIED NIGERIAN RAW COCOA BEANS (2015/2016 MAIN CROP)	NETHERLANDS, GERMANY
28	OSUN AGRI COMMODITIES & EXPORT LIMITED	17,005,715.22	NIGERIAN DRIED WHOLE GROUNDNUT,NIGERIAN SESAME SEEDS, NIGERIAN DRIED SPLIT GINGER	INDONESIA, INDIA, TURKEY, MOROCCO, CHINA
29	ENKAY INDO-NIGERIA INDUSTRIES LIMITED	16,288,224.80	NIGERIAN DRIED CHILI, NIGERIAN DRY SHEA NUT, NIGERIAN SESAME SEEDS	NETHERLANDS, CHINA, MOROCCO, UAE, TURKEY
30	CADBURY NIGERIA PLC	15,405,171.77	COCOA BUTTER, CONFECTIONARIES, (TOM TOM HONEY, LEMON, CLASSIC AND STRAWBERRY), COCOA CAKE (ALKALISED)	NETHERLANDS, GHANA, GERMANY, SPAIN.
31	PLANTATION INDUSTRIES LIMITED	14,802,200.00	UTZ CERTIFIED NIGERIAN PURE PRIME PRESED COCOA BUTTER,NIGERIAN NATURAL COCOA CAKE,PURE PRIME PRESSED COCOA BUTTER	UNITED STATES OF AMERICA, NETHERLANDS, FRANCE, SPAIN
32	GONGONI COMPANY LIMITED	14,529,992.10	RAMBO (NIS) AEROSOL AND AEROSOL GREEN INSECTICIDE - 300ML	CÔTE D'IVOIRE, TOGO
33	FLOUR MILLS OF NIGERIA PLC	14,382,925.42	SUPER, ANGLAISE AND BEIGNET FLOUR BAGS (50KG & 25KG),FORMOSA PP VALVE BAGS, RECYCLED POLYPROPYLENE BLACK, WHEAT BRAN PELLETS	BENIN, MEXICO, USA, MOROCCO, PUERTO RICO

