



# GLOBAL RECESSION WATCH

MARCH 26, 2009

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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:

### ***Diamond Demand Slump May Cause Downgrade of Botswana's Ratings by Moody's***

A possible sharp rise in public debt and lower revenue due to a prolonged slump in diamond demand could risk a downgrading of Botswana's credit ratings, Moody's has said. The agency, which earlier this month joined Standard & Poor's in cutting the country's foreign currency rating outlook, forecast that the economy will contract in the 2008/09 and 2009/10 financial years.

The global economic slowdown has slashed diamonds demand, leading to output cuts in the world's biggest producer of the precious stones, and a shift to a large budget deficit as revenue dries up. Moody's said the heavy dependence on diamonds for fiscal and foreign exchange revenue was a key challenge, as were persistent income inequality, high unemployment, and chronic HIV/AIDS epidemic. "A lack of fiscal restraint leading to serious erosion in public asset holdings and/or a substantial rise in public debt could lead to a downgrade of the government's ratings and country ceilings," Moody's stated. It further noted that a prolonged downturn in diamond demand leading to

a durable erosion of economic strength could also lead to a downgrade. However, "Increased diversification of the economy and a return to strong external and fiscal surpluses would lead to an upgrade", Moody's stated.

The ratings agency cut the foreign currency rating outlook for Botswana -- Africa's highest rated sovereign -- to stable from positive on March 12, and downgraded the local currency rating to "A2" to move in line with the foreign rating. It said on Wednesday that a potentially steep and relatively long global recession will hit Botswana's economy hard, resulting in its shrinkage by an estimated 5.2 percent and 6.2 percent for the current and next financial years. "In the upcoming 2009/10 budget year, the budget deficit is expected to widen significantly, although probably not as much as predicted in the February budget speech," Moody's noted. The size of the revenue shortfall depended on how long cutbacks in diamond production lasted and how many jobs were lost in mining and other sectors, it said.

However, a boost for the

economy from looser monetary policy and a stepping up in currency depreciation may alleviate some fiscal pressure. Moody's predicted a budget deficit of 5.3 percent of GDP in 2008/09, widening to 8.4 percent in 2009/10.

Debswana, a 50/50 joint venture between Botswana's government and the mining giant, De Beers, in February decided to shut diamond operations until April 14, 2009 and has suspended production at two mines for the rest of the year. This was seen as knocking down growth and leading to job cuts.

*Source: MoneyBiz.co.za, March 26, 2009*

## HIGHLIGHTS

- ◆ **Africa:** Diamond Slump May Cause Downgrade of Botswana's Ratings by Moody's
- ◆ **Middle East:** Dubai Islamic Bank to Raise Capital by \$817 Million
- ◆ **Asia:** Japan's Corporate Service Prices Fall
- ◆ **America:** Geithner to Seek Power over Large U.S. Hedge Funds, Derivatives
- ◆ **Europe:** Bank of England and Debt Management Chief Trade Accusations on Evaporating Demand following Gilt Failure
- ◆ **BRIC Countries:** China's Regulations on Foreign Exchange System



**MIDDLE EAST:*****Dubai Islamic Bank to Raise Capital by \$817 Million***

The board of Dubai Islamic Bank PJSC, the United Arab Emirates' biggest Islamic bank has approved increasing its capital by 3 billion dirhams (\$817 million) over five years. The board also approved converting federal governments' deposits into Tier 2 capital. The move was informed by the urgent need for the Dubai Islamic Bank to remain competitive in the region as rival UAE's banks (National Bank of Abu Dhabi and Emirates NBD) had taken similar steps to increase their capital and emergency reserves following a central bank directive aimed at bolstering the sector against

the impact of the global financial crisis that forced heavy write downs in the region. For instance, Abu Dhabi's Union National Bank said on March 21, that it would convert deposits from the government's Dh 70 billion state facility into Tier 2 capital.

