

# **Central Bank of Nigeria**



## ***Quarterly Statistical Bulletin Quarter Two 2013***

***Statistics Department***

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## **Vision of the CBN**

By 2015: Be the model central bank delivering price and financial system stability and promoting sustainable economic development

## **Mission of the CBN**

To be proactive in providing a stable framework for the economic development of Nigeria, through the effective, efficient and transparent implementation of monetary exchange rate policy and management of the financial sector

## **Mandate of the Statistics Department**

To collect, analyze and manage data on all sectors of the economy, in order to provide statistical support to the Bank, the government, international organizations and other stakeholders

# **Quarterly Statistical Bulletin**

## **2013 Quarter Two**

### **Section A: Statistical Analysis and Reports**



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*Monetary Survey  
Report*

*2nd Quarter, 2013*



## EXECUTIVE SUMMARY

**T**he consolidation of the end-June 2013 provisional accounts of the monetary authorities, the accounts of the commercial banks (CBs), the merchant banks (MBs) and the non interest bank (NIB) generated the end-June 2013 monetary survey report comprising broad money supply and its determinants.

The highlights of the monetary survey analysis for June 2013 were as follows:

- ◆ The broad measure of money supply ( $M_2$ ) year-to-date increased by N109.41 billion or 0.71 per cent to N15,593.3 billion in June 2013. Thus,  $M_2$  growth was 17.67 percentage points below the proposed target of 18.38 per cent for fiscal 2013, but 15.65 per cent higher than the level recorded one year ago.
- ◆ The 0.71 per cent year-to-date expansion in  $M_2$  was due mainly to the increases of 3.52 and 0.36 percentage points in the relative contributions of credit to core private sector and credit to government (net). These outweighed the 2.97 percentage points decrease in the relative contribution of other assets (net).
- ◆ Net domestic credit (NDC) increased from its level in December 2012 by N596.30 billion or 4.70 per cent to N13,294.5 billion in the review period. As such, NDC was 42.87 percentage points below the proposed target of 47.57 per cent for fiscal 2013, and 2.01 per cent lower than the level achieved a year earlier.
- ◆ The 2.28 per cent year-to-date increase in net credit to government was 64.31 percentage points below the proposed target of 66.59 per cent for fiscal 2013, and 111.49 per cent below the level achieved twelve months ago.
- ◆ Credit to private sector increased from its level in December 2012 by N540.27 billion or 3.57 per cent to N15,692.0 billion. At this level, it was 42.63 percentage points lower than the proposed target of 46.20 per cent for fiscal 2013, but 6.74 per cent above the level reported a year ago.
- ◆ Net foreign assets decreased by N26.69 billion or 0.30 per cent to N9,017.0 billion year-to-date. The 0.30 per cent contraction in NFA was 62.48 percentage points lower than the proposed target of 62.18 per cent for fiscal 2013.
- ◆ The 7.35 per cent decline in OAN from its level in December 2012 was accounted for by the decreases of 15.79 and 1.17 percentage points in the relative contributions of OAN of CBN and merchant banks (MBs), respectively. The decreases, were, however, moderated by the increases of 9.59 and 0.01 percentage points in the relative contributions of OAN of commercial banks (CBs) and non interest bank (NIB).
- ◆ The 15.65 per cent year-on-year expansion in  $M_2$  in June 2013 was largely accounted for by the 13.13 and 3.15 percentage points increases in the relative contributions of quasi-money and demand deposits at commercial banks.

# Monetary Survey Report for June 2013

Table I: MONETARY SURVEY							
(In Billion of Naira)							
	2012			2013			Annualized Percentage Change
	June (1)	December (2)	April (3)	May (4)	June (5)		
Net Foreign Assets	7,522.3	9,043.7	9,557.8	9,404.6	9,017.0	-0.59	
Net Domestic Assets	5,960.8	6,440.2	6,076.6	6,019.4	6,576.3	4.23	
<b>Domestic Credit</b>	<b>13,567.4</b>	<b>12,698.2</b>	<b>13,205.4</b>	<b>13,235.7</b>	<b>13,294.5</b>	<b>9.39</b>	
<b>Claims on Government (Net):</b>	<b>-1,133.6</b>	<b>-2,453.6</b>	<b>-2,202.8</b>	<b>-2,249.5</b>	<b>-2,397.5</b>	<b>4.57</b>	
Memo: Claims on Federal Government (net) less FMA	1,959.0	483.0	41.7	-151.7	12.7	-194.72	
Memo: Federation and Mirror Accounts (FMA)	-3,092.6	-2,936.6	-2,244.5	-2,097.9	-2,410.3	35.84	
<b>Claims on Private Sector</b>	<b>14,701.1</b>	<b>15,151.8</b>	<b>15,408.2</b>	<b>15,485.2</b>	<b>15,692.0</b>	<b>7.13</b>	
State & Local Govt	586.3	665.9	690.9	652.1	661.0	-1.46	
Non-financial public enterprises	0.0	0.0	0.0	0.0	0.0	0.00	
Core Private Sector	14,114.8	14,485.9	14,717.3	14,833.1	15,031.0	7.53	
<b>Other assets(net)</b>	<b>-7,606.6</b>	<b>-6,258.0</b>	<b>-7,128.9</b>	<b>-7,216.3</b>	<b>-6,718.2</b>	<b>-14.71</b>	
<b>Total Assets=Total money supply (M2)</b>	<b>13,483.1</b>	<b>15,483.8</b>	<b>15,634.4</b>	<b>15,424.1</b>	<b>15,593.3</b>	<b>1.41</b>	
<b>Currency Outside Banks</b>	<b>1,088.3</b>	<b>1,301.2</b>	<b>1,185.3</b>	<b>1,160.6</b>	<b>1,127.8</b>	<b>-26.65</b>	
<b>Demand Deposits at</b>	<b>5,511.1</b>	<b>6,119.8</b>	<b>5,590.9</b>	<b>5,583.9</b>	<b>5,811.8</b>	<b>-10.06</b>	
Central Bank	607.0	1,046.8	571.1	457.5	479.6	-108.36	
Commercial Banks	4,901.4	5,070.0	5,014.9	5,120.5	5,326.4	10.11	
Merchant Banks	0.0	0.0	0.0	0.1	0.2	0.00	
Non Interest Bank	2.7	3.0	4.8	5.7	5.6	173.15	
Money (M1)	6,599.4	7,420.9	6,776.2	6,744.6	6,939.6	-12.97	
Quasi-money	6,883.7	8,062.9	8,858.2	8,679.5	8,653.6	14.65	

	Actual Change Between			Percentage Change Between		
	(1) & (5)	(2) & (5)	(4) & (5)	(1) & (5)	(2) & (5)	(4) & (5)
Net Foreign Assets	1,494.73	-26.69	-387.63	19.87	-0.30	-4.12
Net Domestic Assets	615.46	136.10	556.83	10.33	2.11	9.25
<b>Domestic Credit</b>	<b>-272.92</b>	<b>596.30</b>	<b>58.81</b>	<b>-2.01</b>	<b>4.70</b>	<b>0.44</b>
<b>Claims on Government (Net):</b>	<b>-1,263.89</b>	<b>56.03</b>	<b>-148.00</b>	<b>-111.49</b>	<b>2.28</b>	<b>-6.58</b>
Memo: Claims on Federal Government (net) less FMA	-1,946.27	-470.27	164.40	-99.35	-97.36	108.40
Memo: Federation and Mirror Accounts (FMA)	682.38	526.30	-312.40	22.06	17.92	-14.89
<b>Claims on Private Sector</b>	<b>990.97</b>	<b>540.27</b>	<b>206.80</b>	<b>6.74</b>	<b>3.57</b>	<b>1.34</b>
State & Local Govt	74.76	-4.84	8.89	12.75	-0.73	1.36
Non-financial public enterprises	0.00	0.00	0.00			
Core Private Sector	916.21	545.11	197.91	6.49	3.76	1.33
<b>Other assets(net)</b>	<b>888.38</b>	<b>-460.21</b>	<b>498.03</b>	<b>11.68</b>	<b>-7.35</b>	<b>6.90</b>
<b>Total Assets=Total money supply (M2)</b>	<b>2,110.20</b>	<b>109.41</b>	<b>169.20</b>	<b>15.65</b>	<b>0.71</b>	<b>1.10</b>
Currency Outside Banks	39.48	-173.36	-32.81	3.63	-13.32	-2.83
Demand Deposits at	300.76	-307.96	227.88	5.46	-5.03	4.08
Central Bank	-127.34	-567.17	22.10	-20.98	-54.18	4.83
Commercial Banks	424.97	256.40	205.86	8.67	5.06	4.02
Merchant Banks	0.22	0.22	0.08			
Non Interest Bank	2.92	2.59	-0.16		86.57	-2.81
Money (M1)	340.24	-481.31	195.08	5.16	-6.49	2.89
Quasi-money	1,769.96	590.72	-25.87	25.71	7.33	-0.30

## 1.0 Money Supply

The broad measure of money supply (M<sub>2</sub>) year-to-date increased by N109.41 billion or 0.71 per cent to N15,593.3 billion in June 2013. Thus, M<sub>2</sub> growth was 17.67 percentage points below the proposed target of 18.38 per cent for fiscal 2013, but 15.65 per cent higher than the level recorded one year ago.

On annualized basis, M<sub>2</sub> increased by 1.41 per cent (Table 1). When compared with its growth in the corresponding period of 2012,

M<sub>2</sub> on year-on-year basis was higher, but lower on year-to-date basis in June 2013 (Fig 1(a)).

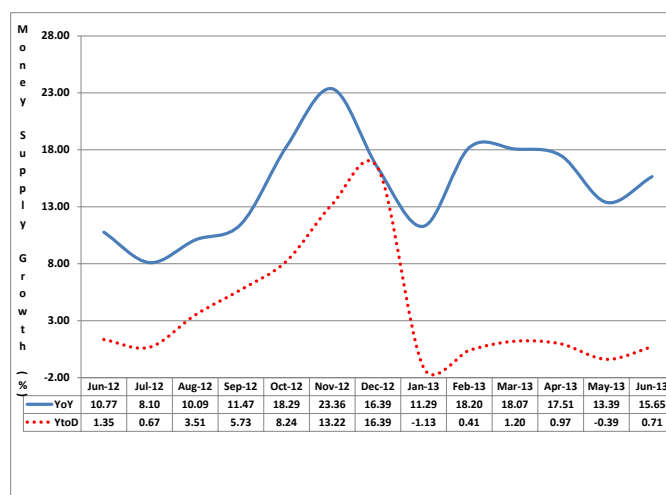


Fig 1(a): M<sub>2</sub> YoY and YtoD growth

## 1.1 Net Domestic Credit

Net domestic credit (NDC) increased from its level in December 2012 by N596.30 billion or 4.70 per cent to N13,294.5 billion in the review period. As such, NDC was 42.87 percentage points below the proposed target of 47.57 per cent for fiscal 2013, and 2.01 per cent lower than the level achieved a year earlier. On annualized basis, it increased by 9.39 per cent (Table I).

The year-to-date expansion in NDC was attributable to the increases in both credit to private sector and government (net) by N540.27 billion or 3.57 and N56.03 billion or 2.28 per cent, respectively (Table I).

### 1.1.1 Net Credit to Government

The 2.28 per cent year-to-date increase in net credit to government was 64.31 percentage points below the proposed target of 66.59 per cent for fiscal 2013, and 111.49 per cent below the level achieved twelve months ago. This increase was attributed to the N384.48 contraction in claims on government and N440.51 draw down on government deposits (Appendix VII). The trends of growth in net credit to Government on year-on-year and end-December 2012 to date basis are shown in Fig 1(b).

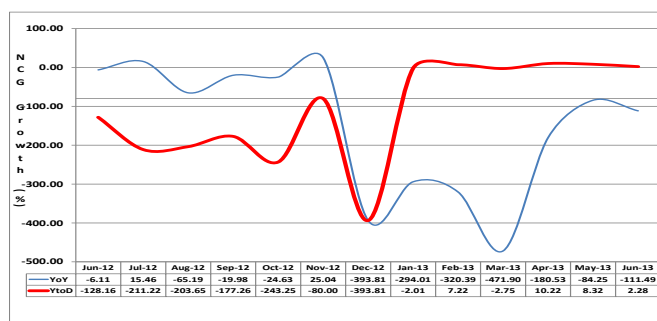


Fig 1(b): NCG YoY and YtD growth

## 1.1.2 Credit to Private Sector

Credit to private sector increased from its level in December 2012 by N540.27 billion or 3.57 per cent to N15,692.0 billion. At this level, it was 42.63 percentage points lower than the proposed target of 46.20 per cent for fiscal 2013, but 6.74 per cent above the level reported a year ago

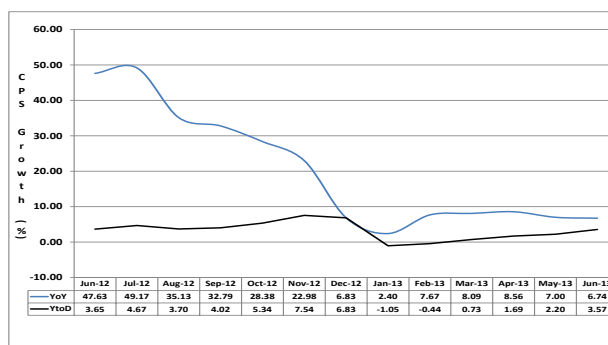


Fig 1(c): CPS YoY and YtD growth

## 1.2 Net Foreign Assets

Net foreign assets decreased by N26.69 billion or 0.30 per cent to N9,017.0 billion year-to-date. The 0.30 per cent contraction in NFA was 62.48 percentage points lower than the proposed target of 62.18 per cent for fiscal 2013. (Table I and Fig 1(d)).

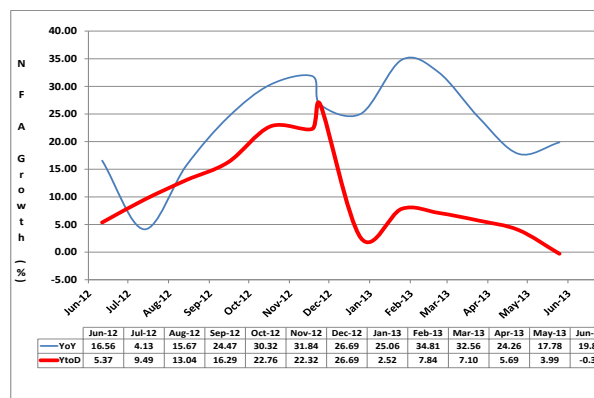


Fig 1(d): NFA YoY and YtD growth

### 1.3 Other Assets (Net)

Other assets net (OAN), year-to-date, declined by N460.21 billion or 7.35 per cent. At this level, OAN was N888.38 billion or 11.68 per cent above the level reported a year earlier (Table 1, Appendix IV and Fig 1(e)).

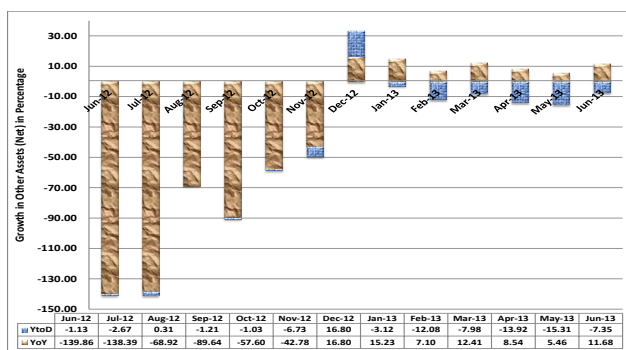


Fig 1(e): OAN YoY and YtD growth

The 7.35 per cent decline in OAN from its level in December 2012 was accounted for by the decreases of 15.79 and 1.17 percentage points in the relative contributions of OAN of CBN and merchant banks (MBs), respectively. The decreases, were, however, moderated by the increases of 9.59 and 0.01 percentage points in the relative contributions of OAN of commercial banks (CBs) and non interest bank (NIB), (Fig 1(f)).

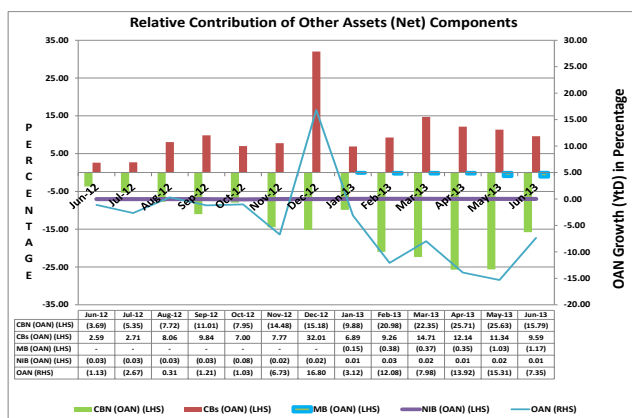


Fig 1(f): Relative Contribution of CBN and DMBs Other Assets (Net) Components

The year-to-date decline in OAN was also attributable majorly to the increases of N1,520.06 billion and N211.31 billion in unclassified liabilities of CBN and commercial banks' capital accounts, respectively, which were, however, dampened by the N475.19 and N441.82 billion increases in the commercial banks' balances with the CBN and unclassified assets of CBs, respectively (Appendix VI).

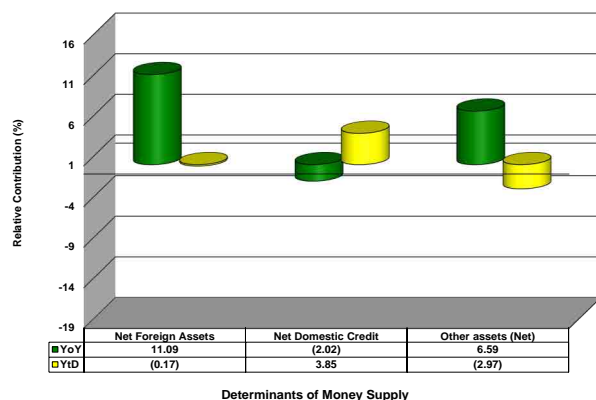
### 2. Determinants of Money Supply

The 0.71 per cent year-to-date expansion in  $M_2$  was due mainly to the increases of 3.52 and 0.36 percentage points in the relative contributions of credit to core private sector and credit to government (net). These outweighed the 2.97 and 0.17 percentage points decreases in the relative contributions of other assets (net) and net foreign assets, respectively (Table II).

Table II: Determinants of $M_2$				
	Relative Contribution to $M_2$ Growth from end-Dec (%)			Rel. Contribution, Year-on Year (%)
	Dec-12	May-13	Jun-13	Jun-13
Net Foreign Assets	14.32	2.33	(0.17)	11.09
Net Domestic Assets	2.07	(2.72)	0.88	4.56
Domestic Credit	(7.43)	3.47	3.85	(2.02)
Government (net)	(14.71)	1.32	0.36	(9.37)
Private Sector	7.28	2.15	3.49	7.35
State & Local Govt	1.15	(0.09)	(0.03)	0.55
Non-financial public enter	-	-	-	-
Core Private Sector	6.13	2.24	3.52	6.80
Other assets(net)	9.50	(6.19)	(2.97)	6.59
Total Monetary Assets	16.39	(0.39)	0.71	15.65

When viewed on year-on-year basis,  $M_2$  rose by 15.65 per cent. The rise reflected largely the increases of 11.09, 6.80 and 6.59 percentage points in the relative contributions of net foreign assets, credit to core private sector and other assets (net), respectively.

The increase was, however, moderated by the 9.37 percentage points decline in the relative contribution of credit to government (net), (Table II).



*Fig 2: Determinants of M<sub>2</sub> Growth from end-December 2012 and Year-on-Year*

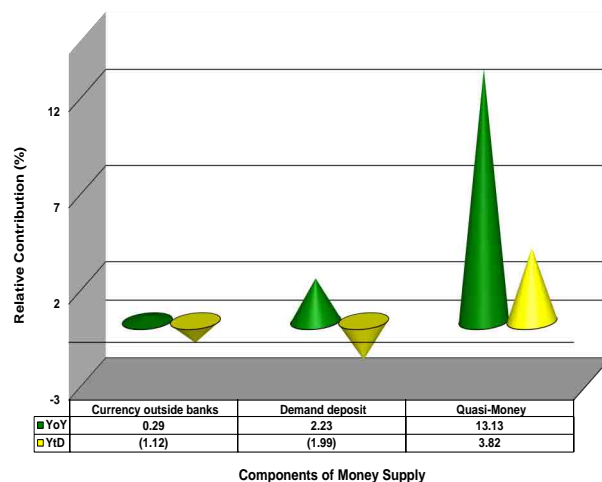
### 3. Components of Money Supply

The 15.65 per cent year-on-year expansion in M<sub>2</sub> in June 2013 was largely accounted for by the 13.13 and 3.15 percentage points increases in the relative contributions of quasi-money and demand deposits at commercial banks (Table III and Fig 3).

On year-to-date basis, the 0.71 per cent expansion in M<sub>2</sub> was accounted for by the increases of 3.82, 1.66 and 0.02 percentage points in the relative contributions of quasi money, demand deposits at commercial banks and the non interest bank, respectively.

	Relative Contribution to M <sub>2</sub> Growth from End-Dec (%)			Rel. Contribution, Year-on_Year
	Dec-12	May-13	Jun-13	
				Jun-13
Total money supply (M <sub>2</sub> )	16.39	(0.39)	0.71	15.65
Currency Outside Banks	0.42	(0.91)	(1.12)	0.29
Demand Deposits at	4.46	(3.46)	(1.99)	2.23
Central Bank	3.32	(3.81)	(3.66)	(0.94)
Commercial Banks	1.12	0.33	1.66	3.15
Merchant Banks	-	0.00	0.00	0.00
Non Interest Bank	0.02	0.02	0.02	0.02
Money (M <sub>1</sub> )	4.88	(4.37)	(3.11)	2.52
Quasi-money	11.51	3.98	3.82	13.13

The increases outweighed the 3.66 and 1.12 percentage point declines in the relative contributions of demand deposit at central bank and currency outside banks, respectively (Table III and Fig 3).



*Fig 3: Relative Contributions of M<sub>2</sub> Components from end-December 2012 and Year-on-Year*

Money Supply & Its Determinants (In Millions of Naira)		Revised	Revised	Revised	Provisional
Statistics Department's Monetary Survey	Jun-12	Dec-12	Apr-13	May-13	Jun-13
<b>FOREIGN ASSETS (NET)</b>	<b>7,522,255.0</b>	<b>9,043,678.7</b>	<b>9,557,830.1</b>	<b>9,404,620.6</b>	<b>9,016,988.5</b>
By Monetary Authorities	6,025,336.8	7,393,557.7	7,745,970.3	7,703,028.7	7,413,741.9
By Commercial Banks	1,496,918.2	1,647,936.4	1,809,778.8	1,699,580.3	1,599,504.1
By Merchant Banks		0.0	0.0	46.7	1,936.1
By Non Interest Banks	0.0	2,184.6	2,081.0	1,964.8	1,806.5
<b>DOMESTIC CREDIT (NET)</b>	<b>13,567,429.1</b>	<b>12,698,205.1</b>	<b>13,205,410.9</b>	<b>13,235,702.5</b>	<b>13,294,508.4</b>
<b>Claims on Federal Government (Net)</b>	<b>-1,133,629.3</b>	<b>-2,453,557.1</b>	<b>-2,202,764.5</b>	<b>-2,249,527.4</b>	<b>-2,397,522.5</b>
By Monetary Authorities	-3,723,009.9	-3,574,376.4	-3,041,688.8	-3,022,021.9	-3,374,788.6
By Commercial Banks	2,584,468.2	1,120,543.3	815,624.0	742,049.6	937,527.5
By Merchant Banks		0.0	23,300.3	30,444.9	39,738.6
By Non Interest Banks	4,912.5	276.0	0.0	0.0	0.0
Memo: Claims on Federal Government (net) less FMA	1,959,019.0	483,014.7	41,686.1	-151,655.3	12,745.4
Memo: Federation and Mirror Accounts (FMA)	-3,092,648.2	-2,936,571.8	-2,244,450.7	-2,097,872.1	-2,410,267.9
<b>Claims on Private Sector</b>	<b>14,701,058.4</b>	<b>15,151,762.1</b>	<b>15,408,175.4</b>	<b>15,485,229.9</b>	<b>15,692,030.9</b>
By Monetary Authorities	4,652,650.4	4,708,311.8	4,795,017.2	4,687,396.6	4,703,307.2
By Commercial Banks	10,048,406.5	10,440,956.3	10,582,027.4	10,756,747.9	10,949,139.5
By Merchant Banks			25,062.4	34,297.9	32,218.1
By Non Interest Banks	1.5	2,494.0	6,068.4	6,787.5	7,366.2
<b>Claims on State and Local Govts:</b>	<b>586,273.7</b>	<b>665,879.3</b>	<b>690,871.3</b>	<b>652,143.0</b>	<b>661,034.9</b>
By Monetary Authorities	0.0	0.0	0.0	0.0	0.0
By Commercial Banks	586,273.7	665,879.3	690,177.4	651,449.1	660,341.0
By Merchant Banks		0.0	693.9	693.9	693.9
By Non Interest Banks	0.0	0.0	0.0	0.0	0.0
<b>Claims on Non-Financial Public Enterprises:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Claims on Other Private Sector:</b>	<b>14,114,784.7</b>	<b>14,485,882.9</b>	<b>14,717,304.1</b>	<b>14,833,086.9</b>	<b>15,030,996.0</b>
By Monetary Authorities	4,652,650.4	4,708,311.8	4,795,017.2	4,687,396.6	4,703,307.2
By Commercial Banks	9,462,132.9	9,775,077.1	9,891,850.0	10,105,298.8	10,288,798.4
By Merchant Banks		0.0	24,368.5	33,604.0	31,524.2
By Non Interest Banks	1.5	2,494.0	6,068.4	6,787.5	7,366.2
<b>OTHER ASSETS (NET)</b>	<b>-7,606,624.7</b>	<b>-6,258,036.2</b>	<b>-7,128,858.9</b>	<b>-7,216,270.5</b>	<b>-6,718,241.4</b>
<b>TOTAL MONETARY ASSETS</b>	<b>13,483,059.4</b>	<b>15,483,847.5</b>	<b>15,634,382.1</b>	<b>15,424,052.6</b>	<b>15,593,255.6</b>
<b>MONEY SUPPLY (M1)</b>	<b>6,599,394.5</b>	<b>7,420,946.2</b>	<b>6,776,177.4</b>	<b>6,744,554.5</b>	<b>6,939,632.3</b>
<b>Currency Outside Banks:</b>	<b>1,088,326.0</b>	<b>1,301,160.6</b>	<b>1,185,310.0</b>	<b>1,160,609.9</b>	<b>1,127,804.9</b>
Currency in Circulation	1,363,730.7	1,631,717.2	1,470,133.6	1,457,653.7	1,425,507.8
Vault cash: currency held by commercial banks	-275,342.5	-330,174.0	-284,398.2	-296,237.7	-296,705.8
Vault cash: currency held by merchant banks		0.0	-0.6	-0.9	-1.2
Vault cash: currency held by Non Interest banks	-62.2	-382.5	-424.9	-805.2	-995.8
<b>Demand Deposits</b>	<b>5,511,068.6</b>	<b>6,119,785.6</b>	<b>5,590,867.4</b>	<b>5,583,944.6</b>	<b>5,811,827.4</b>
Private Sector Deposits at CBN	606,976.7	1,046,799.6	571,147.2	457,531.9	479,633.9
Of Which NNPC Oil and Gas Revenue from DMBs					
Private Sector Deposits at Commercial Banks	4,901,423.7	5,069,992.0	5,014,887.2	5,120,528.7	5,326,388.9
Private Sector Deposits at Merchant Banks		0.0	0.0	136.2	218.6
Private Sector Deposits at Non Interest Banks	2,668.2	2,994.0	4,833.1	5,747.8	5,586.0
<b>QUASI MONEY</b>	<b>6,883,664.9</b>	<b>8,062,901.3</b>	<b>8,858,204.6</b>	<b>8,679,498.1</b>	<b>8,653,623.3</b>
Time and Savings Deposits of:	6,883,438.6	8,062,104.8	8,855,135.1	8,676,294.0	8,650,066.2
Commercial Banks	6,883,438.6	8,062,104.8	8,828,887.0	8,676,294.0	8,649,311.4
Of Which: Foreign Currency Deposit	2,068,056.6	2,726,978.6	3,025,262.0	2,950,216.4	2,982,035.1
Merchant Banks		0.0	26,248.1	0.0	754.8
Other Private Sector Deposits at Non Interest Banks	226.2	796.5	3,069.5	3,204.1	3,557.1
Of Which: Foreign Currency Deposit		0.0	205.1	226.4	231.7
<b>TOTAL MONETARY LIABILITIES (M2)</b>	<b>13,483,059.4</b>	<b>15,483,847.5</b>	<b>15,634,382.1</b>	<b>15,424,052.6</b>	<b>15,593,255.6</b>
Vertical Check:	0.0	0.0	0.0	0.0	0.0
Memo: Credit to Private Sector less AMCON BONDS	9,562,673.5	9,758,415.3	10,140,422.4	10,221,462.4	14,022,049.9
<b>GROWTH RATES OVER PRECEDING DEC</b>	<b>Jun-12</b>	<b>Dec-12</b>	<b>Apr-13</b>	<b>May-13</b>	<b>Jun-13</b>
<b>FOREIGN ASSETS (NET)</b>	<b>5.37</b>	<b>26.69</b>	<b>5.69</b>	<b>3.99</b>	<b>-0.30</b>
<b>DOMESTIC CREDIT (NET)</b>	<b>-0.87</b>	<b>-7.22</b>	<b>3.99</b>	<b>4.23</b>	<b>4.70</b>
<b>Claims on Federal Govt (Net):</b>	<b>-128.16</b>	<b>-393.81</b>	<b>10.22</b>	<b>8.32</b>	<b>2.28</b>
Memo: Claims on Federal Government (net) less FMA	-28.48	-82.37	-91.37	-131.40	-97.36
Memo: Federation and Mirror Accounts (FMA)	4.43	9.26	23.57	28.56	17.92
<b>Claims on Private Sector:</b>	<b>3.65</b>	<b>6.83</b>	<b>1.69</b>	<b>2.20</b>	<b>3.57</b>
<b>Claims on State and Local Govts:</b>	<b>14.23</b>	<b>29.75</b>	<b>3.75</b>	<b>-2.06</b>	<b>-0.73</b>
<b>Claims on Non-Financial Public Enterprises:</b>					
<b>Claims on Other Private Sector:</b>	<b>3.25</b>	<b>5.97</b>	<b>1.60</b>	<b>2.40</b>	<b>3.76</b>
Memo: Claims on Private Sector less AMCON BONDS	6.48	8.66	3.91	4.75	43.69
<b>OTHER ASSETS (NET)</b>	<b>-1.13</b>	<b>16.80</b>	<b>-13.92</b>	<b>-15.31</b>	<b>-7.35</b>
<b>MONEY SUPPLY (M1)</b>	<b>-2.54</b>	<b>9.59</b>	<b>-8.69</b>	<b>-9.11</b>	<b>-6.49</b>
<b>Currency Outside Banks:</b>	<b>-12.59</b>	<b>4.50</b>	<b>-8.90</b>	<b>-10.80</b>	<b>-13.32</b>
<b>Demand Deposits</b>	<b>-0.28</b>	<b>10.74</b>	<b>-8.64</b>	<b>-8.76</b>	<b>-5.03</b>
<b>QUASI MONEY</b>	<b>5.39</b>	<b>23.44</b>	<b>9.86</b>	<b>7.65</b>	<b>7.33</b>
<b>TOTAL MONETARY LIABILITIES (M2)</b>	<b>1.35</b>	<b>16.39</b>	<b>0.97</b>	<b>-0.39</b>	<b>0.71</b>
<b>M2 MULTIPLIER</b>	<b>5.37</b>	<b>4.18</b>	<b>4.55</b>	<b>4.49</b>	<b>4.82</b>
<b>M1 MULTIPLIER</b>	<b>2.63</b>	<b>2.00</b>	<b>1.97</b>	<b>1.97</b>	<b>2.14</b>
<b>GROWTH RATES YEAR-ON-YEAR (%)</b>					
<b>FOREIGN ASSETS (NET)</b>	<b>16.56</b>	<b>26.69</b>	<b>24.26</b>	<b>17.78</b>	<b>19.87</b>
<b>DOMESTIC CREDIT (NET)</b>	<b>52.62</b>	<b>-7.22</b>	<b>-1.51</b>	<b>-0.12</b>	<b>-2.01</b>
<b>Claims on Federal Govt (Net):</b>	<b>-6.11</b>	<b>-393.81</b>	<b>-180.53</b>	<b>-84.25</b>	<b>-111.49</b>
Memo: Claims on Federal Government (net) less FMA	21.19	-82.37	-98.10	-107.47	-99.35
Memo: Federation and Mirror Accounts (FMA)	-15.19	9.26	24.75	35.45	22.06
<b>Claims on Private Sector:</b>	<b>47.63</b>	<b>6.83</b>	<b>8.56</b>	<b>7.00</b>	<b>6.74</b>
<b>Claims on State and Local Govts:</b>	<b>39.51</b>	<b>29.75</b>	<b>25.13</b>	<b>13.98</b>	<b>12.75</b>
<b>Claims on Non-Financial Public Enterprises:</b>					
<b>Claims on Other Private Sector:</b>	<b>47.99</b>	<b>5.97</b>	<b>7.89</b>	<b>6.71</b>	<b>6.49</b>
Memo: Claims on Private Sector less AMCON BONDS	11.53	8.66	12.32	9.78	46.63
<b>OTHER ASSETS (NET)</b>	<b>-139.86</b>	<b>16.80</b>	<b>8.54</b>	<b>5.46</b>	<b>11.68</b>
<b>MONEY SUPPLY (M1)</b>	<b>17.07</b>	<b>9.59</b>	<b>1.61</b>	<b>3.21</b>	<b>5.16</b>
<b>Currency Outside Banks:</b>	<b>7.07</b>	<b>4.50</b>	<b>6.68</b>	<b>3.48</b>	<b>3.63</b>
<b>Demand Deposits</b>	<b>19.27</b>	<b>10.74</b>	<b>0.60</b>	<b>3.16</b>	<b>5.46</b>
<b>QUASI MONEY</b>	<b>5.34</b>	<b>23.44</b>	<b>33.49</b>	<b>22.79</b>	<b>25.71</b>
<b>TOTAL MONETARY LIABILITIES (M2)</b>	<b>10.77</b>	<b>16.39</b>	<b>17.51</b>	<b>13.39</b>	<b>15.65</b>



## Appendix II (a): CBN Analytical Balance Sheet (Assets)—June 2013

Monetary Authorities' Analytical Accounts (=N=Millions)	Jun-12	Revised Dec-12	Revised Apr-13	Revised May-13	Provisional Jun-13
<b>FOREIGN ASSETS</b>	<b>6,025,436.9</b>	<b>7,395,331.5</b>	<b>7,753,049.7</b>	<b>8,003,536.1</b>	<b>7,953,988.6</b>
Gold	19.0	19.0	19.0	19.0	19.0
IMF Reserve Tranche	22.6	22.6	22.6	22.6	22.6
Foreign Currencies	159,494.6	97,718.3	58,706.1	51,849.8	34,313.1
Demand Deposits at Foreign Banks	5,470,726.8	6,897,816.9	7,301,854.8	7,561,877.6	7,529,866.8
<i>Of which: Domiciliary Accounts</i>	487,525.8	560,299.4	146,621.7	400,179.9	543,116.6
Treasury Bills of Foreign Governments	1.1	1.0	1.0	1.0	1.0
SDR Holdings	395,172.7	399,753.6	392,446.2	389,766.0	389,766.0
Attached Assets					
Regional Monetary Cooperation Funds					
Other Foreign Assets					
Claims on Trade Debt Prom Notes/Attached Assets					
<b>CLAIMS ON FEDERAL GOVERNMENT</b>	<b>738,017.8</b>	<b>733,354.5</b>	<b>532,730.7</b>	<b>513,635.5</b>	<b>447,332.5</b>
<b>Treasury Bills &amp; TB Rediscounts</b>	<b>301,316.2</b>	<b>224,815.9</b>	<b>132,129.8</b>	<b>134,299.7</b>	<b>132,304.3</b>
Treasury Bills	279,249.7	215,175.0	131,360.5	131,236.1	131,268.8
Treasury Bills Rediscounts	22,066.6	9,640.9	769.3	3,063.6	1,035.6
<b>Nigerian Converted Bonds</b>	<b>329,440.9</b>	<b>338,335.9</b>	<b>238,862.6</b>	<b>236,252.0</b>	<b>235,827.6</b>
Treasury Bond Stock	327,946.2	336,694.7	237,370.8	234,760.2	234,335.7
Treasury Bonds Sinking Funds Overdrawn Account	1,494.7	1,641.2	1,491.8	1,491.9	1,491.9
Treasury Bonds Interest					
<b>Overdrafts to Federal Government</b>	<b>-</b>	<b>134,814.2</b>	<b>128,210.2</b>	<b>-</b>	<b>-</b>
Overdraft on Budgetary Accounts	-	-	-	-	-
Federal Government(Ways & means)	-	134,814.2	128,210.2	-	-
<b>Development Stocks</b>	<b>4.0</b>	<b>12.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
Development Stocks Account	4.0	12.0	-	-	-
Development Stocks Sinking Funds Overdrawn Account	4.0	-	-	-	-
Development Stocks Interest	-	12.0	-	-	-
<b>Treasury Certificates</b>					
<b>Other Claims on Federal Government</b>	<b>38,163.0</b>	<b>33,081.5</b>	<b>33,481.2</b>	<b>33,563.0</b>	<b>33,376.9</b>
<b>Claims on Federation &amp; Mirror Accounts</b>	<b>69,093.6</b>	<b>2,295.0</b>	<b>46.9</b>	<b>109,520.7</b>	<b>45,823.7</b>
<b>CLAIMS ON STATE AND LOCAL GOVERNMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Overdrafts to States & Local Governments:	-	-	-	-	-
Overdrafts to State Governments	-	-	-	-	-
Overdrafts to Local Governments	-	-	-	-	-
<b>Claims on State &amp; Local Govt.(Branch Position)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CLAIMS ON NONFINANCIAL PUBLIC ENTERPRISES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Overdrafts to Non-Financial Public:	-	-	-	-	-
Overdrafts to Federal Parastatals	-	-	-	-	-
Overdrafts to State Parastatals	-	-	-	-	-
other Claims on Non-fin. Publ. Ent.	-	-	-	-	-
<b>CLAIMS ON (NON-FINANCIAL) PRIVATE SECTOR</b>	<b>29,558.9</b>	<b>29,265.5</b>	<b>29,534.0</b>	<b>29,531.2</b>	<b>29,476.8</b>
<b>CLAIMS ON DEPOSIT MONEY BANKS</b>	<b>1,110,570.2</b>	<b>1,052,556.0</b>	<b>1,156,633.9</b>	<b>1,152,706.1</b>	<b>915,469.7</b>
Loan to Deposit Money Banks	899,308.5	773,459.2	790,426.1	786,652.1	795,001.4
(Overdrafts to) Merchant Banks					
Other Claims on DMBs	211,261.8	279,096.8	366,207.8	366,053.9	120,468.3
<b>Claims on Deposit Money Banks (Branch Position)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CLAIMS ON OTHER FINANCIAL INSTITUTIONS (OFI's)</b>	<b>4,623,091.5</b>	<b>4,679,046.4</b>	<b>4,765,483.2</b>	<b>4,657,865.3</b>	<b>4,673,830.4</b>
Development Banks					
Other Claims on OFI's:	4,623,091.5	4,679,046.4	4,765,483.2	4,657,865.3	4,673,830.4
<i>of which AMCON Bonds</i>	3,494,864.7	3,596,356.0	3,582,917.1	3,582,918.1	-
Loans to OFIs					
Investment in OFI's					
Miscellaneous Claims on OFIs					
<b>UNCLASSIFIED ASSETS</b>	<b>6,031,460.4</b>	<b>6,790,896.4</b>	<b>6,839,676.9</b>	<b>7,013,615.6</b>	<b>7,183,509.7</b>
<b>Participation in International Organisations</b>	<b>422,486.2</b>	<b>421,864.4</b>	<b>421,864.4</b>	<b>412,014.9</b>	<b>412,014.9</b>
IMF Currency Subscriptions:	422,486.2	421,864.4	421,864.4	412,014.9	412,014.9
IMF Local Currency Subscription (CBN Accounting Records)					
IMF Non-Negotiable Interest Bearing A/C (CBN acc. records)					
IMF Securities Account (CBN acc. records)					
IMF Accounts Valuation Adjustments					
SDR Allocation #1 (rev. discrepancy)					
IMF Gold Tranche A/C (CBN Accounting Records)					
Holdings of SDRs (CBN Accounting Records)					
IBRD Subscriptions	-	-	-	-	-
<b>Total Receivables</b>	<b>246,789.5</b>	<b>658,313.7</b>	<b>266,017.5</b>	<b>343,524.6</b>	<b>439,101.3</b>
Receivables					
Income Receivable:	246,789.5	658,313.7	266,017.5	341,267.6	436,844.3
Accrued Earnings					
Impersonal Accounts	4,991.2	52,700.8	1,671.5	1,528.9	45,120.8
Interest Receivables					
Other Income Receivable					
Exchange Difference on Promisory Notes					
Foreign Assets Revaluation Accounts	-	-	-	2,257.0	2,257.0
Fixed Assets Revaluation					
<b>Inter Banks Clearing</b>	<b>4,850,807.5</b>	<b>5,176,368.8</b>	<b>5,504,267.0</b>	<b>5,587,087.9</b>	<b>5,685,414.4</b>
<b>Non-Financial Assets</b>	<b>335,927.5</b>	<b>348,729.8</b>	<b>383,689.8</b>	<b>389,944.9</b>	<b>396,798.0</b>
<b>Miscellaneous unclassified Assets</b>	<b>170,458.6</b>	<b>132,919.0</b>	<b>262,166.8</b>	<b>279,514.4</b>	<b>205,060.3</b>
Other Miscellaneous Assets	170,458.6	132,919.0	262,166.8	279,514.4	205,060.3
<i>Of which:</i>					
Restricted Claims on DMBs	21,212.6	28,475.1	28,248.5	28,248.5	28,248.5
Claims on DMBs in Liquidation	42,512.7	42,913.8	43,722.7	43,722.6	43,722.6
<b>Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Head Office Expenses	-	-	-	-	-
Branch Expenses	-	-	-	-	-
Zonal Office Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>18,558,135.7</b>	<b>20,680,450.2</b>	<b>21,077,108.5</b>	<b>21,370,889.7</b>	<b>21,203,607.7</b>

## Appendix JJ (b): CBN Analytical Balance Sheet (Liabilities)—June 2013

Monetary Authorities' Analytical Accounts (=N=Millions)		Revised	Revised	Revised	Provisional
	Jun-12	Dec-12	Apr-13	May-13	Jun-13
<b>RESERVE MONEY</b>	2,511,975.3	3,704,483.6	3,435,631.0	3,432,056.8	3,236,152.9
<b>Currency in Circulation</b>	1,363,730.7	1,631,717.2	1,470,133.6	1,457,653.7	1,425,507.8
Head Office	1,363,730.7	1,631,717.2	1,470,133.6	1,457,653.7	1,425,507.8
<b>Currency in Circulation(Branch Position)</b>					
<b>Deposit Money Banks' Deposits:</b>	1,148,244.6	2,072,766.4	1,965,497.3	1,974,403.0	1,810,645.1
Commercial Banks					
Commercial Banks Demand Deposits	305,837.8	559,388.3	272,642.1	271,622.3	342,481.0
Commercial Banks Required Reserves	842,406.8	1,339,454.6	1,447,755.2	1,454,650.5	1,454,825.9
Merchant Banks					
Merchant Banks Demand Deposits	-	171,429.9	242,842.2	245,676.4	10,976.4
Merchant Banks Required Reserves					
Non Interest Bank					
Non Interest Bank Demand Deposit	-	2,217.6	1,402.8	1,530.1	1,314.9
Non Interest Bank Required Reserves		276.0	855.1	923.7	1,047.1
<b>Private Sector Deposits</b>	606,976.7	1,046,799.6	571,147.2	457,531.9	479,633.9
Non-Financial Public Enterprises (Parastatals):					
Federal Government Parastatals 1/	84,746.2	60,300.7	44,259.7	51,526.1	63,541.4
Private Sector Corporations Deposit	84,746.2	60,300.7	44,259.7	51,526.1	63,541.4
State and Local Government Deposits and Parastatals					
State Government Parastatals		42.6	227.3	91.2	116.7
State Government Deposits		3,767.3	5,671.3	3,976.1	4,160.2
Local Government Deposits		3,255.8	4,903.6	3,198.7	3,169.5
Other Financial Institutions Deposits		511.5	767.7	777.4	990.7
Development Banks	522,230.5	982,689.0	520,988.9	401,938.4	411,815.5
Other Financial Institutions	9,034.9	9,482.5	9,937.6	9,501.8	15,729.6
Private Sector deposits (branch position)	513,195.5	973,206.5	511,051.3	392,436.6	396,086.0
<b>SHORT-TERM FOREIGN LIABILITIES</b>	100.0	1,462.2	6,767.9	300,195.8	539,935.1
Non-Resident Deposits of:					
Foreign DMBs (Current Accounts)	-	-	-	-	-
Foreign Central Banks					
Other Foreign Financial Institutions					
Other Foreign Customers					
Liabilities to Foreign Monetary Authorities:					
Treasury Bills Held by Foreign Monetary Authorities					
SME World Bank Loan A/C					
SME Drawdown Account					
Other Foreign Liabilities	100.0	1,462.2	6,767.9	300,195.8	539,935.1
<b>LONG-TERM FOREIGN LIABILITIES</b>	-	311.5	311.5	311.5	311.5
Long-Term Liabilities	-	311.5	311.5	311.5	311.5
Trade Debt Promissory Notes A/C					
<b>FEDERAL GOVERNMENT DEPOSITS</b>	4,461,027.8	4,307,730.9	3,574,419.5	3,535,657.3	3,822,121.1
Budgetary Accounts	793,741.6	545,520.2	485,481.0	568,801.2	535,425.4
Deposits on Nigerian Converted Bonds	156,478.9	190,089.9	146,803.2	59,604.2	112,337.3
Deposits on Development Stocks	79.3	73.5	73.2	73.2	62.1
Deposits on Treasury Certificates	279.1	51.1	-	-	-
Other Federal Govt Deposit	417,800.8	633,129.4	697,564.6	699,786.0	718,204.7
<b>Federation &amp; Mirror Accounts</b>	3,092,648.2	2,938,866.8	2,244,497.6	2,207,392.8	2,456,091.6
Of which					
Federal Government (Excess Crude)	361,943.0	711,319.2	472,237.6	-	-
Subnationals Government (Excess Crude)	427,481.0	840,119.6	557,746.9	-	-
Sovereign Wealth Fund (SWF)	156,252.0	156,150.9	147,990.1	-	-
<b>CAPITAL ACCOUNTS</b>	1,052,577.3	954,036.9	938,675.8	936,029.2	939,767.9
Capital	5,000.0	5,000.0	5,000.0	5,000.0	5,000.0
Reserves	96,032.4	114,652.5	115,795.9	115,795.9	115,795.9
Provisions	779,204.0	751,484.4	752,949.5	753,658.0	757,396.8
Undisbursed Profits					
Revaluation Accounts					
Foreign Assets Revaluation A/C	172,341.0	82,900.0	64,930.4	61,575.2	61,575.2
Fixed Assets Revaluation	110,765.8	21,324.8	3,355.2	0.0	0.0
Other	61,575.2	61,575.2	61,575.2	61,575.2	61,575.2
<b>UNCLASSIFIED LIABILITIES</b>	9,925,478.6	10,665,625.5	12,550,155.6	12,709,107.2	12,185,685.3
Inter Bank Clearing	6,974,218.1	7,820,856.3	10,377,393.6	10,504,985.8	9,974,302.2
Income	-	-	-	-	-
Expense	366,317.1	817,567.1	295,826.2	321,873.7	397,174.9
Impersonal Accounts	1,509,202.5	928,091.1	800,877.3	822,021.5	746,524.3
Liabilities to IMF	421,878.1	421,878.1	421,878.1	412,028.3	412,028.3
IBRD	86.1	86.1	86.1	86.1	86.1
SDR Allocation (CBN Rec)	401,778.3	399,802.4	399,802.4	399,802.4	399,802.4
Other Unclassified Liabilities	251,998.3	277,344.5	254,291.9	248,309.5	255,767.1
Other Miscellaneous unclassified Liabilities	251,998.3	277,344.5	254,291.9	248,309.5	255,767.1
Unclassified Liabilities (Branch Position)					
Of which:					
Restricted DMBs Deposits	21,963.9	28,743.3	8,996.2	8,550.8	8,408.6
Deposits of DMBs in Liquidation	1,154.0	414.5	1,586.6	1,071.8	875.2
Miscellaneous Excess Crude savings	-	-	-	-	-
Federal Government					
Subnationals Government					
<b>TOTAL LIABILITIES</b>	18,558,135.7	20,680,450.2	21,077,108.5	21,370,889.7	21,203,607.7
<b>VERTICAL CHECK</b>	0.000	0.000	0.000	0.000	0.000
Reserve Money	2,511,975.3	3,704,483.6	3,435,631.0	3,432,056.8	3,236,152.9
Currency in Circulation	1,363,730.7	1,631,717.2	1,470,133.6	1,457,653.7	1,425,507.8
Banks' Reserves	1,148,244.6	2,072,766.4	1,965,497.3	1,974,403.0	1,810,645.1
Reserve Requirement	842,406.8	1,339,730.5	1,448,610.3	1,455,574.2	1,455,872.9
Other Deposits	305,837.8	733,035.8	516,887.1	518,828.9	354,772.2
of which SDF	6,900.0	376,438.3	62,065.0	100,030.0	129,546.0



## Appendix III (a): Commercial Banks Analytical Balance Sheet (Assets)—June 2013

(=N= 'Millions)	Jun-12	Revised Dec-12	Revised Apr-13	Revised May-13	Provisional Jun-13
<b>RESERVES</b>	1,330,009.1	3,540,790.7	4,503,882.1	4,365,962.3	3,982,507.7
Currency	275,342.5	330,174.0	284,398.2	296,237.7	296,705.8
Deposits with CBN:	1,054,666.6	3,210,616.7	4,219,483.9	4,069,724.6	3,685,801.8
[i] Reserve Requirements	842,451.2	1,338,799.7	1,445,660.1	1,451,519.8	1,452,001.6
[ii] Current Accounts	196,184.6	178,266.8	85,691.3	69,614.2	123,725.9
[iii] Stabilization Securities	0.0	0.0	0.0	0.0	0.0
[iv] CBN Bills	8,915.3	1,631,581.0	2,684,871.2	2,525,228.5	2,086,880.2
[v] Shortfall/excess credit/others	7,115.4	61,969.2	3,261.3	23,362.2	23,194.2
<b>FOREIGN ASSETS</b>	1,863,594.1	2,005,453.0	2,108,297.8	2,037,908.2	1,982,369.3
Claims on Non-resident Banks:	1,863,592.4	2,005,451.4	2,108,297.8	2,037,908.2	1,982,369.3
[i] Balances held with banks outside Nigeria	1,731,677.1	1,885,160.7	2,014,869.9	2,071,758.7	1,978,877.2
[ii] Balances held with offices and branches outside Nigeria	131,915.4	120,290.7	93,428.0	(33,850.6)	3,492.1
[iii] Loans & Advances to Banks outside Nigeria		0.0	0.0	0.0	0.0
Bills Discounted Payable outside Nigeria	1.7	1.7	0.0	0.0	0.0
<b>CLAIMS ON CENTRAL GOVERNMENT</b>	3,431,668.5	2,233,529.2	2,063,303.6	2,047,755.8	2,095,608.9
Treasury Bills / Treasury Bills Rediscounted	1,888,846.2	640,772.2	814,142.5	799,842.0	860,871.0
Treasury Certificates	0.0	0.0	0.0	0.0	0.0
FGN Bonds	1,539,920.8	1,591,833.0	1,248,215.1	1,246,818.5	1,233,593.3
Loans & Advances to Central Government	2,901.4	924.0	946.0	1,095.3	1,144.5
Bankers Unit Fund		0.0	0.0	0.0	0.0
<b>CLAIMS ON STATE &amp; LOCAL GOVERNMENT</b>	586,273.7	665,879.3	690,177.4	651,449.1	660,341.0
Loans & Advances to State Government	573,416.3	655,020.8	678,491.1	640,767.9	649,149.6
Loans & Advances to Local Government	12,857.4	10,858.4	11,686.3	10,681.3	11,191.5
<b>CLAIMS ON OTHER PRIVATE SECTOR</b>	9,462,132.9	9,775,077.1	9,891,850.0	10,105,298.8	10,288,798.4
Loans & Advances to Other Customers (Gross)	6,840,455.0	7,034,052.7	7,212,793.0	7,423,290.9	7,641,341.8
Loans & Advances to Nigeria Banks Subsidiaries	1,851.0	1,974.6	1,957.2	1,927.3	1,977.8
Bills Discounted from non-bank sources	1,042.8	3,405.0	286.0	203.1	1,376.0
Investments:	2,455,803.2	2,551,176.1	2,499,997.0	2,495,841.9	2,458,172.3
[i] Ordinary Shares	323,805.5	287,089.2	289,087.8	287,692.8	286,402.0
[ii] Preference Shares		0.0	0.0	0.0	0.0
[iii] Debentures	56,225.1	46,702.8	45,588.5	45,514.1	53,413.0
[iv] Subsidiaries	215,716.0	207,771.8	242,907.4	242,214.0	217,837.7
[v] Other investments	1,860,056.7	2,009,612.4	1,922,413.3	1,920,420.9	1,900,519.6
Commercial papers	2,039.1	1,050.4	7,397.9	6,466.4	6,466.8
Bankers Acceptances	23,722.3	9,863.8	11,644.7	13,862.6	16,012.3
Factored Debt	0.0	0.0	0.0	0.0	0.0
Advances under Lease	137,219.5	173,554.5	157,774.2	163,706.5	163,451.4
<b>CLAIMS ON OTHER FINANCIAL INSTITUTIONS</b>	0.0	0.0	0.0	0.0	0.0
Placement with Discount Houses		0.0	0.0	0.0	0.0
<b>UNCLASSIFIED ASSETS</b>	3,281,355.3	3,067,415.1	3,239,428.7	3,244,867.2	3,509,234.5
Fixed Assets	1,200,526.5	1,240,634.1	1,272,742.7	1,262,825.9	1,253,048.8
<b>Domestic Inter-Bank Claims:</b>	407,435.7	407,184.9	407,471.7	409,820.1	531,744.6
[i] Bills Discounted from Banks in Nigeria	0.0	0.0	0.0	0.0	0.0
[ii] Money at call with Banks	66,361.4	72,270.0	128,482.9	80,410.3	189,505.4
[iii] Inter-bank Placements	142,137.0	124,482.1	88,307.6	138,181.7	168,172.1
[iv] Balances held with banks in Nigeria	77,932.2	67,520.6	75,621.1	120,740.2	107,507.1
[v] Loans & Advances to other Banks in Nigeria	0.1	0.1	0.1	0.1	0.1
[vi] Checks for Collection	121,005.1	142,912.1	115,060.0	70,487.9	66,559.9
Money at call outside banks		0.0	0.0	0.0	0.0
Certificates of Deposit	0.0	34,000.0	15,000.0	12,000.0	23,000.0
Placement with Discount Houses	274,263.8	229,472.8	213,776.8	239,384.8	252,716.8
<b>Other Assets:</b>	1,399,129.2	1,156,123.3	1,330,437.5	1,320,836.4	1,448,724.3
Receivables	696,675.4	609,847.2	635,391.3	642,432.3	763,135.1
Pre-payments	301,270.4	201,676.5	276,560.4	272,410.1	262,205.2
Bills Payable	0.0	0.0	0.0	0.0	0.0
Suspense	98,412.9	72,689.3	115,169.3	91,432.3	85,578.2
Sundry Debtors	44,110.4	48,970.3	48,778.3	68,852.4	101,723.4
Goodwill and other intangible assets	121,409.9	122,063.5	128,095.9	128,093.6	134,974.4
unamortised reserves for loan losses allowed by CBN	4,034.4	3,881.0	3,801.3	3,780.8	3,773.9
domestic & foreign (miscellaneous)	0.0	0.0	0.0	0.0	0.0
Treasury Bills for Liquidity Management	0.0	0.0	0.0	0.0	0.0
Miscellaneous(others)	133,215.7	96,995.6	122,641.2	113,834.8	97,333.9
<b>TOTAL ASSETS:</b>	19,955,033.5	21,288,144.4	22,496,939.7	22,453,241.3	22,518,859.8
<i>of which AMCON Bonds</i>	1,643,520.2	1,796,990.8	1,684,835.9	1,680,849.4	1,669,981.0