Table 62 Cont'd
Top 100 Non-Oil Exporters in Nigeria in 2019

S/N	EXPORTER	FOB VALUE (USD)	EXPORTED PRODUCT	DESTINATION
34	METAL MANUFACTURUING NIGERIA LIMITED	14,371,469.07	REMELTED LEAD INGOTS	INDIA, KOREA
35	HUXLEY GLOBAL TRADING COMPANY LTD	13,917,742.65	NIGERIAN NATURAL SESAME SEEDS 99/1 (MAIDUGURI TYPE)	TURKEY, INDIA
36	SOLPIA NIGERIA LIMITED	13,647,229.66	100% SYNTHETIC HAIR GOODS (ULTRA BRAID)	UNITED KINGDOM, GEORGIA, UNITED STATES OF AMERICA
37	TATA AFRICA SERVICES (NIGERIA) LIMITED	12,589,891.14	NATURAL SESAME SEED - KANO TYPE (NEW CROP)	FRANCE, JAPAN, CHINA
38	AFRICAN FOUNDRIES LIMITED	12,284,568.56	HOT ROLLED REINFORCING RUSTED STEEL BARS (8MM, 10MM AND 12MM)	BENIN, GUINEA, MOROCCO, SENEGAL
39	GOLDEN HARVEST COMMODITIES INT'L LIMITED	12,234,135.64	NIGERIAN SESAME SEEDS,SESAME SEEDS	TURKEY, CHINA
40	CEMENT COMPANY OF NORTHERN NIGERIA PLC	11,639,553.60	GREY ORDINARY SOKOTO PORTLAND CEMENT CEM II/B-LA2.5N	NIGER
41	CROWN FLOUR MILLS LIMTED	11,325,333.44	NON-GMO NIGERIAN SOYABEANS	NEPAL
42	NESTLE NIGERIA PLC	10,082,385.54	MAGGI SEASONING AND MAGGI CHICKEN SEASONING POWDER (18X450G), MAGGI CUBE STAR 21X400G(14OZ) US	GHANA, USA, SPAIN, GHANA, MALI, NIGER, GUINEA
43	AFRICAN STEEL MILLS (NIGERIA) LIMITED	9,717,684.77	REINFORCING STEEL RE-BARS, ASM (8MM, 10MM & 12MM),HOT ROLLED STEEL ANGLES	BENIN, TOGO, GHANA, SENEGAL
44	EVEREST METAL NIGERIA LIMITED	9,422,744.70	LEAD CONCENTRATE, ALUMINIUM INGOT, SECONDARY ALUMINIUM INGOT	GERMANY, JAPAN
45	GZ INDUSTRIES LIMITED	9,312,487.81	BRANDED ALUMINUM CANS (FANTA ORANGE 33CL) AND SILVER CAN LIDS, EMPTY 500ML DRAGON ENERGY	BENIN, SOUTH AFRICA, TOGO
46	FATA TANNING LIMITED	9,277,107.08	FINISHED GOAT AND SHEEP LEATHER A-128 AND 129	ITALY, CHINA, HONG KONG, LEGHORN, ITALY, PORTUGAL
47	THE OKOMU OIL PALM COMPANY LIMITED	9,254,220.36	TECHNICALLY SPECIFIED NATURAL RUBBER (TSNR PROCESSED) NOKO 10	FRANCE, GERMANY, ITALY, SINGAPORE, FINLAND
48	MAVIGA WEST AFRICA LIMITED	8,841,326.56	NIGERIAN DRIED SPLIT GINGER (CROP 2017)	SAUDI ARABIA, INDIA, EGYPT
49	PZ CUSSONS NIGERIA PLC	8,638,310.34	COSMETICS AND SOAP, NUNU FILLED EVAPORATED MILK	CONGO, REPUBLIC OF THE,GHANA
