Global Recession Watch

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A daily monitor of developments of the global economic recession prepared by the Monetary Policy Department, Central Bank of Nigeria

AFRICA:

a) Central African Growth May Fall Faster in 2009

The Central Bank Governor of the Central Africa's six-nation CFA franc zone had announced that economic growth in the zone will slow sharply to 2.8 percent in 2009, from 4.4 percent the previous year, due to the global slowdown. Public and external accounts are deteriorating due to the fall in the prices of crude oil and other commodities, notably minerals and wood, Philibert Andzembe, Governor of the Bank of Central African States (BEAC), told reporters in Yaoundé, Cameroon late on March 23, 2009.

The global slowdown has led to a sharp reduction in growth estimates around the world. All but one of the six members of central Africa's franc zone are oil producers, meaning the region is especially vulnerable to falls in international crude oil prices, which are down nearly two thirds from a peak of more than $147 a barrel last year.

Growth in the region's biggest and most diversified economy, Cameroon, would be a little higher in 2009 than the region's average of 3.5 per cent, Andzembe told a news conference in the country's capital Yaounde. Cameroon's government cut its own growth forecast to around 4 percent late last year, from a previous forecast of 6 percent. Andzembe put Cameroon's 2008 growth at 4.2 percent, although the International Monetary Fund estimated Cameroon's 2008 growth at 3.8 percent.

"Although Cameroon is facing the same problems like the entire subregion, with oil production falling to about 85,000 barrels per day, it will be the least hit because its economy is robust and diversified with a strong potential for growth," Andzembe stated. "Moreover, it has the lowest debt in the CEMAC zone which is estimated at 10 percent of GDP (gross domestic product)," he said.

The BEAC reported last month it made a loss of 16 billion CFA francs on investments made through French banking group SocGen, which led to a tightening of its investment guidelines. However, BEAC's profits of 60 billion CFA francs on other investments had more than offset the losses.

The Central African Economic and Monetary Community (CEMAC) is made up of six nations, namely: Cameroon, Central African Republic (CAR), Chad, Congo Republic, Equatorial Guinea and Gabon, with only CAR as the non-oil member .

Source: MoneyBiz.co.za. March 25, 2009

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b) Namibian Diamond Mining Firm Cuts Production and Working Hours

Namdeb the Namibian subsidiary of world diamond mining giant, De Beers, stated on March 24, 2009 in Windhoek, that it would put its employees on paid leave for at least three months to cut costs. "Namdeb will start a production holiday next April for three or four months to cut operational costs," Namdeb spokesperson Ndeshi Hangula-Shikwambi told AFP. "Employees will be sent on paid leave for that period."

Namdeb is a 50-50 joint venture between De Beers and the Namibian government, with annual diamond production of two million carats. Production will be cut to one million carats this year, after worldwide diamond sales dropped by 40 percent due to the global economic meltdown, Hangula-Shikwambi stated. The company has already held a four-week production holiday this year, and offered voluntary cuts to employees. Namdeb has about 2 900 employees, and 500 have accepted the packages.

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MIDDLE EAST:

Gulf Needs Benchmark Sovereign Bonds

The co-head of global capital markets at Deutsche Bank, Ivor Dunbar has suggested the need for Governments in the Gulf States to issue sovereign bonds in order to set new benchmarks for corporate issuance.

Dunbar 's suggestion was to help shore up the market price of bonds for the Gulf States that had concluded plans to go to the markets this month. The Emirates has concluded plans to sell dollar-denominated debt in the offering while Bahrain's central bank plans to issue bonds to help meet the country's budget deficit this month. Deutsche Bank is one of the three banks which got the mandate from Abu Dhabi to sell the emirate's benchmark note.

It would be recalled that Average spreads on bonds issued by Gulf companies surged to a record high in December after regional economies slowed and the global financial crisis reduced foreign demand. For example, average yields on bonds issued by Gulf based companies as at March 23, 2009 fell to 7 percent points above the London inter bank offered rates since reaching a record 8.47 percentage points on Dec. 17, according to data from HSBC Holdings Plc.

Source: Bloomberg.com, March 25, 2009

ASIA:

Japan's Exports Drop Record 49 per cent as Global Slump Deepens

Japan's exports plunged a record 49.4 per cent in February as the deepening recession in the U.S and Europe sapped demand of country's cars and electronics. The Finance Ministry reported on March 24, 2009 in Tokyo that shipments to U.S, the country's biggest market, tumbled an unprecedented 58.4 per cent when compared with the previous year. Overall, exports of automobiles from Japan recorded a decline of 70.9 per cent in the period under review.

