



**CENTRAL BANK OF NIGERIA**

***ECONOMIC REPORT  
APRIL 2010***

The Central Bank of Nigeria Economic Report is designed for the dissemination of financial and economic information on the Nigerian economy on current basis. The Report analyses developments in the financial, fiscal, real and external sectors of the economy, as well as international economic issues of interest. The Report is directed at a wide spectrum of readers including economists and financial analysts in government and the private sector, as well as general readers.

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## 1.0 Summary

Growth in major monetary aggregates moderated in April 2010 relative to the level in the preceding month. Broad money (M<sub>2</sub>) contracted by 0.5 per cent, relative to the preceding month. The decline in M<sub>2</sub> was due wholly, to the 3.3 per cent decline in foreign asset (net) of the banking system. Narrow money (M<sub>1</sub>), however, increased, by 1.6 per cent, over the level in the preceding month. Reserve money (RM) contracted by 16.3 per cent from the level at the end of March 2010.

Available data indicated a general decline in banks' deposit and lending rates. The spread between the weighted average term deposit and maximum lending rates narrowed marginally, from 15.94 percentage points in the preceding month to 15.77 percentage points. The margin between the average savings deposit and maximum lending rates also narrowed from 19.68 percentage points in March 2010 to 19.54 percentage points during the review period. The weighted average inter-bank call rate fell to 1.27 per cent from 1.50 per cent in the preceding month, reflecting the liquidity conditions in the interbank funds market.

The value of money market assets outstanding rose by 2.5 per cent over the level in March 2010 to ₦3,397.1 billion. The development was attributed to the increase in FGN Bonds. Activities on the Nigerian Stock Exchange (NSE) were bullish as all the major market indicators trended upward during the review month.

Total federally-collected revenue in April of 2010 was estimated at ₦537.74 billion, representing a shortfall of 19.9 per cent from the proportionate monthly budget estimate, but an increase of 12.3 per cent over the receipts in the preceding month. At ₦396.89 billion, oil receipts, which constituted 73.8 per cent of the total, fell short of the proportionate monthly budget estimate by 18.6 per cent, but rose by 11.4 per cent over the receipts in the preceding month. The underperformance in oil receipts relative to the proportionate monthly budget estimate resulted from the fall in petroleum profit tax, royalties and crude oil and gas export receipts during the month. Similarly, non-oil receipts, at ₦140.85 billion or 26.2 per cent of the total was 23.2 per cent lower than the proportionate budget estimate, but higher than the receipts in the preceding month and the level in the corresponding

period of 2009, by 14.8 and 38.8 per cent, respectively. The improved performance relative to the preceding month reflected largely the rise in all the components namely, customs and excise duties, value-added tax, and company income tax and other taxes as well as "others". Federal Government estimated retained revenue for April 2010 was ₦135.65 billion, while total estimated expenditure was ₦289.99 billion. Thus, the fiscal operations of the Federal Government resulted in an estimated deficit of ₦153.29 billion, compared with the budgeted deficit of ₦126.83 billion for the review month.

The major agricultural activities during the month of April 2010 were clearing and planting operations. Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at 2.10 million barrels per day (mbd) or 63.0 million barrels for the month. Crude oil export was estimated at 1.65 mbd or 49.5 million barrels for the month, while deliveries to the refineries for domestic consumption remained at 0.45 mbd or 13.5 million barrels. The average price of Nigeria's reference crude, the Bonny Light (370 API), estimated at US\$85.51 per barrel, rose by 0.6 per cent over the level in the preceding month.

The end-period headline inflation rate (year-on-year), for the month of April of 2010, was 12.5 per cent, compared with 11.8 per cent recorded at the end of the preceding month. Inflation rate on a twelve-month moving average basis for April 2010 was 11.8 per cent, compared with 11.9 per cent recorded in the preceding month.

Foreign exchange inflow and outflow through the Central Bank of Nigeria (CBN) amounted to US\$2.02 billion and US\$2.98 billion, respectively, resulting in a net outflow of US\$0.96 billion during the review month. Foreign exchange sales by the CBN to the authorized dealers amounted to US\$2.15 billion in April 2010.

The average Naira exchange rate vis-à-vis the US dollar, depreciated by 0.04 per cent to ₦149.89 per dollar at the WDAS. In the bureaux-de-change segment of the market, the naira also depreciated by 0.1 per cent to ₦152.00 per dollar, while at the interbank segment it depreciated from ₦150.08 per US dollar in March 2010 to ₦150.38 per dollar.

Non-oil export earnings by Nigerian exporters declined sharply, by 66.2 per cent, from the level in the preceding

month to US\$112.4 million. The development was attributed largely to the fall in the prices of all the commodities traded at the international commodities market during the period.

World crude oil output in April 2010 was estimated at 85.87 million barrels per day (mbd), while demand was estimated at 85.16 mbd, compared with the respective levels of 85.65 and 85.13 mbd supplied and demanded in the preceding month. Strong economic growth, especially in China, accounted for the sustained oil demand.

Other major international economic developments of relevance to the domestic economy during the month included: the release of the World Economic Outlook (WEO) by the International Monetary Fund on April, 21, 2010 which showed that in 2010, world output is expected to rise by 4.3 per cent. This represented an upward revision of 0.3 percentage points from the January 2010 projection updates.

The 2010 Spring Meetings of the World Bank Group and the International Monetary Fund (IMF) was held in Washington D.C., USA from April 20 – 25, 2010. Some of the key issues discussed included global economic and financial developments, trade, reform of the Bretton Wood Institutions (BWIs), and the IMF mandate, amongst others.

Furthermore, at the Spring Meetings, a Committee of Governors representing the African Development Bank (AfDB) shareholders, endorsed the tripling of the Bank's capital resources to nearly US\$100 billion. The substantial increase in capital is expected to allow the AfDB to sustain a higher level of lending, especially to the private sector, in response to the overwhelming demand from a number of member countries. It is also hoped that the capital increase will enable the institution meet Africa's infrastructural needs.

Finally, the African Development Bank (AfDB) Group, through its private sector window, approved an equity investment equivalent to US\$50 million in the Africa Capitalization Fund (ACF) in Tunis on April 28, 2010. The ACF which is an 8-year, pan-African investment fund, with a targeted investment level of US\$200 million is focused on investing capital and subordinated debt in commercially viable and systemically important banks to strengthen their lending ability.



## 2.0 Financial Sector Developments

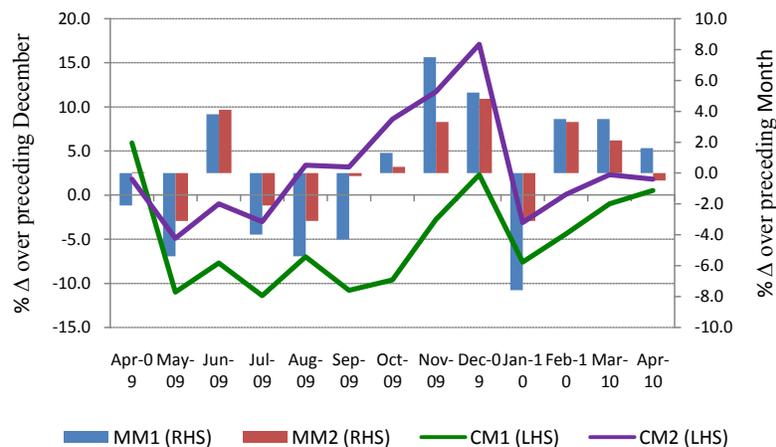
### 2.1 Monetary and Credit Developments

*Growth in major monetary aggregates moderated, while banks' deposit and lending rates generally declined in April 2010. The value of money market assets increased, following largely the rise in FGN Bonds. Transactions on the Nigerian Stock Exchange (NSE) were bullish as all the major market indicators trended upward during the review month.*

Provisional data indicated that growth in major monetary aggregates moderated in April 2010 relative to the level in the preceding month. Broad money supply, (M<sub>2</sub>), fell by 0.5 per cent to ₦10,959.2 billion, in contrast to the increase of 2.1 per cent at end-March 2010. The development was accounted for, wholly, by the 3.3 per cent decline in foreign assets (net) of the banking system. Narrow money supply (M<sub>1</sub>), at ₦5,030.0 billion, however, rose by 1.6 per cent over the level at the end of the preceding month, while quasi money declined by 2.1 per cent (Fig. 1, Table 1). Relative to the level at end-December 2009, the growth in M2 moderated, owing to the decline in net foreign assets of the banking system. Correspondingly, the moderation in the growth of monetary liabilities was due to the decline in currency outside banks.

Growth in major monetary aggregates moderated during April 2010.

**Figure 1: Growth Rate of Narrow Money (M<sub>1</sub>) and Broad Money (M<sub>2</sub>)**



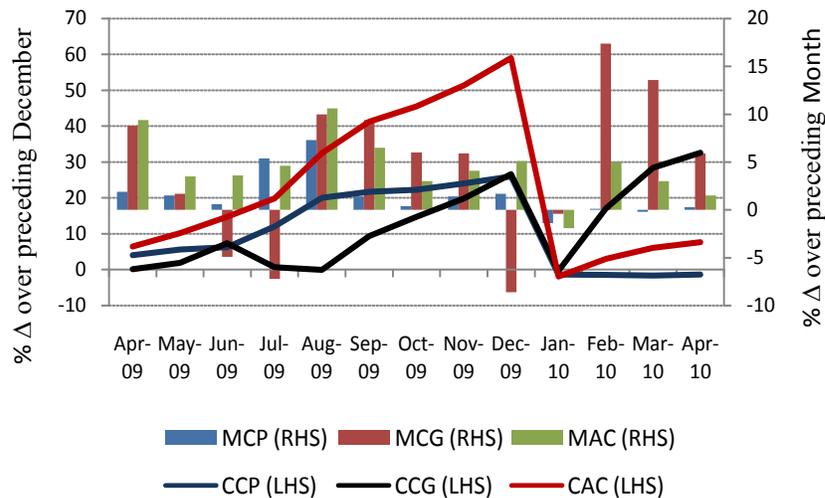
At ₦8,513.8 billion, aggregate banking system credit (net) to the domestic economy rose by 1.5 per cent at the end of the month under review, compared with the increase of 3.0 per cent in the preceding month. The development reflected largely the rise in claims on both the Federal Government and the private sector.

