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:

South Africa Must Have 'Policy Trade-Off' and Restraint in the Current Crises -Says Finance Minister

South Africa's Finance Minister Trevor Manuel has advocated for "policy trade-offs" in the current economic crisis and industries have to accept that they "can't have everything at the same time." He suggested that the government should avoid acceding to requests from lobbyists calling for measures such as tax breaks to help boost their industries. Manuel made these remarks at a debate hosted by the ruling African National Congress in Johannesburg on March 29, 2009.

South Africa's economy, the biggest on the African continent, contracted for the first time in a decade in the fourth quarter of 2008, while mining companies and automakers have cut jobs as commodity prices collapsed and exports declined. The car industry is seeking government support, including easier access to credit and low-interest loans, to help stem job losses that may reach as many as 30,000 this year. Manuel however warned that: "It's necessary for us to keep a cool head and look beyond the lobbyists. We need to be careful. There is a resource restraint."

It will be recalled that on March 23, 2009, Business Day reported that South Africa's Trade and Industry Ministry was considering giving automakers loans, tax incentives and funds to help re- skill fired workers. However, Manuel stated that the danger in the arrangement is that "industries with the loudest voices" will be given government support "but then you don't have a stimulus package; you are going to dig yourself in a deep hole." A stimulus package must have an "exit strategy," he added.

Manuel observed that the economy is constrained by the current account deficit, and economic growth will slow and job losses increase, if capital inflows dry up. South Africa relies on foreign investment in stocks and bonds to finance its current account deficit, the broadest measure of trade in goods and services, which reached 7.4 percent of Gross Domestic Product in 2008.

Manuel, who has been finance minister since 1996, said in October last year he had been "too long" in his current position and had discussed his future with ANC leaders. The minister was fourth on the ANC's list of 100 nominees to become lawmakers after April 22 elections, enhancing his chances of retaining his Cabinet post.

MIDDLE EAST:

Qatar Islamic Bank to Raise $200 Million European Sukuk Fund

Qatar Islamic Bank SAQ, the Gulf state's biggest lender complying with Muslim banking rules, is seeking to raise $200 million for a Europe-based fund that would invest in Islamic bonds, known as sukuk. The EFH Global Sukuk Plus Fund will be operated by QIB's European Finance House Ltd. unit in London, and managed by Aleksandar Devic, a former Lehman Brothers Holdings Inc. credit analyst.

"There has been a growing amount of interest in Islamic finance and sukuk as a direct result of the problems of the conventional banking system," said Mark Watts, head of asset management at European Finance House. "When capital markets start to free up, we expect sukuk issuance to take off with a vengeance".

Islamic financial institutions have been more resilient to the global financial crisis than their conventional counterparts because direct investment in subprime assets and their derivatives is prohibited under Shariah law, according to a report by Moody's Investors Service last month. Sukuk funds are typically backed by assets or cash flow to avoid the prohibited practice of paying interest .

Source: Bloomberg.com, March 30, 2009

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ASIA:

Japan's Manufacturing Shows Recovery Signs as Inventories Clear

Japanese companies cut inventories at an unprecedented pace in February and announced that they would increase production in coming months, indicating the worst of the country's manufacturing slump may be over. Inventories fell 4.2 percent last month, the biggest decrease since 1953, the Trade Ministry reported today (Monday, March 30, 2009) in Tokyo. Factory output slid 9.4 percent from January, when it plunged a record 10.2 percent.

Production may rise for the first time since September after companies from Toyota Motor Corp. to Nissan Motor Co. burned off stockpiles by temporarily closing plants.
Commenting on the development, Tetsuro Sugiura, Chief Economist at Mizuho Research Institute in Tokyo, observed that "the sharp adjustments in production and inventories are probably finished," "but we don't expect a sharp rebound in production because exports are dropping very significantly".

The second monthly reduction in stockpiles brought them to the lowest level since August 2007, the report noted. Manufacturers reported that they would raise output 2.9 percent in March and 3.2 percent in April, ending a five-month losing streak. Toyota expects to have adjusted inventories to the level that reflect demand by April, President Katsuaki Watanabe announced last week. The carmaker, which cut global output a record 53 percent last month, plans to ease domestic production cuts from May.