50	ENGHUAT INDUSTRIES LIMITED	8,263,684.80	NIGERIAN NATURAL RUBBER (TSR/NSR)	LITHUANIA, INDIA, CHINA, ITALY, GERMANY, UNITED KINGDOM, MALAYSIA
51	ENKAY INDO-NIGERIAN INDUSTRIES LIMITED	8,183,399.44	NIGERIAN DRIED CHILI, NIGERIAN DRY SHEA NUT, NIGERIAN SESAME SEEDS	NETHERLANDS, CHINA, MOROCCO, UAE, TURKEY
52	M+ AZEEZCO INTERNATIONAL LIMITED	7,895,668.75	NIGERIAN RAW CASHEW NUTS, NIGERIAN COCOA BEANS	VIETNAM, SPAIN, NETHERLANDS
53	WEST AFRICAN SOY INDUSTRIES LIMITED	7,492,854.24	NIGERIAN SOYA BEAN MEAL	MAURITANIA, FRANCE, ANGOLA, SPAIN, SENEGAL
54	ORBIT AGRO EXPORTS LIMITED	7,044,521.68	NIGERIAN RAW CASHEW NUTS	INDIA
55	UNILEVER NIGERIA PLC	5,705,181.91	OMO MULTIACTIVE RELAUNCH POWDER AND SUNLIGHT SENSATION PINK (CHEETAH) 10X1KG	GHANA, COTE D'IVOIRE
56	PULKIT ALLOY AND STEEL LIMITED	5,690,141.49	DRIED RAW CASHEW NUTS	UNITED ARAB EMIRATES, UNUTED KINGDOM, GHANA
57	BETA GLASS PLC	5,673,776.85	EMPTY (33CL) FES BOTTLES	LIBERIA, GHANA
58	DANGOTE AGROSACKS LIMITED	5,522,248.25	PRINTED CEMENT SACKS (550 X 69 X 11CM)	CONGO, REPUBLIC OF THE, ETHIOPIA, GHANA, SIERRA LEONE
59	EMILOLA INVESTMENTS LIMITED	5,458,130.00	COCOA BEANS	MALAYSIA, BELGIUM, CHINA
60	SUCDEN COCOA NIGERIA LIMITED	5,187,500.00	GOOD FERMENTED NIGERIAN COCOA BEANS (MAIN CROP 2016/2017)	NETHERLANDS, PORTUGAL, ITALY
61	COCOA PRODUCTS (ILE-OLUYI) LIMITED	5,162,072.00	COCOA BUTTER	NETHERLAND, UNITED KINGDOM
62	WEST AFRICAN TANNERY COMPANY LIMITED	4,910,833.49	CRUST/FINISHED GOAT AND SHEEP LEATHER A-655	CHINA, HONG KONG, INDIA, ITALY, CHENNAI, LEGHORN
63	ORC FISHING & FOOD PROCESSING LIMITED	4,885,695.79	PROCESSED SHRIMPS	NETHERLANDS, FRANCE
64	MADAKA INTEGRATED FARMS LIMITED	4,745,463.02	SUNFLOWER (ZOBO)	SAUDI ARABIA
65	ROM OIL MILL LIMITED	4,570,057.00	NIGERIAN SOLVENT EXTRACTED SOYA BEANS MEAL	NETHERLANDS, POERTO RICO, COTE D'IVOIRE, MOROCCO
66	CHI LIMITED	4,518,964.65	DAIRY PRODUCTS - HOLLANDIA YOGHURT (PLAIN SWEETENED AND STRAWBERRY)	CÔTE D'IVOIRE, GHANA, MALI, TOGO
67	WEST COAST DIVINE RESOURCES NIGERIA LIMITED	4,284,478.00	COSMETICS	SIERRA LEONE