Banking system's credit (net) to the Federal Government at the end of the review month increased by 5.9 per cent relative to the level in the preceding month to negative ₦1,552.2 billion, compared with an increase of 13.6 per cent in March 2010. The increase was accounted for, largely, by the 4.9 per cent expansion in deposit money banks' (DMBs) holding of Federal Government securities, reinforced by the decline in Federal Government deposits with the CBN. The Federal Government, however, remained a net lender to the system during the review month. When compared with the end-December 2009 level, claims on Federal Government (net) during April 2010, rose by 32.6 per cent.

Banking system's credit to the private sector rose marginally by 0.3 per cent to ₦10,066.0 billion, in contrast to the decline of 0.2 per cent in the preceding month. The increase reflected wholly the 0.8 per cent increase in DMBs' claims on the sector (Fig. 2, Table 1). Compared with the level at end-December 2009, the growth in credit to private sector moderated to 1.4 per cent from 1.7 per cent at end-March 2010 due to the decline in CBN claims on the sector.

Banking system credit to the private sector continued to be subdued.

Figure 2: Growth Rate of Aggregate Domestic Credit to the Economy



At ₦7,008.9 billion, foreign assets (net) of the banking system fell by 3.3 per cent, compared with the decline of 0.7 per cent in March 2010. The development was attributed to the 2.8 and 6.4 per cent fall in the CBN and DMBs' holdings, respectively, over their end-March 2010 levels. Relative to end-December 2009 level, foreign assets (net) of the banking system fell by 7.7 per cent, reflecting the decline in both the CBN and DMBs' holdings.

The decline in foreign assets (net) of the banking system continued in April.

Quasi-money also fell, by 2.1 per cent, to ₦5,929.2 billion, as against the increase of 1.1 per cent at the end of March 2010. The development was attributed to the fall in all the constituent parts namely, time, savings and foreign currency deposits of the DMBs. Quasi money, however, increased over its level at end-December 2009 by 2.9 per cent.

Other assets (net) of the banking system, on the other hand, increased, by 1.4 per cent, to ₦4,563.4 billion, compared with the 0.8 per cent increase in the preceding month. The rise reflected largely the increase in the unclassified assets of both the CBN and the DMBs during the review month. Similarly, other assets (net) rose 3.5 per cent above its level at end-December 2009.

Table 1: Growth in Monetary and Credit Aggregates (Percent)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
	<i>Percentage Change Over the preceding Month</i>					
<b>Domestic Credit (Net)</b>	9.4	5.4	-1.9	5.1	3.0	1.5
<i>Claims on Federal Government (Net)</i>	-8.8	-7.7	0.5	-17.5	13.6	5.9
<i>Claims on Private Sector</i>	1.9	2.2	-1.3	-0.1	-0.2	0.3
<i>Claims on Other Private Sector</i>	1.9	2.2	-1.4	-0.1	-0.4	0.2
<b>Foreign Assets (Net)</b>	-1.7	1.6	-2.3	-1.6	-0.7	-3.3
<b>Other Assets (Net)</b>	7.8	-0.1	0.2	-1.5	0.8	1.4
<b>Broad Money Supply (M<sub>2</sub>)</b>	0.0	4.8	-3.1	3.3	2.1	-0.5
<b>Quasi-Money</b>	2.3	4.5	0.7	3.2	1.1	-2.1
<b>Narrow Money Supply (M<sub>1</sub>)</b>	-2.1	5.2	-7.6	3.5	3.5	1.6
<i>Memorandum Items:</i>						
<b>Reserve Money (RM)</b>	3.0	17.4	-17.2	-7.6	4.2	-16.3

## 2.2 Currency-in-circulation (CIC) and Deposits at the CBN

At ₦1,072.6 billion, currency in circulation declined by 1.3 per cent at end-April 2010 from the level in March 2010. The fall was traceable to the decline in both the DMB's vault cash holdings and currency outside banks during the month.

Total deposits at the CBN amounted to ₦4,460.1 billion, indicating a decline of 5.2 per cent from the level at the end of the preceding month. The development reflected largely the 38.7 per cent decline in banks' deposits. Of the total, the shares of the Federal Government, banks and "others" were ₦3,547.9 billion (79.5%), ₦443.9 billion (10.0%) and ₦468.3 billion (10.5%), respectively.

Thus, consistent with the trends in CIC and DMBs' deposits with the CBN, the CBN operating target, the reserve money (RM), declined from ₦1,810.9 billion at the end of the preceding month to ₦1,516.6 billion in April 2010.

## 2.3 Money Market Developments

The resumption of direct auctions at the open market operations boosted activities at the money market. However, there was no transaction at the standing lending facility window in April. Similarly, there was no transaction at the two-way quote trading platform as the rates quoted by counterparties were considered

Reserve money (RM) fell in April 2010.

The resumption of direct auction at the OMO window boosted activities in the money market.

speculative and unattractive. Also, there was no repurchase transaction during the review month. Deposit money banks and discount houses, however, participated actively at the primary auction of the Nigerian Treasury Bills and FGN Bonds. Public subscriptions consistently outstripped the offered amount, while inter-bank activities remained vibrant during the period. Rates were at low levels due largely to the liquidity ease arising from the CBN's unlimited guarantee of inter-bank transactions as well as pension funds' administrators' placement with banks.

Provisional data indicated that the value of money market assets outstanding at end-April 2010 was ₦3,397.1 billion, representing an increase of 2.5 per cent, in contrast to a decline of 3.8 per cent at end-March 2010. The development was attributed to the 3.7 per cent increase in FGN Bonds.

### *2.3.1 Interest Rate Developments*

Available data indicated a general decline in banks' deposit and lending rates in April 2010. The average savings deposit rate declined by 0.10 percentage point to 3.10 per cent. With the exception of the over twelve months deposit rate which rose by 0.19 percentage point to 7.84 per cent, all other rates on deposits of various maturities declined from a range of 1.50–8.05 per cent in the preceding month to 1.27–8.02. Similarly, the average term deposit rate declined by 0.07 basis point from 6.94 per cent in the preceding month to 6.87 per cent. The average prime and maximum lending rates dropped by 3 and 24 basis points to 18.03 and 22.64 per cent, respectively. Consequently, the spread between the weighted average term deposit and maximum lending rates narrowed from 15.94 percentage points in March 2010 to 15.77 percentage points in April. The margin between the average savings deposit and average maximum lending rates also narrowed from 19.68 percentage points in the preceding month to 19.54 percentage points. With headline inflation rate at

The general decline in deposit and lending rates was sustained in April 2010.

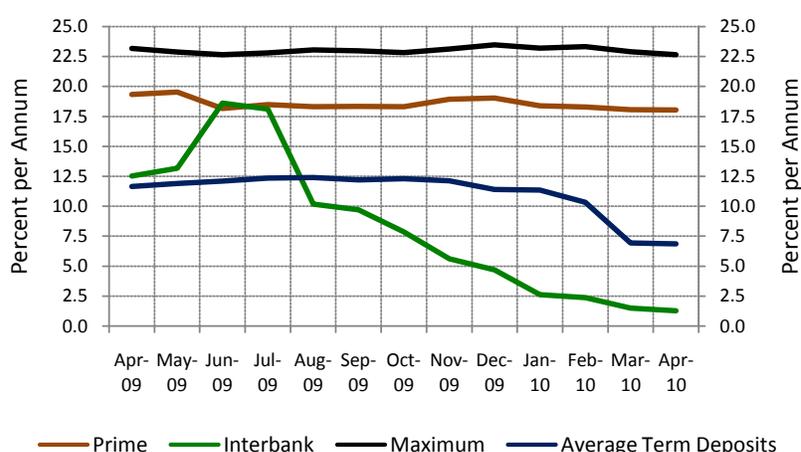
The spread between the deposit rates and the maximum lending narrowed marginally in April, while all deposit rates were negative in real terms.

12.5 per cent at end-April, all deposit rates, were negative in real terms.

All interbank money market rates trended downward in April 2010.

At the interbank call segment, the weighted average rate, which stood at 1.50 per cent in March 2010, fell to 1.27 per cent, reflecting the liquidity conditions in the interbank funds market. Similarly, the weighted average rate at the Open Buy Back (OBB) segment fell from 1.31 per cent in March 2010 to 1.11 per cent at the end of April 2010. In tandem with activities at the interbank market, the Nigeria Interbank Offered Rate (NIBOR) for the 7- and 30-day tenors declined to 2.46 and 5.13 per cent at the end of April 2010 from 5.55 and 7.85 per cent, respectively, in March 2010 (Fig. 3, Table 2).

**Figure 3: Selected DMBs Interest Rates (Average)**



**Table 2: Selected Interest Rates (Percent, Averages)**

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Average Term Deposits	11.7	11.4	11.4	10.3	6.9	6.9
Prime Lending	19.3	19.0	18.4	18.3	18.1	18.0
Interbank	12.5	4.7	2.6	2.4	1.5	1.3
Maximum Lending	23.2	23.5	23.2	23.3	22.9	22.6

### 2.3.2 Commercial Papers (CPs)

DMBs' holdings of CPs fell marginally in April 2010.

The value of Commercial Papers (CPs) held by DMBs fell marginally by 0.6 per cent to ₦363.0 billion at end-April 2010, compared with a decline of 21.0 per cent at end-March 2010. Thus, CPs constituted 10.7 per cent of the total value of money market assets outstanding as at end-April 2010,

compared with 11.0 per cent at the end of the preceding month.