Nippon Steel Corp. last month announced that production should improve next quarter because customers have used up their supplies. Nissan, Japan's third-largest automaker, also reported that it would raise domestic output next month." Production cuts may already be bottoming out," observed Shinichiro Kobayashi, a senior economist at Mitsubishi UFJ Research and Consulting Co. in Tokyo. "That that doesn't necessarily mean overseas demand is already recovering.

Companies have been quicker to react to the drop in demand than in previous slumps, according to observation of some economists. Manufacturers were reluctant to shed workers and shut plants after Japan's stock and property bubbles burst in the early 1990s, contributing to the so-called lost decade of economic stagnation. "As a result of that experience, Japanese managers have come to believe that they need to adjust very quickly in order to avoid excess inventories, capacity and debt of the past," observed Sugiura at Mizuho Research Institute in Tokyo.

Source: Bloomberg.com, March 30, 2009

PRODUCTION MAY RISE FOR THE FIRST TIME SINCE SEPTEMBER AFTER COMPANIES FROM TOYOTA MOTOR CORP. TO NISSAN MOTOR CO. BURNED OFF STOCK PILES BY TEMPORARILY CLOSING PLANTS

AMERICA:

US Federal Reserve Seeks to Avert Pressures after Crisis

US Fed in a release on March 23, 2009 announced that it will collaborate with other agencies to preserve financial stability. The release was the culmination of a behind-the-scenes, two-month long debate involving the Fed's Open Market Committee, as well as the Treasury. The discussions were driven by Chairman Ben S. Bernanke's concern that work with the Bush and Obama administrations on repairing banks and markets do not lead to attempts at political pressure later that would delay the start of measures to combat inflation.

As observed by Laurence Meyer, Vice Chairman of Macroeconomic Advisers LLC in Washington and a former Fed Governor, "This is all about independence". "Even though the Fed is cozying up to the Treasury, it is important to know that the Fed would maintain some stability over monetary policy." Fueling the debate is the concern that policy makers will have a tough time if they try to end their emergency-lending programs as soon as next year, while the unemployment rate, currently a quarter-century high 8.1 percent, remains at elevated levels.

The risk is that, on the one hand, lawmakers and even some administration officials might balk at what they would see as premature steps, and on the other hand that any hesitation on the Fed's part could spark inflation. Allan Meltzer, author of "A History of the Federal Reserve," makes further observation. "If we have a slow recovery, which seems likely, who is going to watch them raise interest rates as the Treasury sells this mountain of debt" stemming from fiscal deficits.

Source: Bloomberg.com, March 30, 2009

EUROPE:

a) European Confidence Declined to Record Low in March 2009

European Confidence fell to the lowest record in March as the Group of 20 nations prepared to discuss this week how best to fight the deepening global recession, which has prompted job cuts across the continent. An index of executive and consumer sentiment in the euro region declined to 64.6 from 65.3 in February, the European Commission in Brussels said today. That was the lowest since the index was first published in 1985, and less than the 65.4 median forecast of 27 economists in a Bloomberg News survey. Gauges for industry, services and consumer sentiment reached record lows.

The worldwide financial crisis has pushed Europe into the worst recession since World War II, forcing companies to reduce output and fire workers. Unemployment in Europe and the U.S. will reach 10 percent this year, the Organization for Economic Cooperation and Development said today, as companies from Volkswagen AG to Renault SA scale back production. "The general perception is that the economy is in a recession that will take longer to shake off," said Kenneth Broux, an economist at Lloyds Banking Group Plc in London. "The outlook is bleak, even though interest rates will probably continue to fall. I see no reason why consumer and industrial confidence should improve in the next couple of months."

Leaders from the G-20 emerging and developed nations will meet in London on April 2 to try to forge a common response to the crisis. U.S. calls for European nations to spend more on fiscal stimulus have met with some resistance by government's trying to keep their budget deficits under control.

The euro-area economy may shrink 4.1 percent this year even as governments spend billions to fight the recession, according to the OECD. The European Central Bank will probably lower its benchmark interest rate to a record low of 1 percent on April 2, according to the median forecast of 55 economists in a Bloomberg survey. Europe's manufacturing and service industries contracted for a 10th month in March and job cuts accelerated, a survey of purchasing managers by Markit Economics showed on March 24. Retail sales dropped again this month as household spending decreased, the Bloomberg purchasing managers index showed today.

Elring Klinger AG, a German auto-parts company whose components are used in Fords and Volkswagens, today forecast the first decline in sales in at least a decade as orders slump. Heidelberger Druckmaschinen AG, the world's largest printing- press maker, plans to fire 5,000 workers, or about a quarter of the workforce, to counter a slump in orders.