*Appendix III (b): Commercial Banks analytical Balance Sheet (Liabilities)—June 2013*

(=N= 'Millions)	Jun-12	Revised Dec-12	Revised Apr-13	Revised May-13	Provisional Jun-13
<b>DEMAND DEPOSITS</b>	4,901,423.7	5,069,992.0	5,014,887.2	5,120,528.7	5,326,388.9
Private Sector Deposits	4,016,603.3	4,291,839.5	3,831,477.1	3,927,746.8	4,202,205.1
State Government Deposits	712,062.3	593,976.2	847,948.8	859,404.9	790,965.0
Local Government Deposits	172,758.1	184,176.3	335,461.2	333,377.0	333,218.7
<b>TIME &amp; SAVINGS DEPOSITS 2/</b>	6,883,438.6	8,062,104.8	8,828,887.0	8,676,294.0	8,649,311.4
<b>Time Deposits:</b>	2,877,213.6	3,317,280.9	3,720,151.2	3,659,628.1	3,569,107.1
Private Sector Deposits	2,809,297.8	3,277,240.5	3,640,377.3	3,576,265.7	3,491,172.1
State Government Deposits	62,600.1	38,363.3	62,071.2	62,822.1	61,316.4
Local Government Deposits	5,315.8	1,677.2	17,702.6	20,540.4	16,618.6
<b>Savings Deposits:</b>	1,938,168.4	2,017,845.3	2,083,473.8	2,066,449.5	2,098,169.2
Private Sector Deposits	1,935,851.8	2,016,071.5	2,072,116.1	2,053,998.4	2,074,211.7
State Government Deposits	2,289.7	1,696.9	10,820.7	11,791.8	23,451.4
Local Government Deposits	26.9	76.9	537.0	659.3	506.1
<b>FOREIGN CURRENCY DEPOSITS</b>	2,068,056.6	2,726,978.6	3,025,262.0	2,950,216.4	2,982,035.1
Domiciliary Accounts	2,068,056.6	2,726,978.6	3,025,262.0	2,950,216.4	2,982,035.1
<b>MONEY MARKET INSTRUMENTS:</b>	126,221.4	141,393.9	15,725.4	14,874.3	21,782.1
Certificate of Deposit Issued	0.8	0.0	0.0	0.0	0.0
Notes & Deposit (Cash) certificates	126,220.6	141,393.9	15,725.4	14,874.3	21,782.1
<b>BONDS</b>	168,950.8	160,547.2	163,407.9	211,608.0	212,174.7
Debentures	168,950.8	160,547.2	163,407.9	211,608.0	212,174.7
<b>FOREIGN LIABILITIES:</b>	366,675.9	357,516.6	298,519.0	338,327.8	382,865.2
Balance Held for offices and branches Abroad	10.3	10.3	10.3	3,115.1	3,115.3
Balance held for banks outside Nigeria	136,215.4	122,075.9	91,679.0	123,015.4	173,811.2
Money at call with foreign banks		0.0	0.0	0.0	0.0
Loans & Advances from other banks outside Nigeria	230,450.3	235,430.4	206,829.6	212,197.3	205,938.7
<b>CENTRAL GOVERNMENT DEPOSITS</b>	847,200.2	1,112,985.9	1,247,679.7	1,305,706.1	1,158,081.4
Federal Government Time Deposits	108,945.8	156,385.9	135,330.6	126,093.0	117,005.9
Federal Government Demand Deposits	731,955.8	952,245.5	1,096,890.8	1,164,092.5	1,028,153.8
Federal Government Savings Deposits	6,298.7	4,354.4	15,458.2	15,520.6	12,921.6
<b>CREDIT FROM CENTRAL BANK</b>	353,796.9	228,036.3	231,886.8	223,035.4	242,417.9
Loans & Advances from CBN	269,092.3	219,090.6	221,954.4	222,337.2	220,498.2
CBN Overdrafts to banks	84,704.6	8,945.6	9,932.4	698.2	21,919.7
<b>CAPITAL ACCOUNTS:</b>	3,661,768.3	3,637,715.0	3,965,088.9	3,920,779.6	3,849,024.1
Capital	202,047.7	188,387.7	201,587.7	201,587.7	201,587.7
Reserve Fund	2,199,976.1	2,216,786.5	2,451,421.2	2,422,445.6	2,396,391.1
Reserves for Depreciation & non-performing assets	978,713.3	997,762.0	1,019,340.7	993,181.1	979,748.6
Loans & Advances from Federal and State Governm	0.0	0.0	0.0	0.0	0.0
Total Loans/Lease Loss Provision	281,031.2	234,778.9	292,739.4	303,565.3	271,296.8
<b>UNCLASSIFIED LIABILITIES:</b>	2,645,557.6	2,517,852.8	2,730,857.9	2,642,087.3	2,676,814.3
<b>Inter-bank liabilities</b>	697,107.3	499,596.8	602,289.6	566,338.7	525,655.8
[i] Balances held for banks in Nigeria	13,188.8	22,158.1	47,785.2	26,698.6	20,753.4
[ii] Money at call from banks in Nigeria	53,071.3	5,400.0	42,251.2	22,474.4	17,900.1
[iii] Inter-bank takings	181,467.3	56,804.5	98,081.7	94,093.4	87,472.0
[iv] Uncleared effects	211,755.4	194,133.6	187,726.7	199,609.6	186,450.8
[v] Loans & Advances from other banks in Nigeria	162,611.2	152,846.8	152,658.6	150,459.8	150,143.6
[vi] Bankers payments	75,013.3	68,253.8	73,786.1	73,002.9	62,935.9
Loans & Advances from Other creditors	93,598.3	102,211.6	104,558.1	112,260.4	113,007.4
Letters of Credit	203,150.8	167,046.1	173,236.8	170,136.7	163,934.2
Takings from Discount Houses	0.0	2,500.0	0.0	0.0	0.0
<b>Other Liabilities:</b>	1,651,701.2	1,746,498.3	1,850,773.5	1,793,351.5	1,874,216.8
Accounts Payables	728,673.7	680,862.2	760,610.1	814,806.0	794,253.0
Suspense Account	125,319.3	103,444.9	182,108.2	179,393.3	175,249.0
Provision for Tax Payments	28,317.8	24,897.9	43,032.3	34,341.5	21,926.9
Sundry Creditors	(63,692.0)	(37,850.3)	(24,252.8)	(29,521.7)	(29,471.0)
Forex rev reserves	209.7	16,219.0	17,398.0	78.9	34.0
Deposit for shares	7,454.0	7,656.6	6,934.6	935.3	935.0
Provision for Bad Debt	92,335.9	101,121.2	87,528.6	94,919.9	85,680.0
domestic & foreign (miscellaneous)	275,410.6	202,742.7	342,419.8	249,589.9	314,619.0
Miscellaneous	457,672.2	647,404.1	434,994.7	448,808.3	510,990.7
<b>TOTAL LIABILITIES:</b>	19,955,033.5	21,288,144.4	22,496,939.7	22,453,241.3	22,518,859.8

## Appendix IV (a): Merchant Bank Analytical Balance Sheet (Assets)—June 2013

(=N= 'Millions)	Dec-12	Jan-13	Apr-13	May-13	Jun-13
<b>RESERVES</b>	0.0	9,601.9	11,627.2	10,799.3	25,059.9
Currency	0.0	0.7	0.6	0.9	1.2
Deposits with CBN:	0.0	9,601.2	11,626.6	10,798.4	25,058.7
[i] Reserve Requirements	0.0	0.0	0.0	0.0	0.0
[ii] Current Accounts	0.0	165,238.5	242,841.5	245,603.8	357.3
[iii] Stabilization Securities	0.0	0.0	0.0	0.0	0.0
[iv] CBN Bills	0.0	9,542.6	11,289.2	10,702.1	24,255.1
[v] Shortfall/excess credit/others	0.0	(165,179.9)	(242,504.1)	(245,507.5)	446.4
<b>FOREIGN ASSETS</b>	0.0	0.0	0.0	46.7	1,936.1
Claims on Non-resident Banks:	0.0	0.0	0.0	46.7	1,936.1
[i] Balances held with banks outside Nigeria	0.0	0.0	0.0	46.7	1,936.1
[ii] Balances held with offices and branches outside	0.0	0.0	0.0	0.0	0.0
[iii] Loans & Advances to Banks outside Nigeria	0.0	0.0	0.0	0.0	0.0
Bills Discounted Payable outside Nigeria	0.0	0.0	0.0	0.0	0.0
<b>CLAIMS ON CENTRAL GOVERNMENT</b>	0.0	936.9	23,300.3	30,444.9	39,738.6
Treasury Bills / Treasury Bills Rediscounted	0.0	1,191.9	2,291.0	8,621.2	17,502.2
Treasury Certificates	0.0	0.0	0.0	0.0	0.0
FGN Bonds	0.0	(255.0)	21,009.3	21,493.6	22,236.4
Loans & Advances to Central Government	0.0	0.0	0.0	330.1	0.0
Bankers Unit Fund	0.0	0.0	0.0	0.0	0.0
<b>CLAIMS ON STATE &amp; LOCAL GOVERNMENT</b>	0.0	383.0	693.9	693.9	693.9
Loans & Advances to State Government	0.0	383.0	693.9	693.9	693.9
Loans & Advances to Local Government	0.0	0.0	0.0	0.0	0.0
<b>CLAIMS ON OTHER PRIVATE SECTOR</b>	0.0	7,907.8	24,368.5	33,604.0	31,524.2
Loans & Advances to Other Customers (Gross)	0.0	355.5	360.2	5,862.7	4,636.8
Loans & Advances to Nigeria Banks Subsidiaries	0.0	0.0	0.0	0.0	0.0
Bills Discounted from non-bank sources	0.0	0.0	0.0	0.0	0.0
Investments:	0.0	5,359.2	14,894.8	17,658.3	18,352.1
[i] Ordinary Shares	0.0	787.7	787.7	787.7	787.7
[ii] Preference Shares	0.0	0.0	0.0	0.0	0.0
[iii] Debentures	0.0	0.0	0.0	0.0	0.0
[iv] Subsidiaries	0.0	0.0	0.0	0.0	0.0
[v] Other investments	0.0	4,571.6	14,107.1	16,870.6	17,564.5
Commercial papers	0.0	2,193.1	9,113.5	10,083.0	8,535.3
Bankers Acceptances	0.0	0.0	0.0	0.0	0.0
Factored Debt	0.0	0.0	0.0	0.0	0.0
Advances under Lease	0.0	0.0	0.0	0.0	0.0
<b>CLAIMS ON OTHER FINANCIAL INSTITUTIONS</b>	0.0	0.0	0.0	0.0	0.0
Placement with Discount Houses	0.0	0.0	0.0	0.0	0.0
<b>UNCLASSIFIED ASSETS</b>	0.0	4,418.9	2,783.6	3,159.0	8,621.7
Fixed Assets	0.0	1,210.4	1,336.5	1,468.6	1,505.5
<b>Domestic Inter-Bank Claims:</b>	0.0	267.8	0.0	67.6	4,015.8
[i] Bills Discounted from Banks in Nigeria	0.0	0.0	0.0	0.0	0.0
[ii] Money at call with Banks	0.0	0.0	0.0	0.0	2,900.8
[iii] Inter-bank Placements	0.0	0.0	0.0	0.0	975.3
[iv] Balances held with banks in Nigeria	0.0	267.8	0.0	67.6	139.7
[v] Loans & Advances to other Banks in Nigeria	0.0	0.0	0.0	0.0	0.0
[vi] Checks for Collection	0.0	0.0	0.0	0.0	0.0
Money at call outside banks	0.0	0.0	0.0	0.0	0.0
Certificates of Deposit	0.0	0.0	0.0	0.0	0.0
Placement with Discount Houses	0.0	0.0	0.0	0.0	0.0
<b>Other Assets:</b>	0.0	2,940.7	1,447.2	1,622.7	3,100.4
Receivables	0.0	1,526.0	879.5	904.1	922.5
Pre-payments	0.0	940.3	737.7	888.7	823.0
Bills Payable	0.0	0.0	0.0	0.0	0.0
Suspense	0.0	0.0	0.0	0.0	0.0
Sundry Debtors	0.0	0.0	(580.8)	(580.8)	(580.8)
Goodwill and other intangible assets	0.0	0.0	0.0	0.0	1,461.3
unamortised reserves for loan losses allowed by CB	0.0	0.0	0.0	0.0	0.0
domestic & foreign (miscellaneous)	0.0	0.0	0.0	0.0	0.0
<b>Treasury Bills for Liquidity Management</b>	0.0	0.0	0.0	0.0	0.0
Miscellaneous(others)	0.0	474.4	410.8	410.8	474.4
<b>TOTAL ASSETS:</b>	0.0	23,248.5	62,773.5	78,747.7	107,574.4
<i>of which AMCON Bonds</i>	0.0	0.0	0.0	0.0	0.0

## Appendix IV (b): Merchant Bank Analytical Balance Sheet (Liabilities)—June 2013

(=N= 'Millions)	Dec-12	Jan-13	Apr-13	May-13	Jun-13
<b>DEMAND DEPOSITS</b>	0.0	0.0	0.0	136.2	218.6
Private Sector Deposits	0.0	0.0	0.0	136.2	218.6
State Government Deposits	0.0	0.0	0.0	0.0	0.0
Local Government Deposits	0.0	0.0	0.0	0.0	0.0
<b>TIME &amp; SAVINGS DEPOSITS 2/</b>	0.0	0.0	26,248.1	0.0	754.8
<b>Time Deposits:</b>	0.0	0.0	26,248.1	0.0	754.8
Private Sector Deposits	0.0	0.0	26,248.1	0.0	754.8
State Government Deposits	0.0	0.0	0.0	0.0	0.0
Local Government Deposits	0.0	0.0	0.0	0.0	0.0
<b>Savings Deposits:</b>	0.0	0.0	0.0	0.0	0.0
Private Sector Deposits	0.0	0.0	0.0	0.0	0.0
State Government Deposits	0.0	0.0	0.0	0.0	0.0
Local Government Deposits	0.0	0.0	0.0	0.0	0.0
<b>FOREIGN CURRENCY DEPOSITS</b>	0.0	0.0	0.0	0.0	0.0
Domiciliary Accounts	0.0	0.0	0.0	0.0	0.0
<b>MONEY MARKET INSTRUMENTS:</b>	0.0	0.0	0.0	0.0	0.0
Certificate of Deposit Issued	0.0	0.0	0.0	0.0	0.0
Notes & Deposit (Cash) certificates	0.0	0.0	0.0	0.0	0.0
<b>BONDS</b>	0.0	0.0	0.0	0.0	0.0
Debentures	0.0	0.0	0.0	0.0	0.0
<b>FOREIGN LIABILITIES:</b>	0.0	0.0	0.0	0.0	0.0
Balance Held for offices and branches Abroad	0.0	0.0	0.0	0.0	0.0
Balance held for banks outside Nigeria	0.0	0.0	0.0	0.0	0.0
Money at call with foreign banks	0.0	0.0	0.0	0.0	0.0
Loans & Advances from other banks outside Nigeria	0.0	0.0	0.0	0.0	0.0
<b>CENTRAL GOVERNMENT DEPOSITS</b>	0.0	0.0	0.0	0.0	0.0
Federal Government Time Deposits	0.0	0.0	0.0	0.0	0.0
Federal Government Demand Deposits	0.0	0.0	0.0	0.0	0.0
Federal Government Savings Deposits	0.0	0.0	0.0	0.0	0.0
<b>CREDIT FROM CENTRAL BANK</b>	0.0	0.0	0.0	0.0	0.0
Loans & Advances from CBN	0.0	0.0	0.0	0.0	0.0
CBN Overdrafts to banks	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL ACCOUNTS:</b>	0.0	19,699.1	19,498.2	34,464.2	34,392.3
Capital	0.0	2,794.8	2,794.8	17,794.8	17,794.8
Reserve Fund	0.0	16,015.4	15,902.8	15,847.5	15,751.9
Reserves for Depreciation & non-performing assets	0.0	744.2	800.6	822.0	845.6
Loans & Advances from Federal and State Governm	0.0	0.0	0.0	0.0	0.0
Total Loans/Lease Loss Provision	0.0	144.7	0.0	0.0	0.0
<b>UNCLASSIFIED LIABILITIES:</b>	0.0	3,549.4	17,027.2	44,147.2	72,208.7
<b>Inter-bank liabilities</b>	0.0	682.5	12,861.2	12,926.5	11,817.6
[i] Balances held for banks in Nigeria	0.0	0.0	41.2	0.0	64.3
[ii] Money at call from banks in Nigeria	0.0	0.0	0.0	0.0	0.0
[iii] Inter-bank takings	0.0	500.0	12,100.0	12,660.0	11,954.6
[iv] Uncleared effects	0.0	182.5	720.0	266.6	(201.3)
[v] Loans & Advances from other banks in Nigeria	0.0	0.0	0.0	0.0	0.0
[vi] Bankers payments	0.0	0.0	0.0	0.0	0.0
Loans & Advances from Other creditors	0.0	0.0	0.0	25,561.2	52,149.0
Letters of Credit	0.0	0.0	0.0	0.0	0.0
Takings from Discount Houses	0.0	0.0	0.0	0.0	0.0
<b>Other Liabilities:</b>	0.0	2,866.9	4,166.0	5,659.5	8,242.0
Accounts Payables	0.0	1,112.2	1,674.2	1,578.6	2,236.5
Suspense Account	0.0	566.6	566.6	566.6	566.6
Provision for Tax Payments	0.0	(183.4)	(1,461.3)	(1,461.3)	0.0
Sundry Creditors	0.0	0.0	0.0	0.0	0.0
Forex rev reserves	0.0	0.0	0.0	0.0	0.0
Deposit for shares	0.0	0.0	0.0	0.0	0.0
Provision for Bad Debt	0.0	0.0	0.0	0.0	0.0
domestic & foreign (miscellaneous)	0.0	0.0	0.0	850.0	854.0
Miscellaneous	0.0	1,371.6	3,386.5	4,125.6	4,584.9
<b>TOTAL LIABILITIES:</b>	0.0	23,248.5	62,773.5	78,747.7	107,574.4

## Appendix V (a): NIB Analytical Balance Sheet (Assets)—June 2013

(=N= 'Millions)	Jun-12	Dec-12	Apr-13	May-13	Jun-13
<b>RESERVES</b>	<b>2,494.9</b>	<b>2,590.9</b>	<b>2,697.0</b>	<b>3,259.4</b>	<b>3,226.6</b>
Currency	62.2	382.5	424.9	805.2	995.8
Deposits with CBN:	2,432.7	2,208.5	2,272.1	2,454.2	2,230.7
[i] Reserve Requirements		1,248.3	855.1	929.2	929.2
[ii] Current Accounts	2,432.7	960.2	1,417.0	1,525.0	1,301.6
[iii] Stabilization Securities		0.0	0.0	0.0	0.0
[iv] CBN Bills		0.0	0.0	0.0	0.0
[v] Shortfall/excess credit/others		0.0	0.0	0.0	0.0
<b>FOREIGN ASSETS</b>	<b>0.0</b>	<b>2,184.6</b>	<b>2,081.0</b>	<b>1,964.8</b>	<b>1,806.5</b>
Claims on Non-resident Banks:	0.0	2,184.6	2,081.0	1,964.8	1,806.5
[i] Balances held with banks outside Nigeria	0.0	2,184.6	2,081.0	1,964.8	1,806.5
[ii] Balances held with offices and branches outside Nigeria		0.0	0.0	0.0	0.0
[iii] Loans & Advances to Banks outside Nigeria		0.0	0.0	0.0	0.0
Bills Discounted Payable outside Nigeria		0.0	0.0	0.0	0.0
<b>CLAIMS ON CENTRAL GOVERNMENT</b>	<b>4,912.5</b>	<b>276.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Treasury Bills / Treasury Bills Rediscounted	4,912.5	276.0	0.0	0.0	0.0
Treasury Certificates		0.0	0.0	0.0	0.0
FGN Bonds		0.0	0.0	0.0	0.0
Loans & Advances to Central Government		0.0	0.0	0.0	0.0
Bankers Unit Fund		0.0	0.0	0.0	0.0
<b>CLAIMS ON STATE &amp; LOCAL GOVERNMENT</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Loans & Advances to State Government		0.0	0.0	0.0	0.0
Loans & Advances to Local Government		0.0	0.0	0.0	0.0
<b>CLAIMS ON OTHER PRIVATE SECTOR</b>	<b>1.5</b>	<b>2,494.0</b>	<b>6,068.4</b>	<b>6,787.5</b>	<b>7,366.2</b>
Loans & Advances to Other Customers (Gross)	1.5	0.0	0.0	0.0	0.0
Loans & Advances to Nigeria Banks Subsidiaries		0.0	0.0	0.0	0.0
Bills Discounted from non-bank sources		0.0	0.0	0.0	0.0
Investments:	0.0	2,494.0	6,068.4	6,787.5	7,366.2
[i] Ordinary Shares		0.0	0.0	0.0	0.0
[ii] Preference Shares		0.0	0.0	0.0	0.0
[iii] Debentures		-	-	-	-
[iv] Subsidiaries		0.0	0.0	0.0	0.0
[v] Other investments		2,494.0	6,068.4	6,787.5	7,366.2
Commercial papers		0.0	0.0	0.0	0.0
Bankers Acceptances		0.0	0.0	0.0	0.0
Factored Debt		0.0	0.0	0.0	0.0
Advances under Lease		0.0	0.0	0.0	0.0
<b>CLAIMS ON OTHER FINANCIAL INSTITUTIONS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Placement with Discount Houses		0.0	0.0	0.0	0.0
<b>UNCLASSIFIED ASSETS</b>	<b>3,729.6</b>	<b>8,261.9</b>	<b>10,188.4</b>	<b>8,121.9</b>	<b>8,295.0</b>
Fixed Assets	503.9	615.9	441.2	502.1	511.3
<b>Domestic Inter-Bank Claims:</b>	<b>2,325.6</b>	<b>5,210.9</b>	<b>5,298.0</b>	<b>5,298.2</b>	<b>5,298.2</b>
[i] Bills Discounted from Banks in Nigeria		0.0	0.0	0.0	0.0
[ii] Money at call with Banks		0.0	0.0	0.0	0.0
[iii] Inter-bank Placements		0.0	0.0	0.0	0.0
[iv] Balances held with banks in Nigeria	2,325.6	5,210.9	5,298.0	5,298.2	5,298.2
[v] Loans & Advances to other Banks in Nigeria		0.0	0.0	0.0	0.0
[vi] Checks for Collection		0.0	0.0	0.0	0.0
Money at call outside banks		0.0	0.0	0.0	0.0
Certificates of Deposit		0.0	0.0	0.0	0.0
Placement with Discount Houses		0.0	0.0	0.0	0.0
<b>Other Assets:</b>	<b>900.0</b>	<b>2,435.1</b>	<b>4,449.2</b>	<b>2,321.6</b>	<b>2,485.4</b>
Receivables	0.0	1,578.6	3,233.4	983.9	1,142.6
Pre-payments	343.9	225.7	232.5	236.5	237.9
Bills Payable		0.0	0.0	0.0	0.0
Suspense		576.8	750.1	758.8	774.0
Sundry Debtors	68.2	54.0	160.1	199.5	187.9
Goodwill and other intangible assets		0.0	0.0	0.0	0.0
unamortised reserves for loan losses allowed by CBN		0.0	0.0	0.0	0.0
domestic & foreign (miscellaneous)		0.0	0.0	0.0	0.0
Treasury Bills for Liquidity Management		0.0	0.0	0.0	0.0
Miscellaneous(others)	487.9	0.0	73.2	142.8	143.0
<b>TOTAL ASSETS:</b>	<b>11,138.5</b>	<b>15,807.4</b>	<b>21,034.8</b>	<b>20,133.7</b>	<b>20,694.2</b>
<i>of which AMCON Bonds</i>		0.0	0.0	0.0	0.0

## Appendix V (b): NIB Analytical Balance Sheet (Liabilities)—June 2013

(=N= 'Millions)	Jun-12	Dec-12	Apr-13	May-13	Jun-13
<b>DEMAND DEPOSITS</b>	<b>2,668.2</b>	<b>2,994.0</b>	<b>4,833.1</b>	<b>5,747.8</b>	<b>5,586.0</b>
Private Sector Deposits	2,668.2	2,994.0	4,833.1	5,747.8	5,586.0
State Government Deposits		0.0	0.0	0.0	0.0
Local Government Deposits		0.0	0.0	0.0	0.0
<b>TIME &amp; SAVINGS DEPOSITS</b>	<b>226.2</b>	<b>796.5</b>	<b>2,864.5</b>	<b>2,977.7</b>	<b>3,325.4</b>
<b>Time Deposits:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Private Sector Deposits	0.0	0.0	0.0	0.0	0.0
State Government Deposits		0.0	0.0	0.0	0.0
Local Government Deposits		0.0	0.0	0.0	0.0
<b>Savings Deposits:</b>	<b>226.2</b>	<b>796.5</b>	<b>2,864.5</b>	<b>2,977.7</b>	<b>3,325.4</b>
Private Sector Deposits	226.2	796.5	2,864.5	2,977.7	3,325.4
State Government Deposits		0.0	0.0	0.0	0.0
Local Government Deposits		0.0	0.0	0.0	0.0
<b>FOREIGN CURRENCY DEPOSITS</b>	<b>0.0</b>	<b>0.0</b>	<b>205.1</b>	<b>226.4</b>	<b>231.7</b>
Domiciliary Accounts		0.0	205.1	226.4	231.7
<b>MONEY MARKET INSTRUMENTS:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Certificate of Deposit Issued		0.0	0.0	0.0	0.0
Notes & Deposit (Cash) certificates		0.0	0.0	0.0	0.0
<b>BONDS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Debentures		0.0	0.0	0.0	0.0
<b>FOREIGN LIABILITIES:</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Balance Held for offices and branches Abroad		0.0	0.0	0.0	0.0
Balance held for banks outside Nigeria		0.0	0.0	0.0	0.0
Money at call with foreign banks		0.0	0.0	0.0	0.0
Loans & Advances from other banks outside Nigeria		0.0	0.0	0.0	0.0
<b>CENTRAL GOVERNMENT DEPOSITS</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Federal Government Time Deposits		0.0	0.0	0.0	0.0
Federal Government Demand Deposits		0.0	0.0	0.0	0.0
Federal Government Savings Deposits		0.0	0.0	0.0	0.0
<b>CREDIT FROM CENTRAL BANK</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Loans & Advances from CBN		0.0	0.0	0.0	0.0
CBN Overdrafts to banks		0.0	0.0	0.0	0.0
<b>CAPITAL ACCOUNTS:</b>	<b>4,431.8</b>	<b>4,436.6</b>	<b>2,595.3</b>	<b>10,104.3</b>	<b>10,003.0</b>
Capital	4,014.4	4,014.4	4,014.4	11,747.3	11,747.3
Reserve Fund	417.4	422.2	(1,419.2)	(1,643.0)	(1,744.3)
Reserves for Depreciation & non-performing assets		0.0	0.0	0.0	0.0
Loans & Advances from Federal and State Government		0.0	0.0	0.0	0.0
Total Loans/Lease Loss Provision		0.0	0.0	0.0	0.0
<b>UNCLASSIFIED LIABILITIES:</b>	<b>3,812.3</b>	<b>7,580.2</b>	<b>10,536.9</b>	<b>1,077.6</b>	<b>1,548.0</b>
<b>Inter-bank liabilities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
[i] Balances held for banks in Nigeria		0.0	0.0	0.0	0.0
[ii] Money at call from banks in Nigeria		0.0	0.0	0.0	0.0
[iii] Inter-bank takings		0.0	0.0	0.0	0.0
[iv] Uncleared effects		0.0	0.0	0.0	0.0
[v] Loans & Advances from other banks in Nigeria		0.0	0.0	0.0	0.0
[vi] Bankers payments		0.0	0.0	0.0	0.0
Loans & Advances from Other creditors		0.0	0.0	0.0	0.0
Letters of Credit		0.0	0.0	0.0	0.0
Takings from Discount Houses		0.0	0.0	0.0	0.0
<b>Other Liabilities:</b>	<b>3,812.3</b>	<b>7,580.2</b>	<b>10,536.9</b>	<b>1,077.6</b>	<b>1,548.0</b>
Accounts Payables	103.0	465.7	1,997.7	1,092.5	1,316.3
Suspense Account	1.1	136.4	123.0	265.7	543.5
Provision for Tax Payments	23.1	16.9	12.4	13.1	15.2
Sundry Creditors	13.0	57.8	30.1	90.3	72.0
Forex rev reserves		0.0	0.0	0.0	0.0
Deposit for shares	4,205.5	8,373.2	8,371.8	0.0	0.0
Provision for Bad Debt		0.0	0.0	0.0	73.9
domestic & foreign (miscellaneous)		0.0	0.0	0.0	0.0
Miscellaneous	(533.3)	(1,469.7)	2.0	(384.0)	(472.9)
<b>TOTAL LIABILITIES:</b>	<b>11,138.5</b>	<b>15,807.4</b>	<b>21,034.8</b>	<b>20,133.7</b>	<b>20,694.2</b>



## Appendix VI : Break Down of Other Assets (Net)—June 2013

	Jun-12	Dec-12	Apr-13	May-13	Jun-13	YTD ActuaM Diff	YTD %change
<b>Other Assets (net)</b>	(7,606,624.73)	(6,258,036.21)	(7,128,858.95)	(7,216,270.46)	(6,718,241.38)		
<b>1.1 Other Assets</b>	11,484,214.80	14,131,954.55	15,482,094.22	15,505,446.80	15,338,221.84		
<b>1.1.1 Monetary Authority (OA)</b>	7,142,030.65	7,843,452.40	7,996,310.84	8,166,321.63	8,098,979.38	255,526.98	3.26
Unclassified Assets	6,031,460.44	6,790,896.42	6,839,676.94	7,013,615.56	7,183,509.65	392,613.23	5.78
Claims on Banks	1,110,570.21	1,052,555.98	1,156,633.90	1,152,706.07	915,469.73	(137,086.26)	(13.02)
<b>1.1.2 Commercial Bank (OA)</b>	4,336,021.90	6,278,031.78	7,458,912.63	7,314,591.73	7,195,036.35	917,004.57	14.61
Unclassified Assets	3,281,355.29	3,067,415.11	3,239,428.72	3,244,867.16	3,509,234.50	441,819.39	14.40
Balances with CBN	1,054,666.60	3,210,616.67	4,219,483.91	4,069,724.58	3,685,801.85	475,185.18	14.80
<b>1.1.3 Merchant Bank (OA)</b>	-	-	14,410.20	13,957.36	33,680.41	33,680.41	33,680.41
Unclassified Assets	-	-	2,783.62	3,158.98	8,621.72	8,621.72	8,621.72
Balances with CBN	-	-	11,626.58	10,798.38	25,058.69	25,058.69	25,058.69
<b>1.1.4 Non Interest (OA)</b>	6,162.26	10,470.38	12,460.55	10,576.08	10,525.70	55.32	0.53
Unclassified Assets	3,729.60	8,261.92	10,188.43	8,121.88	8,294.96	33.04	0.40
Balances with CBN	2,432.66	2,208.46	2,272.12	2,454.20	2,230.74	22.28	1.01
<b>1.2 Other Liabilities</b>	19,090,839.54	20,389,990.76	22,610,953.17	22,721,717.26	22,056,463.22		
<b>1.2.1 Monetary Authority (OL)</b>	12,126,300.50	13,692,428.79	15,454,328.73	15,619,539.42	14,936,098.25	1,243,669.46	9.08
Unclassified liabilities	9,925,478.61	10,665,625.52	12,550,155.56	12,709,107.25	12,185,685.28	1,520,059.77	14.25
DMBs Required Reserves	1,148,244.59	2,072,766.40	1,965,497.34	1,974,403.02	1,810,645.09	(262,121.30)	(12.65)
Capital Accounts	1,052,577.31	954,036.87	938,675.83	936,029.15	939,767.87	(14,269.00)	(1.50)
<b>1.2.2. Commercial Bank (OL)</b>	6,956,294.96	6,685,545.11	7,106,966.89	7,012,384.55	7,002,212.95	316,667.84	4.74
Unclassified liabilities	2,645,557.64	2,517,852.77	2,730,857.91	2,642,087.27	2,676,814.26	158,961.48	6.31
Credit from CBN	353,796.88	228,036.25	231,886.76	223,035.38	242,417.87	14,381.62	6.31
Bonds & Money market instruments	295,172.18	301,941.05	179,133.30	226,482.32	233,956.73	(67,984.32)	(22.52)
Capital Accounts	3,661,768.26	3,637,715.04	3,965,088.93	3,920,779.58	3,849,024.09	211,309.06	5.81
<i>of which total loan/leases loss provision</i>	281,031.23	-	-	-	-	-	#DIV/0!
<b>1.2.3. Merchant Bank (OL)</b>	-	-	36,525.36	78,611.46	106,600.96	106,600.96	106,600.96
Unclassified liabilities	-	-	17,027.15	44,147.23	72,208.68	72,208.68	72,208.68
Capital Accounts	-	-	19,498.21	34,464.23	34,392.28	34,392.28	34,392.28
<i>of which total loan/leases loss provision</i>	181,467.28	-	0.00	0.00	0.00	0.00	0.00
<b>1.2.4. Non Interest Bank (OL)</b>	8,244.07	12,016.87	13,132.18	11,181.82	11,551.05	(465.81)	(3.88)
Unclassified liabilities	3,812.27	7,580.22	10,536.92	1,077.57	1,548.01	(6,032.21)	(79.58)
Capital Accounts	4,431.80	4,436.64	2,595.26	10,104.25	10,003.05	5,566.40	125.46
<i>of which total loan/leases loss provision</i>	-	-	-	-	-	-	-
<b>OTHER ASSETS (NET) from CBN-MS</b>	(7,606,624.73)	(6,258,036.21)	(7,128,858.95)	(7,216,270.46)	(6,718,241.38)		
VERTICAL CHECK	-	-	-	-	-		
<b>GROWTH (%) OVER PREDECING DECEMBER</b>							
<b>Other Assets (net)</b>	(1.13)	16.80	(13.92)	(15.31)	(7.35)		
<b>1.1 Other Assets</b>	17.99	45.19	9.55	9.72	8.54		
<b>1.1.1 Monetary Authority</b>	25.94	38.30	1.95	4.12	3.26		
Unclassified Assets	23.64	39.21	0.72	3.28	5.78		
Claims on DMBs	40.04	32.72	9.89	9.51	(13.02)		
<b>1.1.2 Commercial Bank</b>	6.73	54.54	18.81	16.51	14.61		
Unclassified Assets	5.98	(0.93)	5.61	5.79	14.40		
Balances with CBN	9.16	232.31	31.42	26.76	14.80		
<b>1.1.4 Non Interest Bank</b>	-	-	19.01	1.01	0.53		
Unclassified Assets	-	-	23.32	(1.70)	0.40		
Balances with CBN	-	-	2.88	11.13	1.01		
<b>1.2 Other Liabilities</b>	10.64	18.16	10.89	11.44	8.17		
<b>1.2.1 Monetary Authority</b>	16.85	31.94	12.87	14.07	9.08		
Unclassified liabilities	22.09	31.19	17.67	19.16	14.25		
DMBs Required Reserves	(5.73)	70.18	(5.18)	(4.75)	(12.65)		
Capital Accounts	2.16	(7.40)	(1.61)	(1.89)	(1.50)		
<b>1.2.2. Commercial Bank</b>	1.15	(2.79)	6.30	4.89	4.74		
Unclassified liabilities	3.53	(1.46)	8.46	4.93	6.31		
Credit from CBN	19.94	(22.70)	1.69	(2.19)	6.31		
Bonds & Money market instruments	(14.48)	(12.52)	(40.67)	(24.99)	(22.52)		
Capital Accounts	(0.55)	(1.21)	9.00	7.78	5.81		
<i>of which total loan/leases loss provision</i>	4.96	(100.00)	#DIV/0!	#DIV/0!	#DIV/0!		
<b>1.2.4. Non Interest Bank</b>	-	-	9.28	(6.95)	(3.88)		
Unclassified liabilities	-	-	39.01	(85.78)	(79.58)		
Capital Accounts	-	-	(41.50)	127.75	125.46		
<b>GROWTH (%) YEAR ON YEAR</b>							
<b>Other Assets (net)</b>	(139.86)	16.80	8.54	5.46	11.68		
<b>1.1 Other Assets</b>	33.11	45.19	36.44	38.16	33.56		
<b>1.1.1 Monetary Authority</b>	69.34	38.30	15.78	15.37	13.40		
Unclassified Assets	73.85	39.21	14.43	13.94	19.10		
Claims on DMBs	48.44	32.72	24.46	24.88	(17.57)		
<b>1.1.2 Deposit Money Bank</b>	(1.69)	54.54	68.13	76.70	65.94		
Unclassified Assets	(13.31)	(0.93)	(6.60)	1.38	6.94		
Balances with CBN	68.63	232.31	335.97	333.50	249.48		
<b>1.2 Other Liabilities</b>	61.80	18.16	18.12	20.50	15.53		
<b>1.2.1 Monetary Authority</b>	129.56	31.94	27.85	30.03	23.17		
Unclassified liabilities	183.05	31.19	26.90	28.60	22.77		
DMBs Required Reserves	61.48	70.18	68.41	78.24	57.69		
Capital Accounts	(1.13)	(7.40)	(8.96)	(8.36)	(10.72)		
<b>1.2.2. Deposit Money Bank</b>	6.74	(2.79)	0.85	2.56	0.66		
Unclassified liabilities	(25.26)	(1.46)	(2.24)	5.16	1.18		
Credit from CBN	(20.40)	(22.70)	(20.45)	(28.41)	(31.48)		
Bonds & Money market instruments	(51.57)	(12.52)	(38.90)	(25.35)	(20.74)		
Capital Accounts	90.39	(1.21)	8.07	5.69	5.11		
<i>of which total loan/leases loss provision</i>	(43.51)	(100.00)	(100.00)	(100.00)	(100.00)		

*Appendix VII : Break Down of Net Credit to Government — June 2013*

	<b>Dec-12</b>	<b>Jun-13</b>	<b>Flow</b>
MA: Claims on Federal Govt	733,354.5	447,332.5	(286,021.9)
CBs: Claims on Federal Govt	2,233,529.2	2,095,608.9	(137,920.3)
MB: Claims on Federal Govt	-	39,738.6	39,738.6
NIB: Claims on Federal Govt	276.0	-	(276.0)
<b>Total Claims on Government</b>	<b>2,967,159.6</b>	<b>2,582,680.0</b>	<b>(384,479.6)</b>
MA:Federal Govt Deposit	4,307,730.9	3,822,121.1	(485,609.8)
CBs:Federal Govt Deposit	1,112,985.9	1,158,081.4	45,095.5
MB:Federal Govt Deposit	-	-	-
NIB:Federal Govt Deposit	-	-	-
<b>Total Government Deposit</b>	<b>5,420,716.7</b>	<b>4,980,202.5</b>	<b>(440,514.2)</b>
<b>Net Credit to Government</b>	<b>(2,453,557.1)</b>	<b>(2,397,522.5)</b>	<b>56,034.6</b>



***DMBs***  
***Report***

***2nd Quarter, 2013***

## EXECUTIVE SUMMARY

- ◆ Total assets/liabilities of deposit money banks (DMBs) in June 2013 stood at N22,539.6 billion, showing increases of N66.2 billion or 0.3 per cent and N1,235.6 billion or 5.8 per cent above the levels in the preceding month and at end-December 2012, respectively.
- ◆ When compared with the level recorded in the preceding month, inter-bank liabilities decreased by N40.7 billion or 7.2 per cent .
- ◆ The major sources of funds in June 2013 were from declines in reserves and increase in demand deposits by N383.5 billion and N205.7 billion, respectively.
- ◆ In June 2013, funds were largely utilised to increase claims on private sector by N184.1 billion and acquisition of unclassified assets by N251.2 billion.
- ◆ Aggregate credit to the domestic economy (net) increased by 3.4 per cent and 3.0 per cent above the levels in the preceding month and at end-December 2012, respectively.
- ◆ Foreign assets (net) of the DMBs stood at N1,601.3 billion in the review month. At this level, the foreign assets (net) was N100.2 billion or 5.9 per cent below the level in the preceding month.
- ◆ The interest rate spread between the maximum lending rate and weighted average demand, savings and time/term deposits increased by 0.18 percentage points to 20.89 per cent.

# DMBs ACTIVITIES REPORT: JUNE 2013

## 1. Total Assets/Liabilities

Total assets/liabilities of deposit money banks (DMBs) in June 2013 stood at N22,539.6 billion, showing increases of N66.2 billion or 0.3 per cent and N1,235.6 billion or 5.8 per cent above the levels in the preceding month and at end-December 2012, respectively. The N66.2 billion or 0.3 per cent increase in total assets was attributed to the increases of all the sub-components except reserves and foreign assets which declined by N383.5 billion or 8.8 per cent and N55.7 billion or 2.7 per cent, respectively.

Similarly, the increases in most of the sub-components of total liabilities accounted for its increase during the review period. However, central government deposits, capital accounts and time, savings and foreign currency liabilities decreased by N147.6 billion or 11.3 per cent, N71.9 billion or 1.8 per cent and N26.6 billion or 0.3 per cent, respectively (Table 1).

### 1.2 Unclassified Assets

At N3,264.8 billion, unclassified assets increased by N251.2 billion or 8.3 per cent and N418.6 billion or 14.7 per cent above the levels in the preceding month and at end-December 2012, respectively. The increase in unclassified assets in the review month was attributed to the rise in all the sub-components except fixed assets which fell by N9.8 billion or 0.8 per cent (Table 1).

### 1.3 Credit from the Central Bank

The Central Bank's credit to the DMBs increased by N19.4 billion or 8.7 per cent to N242.4 billion in June 2013. This was accounted for mainly by N21.2 billion increase in CBN overdrafts to banks (Table 1).

### 1.4 Inter - Bank Liabilities

When compared with the level recorded in the preceding month, inter-bank liabilities decreased by N40.7 billion or 7.2 per cent (Table 1). The decrease was at-

tributed to decreases in all the sub-components (Table 1; Figure 1).

### 1.5 Unclassified Liabilities

Unclassified liabilities stood at N2,678.4 billion in the review month, showing increases of N35.2 billion or 1.3 per cent and N152.9 or 6.1 per cent above the levels recorded in the preceding month and at end-December 2012, respectively. The increase in unclassified liabilities in

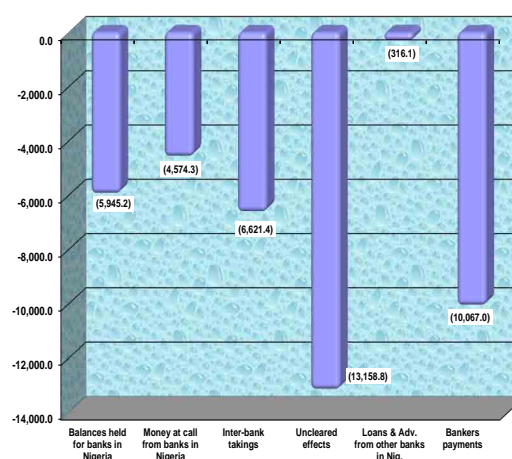


Figure 1: Changes in the Inter-bank Liabilities, May 2013-June 2013

the review month was attributed to increases of N81.3 billion or 4.5 per cent and N0.7 billion or 0.7 per cent in other liabilities and loans and advances from other creditors, respectively. This was however moderated by the N40.7 billion or 7.2 per cent and N6.2 billion or 3.6 per cent decreases in interbank liabilities and letters of credit, respectively (Table 1).

## 2. Sources and Uses of Funds

The major sources of funds in June 2013 were from declines in reserves and increase in demand deposits by N383.5 billion and N205.7 billion, respectively. Other large sources included the decrease in foreign assets, increase in foreign liabilities, acquisition of unclassified liabilities and rise in credit from central bank by N55.7 billion, N44.5 billion,

N35.2 billion and N19.4 billion, respectively.

In June 2013, funds were largely utilised to increase acquisition of unclassified assets by N251.2 billion and claims on private sector by N184.1 billion. Other significant uses included decrease in claims on capital accounts by N71.9 billion, increase in claims on central government and decline in time, saving and foreign currency deposits by N47.9 billion and N26.6 billion, respectively (Table 2).

### 3. Claims on the Domestic Economy

Aggregate credit to the domestic economy (net) increased by 3.4 per cent and 3.0 per cent above the levels in the preceding month and at end-December 2012, respectively. The increase was attributed to the increases in all the sub-components (Table 3; Figure 2).

#### 3.1 Net Claims on Federal Government

Net claims on the Federal Government stood at N937.5 billion, showing

increase of N195.5 billion in the

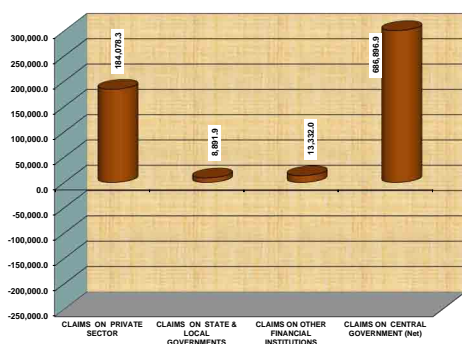


Figure 2: Changes in Aggregate Domestic Credit, May 2013 - June 2013

preceding month but decreased by N183.3 billion at end-December 2012. The increase was a reflection of increases in all the sub-components except Development Stocks/FGN Bonds which fell by N13.2 billion or 1.1 per cent in the reviewed month (Table 3).

#### 3.2 Claims on State and Local Governments

At N660.3 billion, total credit to state and local governments increased by 1.4 per cent above the level in the preceding month but decreased by 0.8 per cent below the level at end-December 2012. The 1.4 per cent increase was accounted for by increases in all the sub-components (Table 3).

#### 3.3 Total Loans and Advances (Net)

In June 2013, total loans and advances of the DMBs to the domestic economy stood at N7,423.3 billion, representing increases of 5.6 and 8.6 per cent above the levels recorded in the preceding month and at end-December 2012, respectively (Table 3).

### 3.4 Domestic Investments

At N4,560.0 billion, the domestic investments of the DMBs increased by 0.2 in the preceding month but fell by 4.7 per cent below the level at end-December 2012 (Table 3).

### 4. Sectoral Distribution of Credit

Total credit extended to the private sector by the DMBs in the review month amounted to N8,776.1 billion. This showed increase of 2.7 per cent and 7.7 per cent above the levels in the preceding month and at end-December 2012, respectively. Further analysis revealed that while the preferred sectors got 37.2 per cent of the total credit, less preferred sectors gulped 40.2 per cent and others (general) received 22.6 per cent (Table 4).

### 5. Net Foreign Assets

Foreign assets (net) of the DMBs stood at N1,601.3 billion in the review month. At this level, the foreign assets (net) was N100.2 billion or 5.9 per cent below the level in the preceding month. The decrease was accounted for by the increase of N44.5 billion or 13.2 per cent in foreign liabilities and decrease of N55.7 billion or 2.7 per cent in foreign assets (Table 7).

### 6. Analysis of Other Assets/Liabilities

#### 6.1 Other Assets

“Other assets” of the DMBs stood at N1,451.2 billion, representing an increase of N128.1 billion or 9.7 per cent above the level reported in the preceding month (Table 5). The increase in “other assets” reflected the increases in the relative contributions of all the sub-components except prepayments, suspense and goodwill and other intangible assets which fell by 0.8, 0.4 and 0.3 percentage points, respectively (Figure 4).

#### 6.2 Other Liabilities

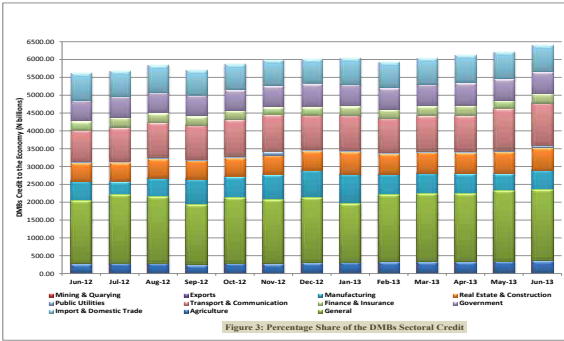


Figure 3: Percentage Share of the DMBs Sectoral Credit

Other liabilities” of the DMBs stood at N1, 875.8 billion, showing an increase of N81.3 billion or 4.5 per cent above the level recorded in the preceding month (Table and Figure 5).

## 7. Some Financial Ratios

### 7.1 Liquidity Ratio

Total specified liquid assets of the DMBs stood at N8,544.6 billion in June 2013, representing a decrease of N643.5 billion or 7.0 per cent below the level recorded in May 2013. The decline was at-

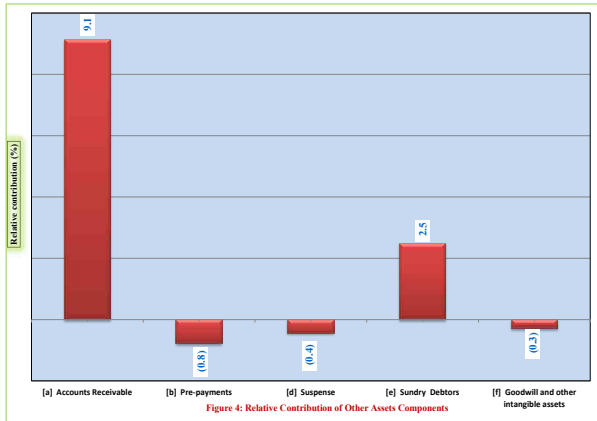


Figure 4: Relative Contribution of Other Assets Components

tributed to decreases in cash related items and liquid assets structure by N383.8 billion or 13.3 per cent and N377.3 billion or 11.3 per cent, respectively. The decrease was, however, moderated by the increase in other specified liquid assets by N117.6 billion or 4.0 per cent.

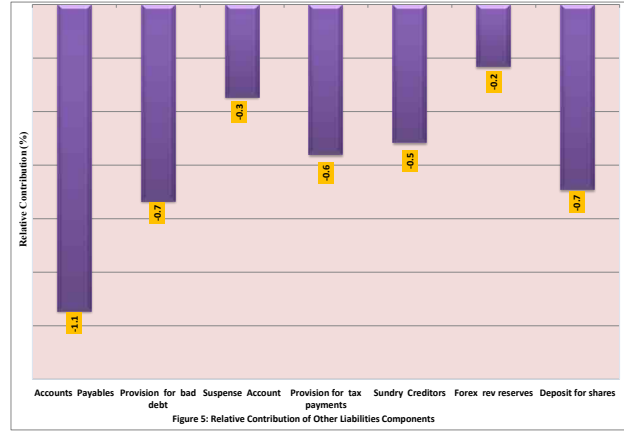


Figure 5: Relative Contribution of Other Liabilities Components

Total current liabilities of the DMBs increased by N2.3 billion to N15,218.5 billion in the review month. The increase was attributable mainly to the increase in other deposits by N38.7 billion or 1.3 per cent. The increase was, however, moderated by the decreases in other current liabilities and deposits liabilities by N35.8 billion and N0.6 billion, respectively (Table 6).

On the average, the DMBs achieved a liquidity ratio of 65.1 per cent in June 2013. This ratio was 35.1 percentage points above the minimum target of 30.0 per cent prescribed for fiscal 2013, but a decline of 20.8 percentage points below the level reported in the preceding month (Table 6; figure 6).

### 7.2 Loans to Deposit Ratio

The DMBs’ loans-to-deposit ratio, expressed as the ratio of loans and advances (net) to total current liabilities was 43.9 per cent in the review month, compared with 40.8 per cent recorded a month earlier. The ratio achieved in the review month was 36.1 percentage points below the prescribed maximum prudential target of 80.0 per cent (Table 6).