Table 62 Cont'd
Top 100 Non-Oil Exporters in Nigeria in 2019

S/N	EXPORTER	FOB VALUE (USD)	EXPORTED PRODUCT	DESTINATION
68	SUNFLAG (NIGERIA) LIMITED	4,258,273.69	100% COTTON YARN NE 16/1 OE RAW WHITE	BULGARIA, PORTUGAL
69	GOOSE INTEGRATED VENTURES LIMITED	4,212,355.00	RAW CASHEW NUTS IN SHELL NIGERIAN ORIGIN	VIETNAM, MALI, INDIA
70	OLOKUN-PISCES LIMITED	4,176,637.95	FROZEN SHRIMPS TIGER, WHITE AND SOLE MEDALLION	BELGIUM, GHANA
71	LEAF TOBACCO & COMMODITIES (NIG.) LIMITED	4,023,250.00	YES INTERNATIONAL CIGARETTES	REPUBLIC OF BENIN, BURKINA FASO, TOGO, CAMEROUN, COTE D'VOIRE
72	OLATUNDE INTERNATIONAL LIMITED	3,967,632.00	GOOD FERMENTED NIGERIAN RAW COCOA BEANS	HAMSTERDAM, NETHERLANDS, GERMANY
73	AGROPEX GLOBAL COMMODITIES LIMITED	3,794,588.17	NIGERIAN ORIGIN SESAME SEEDS	TURKEY
74	ORIENTAL FOOD INDUSTRY LIMITED	3,709,988.90	LUNA POPULAR FILLED EVAPORATED MILK (160G)	GHANA
75	TOTAL NIGERIA LIMITED	3,633,629.58	LUBRICANTS	CONGO, DEMOCRATIC REPUBLIC OF THE
76	LAFARGE AFRICA PLC	3,610,710.00	CEMENT	GHANA
77	BEL PAPYRUS LIMITED	3,560,351.92	PBT, PFT (PURE OUATE DE CELLULOSE POUR PAPIER TOILETTE) 17 & 14 GSM,EBT (TISSUE PAPER IN JUMBO ROLLS),SBT (TISSUE PAPER IN JUMBO ROLLS),STN(TISSUE PAPER IN JUMBO ROLLS)	CÔTE D'IVOIRE, SENEGAL, CAMEROON, BENIN
78	KING POWER IMPEX LIMITED	3,468,804.00	ALUMINIUM INGOT	SOUTH KOREA, BRAZIL, INDIA
79	KARFLEX FISHERIES LIMITED	3,349,080.63	FROZEN SHRIMPS AND CRAB CLAWS	NETHERLANDS
80	DE-ALICE INTEGRATED SERVICES LIMITED	3,308,728.20	LITHIUM ORE (SPODUMENE)	CHINA
81	OCEAN GLOBAL IMPEX SERVICES LIMITED	3,253,141.36	BURKINA FASO ORIGIN SOYA BEANS	COTE D'IVOIRE, INDIA
82	HANUSHI MANUFACTURING LIMITED	3,077,418.20	REMELTED LEAD INGOTS, ALUMINIUM BASES METAL INGOTS	ITALY, SPAIN, INDIA, INDONESIA
83	ARMADA INTERNATIONAL LIMITED	3,018,613.44	NIGERIAN CHARCOAL (2ND GRADE - FINES)	TURKEY
84	VAKOREDE NIGERIA LIMITED	3,003,818.32	NIGERIAN CLEANED NATURAL SESAME SEEDS -2017,GINGER,NIGERIAN RAW CASHEW NUTS IN SHELL	TURKEY, UAE, CHINA, MALAYSIA
85	N-FIZAH INVESTMENT LIMITED	2,961,100.00	PROCESSED WOOD	CHINA, VIETNAM
86	ABVEE INDUSTRIES LIMITED	2,941,200.68	FLEXIBLE PACKAGING MATERIAL - LAMINATE NIDO ESS RV 26 G, RV 14 G AND RV 365 G, UNPRINTED POLYESTER FILM	GHANA, BAHRAIN, CAMEROON
87	SUNRISE MEGA INTER BIZ LTD	2,937,856.90	NIGERIAN SHEEP SKINS NAPPA AND GOAT SKINS SUEDE LEATHER	INDIA
88	OMNI VALUE AND COMMODITIES LIMITED	2,929,008.06	NIGERIAN COCOA BEANS	VIETNAM, ESTONIA, NETHERLANDS, SPAIN
89	KING AGRI METAL INTERNATIONAL LTD	2,892,100.00	ALUMINIUM INGOT	SOUTH KOREA
90	MINL LIMITED	2,876,950.19	ALUMINIUM ALLOY INGOT (BASE METAL)	JAPAN, THAILAND, INDIA, GHANA
91	B & B LEATHER LIMITED	2,806,897.69	NIGERIAN CRUST SHEEP LEATHER GRADE UPPER AND SEMI UPPER	BERCELONA, SPAIN
92	RISU NIGERIA LIMITED	2,686,180.00	DRY SPLIT GINGER, NIGERIA ORIGIN, NIGERIAN RAW CASHEW NUT CROP 2018	INDIA
93	SIAT NIGERIA LIMITED	2,611,982.94	CRUDE PALM KERNEL OIL	NETHERLAND
94	SOLANIK NIGERIA LIMITED	2,420,564.10	HAIR ATTACHMENT	UNITED KINGDOM
95	ALKEM NIGERIA LIMITED	2,226,087.07	POLYETHYLENE TEREPHTHALATE FLAKES - CLEAR / BLUE	UNITED STATES OF AMERICA, INDIA, TURKEY, GERMANY
96	KRBL FOOD INDUSTRIES LTD	2,223,000.00	SESAME SEEDS NEW CROP	TURKEY
97	GOOSE INTEGRATED VENTURES LTD	2,101,554.00	RAW CASHEW NUTS IN SHELL NIGERIAN ORIGIN	VIETNAM
98	PJS GLOBAL LIMITED	2,100,465.20	DRIED RAW CASHEW NUTS	UNITED ARAB EMIRATES
99	BANARLY (NIGERIA) LIMITED	1,974,736.65	FROZEN SHRIMPS TIGER, AWHITE AND FROZEN TIGER SOFT SHELL, FROZEN SHRIMPS AND SOLE FILLETS	SPAIN, BELGIUM
100	MASVI & SONS (NIGERIA) LIMITED	1,938,764.49	PROCESSED / SEMI PROCESSED PTEROCARPUS ERINACEUS / TALI	VIETNAM
	TOTAL VALUE	102,055,469.33		

Source: CBN

Table 63
Exchange Rate Movements
(Naira per US Dollar)