This decline signals that gross domestic product (GDP) may shrink this quarter at a similar pace to the annualized 12.1 per cent contraction posted in the previous months, the sharpest since 1974. Prime Minister, Taro Aso, is preparing his third stimulus package as companies from Toyota Motor Corp. to Panasonic Corp. fire thousands of workers.

Japan has become more reliant on exports in the past decade, making it especially vulnerable to changes in global commerce, which the World Trade Organization (WTO) forecasts will shrink 9 per cent this year. During Japan's expansion of 2002 to 2007, exports as a portion of GDP rose to 15.6 per cent from 10.4 per cent.

The economy of Japan, Asia's largest, fared worse in February, 2009 when compared to those of its neighbors. For instance, exports from South Korea fell 17.1 per cent, about half of the decline in the previous month. Taiwan's shipments slid 28.6 per cent after dropping a record 44.1 per cent in January. However, imports by Japan fell a record 43 per cent, helping Japan post its first trade surplus in five months. The 82.4 trillion yen ($842 billion) surplus was still 91.2 per cent lower than the same month a year earlier .

Source: Bloomberg.com, March 25, 2009

OVERALL, THE EXPORTS OF AUTOMOBILE FROM JAPAN RECORDED A DECLINE OF 70.9 PER CENT IN THE PERIOD UNDER REVIEW

Namibian Diamond … Contd. From page 1.

Mining Minister Erkki Nghimtina told parliament last week the diamond industry had gone into "survival mode." "Diamond sales worldwide dropped by 40 percent and the whole diamond pipeline from the mines to our factories and jewellers will be in 'survival' mode for the rest of 2009 and most of 2010," Nghimtina observed.

Diamonds were first found in Namibia a century ago, and the precious stones remain the main pillar of the country's economy.

Source: MoneyBiz.co.za. March 25, 2009

AMERICA:

a) US Authorities Seek to Plug Gaps in Financial Regulation

The US Administration is preparing an overhaul of U.S. banking rules that would force financial companies to keep more cash on hand in case their trading activities go wrong. Treasury Secretary, Timothy Geithner, told lawmakers on March 24, 2009 that changes will include strong oversight, including appropriate constraints on risk-taking. On his part, the Federal Reserve Chairman, Ben S. Bernanke stated that the case of American International Group Inc. showed the "intense problem" of trading with insufficient capital to guard against losses.

The implication of the expected regulatory regime is that they will assume less risk, which might lead to lower profits on average. The comments by the authorities foreshadowed what may become the biggest overhaul to U.S. banking rules since the 1930s. To prevent the nation from losing its share of the global financial industry, the authorities will also urge that regulators abroad take similar measures. The Treasury Secretary noted that in the absence of a tough regulatory regime, there was a risk that capital will move out; business will shift from the United States, leaving a weaker financial system.

The Treasury chief further underscored the need for powers to expedite action to seize and wind down failing financial companies in the aftermath of the AIG rescue, which has ballooned to $182.5 billion from an initial $85 billion in September. The powers would allow the establishment of a conservatorship or receivership for a failing firm, including control over the company's operations and the ability to impose partial losses on its creditors.

While the Federal Deposit Insurance Corporation has the ability to take over failing deposit-taking firms and wind down their assets, no such authority exists for financial firms that are not classified as banks, such as AIG or a hedge fund with extensive links throughout the banking system. According to Bernanke, "AIG highlights the urgent need for new resolution procedures for systemically important non-bank financial firms".

Source: Financial Times.com March 25, 2009

THE FED JOINS CENTRAL BANKS IN THE U.K. AND JAPAN IN EXTRAORDINARY PURCHASES OF GOVERNMENT DEBT, BROADENING EFFORTS TO UNFREEZE CREDIT AND END THE RECESSION AFTER CUTTING THE BENCHMARK INTEREST RATE CLOSE TO ZERO

b) Fed to Start Purchasing Treasuries to Unfreeze Credit

The Federal Reserve will start purchasing long-term Treasuries on March 25, 2009 with the aim of bringing down borrowing costs by employing tools last used in the 1960s. The first operation in the $300 billion effort is targeted at notes maturing from February 2016 to February 2019. According to the tentative schedule, the central bank plans to buy debt maturing between March 2011 and February 2039 in the next eight days.