## 8. Interest Rate Movements

The average DMBs interest rates trended downwards in the month under review, except for twelve months which

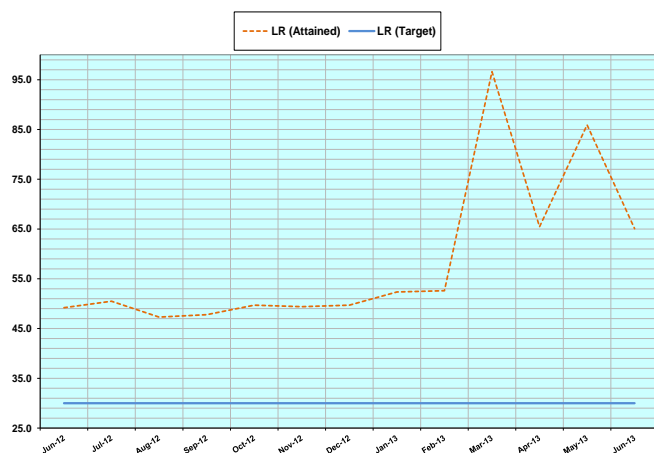


Figure 6: Liquidity and Prescribed Liquidity Ratios (LR & PLR) of the DMBs

rose by 0.06 percentage points.

The weighted average deposits rate (demand, savings, time/term) decreased by 0.18 percentage points to 3.68 per cent. The maximum lending rate increased marginally by 0.01 percentage points to 24.58 per cent (Table 8, Figure 7).

Consequently, the interest rate spread between the maximum lending rate and weighted average demand, savings and time/term deposits increased by 0.18 percentage points to 20.89 per cent.

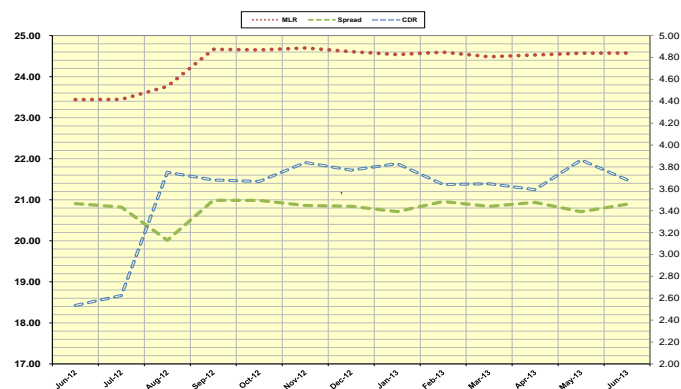


Figure 7: Interest Rate Movements





ASSETS	Month: May-13		Month: Jun-13	
	SOURCES	USES	SOURCES	USES
[1] RESERVES	0.0	22,285.4	(383,487.5)	0.0
[2] FOREIGN ASSETS	(70,505.8)	0.0	(55,697.2)	0.0
[3] CLAIMS ON CENTRAL GOVERNMENT	(175,190.6)	0.0	0.0	47,853.1
[4] CLAIMS ON STATE & LOCAL GOVERNMENT	(38,728.2)	0.0	0.0	8,891.9
[5] CLAIMS ON PRIVATE SECTOR	0.0	214,167.9	0.0	184,078.3
[6] CLAIMS ON OTHER FINANCIAL INSTITUTIONS	0.0	25,608.0	0.0	13,332.0
[7] UNCLASSIFIED ASSETS	(22,236.1)	0.0	0.0	251,208.4
<b>LIABILITIES</b>				
[1] DEMAND DEPOSITS:	106,556.2	0.0	205,698.4	0.0
[2] TIME, SAVINGS & FOREIGN CURRENCY DEPOSITS:	0.0	(152,458.4)	0.0	(26,629.6)
[3] MONEY MARKET INSTRUMENTS:	0.0	(851.1)	6,907.8	0.0
[4] BONDS	48,200.1	0.0	566.6	0.0
[5] FOREIGN LIABILITIES:	39,808.9	0.0	44,537.4	0.0
[6] CENTRAL GOVERNMENT DEPOSITS	58,026.5	0.0	0.0	(147,624.8)
[7] CREDIT FROM CENTRAL BANK	0.0	(8,851.4)	19,382.5	0.0
[8] CAPITAL ACCOUNTS:	0.0	(36,800.4)	0.0	(71,856.7)
[9] UNCLASSIFIED LIABILITIES:	0.0	(98,230.0)	35,197.4	0.0
<b>FUNDS SOURCED &amp; USED</b>	<b>559,252.5</b>	<b>559,252.5</b>	<b>751,474.8</b>	<b>751,474.8</b>

	Dec-12	May-13	Jun-13	Percentage Change		Jun-12	3-2	3-1
	(1)	(2)	(3)	between (1)&(3)	(2)&(3)	Memo		
		Revised	Provisional					
<b>[1] CLAIMS ON PRIVATE SECTOR</b>	<b>9,777,571.1</b>	<b>10,112,086.3</b>	<b>10,296,164.6</b>	<b>5.3</b>	<b>1.8</b>	<b>9,462,134.4</b>	<b>184,078.3</b>	<b>518,593.5</b>
(i) Loans & Advances to Other Customers	7,034,052.7	7,423,290.9	7,641,341.8	8.6	2.9	6,840,455.0	218,050.9	607,289.1
(ii) Advances under Lease	173,554.5	163,706.5	163,451.4	(5.8)	(0.2)	137,219.5	(255.1)	(10,103.1)
(iii) Commercial Papers/Bankers Acceptances	10,914.2	20,329.1	22,479.2	106.0	10.6	25,761.4	2,150.1	11,565.0
(iv) Investments	2,553,670.1	2,502,629.4	2,465,538.4	(3.5)	(1.5)	2,455,804.7	(37,090.9)	(88,131.7)
(v) Bills from non-bank/L&A to banks' subsidiaries/factored debt	5,379.5	2,130.4	3,353.7	(37.7)	57.4	2,893.7	1,223.3	(2,025.8)
<b>[2] CLAIMS ON STATE &amp; LOCAL GOVERNMENTS</b>	<b>665,879.3</b>	<b>651,449.1</b>	<b>660,341.0</b>	<b>(0.8)</b>	<b>1.4</b>	<b>586,273.7</b>	<b>8,891.9</b>	<b>(5,538.3)</b>
(i) Loans & Advances to State Governments	655,020.8	640,767.9	649,149.6	(0.9)	1.3	573,416.3	8,381.7	(5,871.3)
(ii) Loans & Advances to Local Governments	10,858.4	10,681.3	11,191.5	3.1	4.8	12,857.4	510.2	333.0
<b>[3] CLAIMS ON OTHER FINANCIAL INSTITUTIONS</b>	<b>229,472.8</b>	<b>239,384.8</b>	<b>252,716.8</b>	<b>10.1</b>	<b>5.6</b>	<b>274,263.8</b>	<b>13,332.0</b>	<b>23,244.0</b>
(i) Placement with Discount Houses	229,472.8	239,384.8	252,716.8	10.1	5.6	274,263.8	13,332.0	23,244.0
<b>[4] CLAIMS ON CENTRAL GOVERNMENT (Net)</b>	<b>1,120,819.3</b>	<b>742,049.6</b>	<b>937,527.5</b>	<b>(16.4)</b>	<b>26.3</b>	<b>2,589,380.7</b>	<b>195,477.9</b>	<b>(183,291.8)</b>
(i) Treasury Bills	641,048.2	799,842.0	860,871.0	34.3	7.6	1,893,758.7	61,029.0	219,822.8
(ii) Treasury Certificates	0.0	0.0	0.0	#N/A	#N/A	0.0	0.0	0.0
(iii) Development Stocks/FGN Bonds	1,591,833.0	1,246,818.5	1,233,593.3	(22.5)	(1.1)	1,539,920.8	(13,225.2)	(358,239.7)
(iv) Loans & Advances to Central Government	924.0	1,095.3	1,144.5	23.9	4.5	2,901.4	49.3	220.6
Less								
(i) Central Government Deposits	1,112,985.9	1,305,706.1	1,158,081.4	4.1	(11.3)	847,200.2	(147,624.8)	45,095.5
<b>AGGREGATE DOMESTIC CREDIT (Net)</b>	<b>11,793,742.4</b>	<b>11,744,969.8</b>	<b>12,146,749.9</b>	<b>3.0</b>	<b>3.4</b>	<b>12,912,052.5</b>	<b>401,780.0</b>	<b>353,007.5</b>
<b>LOANS &amp; ADVANCES (net)</b>	<b>6,833,636.6</b>	<b>7,031,973.4</b>	<b>7,423,295.6</b>	<b>8.6</b>	<b>5.6</b>	<b>6,885,348.7</b>	<b>391,322.2</b>	<b>589,659.1</b>
<b>DOMESTIC INVESTMENTS</b>	<b>4,786,551.3</b>	<b>4,549,289.9</b>	<b>4,560,002.8</b>	<b>(4.7)</b>	<b>0.2</b>	<b>5,889,484.3</b>	<b>10,712.9</b>	<b>(226,548.5)</b>
<b>ADVANCES UNDER LEASE</b>	<b>173,554.5</b>	<b>163,706.5</b>	<b>163,451.4</b>	<b>(5.8)</b>	<b>(0.2)</b>	<b>137,219.5</b>	<b>(255.1)</b>	<b>(10,103.1)</b>
<b>MEMO: TOTAL CREDIT <sup>1/</sup></b>	<b>10,443,450.3</b>	<b>10,763,535.4</b>	<b>10,956,505.6</b>	<b>4.9</b>	<b>1.8</b>	<b>10,048,408.0</b>	<b>192,970.2</b>	<b>513,055.3</b>

<sup>1/</sup> Total Credit is as defined in the Monetary Guidelines (Claims on private sector, state and local governments)



Table IV: Sectoral Credit Utilization and Loans to Small Scale Enterprises and Rural Customers By Deposit Money Banks									
	Revised			Provisional			% Change (2)&(3)	Between (1)&(3)	Rel Contrib
	Dec-12 (=N='m) (1)	May-13 (='m) (2)	Jun-13 (=N='m) (3)	Dec-12 (4)	May-13 (5)	Jun-13 (6)			
<b>[1] SECTORAL CREDIT ALLOCATION</b>									
<b>[a] Preferred Sectors</b>	<b>3,221,814.8</b>	<b>3,148,306.9</b>	<b>3,266,212.0</b>	<b>39.5</b>	<b>36.8</b>	<b>37.2</b>	<b>3.7</b>	<b>1.4</b>	<b>1.4</b>
(i) Agriculture	316,364.0	347,655.3	368,273.1	3.9	4.1	4.2	5.9	16.4	0.2
(ii) Mining & Quarrying 1/	1,771,496.3	1,726,293.5	1,806,430.3	21.7	20.2	20.6	4.6	2.0	0.9
(iii) Exports	65,612.8	6,074.1	9,020.0	0.8	0.1	0.1	48.5	(86.3)	0.0
(iv) Manufacturing	1,068,341.7	1,068,284.1	1,082,488.6	13.1	12.5	12.3	1.3	1.3	0.2
<b>[b] Less Preferred Sectors</b>	<b>3,108,093.8</b>	<b>3,429,142.1</b>	<b>3,524,495.0</b>	<b>38.1</b>	<b>40.1</b>	<b>40.2</b>	<b>2.8</b>	<b>13.4</b>	<b>1.1</b>
[v] Real Estate & Construction	539,759.8	614,670.4	636,716.3	6.6	7.2	7.3	3.6	18.0	0.3
[vi] Public Utilities	29,270.5	53,172.2	63,757.3	0.4	0.6	0.7	19.9	117.8	0.1
[vii] Transport & Communication	966,251.3	1,150,487.0	1,184,314.6	11.9	13.5	13.5	2.9	22.6	0.4
[viii] Finance & Insurance	249,083.4	248,247.0	283,998.2	3.1	2.9	3.2	14.4	14.0	0.4
[ix] Government	632,766.5	595,247.6	605,015.1	7.8	7.0	6.9	1.6	(4.4)	0.1
[x] Imports & Domestic Trade	690,962.4	767,317.7	750,693.6	8.5	9.0	8.6	(2.2)	8.6	-0.2
<b>[c] Others (General)</b>	<b>1,820,121.6</b>	<b>1,969,638.1</b>	<b>1,985,356.4</b>	<b>22.3</b>	<b>23.0</b>	<b>22.6</b>	<b>0.8</b>	<b>9.1</b>	<b>0.2</b>
<b>[d] TOTAL PRIVATE SECTOR CREDIT 2/</b>	<b>8,150,030.3</b>	<b>8,547,087.1</b>	<b>8,776,063.4</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>2.7</b>	<b>7.7</b>	<b>2.7</b>
<b>[2] LOANS TO SSE</b>	<b>13,863.5</b>	<b>12,761.8</b>	<b>12,425.7</b>				<b>(2.6)</b>	<b>(10.4)</b>	<b>-336.1</b>
as percentage of total credit				0.2	0.1	0.1			
<b>[3] DEPOSITS MOBILISED IN RURAL BRANCHES</b>	<b>19.7</b>	<b>23.2</b>	<b>22.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-3.63</b>	<b>13.41</b>	<b>-0.8</b>
<b>[a] Loans to Rural Customers</b>	<b>22,579.97</b>	<b>23,960.36</b>	<b>-</b>				<b>(100.0)</b>	<b>(100.0)</b>	<b>-23,960.4</b>
as percentage of deposit mobilised				114,484.2	103,226.8	0.0			
1/ Oil & Gas is included									
2/ Excludes investment in share, debentures and other investments									

Table V: Breakdown of Other Assets/Liabilities of Deposit Money Banks (=N= Million)								
	Revised		Provisional		Percentage Share in Total		Change Between (1) & (2)	
	May-13 (1)	Jun-13 (2)	May-13 (3)	Jun-13 (4)	Actual	(%)	rel Cont(%)	
<b>[1] Total Other Assets</b>	<b>1,323,158.0</b>	<b>1,451,209.8</b>	<b>100.0</b>	<b>100.0</b>	<b>128,051.7</b>	<b>9.7</b>	<b>9.7</b>	
[a] Accounts Receivable	642,432.3	763,135.1	48.6	52.6	120,702.8	18.8	9.1	
[b] Pre-payments	272,410.1	262,205.2	20.6	18.1	(10,204.9)	(3.7)	(0.8)	
[c] Bills Payable	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
[d] Suspense	91,432.3	85,578.2	6.9	5.9	(5,854.0)	(6.4)	(0.4)	
[e] Sundry Debtors	68,852.4	101,723.4	5.2	7.0	32,871.0	47.7	2.5	
[f] Goodwill and other intangible assets	70,487.9	66,559.9	5.3	4.6	(3,928.0)	(5.6)	(0.3)	
[g] unamortised reserves for loan losses	128,093.6	134,974.4	9.7	9.3	6,880.8	5.4	0.5	
[i] Miscellaneous	3,780.8	3,773.9	0.3	0.3	(6.9)	(0.2)	(0.0)	
<b>[2] Total Other Liabilities</b>	<b>1,794,429.0</b>	<b>1,875,764.8</b>	<b>100.0</b>	<b>100.0</b>	<b>81,335.8</b>	<b>4.5</b>	<b>4.5</b>	
[a] Accounts Payables	814,806.0	794,253.0	45.4	42.3	(20,553.0)	(2.5)	(1.1)	
<b>[b] Provision for bad debt</b>	<b>199,609.6</b>	<b>186,450.8</b>	<b>11.1</b>	<b>9.9</b>	<b>(13,158.8)</b>	<b>(6.6)</b>	<b>(0.7)</b>	
<b>[c] Suspense Account</b>	<b>170,136.7</b>	<b>163,934.2</b>	<b>9.5</b>	<b>8.7</b>	<b>(6,202.5)</b>	<b>(3.6)</b>	<b>(0.3)</b>	
[d] provision for tax payments	73,002.9	62,935.9	4.1	3.4	(10,067.0)	(13.8)	(0.6)	
[e] Sundry Creditors	94,919.9	85,680.0	5.3	4.6	(9,239.8)	(9.7)	(0.5)	
[f] Forex rev reserves	179,393.3	175,249.0	10.0	9.3	(4,144.2)	(2.3)	(0.2)	
[g] Deposit for shares	34,341.5	21,926.9	1.9	1.2	(12,414.6)	(36.2)	(0.7)	
<b>[h] Domestic &amp; Foreign</b>	<b>(29,521.7)</b>	<b>(29,471.0)</b>	<b>(1.6)</b>	<b>(1.6)</b>	<b>50.7</b>	<b>0.2</b>	<b>0.0</b>	
<b>[i] Miscellaneous</b>	<b>78.9</b>	<b>34.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(44.9)</b>	<b>(56.9)</b>	<b>(0.0)</b>	

**Table VI: Liquidity Ratio, Liquid Assets Structure Ratio,  
Cash Reserve Ratio and Loans-to-Deposit Ratio  
of Deposit Money Banks**

	Revised	Provisional		
	May-13	Jun-13	Change Between (1) & (2)	
	(1)	(2)	Actual	(%)
	(=N=' m)	(=N=' m)		
<b>[A] TOTAL SPECIFIED LIQUID ASSETS</b>	<b>9,188,106.6</b>	<b>8,544,627.8</b>	<b>(643,478.9)</b>	<b>(7.0)</b>
<b>[A.1] Cash Related Items</b>	<b>2,891,080.3</b>	<b>2,507,311.6</b>	<b>(383,768.7)</b>	<b>(13.3)</b>
(i) Currency	296,237.7	296,705.8	468.1	0.2
(ii) Deposit at Central Bank	4,069,724.6	3,685,801.5	(383,923.1)	(9.4)
<b>Less</b>				
(iii) Penalty Deposits	0.0	0.0	0.0	#N/A
(iv) Cash Reserve Requirements	1,451,519.8	1,452,001.6	481.8	0.0
(v) Stabilization Securities	23,362.2	23,194.2	(168.0)	
<b>[A.2] Liquid-Assets-Structure</b>	<b>3,325,070.4</b>	<b>2,947,750.9</b>	<b>(377,319.5)</b>	<b>(11.3)</b>
(i) Treasury Bills	799,842.0	860,871.0	61,029.1	7.6
(ii) Treasury Certificates	0.0	0.0	0.0	
(iii) CBN Bills	2,525,228.5	2,086,879.9	(438,348.6)	
<b>[A.3] Other Specified Liquid Assets</b>	<b>2,971,955.9</b>	<b>3,089,565.3</b>	<b>117,609.4</b>	<b>4.0</b>
(i) Balances with other banks (net)	101,296.7	96,251.6	(5,045.1)	(5.0)
(ii) Placements with other banks (net)	120,787.2	125,772.8	4,985.6	4.1
(iii) Placement with Discount Houses (net)	239,384.8	251,971.8	12,587.0	5.3
(iv) Money at call (net)	78,410.3	177,105.3	98,695.0	125.9
(v) Certificates of deposit held (net)	12,000.0	23,000.0	11,000.0	
(vi) Development Stocks/AMCON Bonds/FGN Bonds	2,420,077.0	2,415,463.8	(4,613.2)	(0.2)
<b>[B] TOTAL CURRENT LIABILITIES</b>	<b>15,216,145.6</b>	<b>15,218,457.0</b>	<b>2,311.4</b>	<b>0.02</b>
<b>[B.1] Deposit Liabilities</b>	<b>12,152,312.5</b>	<b>12,151,746.5</b>	<b>(566.0)</b>	<b>(0.0)</b>
(i) Demand Deposits	6,284,621.3	6,354,542.7	69,921.4	1.1
(ii) Savings Deposits	2,081,970.1	2,111,090.8	29,120.8	1.4
(iii) Time Deposits	3,785,721.2	3,686,113.0	(99,608.2)	(2.6)
<b>[B.2] Other Deposits</b>	<b>2,965,090.6</b>	<b>3,003,817.2</b>	<b>38,726.5</b>	<b>1.3</b>
(i) Domiciliary Deposits	2,950,216.4	2,982,035.1	31,818.7	1.1
(ii) Other Deposit Certificates & Notes	14,874.3	21,782.1	6,907.8	46.4
<b>[B.3] Other Current Liabilities</b>	<b>98,742.4</b>	<b>62,893.3</b>	<b>(35,849.2)</b>	<b>(36.3)</b>
(i) Excess balance held for other banks	8,135.6	11,228.5	3,092.9	38.0
(ii) Excess money at call takings	20,474.4	5,500.0	(14,974.4)	(73.1)
(iii) Excess inter-bank takings	70,132.4	46,164.8	(23,967.6)	(34.2)
(iv) Excess takings from Discount Houses	0.0	0.0	0.0	#N/A
(v) Excess Certificate of Deposit issued	0.0	0.0	0.0	#N/A
<b>[C] LIQUIDITY RATIO</b>	<b>85.9</b>	<b>65.1</b>	<b>(20.8)</b>	
<b>[D] LIQUID ASSET STRUCTURE RATIO</b>	<b>33.7</b>	<b>21.9</b>	<b>(11.8)</b>	
<b>[F] LOANS-TO-DEPOST RATIO</b>	<b>40.8</b>	<b>43.9</b>	<b>3.1</b>	
<b>Loans &amp; Advances (net)</b>	<b>6,943,017.3</b>	<b>6,920,246.3</b>	<b>(22,771.1)</b>	<b>(0.3)</b>

	Dec-12	May-13	Jun-13	Change Between (2) & (3)	
	(1)	(2)	(3)	Actual	(%)
<b>[A] FOREIGN ASSETS</b>	<b>2,007,637.6</b>	<b>2,039,873.0</b>	<b>1,984,175.8</b>	<b>(55,697.2)</b>	<b>(2.7)</b>
<b>[A.1] Claims on Non-Resident Banks:</b>	<b>2,007,635.9</b>	<b>2,039,873.0</b>	<b>1,984,175.8</b>	<b>(55,697.2)</b>	<b>(2.7)</b>
(i) Balances held with banks outside Nigeria	1,887,345.3	2,073,723.6	1,980,683.7	(93,039.9)	(4.5)
(ii) Balances held with Offices & Branches abroad	120,290.7	(33,850.6)	3,492.1	37,342.6	110.3
(iii) Loans & Advances to Banks abroad	0.0	0.0	0.0	0.0	
<b>[A.2] Bills Discounted Payable outside Nigeria</b>	<b>1.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>#N/A</b>
<b>[B] FOREIGN LIABILITIES</b>	<b>357,516.6</b>	<b>338,327.8</b>	<b>382,865.2</b>	<b>44,537.4</b>	<b>13.2</b>
<b>[B.1] Balances held for banks abroad</b>	<b>10.3</b>	<b>3,115.1</b>	<b>3,115.3</b>	<b>0.2</b>	<b>0.0</b>
<b>[B.2] Balances held for offices &amp; branches abroad</b>	<b>122,075.9</b>	<b>123,015.4</b>	<b>173,811.2</b>	<b>50,795.8</b>	<b>41.3</b>
<b>[B.3] Money at call takings from non-resident banks</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>#N/A</b>
<b>[B.4] Loans &amp; Advances from banks abroad</b>	<b>235,430.4</b>	<b>212,197.3</b>	<b>205,938.7</b>	<b>(6,258.6)</b>	<b>(2.9)</b>
<b>NET FOREIGN ASSETS</b>	<b>1,650,121.0</b>	<b>1,701,545.2</b>	<b>1,601,310.6</b>	<b>(100,234.6)</b>	<b>(5.9)</b>

Table 8: Interest Rate Movement

DEPOSIT MONEY BANKS WEIGHTED INTEREST RATE STRUCTURE	May-13				Jun-13			
	AVE	MIN	MAX	VOLUME	AVE	MIN	MAX	VOLUME
<b>[1] INTEREST BEARING DEPOSIT RATES</b>								
1.1 Savings	2.25	1.00	3.60	1,971.80	2.04	1.00	4.00	2,031.43
1.2 Seven days	4.78	1.31	13.00	833.56	4.45	0.39	12.00	869.84
1.3 One month	7.76	2.00	12.00	2,048.40	7.58	2.00	12.50	2,029.62
1.4 Three months	7.74	2.00	12.50	522.10	7.49	2.00	12.75	438.82
1.5 Six Months	7.17	2.00	13.00	167.33	7.07	2.00	12.75	161.98
1.6 Twelve months	5.26	2.00	13.00	107.27	5.32	2.00	12.94	118.95
1.7 Over twelve months	6.57	2.00	10.75	77.60	6.19	2.00	12.75	89.43
Weighted Average Saving & Time/Term Deposits rate	5.35	1.00	13.00		5.05	0.39	12.94	
<b>[2] DEMAND DEPOSIT RATES</b>								
2.1 Demand	1.59	0.01	3.60		1.58	0.01	3.60	
Weighted Average Deposits rate(Demand, Saving, Time/Term)	3.86	0.01	13.00		3.68	0.01	12.94	
<b>[3] LENDING RATES</b>								
3.1 Prime	16.66	7.00	24.00		16.56	7.00	24.00	
3.2 Maximum	24.57	18.00	33.00		24.58	18.00	33.00	
Interest rate spread								
Maximum Lending minus Weighted Average Saving & Time/Term Deposits rate	19.22				19.52			
Maximum Lending minus Weighted Average Deposits rate(Demand, Saving, Time/Term)	20.71				20.89			
Memorandum Item								
Total Demand Deposit	3,749.27		0.40		3,752.17		0.40	
Total Other Deposit (Savings, Time/Term)	5,728.06		0.60		5,740.08		0.60	

# *Inflation Report*

*2nd Quarter, 2013*

## EXECUTIVE SUMMARY

The movements in the components of the Consumer Price Index (CPI) for the month of June 2013 are analyzed. The highlights of the analysis are as follows:

- ◆ The year-on-year headline inflation rate decelerated by 0.6 pp from 9.0 per cent recorded in May 2013 to 8.4 per cent in the review month. The deceleration in headline inflation mainly reflected the decrease in the relative contributions of housing, water, gas & other fuel.
- ◆ The relative contribution of housing, water, gas & other fuel to the year-on-year headline inflation decreased to 1.42 percentage point (pp) in June 2013. Of the 1.42 pp, actual and imputed rentals, electricity, liquid fuel and solid fuel accounted for 0.47, 0.44, 0.31 and 0.13 pps, respectively.
- ◆ The acceleration of year-on-year food inflation to 9.6 pp in the review month from 9.3 per cent recorded in the preceding month was largely accounted for by the increase in the prices of farm produce. However, processed food had a negative contribution of 0.4 pp in the review month.
- ◆ The acceleration of imported food inflation to 6.6 per cent in June from 5.7 per cent recorded in the preceding month was driven largely by the contributions of rice and other edible oils.
- ◆ The year-on-year core inflation decelerated from 6.2 per cent recorded in May 2013 to 5.5 per cent in the review month. This deceleration was driven largely by decreases in the relative contributions of housing, water, gas & other fuel and processed food.
- ◆ It is important to note that headline inflation remained at single digit consecutively for six months up to June 2013. Sustained single digit inflation rate was achieved last in May 2008 when headline inflation remained single digit for 17 months running.

# Inflation Report

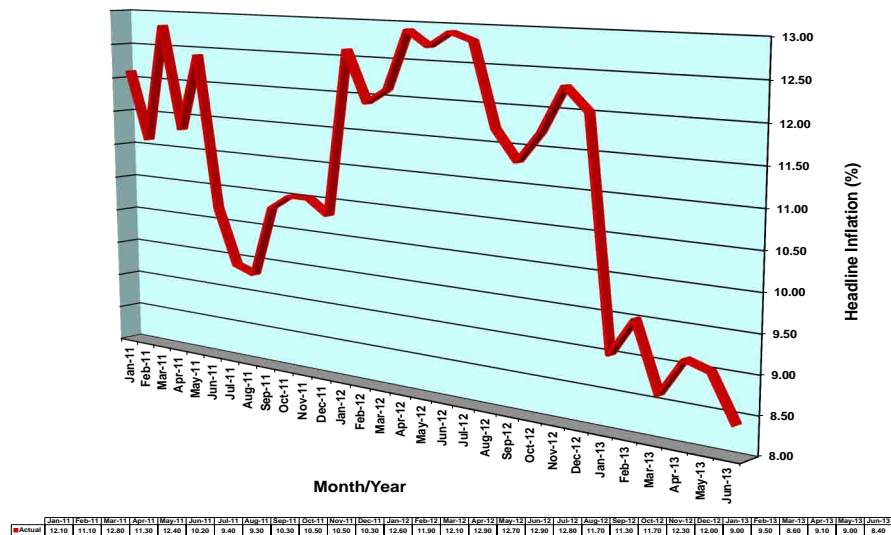


**Headline inflation rate (year-on-year) for June 2013 decelerated from 9.0 per cent recorded in the preceding month to 8.4 per cent. This deceleration is largely attributable to decrease in housing, water, electricity, gas & other fuel.**

**The rate of 8.4 per cent in the headline inflation mainly reflected the relative contributions of, food and non-alcoholic beverages (4.91 pp); housing, water, electricity, gas and other fuel (1.42 pp); clothing and footwear (0.55 pp); transport (0.46 pp); furnishing, household equipment and maintenance (0.32 pp); education (0.22**

## 1. Year-on-Year Headline Inflation

The Composite Consumer Price Index (CPI) rose by 0.59 per cent month-on-month to 146.6 index points in June 2013. The month-on-month decrease in the price index was mostly accounted for by increase in the price of food and non-alcoholic beverages and decrease in housing, water, electricity, gas and other fuel; clothing and footwear; furnishings, household equipment and maintenance, health and transport (see Table 1, Fig. 1).



**Fig 1: Plot of Actual YoY Headline Inflation**

The CPI headline inflation rate (year-on-year) for June 2013 decelerated from 9.0 per cent recorded in the preceding month to 8.4 per cent. The rate of 8.4 per cent in the headline inflation mainly reflected the relative contributions of, food and non-alcoholic beverages (4.91 pp); housing, water, electricity, gas and other fuel (1.42 pp); clothing and footwear (0.55 pp); transport (0.46 pp); furnishing, household equipment and maintenance (0.32 pp); education (0.22 pp) and health (0.18 pp).

It is important to note that headline inflation remains at single digit consecutively for six months up to June 2013. Sustained single digit inflation rate was achieved last in May 2008 when headline inflation remained single digit for 17 months running.

## Contributions to Headline Inflation

*Of the 4.91 pp contribution of food and non-alcoholic beverages to headline inflation, bread and cereals; vegetables; yams, potatoes and other tuber; fish and sea food; meat; oil and fats and fruits accounted for 2.01, 0.62, 0.57, 0.47, 0.45, 0.29 and 0.23 pps, respectively .*

The relative contribution of food and non-alcoholic beverages to the year-on-year headline inflation increased by 0.11 pp to 4.91 pp in the review month from 4.80 pp recorded in the preceding month. Of the 4.91 pp contribution of food and non-alcoholic beverages to headline inflation, *bread and cereals; vegetables; yams, potatoes and other tubers; fish and sea food; meat; oil and fats and fruits* accounted for 2.01, 0.62, 0.57, 0.47, 0.45, 0.29 and 0.23 pps, respectively (Table I).

The bread and cereals (year-on-year) contribution to headline inflation also increased to 2.01 pp in June 2013 from 1.95 pp recorded in May 2013. The 2.01 pp contribution of bread and cereals to the headline inflation in the review month was largely explained by the relative contributions of maize grain white sold loose (0.91 pp); rice local sold loose (0.88 pp); sorghum white or brown sold loose (0.87 pp); millet sold loose (0.59 pp) and rice agric sold loose (0.32 pp). It was, however, moderated by the negative contributions of custard (0.01 pp); fritters (0.01 pp); garri yellow sold loose (0.14 pp); garri white sold loose (0.20 pp); plantain flour (0.21 pp); maize paste white (0.23 pp); yam flour sold loose (0.24 pp); eko (0.25 pp) and bread unsliced (0.44 pp) (Table I).

## Contributions to Headline Inflation

The relative contribution of housing, water, electricity, gas and other fuel to the year-on-year headline inflation decreased from 2.18 pp recorded in May 2013 to 1.42 pp in June 2013. Of the 1.42 pp contribution of housing, water, electricity, gas and other fuel to headline inflation, *actual and imputed rentals for housing; electricity, liquid fuel and solid fuels components* accounted for 0.47, 0.44, 0.31 and 0.13 pps, respectively (Table I).

The relative contribution of transport to the year-on-year headline inflation stood at 0.46 pp in the review month as recorded in the preceding month. Of the 0.46 pp contribution of transport to headline inflation, *passenger transport by road* accounted for 0.22 pp; fuel and lubricant for personal transport equipment (0.10 pp) and vehicle spare parts (0.06 pp) (Table I).

The relative contribution of imported food to the year-on-year headline inflation increased to 0.86 pp in June 2013 from 0.75 pp recorded in the preceding month. The 0.86 pp contribution of imported food to the year-on-year headline inflation was largely explained by the relative contributions of rice (1.92 pp) and other edible oils (1.09 pp) (Table I). It was, however, moderated by the negative contributions of wheat flour (0.01 pp); canned vegetables (0.02 pp); canned meat (0.03 pp); tobacco (0.05 pp); spirit (0.09 pp); preserve milk & other (0.23 pp); cake (0.30 pp); tea, coffee, chocolate (0.31 pp); bread (0.39 pp) and frozen fish (0.73 pp). The month-on-month relative contributions of Rural and Urban Consumer Price Index (CPI) to the headline inflation show that, composite CPI rose by 0.59 per cent in June 2013 compared with 0.67 per cent recorded in the preceding month. The relative contributions of rural and urban CPI to the composite CPI stood at 0.29 and 0.30 per cent in the review month, compared with 0.27 and 0.26 per cent in May 2013, respectively. The major driver of composite CPI inflation in June 2013 was the urban (Table IIa). The year-on-year relative contributions of rural and urban CPI to the composite CPI stood at 4.62 and 3.74 per cent in June 2013, compared with 8.02 and 6.43 per cent recorded in June 2012.

***The major driver of composite CPI inflation in June 2013 was the urban.***

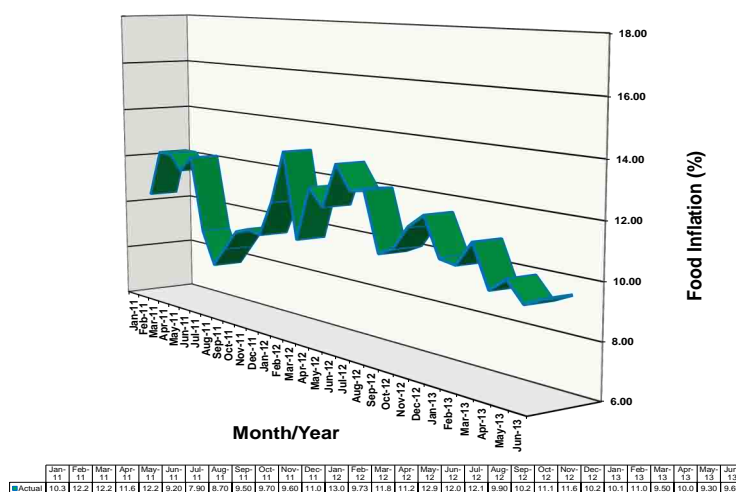


**Food inflation accelerated to 9.6 pp in June 2013 from 9.3 per cent recorded in the preceding month. This acceleration was largely due to increased farm produce inflation.**

**The 9.6 per cent year-on-year food inflation was largely accounted for by the contributions of farm produce and processed food inflation, which contributed 10.0 pp and a negative contribution of 0.4**

## 2. Year-on-Year Food Inflation

The composite food index (with a weight of 50.7 per cent), rose by 0.7 per cent month-on-month to 147.5 index points in June 2013. On year-on-year basis, food inflation accelerated to 9.6 per cent from 9.3 pp recorded in the preceding month. However, food inflation was 9.5, 10.2, and 12.0 per cent three months ago, six months ago and a year earlier, respectively.



**Fig 3: Plot of Actual YoY Food Inflation**

The 9.6 per cent year-on-year food inflation was largely accounted for by the contributions of farm produce and *processed food inflation*, which contributed 10.0 pp and a negative contribution of 0.4 pp, respectively. Of the 10.0 pp contribution of farm produce, maize grain white sold loose; rice local sold loose, sorghum white sold loose; vegetables; millet sold loose; yam, potatoes and other tuber; rice agric sold loose; fruits and rice imported sold loose contributed 1.79, 1.74, 1.71, 1.22, 1.16, 1.13, 0.62, 0.45, and 0.16 pps, respectively (see Table III).

## Contributions to Food Inflation

*The relative contribution of processed food declined from a negative contribution of 0.1pp to a negative contribution of 0.4 pp in June 2013. Of the 0.4 pp negative contribution, fish and sea food; meat; oil & fats; sugar, jam, honey; milk, cheese, & eggs; cabin biscuit; cassava flour and corn flakes accounted for 0.92, 0.90, 0.58, 0.22, 0.19, 0.04, 0.04 and 0.04 pps, respectively. It was, however, moderated by the negative contributions of custard (0.02 pp); fritters (0.02 pp); garri yellow sold loose (0.27 pp); garri white sold loose (0.38 pp); plantain flour (0.41 pp); maize paste white (0.44 pp); yam flour sold loose (0.46 pp); eko (0.48 pp) and bread unsliced (0.86 pp) (Table III).*

The relative contribution of processed food declined from a negative contribution of 0.1pp to a negative contribution of 0.4 pp in June 2013. Of the 0.4 pp negative contribution, fish and sea food; meat; oil & fats; sugar, jam, honey; milk, cheese, & eggs; cabin biscuit; cassava flour and corn flakes accounted for 0.92, 0.90, 0.58, 0.22, 0.19, 0.04, 0.04 and 0.04 pps, respectively. It was, however, moderated by the negative contributions of custard (0.02 pp); fritters (0.02 pp); garri yellow sold loose (0.27 pp); garri white sold loose (0.38 pp); plantain flour (0.41 pp); maize paste white (0.44 pp); yam flour sold loose (0.46 pp); eko (0.48 pp) and bread unsliced (0.86 pp) (Table III).

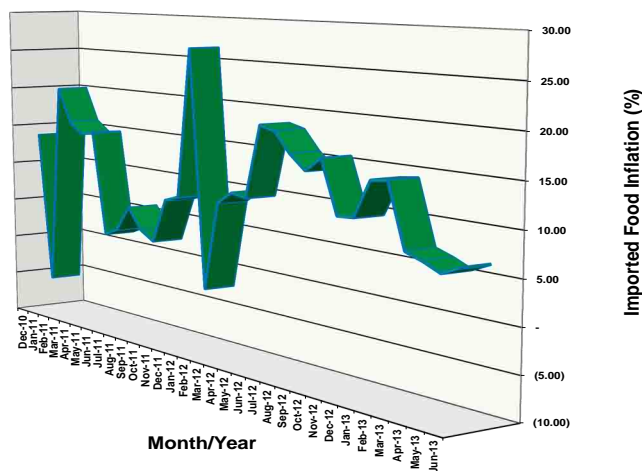
The relative contribution of imported food inflation to the year-on-year food inflation increased by 0.2 pp to 1.7 pp in the review month from 1.5 pp recorded in the preceding month. This was largely accounted for by the contributions of rice (3.82 pp) and other edible oils (2.16 pp). It was, however, moderated by the negative contributions of biscuit (0.01pp); wheat flour (0.03 pp); canned vegetables (0.04 pp); canned meat (0.05 pp); tobacco (0.10 pp); spirit (0.18 pp); preserved milk and other (0.46 pp); cake (0.60 pp); tea, coffee, chocolate (0.62 pp); bread (0.76 pp) and frozen fish (1.45 pp) (Table III).

**Imported Food Inflation rate accelerated to 6.6 per cent from 5.7 per cent recorded in the preceding month. This acceleration was largely accounted for by the substantial increase in other edible oils.**

**The 6.6 per cent year-on-year imported food inflation was largely accounted for by the contributions of prices of rice; other edible oils and semovita.**

### 3. Year-on-Year Imported Food Inflation

The composite imported food index (with a weight of 13.3 per cent), increased by 0.94 per cent month-on-month to 141.4 index points in June 2013. On year-on-year basis, imported food inflation accelerated to 6.6 pp from 5.7 per cent recorded in the preceding month. However, imported food inflation was 7.2, 9.8 and 18.5 per cent three months ago, six months ago and a year earlier, respectively.



	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Actual	13.3	(5.2)	20.1	15.4	14.4	2.1	3.0	6.1	3.5	2.5	7.9	8.5	26.1	(1.1)	8.7	10.1	9.9	18.1	18.1	15.1	14.1	15.1	9.6	9.8	14.1	14.1	7.2	6.6	5.7	6.6	

**Fig 5: Plot of Actual YoY Imported Food Inflation**

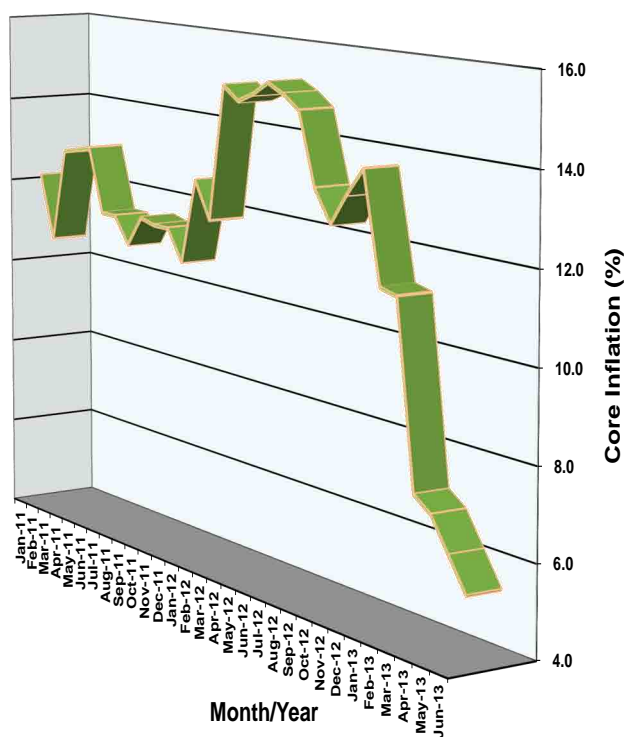
The 6.6 per cent year-on-year imported food inflation was largely accounted for by the contributions of prices of rice; other edible oils and semovita which contributed 14.82, 8.39 and 0.11 pps, respectively. It was, however, moderated by the negative contributions of biscuit (0.03 pp); wheat flour (0.11 pp); canned vegetables (0.15 pp); canned meat (0.21 pp); tobacco (0.37 pp); spirit (0.70 pp); preserved milk & other (1.80 pp); cake (2.33 pp); tea, coffee, chocolate (2.42 pp); bread (2.97 pp) and frozen fish (5.62 pp) (Table IV).

*Core inflation rate decelerated from 6.2 per cent recorded in May 2013 to 5.5 per cent in June 2013.*

*The 5.5 per cent core inflation recorded in June 2013 was driven largely by the contributions of housing, water, electricity, gas and other fuels (1.83 pp); processed food (1.4 pp); clothing and footwear (0.66 pp); transport (0.53 pp); furnishings, household equipment and maintenance (0.35 pp); education (0.22 pp) and health*

#### 4. Year-on-Year Core Inflation

The All-items less farm produce price index rose by 0.3 pp to 145.5 index points in June 2013. On year-on-year basis, core inflation decelerated from 6.2 per cent recorded in the preceding month to 5.5 per cent.



	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
Actual	12.1	10.6	12.8	12.9	13.0	11.5	11.5	10.9	11.6	11.5	11.5	10.8	12.7	11.9	15.0	14.7	14.9	15.2	15.0	14.7	13.1	12.4	13.1	13.7	11.3	11.2	7.2	6.9	6.2	5.5

**Fig 6: Plot of Actual YoY Core Inflation**

The 5.5 per cent core inflation recorded in June 2013 was driven largely by the contributions of housing, water, electricity, gas and other fuels (1.83 pp); processed food (1.4 pp); clothing and footwear (0.66 pp); transport (0.53 pp); furnishings, household equipment and maintenance (0.35 pp); education (0.22 pp) and health (0.17 pp) (Table V).

## Contributions to Core Inflation

The processed food component of core inflation decreased from 1.6 pp recorded in May 2013 to 1.4 pp in the review month. The 1.4 pp contribution was largely accounted for by fish and sea food (0.54 pp); meat (0.53 pp); maize paste white (0.33 pp); oil & fats (0.31 pp); sugar, jam, honey (0.15 pp) and yam flour sold loose (0.15 pp).

***The deceleration of core inflation in June 2013 was attributable to the decrease in housing, water, electricity, gas & other fuel and processed food inflation which decelerated from 2.79 and 1.6 per cent respectively, in May 2013 to 1.83 and 1.4 per cent respectively, in the review month.***

The 1.83 pp relative contribution of housing, water, electricity, gas and other fuel component to core inflation was largely accounted for by actual and imputed rentals for housing (0.61 pp); electricity (0.57 pp); liquid fuel (0.40 pp) and solid fuels (0.16 pp).

The relative contribution of *transport* component to core inflation increased by 0.05 pp to 0.53 pp in the review month from 0.48 pp recorded in the preceding month. The 0.53 pp contribution of transport to core inflation was largely accounted for by passenger transport by road (0.27 pp); fuels and lubricants for personal transport equipment (0.11 pp); vehicle spare parts (0.05 pp) and motor cars (0.03 pp) (Table V).

## Table I: Drivers of Headline Inflation

RELATIVE CONTRIBUTION OF COMPONENTS OF HEADLINE INFLATION								
YEAR-ON-YEAR (HEADLINE)	Weights	Year -on-Year			Month-on-Month			
		Apr'13	May'13	June'13	Apr'13	May'13	June'13	
<b>ALL-ITEM</b>	<b>1000.0</b>	<b>9.1</b>	<b>9.0</b>	<b>8.4</b>	<b>0.55</b>	<b>0.67</b>	<b>0.59</b>	
<b>Food &amp; Non-Alcoholic Bev.</b>	<b>518.0</b>	<b>5.12</b>	<b>4.80</b>	<b>4.91</b>	<b>0.33</b>	<b>0.29</b>	<b>0.38</b>	
Bread & cereals	216.66	2.14	1.95	2.01	0.13	0.10	0.17	
Meat	47.78	0.42	0.45	0.45	0.03	0.03	0.03	
Fish & Sea Food	44.51	0.50	0.49	0.47	0.03	0.03	0.05	
Milk,Cheese & Eggs	12.75	0.09	0.09	0.10	0.01	0.00	0.00	
Oil & Fats	36.33	0.28	0.29	0.29	0.02	0.02	0.02	
Fruits	22.99	0.21	0.21	0.23	0.01	0.01	0.02	
Vegetables	54.35	0.69	0.57	0.62	0.04	0.02	0.04	
Yams, Potatoes & Other Tuber	60.56	0.63	0.56	0.57	0.05	0.04	0.04	
Suger,Jam,Honey,etc	11.10	0.11	0.11	0.11	0.01	0.01	0.00	
Coffee,Tea & Cocoa	6.25	0.04	0.04	0.04	0.00	0.01	0.00	
MineralsWater,Soft etc	4.73	0.03	0.03	0.03	0.00	0.00	0.00	
<b>Alcoholic Bev. Tobacco &amp; Kola</b>	<b>10.9</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	
<b>Clothing &amp; footwear</b>	<b>76.5</b>	<b>0.50</b>	<b>0.53</b>	<b>0.55</b>	<b>0.05</b>	<b>0.06</b>	<b>0.03</b>	
<b>Housing,Water, Elect.Gas &amp; Other Fuel</b>	<b>167.3</b>	<b>2.11</b>	<b>2.18</b>	<b>1.42</b>	<b>0.05</b>	<b>0.11</b>	<b>0.09</b>	
Actual and imputed rentals for housing	77.44	0.40	0.44	0.47	0.02	0.05	0.05	
Water supply	11.01	0.05	0.06	0.06	0.00	0.01	0.01	
Miscellaneous services relating to the dwelling	1.32	0.01	0.01	0.01	0.00	0.00	0.00	
Electricity	16.16	1.21	1.20	0.44	0.01	0.00	0.01	
Gas,	1.01	0.01	0.01	0.01	0.00	0.00	0.00	
Liquid Fuel	37.86	0.29	0.32	0.31	0.01	0.03	0.02	
Solid Fuels	22.54	0.14	0.15	0.13	0.01	0.02	0.01	
<b>Furnishings, Household Equip &amp;HH Maint.</b>	<b>50.3</b>	<b>0.26</b>	<b>0.31</b>	<b>0.32</b>	<b>0.03</b>	<b>0.06</b>	<b>0.02</b>	
<b>Health</b>	<b>30.0</b>	<b>0.16</b>	<b>0.18</b>	<b>0.18</b>	<b>0.02</b>	<b>0.03</b>	<b>0.02</b>	
<b>Transport</b>	<b>65.1</b>	<b>0.42</b>	<b>0.46</b>	<b>0.46</b>	<b>0.04</b>	<b>0.06</b>	<b>0.02</b>	
Motor cars	8.05	0.03	0.03	0.04	0.00	0.00	0.00	
Motor cycles	3.67	0.02	0.02	0.02	0.00	0.00	0.00	
Bicycles	2.76	0.01	0.02	0.02	0.00	0.01	0.00	
Vehicle Spare Parts	10.05	0.06	0.06	0.06	0.01	0.01	0.00	
Fuels and lubricants for personal transport equipment	14.22	0.09	0.10	0.10	0.00	0.01	0.00	
Maintenance and repair of personal transport equipment	0.21	0.00	0.00	0.00	0.00	0.00	0.00	
Other services in respect of personal transport equipment	0.06	0.00	0.00	0.00	0.00	0.00	0.00	
Passenger transport by road	24.30	0.20	0.21	0.22	0.02	0.02	0.01	
Passenger transport by air	1.72	0.01	0.01	0.01	0.00	0.00	0.00	
Passenger transport by sea and inland waterway	0.05	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Communication</b>	<b>6.8</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Recreation &amp; culture</b>	<b>6.9</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	
<b>Education</b>	<b>39.4</b>	<b>0.20</b>	<b>0.23</b>	<b>0.22</b>	<b>0.01</b>	<b>0.04</b>	<b>0.00</b>	
<b>Restaurant &amp; Hotels</b>	<b>12.1</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	
<b>Miscellaneous Goods &amp; Services</b>	<b>16.6</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	
RELATIVE CONTRIBUTION OF COMPONENTS OF IMPORTED FOOD TO HEADLINE INFLATION								
YEAR-ON-YEAR (HEADLINE)	Weights	Year -on-Year			Month-on-Month			
		Apr'13	May'13	June'13	Apr'13	May'13	June'13	
<b>Imported Food</b>	<b>132.60</b>	<b>0.86</b>	<b>0.75</b>	<b>0.86</b>	<b>0.06</b>	<b>0.01</b>	<b>0.12</b>	
Wheat Flour	1.22	-0.01	-0.03	-0.01	0.02	-0.01	0.00	
Rice	60.35	0.94	2.19	1.92	0.09	1.24	0.16	
Semovita	2.01	0.02	0.02	0.01	0.02	0.00	0.00	
Bread	13.99	0.20	-0.24	-0.39	0.10	-0.41	0.00	
Cake	11.27	0.33	-0.06	-0.30	0.07	-0.36	0.00	
Biscuit	0.90	0.00	0.00	0.00	0.01	-0.01	0.00	
Frozen Fish	11.23	-0.17	-0.76	-0.73	-0.12	-0.47	-0.10	
Canned Meat	0.72	-0.09	-0.10	-0.03	0.02	-0.01	0.00	
Preserved Milk and other	5.72	0.17	-0.14	-0.23	0.05	-0.29	0.01	
Other Edible Oils	11.51	-0.57	0.28	1.09	-0.19	0.69	0.05	
Canned Vegetables	3.06	0.00	-0.04	-0.02	0.00	-0.04	-0.01	
Tea, Coffee,Chocolate	5.71	0.17	-0.12	-0.31	0.07	-0.25	0.02	
Sugar	3.10	0.01	-0.02	0.00	0.02	-0.02	0.00	
Spirit	0.58	-0.10	-0.16	-0.09	-0.06	-0.02	0.00	
Tobacco	1.25	-0.04	-0.08	-0.05	-0.04	-0.02	-0.01	
RELATIVE CONTRIBUTION OF BREAD & CEREALS COMPONENTS								
YEAR-ON-YEAR (HEADLINE)	Weights	Year -on-Year			Month-on-Month			
		Apr'13	May'13	June'13	Apr'13	May'13	June'13	
<b>Bread &amp; Cereals</b>	<b>216.66</b>	<b>2.14</b>	<b>1.95</b>	<b>2.01</b>	<b>0.13</b>	<b>0.10</b>	<b>0.17</b>	
BREAD UNSLICED 500g	9.33	-0.10	-0.48	-0.44	-0.14	-0.35	0.00	
CABIN BISCUIT: LOCAL MANUFACTURE 800g PACK	3.68	0.11	0.02	0.02	0.09	-0.08	0.00	
CASSAVA FLOUR,SOLD LOOSE	2.47	0.00	0.01	0.02	-0.01	0.02	0.01	
CORN FLAKES 350g	0.68	0.05	0.02	0.02	0.03	-0.02	0.00	
CORN FLOUR 2kg	0.21	-0.03	-0.02	0.00	-0.01	0.01	0.00	
CUSTARD 300g	0.35	0.02	-0.01	-0.01	0.02	-0.02	0.00	
EKO(AGIDI/KAFA)	10.12	0.21	-0.15	-0.25	-0.08	-0.33	-0.02	
FRITTERS (PUFF-PUFF)	0.35	0.01	-0.01	-0.01	0.00	-0.02	0.00	
GARI WHITE,SOLD LOOSE	11.46	0.14	-0.16	-0.20	-0.10	-0.28	-0.01	
GARI YELLOW,SOLD LOOSE	28.72	0.64	0.10	-0.14	0.11	-0.50	-0.04	
GUINEA CORN FLOUR,SOLD LOOSE	1.75	-0.03	-0.02	0.00	0.00	-0.01	0.01	
MAIZE GRAIN WHITE SOLD LOOSE	25.01	0.35	1.03	0.91	0.06	0.70	-0.09	
MAIZE PASTE-WHITE(OGI/AKAMU)	5.27	0.00	-0.24	-0.23	-0.10	-0.24	-0.01	
MILLET (JERO OR MAIWA) SOLD LOOSE	23.86	0.17	0.50	0.59	-0.04	0.41	0.04	
PLANTAIN FLOUR	3.57	-0.31	-0.28	-0.21	0.00	0.01	0.02	
POP CORN	0.03	0.00	0.00	0.00	0.00	0.00	0.00	
RICE AGRIC SOLD LOOSE	31.17	0.20	0.15	0.32	0.14	-0.05	0.14	
RICE LOCAL SOLD LOOSE	28.03	0.47	0.76	0.88	0.19	0.28	0.18	
RICE,IMPORTED HIGH QUALITY SOLD LOOSE	1.18	0.03	0.09	0.08	0.00	0.06	0.01	
SAUSAGE BEEF (GALA)	0.34	0.00	0.00	0.00	0.00	0.00	0.00	
SEMOVITA 2kg	0.19	0.00	0.00	0.00	0.00	0.00	0.00	
SORGHUM (GUINEA CORN) WHITE OR BROWN,SOLD LOOSE	22.33	0.39	0.93	0.87	0.08	0.68	-0.07	
YAM FLOUR,SOLD LOOSE	6.56	-0.17	-0.32	-0.24	-0.12	-0.17	0.01	