### 2.3.3 Bankers' Acceptances (BAs)

The value of BAs holdings by DMBs increased by 12.2 per cent to ₦43.5 billion as at end-April 2010, in contrast to the decline of 5.9 per cent in the preceding month. The rise in BAs reflected the increase in investments by deposit money banks and discount houses. Consequently, BAs accounted for 1.3 per cent of the total value of money market assets outstanding at the end of April 2010, compared with 1.2 per cent at the end of the preceding month.

Holdings of Bas by DMBs rose modestly during April 2010.

### 2.3.4 Open Market Operations

Open market operations resumed with the conduct of direct auctions for liquidity management during the review month. Consequently, Nigerian Treasury Bills (NTBs) of 57- to 352-day maturities, valued at ₦150.00 billion were offered in three auctions. Total public subscription was ₦280.50 billion, while ₦120.00 billion was allotted and sold. The bid and stop rates ranged from 1.5000- 6.5550 per cent and 1.7990-3.0123 per cent, respectively. There was, however, no purchase or sale of NTBs at the two-way quote platform as the rates quoted by counterparties were adjudged to be speculative. Furthermore, there was no request for repurchase transaction and no matured OMO bills for repayment during the review period.

The conduct of OMO resumed during April 2010.

### 2.3.5 Primary Market

At the primary market, NTBs of 91-, 182- and 364-day tenors amounting to ₦160.5 billion were offered and allotted in April 2010. The total public subscription, at ₦365.36 billion, exceeded the amount offered and allotted by 227.6 per cent. The bid rates ranged from 1.0000-4.5110 per cent for the 91-day, 1.2970-4.9110 per cent for the 182-day and 2.0450-6.5110 per cent for the 364-day tenor. Allotment was ₦39.14 billion at 1.1500-1.3399 per cent for the 91-day, ₦91.36 billion at 1.6730-2.9999 per cent for the 182-day and ₦30.00 billion at 2.5490 per cent for the 364-day tenor. Patronage at the primary market remained impressive as

Patronage at the primary market was impressive as market players sought to shore up their holdings of tradable government securities.

market players sought to shore up their holdings of tradable government securities. Overall, the sum of ₦160.5 billion was repaid on matured NTBs during the review month.

### 2.3.6 Bonds Market

Market players' confidence in the economy continued to drive subscription for FGN Bonds during the month under review.

Federal Government of Nigeria (FGN) Bonds of 5-year tranche amounting to ₦20.00 billion was issued, while 3- and 20- year tranches worth ₦30.00 billion apiece were re-opened during the review month. The bid rates ranged from 1.95-5.50 per cent, 2.62-6.50 per cent and 5.00-10.50 per cent for the 3-, 5- and 20-year tranches, respectively. Allotments were ₦30.0 billion at 4.86 per cent, ₦20.0 billion at 4.0 per cent and ₦30.00 billion at 7.24 per cent for the 3-, 5- and 20-year FGN Bonds, respectively. Overall, FGN Bonds worth ₦80.00 billion was offered in April 2010, while allotment was ₦140.00 billion, the extra ₦60.00 billion was for non-competitive bidders.

## 2.4 Deposit Money Banks' Activities

Available data indicated that total assets/liabilities of the DMBs amounted to ₦17,840.6 billion, representing a decline of 0.02 per cent from the level at end-March 2010. Funds, sourced mainly from draw-down on reserves, foreign assets and accumulation of unclassified liabilities, were used largely to purchase Federal Government securities.

DMBs' credit to government and the private sector rose in April 2010.

At ₦11,937.8 billion, credit to the domestic economy rose by 4.7 per cent over the level in the preceding month. The breakdown showed that credit to government and the core private sector rose by 4.9 and 0.8 per cent, respectively, over the levels in March 2010.

Total liquid assets of the DMBs to total current liabilities exceeded the stipulated minimum by 5.3 percentage points, while their loan-to-deposit ratio was within the prescribed maximum.

Central Bank's credit to the DMBs fell by 0.7 per cent to ₦405.8 billion in April 2010, reflecting largely the decline in CBN overdrafts to banks.

Total specified liquid assets of the DMBs were ₦3,213.0 billion, representing 30.3 per cent of their total current liabilities. This level of assets was 0.3 percentage points below the preceding month's level, but 5.3 percentage points above the stipulated minimum ratio of 25.0 per

cent for fiscal 2010. The loan-to-deposit ratio was 79.9 per cent which was slightly less than the stipulated maximum target of 80.0 per cent by 0.1 percentage point.

## 2.5 Discount Houses' Activities

Total assets/liabilities of the discount houses stood at ₦371.5 billion at end-April 2010, indicating an increase of 3.5 per cent over the level at the end of March 2010. The increase in assets was accounted for largely by the 34.6 per cent rise in cash and balances with banks. Correspondingly, the rise in total liabilities was attributed largely to the increase in the level of money-at-call during the period.

Discount houses' investment in Federal Government securities of less than 91-day maturity rose to ₦32.3 billion and represented 10.8 per cent of their total deposit liabilities. At this level, discount houses' investment was 14.3 per cent higher than the level at the end of the preceding month. It was, however, 49.2 percentage points below the prescribed minimum level of 60.0 per cent for fiscal 2010. Total borrowing by the discount houses was ₦33.8 billion, while their capital and reserves amounted to ₦42.4 billion. This resulted in a gearing ratio of 1.5:1, compared with the stipulated maximum target of 50:1 for fiscal 2010.

## 2.6 Capital Market Developments

### 2.6.1 Secondary Market

Available data indicated that activities on the Nigerian Stock Exchange (NSE) in April 2010 were bullish as all the major market indicators trended upward. The volume and value of traded securities rose by 17.0 and 19.0 per cent to 12.6 billion shares and ₦108.3 billion in 206,182 deals, respectively, compared with 10.7 billion shares valued at ₦91.0 billion traded in 185,643 deals in the preceding month (Fig. 4, Table 3). The Banking sub-sector was the most active on the Exchange by turnover volume with a traded volume of 5.3 billion shares valued at ₦59.8 billion in 88,246 deals. This

Activities on the NSE in April 2010 were bullish, as all the major indicators trended upward.

was followed by the Insurance sub-sector with a traded volume of 3.2 billion shares valued at ₦3.1 billion in 20,778 deals.

**Figure 4: Volume and Value of Traded Securities**



**Table 3: Traded Securities on the Nigerian Stock Exchange (NSE)**

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Volume (Billion)	8.0	7.6	8.6	7.9	10.7	12.6
Value (₦ Billion)	42.4	47.6	47.6	54.1	91.0	108.3

### 2.6.2 Over-the-Counter (OTC) Bonds Market

The most active Bond in the market during the month under review remained the 6<sup>th</sup> FGN Bond 2029 Series 3.

Transactions on the Over-the-Counter (OTC) Bonds market indicated a turnover of 1.4 billion units worth ₦1.7 trillion in 14,166 deals, compared with 1.4 billion units valued at ₦1.6 trillion in 18,206 deals in March 2010. The most active bond by turnover volume was the 6th FGN Bond 2029 Series 3 with a traded volume of 216.9 million units valued at ₦335.6 billion in 1,526 deals, followed by the 6th FGN Bond 2029 series 5 with a traded volume of 206.0 million units valued at ₦241.6 billion in 1,717 deals. The value of Federal Government Bonds dropped, by 1.0 per cent, from ₦1.96 trillion to ₦1.94 trillion. This was attributed to the de-listing of one (1) FGN Bond on maturity. Consequently, the share of FGN Bond in aggregate market capitalization dropped from 23.4 per cent to 22.9 per cent. The values of sub-National bonds, preference shares and corporate bonds, however, remained at ₦91.5 billion, ₦4.6 billion and ₦22.23 billion,

The value of FGN Bonds dropped following the de-listing of one bond on maturity.

respectively. Their combined share of market capitalization also remained unchanged at the preceding month's level of 1.4 per cent.

### *2.6.3 New Issues Market*

In the new issues market, a total of ₦45.0 billion 7th FGN Bonds 2015 Series 2 was admitted on the Daily Official List, while the sum of ₦65.0 billion, 4<sup>th</sup> FGN Bond 2010 Series 4 was delisted from the Daily Official List on maturity. By this development, the number of listed FGN Bond and securities stood at 38 and 262, respectively.

### *2.6.4 Market Capitalization*

The total market capitalization rose by 1.2 per cent to ₦8.5 trillion. The rise in market capitalization was attributed to the increase in the prices of some equities. The 214 listed equities accounted for ₦6.4 trillion or 75.7 per cent of the total market capitalization, up by 1.9 per cent from the ₦6.3 trillion recorded in March.

Market capitalization and All-Share Index, all trended upward in April 2010.

### *2.6.5 NSE All-Share Index*

The All-Share Index rose by 2.1 per cent to close at 25,966.25 (1984 = 100) in the review month. Similarly, two of the four sectoral indices appreciated during the review month. The NSE Food/Beverages and Oil/Gas indices rose by 10.4 and 28.6 per cent to close at 809.20 and 404.46, respectively (Fig. 5, Table 4).