Source: Bloomberg, March 30, 2009

A GLOBAL APPROACH TO REGULATION HAS BEEN GAINING MOMENTUM AHEAD OF THE GROUP OF 20 SUMMIT ON APRIL 2 IN LONDON.

b) G-20 Targets Hedge Funds as Leaders are nearing Consensus

Leaders of advanced and emerging economies are closing ranks behind plans for tougher rules on financial markets to prevent another collapse like the one that wiped out much of Wall Street. A global approach to regulation has been gaining momentum ahead of the Group of 20 Summit on April 2 in London. U.S. President Barack Obama, U.K. Prime Minister Gordon Brown and their G-20 counterparts aim to merge their national blueprints for strengthened regulation into a united front to rein in hedge funds, derivatives trading, executive pay and excessive risk- taking by financial firms.

"There is reason for optimism that progress toward stronger global regulation has begun," says Daniel Price, who was President George W. Bush's G-20 negotiator and is now senior partner for global issues at Sidley Austin LLP in Washington. "We're beginning to see the outlines of a convergence." Agreement on a shared regulatory agenda would provide the G-20 summit with a measure of success even as leaders remain at odds over trade policy, fiscal stimulus and the status of the dollar. A joint regulatory approach is crucial to prevent investors from seeking out markets with the most permissive rules, setting off a race to the bottom as countries vie to attract capital.

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Europe Contd.

G-20 Targets Hedge Funds…

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The call for greater regulation unites China, possessor of the most vibrant economy in the developing world, and the U.S., possessor of the world's largest economy. China's central bank governor, Zhou Xiaochuan, challenged the West to fix flaws in financial supervision on March 26, the same day U.S. Treasury Secretary Timothy Geithner outlined a broad initiative designed to do just that.

"Having the U.S. and Chinese on board makes it a whole lot more likely" that an international framework will eventually emerge, says Harvard University's Kenneth Rogoff, former chief economist of the International Monetary Fund. Rogoff says that "it seems virtually certain that four to five years from now, the world will have either a global financial regulator or, more likely, a treaty on global financial regulation with a secretariat, akin to the World Trade Organization." Still, he adds, "nothing is going to happen quickly." John Taylor, a former U.S. Treasury official and now at Stanford University, says the process is "going to be drawn out" as lawmakers in individual countries wrangle over rewriting the rules. That will give financial firms the opportunity to seek changes that dilute new restrictions, says Richard Portes, a professor at the London Business School. "Banks are lobbying ferociously against anything that will undermine their businesses and pay," he says.

When G-20 leaders last met in November, with the Bush administration in its final months, the U.S. resisted European suggestions for a single global regulator and government oversight of hedge funds. Now, proposals from the Obama administration are giving the push for a global regulatory overhaul a second wind. "We must ensure that global standards for financial regulation are consistent with the high standards we will be implementing in the United States," Geithner told Congress March 26. Calling for "new rules of the game," Geithner plans to bring hedge funds, private-equity firms and derivatives markets under federal supervision for the first time. A new systemic- risk regulator would have power to force companies to increase their capital or cut their borrowing, and authorities would be able to seize them if they came unstuck.

The EU will propose its first rules for the $1.4 trillion hedge-fund industry next month, while the U.K. is also considering stepping up oversight. After financial firms raced to raise more than $1 trillion of capital to cover losses, governments want "institutions to take less risk and build up buffers in good times," says Marco Annunziata, chief economist at UniCredit MIB in London. The U.K.'s financial-market regulator cites Spain as a model after its lenders, including Banco Bilbao Vizcaya Argentaria SA, avoided the need for government recapitalization.

Source: Bloomberg, March 30, 2009

THE CALL FOR GREATER REGULATION UNITES CHINA, POSSESSOR OF THE MOST VIBRANT ECONOMY IN THE DEVELOPING WORLD, AND THE U.S., POSSESSOR OF THE WORLD'S LARGEST ECONOMY.