## Table II a: Relative Contribution of Urban and Rural CPI

Table II a: Relative Contribution of Urban and Rural CPI			May-13			Jun-13		
			M-on-M Relative Contribution			M-on-M Relative Contribution		
coicop		WT	National $\pi$	Urban $\pi$	Rural $\pi$	National $\pi$	Urban $\pi$	Rural $\pi$
0100	Food And Non Alcoholic Beverages	518.00	0.289	0.121	0.121	0.382	0.185	0.197
0110	Food	507.03	0.280	0.119	0.118	0.380	0.185	0.195
0111	Bread and cereals	216.66	0.100	0.048	0.017	0.173	0.082	0.091
0112	Meat	47.78	0.034	0.015	0.015	0.031	0.015	0.016
0113	Fish	44.51	0.031	0.009	0.019	0.022	0.014	0.008
0114	Milk, cheese and eggs	12.75	0.004	0.004	0.000	0.007	0.005	0.002
0115	Oils and fats	36.33	0.024	0.012	0.012	0.028	0.014	0.014
0116	Fruit	22.99	0.012	0.003	0.009	0.019	0.009	0.009
0117	Vegetables	54.35	0.024	0.006	0.018	0.046	0.019	0.027
0118	Potatoes, Yam & Other Tubers	60.56	0.043	0.019	0.024	0.046	0.022	0.024
0119	Sugar, jam, honey, chocolate and confectionery	11.10	0.007	0.003	0.004	0.007	0.004	0.003
0121	Coffee, tea and cocoa	6.25	0.006	0.001	0.002	0.001	0.000	0.001
0122	Soft Drinks	4.73	0.004	0.001	0.001	0.002	0.000	0.002
0200	ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	10.87	0.006	0.001	0.004	0.004	0.002	0.002
0211	Spirits	1.08	0.001	0.000	0.000	0.001	0.000	0.000
0212	Wine	1.07	0.000	0.000	0.000	0.001	0.000	0.000
0220	Tobacco	4.51	0.002	0.001	0.001	0.002	0.001	0.001
0230	Narcotics	4.20	0.003	0.000	0.002	0.000	0.000	0.000
0300	CLOTHING AND FOOTWEAR	76.50	0.064	0.026	0.031	0.030	0.018	0.013
0311	Clothing materials, other articles of clothing and clothing accessories	25.08	0.032	0.010	0.012	0.016	0.008	0.008
0312	Garments	29.84	0.012	0.008	0.013	0.007	0.007	0.000
0314	Cleaning, repair and hire of clothing	5.14	0.004	0.002	0.002	0.002	0.000	0.001
0321	Shoes and other footwear	13.35	0.014	0.005	0.003	0.003	0.001	0.002
0322	Repair & hire of Footwear	3.09	0.002	0.001	0.001	0.002	0.001	0.001
0400	HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	167.34	0.105	0.028	0.035	0.093	0.055	0.038
0411	Actual and imputed rentals for housing	77.44	0.050	0.017	0.020	0.048	0.024	0.024
0441	Water supply	11.01	0.010	0.002	0.001	0.005	0.002	0.003
0442	Miscellaneous services relating to the dwelling	1.32	0.001	0.001	0.000	0.001	0.000	0.001
0451	Electricity	16.16	0.001	0.001	0.000	0.009	0.008	0.001
0452	Gas,	1.01	0.001	0.000	0.000	0.000	0.000	0.000
0453	Liquid Fuel	37.86	0.027	0.001	0.008	0.018	0.014	0.003
0454	Solid Fuels	22.54	0.017	0.006	0.005	0.013	0.007	0.006
0500	FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE	50.26	0.058	0.015	0.016	0.020	0.004	0.016
0511	Furniture and furnishings	8.35	0.005	0.003	0.002	0.004	0.002	0.002
0512	Carpets and other floor coverings	0.38	0.000	0.000	0.000	0.000	0.000	0.000
0513	Repair of Furniture	0.22	0.000	0.000	0.000	0.000	0.000	0.000
0520	Household textiles	1.60	0.001	0.001	0.000	0.001	0.000	0.000
0531	Major household appliances whether electric or not	3.63	0.008	0.001	0.001	0.002	0.001	0.001
0533	Repair of household appliances	1.42	0.001	0.000	0.000	0.001	0.000	0.001
0540	Glassware, tableware and household utensils	3.52	0.003	0.001	0.002	0.001	0.000	0.001
0561	Non-durable household goods	30.50	0.039	0.009	0.010	0.011	0.000	0.011
0562	Domestic services and household services	0.64	0.000	0.000	0.000	0.000	0.000	0.000
0600	HEALTH	30.04	0.028	0.011	0.015	0.016	0.008	0.008
0611	Pharmaceutical products	12.62	0.016	0.005	0.008	0.006	0.004	0.003
0621	Medical Services	8.96	0.007	0.002	0.005	0.006	0.003	0.003
0622	Dental services	0.18	0.000	0.000	0.000	0.000	0.000	0.000
0623	Paramedical services	6.81	0.004	0.003	0.001	0.003	0.001	0.002
0630	Hospital services	1.44	0.001	0.001	0.000	0.001	0.000	0.000
0700	TRANSPORT	65.08	0.056	0.025	0.025	0.022	0.017	0.005
0711	Motor cars	8.05	0.003	0.001	0.001	0.003	0.001	0.002
0712	Motor cycles	3.67	0.002	0.001	0.001	0.001	0.001	0.000
0713	Bicycles	2.76	0.007	0.006	0.001	0.001	0.001	0.000
0721	Vehicle Spare Parts	10.05	0.006	0.003	0.003	0.003	0.002	0.001
0722	Fuels and lubricants for personal transport equipment	14.22	0.014	0.004	0.007	0.003	0.001	0.002
0723	Maintenance and repair of personal transport equipment	0.21	0.000	0.000	0.000	0.000	0.000	0.000
0724	Other services in respect of personal transport equipment	0.06	0.000	0.000	0.000	0.000	0.000	0.000
0732	Passenger transport by road	24.30	0.023	0.010	0.013	0.010	0.010	0.000
0733	Passenger transport by air	1.72	0.000	0.000	0.000	0.000	0.000	0.000
0734	Passenger transport by sea and inland waterway	0.05	0.000	0.000	0.000	0.000	0.000	0.000
0800	COMMUNICATION	6.80	0.002	0.001	0.001	0.001	0.000	0.001
0810	Postal services	0.85	0.000	0.000	0.000	0.000	0.000	0.000
0820	Telephone and telefax equipment	2.33	0.000	0.000	0.000	0.000	0.000	0.000
0831	Telephone and telefax services	3.61	0.002	0.001	0.001	0.001	0.000	0.001
0900	RECREATION AND CULTURE	6.93	0.005	0.002	0.002	0.002	0.001	0.002
0911	Audio-visual, photographic and information processing equipment	6.07	0.005	0.002	0.002	0.002	0.000	0.001
0912	Photographic Development	0.20	0.000	0.000	0.000	0.000	0.000	0.000
0922	Musical Instrument	0.03	0.000	0.000	0.000	0.000	0.000	0.000
0941	Recreational and sporting services	0.50	0.000	0.000	0.000	0.000	0.000	0.000
0943	Games of chance	0.12	0.000	0.000	0.000	0.000	0.000	0.000
1000	EDUCATION	39.44	0.040	0.015	0.011	0.003	0.002	0.001
1011	Books & Stationeries	39.44	0.040	0.015	0.011	0.003	0.002	0.001
1100	RESTAURANTS AND HOTELS	12.12	0.008	0.004	0.004	0.005	0.003	0.001
1111	Catering services	1.83	0.001	0.000	0.000	0.001	0.001	0.001
1112	Accommodation services	10.29	0.007	0.004	0.003	0.004	0.003	0.001
1200	MISCELLANEOUS GOODS AND SERVICES	16.63	0.011	0.007	0.005	0.006	0.003	0.003
1211	Hairdressing salons and personal grooming establishments	8.66	0.006	0.004	0.002	0.004	0.002	0.002
1213	Appliances, articles and products for personal care	0.14	0.000	0.000	0.000	0.000	0.000	0.000
1231	Jewellery, clocks and watches	0.36	0.000	0.000	0.000	0.000	0.000	0.000
1251	Insurance	0.78	0.000	0.000	0.000	0.000	0.000	0.000
1271	Other services n.e.c.	6.69	0.004	0.002	0.002	0.001	0.001	0.000
1400	All Items	1,000.00	0.672	0.257	0.269	0.585	0.297	0.288



## Table II b: Relative Contribution of Urban and Rural CPI

Table II b: Relative Contribution of Urban and Rural CPI				Jun-12			Jun-13		
				Y-on-Y Relative Contribution			Y-on-Y Relative Contribution		
coicop		WT		National π	Urban π	Rural π	National π	Urban π	Rural π
0100	Food And Non Alcoholic Beverages	518.00		6.382	2.846	3.830	4.909	2.154	2.755
0110	Food	507.03		6.092	2.800	3.777	4.841	2.124	2.717
0111	Bread and cereals	216.66		2.270	1.181	1.089	2.011	0.885	1.126
0112	Meat	47.78		0.726	0.266	0.460	0.453	0.202	0.251
0113	Fish	44.51		1.169	0.448	0.721	0.466	0.217	0.249
0114	Milk, cheese and eggs	12.75		0.175	0.068	0.107	0.096	0.050	0.046
0115	Oils and fats	36.33		0.087	0.073	0.014	0.293	0.143	0.151
0116	Fruit	22.99		0.248	0.112	0.137	0.227	0.099	0.129
0117	Vegetables	54.35		0.823	0.333	0.491	0.615	0.275	0.340
0118	Potatoes, Yam & Other Tubers	60.56		0.975	0.270	0.705	0.570	0.213	0.358
0119	Sugar, jam, honey, chocolate and confectionery	11.10		0.104	0.050	0.053	0.109	0.041	0.068
0121	Coffee, tea and cocoa	6.25		0.067	0.032	0.035	0.040	0.019	0.022
0122	Soft Drinks	4.73		0.031	0.014	0.018	0.027	0.011	0.016
0200	ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	10.87		0.075	0.052	0.070	0.066	0.028	0.038
0211	Spirits	1.08		0.010	0.002	0.008	0.008	0.004	0.005
0212	Wine	1.07		0.003	0.000	0.003	0.007	0.003	0.004
0220	Tobacco	4.51		0.042	0.021	0.022	0.024	0.011	0.012
0230	Narcotics	4.20		0.067	0.029	0.038	0.027	0.010	0.017
0300	CLOTHING AND FOOTWEAR	76.50		1.072	0.616	0.580	0.554	0.243	0.310
0311	Clothing materials, other articles of clothing and clothing accessories	25.08		0.345	0.174	0.171	0.224	0.095	0.130
0312	Garments	29.84		0.496	0.266	0.229	0.193	0.083	0.109
0314	Cleaning, repair and hire of clothing	5.14		0.158	0.086	0.072	0.038	0.014	0.024
0321	Shoes and other footwear	13.35		0.181	0.081	0.100	0.080	0.043	0.037
0322	Repair & hire of Footwear	3.09		0.016	0.009	0.007	0.019	0.008	0.011
0400	HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	167.34		3.475	1.632	1.906	1.423	0.681	0.742
0411	Actual and imputed rentals for housing	77.44		1.235	0.684	0.551	0.466	0.227	0.239
0441	Water supply	11.01		-0.018	-0.024	0.006	0.059	0.024	0.035
0442	Miscellaneous services relating to the dwelling	1.32		-0.012	-0.003	-0.008	0.010	0.004	0.006
0451	Electricity	16.16		1.401	0.627	0.774	0.439	0.207	0.232
0452	Gas,	1.01		0.018	0.006	0.011	0.007	0.003	0.003
0453	Liquid Fuel	37.86		0.521	0.225	0.296	0.308	0.141	0.167
0454	Solid Fuels	22.54		0.392	0.117	0.276	0.134	0.075	0.060
0500	FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE	50.26		0.627	0.266	0.418	0.321	0.127	0.194
0511	Furniture and furnishings	8.35		0.133	0.066	0.067	0.055	0.025	0.030
0512	Carpets and other floor coverings	0.38		0.002	0.000	0.002	0.002	0.001	0.001
0513	Repair of Furniture	0.22		0.004	0.001	0.003	0.002	0.001	0.001
0520	Household textiles	1.60		0.024	0.009	0.015	0.010	0.005	0.005
0531	Major household appliances whether electric or not	3.63		0.026	0.021	0.005	0.029	0.012	0.018
0533	Repair of household appliances	1.42		0.016	0.004	0.012	0.009	0.004	0.005
0540	Glassware, tableware and household utensils	3.52		0.053	0.027	0.026	0.021	0.009	0.012
0561	Non-durable household goods	30.50		0.423	0.135	0.287	0.190	0.069	0.121
0562	Domestic services and household services	0.64		0.004	0.004	0.000	0.003	0.002	0.002
0600	HEALTH	30.04		0.281	0.118	0.133	0.185	0.083	0.102
0611	Pharmaceutical products	12.62		0.047	0.035	0.012	0.081	0.035	0.046
0621	Medical Services	8.96		0.170	0.084	0.087	0.054	0.026	0.028
0622	Dental services	0.18		0.002	0.002	0.001	0.001	0.000	0.001
0623	Paramedical services	6.81		0.020	-0.009	0.029	0.040	0.017	0.023
0630	Hospital services	1.44		0.011	0.006	0.005	0.008	0.004	0.004
0700	TRANSPORT	65.08		0.924	0.469	0.641	0.456	0.214	0.242
0711	Motor cars	8.05		0.024	0.005	0.019	0.039	0.021	0.018
0712	Motor cycles	3.67		0.023	0.010	0.013	0.018	0.010	0.009
0713	Bicycles	2.76		0.021	0.008	0.012	0.018	0.012	0.006
0721	Vehicle Spare Parts	10.05		0.090	0.034	0.057	0.055	0.032	0.024
0722	Fuels and lubricants for personal transport equipment	14.22		0.294	0.079	0.215	0.099	0.048	0.051
0723	Maintenance and repair of personal transport equipment	0.21		0.004	0.002	0.002	0.001	0.000	0.001
0724	Other services in respect of personal transport equipment	0.06		0.001	0.000	0.000	0.000	0.000	0.000
0732	Passenger transport by road	24.30		0.638	0.320	0.318	0.215	0.087	0.128
0733	Passenger transport by air	1.72		0.015	0.010	0.005	0.009	0.004	0.006
0734	Passenger transport by sea and inland waterway	0.05		0.000	0.000	0.000	0.000	0.000	0.000
0800	COMMUNICATION	6.80		0.052	0.023	0.031	0.017	0.008	0.009
0810	Postal services	0.85		0.003	0.003	0.000	0.003	0.001	0.001
0820	Telephone and telefax equipment	2.33		0.014	0.000	0.014	0.001	0.001	0.000
0831	Telephone and telefax services	3.61		0.037	0.020	0.017	0.013	0.006	0.007
0900	RECREATION AND CULTURE	6.93		0.059	0.040	0.027	0.040	0.021	0.019
0911	Audio-visual, photographic and information processing equipment	6.07		0.059	0.036	0.023	0.035	0.019	0.016
0912	Photographic Development	0.20		0.000	0.000	0.000	0.001	0.000	0.001
0922	Musical Instrument	0.03		0.000	0.000	0.000	0.000	0.000	0.000
0941	Recreational and sporting services	0.50		0.006	0.003	0.003	0.003	0.002	0.002
0943	Games of chance	0.12		0.001	0.001	0.001	0.001	0.000	0.000
1000	EDUCATION	39.44		0.444	0.206	0.238	0.222	0.099	0.123
1011	Books & Stationeries	39.44		0.444	0.206	0.238	0.222	0.099	0.123
1100	RESTAURANTS AND HOTELS	12.12		0.089	0.045	0.072	0.059	0.031	0.029
1111	Catering services	1.83		0.002	-0.001	0.003	0.010	0.006	0.005
1112	Accommodation services	10.29		0.114	0.045	0.069	0.049	0.025	0.024
1200	MISCELLANEOUS GOODS AND SERVICES	16.63		0.207	0.116	0.078	0.102	0.049	0.053
1211	Hairdressing salons and personal grooming establishments	8.66		0.116	0.048	0.068	0.056	0.024	0.031
1213	Appliances, articles and products for personal care	0.14		0.001	0.000	0.001	0.001	0.000	0.001
1231	Jewellery, clocks and watches	0.36		0.005	0.002	0.003	0.002	0.001	0.001
1251	Insurance	0.78		0.006	0.003	0.003	0.002	0.001	0.001
1271	Other services n.e.c.	6.69		0.066	0.063	0.003	0.040	0.022	0.019
1400	All Items	1,000.00		12.891	6.428	8.022	8.353	3.737	4.616



**Table III: Drivers of Food Inflation**

FOOD INFLATION							
RELATIVE CONTRIBUTION OF FOOD INFLATION COMPONENTS							
YEAR-ON-YEAR (FOOD)	Weights	Year -on-Year			Month-on-Month		
		Apr'13	May'13	June'13	Apr'13	May'13	June'13
<b>FOOD</b>	<b>507.03</b>	<b>10.0</b>	<b>9.3</b>	<b>9.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.7</b>
<b>Processed Food</b>	<b>237.53</b>	<b>3.8</b>	<b>-0.1</b>	<b>-0.4</b>	<b>-0.4</b>	<b>-3.6</b>	<b>0.1</b>
Meat	47.78	0.84	0.89	0.90	0.06	0.07	0.06
Fish & Sea Food	44.51	0.98	0.97	0.92	0.06	0.06	0.04
Milk,Cheese & Eggs	12.75	0.18	0.18	0.19	0.02	0.01	0.01
Oil & Fats	36.33	0.55	0.57	0.58	0.04	0.05	0.06
Sugar,Jam,Honey,etc	11.10	0.21	0.21	0.22	0.01	0.01	0.01
BREAD UNSLICED 500g	9.33	-0.20	-0.93	-0.86	-0.26	-0.69	-0.01
CABIN BISCUIT: LOCAL MANUFACTURE 800g PACK	3.68	0.22	0.05	0.04	0.17	-0.16	0.00
CASSAVA FLOUR,SOLD LOOSE	2.47	-0.01	0.03	0.04	-0.01	0.04	0.02
CORN FLAKES 350g	0.68	0.09	0.04	0.04	0.07	-0.05	0.00
CORN FLOUR 2kg	0.21	-0.06	-0.03	0.00	-0.03	0.03	0.00
CUSTARD 300g	0.35	0.03	-0.01	-0.02	0.03	-0.04	0.00
EKO(AGIDI/KAFA)	10.12	0.42	-0.28	-0.48	-0.16	-0.65	-0.03
FRITTERS (PUFF-PUFF)	0.35	0.02	-0.02	-0.02	0.00	-0.03	0.00
GARI WHITE,SOLD LOOSE	11.46	0.28	-0.32	-0.38	-0.20	-0.54	-0.01
GARI YELLOW,SOLD LOOSE	28.72	1.26	0.20	-0.27	0.22	-0.96	-0.08
GUINEA CORN FLOUR,SOLD LOOSE	1.75	-0.06	-0.05	0.00	0.00	-0.01	0.01
MAIZE PASTE-WHITE(OGI/AKAMU)	5.27	0.01	-0.46	-0.44	-0.19	-0.47	-0.02
PLANTAIN FLOUR	3.57	-0.61	-0.54	-0.41	0.00	0.02	0.04
POP CORN	0.03	0.00	0.00	0.00	0.00	0.00	0.00
SAUSAGE BEEF (GALA)	0.34	0.01	0.00	0.01	0.00	0.00	0.00
SEMOVITA 2kg	0.19	0.01	0.01	0.01	0.01	0.00	0.00
YAM FLOUR,SOLD LOOSE	6.56	-0.33	-0.62	-0.46	-0.24	-0.32	0.02
<b>Farm Produce</b>	<b>269.50</b>	<b>6.2</b>	<b>9.4</b>	<b>10.0</b>	<b>1.0</b>	<b>4.2</b>	<b>0.6</b>
Fruits	22.99	0.41	0.42	0.45	0.03	0.02	0.04
Vegetables	54.35	1.36	1.12	1.22	0.07	0.05	0.09
Yam, Potatoes & other tubers	60.56	1.24	1.11	1.13	0.11	0.08	0.09
MAIZE GRAIN WHITE SOLD LOOSE	25.01	0.69	2.01	1.79	0.12	1.36	-0.17
MILLET (JERO OR MAIWA) SOLD LOOSE	23.86	0.33	0.99	1.16	-0.07	0.80	0.07
RICE AGRIC SOLD LOOSE	31.17	0.40	0.30	0.62	0.28	-0.09	0.27
RICE LOCAL SOLD LOOSE	28.03	0.93	1.49	1.74	0.36	0.54	0.35
RICE,IMPORTED HIGH QUALITY SOLD LOOSE	1.18	0.05	0.17	0.16	0.00	0.11	0.01
SORGHUM (GUINEA CORN) WHITE OR BROWN,SOLD LOOSE	22.33	0.76	1.83	1.71	0.16	1.32	-0.14
		<b>10.0</b>	<b>9.3</b>	<b>9.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.7</b>
<b>RELATIVE CONTRIBUTIONS OF IMPORTED FOOD COMPONENTS</b>							
YEAR-ON-YEAR (FOOD)	Weights	Year -on-Year			Month-on-Month		
		Apr'13	May'13	June'13	Apr'13	May'13	June'13
<b>FOOD</b>	<b>507.03</b>	<b>10.0</b>	<b>9.3</b>	<b>9.6</b>	<b>0.6</b>	<b>0.5</b>	<b>0.7</b>
<b>IMPORTED FOOD</b>	<b>132.53</b>	<b>1.7</b>	<b>1.5</b>	<b>1.7</b>	<b>0.1</b>	<b>0.0</b>	<b>0.2</b>
Wheat Flour	1.22	-0.01	-0.05	-0.03	0.03	-0.03	-0.01
Rice	60.35	1.85	4.33	3.82	0.18	2.44	0.31
Semovita	2.01	0.04	0.03	0.03	0.05	-0.01	0.00
Bread	13.99	0.40	-0.48	-0.76	0.19	-0.80	0.00
Cake	11.27	0.64	-0.11	-0.60	0.14	-0.71	0.00
Biscuit	0.90	0.01	0.01	-0.01	0.02	-0.02	0.00
Frozen Fish	11.23	-0.33	-1.50	-1.45	-0.24	-0.92	-0.20
Canned Meat	0.72	-0.18	-0.20	-0.05	0.03	-0.01	0.00
Preserved Milk and other	5.72	0.34	-0.28	-0.46	0.10	-0.57	0.02
Other Edible Oils	11.51	-1.13	0.55	2.16	-0.37	1.34	0.11
Canned Vegetables	3.06	0.00	-0.09	-0.04	-0.01	-0.07	-0.01
Tea, Coffee,Chocolate	5.71	0.33	-0.23	-0.62	0.14	-0.49	0.03
Sugar	3.10	0.03	-0.03	0.00	0.04	-0.04	0.01
Spirit	0.58	-0.20	-0.31	-0.18	-0.12	-0.04	0.01
Tobacco	1.25	-0.09	-0.15	-0.10	-0.08	-0.04	-0.02

**Table IV: Drivers of Imported Food Inflation**

<b>IMPORTED FOOD INFLATION</b>								
<b>RELATIVE CONTRIBUTION OF IMPORTED FOOD INFLATION COMPONENTS</b>								
YEAR-ON-YEAR (IMPORTED FOOD)	Weights	Year -on-Year			Month-on-Month			
		Apr'13	May'13	June'13	Apr'13	May'13	June'13	
<b>IMPORTED FOOD INFLATION</b>	132.53	6.6	5.7	6.6	0.45	0.09	0.94	
Wheat Flour	1.22	-0.04	-0.20	-0.11	0.13	-0.10	-0.02	
Rice	60.35	7.14	16.71	14.82	0.70	9.70	1.25	
Semovita	2.01	0.16	0.12	0.11	0.19	-0.03	-0.02	
Bread	13.99	1.56	-1.84	-2.97	0.77	-3.17	-0.01	
Cake	11.27	2.48	-0.43	-2.33	0.54	-2.82	-0.01	
Biscuit	0.90	0.03	0.02	-0.03	0.07	-0.10	-0.01	
Frozen Fish	11.23	-1.27	-5.81	-5.62	-0.95	-3.66	-0.81	
Canned Meat	0.72	-0.71	-0.76	-0.21	0.12	-0.06	0.01	
Preserved Milk and other	5.72	1.33	-1.09	-1.80	0.41	-2.26	0.06	
Other Edible Oils	11.51	-4.36	2.11	8.39	-1.46	5.35	0.43	
Canned Vegetables	3.06	0.01	-0.34	-0.15	-0.04	-0.29	-0.05	
Tea, Coffee,Chocolate	5.71	1.29	-0.88	-2.42	0.57	-1.97	0.13	
Sugar	3.10	0.10	-0.13	0.00	0.18	-0.18	0.03	
Spirit	0.58	-0.78	-1.21	-0.70	-0.48	-0.15	0.04	
Tobacco	1.25	-0.33	-0.58	-0.37	-0.30	-0.17	-0.06	

## Table V: Drivers of Core Inflation

RELATIVE CONTRIBUTION OF THE COMPONENTS OF CORE INFLATION								
YEAR-ON-YEAR (CORE)	Weights	Year -on-Year			Month-on-Month			
		Apr'13	May'13	June'13	Apr'13	May'13	June'13	
<b>ALL ITEMS LESS FARM PRODUCE CPI</b>	<b>730.50</b>	<b>6.9</b>	<b>6.2</b>	<b>5.5</b>	<b>-0.2</b>	<b>0.5</b>	<b>0.3</b>	
<b>Processed Food</b>	<b>237.53</b>	<b>2.6</b>	<b>1.6</b>	<b>1.4</b>	<b>0.4</b>	<b>-0.5</b>	<b>0.03</b>	
Meat	47.78	0.43	0.47	0.53	-0.07	0.10	0.04	
Fish & Sea Food	44.51	0.53	0.53	0.54	-0.07	0.09	0.02	
Milk, Cheese & Eggs	12.75	-0.01	-0.01	0.05	-0.09	0.06	0.00	
Oil & Fats	36.33	0.24	0.25	0.31	-0.08	0.08	0.03	
Sugar, Jam, Honey, etc	11.10	0.14	0.14	0.15	0.01	0.01	0.01	
BREAD UNSLICED 500g	9.33	-0.15	-0.40	-0.38	0.01	-0.24	-0.01	
CABIN BISCUIT: LOCAL MANUFACTURE 800g PACK	3.68	0.16	0.03	0.03	0.13	-0.12	0.00	
CASSAVA FLOUR, SOLD LOOSE	2.47	-0.01	0.02	0.03	-0.01	0.03	0.01	
CORN FLAKES 350g	0.68	0.07	0.03	0.03	0.05	-0.03	0.00	
CORN FLOUR 2kg	0.21	-0.05	-0.02	0.00	-0.02	0.02	0.00	
CUSTARD 300g	0.35	0.02	-0.01	-0.01	0.02	-0.03	0.00	
EKO(AGIDI/KAFA)	10.12	0.30	0.06	-0.10	0.08	-0.21	-0.03	
FRITTERS (PUFF-PUFF)	0.35	0.01	-0.01	-0.01	0.00	-0.02	0.00	
GARI WHITE, SOLD LOOSE	11.46	0.06	-0.10	-0.11	-0.05	-0.08	-0.02	
GARI YELLOW, SOLD LOOSE	28.72	0.77	0.29	-0.03	0.26	-0.40	-0.06	
GUINEA CORN FLOUR, SOLD LOOSE	1.75	-0.04	-0.03	0.00	0.00	-0.01	0.01	
MAIZE PASTE-WHITE(OGI/AKAMU)	5.27	0.10	0.37	0.33	0.06	0.27	-0.03	
PLANTAIN FLOUR	3.57	0.00	-0.05	-0.05	0.04	-0.05	-0.01	
POP CORN	0.03	0.00	0.00	0.00	0.00	0.00	0.00	
SAUSAGE BEEF (GALA)	0.34	-0.04	-0.04	-0.03	0.00	0.00	0.00	
SEMOVITA 2kg	0.19	0.00	0.01	0.01	0.00	0.01	0.00	
YAM FLOUR, SOLD LOOSE	6.56	0.06	0.10	0.15	0.09	0.04	0.04	
<b>Non-Alcoholic Beverages</b>	<b>10.97</b>	<b>0.09</b>	<b>0.09</b>	<b>0.09</b>	<b>0.00</b>	<b>0.01</b>	<b>0.00</b>	
<b>Alcoholic Bev. Tobacco &amp; Kola</b>	<b>10.87</b>	<b>0.09</b>	<b>0.09</b>	<b>0.09</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	
<b>Clothing &amp; footwear</b>	<b>76.50</b>	<b>0.54</b>	<b>0.58</b>	<b>0.66</b>	<b>-0.03</b>	<b>0.14</b>	<b>0.04</b>	
<b>Housing, Water, Elect. Gas &amp; Other Fuel</b>	<b>167.34</b>	<b>2.70</b>	<b>2.79</b>	<b>1.83</b>	<b>-0.04</b>	<b>0.20</b>	<b>0.12</b>	
Actual and imputed rentals for housing	77.44	0.51	0.56	0.61	0.00	0.08	0.06	
Water supply	11.01	0.04	0.06	0.06	-0.02	0.02	0.01	
Miscellaneous services relating to the dwelling	1.32	0.01	0.01	0.01	0.00	0.00	0.00	
Electricity	16.16	1.60	1.58	0.57	-0.01	0.01	0.01	
Gas,	1.01	0.01	0.01	0.01	0.00	0.00	0.00	
Liquid Fuel	37.86	0.37	0.40	0.40	-0.01	0.05	0.02	
Solid Fuels	22.54	0.16	0.17	0.16	-0.01	0.03	0.02	
<b>Furnishings, Household Equip &amp; HH Maint.</b>	<b>50.27</b>	<b>0.21</b>	<b>0.28</b>	<b>0.35</b>	<b>-0.07</b>	<b>0.13</b>	<b>0.02</b>	
<b>Health</b>	<b>30.04</b>	<b>0.08</b>	<b>0.10</b>	<b>0.17</b>	<b>-0.08</b>	<b>0.09</b>	<b>0.02</b>	
<b>Transport</b>	<b>65.08</b>	<b>0.43</b>	<b>0.48</b>	<b>0.53</b>	<b>-0.06</b>	<b>0.13</b>	<b>0.02</b>	
Motor cars	8.05	0.01	0.01	0.03	-0.02	0.02	0.00	
Motor cycles	3.67	0.03	0.03	0.02	0.00	0.00	0.00	
Bicycles	2.76	0.02	0.02	0.02	0.00	0.01	0.00	
Vehicle Spare Parts	10.05	0.04	0.04	0.05	-0.01	0.02	0.00	
Fuels and lubricants for personal transport equipme	14.22	0.08	0.10	0.11	-0.02	0.03	0.00	
Maintenance and repair of personal transport equip	0.21	0.00	0.00	0.00	0.00	0.00	0.00	
Other services in respect of personal transport equi	0.06	0.00	0.00	0.00	0.00	0.00	0.00	
Passenger transport by road	24.30	0.23	0.25	0.27	0.00	0.04	0.01	
Passenger transport by air	1.72	0.01	0.01	0.01	0.00	0.00	0.00	
Passenger transport by sea and inland waterway	0.05	0.00	0.00	0.00	0.00	0.00	0.00	
<b>Communication</b>	<b>6.80</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	
<b>Recreation &amp; culture</b>	<b>6.91</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.01</b>	<b>0.01</b>	<b>0.00</b>	
<b>Education</b>	<b>39.44</b>	<b>0.13</b>	<b>0.17</b>	<b>0.22</b>	<b>-0.09</b>	<b>0.11</b>	<b>0.00</b>	
<b>Restaurant &amp; Hotels</b>	<b>12.12</b>	<b>-0.06</b>	<b>-0.06</b>	<b>0.00</b>	<b>-0.10</b>	<b>0.06</b>	<b>0.00</b>	
<b>Miscellaneous Goods &amp; Services</b>	<b>16.63</b>	<b>-0.01</b>	<b>0.00</b>	<b>0.05</b>	<b>-0.09</b>	<b>0.07</b>	<b>0.00</b>	

***GDP***  
***Report***

***2nd Quarter, 2013***

# Report on Quarterly GDP: Second Quarter, 2013 and Projections

## 1. GDP at 1990 Constant Basic Prices

Available data from the National Bureau of Statistics (NBS) revealed that the quarterly Gross Domestic Product (GDP), in real terms stood at ₦212.18 billion, indicating growth of 6.18 per cent in the second quarter of 2013, compared with 6.56 and 6.39 per cent growth recorded in the preceding quarter and the corresponding quarter of 2012, respectively (Fig 1).

The slow down in growth recorded in the second quarter when compared with the preceding quarter resulted from the decrease in the relative contributions of building and construction, wholesale/retail trade and services from 0.47, 1.92 and 2.69 per cent recorded in the first quarter of 2013 to 0.33, 1.27 and 2.58 in the review quarter, respectively (Fig. 2).

The slow down in growth was however moderated by the increase in the relative contributions of agriculture and Industry from 1.43 and 0.05 per cent in the preceding quarter to 1.84 and 0.15 per cent in the review quarter, respectively.

### 1.1 Sectoral Analysis of Quarterly Real GDP

Sectoral analysis showed that activities in the agricultural sector improved as its relative contribution to the growth in real GDP increased to 1.84 per cent in the first quarter of 2013. The increase in the activities of this sector was attributable to the increase in the relative contributions of crop production, livestock and fishing from 1.20, 0.13, and 0.07 per cent in the preceding quarter to 1.52, 0.20 and 0.09 per cent in the review

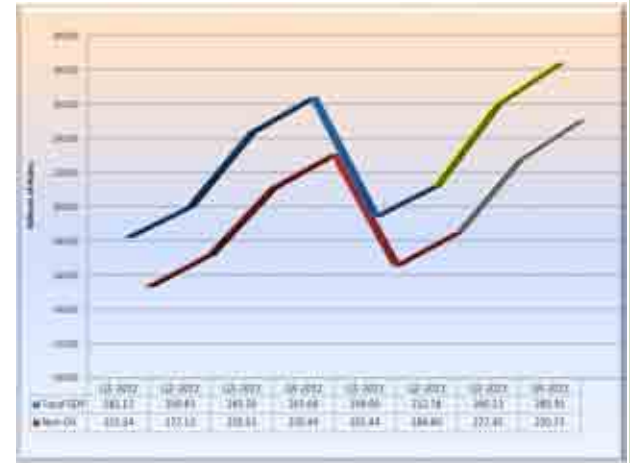


Fig. 1: Movement in Quarterly Real GDP (Total and Non-Oil)

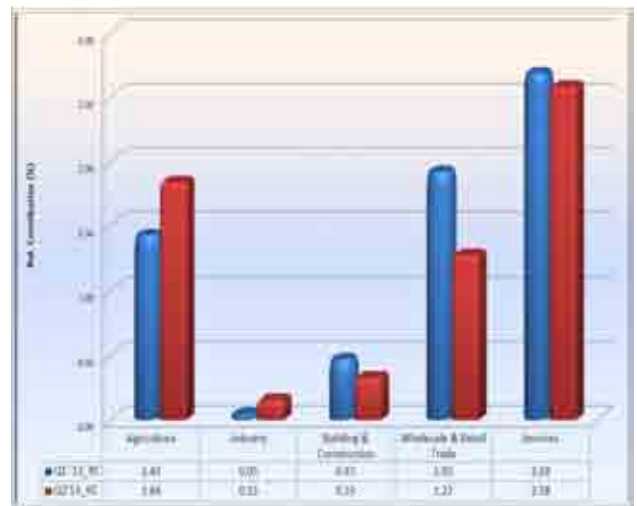


Fig. 2: Drivers of Quarterly Real GDP Growth in the Second Quarter of 2013

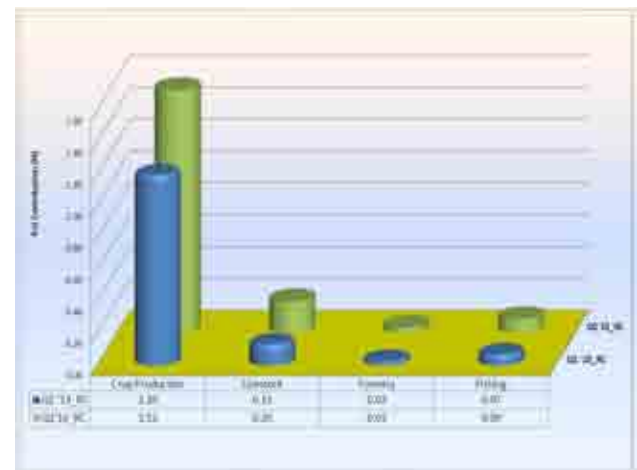


Fig. 3: Agricultural Sector Drivers in Total GDP in the Second Quarter of 2013

quarter, respectively while the relative contribution of forestry, remained the same at 0.03 (Fig. 3).

Further analysis of the agricultural sector showed that the rise in crop production sub-sector relative to the preceding quarter was mainly driven by all the major crops except oil palm fruit (Table V and Fig 4 )

Activities in the Industrial sector increased in the second quarter of 2013 with a relative contribution of 0.15 percent from 0.05 percent recorded in preceding quarter. The increase in industrial production was attributed to increase in the manufacturing sub-sector from 0.09 percent in the first quarter to 0.27 percent in the second quarter of 2013. (Table 1 and Fig. 5)

The relative contribution of crude oil & natural gas however, declined from -0.09 per cent in the preceding quarter to -0.16 per cent in the second quarter of 2013 while the relative contribution of solid minerals remained the same at 0.04.

**Communication, Transport and Hotel and Restaurant slowed down growth in the Services sector in Q2- 2013**

Activities in the Services sector decreased as its relative contribution to GDP growth declined from 2.69 per cent in the first quarter 2013 to 2.58 per cent in the quarter under review. The decreased performance of this sector was driven by the decline in the relative contributions of transport, communication and hotel & restaurant from 0.19, 1.79 and 0.09 per cent recorded in the first quarter of 2013

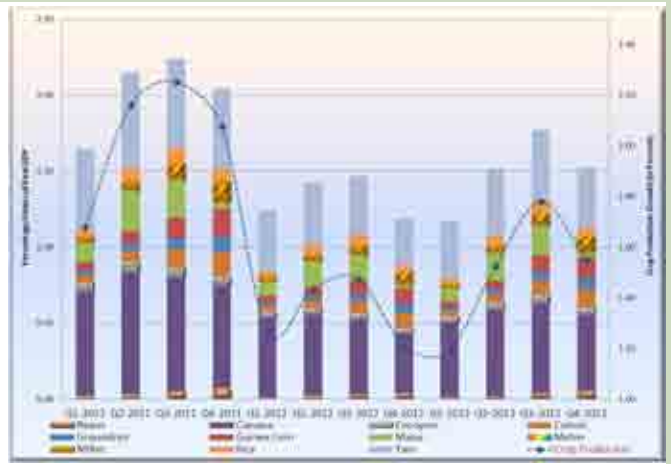


Fig. 4: Crop Production Drivers of Quarterly Real GDP Growth in the Second Quarter of 2013

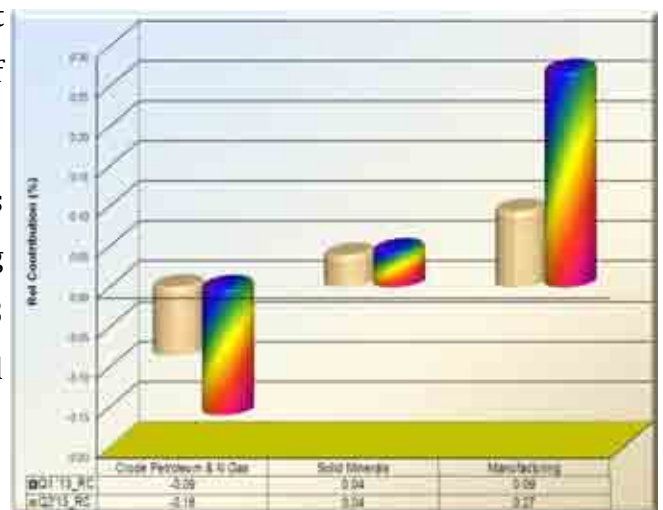


Fig. 5: Industrial Sector Drivers of Quarterly Real GDP Growth in the Second Quarter of 2013

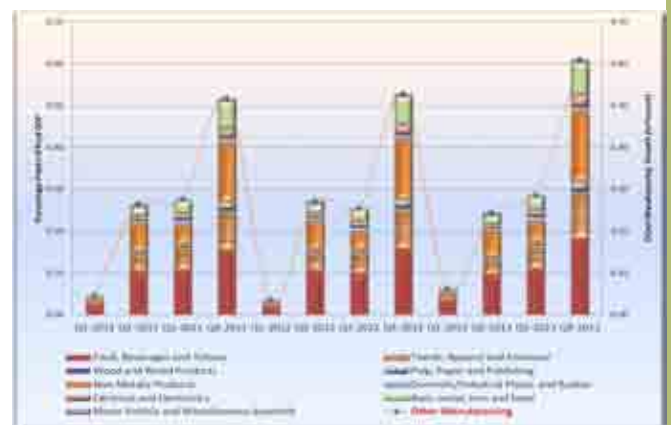


Fig. 6: Other Manufacturing Sub-Sector Drivers of Quarterly Real GDP Growth in the Second Quarter of 2013

to 0.17, 1.61 and 0.08 per cent in the second quarter, respectively. (Fig. 8).

The Wholesale & Retail Trade sector experienced decreased activities as its contribution to real GDP growth fell from 1.92 per cent in the preceding quarter to 1.27 per cent in the current quarter. The decrease in activities in this sector was largely driven by the declines in the relative contribution of all the sub-groups in this sector.

The contribution of Building & Construction sector to real GDP relative to the preceding quarter decreased from 0.47 to 0.33 per cent in the review quarter. The decrease in the activities recorded in the Building & Construction sector was attributed to the decline in construction work across the country during the quarter under review.

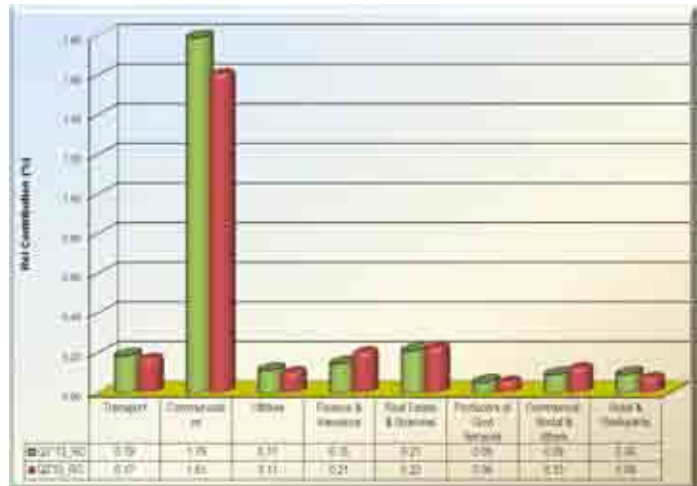


Fig. 7: Service Sector Drivers of Quarterly Real GDP

### Agricultural and Industrial sector drives growth in real non-oil GDP in Q2-2013



Fig. 8: Wholesale & Retail Trade Sub-Sector Drivers of Quarterly Real GDP Growth in the Second Quarter of 2013



## 2. Non-oil Real Quarterly GDP

The non-oil real GDP growth stood at 7.36 per cent in the second quarter of 2013, indicating a decrease of 0.53 percentage points below the 7.89 per cent growth recorded in the first quarter of 2013. The decrease in growth relative to the preceding quarter performance resulted largely from the decline in the relative contributions of building and construction, Wholesale & Retail trade and services from 0.56, 2.28 and 3.19 per cent in the preceding quarter to 0.38, 1.48 and

**Drop in Nominal GDP growth at -7.37 per cent was driven largely by decreased Industry and Wholesale and Retail trade in Q2- 2013**

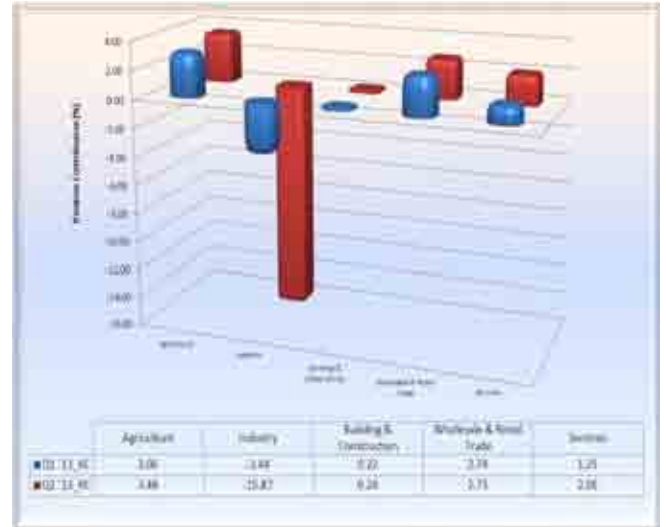
**Wholesales and retail trade in Q2- 2013**

3.00 per cent in the quarter under review, respectively. (Table II and Fig 9).

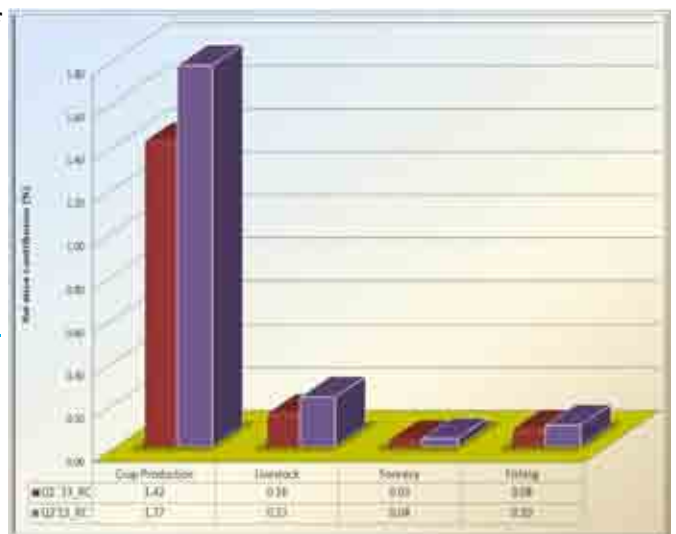
However the relative contributions of Agriculture and industrial sectors to growth in real non-oil GDP increased from 1.70 and 0.16 per cent in the preceding quarter to 2.14 and 0.36 per cent in the quarter under review, respectively.

### 2.1 Sectoral Analysis of Real Quarterly Non-oil GDP Growth

Sectoral analysis showed that the agricultural sector's relative contribution to the growth in real non-oil GDP increased from 1.70 per cent in the first quarter of 2013 to 2.14 per



**Fig 9: Drivers of Quarterly Real Non-Oil GDP Growth in the Second Quarter of 2013**



**Fig. 10: Agricultural Sector Drivers in Real Non-Oil GDP in the Second Quarter of 2013**



cent in the second quarter of 2013. The rise in the contribution of agriculture to non-oil real GDP was driven by all the sub-sectors. (Fig. 10).

The relative contribution of the Industrial

**Improved prices of agricultural commodities boost growth in nominal agricultural output in the second quarter of 2013**

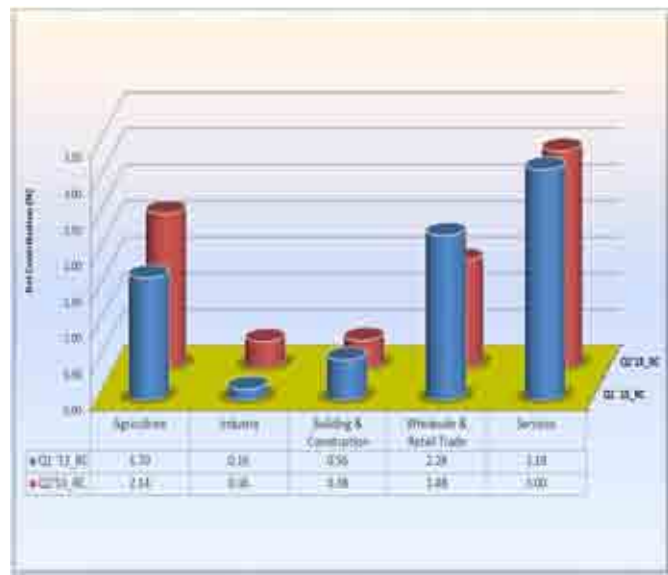
sector to real non-oil GDP increased from 0.16 per cent in the preceding quarter to 0.36 per cent in the quarter under review. The rise was driven by manufacturing sub-sector which recorded increased relative contributions from 0.11 percent in the preceding quarter to 0.31 per cent in the second quarter of 2013. The rise in the contribution of the manufacturing sub-sector was due to the increase of activities in Other manufacturing such as production of non metallic products and food, beverages and tobacco. The solid minerals contribution however remained the same.

The Services sector contribution to real non-oil GDP growth decreased and was attributed to the decline in the relative contribution of communication, utilities and hotel & restaurant from 2.13, 0.13 and 0.11 per cent in the preceding quarter to 1.87, 0.12 and 0.09 per cent in the current quarter. (Fig. 11, Table II).



**Fig. 11: Services Sector Drivers in Real Non-Oil GDP in the Second Quarter of 2013**

**Non-oil Nominal GDP grows at 13.77 per cent in the second quarter of 2013**



**Fig. 12: Drivers of Quarterly Nominal GDP Growth in the Second Quarter of 2013**

### 3. GDP at Current Basic Prices

The quarterly GDP, measured at current basic prices (nominal) for the second quarter of 2013, stood at ₦9,115.32 billion. This represents a negative growth of 7.37 per cent which was lower than the 3.84 per cent growth recorded in the preceding quarter. The decline in growth of nominal GDP relative to the preceding quarter was driven by the decrease in the relative contributions of industry and wholesale & retail trade from -3.44 and 2.74 per cent in the first quarter 2013 to -15.87 and 2.73 per cent in the second quarter 2013, respectively. (Table III).

#### 3.1 Sectoral Analysis of Quarterly Nominal GDP

The sectoral contributions to the growth in nominal GDP in the first quarter of 2013 showed that the contribution of Industry decreased from -3.44 per cent in the preceding quarter to -15.87 per cent in the review quarter. The contributions of Agriculture, Building & Construction and Services however, increased from 3.06, 0.22 and 1.25 per cent in the preceding quarter to 3.48, 0.24 and 2.06 per cent in the second quarter of 2013, respectively.

In the Services sector, all the sub-sectors recorded increases in their relative contributions

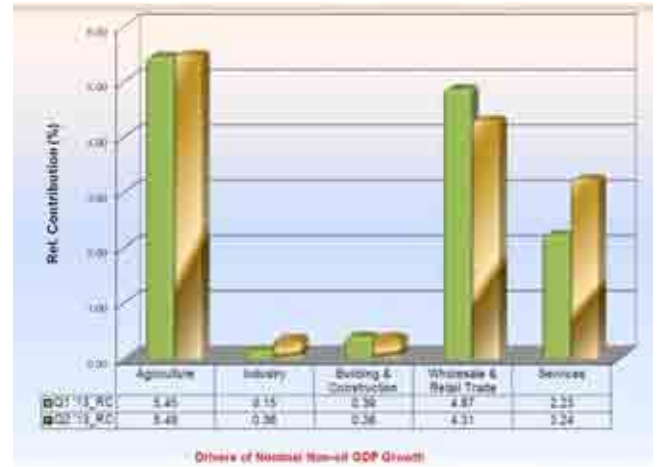


Fig. 13: Drivers of Quarterly Nominal Non-oil GDP Growth in the second Quarter of 2013

**Nigerian economy is projected to grow at 6.91% in 2013**

#### Projected Growth Drivers for Q3-Q4, 2013

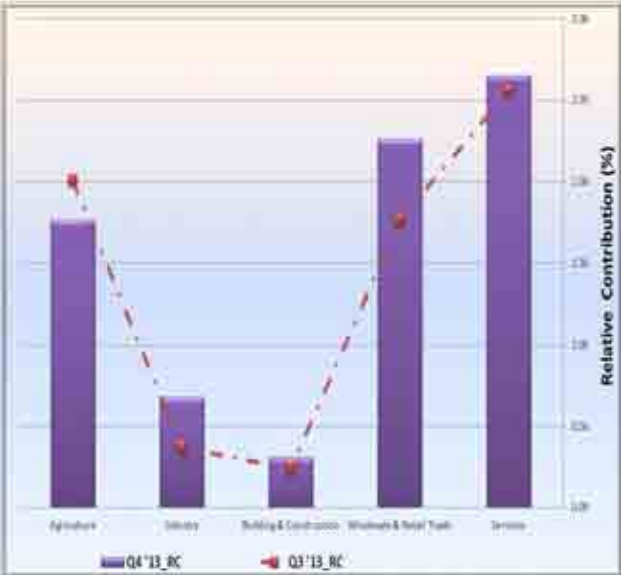
- ◆ Increased consumer demand due to increased government spending
- ◆ Improved bank lending
- ◆ Increased activities in the oil sector
- ◆ Improved power supply

to nominal GDP except community, social & personnel services whose relative contributions decreased from 0.26 per cent in the preceding quarter to 0.15 per cent in the second quarter of 2013. (Table III)

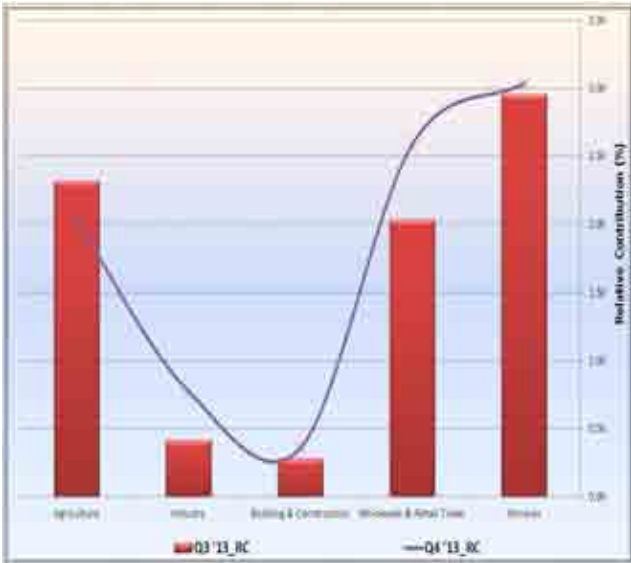
**4. Non-oil Nominal GDP**

Quarterly non-oil GDP at current basic prices for the second quarter of 2013, stood at ₦7,096.3 billion. This reflected a growth rate of 13.77 per cent (Table IV).