Figure 5: Market Capitalization and All-Share Index

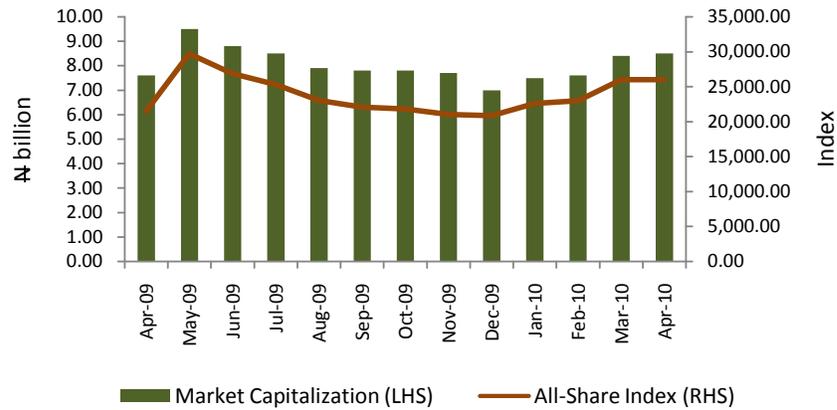


Table 4: Market Capitalization and All Share Index (NSE)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Market Capitalization (₦ trillion)	760.0	7.0	7.5	7.6	8.4	8.5
All-Share Index	21491.1	20827.2	22594.9	22985.0	25966.3	25966.3

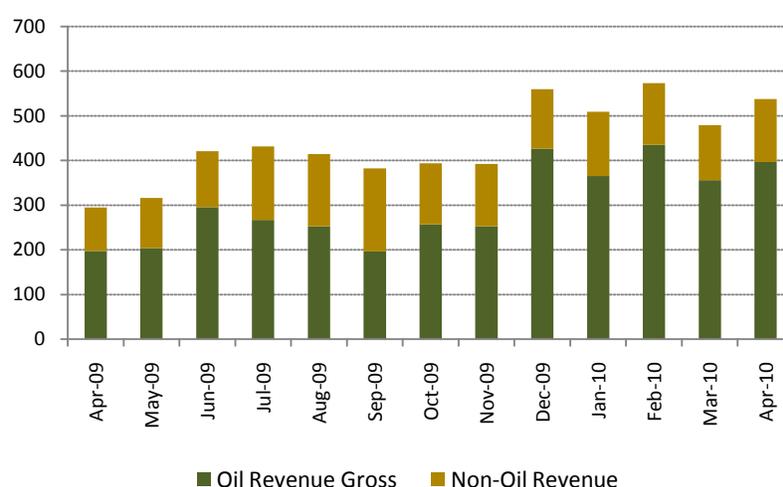
### 3.0 Fiscal Operations

#### 3.1 Federation Account Operations

Available data showed that total federally-collected revenue during the month of April 2010 was estimated at ₦537.74 billion, representing a shortfall of 19.9 per cent relative to the proportionate budget estimate, but an increase of 12.3 per cent over the receipts in the preceding month (Fig. 6, Table 5).

Gross federally collected revenue together with its components—gross oil and non-oil receipts fell short of their 2010 proportionate budget estimates for April 2010.

**Figure 6: Components of Gross Federally-Collected Revenue**



**Table 5: Gross Federation Account Revenue (₦ billion)**

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
<b>Federally-collected revenue (Gross)</b>	<b>298.9</b>	<b>572.9</b>	<b>509.1</b>	<b>573.5</b>	<b>479.0</b>	<b>537.7</b>
Oil Revenue	197.5	426.8	365.5	435.0	356.3	396.9
Non-Oil Revenue	101.5	146.09	143.6	138.6	122.7	140.9

At ₦396.89 billion, gross oil receipts, which constituted 73.8 per cent of the total, increased by 11.4 per cent above the receipts in the preceding month, but fell short of the proportionate budget estimate by 18.6 per cent. The increase in oil receipts relative to the preceding month's level was attributed largely to the rise in receipts from crude oil and gas exports (Fig. 7, Table 6).

Figure 7: Gross Oil Revenue and Its Components

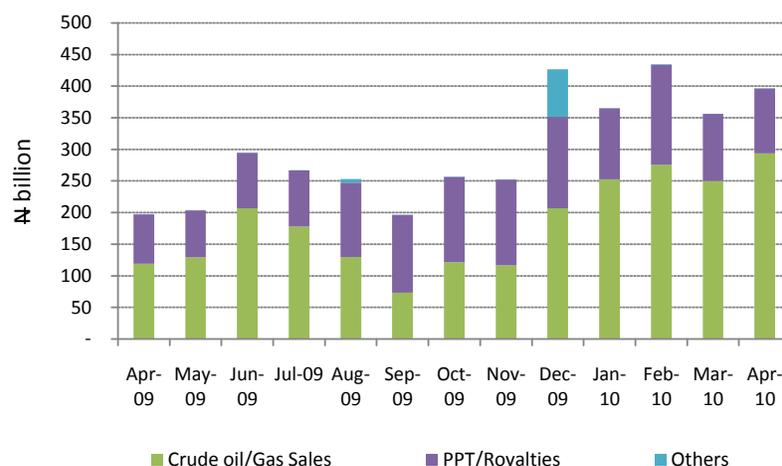


Table 6: Components of Gross Oil Revenue (₦ billion)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Oil Revenue	197.5	426.8	365.5	35.0	356.3	396.9
Crude oil/Gas Sales	118.9	206.8	252.8	275.9	250.2	293.8
PPT/Royalties	78.2	144.9	112.3	158.2	106.0	102.8
Others	0.3	75.2	0.4	0.9	0.1	0.3

Non-oil receipts, at ₦140.85 billion or 26.2 per cent of the total was 23.2 per cent lower than the proportionate budget estimate, but higher than the receipts in the preceding month and the corresponding period of 2009 by 14.8 and 38.8 per cent, respectively. The improved performance relative to the preceding month reflected largely the rise in all the components namely, customs and excise duties, value added tax, and company income tax and other taxes as well as "others" (Fig. 8, Table 7).

Figure 8: Gross Non-Oil Revenue and Its Components

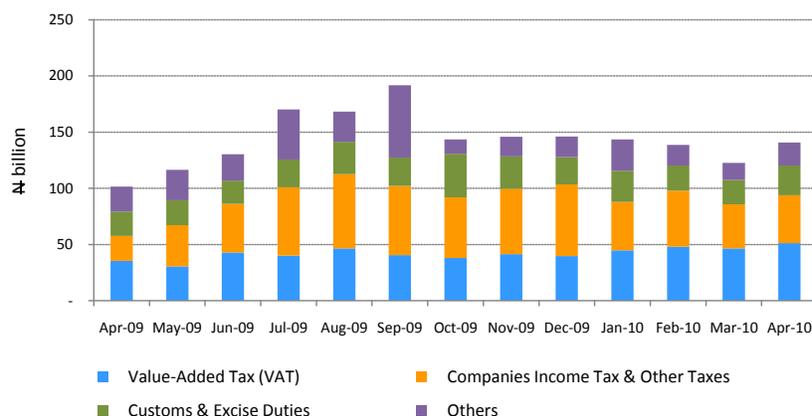


Table 7: Components of Gross Non-Oil Revenue (₦ billion)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Non-Oil Revenue	101.5	146.1	143.6	138.6	122.7	140.9
Value-Added Tax (VAT)	35.5	39.6	44.7	48.1	46.4	51.1
Companies Income Tax & Other Taxes	22.1	63.8	43.3	49.7	39.2	42.6
Customs & Excise Duties	21.7	24.4	27.7	22.5	21.8	26.6
Others	22.2	18.2	27.9	18.2	15.3	20.5

Of the gross federally-collected revenue during the review month, the sum of ₦235.49 billion (after accounting for all deductions and transfers) was transferred to the Federation Account for distribution among the three tiers of government and the 13.0 per cent derivation fund. The Federal Government received ₦112.43 billion, while the States and Local Governments received ₦57.02 billion and ₦43.96 billion, respectively. The balance of ₦22.08 billion went to the 13.0 per cent derivation fund for distribution by the oil-producing states. Also, the Federal Government received ₦7.36 billion, while the State and Local Governments received ₦624.55 and ₦17.18 billion, respectively, from the VAT Pool Account.

The sum of N235.46 billion out of the federally-collected revenue was transferred to the Federation Account for distribution to the three tiers of Government in April.

## 3.2 The Fiscal Operations of the Three Tiers of Government

### 3.2.1 The Federal Government

At ₦135.7 billion, the estimated Federal Government retained revenue for the month of April 2010, was lower than the proportionate monthly budget estimate and the receipts

Federal Government retained revenue and total expenditure were lower than both the proportionate 2010 budget provisions and their corresponding levels in the preceding month.

in the preceding month by 47.4 and 35.3 per cent, respectively. Of this amount, the shares from the Federation Account and the VAT Pool Account were ₦112.43 and ₦7.36 billion, respectively while the balance came from FGN independent Revenue and "Others" (Fig. 9, Table 8).