The Fed joins central banks in the U.K. and Japan in extraordinary purchases of government debt, broadening efforts to unfreeze credit and end the recession after cutting the benchmark interest rate close to zero. The Fed's purchases may ultimately be overwhelmed by new government borrowing to finance a budget deficit projected at $1.5 trillion this year. Commentators suggest that over the short-term, the Fed purchases of Treasuries will lower rates, but the need to issue over $2 trillion in securities over the next 18 months will make this less than effective.

Policy makers, led by Chairman Ben S. Bernanke, announced the Treasury-purchase decision last week along with a plan to more than double purchases of housing debt to $1.45 trillion, hoping to reduce rates on home loans. The Fed stated that the 16 brokers known as primary dealers, which help the central bank implement policy will be eligible to sell Treasuries to the Fed, both for themselves and their customers. The companies include units of Goldman Sachs Group Inc. and Bank of America Corp.

The Treasury 30-year bonds rose March 24, 2009 for the first time in four days after the Fed announced it was including the longest- maturity U.S. debt among securities to be purchased. Yields on 30-year bonds fell 4 basis points to 3.64 percent in New York, according to BGCantor Market Data. The price of the 3.25 percent bond due in February 2039 rose 25/32, or $7.81 per $1,000 face value, to 97 12/32. Commenting, Jay Mueller of Wells Fargo Capital Management noted that "Clearly the Fed has credibility and buying power at the moment, so they can force prices up" on Treasuries. However, he noted that the strategy carries risks of faster inflation. "In the long run, I'm afraid they're simply monetizing the debt and that we're going to end up getting inflation down the road".

While the Fed said last week its transactions would be concentrated in two-year to 10-year debt, the March 30 operation will target Treasuries maturing from August 2026 to February 2039. The yield gap between 10-year notes and 30-year bonds narrowed to 94 basis points yesterday, from 104 basis points the day before .

Source: Financial Times.com March 25, 2009

EUROPE:

a) Sarkozy Backs Ban on Bonus Payouts at Bailed-Out Companies

French President Nicolas Sarkozy called for a ban on bonuses at companies that receive government bailouts and backed limits on executive compensation as he said further stimulus may be needed to counter the recession. "There should be no more golden parachutes, no more bonuses, no more distribution of free shares or of stock options at companies that are rescued by the government, that implement sizable job cuts or that rely excessively on temporary workers, Sarkozy said in a speech late yesterday near Paris. Saying the economic slump may require additional measures, Sarkozy proposed scrapping a local business tax to save jobs and imposing a "carbon tax" on imports to help fund the welfare system. A swipe at "dishonest" executives came amid an uproar over the exit bonus paid to the former chief of Valeo SA, an auto-parts maker that received state aid.

France's worst recession since World War II has sparked a pair of nationwide strikes so far this year and mounting anger over bonuses and aid to banks. Sarkozy last year introduced a stimulus package valued at more than 26 billion euros ($35 billion) in stimulus. In February, he pledged an extra 2.6 billion euros in spending and tax cuts for low earners and jobseekers. He stated last night that the state may have to do more to train jobseekers, revitalize areas hit hardest by the crisis and increase infrastructure spending. He pledged a plan to boost vocational training for youths by mid April.

FRANCE'S WORST RECESSION SINCE WORLD WAR II HAS SPARKED A PAIR OF NATIONWIDE STRIKES SO FAR THIS YEAR AND MOUNTING ANGER OVER BONUSES AND AID TO BANKS

The proposals to curb compensation came as three Sarkozy ministers singled out Thierry Morin, who stepped down as Valeo's chief executive officer, for receiving a 3.2 million euro exit bonus after the company received capital from the government. Industry Minister Luc Chatel said the government, which owns 8.3 percent of the company, would oppose the payout in shareholder vote. Budget Minister Eric Woerth said Morin should give it back.

The company's board unanimously decided to award Morin the bonus "taking into account his 20 years with Valeo," Chairman Pascal Colombani said in a statement. The bonus awarded "despite Morin's strategic differences" with the board will be put up for vote at the shareholder meeting, he stated.