**4.1 Sectoral Analysis of Quarterly Nominal Non-oil GDP**



**Fig. 14: Drivers of Quarterly Real GDP Growth in the Remaining Quarters of 2013**



**Fig. 15: Drivers of Quarterly Real Non-oil GDP Growth in the Remaining Quarters of 2013**

The sectoral contributions to the growth in nominal non-oil GDP indicated that Agriculture made the highest contribution of 5.49 per cent which was higher than the 5.45 per cent recorded in the preceding quarter. Out of the 5.49 per cent





**Table II: Non-Oil GDP at 1990 Constant Basic Prices  
(2012 (Q1—Q4) Revised, Q1—Q2, 2013 Actual & Q3—Q4, 2013 Projected)**

Activity Sector	Q1-2012				Q2-2012				Q3-2012				Q4-2012				2012				2013				Q1-2013				Q2-2013				Q3-2013				Q4-2013				2013				Q1-2013				Q2-2013				Q3-2013				Q4-2013			
	62.78	81.32	103.68	100.72	348.49	364.30	65.38	84.99	108.56	105.37	2.06	1.70	2.14	2.32	2.02	4.61	43.98	39.52	45.99	47.73	42.03	53.22	71.30	94.18	90.54	309.04	323.28	55.80	74.35	98.51	94.62	1.78	1.42	1.77	2.06	1.77	4.40	4.06	4.27	4.60	4.51	39.02	33.73	40.23	43.31	37.74														
<b>1. Agriculture</b>	53.22	71.30	94.18	90.54	309.04	323.28	55.80	74.35	98.51	94.62	1.78	1.42	1.77	2.06	1.77	4.40	43.98	39.52	45.99	47.73	42.03	53.22	71.30	94.18	90.54	309.04	323.28	55.80	74.35	98.51	94.62	1.78	1.42	1.77	2.06	1.77	4.40	4.06	4.27	4.60	4.51	39.02	33.73	40.23	43.31	37.74														
(a) Crop Production	5.26	5.86	5.48	5.99	22.70	23.97	5.49	6.38	5.79	6.31	0.17	0.16	0.23	0.15	0.14	5.60	4.62	6.62	6.66	5.37	2.89	3.32	3.45	2.54	2.52	1.11	1.13	1.12	1.13	4.73	1.16	1.19	1.18	3.24	0.03	0.03	0.03	5.38	4.70	5.77	5.71	5.35	0.57	0.70	0.64	0.52	0.48													
(b) Livestock	2.79	2.81	2.91	3.06	11.66	12.32	2.92	3.08	3.08	3.24	0.09	0.08	0.10	0.08	0.08	5.63	4.65	5.88	6.02	5.90	1.49	1.76	1.66	1.35	1.29	2.61	8.66	9.64	19.74	40.67	44.20	2.86	9.29	10.52	21.53	0.46	0.16	0.36	0.42	0.78	8.69	9.21	7.25	9.08	9.06	5.34	1.73	5.03	4.63	8.59										
<b>2. Industry</b>	0.58	0.76	1.05	0.88	3.37	3.80	0.65	0.85	1.18	1.12	0.06	0.05	0.05	0.06	0.06	12.80	12.00	11.84	13.00	13.79	0.46	0.39	0.46	0.52	0.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00											
(a) Manufacturing	2.03	7.91	8.60	18.76	37.30	40.40	2.20	8.44	9.34	20.42	0.40	0.11	0.31	0.35	0.72	8.32	8.41	6.81	8.61	8.82	4.88	1.33	4.57	4.11	8.14	0.30	0.31	0.29	0.29	1.19	1.26	0.32	0.32	0.31	0.01	0.01	0.01	0.01	6.22	6.77	6.26	6.06	5.76	0.15	0.19	0.18	0.14	0.12												
(b) Construction	0.22	0.23	0.20	0.19	0.84	0.96	0.26	0.26	0.23	0.22	0.02	0.02	0.02	0.01	0.01	14.00	15.98	12.98	13.00	13.97	0.12	0.16	0.14	0.10	0.09	1.51	7.38	8.11	18.28	35.27	38.19	1.62	7.86	8.80	8.80	0.28	0.33	0.70	8.25	7.62	6.64	8.59	8.81	4.61	0.98	4.26	3.87	7.93												
(c) Wholesale & Retail Trade	42.60	34.21	45.76	54.48	177.05	193.34	46.10	36.76	50.04	60.44	2.12	2.28	1.48	2.03	2.59	9.20	8.22	7.44	9.35	10.94	23.34	27.86	19.89	22.00	24.11	39.87	43.52	47.44	50.04	180.86	204.14	44.76	48.68	53.66	57.04	3.04	3.19	3.00	2.95	3.04	12.87	12.28	11.86	12.22	7.62	13.11	13.99	24.64	27.06	26.34	23.59	22.75								
(d) Services	5.62	5.66	6.10	6.48	23.67	25.29	5.88	5.90	6.64	6.88	0.21	0.22	0.20	0.21	0.21	6.84	6.14	6.22	7.22	7.62	3.05	3.54	3.20	2.88	2.78	4.96	5.04	5.54	5.85	21.39	22.88	5.27	5.35	5.95	6.31	0.19	0.20	0.18	0.19	0.20	6.95	6.15	6.27	7.35	7.82	2.76	3.18	2.90	2.62	2.52										
(e) Transportation	0.11	0.12	0.12	0.12	0.48	0.50	0.12	0.12	0.13	0.13	0.00	0.00	0.00	0.00	0.00	5.60	5.46	5.42	6.03	5.49	0.06	0.07	0.06	0.05	0.00	0.13	0.12	0.13	0.15	0.53	0.56	0.14	0.12	0.14	0.16	0.00	0.00	0.00	6.90	6.56	6.72	7.46	6.85	0.07	0.08	0.07	0.06	0.06												
(f) Telecommunications	0.31	0.29	0.30	0.36	1.27	1.34	0.33	0.30	0.32	0.32	0.01	0.01	0.01	0.01	0.01	5.55	6.14	5.54	5.22	5.34	0.16	0.20	0.16	0.14	0.15	13.29	14.54	16.38	18.49	62.70	77.10	16.54	17.76	20.92	23.27	2.01	2.13	1.97	2.07	2.45	24.53	22.12	25.34	25.84	9.43	10.00	9.61	9.02	9.28											
(g) Utilities	13.15	14.39	16.19	18.31	62.05	77.38	16.40	17.60	17.60	20.32	23.06	2.00	2.12	1.86	1.96	2.06	24.72	24.70	22.25	25.49	25.98	9.34	9.91	9.52	8.93	9.20	0.14	0.15	0.18	0.19	0.65	0.72	0.15	0.16	0.20	10.49	8.25	9.16	11.94	11.78	0.09	0.09	0.09	0.08																
(h) Electricity	4.65	5.81	8.12	7.49	26.18	27.34	4.88	6.12	8.81	7.88	1.61	0.15	0.13	0.12	0.18	0.18	0.16	0.14	0.14	0.14	4.10	4.12	3.14	4.42	4.49	3.11	2.72	3.10	3.56	2.97	4.33	4.73	17.47	19.28	4.33	4.77	4.93	5.28	0.24	0.25	0.22	0.23	0.22	0.23	10.40	9.81	10.58	10.13	10.97	2.33	2.62	2.58	2.17	2.10						
(i) Real Estate & Business Services	3.70	4.05	4.22	4.48	16.45	18.21	4.07	4.49	4.65	4.99	0.23	0.24	0.26	0.21	0.22	10.66	10.06	10.88	10.33	11.26	2.20	2.46	2.43	2.05	1.99	0.24	0.26	0.26	0.25	1.01	1.08	0.28	0.28	0.28	0.01	0.01	0.01	0.01	6.15	6.00	6.03	6.86	5.67	0.13	0.16	0.15	0.12	0.10												
(j) Producers of Govt. Services	1.91	1.96	2.01	1.99	7.86	8.32	2.01	2.02	2.13	2.11	0.06	0.06	0.07	0.06	0.05	5.81	5.13	5.89	6.24	5.95	1.00	1.21	1.12	0.94	0.84	1.33	1.36	1.41	1.41	1.52	1.38	1.42	1.47	1.48	0.03	0.03	0.03	0.03	0.03	4.19	3.47	4.04	4.57	4.64	0.69	0.83	0.77	0.65	0.59											
(k) Education	0.11	0.11	0.11	0.11	0.44	0.48	0.12	0.12	0.12	0.12	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.47	0.48	0.49	0.47	1.91	2.09	0.51	0.53	0.54	0.51	0.02	0.02	0.02	9.74	9.12	10.29	10.22	9.29	0.25	0.31	0.29	0.24	0.20											
(l) Health	1.89	2.16	1.98	2.15	8.17	9.01	2.05	2.41	2.17	2.38	0.11	0.11	0.15	0.09	0.10	10.29	8.90	11.71	9.43	10.89	1.09	1.24	1.30	0.95	0.95	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	10.55	10.35	10.73	10.91	10.21	0.01	0.01	0.01	0.00	0.00												
(m) Private non-Profit Organizations	1.70	1.97	1.78	1.95	7.40	8.17	1.85	2.20	1.95	2.17	0.10	0.10	0.14	0.08	0.09	10.49	9.01	12.04	9.49	11.13	0.99	1.12	1.19	0.86	0.86	0.18	0.18	0.19	0.19	0.19	0.73	0.79	0.19	0.20	0.21	0.01	0.01	0.01	8.31	7.77	8.21	8.79	8.44	0.10	0.12	0.11	0.09	0.08												
(n) Broadcasting	8.14	7.63	7.65	8.21	7.88	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	163.34	172.13	210.61	230.49	766.88	828.44	165.44	184.80	227.45	260.71	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	100.00	100.00	100.00	100.00	100.00								
<b>TOTAL NON OIL GDP</b>	163.34	172.13	210.61	230.49	766.88	828.44	165.44	184.80	227.45	260.71	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00		
<b>Growth Rate (%)</b>	8.14	7.63	7.65	8.21	7.88	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	7.89	7.36	8.00	8.77	8.07	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00		

Q1-Q2 2013 are provisional figures and Q3-Q4, 2013 are forecasts







**Table V: Crop Production, Wholesale & Trade and Manufacturing GDP at 1990 Constant Basic Prices  
(2012 (Q1—Q4) Revised, Q1—Q2, 2013 Actual & Q3—Q4, 2013 Projected)**

Activity Sector (Naira Billion unless otherwise stated)	Relative Contribution (%)												Percentage Change				Percentage Share in Total										
	2011			2012			2013			2013			Q1-2013		Q2-2013		Q3-2013		Q4-2013								
	Q1-2011	Q2-2011	Q3-2011	Q4-2011	Q1-2012	Q2-2012	Q3-2012	Q4-2012	Q1-2013	Q2-2013	Q3-2013	Q4-2013	2013	2013	2013	2013	2013	2013	2013	2013							
<b>Crop Production</b>	298.41	53.62	71.30	94.18	90.54	306.64	55.80	74.35	98.51	94.62	323.28	1.20	1.52	1.78	1.55	1.53	4.06	4.27	4.60	4.51	4.40	1.22	1.47	2.30	3.39	2.11	
Beans	6.68	0.65	1.05	2.17	3.07	6.94	0.88	1.09	2.27	3.20	6.83	0.01	0.02	0.04	0.05	-0.01	4.06	4.27	4.80	4.51	-1.57	41.11	37.26	33.35	32.67	35.67	
Cassava	165.59	22.05	28.58	31.41	29.58	109.59	22.94	27.70	32.85	30.91	115.31	0.49	0.57	0.59	0.51	0.64	4.06	4.27	4.80	4.51	5.21	3.34	3.02	2.71	2.65	2.90	
Cocoyam	8.57	1.79	2.16	2.55	2.40	8.90	1.88	2.25	2.67	2.51	9.36	0.04	0.05	0.05	0.04	0.05	4.06	4.27	4.80	4.51	-1.54	2.94	3.56	5.57	8.18	5.11	
Cotton	16.18	1.58	2.54	5.25	7.41	16.77	1.64	2.65	5.49	7.74	16.52	0.04	0.05	0.10	0.13	-0.03	4.06	4.27	4.80	4.51	-1.57	1.70	2.05	3.22	4.73	2.95	
Groundnut	9.34	0.91	1.46	3.03	4.28	9.68	0.95	1.53	3.17	4.47	9.53	0.02	0.03	0.06	0.07	-0.02	4.06	4.27	4.80	4.51	-1.57	3.45	3.77	5.91	8.69	5.42	
Guinea Corn	17.34	1.65	2.69	5.57	7.87	17.98	1.93	2.81	5.82	8.22	17.52	0.04	0.06	0.11	0.13	-0.05	4.06	4.27	4.80	4.51	-2.53	7.37	11.87	10.63	1.96	8.53	
Mango	23.30	3.95	8.47	10.01	1.77	24.20	4.11	8.83	10.47	1.85	27.88	0.09	0.18	0.19	0.03	0.38	4.06	4.27	4.80	4.51	13.94	0.33	0.54	0.48	0.09	0.39	
Melon	1.05	0.18	0.38	0.45	0.08	1.09	0.19	0.40	0.47	0.08	1.25	0.00	0.01	0.00	0.02	0.03	4.06	4.27	4.80	4.51	-1.57	2.59	3.13	4.91	7.21	4.50	
Millet	14.25	1.39	2.23	4.62	6.53	14.77	1.45	2.33	4.83	6.82	14.54	0.03	0.05	0.09	0.11	-0.02	4.06	4.27	4.80	4.51	-1.57	2.05	3.67	4.38	3.22	3.51	
Rice	10.37	1.10	2.62	4.13	2.92	10.76	1.14	2.73	4.32	3.05	11.36	0.02	0.06	0.08	0.05	0.07	4.06	4.27	4.80	4.51	5.62	31.80	29.11	26.05	25.53	27.87	
Yam	82.34	17.05	20.75	24.54	23.12	85.46	17.4	21.64	25.97	24.16	90.10	0.38	0.44	0.46	0.40	0.52	4.06	4.27	4.80	4.51	5.43	2.09	0.55	0.49	1.68	1.05	
Oil Palm Fruit	3.37	1.12	0.39	0.46	1.52	3.50	1.17	0.41	0.48	1.59	3.39	0.02	0.01	0.01	0.03	-0.01	4.06	4.27	4.80	4.51	-2.99	100.00	100.00	100.00	100.00	100.00	
<b>Wholesale and Retail Trade</b>	161.92	42.60	34.21	45.76	54.48	176.84	46.10	36.76	50.04	60.44	193.34	1.92	1.27	1.76	2.26	1.86	8.22	7.44	9.35	10.94	9.33	5.14	5.14	5.14	5.14	5.16	5.15
Retail	8.31	2.19	1.76	2.35	2.81	9.11	2.37	1.89	2.57	3.12	9.95	0.10	0.07	0.09	0.12	0.09	8.22	7.44	9.35	10.94	9.20	78.50	78.53	78.55	78.53	78.53	
Wholesale	126.84	33.44	26.87	35.94	42.78	139.03	36.19	28.87	39.30	47.46	151.82	1.51	1.00	1.38	1.77	1.44	8.22	7.44	9.35	10.94	9.20	13.71	13.68	13.68	13.68	13.69	
Wholesale/Retail/Export	22.10	5.84	4.68	6.26	7.45	24.23	6.32	5.03	6.84	8.27	26.46	0.26	0.17	0.24	0.31	0.25	8.22	7.44	9.35	10.94	9.20	0.01	0.01	0.01	0.01	0.01	
Repairs of Personal & Household Goods	4.17	1.10	0.88	1.18	1.41	4.57	1.19	0.95	1.29	1.56	4.99	0.00018	0.00012	0.00015	0.00022	0.00017	8.22	7.44	9.35	10.94	9.20	0.01	0.01	0.01	0.01	0.01	
Sales, Maintenance & Repair of Motor Vehicle & Motorcycle	0.06	0.02	0.01	0.02	0.02	0.07	0.02	0.01	0.02	0.02	0.08	0.0498	0.0229	0.04519	0.03837	0.04731	8.22	7.44	9.35	10.94	9.20	2.59	2.58	2.57	2.58	2.58	
EXPORT	0.02	0.00	0.00	0.00	0.01	0.02	0.00	0.00	0.00	0.01	0.02	0.00019	0.00013	0.00017	0.00023	0.00018	8.22	7.44	9.35	10.94	9.20	0.01	0.01	0.01	0.01	0.01	
<b>MANUFACTURING</b>	34.68	2.03	7.91	8.60	18.73	37.30	2.20	8.44	9.34	20.42	40.40	0.09	0.27	0.30	0.64	0.35	8.41	6.81	8.61	9.03	8.31	100.00	100.00	100.00	100.00	100.00	
<b>Other Manufacturing</b>	32.81	1.51	7.38	8.11	18.28	35.28	1.62	7.86	8.80	19.89	38.19	0.06	0.25	0.29	0.61	0.33	7.62	6.64	8.59	8.81	8.25	73.75	93.13	94.26	97.44	94.51	
Food, Beverages and Tobacco	11.42	0.79	2.87	3.13	5.48	12.27	0.85	3.06	3.40	5.96	14.62	0.03	0.10	0.11	0.18	0.26	7.62	6.64	8.59	8.81	19.15	38.44	36.22	36.42	29.22	36.18	
Textile, Apparel and Footwear	5.83	0.31	1.14	1.57	3.26	6.27	0.33	1.21	1.70	3.54	7.42	0.01	0.04	0.06	0.11	0.13	7.62	6.64	8.59	8.81	18.41	14.95	14.38	18.24	17.35	18.37	
Wood and Wood Products	0.15	0.01	0.04	0.04	0.07	0.16	0.01	0.04	0.04	0.08	0.17	0.00	0.00	0.00	0.00	0.00	7.62	6.64	8.59	8.81	10.88	0.30	0.48	0.43	0.40	0.43	
Pulp, Paper and Publishing	1.16	0.07	0.18	0.23	0.76	1.24	0.07	0.19	0.25	0.83	1.34	0.00	0.01	0.01	0.03	0.01	7.62	6.64	8.59	8.81	8.06	3.39	2.31	2.68	4.05	3.32	
Non-Metallic Products	7.61	0.11	1.82	1.30	4.97	8.19	0.12	1.94	1.41	5.40	7.70	0.00	0.06	0.05	0.17	-0.06	7.62	6.64	8.59	8.81	-6.03	5.29	22.94	15.14	26.47	19.05	
Domestic/Industrial Plastic and Rubber	0.78	0.04	0.17	0.32	0.31	0.85	0.04	0.19	0.35	0.34	0.93	0.00	0.01	0.01	0.01	0.01	7.62	6.64	8.59	8.81	10.05	1.86	2.20	3.77	1.65	2.30	
Electrical and Electronics	1.56	0.05	0.27	0.47	0.88	1.67	0.06	0.29	0.51	0.96	1.69	0.00	0.01	0.02	0.03	0.00	7.62	6.64	8.59	8.81	1.17	2.50	3.45	5.48	4.68	4.19	
Basic metal, Iron and Steel	3.88	0.12	0.61	0.93	2.29	3.96	0.13	0.65	1.01	2.49	3.73	0.01	0.02	0.03	0.08	-0.03	7.62	6.64	8.59	8.81	-5.68	6.10	7.74	10.82	12.21	9.24	
Motor Vehicle and Miscellaneous Assembly	0.62	0.02	0.27	0.11	0.27	0.67	0.02	0.29	0.12	0.29	0.57	0.00	0.01	0.00	0.01	-0.01	7.62	6.64	8.59	8.81	-14.10	0.90	3.42	1.29	1.42	1.42	
<b>Oil Refining</b>	1.12	0.30	0.31	0.29	0.27	1.19	0.32	0.32	0.31	0.31	1.26	0.01	0.01	0.01	0.01	0.01	6.77	6.26	6.06	11.79	6.18	14.56	3.85	3.29	1.50	3.12	
<b>Cement</b>	0.75	0.22	0.23	0.20	0.17	0.84	0.26	0.26	0.23	0.22	0.96	0.02	0.01	0.01	0.02	0.01	15.98	12.98	13.00	28.65	13.94	11.69	3.02	2.45	1.06	2.37	
Crop Production Growth	4.23	3.94	3.71	3.41	3.76	4.06	4.27	4.60	4.51	4.40																	
Wholesale and Retail Trade Growth	8.42	8.65	9.62	11.19	9.46	8.22	7.44	9.35	10.94	9.33																	
Manufacturing Production Growth	5.17	7.59	7.78	7.48	7.56	8.41	8.61	8.61	8.61	8.61	8.61																





# ***Fiscal Report***

***2nd Quarter, 2013***

## EXECUTIVE SUMMARY

- ◆ Analysis of data from the Office of the Accountant-General of the Federation (OAGF) for the first quarter 2013 fiscal report indicated as follows:
- ◆ Gross federally-collected revenue amounted to ₦2,287.70 billion in second quarter (Q2) 2013. This showed an increase of 0.81 per cent above the level recorded in Q1 2013 but a decrease of 5.30 per cent below the level recorded in the corresponding period of 2012. It also reflected an 86.36 per cent budget performance.
- ◆ At ₦1,813.76 billion, total oil revenue fell by 0.38 per cent and 7.40 per cent when compared with the levels in the previous quarter and Q2 2012 respectively. Oil revenue receipts accounted for 80.2 per cent of gross revenue for the review quarter, while the balance of 19.8 per cent was from non-oil sources. Gross oil revenue met 93.81 per cent of its budgetary target of ₦1,933.54 billion.
- ◆ Tax-revenue stood at ₦1,102.26 billion exceeded its budget target of ₦1,077.62 billion by 2.29 per cent, while, non-tax revenue at ₦1,185.45 billion reflected a 75.44 per cent budget performance.
- ◆ First line charges deducted from gross federally-collected revenue amounted to ₦581.53 billion exceeding its budgetary target by 1.36 per cent.
- ◆ Net revenue amounting to the sum of ₦1,520.28 billion was distributed among the three tiers of government from federation account while ₦185.90 billion was distributed from the VAT pool account.
- ◆ Federal Government total expenditure in Q2 2013, amounted to ₦1,003.47 billion. Of this amount, recurrent expenditure gulped ₦688.59 billion while capital expenditure and transfers took the balance of ₦232.71 billion and ₦82.11 billion, respectively. Actual total expenditure was 80.48 per cent of budgeted estimate at ₦1,246.81 billion .
- ◆ Total outstanding debt of the federal government of Nigeria stood at ₦6,850.75 billion on the domestic scene and \$6,920.10 million on the foreign scene.
- ◆ Overall, the Federal Government recorded a deficit of ₦229.92 billion being equivalent of 2.52 per cent of the GDP (₦9,115.32 billion).

# Fiscal Operations of the Federal Government for the second quarter 2013

## 1. REVENUE

A total of ₦2,287.70 billion was collected federally as revenue during the period of April to June 2013 in Nigeria. In comparison to ₦2,269.33 billion and ₦2,415.61 billion collected in Q1 2013 and Q2 2012 respectively. It showed an increase of 0.81 per cent above the level in Q1 2013 but a decrease of 5.30 per cent below the level in the corresponding period of 2012. It also reflected an 86.36 per cent budget performance (Table 1).

TABLE 1 FEDERALLY-COLLECTED REVENUE - SECOND QUARTER 2013 =N= Billion							
Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change Between		Performance
	(1)	(2)	(3)	(4)	(4) & (2)	(4) & (3)	(4) & (1)
Gross Federally-Collected Revenue	2,648.96	2,415.61	2,269.33	2,287.70	(5.30)	0.81	86.36
Gross Oil Revenue	1,933.54	1,958.74	1,820.65	1,813.76	(7.40)	(0.38)	93.81
Crude Oil Sales	1,060.98	902.70	724.84	764.52	(15.31)	5.47	72.06
Gas Sales	89.90	88.61	64.00	74.75	(15.64)	16.80	83.15
Royalties	190.27	285.55	216.01	247.48	(13.33)	14.57	130.07
Rent	0.22	0.03	0.10	0.03	11.11	(68.42)	13.64
Gas flared penalty	0.62	0.69	1.12	1.05	52.47	(5.92)	169.19
Miscellaneous, Pipeline fees, etc	0.77	0.60	0.38	0.36	(39.93)	(4.53)	46.61
PPT & Gas Tax@CITA Rate	590.79	680.58	814.22	725.57	6.61	(10.89)	122.81
Less Deductions	538.37	818.74	708.19	559.66	(31.64)	(20.97)	103.95
JVC Cash calls	295.58	301.59	284.92	286.51	(5.00)	0.56	96.93
Domestic Crude Oil Subsidy (NNPC)	242.78	50.00	-	-	(100.00)		-
Excess Oil Revenue	-	26.19	22.35	-		(100.00)	-
Transfer to Excess Crude Account	-	440.96	400.92	273.15	(38.06)	(31.87)	
Net Oil Revenue of which:	1,395.17	1,140.00	1,112.46	1,254.11	10.01	12.73	89.89
13% Derivation	181.37	148.20	144.62	163.03	10.01	12.73	89.89
Net Oil Rev after Derivation	1,213.80	991.80	967.84	1,091.07	10.01	12.73	89.89
Gross Non-oil Revenue	715.42	456.88	448.68	473.94	3.74	5.63	66.25
Excise & Fees, Import duty, etc	228.59	117.69	109.94	97.26	(17.36)	(11.54)	42.55
Corporate Tax, CIT, CGT, Stamp Duties	250.51	157.41	158.33	183.04	16.28	15.61	73.07
Sub - Total	479.10	275.11	268.27	280.30	1.89	4.49	58.50
Less 7% NCS collection costs	16.00	8.24	7.70	6.81	(17.38)	(11.54)	42.54
Less 4% FIRS collection costs	9.92	6.30	6.33	7.32	16.26	15.59	73.79
Other Deductions	-	-	-	-			
Sub-Total Non-Oil Revenue (Net)	453.18	260.57	254.24	266.17	2.15	4.69	58.73
Gross VAT	206.92	181.77	180.41	183.64	6.53	7.33	81.94
Less Cost of collection	9.45	7.27	7.42	7.75	6.53	4.38	81.93
VAT (Net)	226.87	174.50	172.99	185.90	6.53	7.46	81.94
Net Non-Oil Revenue	680.05	435.07	427.23	452.07	3.91	5.81	66.48
Net Federally-collected Revenue	2,075.22	1,575.07	1,539.69	1,706.18	8.32	10.81	82.22

## 1.1 CLASSIFICATION OF REVENUE

### 1.1.1 Oil and Non-Oil Revenue

Analysis of gross receipts revealed that at ₦1,813.76 billion oil revenue accounted for 79.3 per cent of total federally-collected revenue, while the balance of 20.7 per cent was non-oil revenue

(Fig. 1).

#### 1.1.1.1 Oil Revenue

Gross oil revenue for the second quarter of 2013, fell by 0.38 per cent and 7.40 per cent to ₦1,813.76 billion when compared with the levels of the previous quarter and Q2 2012. It reflected a 66.25 budget performance. After deducting 30.9 per cent of gross oil revenue as first line charges, net oil revenue stood at ₦1,254.11 billion. This was an increase of 12.73 per cent and 10.01 per cent when compared with the levels in the preceding quarter and the corresponding quarter of 2012, respectively. Gross oil revenue met 93.81 per cent of its budget target of ₦1,933.54 billion. Net oil revenue reflected 89.89 per cent budget performance (Table 1).

#### 1.1.1.2 Non-Oil Revenue

At ₦473.94 billion, gross non-oil revenue showed increase of 5.63 per cent and 3.74 per cent when compared with the levels in the preceding quarter and the corresponding quarter of 2012, respectively (Table 1).

Breakdown of total non-oil revenue indicated that Excise & Fees, Import Duty and Others stood at ₦97.26 billion, Corporate Tax etc amounted to ₦183.04 billion while gross VAT stood at ₦193.64 billion during the period under review (Table 1).

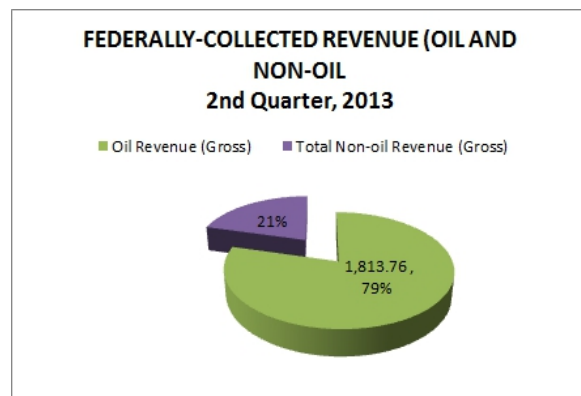


Figure 1: Federally collected revenue Oil & Non-Oil basis, Q2, 2013.



## 1.1.2 Tax and Non-Tax Revenue

Classifying the gross federally-collected revenue into tax and non-tax revealed that the sum of ₦1,102.26 billion was gross tax revenue while gross non-tax revenue stood at ₦1,185.45 billion (Fig. 2).

### 1.1.2.1 Tax Revenue

At ₦1,102.26 billion, gross tax revenue fell by 4.40 per cent compared with the preceding quarter but rose by 8.09 per cent when compared with the corresponding period of 2012. Breakdown of the tax revenue indicated that it was made up of PPT and Gas Tax; Company Income Tax and Other Taxes; and Value Added Tax (VAT). Of total tax revenue, PPT and Gas Tax contributed 65.83 per cent. Actual collections were 2.29 per cent above budget estimates for the quarter at ₦1,077.62 billion (Table 2).

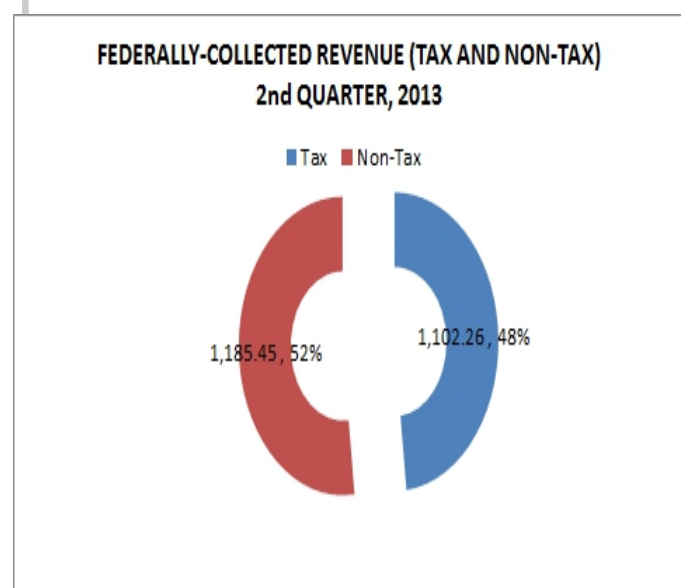


Fig 2: Revenue: Tax & Non-Tax Classification, Q2, 2013.

### 1.1.2.2 Non-Tax Revenue

The gross non-tax revenue stood at ₦1,185.45 billion. This was a 6.19 per cent rise compared with the preceding quarter but a fall by 15.07 per cent in comparison with the corresponding period of 2012, respectively. Of the total non-tax revenue, crude oil sales constituted 64.49 per cent during the period under review.

Budgetary estimates were ₦1,571.34 billion, while actual collections reflected a 75.44 per cent performance (Table 2).

REVENUE CLASSIFICATION - TAX & NON-TAX							
Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change btw (4) & (2)	% Change btw (4) & (3)	% Change btw (4) & (1)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Tax</b>	<b>1,077.62</b>	<b>1,019.76</b>	<b>1,152.96</b>	<b>1,102.26</b>	<b>8.09</b>	<b>(4.40)</b>	<b>102.29</b>
PPT & Gas Tax@CITA Rate	590.79	680.58	814.22	725.57	6.61	(10.89)	122.81
Corporate Tax, CIT, CGT, Stamp Duties	250.51	157.41	158.33	183.04	16.28	15.61	73.07
Gross VAT	236.32	181.77	180.41	193.64	6.53	7.33	81.94
<b>Non-Tax</b>	<b>1,571.34</b>	<b>1,395.85</b>	<b>1,116.37</b>	<b>1,185.45</b>	<b>(15.07)</b>	<b>6.19</b>	<b>75.44</b>
Crude Oil Sales	1,060.98	902.70	724.84	764.52	(15.31)	5.47	72.06
Gas Sales	89.90	88.61	64.00	74.75	(15.64)	16.80	83.15
Royalties	190.27	285.55	216.01	247.48	(13.33)	14.57	130.07
Rent	0.22	0.03	0.10	0.03	11.11	(68.42)	13.64
Gas flared penalty	0.62	0.69	1.12	1.05	52.47	(5.92)	169.19
Excise & Fees, Import duty, etc	228.59	117.69	109.94	97.26	(17.36)	(11.54)	42.55
Miscellaneous, Pipeline fees, etc	0.77	0.60	0.38	0.36	(39.93)	(4.53)	46.61

Source: Office of Accountant General of the Federation (OAGF)

Table 2: Revenue: Tax & Non-Tax Classification, Q2, 2013.

## 1.2 FEDERATION ACCOUNT ALLOCATION

The sum of ₦1,520.28 billion from the federation account was distributed among the three tiers of government. The amount distributed represented an increase of 11.24 and 8.55 per cent above the levels in the preceding quarter and the corresponding period of 2012, respectively (Table 3).

Further breakdown revealed that the Federal Government was allocated ₦715.00 billion (52.68 per cent), the 36 states collected ₦362.66 billion (26.72 per cent), 774 local governments collected ₦279.59 billion (20.6 per cent), while the oil producing states shared ₦163.03 billion as 13.0 per cent derivation. Of the Federal Government share, ₦642.98 billion went to Consolidated Revenue Fund, ₦56.60 billion to Special Funds and ₦15.29 billion for External Debt Servicing for the quarter in review (Table 3).

A total of ₦185.90 billion accrued to the VAT Pool Ac-

count during the reviewed quarter, representing 4.37 per cent and 6.36 per cent increase above the levels in the preceding quarter and the corresponding period of 2012. The distribution of VAT for the quarter was as follows: the Federal Government received ₦27.89 billion (15 per cent), the state government ₦92.95 billion (50 per cent) while the local governments got ₦65.06 billion (35 per cent). There were also distributions for Augmentation of ₦215.74 billion and from the Excess Crude Account of ₦225.85 billion (Table 3).

Actual distributions from the federation account of ₦2,147.77 billion were 3.65 per cent higher than the budget estimate of ₦2,075.22 billion targeted for distribution.

### 1.3 FEDERAL GOVERNMENT RETAINED REVENUE

The Federal Government retained revenue stood at ₦773.55 billion during the reviewed quarter, representing fall of 7.43 per cent and 0.40 per cent in comparison with the previous quarter and the corresponding quarter of 2012, respectively (Table 4).

Federal Government Independent Revenue for Q2 2013 stood at ₦16.18 billion, reflecting decreases of 70.05 per cent and 43.78 per cent below the levels in the preceding quarter and the corresponding quarter of 2012.

The retained revenue showed a 75.47 per cent budget performance.

### REVENUE OF THE SUB-NATIONAL GOVERNMENT

#### 1.4.1 State Governments

Statutorily, state governments received the sum of ₦362.66 billion from the Federation Accounts Allocation Committee (FAAC) in the second quarter of 2013. When compared with allocations in the preceding quarter and corresponding period of 2012, it reflected increases of 11.06 per cent and 8.37 per cent, respectively. Mineral producing states received additional 13.0 per cent derivation fund amounting to the sum of ₦163.03 billion from the federation account. When compared with mineral derivation allocations in the preceding quarter and corresponding period of 2012, it reflected increases of 12.73 per cent and 10.01 per cent, respectively (Table 3).

From net VAT allocations state governments received ₦92.95 billion in the period under review. These represented increases of 4.37 per cent and 6.53 per cent when compared with allocations in the preceding quarter and corresponding period of 2012, respectively.

#### 1.4.2 Local Governments

Statutorily, the Local Governments received the sum of ₦279.59 billion from the Federation Accounts Allocation Committee (FAAC). When compared with allocations in the preceding quarter and corre-

FEDERATION ACCOUNT ALLOCATION							
=N= Billion							
Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change Between		Performance (4) & (1)
					(4) & (2)	(4) & (3)	
Share of Federation Account	1,845.35	1,400.57	1,366.70	1,520.28	8.55	11.24	82.38
Federal Government (52.68%)	876.58	659.75	643.79	715.00	8.37	11.06	81.57
of which:							
Consolidated Revenue Funds	807.03	596.63	583.81	642.98	7.77	10.13	79.67
Special Funds	69.55	51.42	50.72	56.60	10.06	11.58	81.37
External Debt Service	-	11.69	14.32	15.29	30.77	6.75	
State Government (26.72%)	444.82	334.63	326.54	362.66	8.37	11.06	81.57
Local Government (20.60%)	342.78	257.99	251.75	279.59	8.37	11.06	81.57
13% Derivation	181.37	148.20	144.62	163.03	10.01	12.73	89.89
VAT Pool Account (Net):	226.87	174.78	178.11	185.90	6.36	4.37	81.94
Federal Government (15%)	34.03	26.45	26.72	27.89	5.42	4.37	81.94
of which:							
Federal Government Share	31.76	24.43	26.72	26.03	6.53	(2.59)	81.94
Federal Capital Territory	2.27	1.75	1.78	1.86	6.53	4.44	81.94
State Government (50%)	113.43	87.25	89.06	92.95	6.53	4.37	81.94
Local Government (35%)	79.40	61.08	62.34	65.06	6.53	4.37	81.94
Augmentation		21.47	3.54	215.74	905.09	5,987.56	
Excess Crude		-	154.73	225.85		45.96	
Total Amount Distributed	2,072.22	1,596.81	1,703.08	2,147.77	34.50	26.11	103.65

Table 3: FAAC Allocation to the three tiers of Government, Q2, 2013.

sponding period of 2012, representing increases of 11.06 per cent and 8.37 per cent, respectively.

Actual deductions were 1.36 per cent higher than the budget estimate of ₦573.74 billion (Table 4).

Table 4: Deductions—first line charges, Q2, 2013.

## 2.2 FEDERAL GOVERNMENT EXPENDITURE

Federal Government total expenditure in Q2 2013 stood at ₦1,003.47 billion. This represented an increase of 9.24 per cent compared with the preceding quarter but a decrease of 13.86 per cent when compared with the level in the corresponding quarter of 2013. a breakdown revealed that recurrent expenditure was ₦688.59 billion or 68.6 per cent of the total expenditure, while capital expenditure and net lending was ₦232.71 billion or 23.19 per cent. Transfers amounted to ₦82.17 billion or 8.19 per cent in the period under review (Table 5).

Budget performance of total expenditure showed that actual expenditure was 80.48 per cent of budgeted amount of ₦1,246.81 billion. Analysis showed that Capital Expenditure performed the least with a 57.41 per cent performance, Recurrent Expenditure reflected 92.50 per cent performance while Transfers reflected 84.71 performance.

## 3. DEBT

Total outstanding debt of the Federal Government of Nigeria at the end of the second quarter 2013 stood at ₦6,850.75 billion on the domestic scene and \$6.92 billion (or ₦1,089.50 billion) on the foreign scene.

Fig 3: Total debt of the FGN, Q2, 2013.

### 3.1 DOMESTIC DEBT

At ₦6,850.75 billion the outstanding domestic debt of the Federal Government increased by 5.5 per cent and 11.3 per cent, respectively, in comparison with ₦6,493.31 billion and ₦6,152.88 billion recorded in the preceding quarter and the corresponding quarter of 2012 (Table 6).

Treasury Bonds remained constant at ₦334.56 billion, in comparison with the previous quarter, but decreased by 5.4 per cent when compared with the

FEDERAL GOVERNMENT RETAINED REVENUE							
=₦ Billion							
Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change between		Performance (4) & (1)
					(4) & (2)	(4) & (3)	
Unspent Balance from Previous Yr.	65.30	21.10	22.86	0.06	(99.73)	(99.75)	0.09
FGN Share of Fed Acct (Net)	807.03	702.38	733.87	710.29	1.13	(3.21)	88.01
FGN Share of VAT	31.76	24.43	24.94	26.03	6.53	4.37	81.94
FGN Independent Revenue	113.95	28.78	54.03	16.18	(43.78)	(70.05)	14.20
FGN Bal of Special Accts	7.01	-	-	21.00			299.78
<b>TOTAL</b>	<b>1,025.04</b>	<b>776.69</b>	<b>835.68</b>	<b>773.55</b>	<b>(0.40)</b>	<b>(7.43)</b>	<b>75.47</b>

From net VAT allocations, local governments received ₦65.06 billion during the period under review. This represented increases of 4.37 per cent and 6.53 per cent when compared with allocations in the preceding quarter and corresponding period of 2012, respectively (Table 3).

Budgetary performance of statutory allocations to the sub-national government units was 81.57 per cent, while VAT receipts showed 81.94 per cent performance.

## 2. EXPENDITURE

### 2.1 DEDUCTIONS - FIRST LINE CHARGES

Deductions from gross federally-collected revenue amounted to ₦581.53 billion. When compared with deductions of ₦729.64 billion and ₦840.54 billion recorded in the preceding quarter and second quarter of 2012, reflecting decrease of 20.3 and 30.82 per cent, respectively, A further breakdown of the deductions revealed that it was made up of Joint Venture Cash (JVC) calls; Transfer to Excess Crude Oil Account; Transfer from Domestic Crude to Subsidy; Excess Oil Revenue Account; 7% Nigeria Custom Service (NCS) Collection Costs; 4% Federal Inland Revenue Service (FIRS) Collection Costs; and less VAT costs of collection.



### DEDUCTIONS - FIRST LINE CHARGES

Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change		% Performance
					btw (4) & (2)	btw (4) & (3)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
JVC Cash calls	295.58	301.59	284.92	286.51	(5.00)	0.56	96.93
Domestic Crude Oil Subsidy (NNPC)	242.78	50.00	-	-	(100.00)		-
Transfer to Excess Crude Account	-	440.96	400.92	273.15	(38.06)	(31.87)	
Excess Oil Revenue	-	26.19	22.35	-			
Less 7% NCS collection costs	16.00	8.24	7.70	6.81	(17.38)	(11.54)	42.54
Less 4% FIRS collection costs	9.92	6.30	6.33	7.32	16.26	15.59	73.79
Less Cost of collection	9.45	7.27	7.42	7.75	6.53	4.38	81.93
<b>Total Deductions</b>	<b>573.74</b>	<b>840.54</b>	<b>729.64</b>	<b>581.53</b>	<b>(30.82)</b>	<b>(20.30)</b>	<b>101.36</b>

Source: Office of Accountant General of the Federation (OAGF)

level at the corresponding quarter of the previous year. The FGN Bonds fell by 6.4 per cent to ₦3,820.55 billion from the level in the preceding quarter (Table 6).

### 3.1.1 Composition

The domestic debt comprised ₦2,483.29 billion Treasury Bills, ₦334.56 billion Treasury Bonds and ₦4,032.90 billion Federal Government of Nigeria (FGN) Bonds. The FGN Bonds constituted 58.9 per cent of total domestic debt during the period under review (Fig 4). The total outstanding Treasury Bills for Q2 2013 increased by 6.2 per cent and 19.1 when compared with its levels in the preceding quarter 2013 and the corresponding quarter of 2012, respectively.

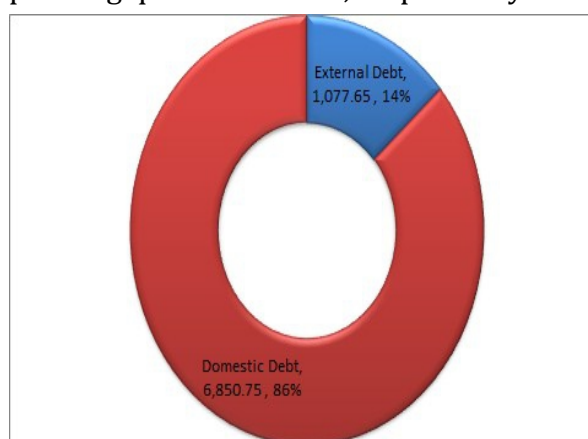


TABLE 5  
FEDERAL GOVERNMENT EXPENDITURE  
=N= Billion

Item	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change Between		Performance
					(4) & (2)	(4) & (3)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<b>Recurrent Expenditure</b>	<b>744.45</b>	<b>796.45</b>	<b>673.66</b>	<b>688.59</b>	<b>(13.54)</b>	<b>2.22</b>	<b>92.50</b>
Goods and Services	596.51	591.28	537.67	509.07	(13.90)	(5.32)	85.34
Personnel Cost & Pensions	465.07	524.34	419.31	388.04	(25.99)	(7.46)	83.44
Overhead Cost	131.43	66.95	118.36	121.03	80.77	2.25	92.08
Interest Payments	147.94	205.17	135.99	179.53	(12.50)	32.01	121.35
Domestic	135.84	193.50	121.69	164.24	(15.12)	34.96	120.90
Foreign	12.10	11.67	14.30	15.29	30.97	6.91	126.38
<b>Capital Expenditure &amp; Net Lending</b>	<b>405.37</b>	<b>103.87</b>	<b>165.76</b>	<b>232.71</b>	<b>124.03</b>	<b>40.40</b>	<b>57.41</b>
Domestic Financed Budgets							
<b>Transfers</b>	<b>96.99</b>	<b>264.57</b>	<b>79.21</b>	<b>82.47</b>	<b>(68.94)</b>	<b>3.73</b>	<b>84.71</b>
NDCC	15.34	193.50	-	-	(100.00)		-
National Judicial Council	16.75	17.92	16.75	16.75	(6.52)	-	99.99
Universal Basic Education	19.07	15.66	16.63	22.36	42.80	34.46	117.25
Independent National Electoral Commission	8.00	-	8.00	5.33		(33.33)	66.66
National Human Right Commission	0.34	-	0.34	0.23		(33.23)	66.67
National Assembly	37.50	37.50	37.50	37.50	-	-	100.00
<b>Total Expenditure</b>	<b>1,246.81</b>	<b>1,164.90</b>	<b>918.63</b>	<b>1,003.47</b>	<b>(13.86)</b>	<b>9.24</b>	<b>80.48</b>

### 3.1.2 Maturity

The maturity structure indicated that 45.7 per cent of the domestic debts had a maturity of a year or less. Within 1—3 years, 9.6 per cent of the debts would mature, while 44.6 per cent of the debts would mature in the long term (3yrs - above) (Table 6).

### 3.1.3 Domestic Debt Service

A total of ₦231.97 billion was expended on servicing the domestic debt of the Federal Government in the second quarter of 2013. As a percentage of total domestic debt stock, debt service was 2.9 per cent (Table 7).



### 3.2 EXTERNAL DEBT

At end-June 2013, total outstanding foreign debt of the governments of Nigeria stood at \$6.92 billion. The foreign debt profile consisted of multi-lateral debt valued at \$5.54 billion and bi-lateral debts was worth \$1.38 billion

Of the total external debt 80.7 per cent was multi-lateral held by federal and state governments holdings was worth \$5.539 billion while the balance of 19.3 per cent was for bilateral and commercial loans held by federal government entities worth \$1.381 billion (Table 8).

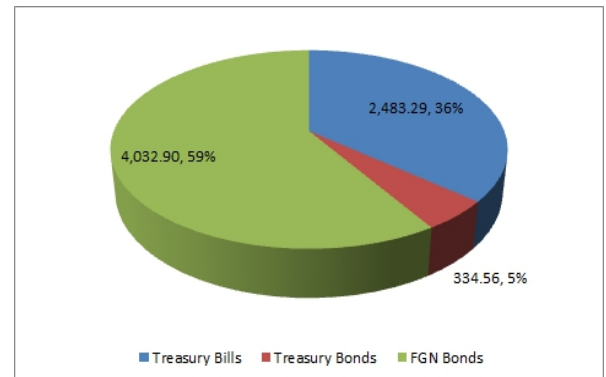


Table 6: Domestic Debt of the Federal Government (End-Period)(Naira Billion)

Item	Q2 2012	Q1 2013	Q2 2013	Change Between				Percentage of Total
				Absolute	%	Absolute	%	
	1	2	3	(1/2)	(2/3)	(4/3)	(5/6)	7
<b>COMPOSITION DEBT</b>								
<b>Instruments</b>	<b>6,152.88</b>	<b>6,493.21</b>	<b>6,899.75</b>	<b>697.87</b>	<b>11.3</b>	<b>357.44</b>	<b>5.5</b>	<b>100.0</b>
i Treasury Bills	2,064.59	2,336.20	2,483.29	296.70	19.13	145.09	6.21	36.25
ii Treasury Bonds	355.74	334.56	334.56	(19.18)	(5.42)	-	-	4.88
iii FGN Bonds	3,714.55	3,820.55	4,032.90	318.35	8.57	212.35	5.58	58.87
<b>MATURITY</b>	<b>6,152.88</b>	<b>6,493.22</b>	<b>6,899.75</b>	<b>697.87</b>	<b>11.34</b>	<b>357.43</b>	<b>5.5</b>	<b>100.0</b>
i Up to 1 year	2,769.78	2,975.03	3,133.96	343.30	12.31	159.03	5.31	45.73
ii 1-3 years	801.00	866.17	884.17	144.83	(17.71)	(30.00)	(4.35)	9.92
iii 3 years and over	2,582.12	2,652.12	2,881.62	496.40	19.37	229.40	8.11	44.55
<b>DOMESTIC DEBT SERVICE</b>	<b>186.37</b>	<b>191.28</b>	<b>211.67</b>	<b>45.60</b>	<b>24.48</b>	<b>40.71</b>	<b>21.28</b>	<b>100.0</b>
i Treasury Bills	89.95	80.11	96.25	0.28	0.31	10.12	12.63	38.90
ii Treasury Bonds	9.38	9.38	9.38	(0.01)	(0.05)	(0.01)	(0.05)	4.04
iii FGN Bonds	87.04	101.77	132.30	45.32	52.07	30.59	30.06	67.06
<b>Total Domestic Debt Outstanding</b>	<b>6,152.87</b>	<b>6,493.32</b>	<b>6,899.75</b>	<b>697.88</b>	<b>11.34</b>	<b>357.43</b>	<b>5.50</b>	
<b>Total Debt Stock</b>	<b>6,754.43</b>	<b>7,532.28</b>	<b>7,848.58</b>	<b>1,185.92</b>	<b>17.56</b>	<b>407.97</b>	<b>5.42</b>	
<b>Domestic Debt as % of Total Debt Stock</b>	<b>91.00</b>	<b>86.2</b>	<b>88.3</b>					
<b>Debt Service as % of Debt Stock</b>	<b>2.76</b>	<b>2.5</b>	<b>2.8</b>					

Sources: Computed from Debt Management Office & CBN data

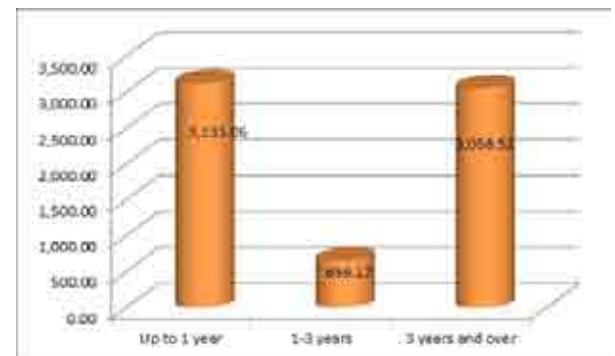


Fig 5: Total Debt Maturity, Q2 2013

**Table 7: Domestic Debt of the Federal Government - Ratios**

Item	Q2 2012	Q1 2013	Q2 2013	Basis Points	
	1	2	3	(3) & (1)	(3) & (2)
Domestic Debt as % of Total Debt Stock	91.1	86.2	86.3	(481.51)	7.22
Debt Service as % of Total Debt Stock	2.8	2.5	2.9	16.22	38.22

Sources: Computed from Debt Management Office & CBN data

**Table 8: External Debt Stock of States & FG as at June 30, 2013 (US\$)**

	Q2 2012	Q4 2012	Q2 2013	% Change Between		% of Total
	1	2	3	(3) & (1)	(3) & (2)	
<b>Multilateral</b>	<b>4.951</b>	<b>5.267</b>	<b>5.539</b>	<b>25.157</b>	<b>11.272</b>	80.7%
States	2.215	2.384	2.641	19.234	10.764	36.5%
FGN	2.736	2.883	2.898	5.923	0.508	44.2%
<b>Bilateral</b>	<b>1.085</b>	<b>1.260</b>	<b>1.381</b>	<b>27.318</b>	<b>9.665</b>	19.3%
States	-	-	-			0.0%
FGN	1.085	1.260	1.381	27.318	9.665	19.3%
<b>Total</b>	<b>6.036</b>	<b>6.527</b>	<b>6.920</b>	<b>52.475</b>	<b>20.937</b>	100.0%

Sources: Computed from Debt Management Office & CBN data

## 4 FISCAL BALANCE OF THE FEDERAL GOVERNMENT

In Q2 2013, an overall fiscal deficit of ₦229.29 billion was recorded. However, surpluses of ₦264.49 billion and ₦84.96 billion were recorded as primary and current balances (Table 9).

Budgetary estimates for quarterly overall balance were ₦221.77 billion (deficit). Actual over-

Item	FISCAL BALANCE						
	Quarterly budget 2013	Q2 2012	Q1 2013	Q2 2013	% Change Between		
					(4) & (2)	(4) & (3)	(4) & (1)
Primary Balance	428.54	185.41	298.01	264.49	42.65	(11.25)	61.72
Current Balance	280.60	(19.76)	162.02	84.96	(529.93)	(47.56)	30.28
Overall Balance	(221.77)	(388.21)	(82.95)	(229.92)	(40.77)	177.18	103.68

all balance exceeded budgetary target by 3.68 per cent.