Another reason for the Dubai Islamic bank board decision was the warning by the ratings agency "Standard & Poor" that Dubai Islamic and other leading Dubai- based banks risked having their ratings downgraded as overall economic conditions in the emir-

ate worsen, hitting the real estate sector in particular. It would also be recalled that Investment bank EFG – Hermes recently said that Dubai Islamic bank faced write downs due to the falling value of investments such as in Islamic lender Tamweel and Dubai property developer Deyaar .

*Source: Bloomberg.com, March 26, 2009*

**ASIA:*****a) Japan's Corporate Service Prices Fall***

Japan's corporate service prices fell for a fifth month as commodity costs tumbled and the deepening recession eroded demand for services. The prices businesses pay for services such as transportation and rent declined 2.6 per cent in February from a year earlier, the Bank of Japan reported yesterday March, 25, 2009 in Tokyo, the steepest drop in seven years.

Cheaper oil and yen's strength are reducing the costs of imported fuel and lowering transport prices, which account for about a fifth of the index. Japan Airlines Corp. and All Nippon Airways co., the country's two top carriers, plan to reduce fuel surcharges next month to reflect the decline in jet-fuel prices.

Commenting on the development, Kyohei Morita, chief economist at Barclays Capital in Tokyo observed that the deepening recession will "put downward pressure on service prices" Consumer prices excluding fresh food probably were unchanged for a second month in February from a year earlier, according to the median estimate of 31 economists surveyed by Bloomberg News .

*Source: Bloomberg.com, March 26, 2009*

THE DEEPENING  
RECESSION WILL  
"PUT DOWNWARD  
PRESSURE ON  
SERVICE PRICES"

**ASIA Contd...**

***b) Yen, Dollar Fall as Stock Rally Boosts Demand for Higher Yields***

The yen and the dollar declined as Asian stocks extended a worldwide rally on speculation the worst of the global financial turmoil is over, encouraging investors to seek higher-yielding assets. The New Zealand dollar and South Korean won strengthened the most against the yen and the greenback as the MSCI, Asia Pacific's index of regional stocks, climbed to a two-month high. The yen also weakened on concern Japanese reports will show retail sales and business sentiment are deteriorating, further reducing demand for the currency.

Commenting on the development, Yousuke Hosokawa, a senior currency dealer in Tokyo at Chuo Mitsui Trust and Banking Co., a unit of Japan's seventh-largest publicly traded bank opined that "extreme pessimism about the global economy is receding" and "this

is making investors more active and they feel like buying riskier assets."

Japan's currency dropped to 133.36 per euro from 132.48, and slipped to 13.561 won from 13.967 won. The yen fell to 98.13 per dollar from 97.54. New Zealand's dollar rose to 57.80 U.S. cents from 56.61, and won gained to 1,330.75 per dollar from 1,363.00. The dollar traded at \$1.3584 per euro from \$1.3583.

The yen weakened against all of the 16 most-active currencies today (Wednesday, March 25, 2009) before a trade ministry report tomorrow on March 26, 2009 that economists say will show retail sales declined for a sixth month. Sales fell 3 percent in February from a year earlier, after declining 2.4 percent the prior month, according to a Bloomberg News survey of economists. Consumer spending accounts for nearly 55 per-

cent of Japan's gross domestic product. "Incoming data are likely to confirm the poor state of the Japanese economy," observed Hiroshi Maeba, Deputy Managing Director of foreign-exchange trading in Tokyo at Nomura Securities Co., a unit of Japan's biggest brokerage by assets. "The yen may be sold on weak data."

The Bank of Japan's Tankan index, which measures confidence among large makers of cars and electronics, slid to minus 55 this quarter from minus 24, the lowest level in more than 30 years, according to a separate Bloomberg survey before the April 1 report. A negative number means pessimists outnumber optimists. The yen is heading for its first quarterly loss against the dollar since June, having fallen 7.5 percent.