BRIC:

a) Brazil Drops Swap of Oil Rights for Petrobras Stock

A committee reviewing Brazil's oil rules has dropped plans to swap unleased offshore oil blocks for stock in Petroleo Brasileiro SA, Brazil's state-controlled oil company, Folha de S. Paulo newspaper said. The decline in the world economy makes such a plan, supported by Petrobras, as the oil company is known, unnecessary, the newspaper said, citing conversations with at least three government ministers. Petrobras will be favored in the granting of rights to develop the country's so-called pre-salt fields, home to some of the world's largest recent oil finds, Folha reported. The committee, made up of ministers, the head of Brazil's national petroleum agency and Jose Sergio Gabrielli, chief executive officer of Petrobras, is looking for ways to give the government power to choose companies to develop the pre-salt area rather than leasing exploration areas to the highest bidder, the newspaper said .

Source: Bloomberg.com, March 30, 2009

BRIC Contd…

b) Russia's Economy May Contract 4.5% in 2009 - World Bank

Russia's economy will probably shrink 4.5 percent this year after oil prices slumped and global contagion spread, driving up unemployment and pushing more people into poverty, the World Bank forecast. "As the crisis continues to spread to the real economy around the world, initial expectations that Russia and other countries will recover fast are no longer likely," the bank said in a report today. In November, it saw growth of 3 percent, based on oil prices of $75 a barrel and global expansion. The contraction may be prolonged because of the credit squeeze and low oil prices, with unemployment rising and incomes falling, the bank said.

"In the short term, the authorities will face twin challenges of containing the social impact and managing the new round of the real economy's impact on the financial sector," the report said. Inflation will be between 11 percent and 13 percent this year as higher import prices offset falling consumer demand, the unavailability of loans and capital outflow, the bank said. The government's anti-crisis response should shift from a focus on the financial sector and companies toward targeting small and medium-size businesses, infrastructure and "cushioning the impact on the vulnerable" the bank said.

"The deeper and more prolonged economic crisis is likely to have a major social impact, already spreading fast," the bank said in the report. Russia should earmark additional funds, equivalent to about 1 percent of gross domestic product for one year, to provide a temporary fiscal boost on programs including child allowance, unemployment benefits and pensions. The spending program would increase the deficit by 0.75 percent this year because it will extend into 2010. The number of jobless people will probably rise by 2.7 million people in 2009, growing to more than 12 percent of the working population, the World Bank said. The number of poor may climb by 2.75 million, resulting in a 16 percent poverty rate. The World Bank predicts new pressures on Russia's banking sector as credit markets remain frozen and bad loans increase. The share of non-performing loans may exceed 10 percent of the total by the end of this year from 3.8 percent in January.

Scheduled repayments by Russian lenders and companies will probably exceed $135 billion in 2009, with more than $30 billion due in the first quarter of this year, according to the bank.

Source: Bloomberg March 30,2009

RUSSIA SHOULD EARMARK ADDITIONAL FUNDS, EQUIVALENT TO ABOUT 1 PERCENT OF GROSS DOMESTIC PRODUCT FOR ONE YEAR, TO PROVIDE A TEMPORARY FISCAL BOOST ON PROGRAMS INCLUDING CHILD ALLOWANCE,

c) Indian Banks' Loan Growth May Derail Central Bank Target

Indian banks' total loans to companies and consumers are likely to miss the central bank's target for the fiscal year as lenders tighten credit to avoid rising delinquencies after economic growth faltered. Credit to manufacturers and individuals rose 15 percent to 26.4 trillion rupees ($518 billion) in the period to March 13 from March 28, 2008, excluding advances made to state agencies for food procurement, according to data from the Reserve Bank of India. Including so-called food credit, the advances rose 15 percent to 26.9 trillion rupees.

The central bank in January raised the lending target for the year ending March 31 to 24 percent, from an April forecast of 20 percent, to give local companies greater access to funding after global credit markets seized up. Total bank deposits rose by 17 percent in the same period to 37.3 trillion rupees, matching the Reserve Bank's April forecast.

Source: Bloomberg, March 30, 2009

BRIC Contd...

d) China Slowdown Stunts Entrepreneurs

NOW, WITH THE GLOBAL CUSTOMERS FOR CHINESE FACTORIES IN RECESSION, TENS OF THOUSANDS OF PLANTS ARE CLOSED AND MANUFACTURERS HAVE SLASHED EXPANSION PLANS.