Figure 9: Federal Government Retained Revenue in Q1 2010

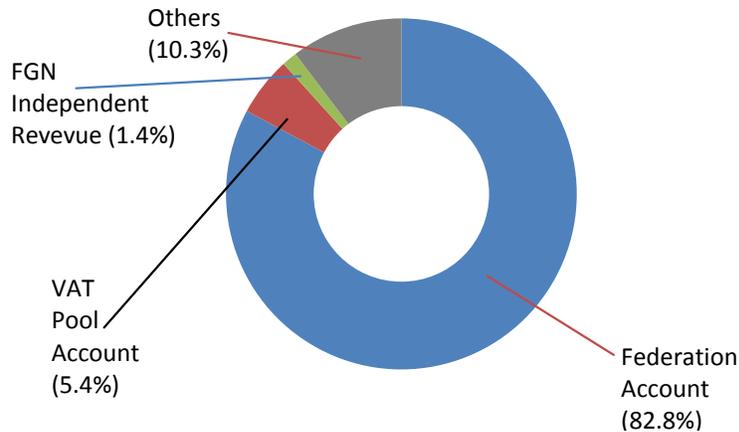
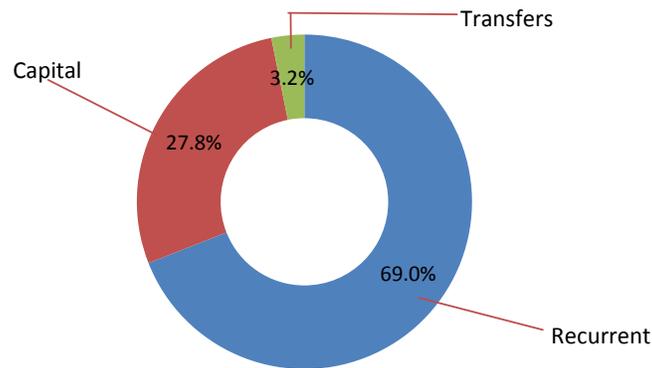


Table 8: Federal Government Fiscal Operations (₦ billion)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Retained Revenue	212.4	185.1	183.4	206.7	209.7	135.7
Expenditure	233.9	359.0	180.2	385.4	311.8	290.0
Overall Balance: Surplus(+)/Deficit(-)	-21.6	-173.9	3.1	-178.7	-102.0	-154.3

At ₦289.99 billion, total estimated expenditure in April 2010 fell short of the proportionate monthly budget estimate and the level in the preceding month by 24.6 and 7.0 per cent, respectively. The lower total expenditure relative to the monthly budget estimate was attributed largely to the decline in the recurrent and transfers components. A breakdown of total expenditure showed that the recurrent component accounted for 68.8 per cent, capital component 27.7 per cent, while statutory transfers accounted for the balance of 3.5 per cent (Fig. 10).

Figure 10: Federal Government Expenditure in Q1 2010



The fiscal operations of the Federal Government in the month of April 2010, resulted in a deficit of ₦153.29 billion, compared with the monthly budgeted deficit of ₦126.83 billion.

The fiscal operations of the FG resulted in an estimated deficit of ₦154.3 billion in April 2010.

The fiscal deficit was largely financed from both domestic sources (through the issuance of FGN Bonds and Treasury bills) and World Bank loan.

### 3.2.2 Statutory Allocations to State Governments

During the review month, total receipts by the state governments from their share of the VAT Pool Account and the Federation Account, including the 13.0 per cent Derivation Fund, stood at ₦103.63 billion. This represented an increase of 4.0 per cent over the level in the preceding month, but lower than the level in the corresponding month of 2009.

Further breakdown showed that, at ₦24.55 billion, receipts from the VAT Pool Account increased by 10.1 per cent over the level in the preceding month, while receipts from the Federation Account stood at ₦79.08 billion.

### *3.2.3 Statutory Allocations to Local Government Councils*

Total receipts by the Local Governments from the Federation and VAT Pool Accounts in the month of April 2010, stood at ₦61.15 billion. This exceeded the level in the preceding month by 5.2 per cent, but lower than the level in the corresponding period of 2009 by 29.0 per cent. Of this amount, allocation from the Federation Account was ₦43.96 billion or 71.9 per cent, while VAT Pool Account accounted for ₦17.18 billion or 28.1 per cent.

## 4.0 Domestic Economic Conditions

*The major agricultural activities in the month of April 2010 were clearing and planting operations. Crude oil production was estimated at 2.10 million barrels per day (mbd) or 60.3 million barrels during the month. The end-period inflation rate for April 2010, on a year-on-year basis was 12.5 per cent, compared with the preceding month's level of 11.8 per cent. The inflation rate on a 12-month moving average basis was 11.8 per cent, compared with 11.9 per cent in March 2010.*

### 4.1 Agricultural Sector

Agricultural activities during the month of April 2010 in the southern states were dominated by planting operations as they witnessed stable and well distributed rainfall. In the northern states, the predominant activities were land clearing following late arrival of rains.

A total of ₦214.6 million was guaranteed to 1,605 farmers under the Agricultural Credit Guarantee Scheme (ACGS) during the month. This represented an increase of 22.3 per cent over the level in the preceding month, but a decline of 28.9 per cent from the level in the corresponding month of 2009. A sub-sectoral analysis of the loans guaranteed indicated that the food crop sub-sector had the largest share of ₦106.5 million or 49.6 per cent guaranteed to 988 beneficiaries, while the livestock sub-sector received ₦75.1 million or 35.0 per cent guaranteed to 212 beneficiaries. Also, the fisheries sub-sector received ₦23.4 million or 10.9 per cent guaranteed to 148 beneficiaries. The cash crops sub-sector had ₦6.9 million or 3.2 per cent guaranteed to 163 beneficiaries, while "others" received ₦2.7 million or 1.3 per cent granted to 94 beneficiaries. Analysis by state showed that 21 states benefited from the scheme during the month with the highest and lowest sums of ₦50.8 million or 23.7 per cent and ₦0.7 million or 0.3 per cent guaranteed to Oyo and Ondo States, respectively.

At end-April 2010, the total amount released by the CBN under the Commercial Agriculture Credit Scheme (CACs) to the participating banks for disbursement

stood at ₦48.2 billion for forty-nine (49) projects. The beneficiaries included four state governments namely Bauchi, Kogi, Nasarawa and Ondo. A breakdown of the amount showed that United Bank for Africa (UBA) Plc got ₦37.6 billion for thirty-four (34) projects, First Bank of Nigeria Plc ₦4.7 billion for eleven (11) projects, Skye Bank Plc ₦5.6 billion for three (3) projects and GT Bank Plc ₦0.3 billion for one (1) project.

Retail prices of most staples fell during April 2010.

Retail price survey of most staples by the CBN showed that the prices of most major staples recorded declines in April 2010 when compared with their levels in the preceding month. Nine (9) of the fourteen (14) commodities monitored, recorded price decline ranging from 0.2 per cent for white garri to 4.5 per cent for millet, while the prices of yam flour, groundnut oil, vegetable oil, white beans and eggs (medium) rose by 15.0, 7.0, 1.7, 1.3 and 0.7 per cent, respectively. Relative to their levels in the corresponding month of 2009, twelve (12) of the commodities recorded price increase ranging from 0.6 per cent for garri (yellow) to 18.6 per cent for yam flour, while the prices of millet and guinea corn fell by 6.7 and 9.8 per cent, respectively.

## 4.2 Petroleum Sector

Crude oil and natural gas production increased slightly, by 2.4 per cent, to 2.10 mbd in April 2010.

Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at 2.10 million barrels per day (mbd) or 63.0 million barrels for the month, and was 2.4 per cent above the level in the preceding month.

Crude oil exports remained at the preceding month's level.

Crude oil export was estimated at 1.65 mbd or 49.5 million barrels in April, while deliveries to the refineries for domestic consumption remained at 0.45 mbd or 13.5 million barrels for the month. The improved level of production was attributed to the sustained peace in the Niger Delta region as a result of the implementation of the amnesty programme of the Federal Government.

The average price of Nigeria's reference crude, the Bonny Light (37° API) was estimated at US\$85.51 per barrel, indicating an increase of 11.2 per cent from the

level in March 2010. The average prices of other competing crudes namely, the West Texas Intermediate, U.K Brent and Forcados rose by 6.6, 5.8 and 4.0 per cent to US\$84.05, US\$84.88 and US\$83.98 per barrel, respectively.

The average price of all the crude streams, including Bonny Light (37° API) remained above US\$80 per barrel as in the preceding month.

The average price of OPEC's basket of eleven crude streams rose by 6.9 per cent to US\$82.20 over the level in March 2010. The development was attributed to the positive expectations about global economic growth and the recovery in the value of the euro against the dollar as concerns over Greece's fiscal problems eased (Fig. 11, Table 9).

Figure 11: Trends in Crude Oil Prices

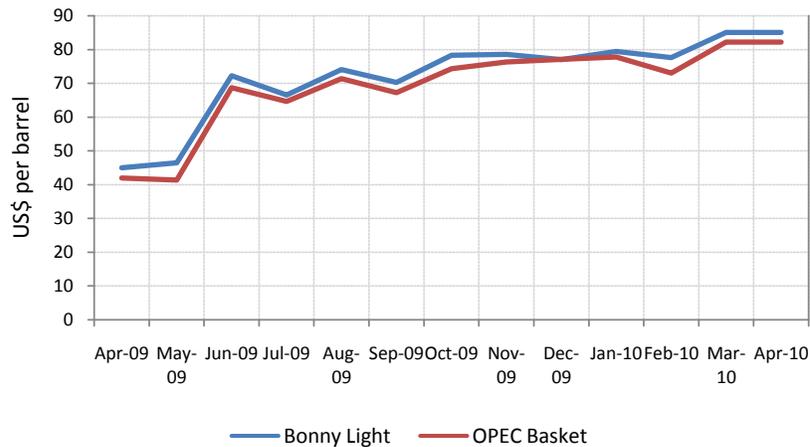


Table 9: Average Crude Oil Prices in the International Oil Market

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Bonny Light	45.00	77.00	79.40	77.60	85.00	85.51
OPEC Basket	41.90	77.10	77.80	73.00	76.90	82.20

### 4.3 Consumer Prices

The all-items composite Consumer Price Index (CPI) in April 2010 was 222.1 (May 2003=100), representing an increase of 1.2 per cent over the level in the preceding month. The development was attributed to the increase in the price of some staple food items and non-alcoholic beverages.

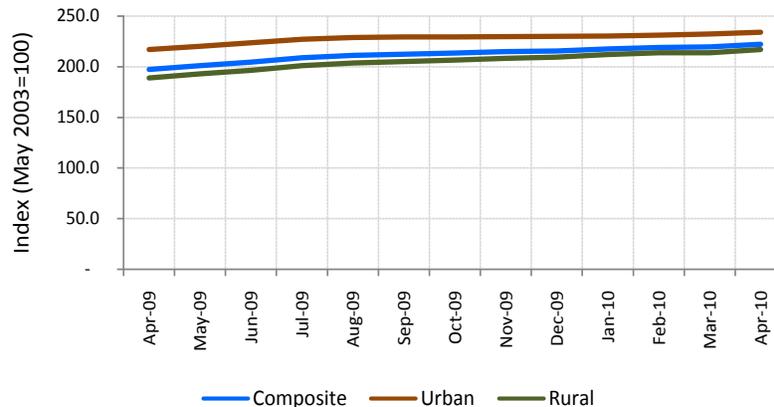
The general price level rose in April relative to March 2010, on account of price increases in respect of staple food and non-alcoholic beverages.