Without naming names, Sarkozy described business leaders who leave troubled companies with a "golden parachute" as irresponsible and "dishonest." The government will introduce by the end of the year a bill on profit sharing in companies that make billions of profits if business federations do not make "significant progress" on the matter by June, the President stated .

Source: Bloomberg.com, March 25, 2009

b) Survey Indicates German Business Sentiment Fell to 26-Year Low in March

German business confidence probably fell to the lowest level in more than 26 years in March, adding to signs that the recession in Europe's largest economy is deepening, as surveyed by economists. The survey indicates that business climate index dropped to 82.2 from 82.6 in February, the lowest level since November 1982. Ifo Institute will release its own report, based on a survey of 7,000 executives, in Munich today.

A global slump in export demand has forced German companies to scale back production and cut jobs, pushing the economy into its worst recession since the 1930s. Metro AG, Germany's largest retailer, yesterday reported an unexpected decline in fourth-quarter profit as consumers reduced spending. Commerzbank AG expects the economy to shrink as much as 7 percent this year.

"The first quarter was probably catastrophic," said Stefan Muetze, an economist at Helaba in Frankfurt. Still, "we have very expansionary monetary and fiscal policy, which will show an impact at some point." Volkswagen AG Chief Executive Officer Martin Winterkorn said on March 12 that 2009 "will be one of the most difficult years" in the company's history. ThyssenKrupp AG, Germany's biggest steelmaker, on March 19 forecast its first quarterly loss in three years and said it may cut more than 3,000 jobs.

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Europe contd...

c) European leaders Seek Tougher Oversight of Hedge Funds

"WE MUST DISTINGUISH THE MOST RISKY ACTIVITIES OF HEDGE FUNDS SO THAT HEDGE FUNDS ARE NOT A WAY FOR CONVENTIONAL FINANCIAL INSTITUTIONS TO ESCAPE REGULATION"

European leaders called for greater regulation of hedge funds as they embarked on a round of diplomacy ahead of next week's Group of 20 Summit. "We must distinguish the most risky activities of hedge funds so that hedge funds are not a way for conventional financial institutions to escape regulation," French Prime Minister Francois Fillon said after meeting with U.S. officials in Washington yesterday. U.K. Prime Minister Gordon Brown told the European Parliament in Strasbourg, France, that increased oversight should allow "no opt-out for shadow bankers."

How far the $1.4 trillion hedge-fund industry is reined in will ultimately depend on President Barack Obama. While Fillon said the U.S. agrees "on the idea that hedge funds must be regulated," Obama yesterday declined to commit to a particular approach, saying it is "important for us to have a regulatory framework for various flows of capital and financial instruments that could pose a systemic risk." G-20 leaders would converge in London April 2 to find ways of strengthening international regulation in the aftermath of the worst financial crisis since the 1930s. The group's finance ministers and central bankers said in a March 14 statement that hedge funds should be "registered and disclose appropriate information to assess the risks they pose."

Some European governments have long said they want to go further and subject hedge funds to oversight resembling that imposed on banks. German Chancellor Angela Merkel called for a crackdown even before the credit crisis began in August 2007, only to run into opposition from the U.S. and U.K. Hedge funds are private, largely unregulated pools of capital whose managers can buy or sell any assets, bet on falling as well as rising prices and participate substantially in profits from money invested.

Hedge-fund managers have said their industry is being made a scapegoat and isn't to blame for last year's collapse in stock markets, which saw a 38 percent drop in the Standard & Poor's 500 Index, the biggest annual decline in seven decades. Paul Marshall, co-founder of $6.6 billion investment firm Marshall Wace LLP, told the British Parliament in January that hedge-fund leverage was reduced to 1.4 times assets in 2008 from 1.7 times, compared with banks' leverage of 40 to 50 times. Billionaire investor George Soros cautioned U.S. lawmakers in November against "ill-considered" rules.

Seeking to head off the politicians, the London-based Alternative Investment Management Association, the hedge fund industry's largest trade group, said last month that prime brokers could help collect data to show regulators when risks are becoming concentrated enough to threaten overall market stability .

Source: Bloomberg.com, March 25, 2009

Survey Indicates...

contd. From page 4.

The European Central Bank has signaled it's readiness to lower its key interest rate further from a record low of 1.5 percent. Chancellor Angela Markel's coalition also plans to spend about 82 billion euros ($110 billion) to stimulate growth, including tax breaks and investment in infrastructure.

Source: Bloomberg.com, March 25, 2009.