*Source: Bloomberg.com, March 26, 2009*

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BANKING SYSTEM

**AMERICA:**

***Geithner to Seek Power over Large U.S. Hedge Funds, Derivatives***

Treasury Secretary, Timothy Geithner will ask Congress to bring large hedge funds, private - equity firms and derivatives markets under federal supervision for the first time as part of a revamp of U.S. financial rules. The Treasury Chief will present his proposed framework at a House Financial Services Committee hearing in Washington on March 26, 2009. Under the proposed new rules of business, the government would get powers to seize and wind down any financial company big enough to destabilize the banking system.

The US administration is counting on public anger over the taxpayer-financed rescues of American International Group Inc., Bear Stearns Cos.

and other firms to help it win approval for the changes, which could be the most sweeping since the 1930s. Policy makers want to improve the oversight of the financial system now rather than wait until the crisis is over. The Treasury Head has stated that there was a momentum now when there is broad-based consensus to change things that people did not want to change in the past. "We want to begin the process now of trying to build consensus while people recognize and are feeling so acutely the damage caused by those basic failures in regulation".

According to US officials, Geithner plans to work with Congress to hammer out more

details of the legislation. However, it is unclear how quickly any bills could move through Congress because lawmakers are likely to have their own proposals. Analysts have argued that thoughtful and effective measures to prevent a repeat of the type of unchecked risk-taking that has currently put the system at risk are absolutely essential, and must be coordinated globally.

Treasury Secretary will also call for stronger protections against financial fraud for consumers and investors, an elimination of the gaps in oversight among regulatory agencies and stepped-up coordination with international counterparts.

***Contd. on page 5....***

**EUROPE:**
***a) Bank of England and Debt Management Chief Trade Accusations on Evaporating Demand following Gilt Failure***

Bank of England Governor Mervyn King is criticizing U.K. Prime Minister Gordon Brown's spending plans while the official in charge of British bond sales blames the central bank for undermining demand for government debt. For the first time in almost seven years, the U.K. couldn't find enough buyers for one of its debt sales when it offered 1.75 billion pounds (\$2.55 billion) of bonds yesterday. The yield on 10-year gilt rose as much as 20 basis points, or 0.2 percentage point, to 3.53 percent, the highest since March 5. The failure came a day after King said the government needs to be "cautious" about spending as it tries to pull the economy out of a recession. Robert Stheeman, head of the U.K.'s Debt Management Office, which runs the bond auctions, blames the Bank of England, in part, for its inability to attract enough bids. He said the central bank's efforts to lower yields through debt purchases means gilts "are not at all attractive."

Investors say both are to blame for the failed debt sale. Gilts have "only one buyer and that's Mervyn King," said John Anderson, a money manager who oversees about \$3 billion in pound-denominated assets at Rensburg Fund Management in London. "You don't need to look anywhere beyond that. Make your mind up, please, government. Do you want to buy gilts or do you want to sell them? You can't do both." Investors bid for 1.63 billion pounds of the 40-year securities offered yesterday, according to the Debt Management

Office. The last time the U.K. government was unable to attract enough bids was in 2002 when it tried to sell 30-year inflation-protected bonds.

Brown's Labour government is trying to revive an economy mired in its deepest recession since 1980 by selling a record 146.4 billion pounds of debt this year and as much as 147.9 billion pounds in 2010. The U.K. economy, Europe's second-largest, shrank 1.5 percent in the fourth quarter. Brown's spending plans will push the deficit to 11 percent of gross domestic product in 2010, the highest in the Group of 20, the International Monetary Fund in Washington said last week. The pound is down 28 percent against the dollar in the past 12 months to \$1.4552 yesterday in New York and 15 percent against the euro to 93.36 pence. "Given how big these deficits are, I think it would be sensible to be cautious about going further in using discretionary measures to expand the size of those deficits," King told lawmakers in Parliament in London on March 24, 2009.

In a bid to drive down borrowing costs as part of a policy known as quantitative easing, the Treasury gave the Bank of England the authority on March 5 to buy as much as 150 billion pounds of assets. Yields on 30-year gilts fell about 25 basis points to 4.24 percent since the announcement. "Yields at these levels are not at all attractive," Stheeman, said yesterday in an interview in London. "Yields have shifted downward. Why have they shifted down? It's partly be-

cause of the Bank of England's announcement about quantitative easing." As recently as December, Stheeman said there was a possibility of a failed auction. "We are in a very different world than we were six months or a year ago," he stated.