Tony Yu grew rich helping build China into the world's factory floor. Over a decade, his small firm outfitted more than a thousand assembly lines with specialized equipment: pumps and pipes to sluice chemicals through high-tech plants. Business was so good his biggest challenge was keeping up with manufacturers impatient to cut the ribbons on their next plant. Mr. Yu poached engineers from rivals as he grew and acquired a mansion overlooking Shanghai's fanciest golf course. Now his order book is emptying. China's February exports fell nearly 26% from a year before, the fourth in a series of worsening monthly declines. The building boom in Chinese factories is over, and Mr. Yu is casting about for business ideas. "We have ridden the wave of economic development in the last few years," he says. "We are at a loss as to what to do in the immediate future."

Tony Yu watches a worker in a "clean room" at his GenTech offices in the suburbs of Shanghai, China. His fate echoes a broader challenge for China itself. The country has relied heavily for its often double-digit growth on a furious pace of investment in manufacturing. More than 40% of China's gross domestic product traces to factory construction and other kinds of fixed-asset investment.

Contributing to this have been hundreds of thousands of bootstrap entrepreneurs like Mr. Yu who appeared from nowhere, helping the Chinese economy to multiply 14-fold, adjusted for inflation, since 1980. Their bold dives into business -- dubbed xia hai, or "jump into the sea" -- and often unorthodox methods both thrilled and chilled the wider business community. Tiny firms shocked global goliaths with aggressive cost-cutting and sometimes corner-cutting as well. Speed was everything. "You didn't need to be good," Mr. Yu says. "You needed to be there."

Over a decade these go-getters created five million businesses of at least eight employees each, according to the State Administration for Industry & Commerce. They spawned some 75 million jobs for China's university graduates, workers discarded from state companies and streams of people from the countryside. The output of China's private companies and their investment spending made up half of last year's $4.42 trillion GDP.

Now, with the global customers for Chinese factories in recession, tens of thousands of plants are closed and manufacturers have slashed expansion plans. Beijing has responded with a $585 billion economic-stimulus program, and domestic consumption is picking up some of the slack for the export decline, the head of Industrial & Commercial Bank of China said Thursday. But the stimulus is largely government spending on infrastructure that won't necessarily benefit manufacturers such as Mr. Yu's traditional customers.

"Can they build enough roads to offset the fact that they aren't building as many factories?" asks Ben Simpfendorfer, an economist in Hong Kong for Royal Bank of Scotland. He calculates that a drop of 15%, say, in spending on business equipment would cut 1.6 percentage points off China's 2009 growth rate.
Source: Bloomberg, March 30, 2009 .

Source: Bloomberg March 30,2009

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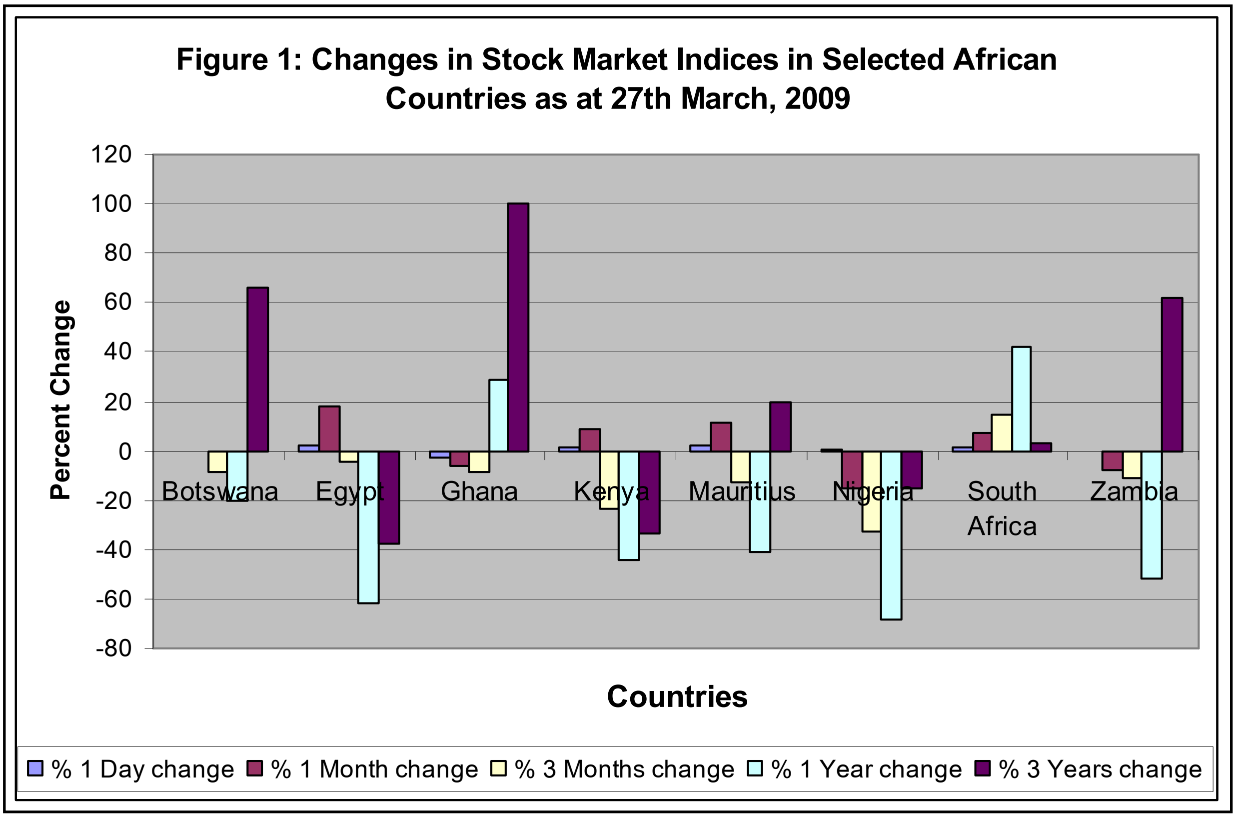