The urban all-items CPI at end-April 2010 was 234.1 (May 2003=100), indicating a marginal increase of 0.7 per cent over the level in the preceding month. The rural all-items CPI for the month was 216.9 (May 2003=100), representing an increase of 1.4 per cent over the level in the preceding month.

The inflation rate on a year-on-year basis rose by 0.7 percentage point, while the 12-month moving average basis declined by 0.1 percentage point, in April 2010.

The end-period inflation rate for April 2010, on a year-on-year basis, was 12.5 per cent, compared with 11.8 per cent in the preceding month. The inflation rate on a twelve-month moving average basis for April 2010 was 11.8 per cent, compared with 11.9 per cent in March 2010 (Fig. 12, Table 10).

**Figure 11: Consumer Price Index**



**Table 10: Consumer Price Index (May 2003=100)**

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Composite	197.4	216.6	217.6	219.0	219.4	222.1
Urban	216.8	230.1	230.3	231.3	232.3	234.0
Rural	208.3	209.4	211.9	213.7	213.8	216.9

Figure 13: Inflation Rate

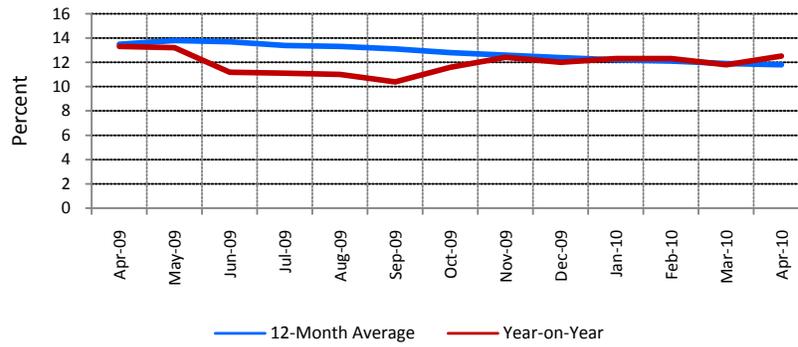


Table 11: Headline Inflation Rate (%)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
12-Month Average	13.5	12.4	12.2	12.1	11.9	11.8
Year-on-Year	13.3	12.0	12.3	12.3	11.8	12.5



## 5.0 External Sector Developments

Provisional data indicated that foreign exchange inflow through the CBN in April 2010 rose by 9.2 per cent, while outflow declined by 1.0 per cent from the level in the preceding month. Total non-oil export earnings received by banks declined sharply, by 66.2 per cent, from the level in the preceding month. The average exchange rate of the Naira vis-à-vis the US dollar, depreciated by 0.04 per cent to ₦149.89 per dollar at the Wholesale Dutch Auction System (WDAS).

### 5.1 Foreign Exchange Flows

Foreign exchange inflow and outflow through the CBN in April 2010 were US\$2.02 billion and US\$2.98 billion, respectively, resulting in a net outflow of US\$0.96 billion. Relative to the respective levels of US\$1.85 billion and US\$3.10 billion in the preceding month, inflow rose by 9.1 per cent, while outflow declined by 3.7 per cent. The rise in inflow was attributed largely to the increase in crude oil and non-oil receipts, while the decline in outflow was due largely to the fall in other official payments and external debt service during the review month (Fig. 14, Table 12).

Foreign exchange inflow through the CBN rose in April 2010, while outflow declined. Overall there was a net outflow of US\$0.96 billion in April.

Figure 12: Foreign Exchange Flows Through the CBN

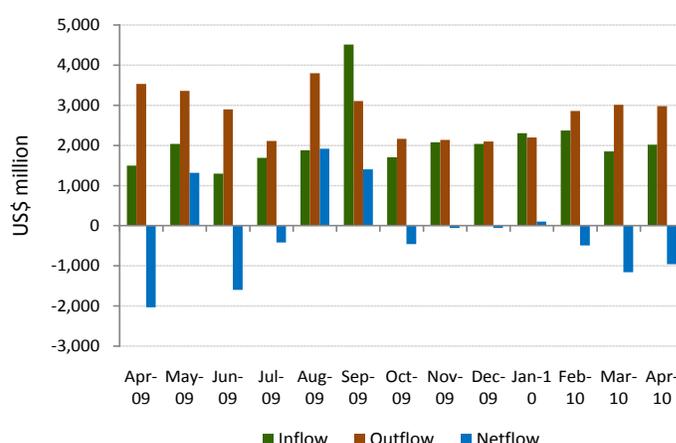


Table 12: Foreign Exchange Flows Through the CBN (US\$ million)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Inflow	1500.0	2040.7	2302.5	2369.2	1849.4	2016.9
Outflow	3530.0	2096.2	2197.1	2860.4	3096.4	2981.6
Netflow	-2030.0	-55.5	105.5	-491.1	-1160.0	-964.7

Provisional data on aggregate foreign exchange flows through the economy indicated that total inflow was US\$6.77 billion, and represented a decline of 15.8 per cent from the level in the preceding month, but an increase of 55.2 per cent over the level in the corresponding month of 2009. Oil sector receipts, which accounted for 28.1 per cent of the total, stood at US\$1.90 billion, compared with US\$1.78 billion in the preceding month.

Non-oil inflows into the economy increased by 67.3 per cent and accounted for 1.7 per cent of the total, in April 2010.

Non-oil public sector inflow rose by 67.3 per cent and accounted for 1.7 per cent of the total, while autonomous inflow which declined by 23.2 per cent accounted for 70.2 per cent.

At US\$3.07 billion, aggregate foreign exchange outflow from the economy declined by 0.6 per cent from the level in the preceding month, but rose by 5.9 per cent over the level in corresponding month of 2009. The decline in outflow relative to the preceding month was accounted for largely by the fall in other official payments by 16.2 per cent during the month under review.

## 5.2 Non-Oil Export Earnings by Exporters

Total non-oil export earnings by exporters fell sharply in April on account of decline in the prices of most traded commodities.

Total non-oil export earnings received by banks declined sharply, by 66.2 per cent from the level in the preceding month to US\$112.4 million. The development was attributed largely to the decline in the prices of the goods traded at the international market. A breakdown of the proceeds in April 2010 showed that the proceeds of industrial, manufactured products, agricultural, minerals, food products and transport sub-sectors stood at US\$63.9 million, US\$17.0 million, US\$15.3 million, US\$8.4 million, US\$7.6 million and US\$0.2 million, respectively.

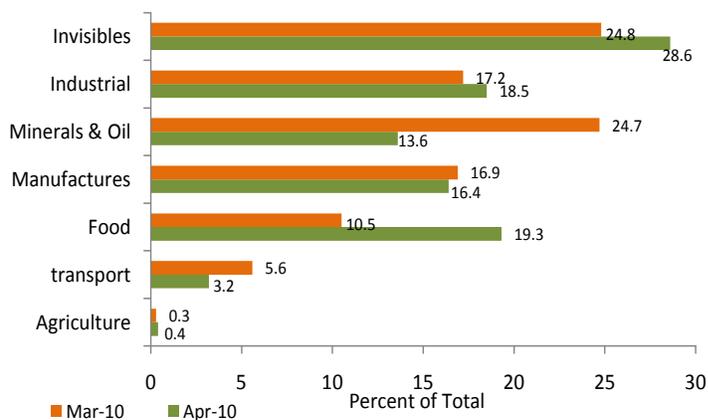
The shares of industrial, manufactured products, agricultural, minerals, food products and transport sub-sectors in non-oil export proceeds were 56.9, 15.1, 13.6, 7.5, 6.8 and 0.2 per cent, respectively, in the review month.

### 5.3 Sectoral Utilization of Foreign Exchange

The invisibles sector accounted for the bulk (28.6 per cent) of total foreign exchange disbursed in April 2010, followed by the food sector (19.3 per cent). Other beneficiary sectors, in a descending order included: the industrial sector (18.5 per cent), manufactured products (16.4 per cent), minerals & oil (13.6 per cent), transport (3.2 per cent) and agricultural products (0.4 per cent) (Fig.15).

The invisibles sector accounted for the bulk of the total foreign exchange disbursed in April 2010.

**Figure 13: Sectoral Utilization of Foreign Exchange**



### 5.4 Foreign Exchange Market Developments

Aggregate demand for foreign exchange by authorized dealers under the Wholesale Dutch Auction System (WDAS) was US\$2.37 billion in April 2010, indicating a decline of 7.4 per cent from the level in the preceding month, but an increase of 28.8 per cent over the level in the corresponding month of 2009. A total of US\$2.15 billion was sold by the CBN to authorized dealers during the period, exceeding the level in the preceding month by 4.4 per cent, but a decline of 17.9 per cent from the level in the corresponding period of 2009 (Fig. 16, Table 13).

Demand for foreign exchange by authorized dealers was lower in April 2010 relative to March 2010, but rose sharply when compared with the corresponding month of 2009.