U.K. bonds recovered their initial losses after yesterday's auction. The yield on the 4.5 percent note due March 2019 fell six basis points to 3.28 percent as its price gained 0.49, or 4.9 pounds per 1,000-pound face value, to 110.30. The yield on the two-year note declined two basis points to 1.25 percent. The auction result belies the "underlying strength" of the gilt market, Brown's spokesman Tom Hoskin told reporters at a regular briefing in London yesterday. "Gilts have lost 1.51 percent this year, including price declines and reinvested interest, according to Merrill Lynch & Co.'s U.K. Gilts index. That compares with a loss of 0.45 percent for German bunds and 2.18 percent for Treasuries. The auction also probably failed because the market has been "very volatile," Stheeman said, adding that he remains confident about demand for gilts. "What you saw today is simply a reflection of the supply and demand dynamic," he said. "The market needs to find new price equilibrium".

*Source: Financial Times.com March 26, 2009*

FOR THE FIRST TIME  
IN ALMOST SEVEN  
YEARS, THE U.K.  
COULDN'T FIND  
ENOUGH BUYERS FOR  
ONE OF ITS DEBT  
SALES WHEN IT  
OFFERED 1.75  
BILLION POUNDS  
(\$2.55 BILLION) OF  
BONDS YESTERDAY

Europe contd...

***b) French Consumer Confidence Stays Near Record Low on Job Worries***

“PEOPLE’S  
RESENTMENT  
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STANDARDS,”

French consumer confidence was unchanged in March, remaining near a record low reached in July last year as rising unemployment cut households’ purchasing power. A gauge of consumer sentiment in the euro region’s second- largest economy held at minus 43 in March, the same as in February, the Paris-based national statistics office, Insee, said in a statement today. Economists expected a decrease to minus 44, according to the median of 18 forecasts in a Bloomberg News survey. The index fell as low as minus 47 in July 2008.

The worsening labour market has offset the positive impact of slowing inflation for consumers, who cut spending on manufactured goods by 2 percent in February. Announcements of job cuts by companies from Continental AG to American Express Co.

have been multiplying throughout the country, prompting as many as 3 million people to take to the streets last week to protest the government’s response to the economic slump. “People’s resentment against the government will translate into a more negative appraisal of future living standards,” said Tullia Bucco, an economist at UniCredit Global Research. “The sharp deterioration in job prospects will keep weighing heavily on confidence.”

The economy will shrink by 1.5 percent in the first quarter and by 0.6 percent in the three months through June, destroying 387,000 jobs in the first half, French statistics office forecasts. The number of jobseekers increased for eight month in February, rising by 79,900 to 2.38 million, the highest since June 2006, the labor and finance minis-

tries said yesterday. The jobless rate climbed to 8.2 percent in the fourth quarter, the highest since the third quarter of 2007. A gauge of people’s outlook for their personal financial situation remained unchanged at minus 20, Insee stated today. An index measuring whether now is a good time to make “significant purchases” rose to a one-year high of minus 29 this month, up from minus 33 in February.

*Source: Financial Times.com  
March 26, 2009*

***Geithner to Seek...***

***contd. From page 3.***

It is expected that details on those plans will be unveiled in coming weeks. Geithner will offer broad outlines on the regulations, and may not get down to specifics, such as which agency should police credit default swap that allow traders to bet on a company’s creditworthiness. New York-based AIG also exposed the lack of federal powers to take over a non-bank financial firm and allow an orderly process

for liquidating it.

While Geithner’s framework would set up an independent overseer for systemically vital firms, Bernanke has supported call for a systemic-risk regulator with central bank role.