BRIC:

China Advocates for New Global Currency

China is calling for a new global currency to replace the dollar, showing a growing assertiveness on revamping the world economy ahead of next week's G20 summit on the financial crisis. The surprise proposal by Beijing's central bank governor reflects unease about its vast holdings of U.S. government bonds and adds to Chinese pressure to overhaul a global financial system dominated by the dollar and Western governments. Both the United States and the European Union brushed off the idea. The world economic crisis shows the "inherent vulnerabilities and systemic risks in the existing international monetary system," Gov. Zhou Xiaochuan said in an essay released Monday by the bank. He recommended creating a currency made up of a basket of global currencies and controlled by the International Monetary Fund and said it would help "to achieve the objective of safeguarding global economic and financial stability."
Zhou did not mention the dollar by name. But in an unusual step, the essay was published in both Chinese and English, making clear it was meant for a foreign audience.

China has long been uneasy about relying on the dollar for the bulk of its trade and to store foreign reserves. Premier Wen Jiabao publicly appealed to Washington this month to avoid any response to the crisis that might weaken the dollar and the value of Beijing's estimated $1 trillion in Treasuries and other U.S. government debt. The dollar weakened after the Federal Reserve said that it would buy Treasuries and the U.S. government outlined plans to buy illiquid bank assets. For decades, the dollar has been the world's most widely used currency. Many governments hold a large portion of their reserves in dollars. Crude oil and many commodities are priced in dollars. Business deals around the world are contracted in dollars.

CHINA HAS LONG BEEN UNEASY ABOUT RELYING ON THE DOLLAR FOR THE BULK OF ITS TRADE AND TO STORE FOREIGN RESERVES

But the financial crisis has highlighted how America's economic problems—and by extension the dollar—can wreak havoc on nations around the world. China is in a bind. To keep the value of its currency steady—some say undervalued—the Chinese government has to recycle its huge trade surpluses, and the biggest, most liquid option for investing them is U.S. government debt.

To better insulate countries from the ills of one country or one currency, Zhou said the IMF should create a "reserve currency" based on shares in the body held by its 185 member nations, known as special drawing rights, or SDRs. Zhou also called for changing how SDRs are valued. Currently, they are based on the value of four currencies—the dollar, euro, yen and British pound. "The basket of currencies forming the basis for SDR valuation should be expanded to include currencies of all major economies," he wrote. Beijing has been unusually bold in recent months in expressing concern about Washington's financial management and pushing for global economic changes. That reflects both its relative financial health and growing concern that increased globalization means mistakes abroad could harm its own economy.

Zhou's comments are also part of China's longstanding push to reform the IMF, World Bank and the global financial system to give greater voice to China and other developing economies — another theme that will be canvassed by China, Brazil, Russia and India at the summit of Group of 20 major economies next week. He said it also should be used for trade, pricing commodities and accounting, not just for government finance alone.

President Barack Obama described China's proposal as unnecessary during a prime-time news conference Tuesday. "I don't believe that there's a need for a global currency," Obama said. The president also pointed to the current strength of American money. "The reason the dollar is strong right now is because investors consider the United States the strongest economy in the world with the most stable political system in the world." Earlier in the day, both U.S. Treasury Secretary Timothy Geithner and Federal Reserve Chairman Ben Bernanke took similar positions at a congressional hearing. They were asked by Rep. Michele Bachmann, R-Minn., if they would "categorically renounce the United States moving away from the dollar and going to a global currency," and both said they would.

And the European Union's top economic official stated the dollar's role as the international reserve currency is secure despite China's proposal. "Everybody agrees also that the present world reserve currency, the dollar, is there and will continue to be there for a long period of time," EU Commissioner Joaquin Almunia said Tuesday after a meeting of the European Commission .