**Table 9: Fed. Government Fiscal Balance Q2 2013**

### Technical Notes

1. Federal Government Owned Account
2. Special funds includes: FCT, Ecology, Statutory Stabilization and Natural Resources
3. Overall fiscal balance is defined as FG retained revenue less total FG expenditure. Also current and primary balances are defined as FG retained revenue less FG expenditure on goods and services and FG retained revenue less FG recurrent expenditure, respectively.

***Consumer  
Expectations Survey***

***3rd Quarter, 2013***

## EXECUTIVE SUMMARY

The Q3 2013 Consumer Expectations Survey (CES) was conducted during the period 29th July—10th August, 2013. The sample size was 1,950 households, drawn from the National Bureau of Statistics (NBS) Master Sample List of Households, which is considered a representative sample of households nationwide. The survey produced 99.9 per cent response rate.

The highlights of the CES report are as follows:

- ◆ Overall outlook of consumers in Q3 2013 remained downbeat. This could be attributable to the bleak outlook of consumers in their economic condition and family financial situation. Consumers were however optimistic in their outlook in the next quarter and the next 12 months. The optimism could be attributable largely to the positive outlook of the consumers' economic condition, family financial situation and family income.
- ◆ Respondents outlook on the economic condition, family financial situation and the family income was mixed across all income groups. The "N20,000.00 - N50,000 per month" income group were optimistic of an improvement in their family income while the "under N20,000 per month" income group were pessimistic as they expect to get into debt and/or eat into their savings.
- ◆ On the average, more households nationwide expect some increase in their expected expenditure on basic commodities and services in the next 12 months. The consumers would be expected to spend substantial amount of their income on education, food and other household needs, savings, medical expenses, and purchase of consumer durables, but do not plan to spend much of their income on purchase of house and purchase of car/motor vehicle and purchase of appliances.
- ◆ Majority of consumers nationwide believed that the next 12 months would not be an ideal time to purchase big-ticket items like house and lot and motor vehicles, but would be an ideal time to purchase consumer durables.
- ◆ Majority of consumers expect inflation rate to rise in the next 12 months. The major drivers for the likely upward movements in prices would be food, house rent, transportation, electricity, education and medical care.
- ◆ Majority of the consumers nationwide expect unemployment to rise in the next 12 months. With indices of 22.7 and -5.0 points, consumers expect borrowing rate to rise and the exchange rate to depreciate in the next 12 months.

# Consumer Expectations Survey *Third Quarter, 2013*

## About the Survey

The nationwide Consumer Expectations Survey (CES) for Q3, 2013 was conducted between 29th July—10th August, 2013, covering a total sample size of 1,950 households drawn from the National Bureau of Statistics (NBS) Master Sample List of Households, which is considered a good representative sample of households nationwide. The states covered, the sample size distribution and response rates are as shown in the Table 1 below, while the location of all the states in the federation and FCT Abuja covered are shown in the Map of Nigeria below.



**Table 1: The distribution of sample size and response rate**

ZONE	SAMPLE STATE	Q3 2013 SAMPLE SIZE	Q3 2013 RESPONSES	RESPONSE RATE
North Central	Niger, Kwara, Abuja, Benue, Kogi, Nasarawa and Plateau	350	350	100.0
North East	Bauchi, Adamawa, Gombe, Yobe, Taraba and Borno	300	300	100.0
North West	Kaduna, Katsina, Kano, Zamfara, Jigawa, Sokoto and Kebbi	350	349	99.7
South East	Enugu, Imo, Ebonyi, Anambra and Abia	250	250	100.0
South South	Edo, Delta, Rivers, Bayelsa, Cross River and Akwa-Ibom	300	300	100.0
South West	Lagos, Oyo, Ekiti, Ogun, Osun and Ondo	400	399	99.8
TOTAL		1950	1948	99.9

*Response rate for Q3, 2013 stood at 99.9 per cent*

The total response rate for the Q3, 2013 survey stood at 99.9 per cent nationwide, which was 0.4 points higher than the 99.5 points achieved in the previous quarter. The response rate by educational attainment, showed that 44.5 per cent had university education, 31.3 per cent had higher non-university education, while 15.1 per cent was for those with senior school education. Respondents with primary and junior school education accounted for 3.4 and 3.3 per cent, respectively; while those with no educational background were 2.2 per cent.

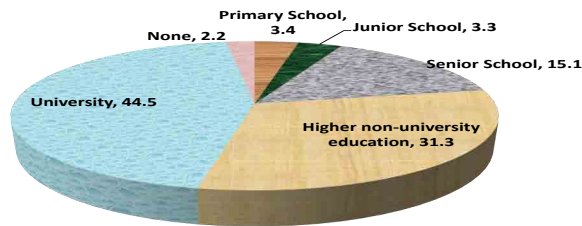


Fig.1 : Percentage of respondents by Education

## Nationwide Consumer Outlook

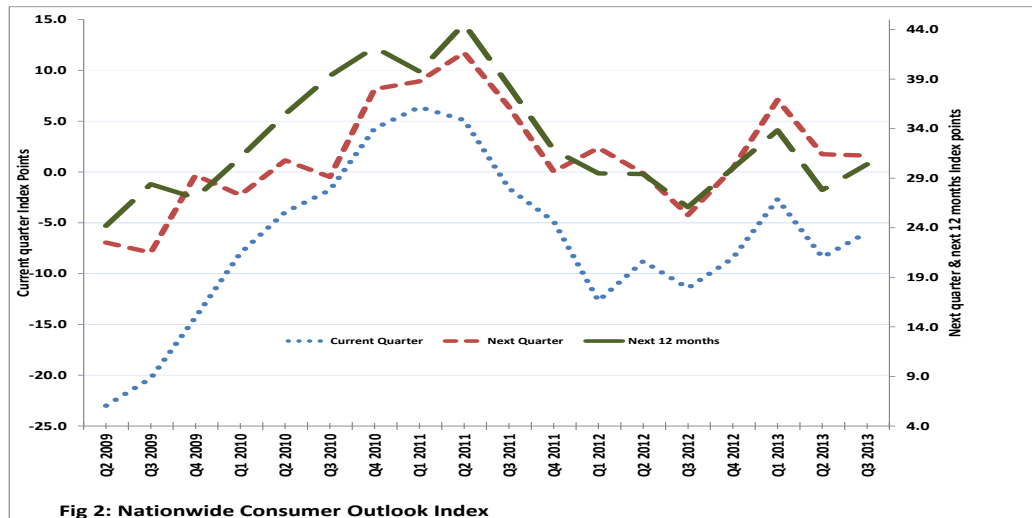


Fig 2: Nationwide Consumer Outlook Index

**Consumer confidence nationwide in Q3, 2013 remained downbeat.**

Consumers' overall outlook<sup>1</sup> in Q3, 2013 remained downbeat. At -6.0 points, it dipped by 5.4 points below the level achieved in the corresponding quarter of 2012. The bleak outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their economic condition and family financial situation<sup>2</sup> which stood at -1.4, and -19.1 points (Table 2 section 2). Consumer outlook for the next quarter and next 12 month was however positive, at 31.3 and 30.4 points. The indices rose significantly by 37.3 and 36.4 points from the level attained in the current quarter. The positive outlook of consumers in these quarters could be attributable largely to the optimistic outlook of consumers in their family income.

<sup>1</sup>The overall consumer confidence index is determined by the average of three (3) measures, namely, the outlook on macroeconomic conditions, family financial situation and family income.

<sup>2</sup>Please refer to the Technical Notes for definition of economic condition, family financial situation and family income.

## Consumer Outlook Indices: Current Quarter

Consumers views were captured across three dimensions, namely: - the economic condition, family financial situation and family income. While the family income expressed optimism, the economic conditions and the family financial situation dimension indicated pessimism in the quarter. The confidence indices on the family financial situation dimension in the current quarter posted higher indices than the indices achieved in the corresponding quarter a year ago. At -19.1 points, the index was 2.4 points lower than the points attained in Q3, 2012. The economic condition and family income inched up by 9.5 and 9.1 points respectively when compared with their levels in the corresponding quarter of 2012. The outlook of consumers in the economic condition and family income reflected the outlook of the consumer's overall index which inched up by 0.4 points from its level in Q2, 2012 (Table 2 section 2).

Respondents outlook on the economic condition was mixed across all income groups. The "N50,001.00 - N100,000 per month" income group were optimistic of an improvement in their family income while the "under N20,000 per month" income group were pessimistic as they expect to get into debt and/or eat into their savings.

## Consumer Outlook Indices: Next Quarter and the Next 12 months

Consumers expectations on economic conditions, family financial situation and family income in the next quarter and the next 12 months would be expected to be better than their outlooks in the current quarter. In the next quarter and the next 12 months, the consumers are expected to be optimistic at 31.3 and 30.4 points. In the next quarter, the economic condition, the family financial situation and family income indices are expected to be buoyant. These indices are expected to rise by 28.3, 32.6 and 50.9 points, respectively, when compared with the level achieved in the current quarter. A similar trend would be expected in the next 12 months, with family income being the most buoyant at 57.8 per cent (Table 2 sections 3 & 4).

In the next quarter and the next 12 months respondents across all income groups were optimistic on economic condition, family financial situation and family income.

Respondents from the income groups "N20,000 - N50,000" and "N50,001 - N100,000" per month and over N100,001 were most optimistic that the family income would improve in the next twelve months with confidence indices of 58.2, 60.1 and 59.5 points, respectively.

## Expenditures in the Next 12 Months

On the average, more households nationwide expect some increase in their expected

expenditure on basic commodities and services in the next 12 months. With an average index of 15.8 per cent expected in the next 12 months, the index rose by 3.0 points from the level of 12.8 points recorded in the corresponding quarter of 2012 (Table 2 section 5).

On  
the  
aver-

*The family financial situation dimension indicated the worst pessimism in Q3, 2013.*

*In the next quarter and the next 12 months respondents across all income groups were optimistic on economic condition, family financial situation and family income.*



More Consumers nationwide would be expected to spend substantial amount of their income on education, food and other household needs, followed by , savings, medical expenses, investment and purchase of consumer durables.

Consumers nationwide expect substantial increase in house rent, food prices, education, transportation cost, and electricity rates in the next 12 months.

More respondents believed that Q3, 2013 is not an ideal time to buy consumer durables.

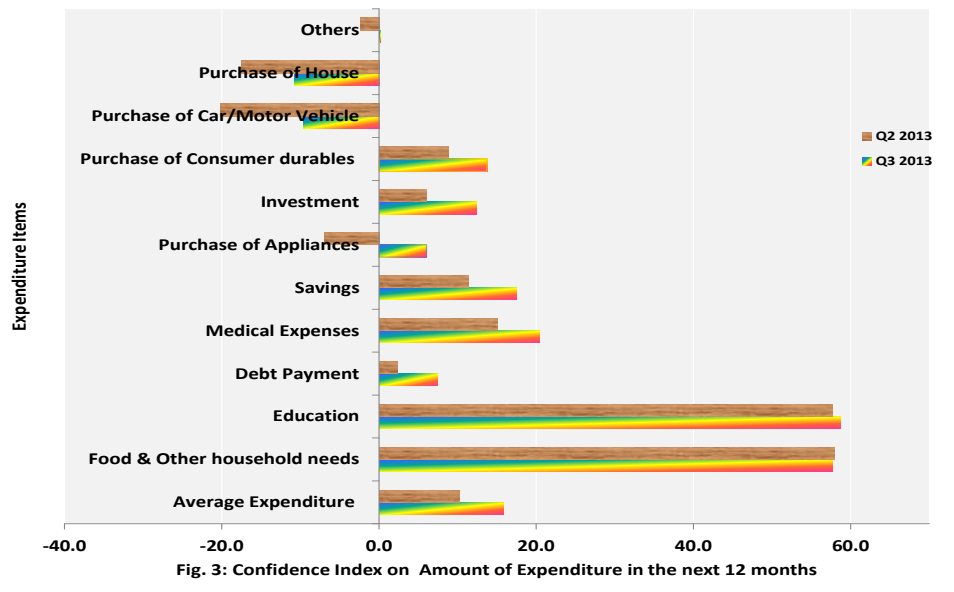


Fig. 3: Confidence Index on Amount of Expenditure in the next 12 months

Consumers nationwide would be expected to spend substantial amount of their income on education (58.8 index points), food and other households needs (57.8 points), medical expenses (20.4 points), savings (17.6 points), purchase of consumer durables (13.8 points) and investment (12.4 points) in the next 12 months. Conversely, some of the consumers indicated that they do not plan to spend substantial amount of their income on purchase of house (-10.7 points) and purchase of car/motor vehicle (-9.6 points). These results conform with the National Household Expenditure Survey which showed that majority of households spend substantial amount of their income to meet their basic needs and have little left for long term investment (Fig. 3).

On inflationary expectations, consumers nationwide expect substantial increase in house rent (60.3 points), food (56.7 points), education (53.1 points), transportation (48.5 points), and electricity (47.2 points) in the next 12 months. Based on this outlook, government and/or monetary authority would be expected to take appropriate measures to dampen the impact of these inflationary expectations on the economy.

The majority of consumers nationwide, believed that the current quarter is not the ideal time to purchase big-ticket items like consumer durables, motor vehicles and house and lot.

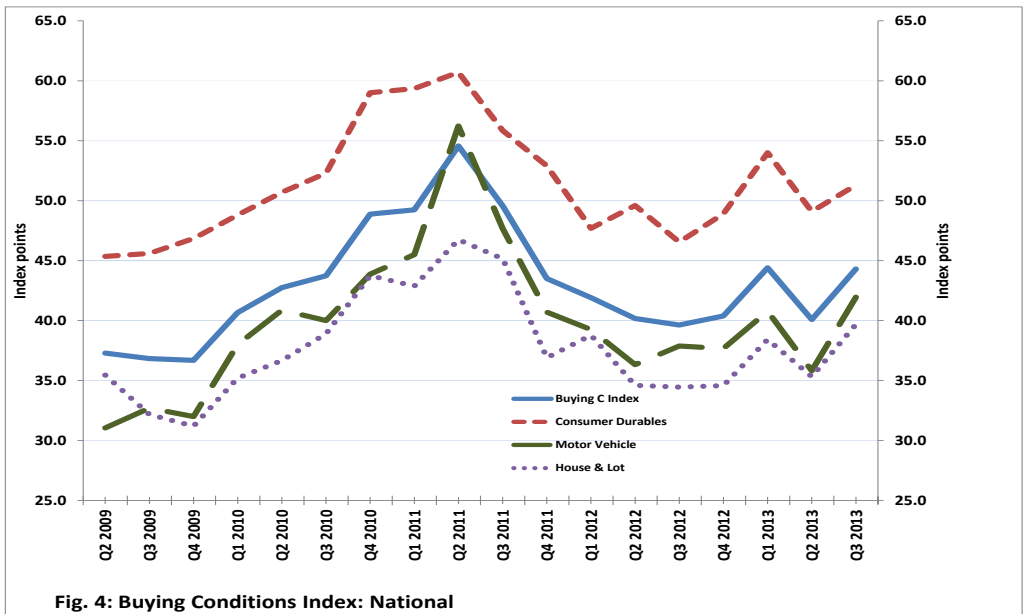
### Buying Conditions<sup>3</sup>

The overall buying conditions index for consumer in the current quarter for big-ticket items stood at 44.3 per cent, representing an increase of 4.7 point when compared with the level attained in Q3, 2012. The increase in buying conditions index in the current quarter was driven largely by the increase in sentiments on consumer durables, motor vehicle and house and lot.

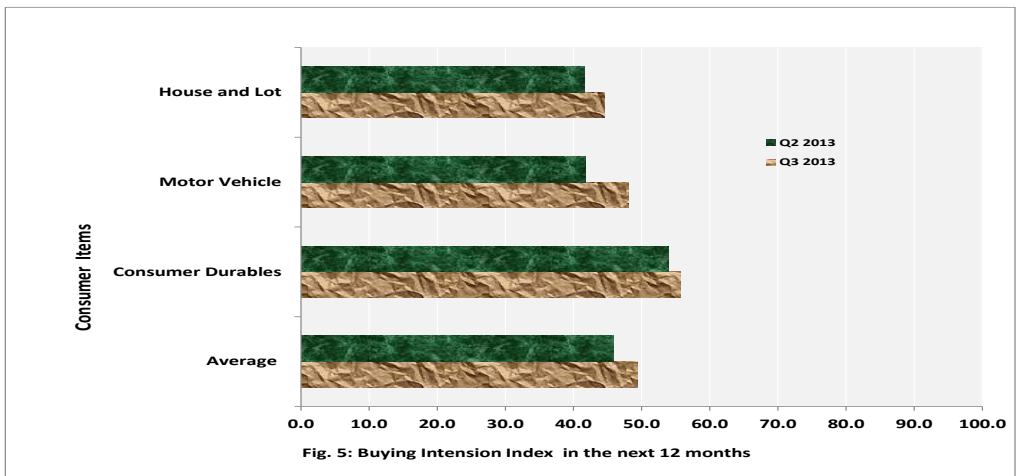
<sup>3</sup>Buying condition refers to the assessment of consumers as to whether it is good time, neither good nor bad or bad time to buy assets (ie. consumer durables, house and lot, and motor vehicles) during the quarter. An index above 50 means more respondents indicated that it is a good time to buy assets; below 50 means more respondents believe that it would not be an opportune time to make purchases; and 50



More respondents intend to buy consumer durables in the next 12 months but do not intend to buy motor vehicles and house/lot within the period.



### Buying Intentions<sup>4</sup> in the Next 12 Months



Majority of the respondents believed that the next 12 months will not be an ideal time to buy house and lot and motor vehicles, but will be an ideal time to buy consumer durables.

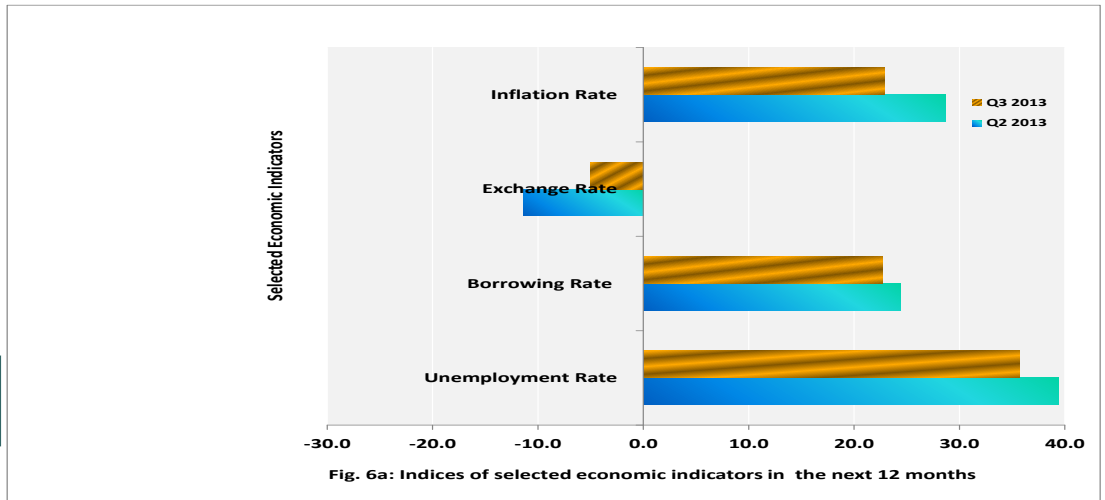
While the majority of consumers nationwide, believed that the next 12 months would not be an ideal time to purchase big-ticket items like house and lot and motor vehicles, it would be an ideal time to purchase consumer durables. The buying intentions index for the next twelve months rose to 49.4 index points from 47.1 obtained in Q3, 2012. The index of consumer durables, motor vehicle and house and lot are expected to rise to 55.7, 48.1 and 44.5 points respectively from 51.6, 46.5 and 43.3 points respectively obtained in Q3, 2012.

<sup>4</sup>Buying intention refers to the assessment of consumers as to whether it is good time, neither good nor bad or bad time to buy assets (ie. consumer durables, house and lot, and motor vehicles) during the next 12 months. An index above 50 means more respondents indicated that it is a good time to buy assets; below 50 means more respondents believe that it would not be an opportune time to make purchases; and 50 means the number of respondents on both sides is equal.  $BI = 0.5(100+DI)$ , where  $DI$  = diffusion index

## Indices of Selected Economic Indicators

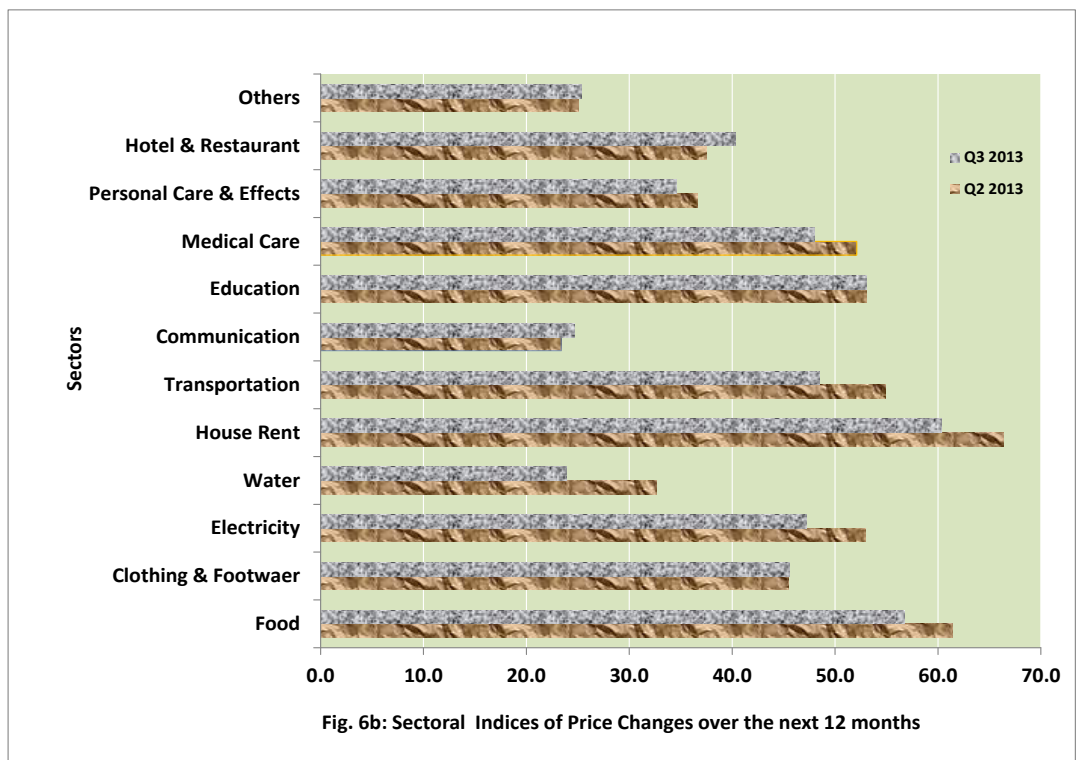
*Consumers nationwide expect unemployment, borrowing and inflation rates to rise and exchange rate to depreciate in the next 12 months.*

Majority of the consumers nationwide expect unemployment to rise in the next 12 months. The unemployment index for the next 12 months obtained in Q3, 2013 remained positive at 35.7 points up by 1.0 points from the 34.7 points in Q3, 2012. With indices of 22.7 and -5.0 points, consumers expect borrowing rate to rise and the exchange rate to depreciate in the next 12 months (Fig.6).



Majority of consumers expect inflation rate to rise in the next 12 months as the index stood at 22.9 points. The major drivers for the upward movement in prices in the next 12 months are house rent, food, transportation, electricity, education and medical care.

*The major drivers for the expected rise in prices in the next 12 months are house rents, food, transportation, electricity and education.*



## TECHNICAL NOTES

The overall consumer confidence index is computed as the average of the three indices, namely:

1. **Economic Condition** refers to the perception of the respondent regarding the general economic condition of the country.
2. **Family Financial Situation** refers to the level of savings, investments, other assets including cash at hand and outstanding debts.
3. **Family Income** includes primary income and receipts from other sources received by all family members as participants in any economic activity or as recipients of transfers, pensions, grants, and the like.

The **confidence index** or **diffusion index** is computed as the percentage share of respondents that answered in the affirmative less the percentage share of respondents that answered negative in a given indicator. A positive CI indicates that respondents with a favorable view outnumber those with an unfavorable view, except for unemployment, change in prices and interest rate for borrowing money, where a positive CI indicates the opposite.

**Buying condition and buying intention indices** refers to the assessment of consumers as to whether it is good time, neither good nor bad or bad time to buy assets (i.e. consumer durables, house and lot, and motor vehicles) during the quarter. An index above 50 means more respondents indicated that it is a good time to buy assets; below 50 means more respondents believe that it would not be an appropriate time to make purchases; and 50 means the number of respondents on both sides is equal.

**TABLE 2**

**National  
CONSUMER EXPECTATIONS SURVEY**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Consumer Outlook: Composite Index</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
<i>National</i>	-12.7	-8.8	-11.4	-8.5	-2.7	-8.4	-6.0
<i>North Central</i>	2.7	-7.0	-4.8	-11.8	-1.7	-9.3	-0.5
<i>North East</i>	-14.5	-20.7	-23.0	-14.7	-3.5	-12.6	-11.0
<i>North West</i>	-15.7	-16.0	-15.7	-3.3	-4.3	-10.4	-12.8
<i>South East</i>	-20.5	1.4	-3.0	-1.3	-8.7	-18.2	-10.4
<i>South South</i>	-18.0	-4.0	-5.4	-14.7	-1.2	-5.0	-1.5
<i>South West</i>	-6.0	-5.0	-11.3	-5.8	1.0	0.9	-1.8
<b>Next Quarter</b>							
<i>National</i>	32.1	29.5	25.3	30.0	36.9	31.4	31.3
<i>North Central</i>	36.0	28.2	30.4	17.2	37.7	29.4	35.9
<i>North East</i>	25.9	23.4	16.5	19.2	43.7	29.7	19.7
<i>North West</i>	26.7	24.4	16.6	29.5	39.7	24.1	24.5
<i>South East</i>	25.3	43.8	30.9	37.5	28.3	24.4	23.5
<i>South South</i>	34.7	30.1	31.7	30.3	30.9	35.6	37.7
<i>South West</i>	31.7	30.4	26.4	32.1	38.6	42.1	38.3
<b>Next 12 months</b>							
<i>National</i>	29.5	29.4	26.1	30.0	33.8	27.8	30.4
<i>North Central</i>	34.5	23.5	31.9	26.4	32.5	27.0	35.9
<i>North East</i>	27.0	23.4	21.1	24.8	37.2	29.1	26.1
<i>North West</i>	22.5	23.9	20.7	30.5	31.3	19.4	28.2
<i>South East</i>	25.1	43.6	35.6	34.3	23.8	22.7	17.5
<i>South South</i>	33.9	32.5	30.4	34.5	39.5	27.6	32.5
<i>South West</i>	34.3	32.9	23.9	30.4	36.5	38.2	37.1
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>National</b>							
<b>Economic Condition</b>							
Under ₦ 20,000 per month	-17.6	-8.9	-10.9	-10.2	2.4	-5.6	-1.4
Between ₦ 20,000 and ₦ 50,000 per month	-28.5	-17.0	-11.8	-19.1	-7.7	-15.6	-1.4
Between ₦50,001 and ₦100,000 per month	-13.4	-5.1	-10.7	-9.7	2.7	-3.9	-0.1
Over ₦ 100,000 per month	-9.7	-3.3	-9.6	-4.7	10.2	-0.4	1.0
<b>Family Financial Situation</b>							
Under ₦ 20,000 per month	-15.9	-16.7	-16.5	-13.1	-18.4	-17.8	-19.1
Between ₦ 20,000 and ₦ 50,000 per month	-28.3	-33.1	-24.8	-20.9	-28.7	-32.1	-25.8
Between ₦ 50,001 and ₦ 100,000 per month	-18.0	-13.4	-14.6	-15.2	-18.3	-23.4	-21.0
Over ₦ 100,000 per month	-6.4	-10.6	-14.8	-6.9	-14.2	-8.5	-14.8
<b>Family Income</b>							
Under ₦ 20,000 per month	-4.6	-0.8	-6.9	-2.2	8.0	-1.8	2.6
Between ₦ 20,000 and ₦ 50,000 per month	-0.5	-6.1	-9.5	-4.1	1.4	-10.0	1.5
Between ₦ 50,001 and ₦ 100,000 per month	-4.7	3.6	-5.5	-3.0	10.7	-1.9	4.3
Over ₦ 100,000 per month	-3.2	1.1	-3.4	0.0	11.3	3.6	2.5
Over ₦ 100,000 per month	-14.6	-6.8	-11.3	-1.2	2.4	-1.5	0.0
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>National</b>							
<b>Economic Condition</b>							
Under ₦ 20,000 per month	25.8	21.6	17.8	19.4	26.8	21.8	26.9
Between ₦ 20,000 and ₦ 50,000 per month	13.1	12.3	6.4	6.9	6.5	6.4	19.0
Between ₦50,001 and ₦100,000 per month	23.2	25.9	18.8	17.4	26.4	18.2	29.2
Over ₦ 100,000 per month	33.3	23.6	23.6	23.8	36.2	27.6	28.8
<b>Family Financial Situation</b>							
Under ₦ 20,000 per month	33.2	19.3	18.2	28.3	30.4	30.3	26.0
Between ₦ 20,000 and ₦50,000 per month	4.4	4.0	3.6	6.2	14.1	5.8	13.5
Between ₦50,001 and ₦100,000 per month	-2.8	-2.1	-1.9	3.0	8.4	-0.3	7.9
Over ₦100,000 per month	2.3	4.7	0.2	0.6	14.3	2.9	8.4
<b>Family Income</b>							
Under ₦20,000 per month	11.8	0.4	7.8	13.1	16.4	8.4	12.9
Between ₦20,000 and ₦50,000 per month	3.6	12.6	8.9	9.2	14.9	11.3	16.9
Between ₦50,001 and ₦100,000 per month	66.0	62.9	54.5	64.4	69.8	66.7	53.5
Over ₦100,000 per month	67.3	61.0	56.0	66.0	80.8	68.0	53.6
Over ₦100,000 per month	64.8	63.2	54.4	65.9	71.8	68.0	55.6
Over ₦100,000 per month	64.6	63.2	53.4	60.3	65.8	63.3	51.1
Over ₦100,000 per month	69.9	63.7	54.6	66.2	62.9	68.9	53.3

**TABLE 2**

**National  
CONSUMER EXPECTATIONS SURVEY**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>National</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	25.4	20.1	18.3	20.3	25.0	17.5	22.2
Between N 20,000 and N 50,000 per month	7.8	13.7	8.7	-1.9	8.6	7.0	13.4
Between N 50,001 and N 100,000 per month	22.8	16.7	12.5	16.0	21.6	10.8	17.9
Over N 100,000 per month	32.8	25.5	24.2	24.0	30.8	21.2	25.1
<b>Family Financial Situation</b>							
Under N 20,000 per month	30.4	21.9	24.5	32.9	30.5	24.5	29.1
Between N 20,000 and N 50,000 per month	4.3	5.9	3.2	6.6	14.3	8.0	11.3
Between N 50,001 and N 100,000 per month	0.8	-8.8	-8.9	-11.0	0.8	-12.2	0.0
Over N 100,000 per month	-1.0	0.3	-4.2	-1.1	8.6	0.7	3.5
<b>Family Income</b>							
Under N 20,000 per month	7.0	9.6	11.5	10.9	19.8	14.7	13.6
Between N 20,000 and N 50,000 per month	11.9	18.3	10.3	20.8	22.8	17.8	24.7
Between N 50,001 and N 100,000 per month	58.8	62.3	56.8	63.2	62.3	58.0	57.8
Over N 100,000 per month	53.5	51.6	48.7	55.3	59.0	41.7	47.6
Under N 20,000 per month	57.8	64.7	57.5	65.8	64.3	60.3	58.2
Between N 20,000 and N 50,000 per month	61.9	64.9	59.6	62.4	63.5	60.6	60.1
Between N 50,001 and N 100,000 per month	59.4	62.3	57.5	64.9	60.0	59.0	59.5
Over N 100,000 per month							
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>	<b>14.7</b>	<b>12.3</b>	<b>12.8</b>	<b>16.7</b>	<b>17.0</b>	<b>10.2</b>	<b>15.8</b>
Food & Other household needs	58.8	62.3	56.8	63.2	62.3	58.0	57.8
Education	58.7	56.6	58.1	60.8	62.8	57.7	58.8
Debt Payment	8.2	-0.4	3.3	2.1	6.5	2.4	7.5
Medical Expenses	22.4	18.0	18.8	18.7	15.6	15.1	20.4
Savings	15.7	16.3	12.1	23.3	23.1	11.5	17.6
Purchase of Appliances	-2.45	-1.4	-2.5	7.1	2.7	-6.9	6.1
Investment	6.5	6.6	8.8	17.5	13.5	6.1	12.4
Purchase of Consumer durables	17.5	14.1	8.6	15.6	14.2	8.8	13.8
Purchase of Car/Motor Vehicle	-15.4	-18.7	-12.8	-11.0	-7.4	-20.2	-9.6
Purchase of House	-10.7	-19.7	-13.7	-14.0	-10.2	-17.5	-10.7
Others	2.7	1.6	3.6	0.1	3.5	-2.4	0.2
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	41.9	40.2	39.6	40.4	44.4	40.1	44.3
Consumer Durables	47.7	49.6	46.6	48.9	54.0	49.1	51.3
Motor Vehicle	39.3	36.3	37.9	37.7	40.8	35.8	42.0
House & Lot	38.8	34.6	34.5	34.6	38.4	35.3	39.7
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	49.1	46.4	47.1	46.7	49.3	45.8	49.4
Consumer Durables	52.15	53.0	51.6	53.3	57.2	54.0	55.7
Motor Vehicle	46.4	44.1	46.5	44.5	46.6	41.8	48.1
House & Lot	48.8	42.0	43.3	42.3	44.1	41.7	44.5
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	21.1	30.0	34.7	33.8	35.2	39.4	35.7
Interest Rate Index for Borrowing Money	16.0	19.8	24.0	25.1	24.9	24.4	22.7
Exchange Rate	-3.5	-11.2	-10.4	-16.3	-4.8	-11.4	-5.0
Change in Price Index	28.1	27.0	32.1	30.7	30.5	28.7	22.9
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	59.1	55.6	52.1	65.6	65.0	61.4	56.7
Clothing & Footwaer	47.5	47.8	46.8	47.8	44.1	45.5	45.6
Electricity	56.8	55.4	57.2	58.3	49.4	53.0	47.2
Water	33.9	33.0	35.8	33.9	31.0	32.6	23.9
House Rent	65.2	68.4	67.8	67.6	66.9	66.4	60.3
Transportation	59.5	59.7	58.8	65.5	54.1	54.9	48.5
Communication	26.7	26.9	31.6	26.6	25.4	23.4	24.7
Education	52.1	49.5	56.3	52.7	54.2	53.1	53.1
Medical Care	48.2	47.8	53.7	49.2	45.4	52.1	48.0
personal Care	28.5	33.2	35.5	32.1	30.2	36.6	34.6
Hotel & Restaurant	36.1	42.1	48.9	44.1	35.7	37.5	40.3
Others	26.8	28.8	29.3	27.8	27.7	25.1	25.4
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	4.4	3.5	3.3	4.2	3.8	5.9	3.4
Junior School	3.0	2.7	2.7	2.4	3.2	2.5	3.3
Senior School	15.0	14.3	14.2	14.9	13.7	15.3	15.1
Higher non-university education	33.0	29.6	30.7	30.0	30.2	28.6	31.3
University	39.8	44.6	44.8	45.0	46.2	43.3	44.5
None	4.7	5.3	4.1	3.4	2.8	4.4	2.2
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	1800	1950	1850	1950	1950	1950	1950
Number of Respondents	<u>1755</u>	<u>1929</u>	<u>1827</u>	<u>1923</u>	<u>1941</u>	<u>1941</u>	<u>1948</u>
Response Rate	97.5	98.9	98.8	98.6	99.5	99.5	99.9

# Consumer Expectations Survey Q3 2013, North Central Zone

## Consumer Outlook

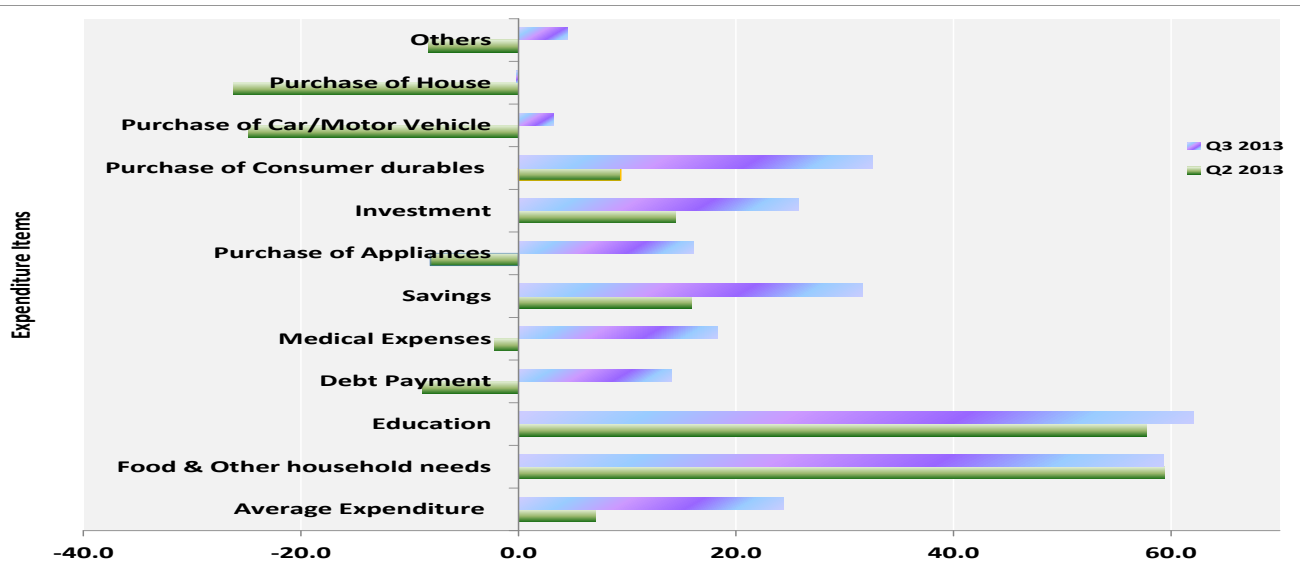


Fig. 7: North Central Confidence Index on Amount of Expenditure in the next 12 months

The North Central zone consumer's overall outlook remained downbeat in Q3, 2013. At -0.5 points the index though negative rose by 4.3 points above its level in corresponding quarter of 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their family financial situation which stood at -19.1 points from -13.7 points attained in Q3, 2012 (Table 3 section 2).

However, consumer outlook for the next quarter and next 12 months remained positive, at 35.9 and 35.9 points respectively. The positive outlook of consumers in the next quarter and the next 12 months could be attributable largely to the optimistic outlook of consumers in their economic condition, family financial situation and family income.

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. With an average index of 24.3 points, the index rose by 10.2 points from the 14.1 points obtained in the Q3, 2012 (Table 3 section 5 and Fig. 7).

The breakdown of the expected expenditure over the next 12 months are: education (62.1 points), food and other household needs (59.4 points), purchase of consumer durables (32.6 points) savings (31.7 points), and investment (25.8 points).

The proportion of respondents that indicated intentions to buy big ticket items in the next 12 months rose to 57.3 points from the 45.9 points obtained in Q3, 2012. The increase in buying intention index in Q3, 2013 suggest that the majority of the respondents indicated that the next 12 months will not be an opportune time to purchase big ticket items.

**TABLE 3**  
**North-Central Zone**  
**CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>1. Zonal Consumer Outlook: Composite Index</b>							
<b>Confidence Index:</b>							
Current Quarter	2.7	-7.0	-4.8	-11.8	-1.7	-9.3	-0.5
Next Quarter	36.0	28.2	30.4	17.2	37.7	29.4	35.9
Next 12 months	34.5	23.5	31.9	26.4	32.5	27.0	35.9
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	-19.6	-8.2	-6.9	-11.9	3.0	-7.1	1.2
Between N 20,000 and N 50,000 per month	-37.5	-8.4	5.3	-21.4	-16.9	-43.6	-4.2
Between N 50,001 and N 100,000 per month	-17.9	-1.6	-12.4	-15.2	1.7	-2.1	12.6
Over N 100,000 per month	-8.2	-8.5	-10.8	7.1	25.0	9.1	2.3
<b>Family Financial Situation</b>							
Under N 20,000 per month	-11.4	-19.8	-4.2	-18.8	-8.1	-10.9	-11.4
Between N 20,000 and N 50,000 per month	-0.15	-12.8	-13.7	-22.6	-22.1	-18.9	-19.1
Between N 50,001 and N 100,000 per month	-5.6	-27.9	-17.4	-29.8	-30.2	-33.6	-18.1
Over N 100,000 per month	-2.9	-7.3	-16.4	-28.9	-26.9	-27.5	-30.4
<b>Family Income</b>							
Under N 20,000 per month	19.9	-9.1	-18.8	-2.4	-13.5	-9.6	-13.6
Between N 20,000 and N 50,000 per month	-21.4	-9.5	0.7	-28.6	-14.0	-6.5	-10.0
Between N 50,001 and N 100,000 per month	27.7	0.0	6.1	-0.8	14.0	-2.0	16.3
Over N 100,000 per month	34.7	-2.6	-2.7	7.1	-10.5	-34.5	4.8
Between N 20,000 and N 50,000 per month	35.8	11.4	4.0	-11.4	17.9	0.0	26.2
Between N 50,001 and N 100,000 per month	20.5	-6.1	4.2	3.5	31.7	13.5	9.1
Over N 100,000 per month	0.0	-11.1	2.3	3.6	9.3	-2.9	24.3
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	26.25	17.0	21.3	-21.2	25.4	16.3	35.3
Between N 20,000 and N 50,000 per month	12.8	18.0	-1.7	9.3	-19.7	-54.4	13.9
Between N 50,001 and N 100,000 per month	24.3	14.6	18.9	12.2	27.6	23.5	48.1
Over N 100,000 per month	30.2	19.3	29.8	25.5	47.5	23.2	37.2
<b>Family Financial Situation</b>							
Under N 20,000 per month	35.4	17.3	28.9	28.4	39.7	35.4	32.9
Between N 20,000 and N 50,000 per month	24.3	6.4	12.0	2.0	22.8	8.4	23.1
Between N 50,001 and N 100,000 per month	23.4	7.8	31.0	8.0	5.3	2.2	26.2
Over N 100,000 per month	28.4	11.7	-1.0	-12.8	39.3	4.1	26.2
<b>Family Income</b>							
Under N 20,000 per month	37.5	-8.4	10.1	6.1	23.2	10.5	26.5
Between N 20,000 and N 50,000 per month	-10.4	12.8	15.8	8.8	16.2	13.5	13.4
Between N 50,001 and N 100,000 per month	57.3	61.2	58.0	70.7	64.9	63.6	49.4
Over N 100,000 per month	70.2	48.4	46.6	74.7	68.4	55.6	52.5
Between N 20,000 and N 50,000 per month	49.5	64.2	60.2	67.0	74.8	70.4	58.9
Between N 50,001 and N 100,000 per month	51.0	69.9	63.6	68.4	54.5	59.6	33.7
Over N 100,000 per month	75.0	57.7	56.8	74.1	57.4	65.2	54.9
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	34.2	10.9	22.5	22.6	23.9	14.2	24.4
Between N 20,000 and N 50,000 per month	25.0	7.7	19.4	-2.2	-13.9	-9.3	7.9
Between N 50,001 and N 100,000 per month	27.0	-1.4	11.9	10.9	18.8	-1.6	30.0
Over N 100,000 per month	37.5	19.9	22.5	32.5	37.3	21.5	27.2
<b>Family Financial Situation</b>							
Under N 20,000 per month	46.6	18.2	32.2	35.4	35.6	25.2	26.4
Between N 20,000 and N 50,000 per month	1.7	-1.1	12.0	-4.0	17.1	7.5	24.0
Between N 50,001 and N 100,000 per month	44.7	-7.7	11.1	-15.6	-7.4	-3.7	24.6
Over N 100,000 per month	-8.0	-3.6	-8.2	-15.8	18.8	-6.6	27.8
<b>Family Income</b>							
Under N 20,000 per month	-7.7	-4.1	6.9	-2.8	15.5	14.0	10.9
Between N 20,000 and N 50,000 per month	6.9	9.4	22.6	12.6	32.2	15.0	31.5
Between N 50,001 and N 100,000 per month	67.7	60.6	61.1	60.6	56.4	59.4	59.4
Over N 100,000 per month	71.1	42.3	54.2	54.5	63.0	48.1	52.6
Between N 20,000 and N 50,000 per month	59.5	65.5	62.9	59.5	55.7	56.0	58.9
Between N 50,001 and N 100,000 per month	74.5	61.7	62.3	63.7	57.8	58.3	58.7
Over N 100,000 per month	67.2	64.1	60.4	62.5	52.2	66.4	64.4
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>							
	<b>22.5</b>	<b>17.7</b>	<b>14.1</b>	<b>21.0</b>	<b>26.7</b>	<b>7.1</b>	<b>24.3</b>
Food & Other household needs	67.7	60.6	61.1	60.6	56.4	59.4	59.4
Education	29.0	58.7	56.8	59.2	56.7	57.7	62.1
Debt Payment	23.9	5.95	-6.0	-4.7	2.8	-8.9	14.1
Medical Expenses	40.9	15.3	2.4	11.3	4.3	-2.2	18.3
Savings	27.7	28.4	24.5	30.6	39.4	15.9	31.7
Purchase of Appliances	11.2	1.7	1.7	13.9	21.25	-8.1	16.1
Investment	16.5	20.8	15.9	24.2	30.4	14.4	25.8
Purchase of Consumer durables	26.0	28.4	15.5	24.8	34.9	9.4	32.6
Purchase of Car/Motor Vehicle	-8.4	-8.25	-10.6	-2.5	10.7	-24.9	3.3
Purchase of House	-2.6	-10.6	-10.7	-0.2	15.3	-26.2	-0.1
Others	15.5	-5.75	4.5	13.7	21.4	-8.3	4.6

**TABLE 3**  
**North-Central Zone**  
**CONSUMER EXPECTATIONS SURVEY**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	52.9	43.6	38.6	48.2	49.5	36.5	52.0
Consumer Durables	63.9	50.0	51.2	74.8	57.0	49.0	58.2
Motor Vehicle	49.6	43.1	34.6	37.3	45.7	30.3	51.0
House & Lot	45.3	37.7	29.9	32.4	45.9	30.3	46.8
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	54.4	47.8	45.9	54.6	55.1	44.5	57.3
Consumer Durables	50.9	49.5	54.2	74.0	58.6	53.8	62.0
Motor Vehicle	56.5	49.0	43.9	45.8	54.9	40.5	56.5
House & Lot	55.9	44.9	39.6	43.9	51.8	39.2	53.4
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	7.0	33.3	33.0	30.6	37.6	39.2	26.3
Interest Rate Index for Borrowing Money	2.0	31.0	17.4	25.0	23.4	27.5	18.3
Exchange Rate	11.0	-4.9	-12.5	-21.3	5.2	-9.5	4.3
Change in Price Index	20.0	33.6	32.3	38.8	36.1	24	18.3
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	45.3	54.8	59.7	73.6	59.9	56.3	50.9
Clothing & Footwaer	48.4	55.6	53.7	57.7	51.9	55.8	34.0
Electricity	52.7	60.9	57.8	58.3	49.5	55.3	43.1
Water	35.7	49.9	45.5	44.5	31.3	33.9	26.3
House Rent	50.0	71.3	72.9	77.0	63.2	68.0	53.7
Transportation	39.0	61.4	61.4	66.1	48.2	54.3	47.4
Communication	18.3	31.6	40.0	34.2	30.5	25.4	16.6
Education	44.6	55.7	61.7	61.5	46.7	51.8	50.0
Medical Care	40.6	52.4	58.3	60.4	48.7	59.6	39.1
personal Care	21.0	38.8	52.9	43.6	29.1	36.1	27.7
Hotel & Restaurant	24.0	45.8	59.7	54.6	36.2	42.8	39.7
Others	18.4	33.6	33.4	35.9	25.6	25.7	22.2
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	5.0	1.4	0.9	1.4	2.3	0.3	3.4
Junior School	0.7	2.3	1.1	0.9	1.4	0.0	1.7
Senior School	15.0	9.9	12.9	13.8	16.8	10.7	17.7
Higher non-university education	42.7	32.5	27.1	24.7	27.4	28.3	32.0
University	32.0	52.2	53.1	55.2	48.1	58.1	42.3
None	4.7	1.7	4.3	3.7	3.7	2.6	2.3
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	300	350	350	350	350	350	350
Number of Respondents	<u>300</u>	<u>345</u>	<u>350</u>	<u>350</u>	<u>350</u>	<u>346</u>	<u>350</u>
Response Rate	100.0	98.6	100.0	100.0	100.0	98.9	100.0



# Consumer Expectations Survey Q3 2013, North East Zone

## Consumer Outlook

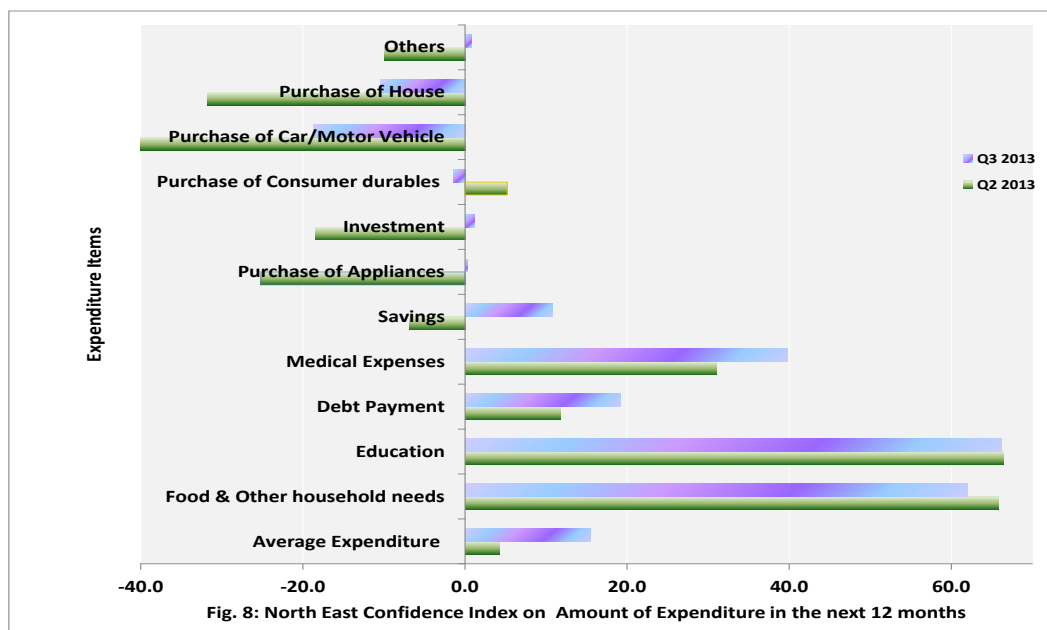


Fig. 8: North East Confidence Index on Amount of Expenditure in the next 12 months

Consumers' overall outlook in the North East zone remained downbeat in the current quarter. At -11.0 points the index inched up by 12.0 points above its level in Q3, 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their economic condition and family financial situation, which stood at -8.7 and -24.5 per cent in the quarter under review (Table 4 section 2).

However, consumer outlook for the next quarter and next 12 months was positive at 19.7 and 26.1 points respectively. The positive outlook of consumers in the next quarter and next 12 months could be attributable largely to the optimistic outlook of consumers in their economic condition and family income

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. With an average index of 15.4 points, the index rose by 12.2 points, from the 3.2 points obtained in the corresponding period of 2012 (Table 4 section 5 and Fig. 8).

The breakdowns of the expected expenditure over the next 12 months are: education (66.2 points), food and other households needs (62.0 points) medical expenses (39.9 points), debt payment (19.2 points) and savings (10.8 points). Conversely, some consumers indicated that they do not plan to spend substantial amount of their income on purchase of cars/motor vehicle (-18.7), purchase of house (-10.5) and purchase of consumer durables (-1.5).

The proportion of respondents that indicated intentions to buy big ticket items in the next 12 months inched up to 42.9 points from the 42.6 points obtained in Q3, 2012. The buying intention index points obtained in Q3, 2013 suggest that the majority of the respondents indicated that the next 12 months will not be an opportune time to purchase big ticket items.