Figure 14: Demand for and Supply of Foreign Exchange

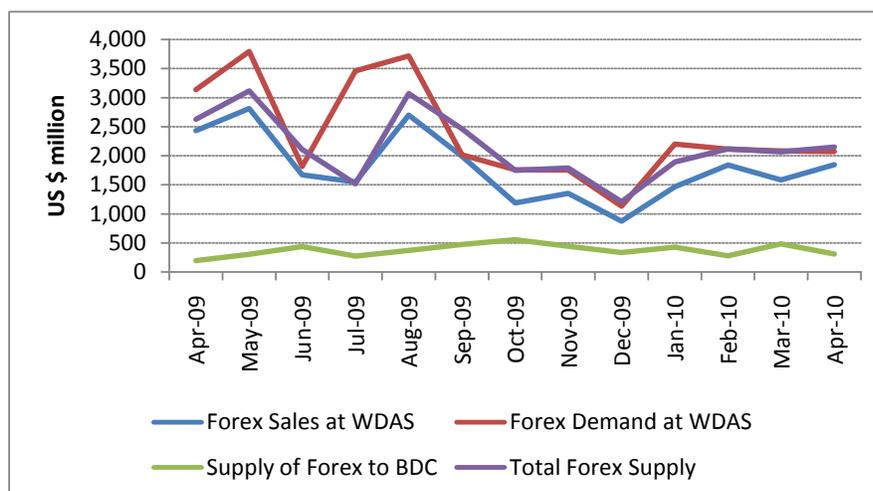


Table 13: Demand for and Supply of Foreign Exchange (US\$ million)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
Forex Sales at WDAS	2427.5	872.0	1461.8	1838.9	1582.0	1841.1
Forex Demand at WDAS	3133.2	1128.5	2199.2	2110.8	2081.2	2068.6
Supply of Forex to BDC	195.0	334.3	429.2	279.0	482.2	306.1
<b>Total Forex Supply</b>	<b>2622.5</b>	<b>1206.2</b>	<b>1890.9</b>	<b>2117.9</b>	<b>2064.2</b>	<b>2147.1</b>

The Naira exchange rate vis-à-vis the US dollar depreciated in all segments of the foreign exchange market in April 2010, but convergence in rates was sustained.

Under the WDAS, the average exchange rate of the Naira vis-à-vis the US dollar depreciated by 0.04 per cent to ₦149.89 per dollar. Similarly, at the bureaux-de-change segment of the market, the average exchange rate depreciated by 0.1 per cent to ₦152.00 per dollar, while at the interbank segment, it depreciated from ₦150.08 per US dollar in March 2010 to ₦150.38 per dollar.

The premium between the WDAS rate and the rates in the other two segments remained low at 0.3 per cent for the interbank and 1.4 per cent for the BDC segment.

Consequently, the premium between the official and bureaux de change rates widened from 1.3 per cent in the preceding month to 1.4 per cent, while at the interbank funds market it widened from 0.2 per cent in the preceding month to 0.3 per cent.

Figure 17: Average Exchange Rate Movements

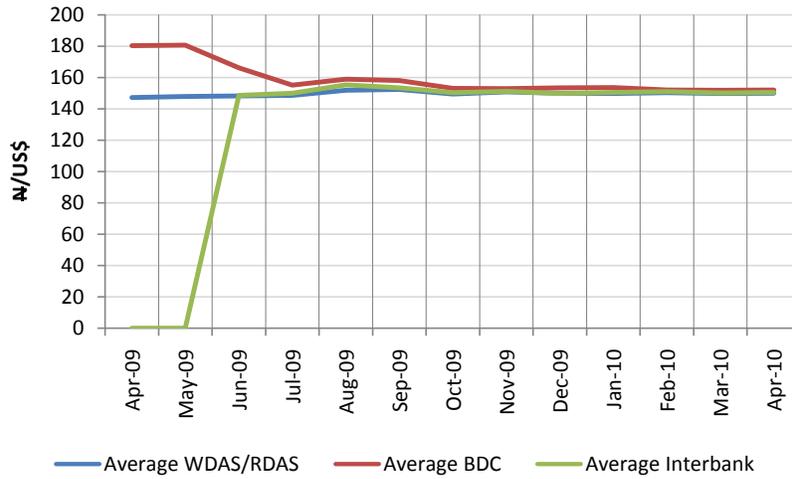
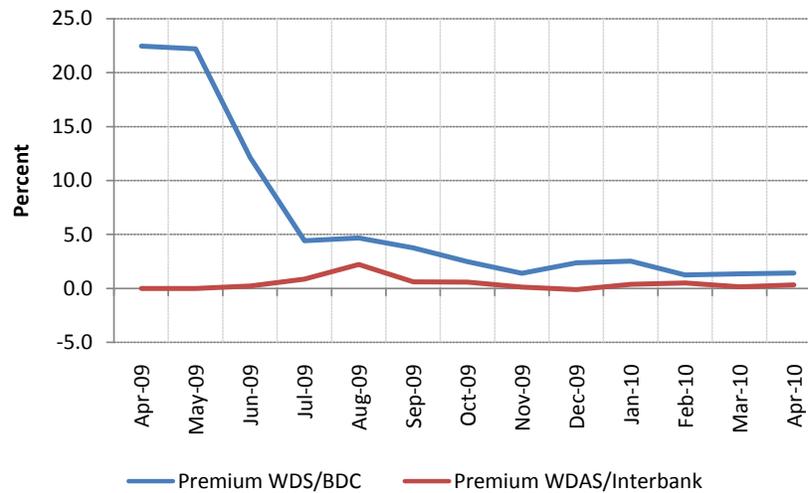


Table 14: Exchange Rate Movements and Exchange Rate Premium

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
<b>Average Exchange Rate (₦/\$)</b>						
WDAS/RDAS	147.2	150.0	149.8	150.2	149.8	149.9
BDC	180.3	153.5	153.6	152.1	151.9	152.0
Interbank	n/a	149.8	150.3	151.0	150.1	150.4
<b>Premium (%)</b>						
WDAS/BDC	22.4	2.3	2.5	1.2	1.4	1.4
WDAS/Interbank	0.0	-0.1	0.4	0.5	0.2	0.3

Figure 18: Exchange Rate Premium

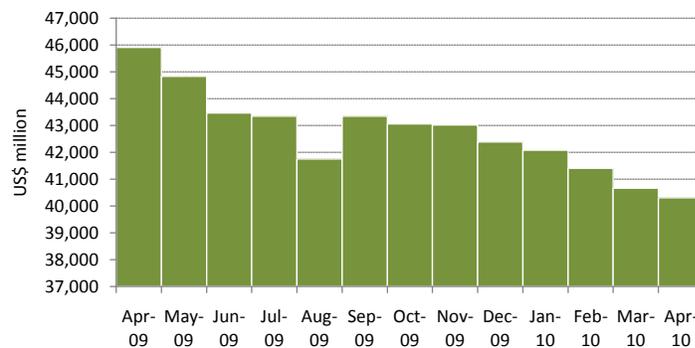


## 5.5 Gross External Reserves

Gross external reserves continued its decline in April 2010, as accretion to reserves remained minimal.

The gross external reserves at the end of April 2010 stood at US\$40.31 billion, indicating a decline of 0.9 per cent from the level of US\$40.67 billion at the end of the preceding month. A breakdown of the reserves showed that CBN holding stood at US\$31.62 billion or 78.4 per cent, Federal Government holding was US\$4.03 billion or 10.0 per cent and the Federation Account portion (Excess Crude) was US\$4.66 billion or 11.6 per cent (Fig. 19, Table 15).

**Figure 15: Gross External Reserves**



**Table 15: Gross External Reserves (US\$ million)**

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
External Reserves	45914.47	42382.49	42075.67	41410.1	40667.03	40305.92

## *6.0 International Economic Developments and Meetings*

World crude oil output in April 2010 was estimated at 85.87 million barrels per day (mbd), while demand was estimated at 85.16 mbd, which represented an excess supply of 0.71 mbd, compared with 85.65 and 85.13 mbd supplied and demanded, respectively, in the preceding month.

Other major developments and meetings of relevance to the domestic economy during the review month included: the release of the April 2010 edition of the World Economic Outlook (WEO) by the International Monetary Fund on April 21, 2010 which showed that world output is expected to rise by 4.3 per cent in 2010. This represented an upward revision of 0.25 percentage points from the January 2010 projection update. Growth in emerging and developing economies is projected to be over 6.3 per cent during 2010–11. Many emerging economies were growing more rapidly than the advanced economies and have commenced a gradual moderation of their accommodative macroeconomic policies in the face of high capital inflows. Sub-Saharan Africa is weathering the global crisis well, and its recovery is expected to be stronger than in previous global downturns. Activities, however, remained dependent on highly accommodative macroeconomic policies essential to jump-start the recovery and were subject to downside risks, as fiscal weaknesses have come to the fore. The recoveries in real and financial activities are mutually supportive, but access to credit remains difficult for some sectors. Although money markets have stabilized and corporate bond and equity markets have rebounded, the outlook remained uncertain, even as a variety of risks have receded. In the near term, market concerns about sovereign liquidity and solvency problem in Greece, if unchecked, could turn into a full-blown and contagious sovereign debt crisis.

Furthermore, the 2010 Spring Meetings of the World Bank Group and the International Monetary Fund (IMF) was

held in Washington D.C., USA from April 20 – 25, 2010. Some of the key issues discussed included global economic and financial developments, trade, reform of the Bretton Wood institutions (BWIs), and the IMF Mandate, amongst others.

In addition, at the Spring Meetings a Committee of Governors representing the African Development Bank (AfDB) shareholders endorsed the tripling of the Bank's capital resources to nearly US\$100 billion. The meeting, which finalized the recommendations for the 6th general recapitalization of the Bank Group, was a direct follow up of the February 2010 Regional and Non-Regional Governors' Consultation meetings held in Tunis, Tunisia and Cape Town, South Africa, respectively. The substantial increase in capital is expected to allow the AfDB to sustain a higher level of lending, including to the private sector, in response to the overwhelming demand from a number of member countries. It is also hoped that it will enable the institution meet Africa's infrastructure needs.