*Source: Financial Times.com  
March 26, 2009*

**BRIC:**

*China's Regulations on Foreign Exchange System*

At the onset of the current global financial crisis in 2008, China issued a new decree to regulate the country's foreign exchange market, regardless of the fact that she had the most foreign currency reserve of all countries in the world. Whilst the country, according to article 5, have signed on to Article VIII of the IMF which requires that international payment and transfer in foreign exchange for current account transactions shall not be subject to government restrictions, Article 12 of the decree provides that: Receipts and payments in foreign exchange for current account transactions shall have bona fide and legitimate transaction backgrounds.

Financial institutions duly authorized for foreign exchange purchase and sale operations shall exercise due diligence in checking the authenticity of transaction documents and their consistency with the receipts and payments in foreign exchange in accordance with the regulations issued by the foreign exchange administration department of the State Council. The foreign exchange administration agencies have the right to supervise and conduct inspections under the aforesaid regulation.

Attention should be paid to the following Articles of the decree 4, 7, 8, 11, 24, 27, 33, 35, and 39-51 (which cover penalties).

The definition of foreign exchange includes:

- (1) Cash in foreign currency, including banknotes and coins;
- (2) Documents or instruments payable in foreign currency, including, among others, nego-

- tiable instruments, bank deposits, bank cards;
- (3) Securities denominated in foreign currency, including, among others, bonds and stocks;
- (4) Special Drawing Rights; and
- (5) Other assets denominated in foreign currency.

Central bank requires financial institutions that are involved in foreign exchange operations to conduct business operations through foreign exchange accounts opened for their clients in accordance with the regulations enacted by the foreign exchange administration department. These institutions shall report their clients' foreign exchange receipts and payments, and changes in foreign exchange accounts opened for their clients to the exchange administration agencies in accordance with laws and regulations.

Monetary authority further prohibits foreign currency from circulation and quotation for pricing or settlement in China unless otherwise regulated by the government. The foreign exchange administration department shall hold, manage and operate foreign exchange reserves in accordance with laws and regulations, and follow the principles of safety, liquidity and profitability.

Where there is serious disequilibrium in the balance of payments or a severe crisis of the national economy, the government may adopt safeguards, controls or other necessary measures. Receipts and payments in foreign exchange for current account transactions shall have bona fide and legitimate transaction backgrounds. Financial institutions that under-

take foreign exchange transactions shall exercise due diligence in checking the authenticity of transaction documents and their consistency with the receipts and payments in foreign exchange in accordance with the stipulated regulations.

It further stated that foreign exchange receipts for current account transactions may be retained or sold to financial institutions for foreign exchange transactions in line with the relevant regulations. Foreign exchange payments for current account transactions may be made with foreign exchange owned by the payer, or with the foreign exchange purchased from financial institutions with valid documents. Finally, the foreign exchange administration department shall determine the limits and reporting requirements of foreign currency allowed to be carried into or out of the People's Republic of China.

Source: <http://www.pbc.gov.cn/english>

RECEIPTS AND  
PAYMENTS IN  
FOREIGN EXCHANGE  
FOR CURRENT  
ACCOUNT  
TRANSACTIONS  
SHALL HAVE BONA  
FIDE AND LEGITIMATE  
TRANSACTION  
BACKGROUNDS