Source: African Financial Markets Website

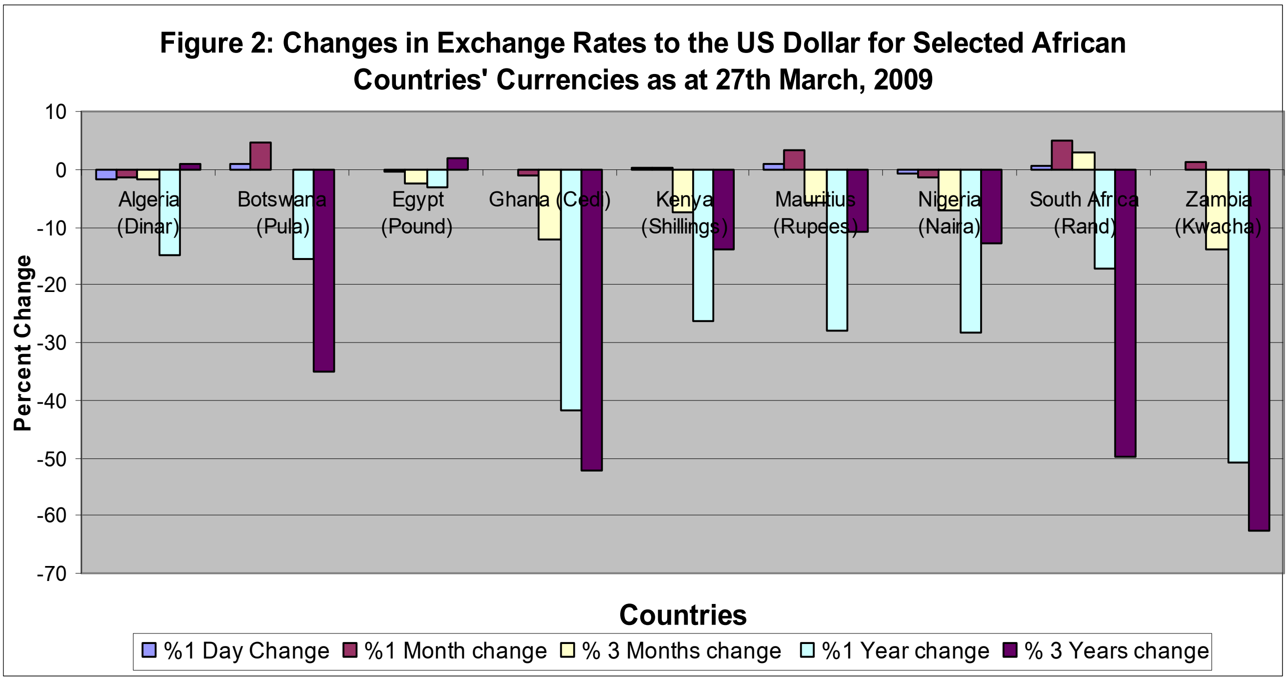

Table 1: Stock Market Indices In OECD, Non-OECD and African Countries

STOCK MARKET INDICES

OECD COUNTRIES	INDEX	End-2007	End-2008	30-Mar-2009	% Change End-Dec 2007 - 2008	% Change End-Dec 2008 - 30 Mar-2009	% Change End-Dec 2007 - 30 Mar-2009
AUSTRALIA	S&P/ASX 200 Index	6,339.90	3,722.30	3,604.40	-41.3	-3.2	-43.1
AUSTRIA	Austrian Traded ATX Index	4,512.98	1,750.83	1,620.54	-61.2	-7.4	-64.1
BELGIUM	Bel 20 Index	4,147.19	1,908.64	1,700.44	-54.0	-10.9	-59.0
CANADA	S&P/TSX Composite Index	13,833.06	8,987.70	8,465.35	-35.0	-5.8	-38.8
CZECH REPUBLIC	Prague Stock Exchange Index	1,818.20	867.60	745.10	-52.3	-14.1	-59.0
DENMARK	OMX Copenhagen 20	460.53	247.02	227.89	-46.4	-7.7	-50.5
FINLAND	OMX Helsinki Index	11,598.42	5,403.52	4,501.54	-53.4	-16.7	-61.2
FRANCE	CAC40	5,627.48	3,217.13	2,719.34	-42.8	-15.5	-51.7
GERMANY	DAX	8,038.60	4,704.86	3,989.23	-41.5	-15.2	-50.4
GREECE	Athex Composite Share Pr	5,152.16	1,786.51	1,629.68	-65.3	-8.8	-68.4
HUNGARY	Budapest Stock Exchange Index	26,235.63	12,241.69	10,893.38	-53.3	-11.0	-58.5
ICELAND	OMX Iceland All-Share PR	5,803.35	581.76	382.65	-90.0	-34.2	-93.4
IRELAND	Irish Overall Index	6,934.35	2,343.27	2,129.35	-66.2	-9.1	-69.3
ITALY	Milan MIB30 Index	38,885.00	20,064.00	16,206.00	-48.4	-19.2	-58.3
JAPAN	NIKKEI 225	15,307.78	8,859.56	8,236.08	-42.1	-7.0	-46.2
KOREA	KRX 100 Index	3,864.01	2,373.06	2,534.54	-38.6	6.8	-34.4
LUXEMBOURG	LuxX Index	2,419.28	961.13	870.58	-60.3	-9.4	-64.0
MEXICO	Bolsa	29,536.83	22,392.38	19,564.23	-24.2	-12.6	-33.8
NETHERLANDS	AEX Index	515.69	240.81	211.11	-53.3	-12.3	-59.1
NEW ZEALAND	NZX 50 FF Gross Index	4,041.38	2,715.71	2,641.99	-32.8	-2.7	-34.6
NORWAY	OBX Stock Index	419.65	194.33	198.76	-53.7	2.3	-52.6
POLAND	WSE WIG Index	55,648.54	27,228.64	23,980.08	-51.1	-11.9	-56.9
PORTUGAL	PSI General Index	4,130.47	2,073.59	2,037.97	-49.8	-1.7	-50.7
SLOVAK REPUBLIC	Slovak Share Index	445.65	359.18	334.86	-19.4	-6.8	-24.9