**TABLE 4**  
North-East Zone  
**CONSUMER EXPECTATIONS SURVEY**

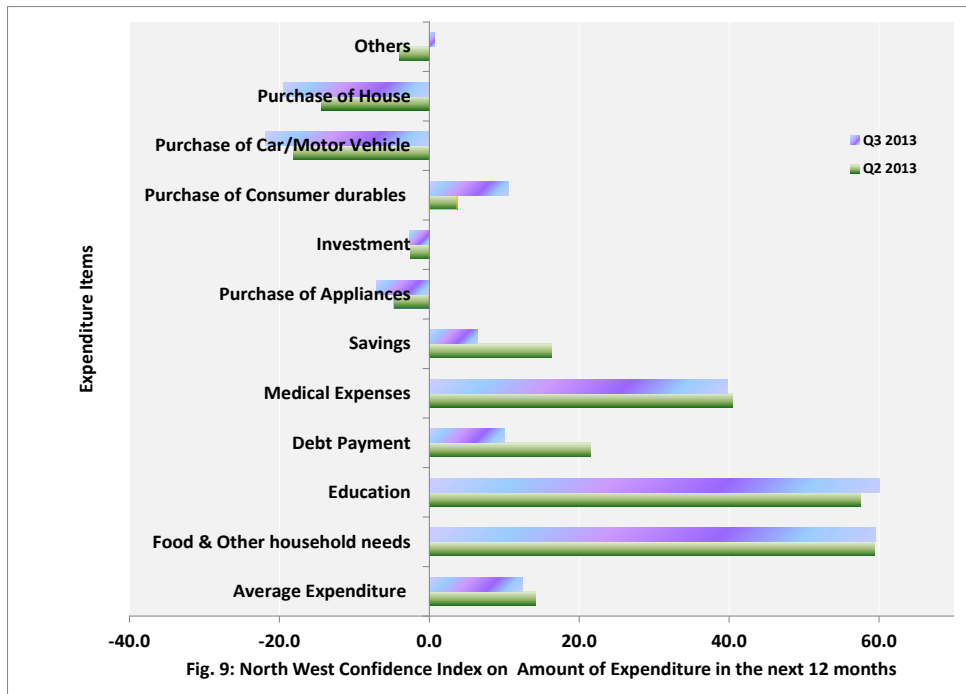
Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Zonal Consumer Outlook: Composite Index</b>							
<b>Confidence Index:</b>							
Current Quarter	-14.5	-20.7	-23.0	-14.7	-3.5	-12.6	-11.0
Next Quarter	25.9	23.4	16.5	19.2	43.7	29.7	19.7
Next 12 months	27.0	23.4	21.1	24.8	37.2	29.1	26.1
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	-10.2	-16.7	-21.0	-7.9	6.9	-17.4	-8.7
Between N 20,000 and N 50,000 per month	-27.7	-24.6	-12.8	-16.2	9.7	-18.4	-5.1
Between N50,001 and N100,000 per month	-1.4	-11.9	-16.3	-9.8	7.7	-27.2	-9.6
Over N 100,000 per month	0.8	-11.9	-38.2	-9.7	6.5	-10.3	-4.9
<b>Family Financial Situation</b>							
Under N 20,000 per month	-22.9	-34.4	-26.9	-23.7	-28.7	-23.7	-24.5
Between N 20,000 and N 50,000 per month	-25.5	-47.9	-35.3	-41.2	-33.6	-47.4	-30.4
Between N 50,001 and N 100,000 per month	-21.6	-27.7	-23.3	-22.0	-21.4	-35.8	-24.0
Over N 100,000 per month	-19.5	-37.3	-24.3	-17.2	-30.4	-9.8	-21.1
<b>Family Income</b>							
Under N 20,000 per month	-27.5	-25.0	-25.0	0.0	-42.2	4.4	-21.4
Between N 20,000 and N 50,000 per month	-10.4	-10.9	-21.1	-12.6	11.3	3.4	0.3
Between N 50,001 and N 100,000 per month	-17.0	-23.9	-32.1	-33.8	34.3	-2.6	17.4
Over N 100,000 per month	-7.7	-5.0	-15.0	-15.0	13.7	-7.3	8.8
Over N 100,000 per month	0.0	3.0	-20.8	-4.5	5.8	12.7	-18.3
Over N 100,000 per month	-25.0	-22.2	-16.7	37.5	-34.4	20.6	-25.7
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	9.8	11.5	4.5	9.4	34.6	11.9	7.4
Between N 20,000 and N 50,000 per month	-15.6	-5.1	7.9	-10.1	17.7	0.0	-2.7
Between N50,001 and N100,000 per month	8.9	19.5	6.3	2.6	36.7	-1.2	15.2
Over N 100,000 per month	28.2	17.9	1.4	25.7	36.5	26.0	0.6
<b>Family Financial Situation</b>							
Under N 20,000 per month	35.7	0.0	-2.9	40.3	43.5	29.2	9.8
Between N 20,000 and N50,000 per month	-10.8	-9.9	-6.5	-6.3	14.4	6.8	4.6
Between N50,001 and N100,000 per month	-15.6	-23.1	-22.2	-34.8	22.9	-2.6	-3.6
Over N100,000 per month	-8.9	-11.9	-0.8	-20.2	17.7	-1.6	8.2
<b>Family Income</b>							
Under N20,000 per month	-11.3	-4.3	-2.8	20.8	6.8	16.0	3.9
Between N20,000 and N50,000 per month	-3.6	-4.5	-5.9	45.2	8.7	19.4	6.5
Between N50,001 and N100,000 per month	78.7	68.6	51.4	54.6	82.2	70.4	47.0
Over N 100,000 per month	72.7	69.2	74.6	78.3	91.7	78.9	56.4
Over N 100,000 per month	80.2	66.9	48.4	61.4	79.0	69.9	34.4
Over N 100,000 per month	83.1	60.0	39.4	27.8	78.4	69.0	48.1
Over N 100,000 per month	78.6	80.3	44.1	38.7	87.0	66.7	67.4
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	19.7	11.9	9.9	14.6	36.7	13.3	8.3
Between N 20,000 and N 50,000 per month	-16.0	3.6	6.7	-25.5	42.4	-5.0	9.4
Between N 50,001 and N 100,000 per month	33.3	19.6	7.6	14.0	38.1	10.8	10.0
Over N 100,000 per month	27.8	10.8	22.1	22.4	38.8	21.9	6.5
<b>Family Financial Situation</b>							
Under N 20,000 per month	15.0	8.0	-4.7	44.5	26.3	13.7	5.8
Between N 20,000 and N 50,000 per month	-1.5	-2.0	-6.9	-1.4	15.8	8.1	8.0
Between N 50,001 and N 100,000 per month	-20.8	-28.6	0.0	-20.8	21.7	-20.0	0.0
Over N 100,000 per month	-5.7	-4.1	-12.4	-25.2	13.8	1.7	13.0
<b>Family Income</b>							
Under N 20,000 per month	13.9	-1.3	-1.2	13.4	17.5	21.9	1.3
Between N 20,000 and N 50,000 per month	5.0	14.7	-14.0	47.3	12.3	13.7	13.3
Between N 50,001 and N 100,000 per month	62.8	60.2	60.3	61.4	59.3	65.9	62.0
Over N 100,000 per month	54.7	42.9	60.8	53.8	48.9	38.3	45.8
Over N 100,000 per month	65.2	58.8	62.4	63.5	58.3	63.8	64.8
Over N 100,000 per month	63.9	64.6	55.2	59.7	64.4	75.5	66.9
Over N 100,000 per month	65.0	67.3	64.0	66.4	62.3	68.6	63.3
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>							
Food & Other household needs	<b>7.0</b>	<b>1.8</b>	<b>3.2</b>	<b>8.6</b>	<b>15.9</b>	<b>4.3</b>	<b>15.4</b>
Education	62.8	60.2	60.3	61.4	59.3	65.9	62.0
Debt Payment	60.8	57.9	64.5	67.0	68.6	66.4	66.2
Medical Expenses	3.7	5.7	16.3	23.8	22.1	11.8	19.2
Savings	32.0	37.1	36.7	39.7	34.2	31.0	39.9
Purchase of Appliances	-3.4	-7.4	-16.4	-7.0	13.8	-6.9	10.8
Investment	-18.6	-23.7	-21.0	-14.2	-4.0	-25.2	0.3
Purchase of Consumer durables	-8.1	-17.6	-18.2	4.6	5.5	-18.5	1.2
Purchase of Car/Motor Vehicle	3.7	-2.9	-13.9	-1.7	8.6	5.2	-1.5
Purchase of House	-34.1	-38.6	-28.1	-25.6	-13.8	-40.6	-18.7
Others	-17.6	-30.6	-26.0	-27.0	-13.9	-31.8	-10.5
Others	-4.7	-20.6	-18.9	-25.9	-5.0	-10.0	0.8

**TABLE 4**  
**North-East Zone**  
**CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	36.0	35.5	31.2	35.7	43.6	37.4	37.7
Consumer Durables	44.8	44.6	39.5	43.7	55.7	51.7	50.2
Motor Vehicle	29.3	31.0	28.5	33.2	40.0	29.6	31.9
House & Lot	33.9	30.8	25.7	30.1	35.2	30.8	31.0
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	43.3	41.8	42.6	41.2	47.2	42.9	42.9
Consumer Durables	49.3	49.0	46.6	49.3	57.9	54.1	54.0
Motor Vehicle	36.9	38.8	42.4	37.5	43.4	37.5	36.9
House & Lot	43.9	37.7	38.9	36.7	40.3	37.1	37.8
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	41.0	36.8	44.1	35.1	37.7	46.6	37.7
Interest Rate Index for Borrowing Money	27.3	28.7	40.0	36.7	24.7	28.6	23.4
Exchange Rate	27.5	-16.8	-17.6	-20.7	-7.6	-23.5	-9.3
Change in Price Index	-9.7	30.7	35.2	34.6	32.5	34.0	22.6
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	78.0	54.0	46.1	56.3	78.4	69.7	56.0
Clothing & Footwaer	50.5	41.0	45.1	48.6	53.1	32.7	44.4
Electricity	74.0	51.9	57.6	63.0	57.2	53.2	42.7
Water	44.0	26.3	30.2	30.4	34.5	23.9	17.7
House Rent	73.0	66.2	61.4	50.4	70.5	53.9	51.0
Transportation	75.4	67.9	52.2	62.6	66.4	43.8	41.6
Communication	31.4	18.7	18.3	35.3	27.4	11.1	30.0
Education	66.8	47.1	49.5	40.9	47.2	44.8	43.0
Medical Care	56.0	50.2	49.4	41.3	42.8	44.1	40.0
personal Care	29.6	26.6	19.6	23.1	28.1	32.3	17.6
Hotel & Restaurant	42.9	40.3	39.7	26.2	36.6	24.9	30.0
Others	42.6	21.5	16.0	7.3	26.0	16.5	14.7
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	6.9	4.4	3.1	4.5	1.4	5.0	1.0
Junior School	2.5	3.8	1.4	3.5	1.0	2.0	3.0
Senior School	8.3	6.8	10.8	18.9	9.2	42.0	9.0
Higher non-university education	42.2	37.9	40.0	35.3	44.2	123.0	40.3
University	35.4	42.7	41.4	30.8	42.5	118.0	40.0
None	4.7	4.4	3.1	7.0	1.7	7.0	6.7
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	300	300	300	300	300	300	300
Number of Respondents	<u>277</u>	<u>293</u>	<u>294</u>	<u>286</u>	<u>292</u>	<u>297</u>	<u>300</u>
Response Rate	92.3	97.7	98.0	95.3	97.3	99.0	100.0

# Consumer Expectations Survey Q3 2013, North West Zone

## Consumer Outlook



The North West zone consumers' overall outlook in Q3, 2013 remained downbeat. At -12.8 points the index inched up by 2.9 points above its level in Q3, 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their economic condition, family financial situation and family income which stood at -7.4, -37.3 and -4.8 points respectively (Table 5 section 2).

Consumer outlook for the next quarter and the next 12 months were however positive at 24.5 and 28.2 points, respectively. The positive outlook of consumers in the next quarter and the next 12 months could be attributable to the optimistic outlook of consumer in their economic condition, family financial situation and family income.

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. With an average index of 12.4 points, the index dipped by 1.7 points from the 14.1 points obtained in the Q3, 2012 (Table 5 section 5 and Fig. 9).

The breakdown of the expected expenditure over the next 12 months are: education (60.0 points), food and other household needs (59.6 points), medical expenses (39.9 points), purchase of consumer durables (10.6 points), Debt payments (10.0 points) and savings (6.4 points). Conversely, some consumers indicated that they do not plan to spend substantial amount of their income on purchase of car/motor vehicle (-21.8 points), purchase of house(-19.5 points) and purchase of appliances(-7.1points).

The proportion of respondents that indicated intentions to buy big tickets items in the next 12 months inched up to 46.4 points from the 42.8 points obtained in Q3, 2012. The buying intention index obtained in Q3 2013 suggest that the majority of the respondents indicated that the next 12 months will not be an opportune time to purchase big ticket items.

Ttable 5

North-West Zone  
CONSUMER EXPECTATIONS SURVEY

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Zonal Consumer Outlook: Composite Index</b>							
<b>Confidence Index:</b>							
Current Quarter	-15.7	-16.0	-15.7	-3.3	-4.3	-10.4	-12.8
Next Quarter	26.7	24.4	16.6	29.5	39.7	24.1	24.5
Next 12 months	22.5	23.9	20.7	30.5	31.3	19.4	28.2
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	-19.3	-18.3	-10.4	-1.8	3.2	-6.7	-7.4
Between N 20,000 and N 50,000 per month	-26.6	-22.8	-20.7	-8.1	16.7	-16.7	-6.6
Between N50,001 and N100,000 per month	-14.8	-15.2	-12.9	0.0	-1.0	-4.0	-16.9
Over N 100,000 per month	-14.6	-14.0	2.9	4.8	-3.0	0.0	8.2
<b>Family Financial Situation</b>							
Under N 20,000 per month	-37.0	-29.3	0.0	-12.5	5.7	0.0	-4.5
Between N 20,000 and N 50,000 per month	-15.0	-18.6	-22.8	-8.9	-17.6	-12.9	-26.1
Between N 50,001 and N 100,000 per month	-21.7	-31.0	-26.1	-20.9	-27.3	-26.4	-37.3
Over N 100,000 per month	-22.8	-20.3	-25.0	-9.0	-17.2	-12.9	-23.3
<b>Family Income</b>							
Under N 20,000 per month	5.6	-10.4	-15.9	-0.6	-13.3	0.7	-21.2
Between N 20,000 and N 50,000 per month	4.3	-4.9	-20.0	-1.6	-10.2	-2.0	-20.5
Between N 50,001 and N 100,000 per month	-12.7	-11.1	-14.0	0.9	1.7	-11.7	-4.8
Over N 100,000 per month	-3.3	-10.1	-10.6	0.0	6.7	-23.1	-12.0
Between N 20,000 and N 50,000 per month	-14.2	-6.1	-12.9	6.5	8.1	0.0	-12.2
Between N 50,001 and N 100,000 per month	-18.1	-14.6	-13.0	0.0	-12.0	-11.9	12.3
Over N 100,000 per month	-21.7	-24.4	-27.5	-21.9	-2.3	-15.7	4.5
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	5.6	16.1	7.1	17.6	25.4	12.1	24.4
Between N 20,000 and N 50,000 per month	-2.5	14.7	-2.6	21.8	31.5	2.5	15.8
Between N50,001 and N100,000 per month	5.9	14.1	6.6	26.5	26.9	20.0	18.5
Over N 100,000 per month	16.1	16.5	12.4	6.0	17.2	21.9	31.0
<b>Family Financial Situation</b>							
Under N 20,000 per month	-7.4	24.4	16.3	4.8	26.0	-4.2	45.8
Between N 20,000 and N 50,000 per month	-3.5	-8.0	-2.7	9.3	14.3	0.0	5.8
Between N 50,001 and N 100,000 per month	2.5	-25.0	-5.1	10.9	13.6	-18.2	-7.9
Over N 100,000 per month	-6.6	-5.5	-11.7	13.5	18.5	12.3	0.0
<b>Family Income</b>							
Under N20,000 per month	0.0	-5.3	10.7	14.1	9.2	6.8	17.7
Between N20,000 and N50,000 per month	-14.8	4.7	4.7	-19.0	13.5	-6.3	25.0
Between N50,001 and N100,000 per month	77.9	65.1	45.3	61.6	79.4	60.3	43.3
Over N 100,000 per month	73.8	72.1	60.3	47.6	92.6	68.7	47.4
Between N20,000 and N50,000 per month	77.0	62.1	49.6	62.6	80.0	59.2	47.9
Between N50,001 and N100,000 per month	84.4	67.0	27.1	69.1	72.4	43.8	41.8
Over N 100,000 per month	74.1	60.5	41.9	59.2	69.2	70.8	25.0
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	9.3	11.9	3.9	16.7	18.9	-1.6	21.6
Between N 20,000 and N 50,000 per month	4.7	13.9	-5.4	12.3	21.2	-12.3	7.6
Between N 50,001 and N 100,000 per month	6.2	5.0	0.0	18.2	18.8	10.4	13.3
Over N 100,000 per month	15.4	22.3	2.5	17.9	15.3	-13.3	32.2
<b>Family Financial Situation</b>							
Under N 20,000 per month	13.6	4.1	24.2	16.1	21.9	1.8	38.5
Between N 20,000 and N 50,000 per month	1.7	-3.1	-1.2	11.9	13.7	0.3	3.5
Between N 50,001 and N 100,000 per month	1.3	-18.0	-8.1	10.5	3.8	-23.4	-10.2
Over N 100,000 per month	-3.6	-9.2	-7.1	7.4	19.2	6.0	-7.2
<b>Family Income</b>							
Under N 20,000 per month	9.6	8.2	11.1	19.8	12.6	14.5	18.9
Between N 20,000 and N 50,000 per month	0.0	6.1	3.2	8.5	12.3	-1.8	18.0
Between N 50,001 and N 100,000 per month	56.6	62.9	59.4	63.0	61.4	59.5	59.6
Over N 100,000 per month	55.3	52.5	49.3	54.4	51.0	53.2	54.2
Between N 20,000 and N 50,000 per month	53.6	59.6	55.6	65.7	64.6	64.6	59.7
Between N 50,001 and N 100,000 per month	67.3	64.5	69.1	67.5	61.6	57.2	65.0
Over N 100,000 per month	37.9	80.6	67.7	58.5	63.0	58.0	56.6
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>							
Food & Other household needs	18.6	7.5	14.1	19.8	26.0	14.1	12.4
Education	56.6	62.9	59.4	63.0	61.4	59.4	59.6
Debt Payment	65.9	52.3	62.5	63.5	67.2	57.5	60.0
Medical Expenses	20.9	5.0	16.5	10.1	28.8	21.6	10.0
Savings	49.3	36.1	46.1	49.5	45.2	40.5	39.9
Purchase of Appliances	16.9	2.3	6.1	20.8	22.3	16.4	6.4
Investment	-3.1	-8.6	-2.1	5.3	12.5	-4.7	-7.1
Purchase of Consumer durables	0.4	-13.5	-5.4	4.4	15.8	-2.5	-2.6
Purchase of Car/Motor Vehicle	14.4	-5.6	1.9	8.0	18.1	3.7	10.6
Purchase of House	-18.5	-26.9	-19.5	-9.8	1.9	-18.1	-21.8
Others	-8.3	-24.6	-16.1	-12.4	2.2	-14.4	-19.5
Others	10.6	3.4	5.6	16.1	10.6	-4.0	0.8

Ttable 5

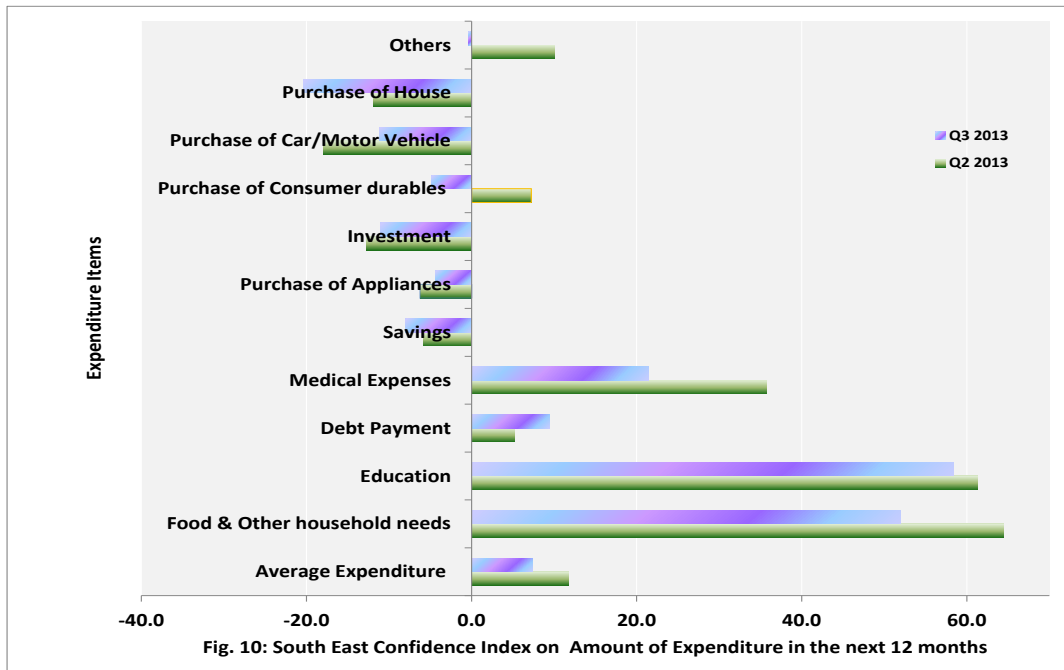
North-West Zone  
CONSUMER EXPECTATIONS SURVEY

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	36.8	36.0	37.7	39.2	44.4	68.9	42.2
Consumer Durables	43.7	44.5	43.0	50.5	50.9	71.5	47.6
Motor Vehicle	34.4	32.7	36.6	36.5	43.3	68.3	39.9
House & Lot	32.4	30.9	33.6	30.6	38.9	66.8	39.0
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	41.7	41.6	42.8	44.1	47.7	71.4	46.4
Consumer Durables	50.9	48.5	49.4	56.0	56.9	74.7	51.8
Motor Vehicle	37.4	38.0	39.9	39.2	44.1	70.0	47.6
House & Lot	36.8	38.3	39.1	37.2	42.1	69.6	39.9
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	25.9	40.4	38.2	34.5	31.0	30.5	36.7
Interest Rate Index for Borrowing Money	14.6	15.4	28.7	32.3	30.0	14.8	25.5
Exchange Rate	-22.3	-26.8	-22.7	-27.3	-8.8	-20.9	-11.5
Change in Price Index	19.5	23.4	28.8	32.3	24.6	11.7	26.3
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	71.4	58.3	43.9	69.2	69.8	59.2	46.7
Clothing & Footwaer	59.3	59.2	48.5	41.5	48.0	45.2	44.7
Electricity	61.4	61.2	60.7	63.7	54.0	60.0	51.6
Water	46.4	36.8	39.0	28.1	38.6	42.2	27.5
House Rent	65.9	61.1	68.0	66.9	63.4	55.7	55.6
Transportation	66.5	55.5	62.2	66.5	58.0	58.6	41.2
Communication	38.2	34.8	39.6	25.3	30.9	38.0	24.9
Education	56.7	46.0	57.2	54.6	56.5	60.0	52.1
Medical Care	49.3	46.6	55.5	54.0	54.2	62.0	51.3
personal Care	27.8	41.1	41.5	31.7	38.6	41.4	39.0
Hotel & Restaurant	45.0	37.1	56.4	52.1	42.5	42.6	43.3
Others	24.3	18.5	35.7	26.1	31.5	38.6	16.6
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	3.7	4.6	4.1	6.7	5.4	6.9	2.9
Junior School	1.1	0.6	2.6	1.2	2.6	5.1	3.7
Senior School	9.7	11.4	8.7	10.8	10.9	14.6	12.9
Higher non-university education	40.7	38.3	42.7	36.9	40.9	34.3	40.7
University	36.1	34.3	32.0	39.0	34.9	28.0	38.7
None	8.6	10.9	9.6	5.2	5.4	11.1	1.1
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	350	350	350	350	350	350	350
Number of Respondents	<u>349</u>	<u>350</u>	<u>343</u>	<u>344</u>	<u>350</u>	<u>350</u>	<u>349</u>
Response Rate	99.7	100.0	98.0	98.3	100.0	100.0	99.7



# Consumer Expectations Survey Q3 2013, South East Zone

## Consumer Outlook



The South East zone consumer's overall outlook remained downbeat in Q3, 2013. At -10.4 points the index dipped further by 7.4 points below its level in Q3, 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their family financial situation and family income which stood at -21.6 and -12.4 points from -22.4 and 3.4 points in the Q3, 2012 (Table 6 section 2).

However, consumer outlook for the next quarter and the next 12 months were positive at 23.5 and 17.5 points, respectively. The positive outlook of consumers in the next quarter and the next 12 months could be attributable to the optimistic outlook of consumers in their economic condition and family income.

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. With an average index of 7.4 points, the index fell by 10.2 points, from the 17.6 points obtained in Q3, 2012 (Table F section 5 and Fig. 10).

The breakdown of the expected expenditure over the next 12 months are: education (58.4 points), food and other household needs (52.0 points), medical expense (21.4 points) and debt payment (9.4 points). Conversely, majority of the consumers indicated that they do not plan to spend substantial amount of their income on purchase of house (-20.4 points) purchase of car/motor vehicle (-11.2 points), investments (-11.0 points) and savings (-8.0 points)

The proportion of respondents that indicated intentions to buy big tickets items in the next 12 months fell to 38.6 points from the 52.5 points obtained in Q3, 2012. The decline in the buying intention index points obtained in Q3 2013 suggest that the majority of the respondents indicated that the next 12 months will not be an opportune time to purchase house lot.

**TABLE 6**

**South -East Zone  
CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>1. Zonal Consumer Outlook: Composite Index</b>							
<b>Confidence Index:</b>							
<i>Current Quarter</i>	-20.5	1.4	-3.0	-1.3	-8.7	-18.2	-10.4
<i>Next Quarter</i>	25.3	43.8	30.9	37.5	28.3	24.4	23.5
<i>Next 12 months</i>	25.1	43.6	35.6	34.3	23.8	22.7	17.5
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	-28.0	-4.5	10.1	-1.6	-1.0	3.3	2.8
Between N 20,000 and N 50,000 per month	-41.4	-19.8	-15.2	-8.0	-42.7	1.5	10.2
Between N50,001 and N100,000 per month	-26.9	0.9	15.4	2.1	0.0	8.0	5.7
Over N 100,000 per month	-19.4	3.9	7.7	-4.7	18.1	-13.2	-9.4
<b>Family Financial Situation</b>							
Under N 20,000 per month	-22.9	-2.7	29.5	11.8	21.4	16.7	0.0
Between N 20,000 and N 50,000 per month	-16.4	-10.5	-22.4	-6.2	-29.4	-40.7	-21.6
Between N 50,001 and N 100,000 per month	-8.6	-30.2	-43.5	11.0	-30.5	-46.9	-20.4
Over N 100,000 per month	-19.8	-13.2	-28.8	-7.2	-29.2	-49.2	-21.5
<b>Family Income</b>							
Under N 20,000 per month	-18.5	11.8	-15.4	-13.4	-32.8	-34.2	-35.8
Between N 20,000 and N 50,000 per month	-14.6	8.1	-2.3	-14.7	-19.0	-7.7	6.0
Between N 50,001 and N 100,000 per month	-17.2	19.0	3.4	4.0	4.4	-17.2	-12.4
Over N 100,000 per month	-12.1	36.5	-17.4	20.0	-24.4	-3.0	-16.3
Under N 20,000 per month	-21.7	14.5	19.2	-5.2	3.8	-18.9	-5.7
Between N 20,000 and N 50,000 per month	-19.4	13.2	-3.8	4.7	20.7	-29.8	-18.9
Between N 50,001 and N 100,000 per month	-4.2	8.1	9.1	5.9	19.0	0.0	-24.0
Over N 100,000 per month							
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	18.4	36.7	34.7	28.2	12.8	19.9	16.2
Between N 20,000 and N 50,000 per month	-12.0	34.7	10.0	17.9	-15.5	6.9	9.4
Between N50,001 and N100,000 per month	13.8	43.6	44.4	25.2	3.9	15.7	15.5
Over N 100,000 per month	40.0	43.6	41.7	30.7	22.1	12.6	21.0
<b>Family Financial Situation</b>							
Under N 20,000 per month	35.0	24.2	17.3	46.3	43.6	52.3	13.0
Between N 20,000 and N50,000 per month	-4.4	19.0	7.3	8.8	4.4	-28.5	-14.8
Between N50,001 and N100,000 per month	-21.7	32.7	-6.7	33.3	-27.6	3.4	-3.1
Over N100,000 per month	-12.8	9.3	1.9	-5.9	-3.5	-40.0	-29.4
<b>Family Income</b>							
Under N20,000 per month	13.8	10.6	13.0	10.8	22.1	-28.6	0.0
Between N20,000 and N50,000 per month	13.3	27.3	11.5	22.2	20.5	-27.9	-14.8
Between N50,001 and N100,000 per month	62.0	75.8	50.6	75.6	67.6	81.9	69.2
Over N 100,000 per month	73.9	75.5	46.7	84.6	72.4	86.2	53.1
Under N20,000 per month	63.3	76.7	46.3	82.2	73.7	84.5	80.9
Between N20,000 and N50,000 per month	50.8	76.6	64.8	62.7	69.1	76.9	72.8
Between N50,001 and N100,000 per month	63.3	74.2	30.8	77.8	43.6	88.4	29.6
Over N 100,000 per month							
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	19.8	38.7	33.7	27.0	7.6	8.0	9.0
Between N 20,000 and N 50,000 per month	-26.4	34.3	23.1	6.8	-22.6	11.8	6.5
Between N 50,001 and N 100,000 per month	18.4	38.4	47.1	27.1	-3.6	-9.6	-6.6
Over N 100,000 per month	36.8	55.2	36.2	18.1	20.3	9.5	9.4
<b>Family Financial Situation</b>							
Under N 20,000 per month	36.3	30.6	21.9	57.3	30.2	19.8	36.5
Between N 20,000 and N 50,000 per month	0.4	26.2	20.7	16.0	5.6	-4.4	-8.4
Between N 50,001 and N 100,000 per month	-25.0	37.3	-38.5	-27.3	-25.8	-18.8	-17.4
Over N 100,000 per month	-3.8	26.8	34.3	10.4	-8.2	-16.9	-34.9
<b>Family Income</b>							
Under N 20,000 per month	1.5	18.8	27.5	26.4	20.3	-7.3	5.3
Between N 20,000 and N 50,000 per month	32.5	22.4	18.8	26.8	31.3	17.0	14.6
Between N 50,001 and N 100,000 per month	55.2	66.0	52.3	60.0	58.2	64.4	52.0
Over N 100,000 per month	-63.5	66.7	42.3	40.9	71.0	29.4	36.4
Under N 20,000 per month	-83.3	68.9	61.4	66.7	59.3	60.2	50.0
Between N 20,000 and N 50,000 per month	-31.8	54.2	55.1	56.6	51.4	67.3	56.9
Between N 50,001 and N 100,000 per month	-24.0	70.1	39.1	62.2	58.3	71.9	56.3
Over N 100,000 per month							
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>							
Food & Other household needs	<b>7.5</b>	<b>17.8</b>	<b>17.6</b>	<b>25.0</b>	<b>-0.5</b>	<b>11.8</b>	<b>7.4</b>
Education	55.2	66.0	52.3	60.0	58.2	64.4	52.0
Debt Payment	46.8	60.7	48.7	48.2	52.8	61.3	58.4
Medical Expenses	-6.4	13.1	19.7	13.2	-4.8	5.2	9.4
Savings	9.0	23.4	10.4	15.4	10.4	35.8	21.4
Purchase of Appliances	18.2	24.1	20.3	30.0	-1.6	-5.9	-8.0
Investment	-5.0	12.7	11.3	31.2	-17.0	-6.3	-4.4
Purchase of Consumer durables	4.8	11.1	7.1	32.2	-15.0	-12.7	-11.0
Purchase of Car/Motor Vehicle	17.8	24.1	23.7	34.8	-8.2	7.3	-4.8
Purchase of House	-19.8	-28.8	0.7	6.2	-31.4	-17.9	-11.2
Others	-28.0	-25.4	-15.0	-0.4	-37.6	-11.9	-20.4
	-10.2	15.5	15.1	4.6	-11.2	10.0	-0.4

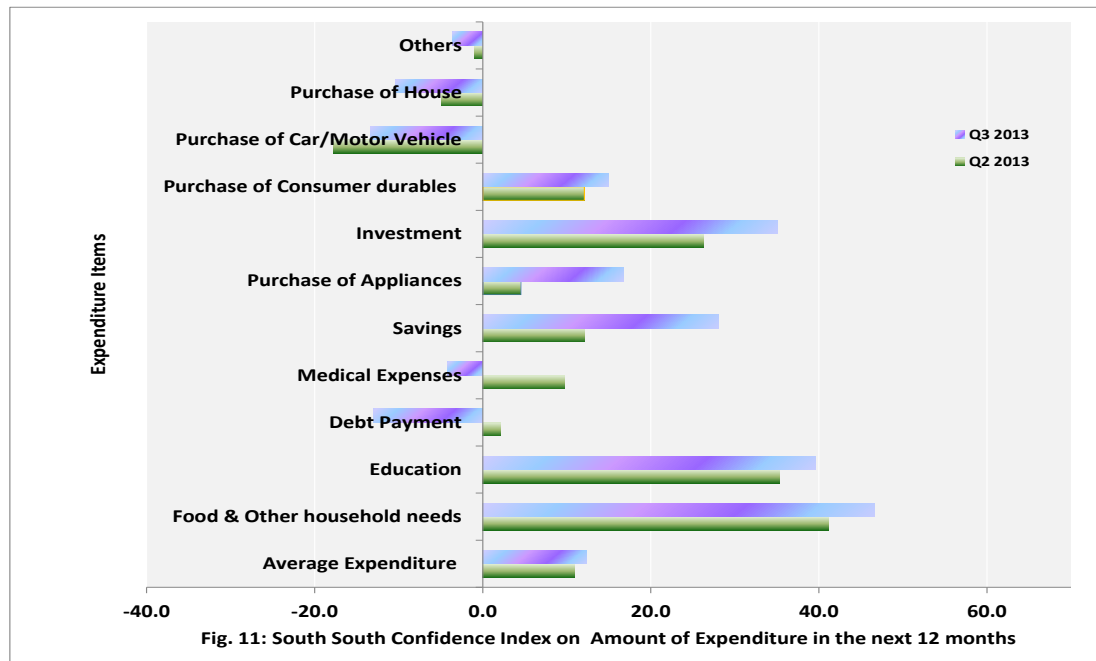
**TABLE 6**

**South -East Zone  
CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	35.0	43.3	70.6	41.3	85.3	47.2	36.5
Consumer Durables	41.4	59.5	75.9	52.0	87.9	41.4	43.8
Motor Vehicle	33.0	34.9	68.2	35.2	84.1	33.3	34.1
House & Lot	30.5	35.6	67.8	36.8	83.9	66.8	31.7
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	42.8	48.6	52.5	49.4	76.3	48.5	38.6
Consumer Durables	50.2	63.1	60.4	57.8	80.2	73.9	45.8
Motor Vehicle	39.4	40.2	50.7	46.1	75.4	34.4	35.1
House & Lot	38.8	42.3	46.5	44.2	73.3	37.2	34.8
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	27.8	14.2	26.7	27.4	41.4	44.2	38.6
Interest Rate Index for Borrowing Money	16.8	26.2	18.0	17.6	3.6	11.3	19.2
Exchange Rate	-2.0	4.4	16.7	-5.6	-8.0	-13.3	-16.4
Change in Price Index	28.4	8.8	30.7	25.6	35.2	46.5	18.4
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	50.8	61.3	57.3	74.4	64.4	68.7	66.4
Clothing & Footwaer	41.2	55.7	47.3	58.0	16.4	57.1	60.8
Electricity	49.2	51.6	46.0	61.2	32.8	31.3	42.8
Water	28.8	23.8	32.7	38.0	14.8	26.5	15.6
House Rent	58.8	68.9	65.3	72.0	58.4	71.9	64.8
Transportation	50.4	68.5	64.6	70.8	46.8	52.2	52.4
Communication	12.8	23.4	30.7	19.2	19.2	25.3	26.8
Education	33.2	53.3	50.0	52.8	36.8	40.1	55.2
Medical Care	40.0	48.8	56.6	50.8	32.0	25.3	62.8
personal Care	31.2	31.4	38.0	42.4	15.6	26.9	39.2
Hotel & Restaurant	29.2	37.0	46.7	57.2	14.4	20.1	51.6
Others	24.0	27.8	38.7	37.6	22.8	-11.2	27.2
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	1.2	4.4	0.7	0.8	9.2	21.7	4.4
Junior School	6.0	3.2	2.0	0.4	4.0	2.4	4.4
Senior School	18.0	20.6	16.7	11.2	22.0	15.3	19.6
Higher non-university education	26.0	23.0	30.0	32.0	19.2	21.7	23.2
University	47.2	42.7	49.3	54.4	44.0	34.5	47.2
None	1.6	6.0	1.3	1.2	1.6	4.4	1.2
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	250	250	150	250	250	250	250
Number of Respondents	<u>250</u>	<u>248</u>	<u>150</u>	<u>250</u>	<u>250</u>	<u>249</u>	<u>250</u>
Response Rate	100.0	99.2	100.0	100.0	100.0	99.6	100.0

# Consumer Expectations Survey Q3 2013, South-South Zone

## Consumer Outlook



Consumers overall outlook in the South South zone in Q3 2013 remained downbeat at -1.5 points. The index inched up by 3.9 point above its levels in Q3, 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their family financial situation whose index stood at -6.4 points. (Table 7 section 2).

However, consumer outlook for the next quarter and the next 12 months were positive at 37.7 and 32.5 points, respectively. The positive outlook of consumers in the next quarter and the next 12 months could be attributable to the optimistic outlook of consumers in their economic condition, family financial situation and family income.

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. At 12.4 points, the index dipped by 1.4 points from the 13.8 points achieved in the corresponding quarter a year ago (Table 7 section 5 and Fig. 11).

The breakdowns of the expected expenditure over the next 12 months are: food and other household needs (46.7 points), education (39.6 points), investment (35.1 points), savings (28.1 points) and purchase of consumer durables (15.0 points). Conversely, some of the consumers indicated that they do not plan to spend substantial amount of their income on purchase of cars/motor vehicles (-13.4), debt payment (-13.0 points), purchase of house (-10.4 points) and others (-3.7 points).

The proportion of respondents that indicated intentions to buy big tickets items in the next 12 months dipped to 51.5 points from the 52.6 points obtained in Q3, 2012. The buying intention index obtained in Q3 2013 suggest that most of the respondents indicated that the next 12 months will be a good time to purchase motor vehicles and house and lot.

TABLE 7

South-South Zone  
CONSUMER EXPECTATIONS SURVEY

Year	2012				2013			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
<b>1. Zonal Consumer Outlook: Composite Index</b>								
<b>Confidence Index:</b>								
Current Quarter	-18.0	-4.0	-5.4	-14.7	-1.2	-5.0	-1.5	
Next Quarter	34.7	30.1	31.7	30.3	30.9	35.6	37.7	
Next 12 months	33.9	32.5	30.4	34.5	39.5	27.6	32.5	
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>								
<b>Economic Condition</b>								
Under N 20,000 per month	-12.9	-1.2	-5.5	-21.1	-0.1	-2.8	0.5	
Between N 20,000 and N 50,000 per month	-23.1	2.4	-6.2	-20.4	-15.3	-9.0	3.2	
Between N50,001 and N100,000 per month	-5.4	1.7	-5.4	-26.0	1.2	3.7	6.6	
Over N 100,000 per month	-6.2	1.2	11.9	-20.8	3.6	-1.6	-7.4	
<b>Family Financial Situation</b>								
Under N 20,000 per month	-31.7	-23.5	-20.2	-10.5	7.7	-12.5	-1.4	
Between N 20,000 and N 50,000 per month	-22.4	-11.2	-6.8	-16.5	-5.7	-7.7	-6.4	
Between N 50,001 and N 100,000 per month	-34.3	-33.9	-14.8	-7.7	-12.2	-21.3	-20.6	
Over N 100,000 per month	-18.0	-6.5	7.1	-25.5	-6.0	-1.6	0.5	
<b>Family Income</b>								
Under N 20,000 per month	-26.7	-0.6	-9.5	-15.7	-3.6	-8.6	0.0	
Between N 20,000 and N 50,000 per month	-11.0	-8.8	-25.5	-11.8	0.0	-4.8	-18.1	
Between N 50,001 and N 100,000 per month	-18.6	0.4	-3.8	-6.5	2.3	-4.4	1.4	
Over N 100,000 per month	-13.0	-17.7	2.5	-21.1	-18.4	-4.9	4.8	
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>								
<b>Economic Condition</b>								
Under N 20,000 per month	40.3	31.5	40.9	23.7	24.5	32.7	36.8	
Between N 20,000 and N 50,000 per month	62.8	11.4	51.0	17.3	-12.5	48.0	53.4	
Between N50,001 and N100,000 per month	37.5	37.9	111.0	14.0	30.2	38.0	45.8	
Over N 100,000 per month	41.5	34.9	62.0	30.2	34.6	25.3	27.6	
<b>Family Financial Situation</b>								
Under N 20,000 per month	25.0	35.7	66.0	38.0	10.5	17.0	25.5	
Between N 20,000 and N50,000 per month	7.6	9.5	12.1	7.1	10.0	14.7	19.7	
Between N50,001 and N100,000 per month	7.0	0.0	15.7	6.1	15.6	7.8	34.1	
Over N100,000 per month	9.4	22.2	15.3	2.8	6.6	20.5	16.7	
<b>Family Income</b>								
Under N20,000 per month	5.7	-1.0	9.7	11.6	9.3	1.3	10.3	
Between N20,000 and N50,000 per month	7.7	16.7	6.1	9.3	18.4	26.8	32.1	
Between N50,001 and N100,000 per month	56.3	49.3	42.1	60.1	58.2	59.5	56.6	
Over N 100,000 per month	30.2	50.9	15.7	55.1	65.6	47.1	52.3	
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>								
<b>Economic Condition</b>								
Under N 20,000 per month	53.1	46.5	55.9	59.8	54.1	57.3	51.0	
Between N 20,000 and N 50,000 per month	63.6	49.0	59.7	67.4	63.6	61.3	60.7	
Between N 50,001 and N 100,000 per month	71.2	54.8	51.5	53.7	50.0	73.2	62.3	
Over N 100,000 per month	<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>								
Food & Other household needs	42.6	30.7	43.5	25.7	30.3	37.1	37.3	
Education	54.2	20.0	48.7	17.3	-4.5	33.7	34.6	
Debt Payment	33.8	24.7	42.1	16.8	35.0	35.7	34.7	
Medical Expenses	52.1	32.9	58.2	21.5	36.1	45.8	33.7	
Savings	34.0	42.7	31.5	46.5	21.3	31.4	46.5	
Purchase of Appliances	6.1	4.8	5.5	8.1	14.1	4.7	13.6	
Purchase of Car/Motor Vehicle	11.1	-37.1	-20.5	3.8	0.0	-10.9	-2.6	
Purchase of House	-7.8	-7.5	14.7	0.0	0.0	0.0	0.0	
Others	9.6	16.2	7.5	2.0	26.1	10.7	18.3	
	13.9	29.1	5.6	25.0	23.4	12.8	31.9	
	52.9	62.1	42.1	69.6	74.2	41.2	46.7	
	34.7	40.0	0.0	65.4	63.6	15.2	32.1	
	53.2	68.3	49.5	75.5	77.5	46.2	41.8	
	48.9	69.8	49.3	62.5	71.0	40.5	52.4	
	66.7	50.0	47.2	72.9	79.8	51.3	52.1	
	11.7	12.5	13.8	11.9	10.6	10.9	12.4	
	52.9	62.1	42.1	69.6	74.2	41.2	46.7	
	45.4	52.1	44.5	59.4	64.6	35.3	39.6	
	5.0	-15.0	-4.9	-10.2	-10.1	2.1	-13.0	
	11.1	1.6	11.1	13.8	10.1	9.7	-4.2	
	11.7	24.7	12.1	35.4	29.1	12.1	28.1	
	-4.3	5.8	-3.6	3.3	-11.8	4.6	16.7	
	12.8	22.5	37.1	23.9	12.5	26.3	35.1	
	20.1	18.5	15.5	12.7	-2.3	12.1	15.0	
	-12.9	-15.9	-6.8	-29.4	-21.4	-17.8	-13.4	
	-10.8	-22.3	0.3	-35.1	-29.6	-4.9	-10.4	
	-2.3	3.6	4.0	-12.0	1.1	-1.0	-3.7	

**TABLE 7**

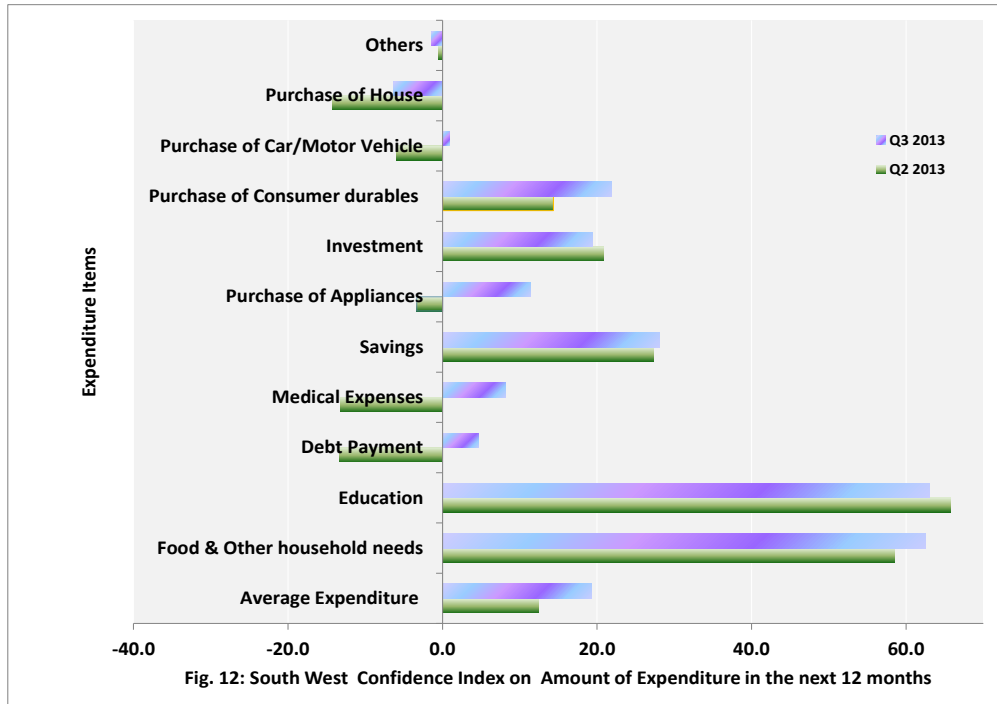
**South-South Zone  
CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	40.7	36.3	48.1	38.3	40.2	45.1	46.0
Consumer Durables	40.7	50.2	48.1	46.8	51.2	47.8	50.7
Motor Vehicle	40.5	28.9	48.7	35.1	31.6	41.5	44.6
House & Lot	41.0	29.8	47.5	33.1	38.0	46.0	42.8
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	54.7	43.4	52.6	44.3	45.6	49.8	51.5
Consumer Durables	53.1	52.4	52.8	53.6	57.1	52.4	56.8
Motor Vehicle	49.2	41.9	53.5	40.2	41.9	46.0	50.6
House & Lot	61.9	36.0	51.5	39.1	38.0	51.1	47.1
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	13.3	27.1	27.0	34.5	34.1	30.8	28.1
Interest Rate Index for Borrowing Money	12.9	9.5	21.1	20.2	30.4	29.7	24.0
Exchange Rate	4.0	-10.5	8.7	-10.8	-6.7	9.4	13.3
Change in Price Index	25.8	29.2	25.8	31.0	24.8	32.1	29.6
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	45.2	50.7	35.8	52.4	58.9	46.5	58.7
Clothing & Footwaer	45.8	41.9	40.0	42.9	50.5	50.9	57.3
Electricity	50.2	48.0	47.9	47.0	39.8	49.5	40.4
Water	16.2	15.3	14.5	24.0	18.4	25.8	21.0
House Rent	76.7	72.4	65.8	75.3	70.6	73.3	68.0
Transportation	59.9	50.3	53.1	64.2	42.2	55.2	54.3
Communication	13.6	15.6	9.3	13.5	8.7	5.0	21.0
Education	47.7	41.1	46.2	42.5	68.2	51.2	61.3
Medical Care	41.9	51.0	55.2	43.6	39.2	57.2	42.4
personal Care	35.5	45.6	35.9	26.4	26.4	42.1	39.7
Hotel & Restaurant	33.7	63.2	55.5	33.2	42.8	46.8	36.4
Others	16.1	38.1	24.5	26.7	17.1	30.7	33.3
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	7.5	4.4	7.9	9.1	1.3	5.7	6.7
Junior School	2.2	2.4	5.2	2.7	5.7	4.0	6.0
Senior School	24.4	19.4	18.3	18.2	13.4	27.1	16.7
Higher non-university education	20.4	18.0	19.0	26.4	24.4	19.4	22.0
University	41.2	52.0	46.6	42.2	53.5	41.1	47.0
None	4.3	3.7	3.1	1.4	1.7	2.7	1.7
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	300	300	300	300	300	300	300
Number of Respondents	<u>279</u>	<u>294</u>	<u>290</u>	<u>296</u>	<u>299</u>	<u>299</u>	<u>300</u>
Response Rate	93.0	98.0	96.7	98.7	99.7	99.7	100.0



# Consumer Expectations Survey Q3 2013, South West Zone

## Consumer Outlook



The South West zone consumers' overall outlook was upbeat in Q3, 2013. At -1.8 points the index inched up by 9.5 points above the level in Q3, 2012. The negative outlook of consumers in the quarter under review, could be attributable to the pessimistic outlook of consumers in their family financial situation which stood at -17.0 (Table 8 section 2 and Fig. 12).

Similarly, consumer outlook for the next quarter and the next 12 months were positive at 38.3 and 37.1 points, respectively. The positive outlook of consumers in the next quarter and the next 12 months could be attributable to the optimistic outlook of consumers in their economic condition, family financial situation and family income.

On the average, more households in the zone expect an increase in their expected expenditure on basic commodities and services in the next 12 months. With an average index of 19.3 points, the index rose by 4.0 points from the 15.3 points obtained in Q3,2012. (Table 8 section 5 and Fig. 12).

The breakdown of the expected expenditure over the next 12 months are: education (63.0 points), food and other household needs (62.5 points), savings ( 28.1 points), purchase of consumer durables (21.9 points), and investment (19.4 points). Conversely, some consumers indicated that they do not plan to spend substantial amount of their income on purchase of house (-6.3 points) and others (-1.4 points).

The proportion of respondents that indicated intentions to buy big tickets items in the next 12 months rose to 55.3 points from the 49.4 points obtained in Q2, 2012. The buying intention index obtained in Q3, 2013 suggests that the majority of the respondents indicated that the next 12 months will be an opportune time to purchase house and lot.