Month	Interbank Rate					Bureaux de Change					I&E (NAFEX)				
	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019	2015	2016	2017	2018	2019
January	181.78	197.00	305.20	305.78	306.85	196.13	289.78	493.29	363.20	360.94				360.53	363.76
February	194.48	197.00	305.31	305.90	306.77	213.03	329.83	494.70	362.48	359.76				360.36	361.94
March	197.07	197.00	306.40	305.74	306.92	222.93	320.93	429.48	362.07	359.24				360.21	360.49
April	197.00	197.00	306.05	305.61	306.96	210.70	320.71	392.89	362.25	359.00			378.11	360.27	360.44
May	197.00	197.00	305.54	305.83	306.95	219.55	336.93	384.48	362.86	359.75			381.86	361.19	360.70
June	196.92	231.76	305.72	305.87	306.95	218.98	351.82	366.25	360.66	359.94			370.46	361.06	360.63
July	196.97	294.57	305.86	305.81	306.94	237.15	364.47	365.38	359.36	359.43			364.75	361.81	361.26
August	197.00	309.73	305.67	306.06	306.93	216.64	396.15	365.57	359.00	359.00			362.73	362.39	363.00
September	197.00	305.23	305.89	306.27	306.92	222.68	431.10	365.55	359.25	359.00			359.99	364.22	362.27
October	196.99	305.21	305.62	306.51	306.96	224.98	462.03	362.21	360.81	359.00			360.43	363.98	362.35
November	196.99	305.18	305.90	306.71	306.95	232.40	415.36	362.41	362.82	359.00			360.30	363.91	362.66
December	196.99	305.22	306.31	306.92	306.95	258.30	455.26	362.83	363.46	360.25			360.68	364.76	363.57
Average	**195.52**	**253.49**	**305.79**	**306.08**	**306.92**	**222.79**	**372.86**	**395.42**	**361.52**	**359.53**			**366.59**	**362.06**	**361.92**
End-Period	**197.00**	**305.00**	**306.00**	**307.00**	**307.00**	**267.00**	**490.00**	**363.00**	**361.00**	**362.00**			**360.33**	**364.00**	**364.51**

Source: CBN
Note: Nigerian Autonomous Foreign Exchange (NAFEX) rate fixing of the I&E Window started in April 2017.

Table 64
International Investment Position of Nigeria 1/
(US$' Millions)

Type of Asset/Liability	2015	2016	2017	2018	2019 /2
Net international investment position of Nigeria	**(14,742.78)**	**(27,971.24)**	**(39,121.25)**	**(38,099.06)**	**(70,842.51)**
ASSETS	**103,906.69**	**94,979.93**	**115,355.60**	**129,648.41**	**115,023.55**
Direct investment abroad	***11,630.16***	***7,751.31***	***8,036.64***	***8,574.19***	***8,850.65***
Equity Capital and Reinvested Earnings	4,941.76	3,438.94	3,377.17	3,854.26	3,926.68
Other Capital	6,688.40	4,312.37	4,659.47	4,719.93	4,923.97
Portfolio investment abroad	***1,471.69***	***1,366.34***	***1,487.27***	***1,495.91***	***1,498.29***
Equity Securities	492.71	487.94	481.52	471.56	460.58
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	24.64	24.40	24.08	23.58	23.03
Other Sector	468.07	463.54	457.44	447.98	437.55
Debt Securities	978.98	878.40	1,005.76	1,024.35	1,037.71
Bonds and Notes	972.77	872.83	999.37	1,017.85	1,031.13
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	972.70	872.83	999.37	1,017.85	1,030.46
Other Sector	0.07	-	-	-	0.66
Money Market	6.21	5.57	6.38	6.50	6.59
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	6.21	5.57	6.38	6.50	6.58
Other Sector	0.00	-	-	-	0.00
Financial Derivatives	-	-	-	1.30	3.01
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	-	-	-	1.30	3.01
Other Sector	-	-	-	-	-
Other Assets	**62,520.02**	**58,871.70**	**66,478.20**	**76,982.17**	**66,578.78**
Trade Credit	6,738.88	6,519.04	8,585.56	10,951.55	10,349.05
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	-	-	-	-	-
Other Sector	6,738.88	6,519.04	8,585.56	10,951.55	10,349.05
Loans	11.44	11.04	1.19	243.15	449.26
Monetary Authority	-	-	-	-	-
Long-term	-	-	-	-	-
Short-term	-	-	-	-	-
General Government	-	-	-	-	-
Long-term	-	-	-	-	-
Short-term	-	-	-	-	-
Banks	11.44	11.04	1.19	243.15	449.26
Long-term	-	-	-	-	-
Short-term	11.44	11.04	1.19	243.15	449.26
Other Sector	-	-	-	-	-
Long-term	-	-	-	-	-
Short-term	-	-	-	-	-
Currency and Deposits	55,769.70	52,341.62	57,891.44	65,787.46	55,780.47
Monetary Authority	-	-	-	-	-
General Government	1,250.19	1,150.36	1,657.49	2,263.91	1,721.01
Banks	8,098.46	6,808.53	8,655.17	9,501.06	8,427.75
Other Sector	*46,421.05*	*44,382.73*	*47,578.79*	*54,022.49*	*45,631.71*
Reserve Assets	***28,284.82***	***26,990.58***	***39,353.49***	***42,594.84***	***38,092.82***
Gold	-	-	-	-	*1,000.76*
Special Drawing Rights	*2,323.05*	*2,009.62*	*2,130.36*	*2,085.05*	*2,072.63*
Reserve Position in the Fund (IMF)	-	-	-	-	-
Foreign Exchange	*25,961.77*	*24,980.96*	*37,223.13*	*40,509.79*	*35,019.43*