In a related development, the African Development Bank (AfDB) Group, through its private sector window, approved an equity investment equivalent to US\$50 million in the Africa Capitalization Fund (ACF) in Tunis on April 28, 2010. The ACF is an 8-year, pan-African investment fund, with a targeted investment level of US\$200 million. ACF is focused on investing capital and subordinated debt in commercially viable, systemically important banks to strengthen their lending ability.

The Fund is expected to deliver strong development impact by:

- Stabilizing portfolio of banks, maintaining and/or creating jobs in their respective countries;
- Strengthening private sector development through the provision of advisory services to banks aimed at improving their economic and financial performance;

- Catalyzing private sector investments into emerging financial markets; and
- Focusing on smaller countries due to diversification requirements and the relative sizes of banking systems in emerging markets.



## APPENDIX TABLES



Table A1: Money and Credit Aggregates

	Apr 09	Dec 09	Jan 10	Feb 10	Mar 10	Apr 10
<b>Domestic Credit (Net)</b>	5,273.40	7,903.79	7,753.82	8,147.35	8,387.95	8,513.78
<i>Claims on Federal Government (Net)</i>	(3,106.51)	(2,302.29)	(2,314.93)	(1,908.87)	(1,649.47)	(1,552.19)
Central Bank (Net)	(4,350.53)	(3,731.60)	(3,892.22)	(3,577.47)	(3,434.40)	(3,424.02)
Banks	1,244.02	1,429.31	1,577.30	1,668.60	1,784.92	1,871.82
<i>Claims on Private Sector</i>	8,379.91	10,206.09	10,068.75	10,056.21	10,037.42	10,065.98
Central Bank	324.76	538.21	489.20	405.59	425.43	375.83
Banks	8,055.15	9,667.88	9,579.55	9,650.63	9,611.99	9,690.15
<i>Claims on Other Private Sector</i>	8,166.24	9,895.76	9,758.50	9,751.52	9,715.61	9,734.63
Central Bank	324.76	538.21	489.20	405.59	425.43	375.83
Banks	7,841.48	9,357.55	9,269.30	9,345.93	9,290.18	9,358.80
<i>Claims on State and Local Government</i>	213.67	310.32	310.25	304.69	321.81	331.35
Central Bank	-	-	-	-	-	331.35
Banks	213.67	310.32	310.25	304.69	321.81	331.35
<i>Claims on Non-financial Public Enterprises</i>	-	-	-	-	-	-
Central Bank	-	-	-	-	-	-
Banks	-	-	-	-	-	-
<b>Foreign Assets (Net)</b>	7,963.79	7,593.32	7,417.26	7,298.14	7,249.63	7,008.86
Central Bank	6,906.53	6,522.24	6,421.04	6,257.43	6,110.19	5,941.83
Banks	1,057.26	1,071.08	996.22	1,040.71	1,139.44	1,067.03
<b>Other Assets (Net)</b>	(4,236.18)	(4,729.74)	(4,737.95)	(4,666.09)	(4,627.52)	(4,563.40)
<b>Total Monetary Assets (M<sub>2</sub>)</b>	9,001.01	10,767.38	10,433.12	10,779.40	11,010.06	10,959.24
<b>Quasi-Money 1/</b>	4,431.34	5,763.51	5,805.45	5,991.93	6,056.86	5,929.20
<b>Money Supply (M<sub>1</sub>)</b>	4,569.66	5,003.87	4,627.67	4,787.47	4,953.20	5,030.04
<i>Currency Outside Banks</i>	823.77	927.24	820.53	812.13	833.56	831.29
<i>Demand Deposits 2/</i>	3,745.89	4,076.63	3,807.14	3,975.33	4,119.65	4,198.75
<b>Total Monetary Liabilities (M<sub>2</sub>)</b>	9,001.01	10,767.38	10,433.12	10,779.40	11,010.06	10,959.24
<b>Memorandum Items:</b>	-	-	-	-	-	-
<b>Reserve Money (RM)</b>	1,506.02	1,653.86	1,647.81	1,738.74	1,810.89	1,516.55
<i>Currency in Circulation (CIC)</i>	1,048.14	1,181.54	1,068.21	1,049.41	1,086.46	1,072.61
<i>DMBs Demand Deposit with CBN</i>	457.88	472.32	579.60	689.33	724.43	443.94

1/ Quasi-money consist of Time, Savings and Foreign Currency Deposits at Deposit Money Banks excluding Takings from Discount Houses.

2/ Demand Deposits consist of State, Local and Parastatals Deposits at CBN, State, Local Government and Private Sector Deposits as well as Demand Deposits at non-financial Public Enterprises at Deposit Money Banks

Table A2: Money and Credit Aggregates (Growth Rates)

	Apr 09	Dec 09	Jan 10	Feb 10	Mar 10	Apr 10
			Growth over preceding Month (%)			
<b>Domestic Credit (Net)</b>	9.4	5.4	-1.9	5.1	3.0	1.5
<i>Claims on Federal Government (Net)</i>	-8.8	-7.7	0.5	-17.5	-13.6	5.9
<i>Claims on Private Sector</i>	1.9	2.2	-1.3	-0.1	-0.2	0.3
<i>Claims on Other Private Sector</i>	1.9	2.2	-1.4	-0.1	-0.4	0.2
<i>Claims on State and Local Government</i>	1.3	2.5	0.0	-1.8	5.6	3.0
<i>Claims on Non-financial Public Enterprises</i>						
<b>Foreign Assets (Net)</b>	-1.7	1.6	-2.3	-1.6	-0.7	-3.3
<b>Other Assets (Net)</b>	7.8	-0.1	0.2	-1.5	-0.8	-1.4
<b>Total Monetary Assets (M2)</b>	0.0	5.2	-3.1	3.3	2.1	-0.5
<b>Quasi-Money 1/</b>	2.3	4.5	0.7	3.2	1.1	-2.1
<b>Money Supply (M1)</b>	-2.1	6.0	-7.5	3.5	3.5	1.6
<i>Currency Outside Banks</i>	2.4	8.9	-11.5	-1.0	2.6	-0.3
<i>Demand Deposits 2/</i>	-3.0	5.3	-6.6	4.4	3.6	1.9
<b>Total Monetary Liabilities (M2)</b>	0.0	5.2	-3.1	3.3	2.1	-0.5
<b>Memorandum Items:</b>						
<b>Reserve Money (RM)</b>	8.8	19.5	-0.4	5.5	4.1	-16.3
<i>Currency in Circulation (CIC)</i>	1.0	6.6	-9.6	-1.8	3.5	-1.3
<i>DMBs Demand Deposit with CBN</i>	32.2	71.8	22.7	18.9	5.1	-38.7
			Growth over Preceding December (%)			
<b>Domestic Credit (Net)</b>	6.5	59.6	-1.9	3.1	6.1	7.7
<i>Claims on Federal Government (Net)</i>	0.0	-25.9	0.5	-17.1	-28.4	-32.6
<i>Claims on Private Sector</i>	4.0	26.6	-1.3	-1.5	-1.7	-1.4
<i>Claims on Other Private Sector</i>	3.2	25.1	-1.4	-1.5	-1.8	-1.6
<i>Claims on State and Local Government</i>	42.7	107.2	0.0	-1.8	3.7	6.8
<i>Claims on Non-financial Public Enterprises</i>						
<b>Foreign Assets (Net)</b>	-6.9	-11.2	-2.3	-3.9	-4.5	-7.7
Central Bank	-5.0	-10.3	-1.6	-4.1	-6.3	-8.9
Banks	-17.4	-16.3	-7.0	-2.8	6.4	-0.4
<b>Other Assets (Net)</b>	-2.3	9.1	0.2	-1.3	-2.2	-3.5
<b>Total Monetary Assets (M2)</b>	-1.8	17.5	-3.1	0.1	2.3	1.8
<b>Quasi-Money 1/</b>	2.8	33.7	0.7	4.0	5.1	2.9
<b>Money Supply (M1)</b>	-5.9	3.0	-7.5	-4.3	-1.0	0.5
<i>Currency Outside Banks</i>	-7.7	3.9	-11.5	-12.4	-10.1	-10.3
<i>Demand Deposits 2/</i>	-5.5	2.8	-6.6	-2.5	1.1	3.0
<b>Total Monetary Liabilities (M2)</b>	-1.8	17.5	-3.1	0.1	2.3	1.8
<b>Memorandum Items:</b>						
<b>Reserve Money (RM)</b>	-2.8	6.8	-0.4	5.1	9.5	-8.3
<i>Currency in Circulation (CIC)</i>	-9.3	2.3	-9.6	-11.2	-8.0	-9.2
<i>DMBs Demand Deposit with CBN</i>	16.3	20.0	22.7	45.9	53.4	-6.0

Table A3: Federal Government Fiscal Operations (₦ billion)

	Apr-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
<b>Retained Revenue</b>	<b>215.4</b>	<b>185.1</b>	<b>183.4</b>	<b>206.7</b>	<b>209.7</b>	<b>135.7</b>
<i>Federation Account</i>	96.1	136.8	112.6	134.7	108.8	112.4
<i>VAT Pool Account</i>	5.1	5.7	6.4	6.9	6.7	7.4
<i>FGN Independent Revenue</i>	11.9	4.7	2.0	0.2	3.4	1.9
<i>Excess Crude</i>	96.3	22.3	42.0	61.6	72.6	0.0
<i>Others</i>	5.6	15.6	2.0	3.4	18.4	14.0
<b>Expenditure</b>	<b>233.9</b>	<b>359.0</b>	<b>180.2</b>	<b>385.4</b>	<b>311.8</b>	<b>290.0</b>
<i>Recurrent</i>	216.9	246.9	179.6	167.6	258.6	199.5
<i>Capital</i>	4.2	112.0	0.6	187.2	53.2	80.3
<i>Transfers</i>	15.2	12.8	12.5	10.9	11.5	9.2