SPAIN	IBEX 35 Index	15,182.30	9,017.70	7,601.10	-40.6	-15.7	-49.9
SWEDEN	OMX Stockholm 30 Index	1,081.44	662.33	633.09	-38.8	-4.4	-41.5
SWITZERLAND	Swiss Market Index	8,518.19	5,534.53	4,745.76	-35.0	-14.3	-44.3
TURKEY	ISE National 100 Index	55,538.13	26,864.07	25,143.61	-51.6	-6.4	-54.7
UNITED KINGDOM	FTSE 100	6,456.90	4,319.35	3,762.91	-33.1	-12.9	-41.7
UNITED STATES	S&P 500	1,465.13	903.00	784.09	-38.4	-13.2	-46.5
NON-OECD COUNTRIES							
INDONESIA	Jakarta Composite Index	2,745.83	1,355.41	1,419.09	-50.6	4.7	-48.3
KUWAIT	Kuwait SE Weighted Index	713.04	421.21	357.76	-40.9	-15.1	-49.8
QATAR	DSM 20 Index	9,697.51	6,788.69	4,810.00	-30.0	-29.1	-50.4
SAUDI ARABIA	Tadawul All-Share Index	11,038.66	4,791.27	4,632.51	-56.6	-3.3	-58.0
UAE	DFM General	5,931.95	1,636.29	1,578.39	-72.4	-3.5	-73.4
VENEZUELA	Venezuela Stock Market Index	37,715.80	35,090.08	41,412.10	-7.0	18.0	9.8
ARGENTINA	Merval Index	2,168.23	1,079.66	1,115.53	-50.2	3.3	-48.6
BRAZIL	Bovespa	63,886.10	37,060.16	40,504.63	-42.0	9.3	-36.6
CHINA	Shanghai SE A Index	5,571.34	1,911.80	2,474.86	-65.7	29.5	-55.6
COLOMBIA	IGBC General	10,681.34	7,560.68	7,927.17	-29.2	4.8	-25.8
INDIA	BSE Sensex Index	20,286.99	9,716.16	9,568.14	-52.1	-1.5	-52.8
MALAYSIA	Kuala Lumpur Comp Index	1,447.04	881.63	869.34	-39.1	-1.4	-39.9
OMAN	MSM 30 Index	9,035.46	5,441.12	4,668.06	-39.8	-14.2	-48.3
RUSSIA	Micex Index	1,888.86	619.53	763.36	-67.2	23.2	-59.6
AFRICAN COUNTRIES							
BOTSWANA	Botswana Gaborone Index	8,421.63	7,035.50	6,453.90	-16.5	-8.3	-23.4
EGYPT	EGX Case 30 Index	10,549.74	4,596.49	4,247.48	-56.4	-7.6	-59.7
GHANA	GSE Index	6,599.00	10,428.34	9,247.17	58.0	-11.3	40.1
KENYA	Kenya Stock Exchange NS Index	5,444.83	3,459.97	2,754.54	-36.5	-20.4	-49.4
NIGERIA	NSE All-Share Index	57,990.22	31,450.78	19,825.08	-45.8	-37.0	-65.8
MAURITIOUS	Mauritious Stock Exchange	1,843.56	1,182.75	1,057.96	-35.8	-10.6	-42.6
SOUTH AFRICA	FTSE/JSE Africa All-Share	28,957.97	21,509.19	19,929.04	-25.7	-7.3	-31.2