Table 64 Cont'd
International Investment Position of Nigeria 1/
(US$' Millions)

Type of Asset/Liability	2015	2016	2017	2018	2019 /2
LIABILITIES	**118,649.47**	**122,951.17**	**154,476.85**	**167,747.47**	**185,866.06**
Direct investment in Reporting Economy	***81,423.17***	***85,104.52***	***88,917.22***	***95,318.48***	***98,617.57***
Equity Capital and Reinvested Earnings	56,670.53	52,935.01	52,105.49	55,665.99	57,691.28
Other Capital	24,752.64	32,169.51	36,811.73	39,652.49	40,926.29
Portfolio Investment in Reporting Economy	***9,630.55***	***10,536.36***	***27,769.51***	***25,328.08***	***34,257.59***
Equity Securities	2,252.72	4,047.65	4,891.28	6,121.81	4,591.48
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	208.15	374.00	451.95	565.66	424.25
Other Sector	2,044.57	3,673.65	4,439.33	5,556.16	4,167.23
Debt Securities	7,377.83	6,488.71	22,878.23	19,206.26	29,666.11
Bonds and Notes	967.25	1,211.32	2,100.17	1,832.05	1,971.45
Monetary Authority	-	-	-	-	-
General Government	967.25	1,211.32	2,100.17	1,832.05	1,971.45
Banks	-	-	-	-	-
Other Sector	-	-	-	-	-
Money Market	6,410.58	5,277.39	20,778.06	17,374.22	27,694.66
Monetary Authority	-	-	6,853.94	9,373.41	14,623.99
General Government	6,410.58	5,277.39	13,919.16	7,981.71	13,066.02
Banks	-	-	-	-	-
Other Sector	-	-	4.96	19.10	4.65
Financial Derivatives	-	-	-	0.64	0.91
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	-	-	-	0.64	0.91
Other Sector	-	-	-	-	-
Other Liabilities	**27,595.75**	**27,310.29**	**37,790.12**	**47,100.26**	**52,989.99**
Trade Credit	-	-	-	-	-
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	-	-	-	-	-
Other Sector	-	-	-	-	-
Loans	25,128.87	25,007.38	34,255.35	42,226.08	45,737.97
Monetary Authority	-	-	-	-	-
Long-term	-	-	-	-	-
Short-term	-	-	-	-	-
General Government	10,718.43	11,406.28	18,913.44	25,274.36	26,941.50
Long-term	10,718.43	11,406.28	18,913.44	25,274.36	26,941.50
Short-term	-	-	-	-	-
Banks	5,240.64	4,512.56	5,115.36	5,472.81	6,401.36
Long-term	5,240.64	4,512.56	5,115.36	5,472.81	6,401.36
Short-term	-	-	-	-	-
Other Sector	9,169.80	9,088.53	10,226.55	11,478.91	12,395.12
Long-term	9,169.80	9,088.53	10,226.55	11,478.91	12,395.12
Short-term	-	-	-	-	-
Currency and Deposits	2,319.64	1,128.01	2,277.03	3,565.46	5,949.73
Monetary Authority	-	-	-	-	-
General Government	-	-	-	-	-
Banks	2,319.64	1,128.01	2,277.03	3,565.46	5,949.73
Other Sector	-	-	-	-	-
SDR Allocations	147.24	1,174.90	1,257.74	1,308.72	1,302.29

1/ Revised
2/ Provisional
Source: CBN