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

<b>STOCK MARKET INDICES</b>					<b>% Change</b>	<b>% Change</b>	<b>% Change</b>
<b>OECD COUNTRIES</b>	<b>INDEX</b>	<b>End-2007</b>	<b>End-2008</b>	<b>26-Mar-2009</b>	<b>End-Dec 2007 - 2008</b>	<b>End-Dec 2008 - 26 Mar-2009</b>	<b>End-Dec 2007 - 26 Mar-2009</b>
AUSTRALIA	S&P/ASX 200 Index	6,339.90	3,722.30	3,672.30	-41.3	-1.3	-42.1
AUSTRIA	Austrian Traded ATX Index	4,512.98	1,750.83	1,718.49	-61.2	-1.8	-61.9
BELGIUM	Bel 20 Index	4,147.19	1,908.64	1,773.19	-54.0	-7.1	-57.2
CANADA	S&P/TSX Composite Index	13,833.06	8,987.70	8,995.50	-35.0	0.1	-35.0
CZECH REPUBLIC	Prague Stock Exchange Index	1,818.20	867.60	799.10	-52.3	-7.9	-56.0
DENMARK	OMX Copenhagen 20	460.53	247.02	235.32	-46.4	-4.7	-48.9
FINLAND	OMX Helsinki Index	11,598.42	5,403.52	4,729.26	-53.4	-12.5	-59.2
FRANCE	CAC40	5,627.48	3,217.13	2,870.17	-42.8	-10.8	-49.0
GERMANY	DAX	8,038.60	4,704.86	4,226.04	-41.5	-10.2	-47.4
GREECE	Athex Composite Share Pr	5,152.16	1,786.51	1,708.24	-65.3	-4.4	-66.8
HUNGARY	Budapest Stock Exchange Index	26,235.63	12,241.69	11,379.05	-53.3	-7.0	-56.6
ICELAND	OMX Iceland All-Share PR	5,803.35	581.76	382.06	-90.0	-34.3	-93.4
IRELAND	Irish Overall Index	6,934.35	2,343.27	2,175.20	-66.2	-7.2	-68.6
ITALY	Milan MIB30 Index	38,885.00	20,064.00	17,274.00	-48.4	-13.9	-55.6
JAPAN	NIKKEI 225	15,307.78	8,859.56	8,626.97	-42.1	-2.6	-43.6
KOREA	KRX 100 Index	3,864.01	2,373.06	2,624.00	-38.6	10.6	-32.1
LUXEMBOURG	LuxX Index	2,419.28	961.13	891.63	-60.3	-7.2	-63.1
MEXICO	Bolsa	29,536.83	22,392.38	20,542.25	-24.2	-8.3	-30.5
NETHERLANDS	AEX Index	515.69	240.81	222.68	-53.3	-7.5	-56.8
NEW ZEALAND	NZX 50 FF Gross Index	4,041.38	2,715.71	2,653.48	-32.8	-2.3	-34.3
NORWAY	OBX Stock Index	419.65	194.33	210.04	-53.7	8.1	-49.9
POLAND	WSE WIG Index	55,648.54	27,228.64	24,868.60	-51.1	-8.7	-55.3
PORTUGAL	PSI General Index	4,130.47	2,073.59	2,078.62	-49.8	0.2	-49.7
SLOVAK REPUBLIC	Slovak Share Index	445.65	359.18	294.05	-19.4	-18.1	-34.0
SPAIN	IBEX 35 Index	15,182.30	9,017.70	8,035.50	-40.6	-10.9	-47.1
SWEDEN	OMX Stockholm 30 Index	1,081.44	662.33	660.23	-38.8	-0.3	-38.9
SWITZERLAND	Swiss Market Index	8,518.19	5,534.53	4,914.11	-35.0	-11.2	-42.3
TURKEY	ISE National 100 Index	55,538.13	26,864.07	25,538.58	-51.6	-4.9	-54.0
UNITED KINGDOM	FTSE 100	6,456.90	4,319.35	3,920.33	-33.1	-9.2	-39.3
UNITED STATES	S&P 500	1,465.13	903.00	832.86	-38.4	-7.8	-43.2
<b>NON-OECD COUNTRIES</b>							
INDONESIA	Jakarta Composite Index	2,745.83	1,355.41	1,462.74	-50.6	7.9	-46.7
KUWAIT	Kuwait SE Weighted Index	713.04	421.21	363.71	-40.9	-13.7	-49.0
QATAR	DSM 20 Index	9,697.51	6,788.69	5,270.30	-30.0	-22.4	-45.7
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	1,588.41	-72.4	-2.9	-73.2
VENEZUELA	Venezuela Stock Market Index	37,715.80	35,090.08	43,485.41	-7.0	23.9	15.3
ARGENTINA	Merval Index	2,168.23	1,079.66	1,171.43	-50.2	8.5	-46.0
BRAZIL	Bovespa	63,886.10	37,060.16	42,588.66	-42.0	14.9	-33.3
CHINA	Shanghai SE A Index	5,571.34	1,911.80	2,492.27	-65.7	30.4	-55.3
COLOMBIA	IGBC General	10,681.34	7,560.68	7,994.19	-29.2	5.7	-25.2
INDIA	BSE Sensex Index	20,286.99	9,716.16	10,048.49	-52.1	3.4	-50.5
MALAYSIA	Kuala Lumpur Comp Index	1,447.04	881.63	885.43	-39.1	0.4	-38.8
OMAN	MSM 30 Index	9,035.46	5,441.12	4,779.86	-39.8	-12.2	-47.1
RUSSIA	Micex Index	1,888.86	619.53	838.76	-67.2	35.4	-55.6
<b>AFRICAN COUNTRIES</b>							
BOTSWANA	Botswana Gaborone Index	8,421.63	7,035.50	6,465.12	-16.5	-8.1	-23.2
EGYPT	EGX Case 30 Index	10,549.74	4,596.49	4,245.74	-56.4	-7.6	-59.8
GHANA	GSE Index	6,599.00	10,428.34	9,291.93	58.0	-10.9	40.8
KENYA	Kenya Stock Exchange NS Index	5,444.83	3,459.97	2,663.19	-36.5	-23.0	-51.1
NIGERIA	NSE All-Share Index	57,990.22	31,450.78	19,803.60	-45.8	-37.0	-65.9
MAURITIUS	Mauritius Stock Exchange	1,843.56	1,182.75	1,024.90	-35.8	-13.3	-44.4
SOUTH AFRICA	FTSE/JSE Africa All-Share	28,957.97	21,509.19	21,095.66	-25.7	-1.9	-27.2