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	30-Mar-09	YTD % Change
OECD COUNTRIES	AUSTRALIA	Dollar	1.13430	1.46349	-22.49
	CANADA	Dollar	0.98810	1.25900	-21.52
	HUNGARY	Forint	172.91800	232.82000	-25.73
	ICELAND	Krona	62.00000	121.42000	-48.94
	KOREA	Won	938.20000	1,328.90000	-29.40
	MEXICO	Peso	10.91570	14.38550	-24.12
	NEW ZEALAND	Dollar	1.29190	1.76149	-26.66
	NORWAY	Krone	5.41100	6.78470	-20.25
	POLAND	Zloty	2.43500	3.57790	-31.94
	SWEDEN	Krona	6.44150	8.23750	-21.80
	TURKEY	Lira	1.17780	1.70481	-30.91
	UNITED KINGDOM	Pound Sterling	0.49920	0.70497	-29.19
NON-OECD COUNTRIES	INDONESIA	Rupiah	9,385.80000	11,530.00000	-18.60
	RUSSIA	Ruble	24.54620	34.01340	-27.83
	BRAZIL	Reals	1.77050	2.32502	-23.85
	INDIA	Rupee	39.41000	51.08000	-22.85
	ARGENTINA	Peso	3.15003	3.81284	-17.38
	COLOMBIA	Peso	2,044.30000	2,569.38770	-20.44
	KAZAKHSTAN	Tenge	120.30000	151.35000	-20.52
AFRICAN COUNTRIES	KENYA	Shilling	63.97007	81.71300	-21.71
	TANZANIA	Shilling	1,150.50000	1,356.00000	-15.15
	ZAMBIA	Kwacha	3,900.15000	5,626.90000	-30.69
	SOUTH AFRICA	Rand	6.81000	9.73000	-30.01
	BOTSWANA	Pula	6.28472	7.85546	-20.00
	GHANA	New Cedi	0.99620	1.41001	-29.35
	NIGERIA	**Naira**	**117.80000**	**147.20750**	**-19.98**

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