Source: AP; Bloomberg.com, March 25, 2009; http://www.pbc.gov.cn/english

Table 1: Stock Market Indices In OECD, Non-OECD and African Countries

STOCK MARKET INDICES

OECD COUNTRIES	INDEX	End-2007	End-2008	25-Mar-2009	% Change End-Dec 2007 - 2008	% Change End-Dec 2008 - 25 Mar-2009	% Change End-Dec 2007 - 25 Mar-2009
AUSTRALIA	S&P/ASX 200 Index	6,339.90	3,722.30	3,609.30	-41.3	-3.0	-43.1
AUSTRIA	Austrian Traded ATX Index	4,512.98	1,750.83	1,700.52	-61.2	-2.9	-62.3
BELGIUM	Bel 20 Index	4,147.19	1,908.64	1,756.96	-54.0	-7.9	-57.6
CANADA	S&P/TSX Composite Index	13,833.06	8,987.70	8,922.11	-35.0	-0.7	-35.5
CZECH REPUBLIC	Prague Stock Exchange Index	1,818.20	867.60	807.00	-52.3	-7.0	-55.6
DENMARK	OMX Copenhagen 20	460.53	247.02	230.19	-46.4	-6.8	-50.0
FINLAND	OMX Helsinki Index	11,598.42	5,403.52	4,801.77	-53.4	-11.1	-58.6
FRANCE	CAC40	5,627.48	3,217.13	2,893.45	-42.8	-10.1	-48.6
GERMANY	DAX	8,038.60	4,704.86	4,223.29	-41.5	-10.2	-47.5
GREECE	Athex Composite Share Pr	5,152.16	1,786.51	1,694.28	-65.3	-5.2	-67.1
HUNGARY	Budapest Stock Exchange Index	26,235.63	12,241.69	11,314.52	-53.3	-7.6	-56.9
ICELAND	OMX Iceland All-Share PR	5,803.35	581.76	385.87	-90.0	-33.7	-93.4
IRELAND	Irish Overall Index	6,934.35	2,343.27	2,171.07	-66.2	-7.3	-68.7
ITALY	Milan MIB30 Index	38,885.00	20,064.00	17,201.00	-48.4	-14.3	-55.8
JAPAN	NIKKEI 225	15,307.78	8,859.56	8,479.99	-42.1	-4.3	-44.6
KOREA	KRX 100 Index	3,864.01	2,373.06	2,597.35	-38.6	9.5	-32.8
LUXEMBOURG	LuxX Index	2,419.28	961.13	887.97	-60.3	-7.6	-63.3
MEXICO	Bolsa	29,536.83	22,392.38	20,501.23	-24.2	-8.4	-30.6
NETHERLANDS	AEX Index	515.69	240.81	225.55	-53.3	-6.3	-56.3
NEW ZEALAND	NZX 50 FF Gross Index	4,041.38	2,715.71	2,630.33	-32.8	-3.1	-34.9
NORWAY	OBX Stock Index	419.65	194.33	210.20	-53.7	8.2	-49.9
POLAND	WSE WIG Index	55,648.54	27,228.64	25,477.20	-51.1	-6.4	-54.2
PORTUGAL	PSI General Index	4,130.47	2,073.59	2,101.43	-49.8	1.3	-49.1
SLOVAK REPUBLIC	Slovak Share Index	445.65	359.18	291.60	-19.4	-18.8	-34.6
SPAIN	IBEX 35 Index	15,182.30	9,017.70	8,072.40	-40.6	-10.5	-46.8
SWEDEN	OMX Stockholm 30 Index	1,081.44	662.33	665.76	-38.8	0.5	-38.4
SWITZERLAND	Swiss Market Index	8,518.19	5,534.53	4,970.38	-35.0	-10.2	-41.6
TURKEY	ISE National 100 Index	55,538.13	26,864.07	25,536.39	-51.6	-4.9	-54.0
UNITED KINGDOM	FTSE 100	6,456.90	4,319.35	3,900.25	-33.1	-9.7	-39.6
UNITED STATES	S&P 500	1,465.13	903.00	815.95	-38.4	-9.6	-44.3
NON-OECD COUNTRIES							
INDONESIA	Jakarta Composite Index	2,745.83	1,355.41	1,419.97	-50.6	4.8	-48.3
KUWAIT	Kuwait SE Weighted Index	713.04	421.21	359.43	-40.9	-14.7	-49.6
QATAR	DSM 20 Index	9,697.51	6,788.69	5,149.42	-30.0	-24.1	-46.9
SAUDI ARABIA	Tadawul All-Share Index	11,038.66	4,791.27	4,643.00	-56.6	-3.1	-57.9
UAE	DFM General	5,931.95	1,636.29	1,591.00	-72.4	-2.8	-73.2
VENEZUELA	Venezuela Stock Market Index	37,715.80	35,090.08	42,856.62	-7.0	22.1	13.6
ARGENTINA	Merval Index	2,168.23	1,079.66	1,125.58	-50.2	4.3	-48.1
BRAZIL	Bovespa	63,886.10	37,060.16	42,491.98	-42.0	14.7	-33.5
CHINA	Shanghai SE A Index	5,571.34	1,911.80	2,405.30	-65.7	25.8	-56.8
COLOMBIA	IGBC General	10,681.34	7,560.68	8,050.77	-29.2	6.5	-24.6
INDIA	BSE Sensex Index	20,286.99	9,716.16	9,667.90	-52.1	-0.5	-52.3
MALAYSIA	Kuala Lumpur Comp Index	1,447.04	881.63	878.81	-39.1	-0.3	-39.3
OMAN	MSM 30 Index	9,035.46	5,441.12	4,821.73	-39.8	-11.4	-46.6
RUSSIA	Micex Index	1,888.86	619.53	851.35	-67.2	37.4	-54.9
AFRICAN COUNTRIES							
BOTSWANA	Botswana Gaborone Index	8,421.63	7,035.50	6,493.73	-16.5	-7.7	-22.9
EGYPT	EGX Case 30 Index	10,549.74	4,596.49	4,167.24	-56.4	-9.3	-60.5
GHANA	GSE Index	6,599.00	10,428.34	9,531.64	58.0	-8.6	44.4
KENYA	Kenya Stock Exchange NS Index	5,444.83	3,459.97	2,614.00	-36.5	-24.5	-52.0
NIGERIA	NSE All-Share Index	57,990.22	31,450.78	19,959.87	-45.8	-36.5	-65.6
MAURITIOUS	Mauritious Stock Exchange	1,843.56	1,182.75	1,013.22	-35.8	-14.3	-45.0
SOUTH AFRICA	FTSE/JSE Africa All-Share	28,957.97	21,509.19	21,257.63	-25.7	-1.2	-26.6