Source: Bloomberg

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

<b>COMPARATIVE EXCHANGE RATES (Currency Units Per US\$) - % Change</b>					
<b>CATEGORY</b>	<b>COUNTRY</b>	<b>CURRENCY</b>	<b>31-Dec-07</b>	<b>26-Mar-09</b>	<b>YTD % Change</b>
<b>OECD COUNTRIES</b>	AUSTRALIA	Dollar	1.13430	1.43205	-20.79
	CANADA	Dollar	0.98810	1.23300	-19.86
	HUNGARY	Forint	172.91800	222.34000	-22.23
	ICELAND	Krona	62.00000	117.84000	-47.39
	KOREA	Won	938.20000	1,384.80000	-32.25
	MEXICO	Peso	10.91570	14.21630	-23.22
	NEW ZEALAND	Dollar	1.29190	1.76056	-26.62
	NORWAY	Krone	5.41100	6.48010	-16.50
	POLAND	Zloty	2.43500	3.36050	-27.54
	SWEDEN	Krona	6.44150	8.05750	-20.06
	TURKEY	Lira	1.17780	1.66061	-29.07
	UNITED KINGDOM	Pound Sterling	0.49920	0.68639	-27.27
	<b>NON-OECD COUNTRIES</b>	INDONESIA	Rupiah	9,385.80000	11,523.36449
RUSSIA		Ruble	24.54620	33.46680	-26.66
BRAZIL		Reals	1.77050	2.23775	-20.88
INDIA		Rupee	39.41000	50.42945	-21.85
ARGENTINA		Peso	3.15003	3.76949	-16.43
KAZAKHSTAN		Tenge	120.30000	151.38000	-20.53
<b>AFRICAN COUNTRIES</b>	KENYA	Shilling	63.97007	79.85780	-19.90
	ZAMBIA	Kwacha	3,900.15000	5,562.50000	-29.88
	SOUTH AFRICA	Rand	6.81000	9.38000	-27.40
	BOTSWANA	Pula	6.28472	7.62195	-17.54
	GHANA	New Cedi	0.99620	1.41253	-29.47
	<b>NIGERIA</b>	<b>Naira</b>	<b>117.80000</b>	<b>146.95500</b>	<b>-19.84</b>

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 Countries:- Recorded less than 15% depreciation