Source: Bloomberg

Table 2: DEPRECIATION OF EXCHANGE RATES VIS A VIS US DOLLAR (END-PERIODS) - % CHANGE > 15%

COMPARATIVE EXCHANGE RATES (Currency Units Per US$) - % Change

CATEGORY	COUNTRY	CURRENCY	31-Dec-07	25-Mar-09	YTD % Change
OECD COUNTRIES	AUSTRALIA	Dollar	1.13430	1.43390	-20.89
	CANADA	Dollar	0.98810	1.22450	-19.31
	HUNGARY	Forint	172.91800	223.17000	-22.52
	ICELAND	Krona	62.00000	114.25000	-45.73
	KOREA	Won	938.20000	1,382.10000	-32.12
	MEXICO	Peso	10.91570	14.23580	-23.32
	NEW ZEALAND	Dollar	1.29190	1.77588	-27.25
	NORWAY	Krone	5.41100	6.46770	-16.34
	POLAND	Zloty	2.43500	3.37840	-27.92
	SWEDEN	Krona	6.44150	8.18000	-21.25
	TURKEY	Lira	1.17780	1.65652	-28.90
	UNITED KINGDOM	Pound Sterling	0.49920	0.68639	-27.27
NON-OECD COUNTRIES	INDONESIA	Rupiah	9,385.80000	11,530.00000	-18.60
	RUSSIA	Ruble	24.54620	33.72680	-27.22
	BRAZIL	Reals	1.77050	2.25590	-21.52
	INDIA	Rupee	39.41000	50.83000	-22.47
	ARGENTINA	Peso	3.15003	3.76306	-16.29
	KAZAKHSTAN	Tenge	120.30000	151.31000	-20.49
AFRICAN COUNTRIES	KENYA	Shilling	63.97007	83.76469	-23.63
	ZAMBIA	Kwacha	3,900.15000	5,585.00000	-30.17
	SOUTH AFRICA	Rand	6.81000	9.51500	-28.43
	BOTSWANA	Pula	6.28472	7.71010	-18.49
	GHANA	New Cedi	0.99620	1.41104	-29.40
	NIGERIA	**Naira**	**117.80000**	**147.23780**	**-19.99**

Sources: 1. IMF International Financial Statistics
2. Exchange-rates.org
3. Google Country Currency Converter
4. TED, CBN

Notes: 1.Depreciation (-). Appreciation (+)
2.*Euro Area:- Recorded less than 15% depreciation
3. **UEMOA Countires:- Recorded less than 15% depreciation