**TABLE 8**  
**South -West Zone**  
**CONSUMER EXPECTATIONS SURVEY**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>1. Zonal Consumer Outlook: Composite Index</b>							
<b>Confidence Index:</b>							
Current Quarter	-6.0	-5.0	-11.3	-5.8	1.0	0.9	-1.8
Next Quarter	31.7	30.4	26.4	32.1	38.6	42.1	38.3
Next 12 months	34.3	32.9	23.9	30.4	36.5	38.2	37.1
<b>2. Consumer outlook indices on the current economic and family condition: Current Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	-15.5	-3.7	-18.7	-15.4	2.0	-1.8	3.0
Between N 20,000 and N 50,000 per month	-8.3	-26.4	-20.0	-37.7	-16.0	-0.9	0.0
Between N50,001 and N100,000 per month	-12.3	-3.2	-16.4	-12.1	7.7	-2.4	5.9
Over N 100,000 per month	-10.2	10.8	-14.1	-5.0	10.3	6.7	11.7
<b>Family Financial Situation</b>							
Under N 20,000 per month	-28.3	-0.6	-27.9	-15.3	-8.4	-10.6	-8.3
Between N 20,000 and N 50,000 per month	-3.9	-13.2	-10.9	-2.6	-11.5	-10.1	-17.0
Between N 50,001 and N 100,000 per month	-6.0	-27.7	-23.6	-26.8	-36.0	-34.5	-24.5
Over N 100,000 per month	-7.1	-7.5	-8.7	-0.4	-10.2	-11.7	-24.6
<b>Family Income</b>							
Under N 20,000 per month	-0.5	-9.7	-5.9	3.2	-5.6	1.3	-9.8
Between N 20,000 and N 50,000 per month	-3.6	-14.7	-10.4	5.7	-8.4	-6.9	-10.4
Between N 50,001 and N 100,000 per month	1.3	2.0	-4.3	0.7	12.5	14.5	8.7
Over N 100,000 per month	14.3	13.5	-8.6	7.2	10.0	25.5	9.8
Under N 20,000 per month	3.9	1.3	-8.4	6.8	14.1	12.1	9.1
Between N 20,000 and N 50,000 per month	0.0	10.8	3.6	0.9	11.1	14.3	11.2
Between N 50,001 and N 100,000 per month	-6.0	7.7	-3.9	-13.6	13.5	11.1	6.3
Over N 100,000 per month							
<b>3. Consumer outlook indices on economic and family condition: Next Quarter</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	22.2	21.7	10.6	19.2	34.1	35.3	35.5
Between N 20,000 and N 50,000 per month	32.1	-1.8	-19.8	-9.4	22.7	39.5	32.9
Between N 50,001 and N 100,000 per month	18.8	34.6	9.3	20.1	31.8	13.3	37.3
Over N 100,000 per month	15.3	19.6	20.8	24.8	49.6	48.0	45.6
<b>Family Financial Situation</b>							
Under N 20,000 per month	29.3	20.2	16.8	24.5	23.7	37.9	22.1
Between N 20,000 and N 50,000 per month	11.7	9.3	1.6	12.8	15.3	22.8	20.5
Between N 50,001 and N 100,000 per month	-10.7	-3.6	-24.5	12.5	9.1	31.6	5.4
Over N 100,000 per month	10.0	8.5	0.8	15.6	9.1	11.2	27.5
<b>Family Income</b>							
Under N 20,000 per month	18.4	10.8	6.8	15.7	25.0	32.0	15.8
Between N 20,000 and N 50,000 per month	12.8	16.0	10.5	5.9	14.3	19.9	21.2
Between N 50,001 and N 100,000 per month	61.3	60.2	67.0	64.2	66.3	68.3	58.9
Over N 100,000 per month	75.0	56.4	79.2	58.3	79.5	84.2	65.8
Under N 20,000 per month	58.8	63.8	62.7	68.0	68.6	73.5	62.7
Between N 20,000 and N 50,000 per month	56.1	63.3	63.6	63.0	61.5	64.8	50.0
Between N 50,001 and N 100,000 per month	64.9	53.2	70.5	63.7	63.4	63.2	60.6
Over N 100,000 per month							
<b>4. Consumer outlook indices on economic and family condition: Next 12 Months</b>							
<b>Economic Condition</b>							
Under N 20,000 per month	28.5	22.1	9.2	17.2	29.0	30.9	28.6
Between N 20,000 and N 50,000 per month	30.6	6.0	-11.2	-8.8	15.0	36.4	20.4
Between N 50,001 and N 100,000 per month	28.1	22.8	-5.1	9.2	19.0	18.1	26.9
Over N 100,000 per month	29.2	25.0	16.3	29.1	33.1	35.1	35.1
<b>Family Financial Situation</b>							
Under N 20,000 per month	27.7	26.0	23.1	19.0	36.6	33.1	25.4
Between N 20,000 and N 50,000 per month	17.0	14.1	1.8	10.0	16.8	25.3	20.3
Between N 50,001 and N 100,000 per month	0.0	-9.5	-18.4	-26.5	0.0	15.2	-11.1
Over N 100,000 per month	31.5	6.1	-18.5	17.5	5.0	16.9	17.6
<b>Family Income</b>							
Under N 20,000 per month	14.8	19.5	17.6	6.3	24.6	27.3	21.8
Between N 20,000 and N 50,000 per month	11.9	24.4	12.0	17.2	23.2	30.1	27.3
Between N 50,001 and N 100,000 per month	57.3	62.5	60.8	64.0	63.8	58.3	62.5
Over N 100,000 per month	47.2	65.5	69.4	61.8	63.8	56.1	57.4
Under N 20,000 per month	57.5	68.4	56.0	65.0	67.5	67.5	66.8
Between N 20,000 and N 50,000 per month	59.3	67.8	62.3	62.6	69.6	62.9	62.2
Between N 50,001 and N 100,000 per month	56.9	52.4	59.8	65.3	56.5	51.2	60.5
Over N 100,000 per month							
<b>5. Confidence Index on Amount of Expenditures: Next 12 months</b>							
<b>Average</b>							
Food & Other household needs	14.7	16.0	15.3	14.4	16.9	12.4	19.3
Education	57.3	62.5	60.8	64.0	63.8	58.6	62.5
Debt Payment	58.1	58.3	64.1	64.2	65.1	65.8	63.0
Medical Expenses	-3.5	-12.6	-9.7	-12.1	-2.2	-13.3	4.7
Savings	-13.9	-0.9	5.4	-10.9	-7.6	-13.2	8.2
Purchase of Appliances	21.7	24.3	24.5	27.3	27.3	27.3	28.1
Investment	4.0	4.9	2.4	5.3	5.8	-3.4	11.4
Purchase of Consumer durables	12.5	15.8	14.7	18.1	20.6	20.8	19.4
Purchase of Car/Motor Vehicle	23.0	22.1	14.3	16.5	23.2	14.4	21.9
Purchase of House	0.1	-2.3	-7.1	-6.3	-0.6	-5.9	0.9
Others	-1.2	-9.3	-14.4	-10.8	-8.5	-14.3	-6.3
	3.2	13.1	13.2	2.8	-1.5	-0.6	-1.4

**TABLE 8**  
**South -West Zone**  
**CONSUMER EXPECTATIONS SURVEY**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>6. Buying Conditions Index: Current Quarter</b>							
<b>Buying Conditions Index</b>	<b>49.0</b>	<b>45.5</b>	<b>41.7</b>	<b>46.4</b>	<b>48.7</b>	<b>47.6</b>	<b>47.8</b>
Consumer Durables	50.7	51.0	47.9	50.4	56.3	57.3	54.4
Motor Vehicle	47.7	44.1	41.5	46.1	45.7	45.1	46.0
House & Lot	48.8	41.3	35.7	42.8	44.2	40.4	43.0
<b>7. Buying Intention Index: Next 12 Months</b>							
<b>Buying Intentions Index</b>	<b>57.7</b>	<b>53.5</b>	<b>49.4</b>	<b>53.4</b>	<b>55.2</b>	<b>54.9</b>	<b>55.3</b>
Consumer Durables	58.5	57.1	50.9	55.0	58.4	62.7	60.2
Motor Vehicle	58.7	53.3	51.1	54.8	53.9	53.4	56.0
House & Lot	55.9	50.1	46.3	50.3	53.3	48.6	49.8
<b>8. Indices on Selected Economic Indicators: Next 12 Months</b>							
Unemployment Rate Index	25.7	25.7	34.9	38.7	29.7	35.9	44.9
Interest Rate Index for Borrowing Money	27.0	11.0	18.2	19.1	30.8	31.2	24.3
Exchange Rate	14.0	-8.7	-16.7	-10.7	-4.5	-10.3	-10.7
Change in Price Index	25.6	31.8	37.2	21.8	30.8	30.0	21.6
<b>9. Sectors Contribution to price changes over the next 12 months</b>							
Food	61.3	51.9	66.8	65.9	60.7	68.3	62.6
Clothing & Footwaer	37.0	35.9	45.2	40.8	39.7	35.3	38.9
Electricity	52.0	56.4	63.8	57.2	56.3	60.8	57.9
Water	29.3	38.9	45.3	36.9	41.0	38.3	30.9
House Rent	66.6	70.1	69.8	64.2	72.5	74.6	67.6
Transportation	64.0	56.9	60.0	63.9	60.3	61.5	53.6
Communication	41.3	32.6	43.3	29.3	31.0	30.7	28.8
Education	60.6	52.7	65.2	58.9	64.3	64.0	56.4
Medical Care	60.0	39.6	48.5	44.4	49.5	55.8	53.2
personal Care	27.0	18.0	25.4	26.5	37.2	38.2	42.4
Hotel & Restaurant	40.0	31.8	35.3	40.8	36.8	42.0	41.8
Others	35.0	30.6	29.7	30.1	37.7	36.1	35.9
<b>10. Percentage of Respondents by Educational Attainment</b>							
Primary School	2.3	2.5	2.8	2.5	4.0	13.0	2.5
Junior School	6.3	4.0	3.8	5.3	4.8	10.0	2.0
Senior School	16.0	18.3	18.5	16.3	11.8	48.0	15.3
Higher non-university education	23.7	26.3	25.2	26.3	24.5	102.0	27.8
University	48.3	44.1	47.8	47.6	52.8	215.0	51.4
None	3.3	4.8	2.0	2.0	2.0	12.0	0.8
<b>11. Total Sample Households and Response Rate</b>							
Number of Sample Households	300	400	400	400	400	400	400
Number of Respondents	<u>300</u>	<u>399</u>	<u>400</u>	<u>399</u>	<u>400</u>	<u>400</u>	<u>399</u>
Response Rate	100.0	99.8	100.0	99.8	100.0	100.0	99.8

***Business  
Expectations Survey***

***3rd Quarter, 2013***

## EXECUTIVE SUMMARY

The Q3, 2013 Business Expectations Survey (BES) was carried out between the period of July 29 to August 10 2013 with a sample size of 1,950 business enterprises nationwide. A response rate of 99.0 per cent was achieved, and the sectors covered during the exercise included Industry, Construction, Wholesale/Retail Trade and Services.

The highlights of the BES report are as follows:

- ◆ Respondent firms were optimistic on the macro economy in the quarter under review as overall confidence index rose to 19.0 index points, up from 14.1 points achieved in the corresponding quarter of 2012. The expected drivers for the optimism on the macro economy in the current quarter are services (7.2 points), wholesale/retail trade (4.7 points) industrial (4.1 points), and constructions (3.1 points).
- ◆ Respondents' optimism in the volume of total order book and financial condition of the firms in the zone, buoyed the index of the volume of business activity in the current quarter. Similarly, the positive outlook in access to credit by the majority of firms upped the financial condition of firms in the review quarter
- ◆ At 65.3 index points, the positive outlook in the volume of business activities implied prospects for employment in the next quarter, as the employment index stood at 43.7 points. The employment outlook index by sector, shows that the construction sector has a higher prospect for creating jobs (46.0 points), followed by services sector (45.4 points), industrial (42.1 points) and the wholesale and retail sector (41.7 points)
- ◆ The respondent firms emphasized, insufficient power supply (65.3 index points), financial problems (49.2 index points), unfavourable economic climate (44.3 index points), high inter-

◆

# Business Expectations Survey Third Quarter, 2013

The Q3 2013 Business Expectations Survey (BES)<sup>1</sup> was conducted during the period July 29 — August 10 2013 . There were 1,950 firms surveyed nationwide, drawn from the updated survey frames of both the Central Bank of Nigeria (CBN) and the National Bureau of Statistics (NBS). The survey produced a response rate of 99.0 per cent in the quarter under review.

The Map and Table 1 below show the sampled states, the sample size and the percentage response rate of the survey.



*About the Survey.*

*The response rate from the 1,950 firms surveyed was 99.0 per cent*

## EXECUTIVE SUMMARY

### MARY

**TABLE 1: Distribution of sample size and response rate (%)**

ZONE	SAMPLE STATE	Q3 2013 SAMPLE SIZE	Q3 2013 RESPONSES	Q3 2013 RESPONSE RATE (%)
North Central	Niger, Kwara, Kogi, Abuja, Nassarawa, Benue and Plateau	350	350	100.0
North East	Bauchi, Adamawa, Gombe, Yobe, Taraba and Borno	300	299	99.7
North West	Kaduna, Katsina, Kano, Jigawa, Zamfara, Sokoto and Kebbi	350	341	97.4
South East	Anambra, Enugu, Ebonyi, Imo and Abia	250	243	97.2
South South	Edo, Delta, Rivers, Cross River, Bayelsa and Akwa-Ibom	300	298	99.3
South West	Lagos, Oyo, Ekiti, Osun, Ogun and Ondo	400	399	99.8
TOTAL		1950	1930	99.0

<sup>1</sup>The Business Expectations Survey (BES) is a quarterly survey of leading firms drawn from Business Establishment updated frames of Central Bank of Nigeria and the National Bureau of Statistics. The BES result provides advance indication of change in the overall business activity in the economy and in the various measures of activity of the companies' own operations as well as selected economic indicators.



Respondents were drawn from the Industrial, Construction, Wholesale/Retail Trade and Services sectors made up of: Financial Intermediation, Hotels and Restaurants, Renting and Business Activities and Community and Social Services.

The overall response rate for the quarter, at 99.0 per cent was 0.4 percentage point below the level attained in the previous quarter. A breakdown of the responses received by type of business showed that the “Neither importer nor exporter” category of the respondents accounted for the highest of 71.6 per cent followed by the “importer” with 16.1 per cent.

## Overall Business Outlook on the Macro economy

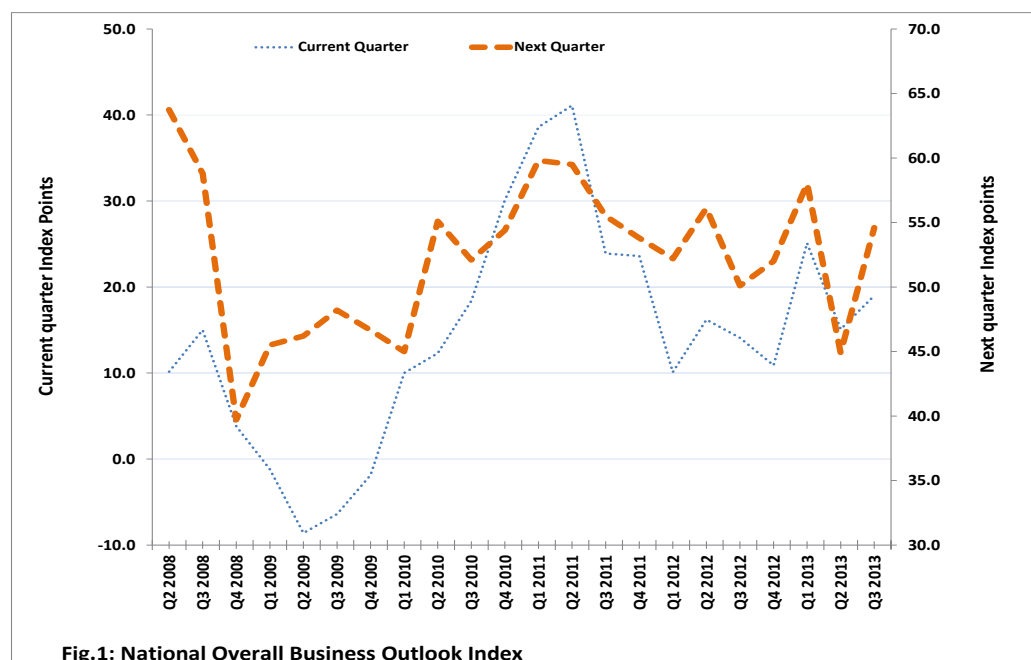
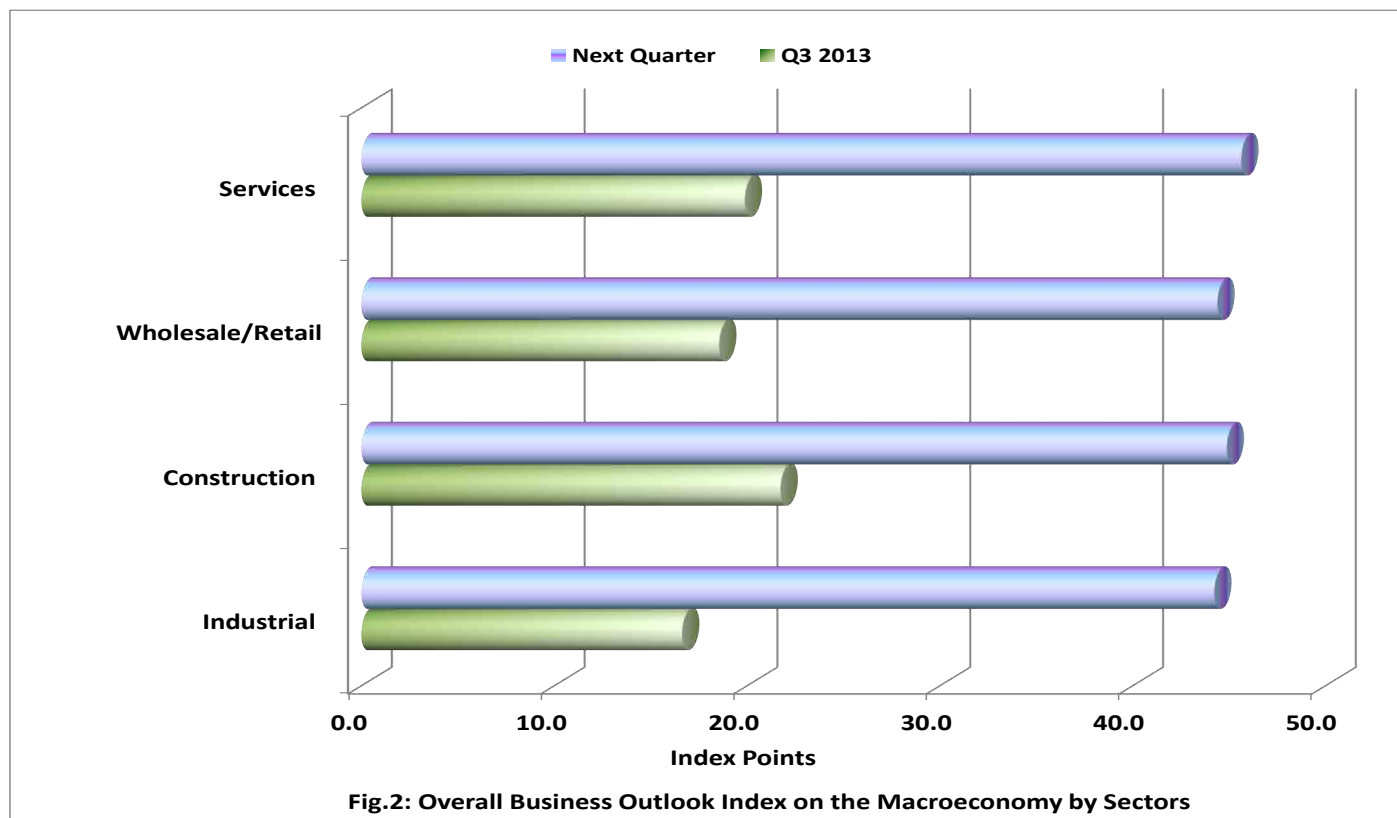


Fig.1: National Overall Business Outlook Index

**Business outlook for the current quarter was more optimistic when compared with Q2 2012.**

Respondent firms were optimistic on the macro economy in the quarter under review as overall confidence index (CI)<sup>2</sup> rose to 19.0 index points, up from 14.1 points achieved in the corresponding quarter of 2012. However, respondents were more optimistic on the macro economy in the next quarter, as the overall confidence index would be expected to rise to 54.6 points from the 19.0 points in the current quarter. The expected drivers for the optimism on the macro economy in the current quarter are services (7.2 points), wholesale/retail trade (4.7 points), industrial (4.1 points), and constructions (3.1 points). (Table 2, Sections 2 & 19). Similarly, the expected drivers for the optimism on the macro economy in the next quarter are services (20.7 points), wholesale/retail trade (13.4 points), industrial sectors (13.4 points) and constructions (7.2 points). (Table 2, Sections 3 & 20).

<sup>2</sup>The CI is computed as the percentage of firms that answered in the affirmative less the percentage of firms that answered in the negative in a given indicator. A positive CI indicates a favourable view, except for the average inflation rate and the average naira borrowing rate, where a positive CI indicates the opposite.



## Macro economy outlook by type and size of business

The drivers by type of business for the less optimism on the macro economy in the current quarter are “importer” (30.3 per cent), followed by “neither importer nor exporter” (18.4 per cent) “exporter” (14.0 per cent) and “both importer and exporter” (6.2 per cent) (Table 2 section 12).

The percentage distribution of respondent firms by type of business shows that “neither importer nor exporter” constitutes the highest percentage of responses (71.6 per cent), followed by “importer” (16.1 per cent), “both importer and exporter” (10.1 per cent) and “exporter” (2.2 per cent) (Table 2 section 16).

The drivers by size of business for the optimism on the macro economy in the current quarter are the large, small and medium firms whose indices stood at 32.0, 18.2 and 17.4 index points respectively. In contrast, the drivers by size of business for the optimism on the macro economy in the next quarter are the medium small and large firms whose indices stood at 56.9, 54.2 and 53.9 index points, respectively (Table 2 section 14 & 15).

The percentage distribution of respondent firms by employment size shows that small size firms constitute the highest percentage of responses (79.0 per cent), followed by medium size firms (14.3 per cent), and large size firms (6.6 per cent) (Table 2 section 17).

## Business Outlook Index on the Macro economy by Sector

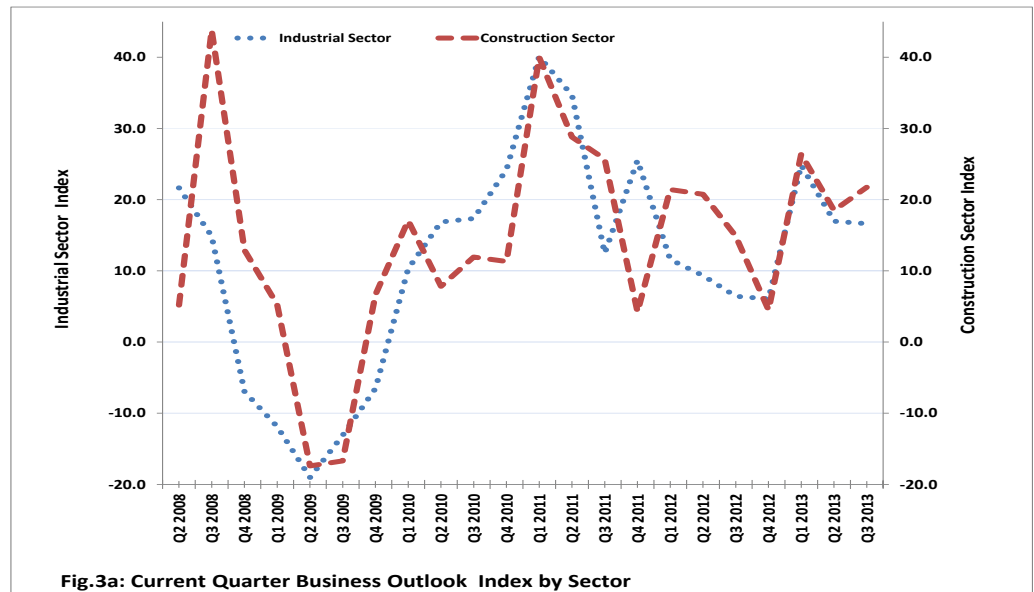


Fig.3a: Current Quarter Business Outlook Index by Sector

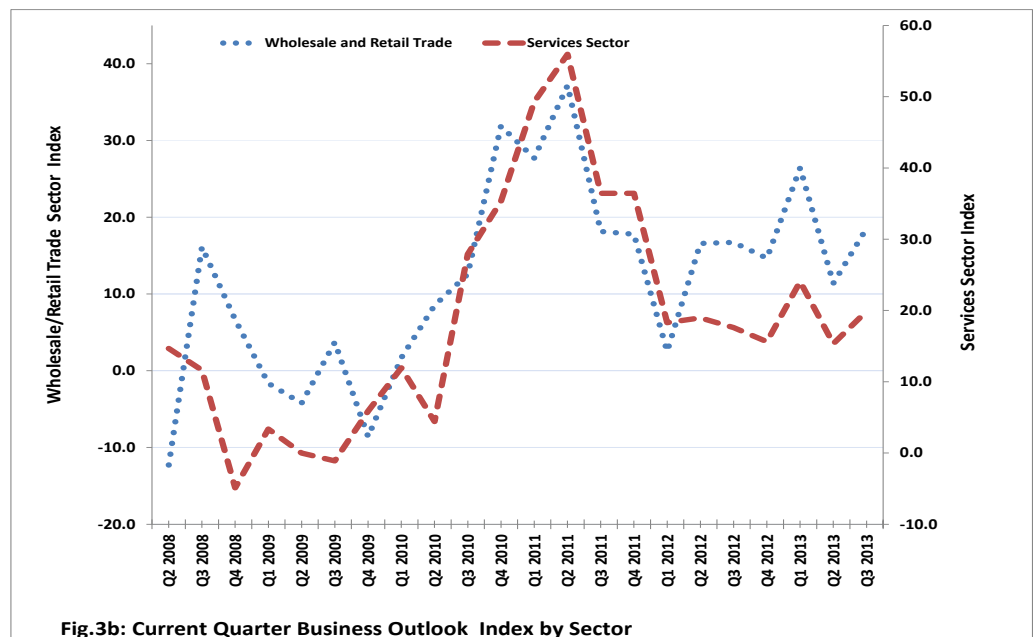


Fig.3b: Current Quarter Business Outlook Index by Sector

*The business sentiment was upbeat across all sectors in Q3 2013 compared with Q3 2012.*

Business sentiment across all sectors was more optimistic in the current quarter compared with the corresponding quarter of 2012. The indexes of the industrial, construction, wholesale/retail trade and services rose to 16.6, 21.7, 18.6 and 19.9 points respectively from the levels of 6.4, 14.9, 16.7 and 17.6 points achieved in the corresponding quarter of 2012 (Figs. 3a and 3b).

The distribution of respondent firms by sector of business shows that services sector constitutes the highest number of responses (694), followed by wholesale/retail (485), industrial (475) and construction (276) (Table 2 section 18).

## Business Confidence on Own Operations by Sector

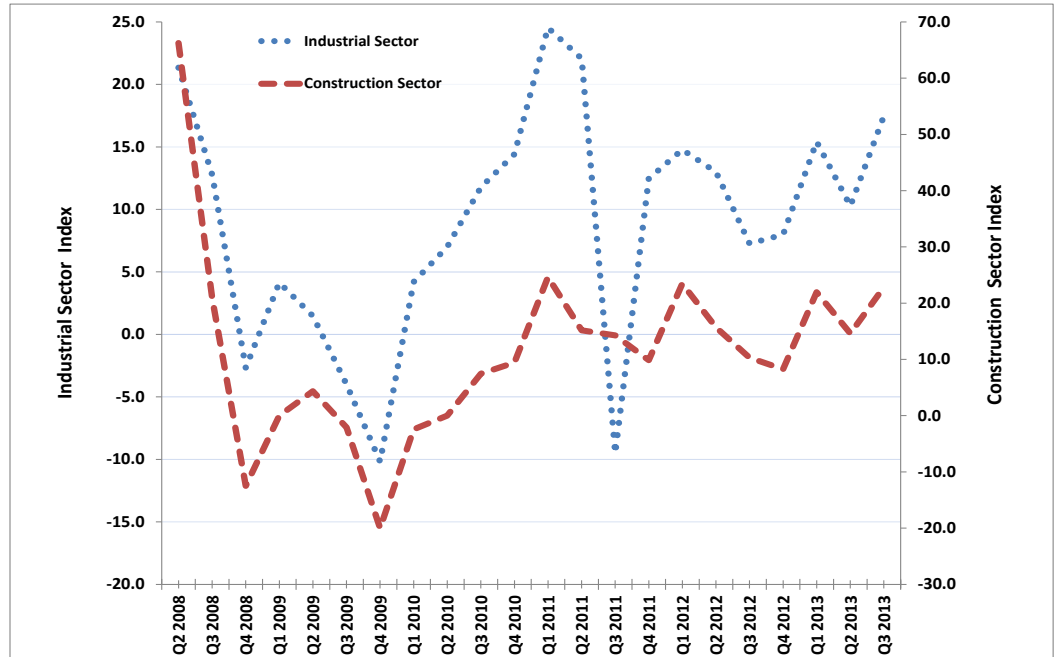


Fig. 3c: Current Quarter Business Outlook Index on Own Operations by Sector

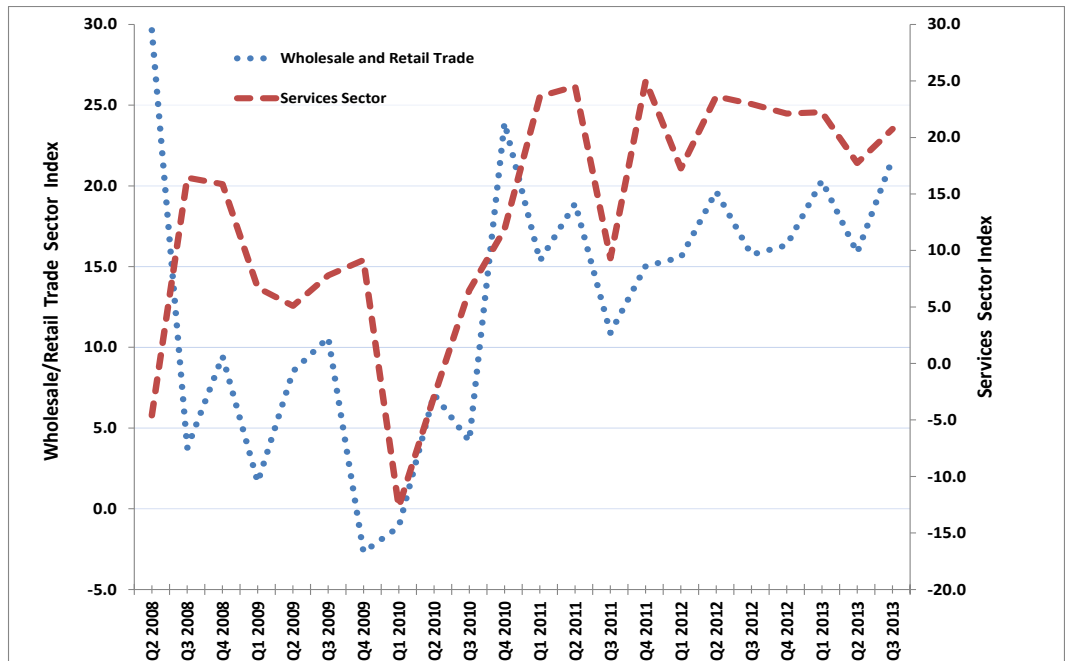


Fig. 3d: Current Quarter Business Outlook Index on Own Operations by Sector

*Business confidence indices on own operations was more optimistic across all sectors in Q3, 2013 compared with Q2, 2012.*

The confidence index on own operations by sectors in the current quarter was more optimistic across all sectors. The construction, wholesale/retail trade, services and industrial sectors stood at 22.8, 21.7, 20.7 and 17.5 in Q3, 2013, up from their levels of 10.3, 15.7, 23.0 and 7.3 in the corresponding quarter of 2012, respectively.

*Average capacity utilization rose in the current quarter.*

The average capacity utilization index (CUI) at 24.2 points in Q3, 2013 rose by 5.0 points when compared with the 19.2 points achieved in the corresponding quarter of 2012 (Fig. 4).

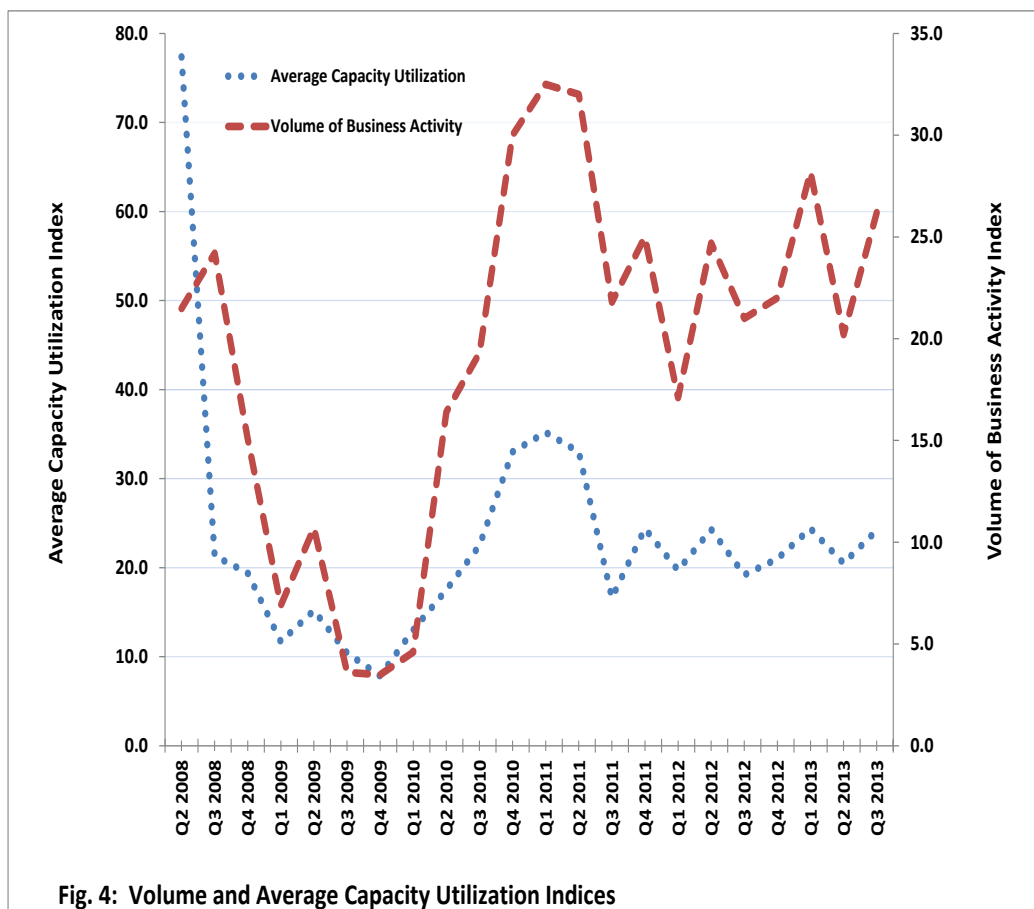


Fig. 4: Volume and Average Capacity Utilization Indices

### Access to Credit and Financial Condition

The financial condition index in the current quarter stood at 20.5 per cent and was driven largely by the services (7.5 points), wholesale /retail trade (5.5 points), industrial (4.3 points) and construction sector (3.3 points) (Table 2 sections 5 & 21).

Respondents' optimism in the volume of total order book and financial condition of the firms in the zone, buoyed the index of the volume of business activity in the current quarter. Similarly, the positive outlook in access to credit by the majority of firms upped the financial condition of firms in the review quarter. (Table 2 section 5).

*The positive outlook of the volume of business activities of the firms suggests higher prospect for*

*The employment outlook index by sector shows that the construction sector has more prospects for employment in the next quarter.*

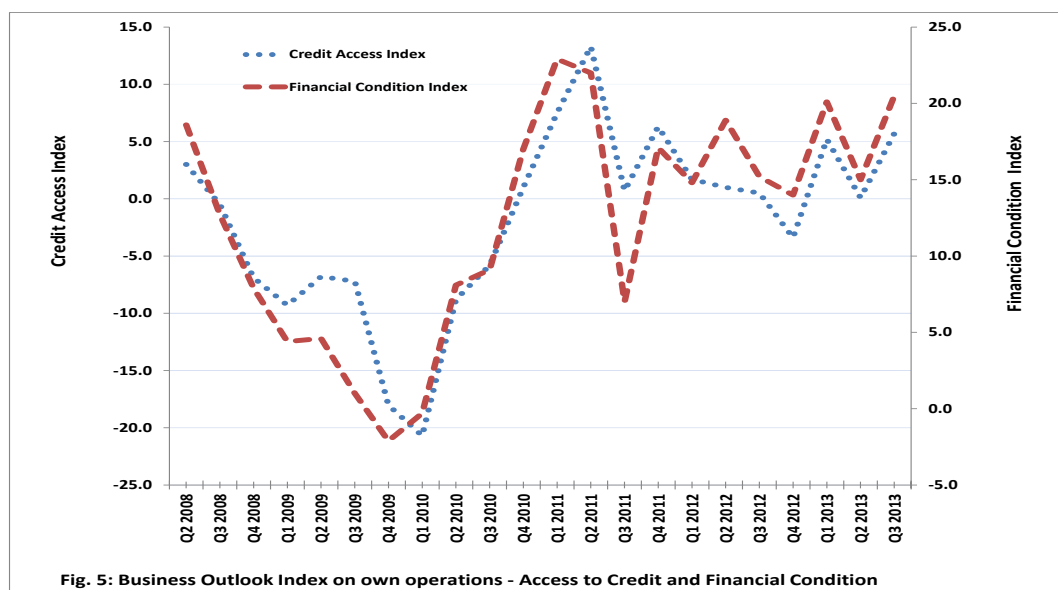


Fig. 5: Business Outlook Index on own operations - Access to Credit and Financial Condition

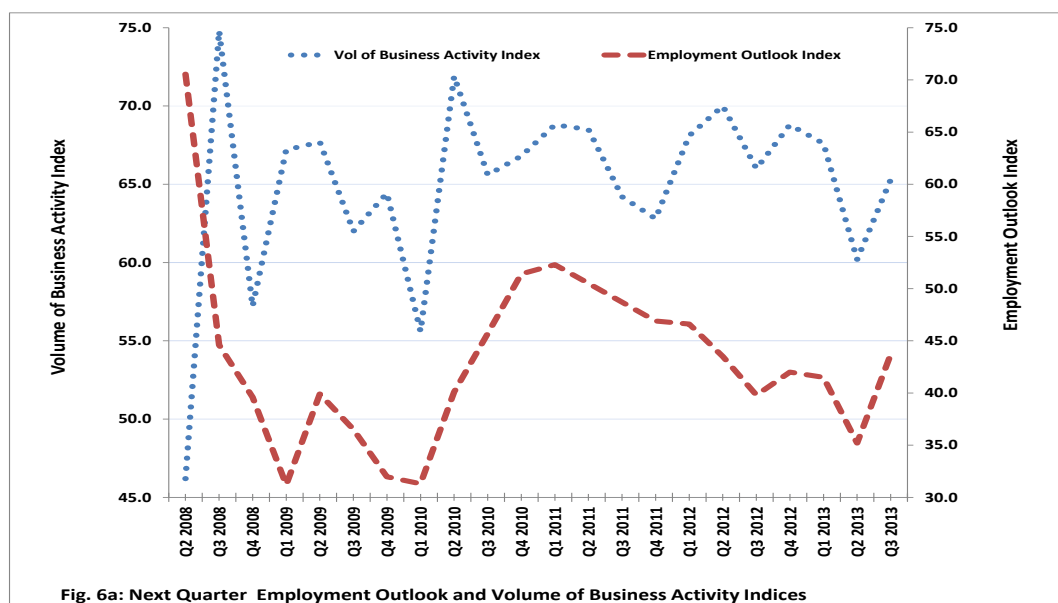


Fig. 6a: Next Quarter Employment Outlook and Volume of Business Activity Indices

## Employment and Expansion Plans

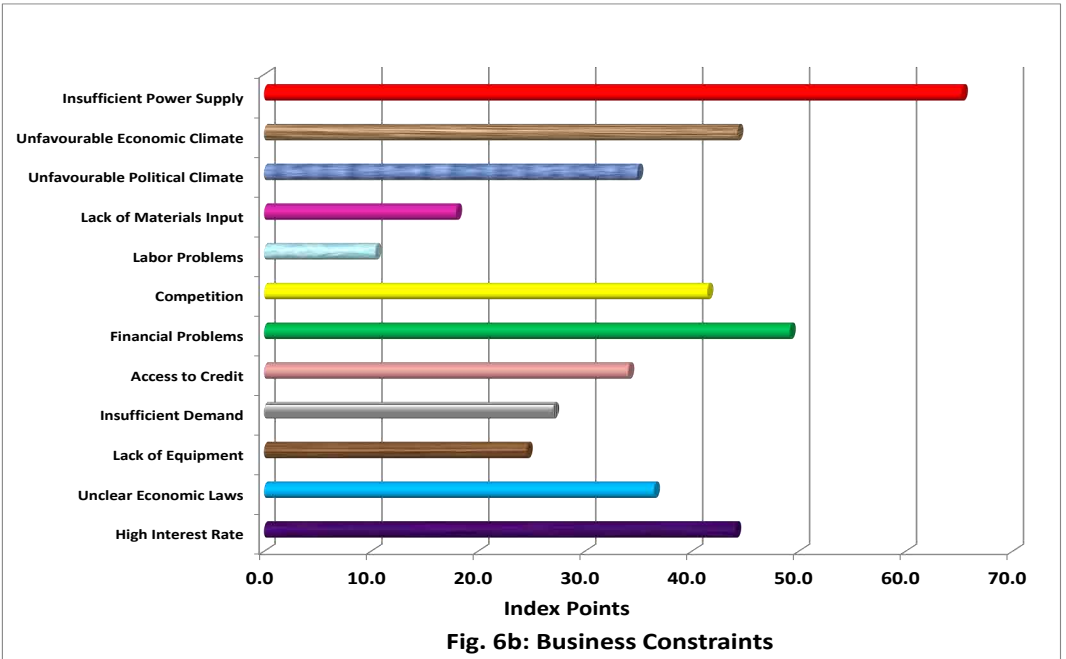
At 65.3 index points, the positive outlook in the volume of business activities implied prospects for employment in the next quarter, as the employment index stood at 43.7 points. The employment outlook index by sector, shows that the construction sector has a higher prospect for creating jobs (46.0 points), followed by the services sector (45.4 points), industrial (42.1 points) and the wholesale/retail sector (41.7 points) (Table 2 sections 6 & 7).

On the analysis of businesses with expansion plans by sector, the wholesale/retail sector indicated the more interest for expansion with an index of 69.4 points, in the next quarter. Similarly, construction, services and industrial sectors firms indicated interest in expanding their businesses in Q4, 2013 with indices of 67.8, 66.3, and 64.4 points, respectively (Table 2 section 8).



## Business Constraints

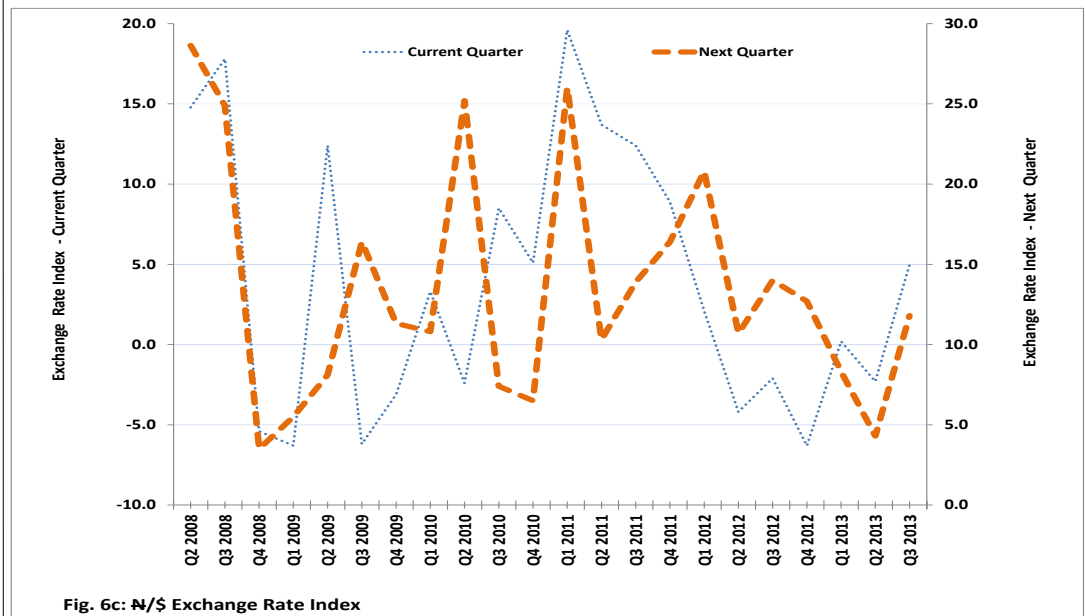
*Insufficient power supply, financial problems, unfavourable economic climate high interest rate, and competitions remain major threats to business in Nigeria.*



The respondent firms emphasized, insufficient power supply (65.3 index points), financial problems (49.2 index points), unfavourable economic climate (44.3 index points), high interest rate, (44.1 index points), and competition (41.5 index points) as the major factors constraining the business activity in the current quarter (Fig. 6b).

## Expectations on Exchange Rate

*The respondent firms expect the Naira to appreciate in current and next quarters.*



Majority of the respondent firms expect the naira to appreciate in the current quarter, and next quarter, as the confidence indices stood at 5.0 and 11.8 points, respectively (Fig. 6c).

## Expectations on Inflation and Borrowing Rates

*Inflation rate is expected to rise in both the current and next quarters.*

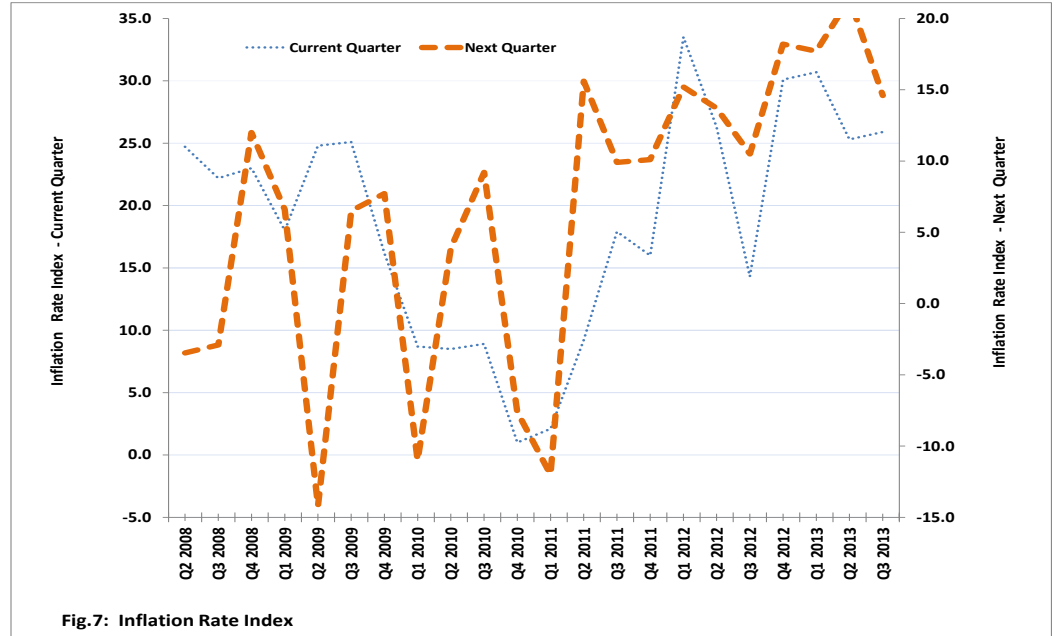


Fig.7: Inflation Rate Index

Respondent firms expect inflation rate to rise in both the current and next quarters, as the confidence indices stood at 25.9 and 14.6 points, respectively (Fig. 7).

*Borrowing rate is expected to rise in both the current and next quarters.*

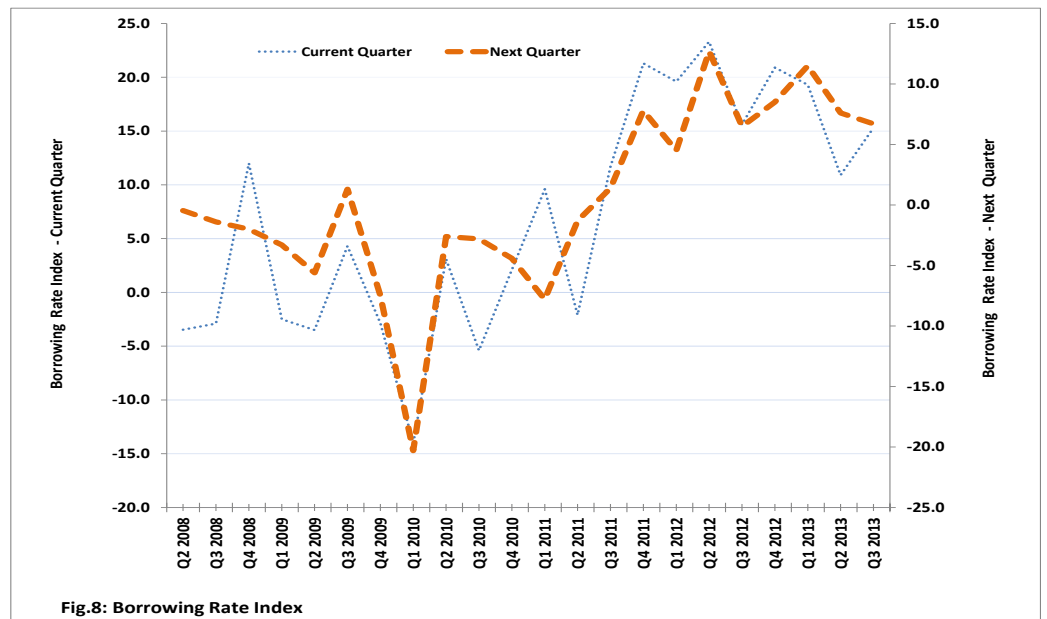


Fig.8: Borrowing Rate Index

Respondent firms expect the borrowing rate to rise in both the current and next quarters as the confidence indices stood at 15.3 and 6.7 points, respectively (Fig. 8).

**TABLE 2**  
**BUSINESS EXPECTATIONS SURVEY**

<b>National</b>							
Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
<i>National</i>	10.1	16.2	14.1	10.9	25.1	15.1	19.0
<i>North Central</i>	6.4	28.6	11.7	19.8	32.3	25.3	13.5
<i>North East</i>	39.0	5.6	15.8	-9.3	29.8	11.8	20.7
<i>North West</i>	2.4	5.1	6.0	15.5	19.2	6.3	22.3
<i>South East</i>	-0.4	23.8	21.8	0.8	36.1	3.6	14.8
<i>South South</i>	-3.6	21.5	23.6	21.0	19.8	28.4	29.5
<i>South West</i>	18.6	13.4	10.1	12.5	17.9	14.3	14.5
<b>Next Quarter</b>							
<i>National</i>	52.2	56.1	50.1	52.0	58.0	44.9	54.6
<i>North Central</i>	56.1	66.7	44.8	49.4	59.1	50.3	49.2
<i>North East</i>	44.4	48.4	47.6	53.9	69.6	48.8	50.9
<i>North West</i>	34.4	49.2	42.5	54.6	58.0	41.7	64.5
<i>South East</i>	54.1	48.7	54.0	58.4	53.5	28.5	48.5
<i>South South</i>	58.3	66.9	60.9	50.0	60.5	54.6	55.7
<i>South West</i>	65.0	53.8	52.9	48.3	49.5	43.1	56.7
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	11.6	9.3	6.4	6.1	24.8	17.0	16.6
Construction Sector	21.4	20.8	14.9	4.5	26.4	18.5	21.7
Wholesale and Retail Trade	2.5	16.6	16.7	14.7	26.4	11.4	18.6
Services Sector of which:	18.3	19.0	17.6	15.6	24.1	15.3	19.9
Financial Intermediation	-26.3	32.8	28.6	46.4	32.3	39.6	47.1
Hotels and Restaurants	5.1	6.9	9.9	30.1	18.7	2.1	13.6
Renting and Business Activities	-1.9	14.2	18.0	8.8	23.7	4.3	11.6
Community and Social Services	27.3	26.7	17.9	8.9	24.2	22.0	10.7
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	49.3	53.1	47.1	49.9	58.0	44.2	54.3
Construction Sector	56.1	58.9	44.7	47.0	59.9	44.9	50.4
Wholesale and Retail Trade	53.5	56.3	52.2	54.3	59.6	44.4	53.2
Services Sector of which:	52.4	57.2	53.0	57.6	56.4	45.6	57.5
Financial Intermediation	52.6	82.8	62.2	78.6	57.7	63.3	70.3
Hotels and Restaurants	56.2	48.7	47.3	63.7	48.7	38.9	54.0
Renting and Business Activities	41.5	49.6	55.1	48.6	61.1	34.8	55.5
Community and Social Services	50.0	55.7	50.6	59.5	58.2	50.3	51.8
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	14.8	13.0	7.3	8.0	15.4	10.3	17.5
Construction Sector	23.5	15.7	10.3	8.3	21.9	14.6	22.8
Wholesale and Retail Trade	15.6	19.7	15.7	16.3	20.3	15.9	21.7
Services Sector	17.3	23.6	23.0	22.1	22.2	17.7	20.7
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	17.1	24.7	21.0	22.0	28.2	20.2	26.2
Volume of Total Order Book Index	14.5	26.1	20.9	20.7	24.9	17.8	26.7
Credit Access Index	1.7	1.0	0.5	-3.4	5.2	0.1	5.7
Financial Condition Index	14.8	18.9	15.2	14.0	20.1	15.0	20.5
Average Capacity Utilization	19.7	24.3	19.2	21.0	24.4	20.5	24.2
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	68.1	70.0	66.0	68.8	67.6	60.2	65.3
Employment Outlook Index	46.6	43.5	39.8	42.0	41.5	35.2	43.7
<b>7. Employment Outlook Index on Own Operations by Sector: Next Quarter</b>							
Industrial Sector	46.2	38.5	35.5	39.7	35.1	31.4	42.1
Construction Sector	54.1	45.8	42.7	37.7	46.5	36.0	46.0
Wholesale and Retail Trade	45.7	43.4	40.8	44.0	40.9	37.6	41.7
Services Sector	50.1	9.8	41.1	44.9	44.2	35.8	45.4

**TABLE 2**  
**BUSINESS EXPECTATIONS SURVEY**

**National**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>8. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	29.8	23.5	24.5	17.9	24.2	60.8	64.4
Construction Sector	51.0	38.1	38.9	20.5	34.6	59.7	67.8
Wholesale and Retail Trade	36.8	41.0	33.5	38.4	42.0	64.4	69.4
Services Sector of which:	27.7	36.3	39.8	43.8	30.3	64.5	66.3
Financial Intermediation	36.8	65.5	39.0	78.6	40.0	66.9	67.1
Hotels and Restaurants	23.6	14.3	31.9	57.5	20.2	62.2	66.2
Renting and Business Activities	62.3	51.8	48.5	33.7	26.3	62.5	65.9
Community and Social Services	36.4	28.4	40.5	40.0	38.1	67.2	66.1
<b>9. Business Constraints: Current Quarter</b>							
High Interest Rate	53.4	49.8	47.8	51.5	48.1	49.8	44.1
Unclear Economic Laws	38.6	35.0	39.6	41.5	34.3	39.6	36.5
Lack of Equipment	22.3	18.3	17.8	27.0	19.1	17.0	24.6
Insufficient Demand	30.6	24.6	22.6	28.5	19.7	24.0	27.0
Access to Credit	34.4	31.5	32.2	36.1	35.6	36.8	34.1
Financial Problems	48.4	46.4	49.9	53.0	49.0	50.1	49.2
Competition	39.5	37.8	39.3	37.7	37.4	36.6	41.5
Labor Problems	8.5	0.9	4.4	8.5	4.5	0.2	10.4
Lack of Materials Input	20.6	8.0	12.5	18.8	9.6	7.8	18.0
Unfavourable Political Climate	35.1	27.6	39.8	38.6	29.4	34.7	34.9
Unfavourable Economic Climate	44.8	37.5	48.0	45.8	35.8	44.5	44.3
Insufficient Power Supply	64.6	74.3	71.6	68.5	69.3	70.7	65.3
<b>10. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	2.1	-4.2	-2.1	-6.3	0.2	-2.3	5.0
Inflation Rate	33.5	26.3	14.3	30.1	30.7	25.3	25.9
Borrowing Rate	19.6	23.3	15.6	20.9	19.3	10.9	15.3
<b>11. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	20.8	10.7	14.0	12.7	8.3	4.3	11.8
Inflation Rate	15.2	13.7	10.5	18.2	17.7	21.4	14.6
Borrowing Rate	4.5	12.7	6.5	8.5	11.5	7.6	6.7
<b>12. Business Outlook index on the Macroeconomy by Type of Business: Current Quarter</b>							
Importer	4.5	20.7	19.6	13.6	34.5	24.0	30.3
Exporter	29.6	28.1	-16.1	8.2	27.3	34.1	14.0
Both Importer and Exporter	21.5	11.9	22.7	12.9	26.9	15.0	6.2
Neither Importer nor exporter	9.5	15.6	12.6	10.3	22.7	13.2	18.4
<b>13. Business Outlook index on the Macroeconomy by Type of Business: Next Quarter</b>							
Importer	43.8	51.6	56.0	60.5	60.6	57.0	58.7
Exporter	42.6	46.9	48.4	59.2	60.6	64.3	32.6
Both Importer and Exporter	59.0	64.9	53.5	57.1	60.6	41.3	46.4
Neither Importer nor exporter	54.6	56.1	48.5	49.9	57.1	42.8	55.5
<b>14. Business Outlook index on the Macroeconomy by Size of Business: Current Quarter</b>							
Small (<50)	8.9	15.2	12.9	8.7	23.7	12.0	18.2
Medium (50 and <200)	12.3	18.6	17.8	13.6	29.3	27.6	17.4
Large (200 and Up)	15.9	22.7	21.4	34.5	34.7	30.3	32.0
<b>15. Business Outlook index on the Macroeconomy by Size of Business: Next Quarter</b>							
Small (<50)	54.9	54.9	49.2	51.2	56.9	44.0	54.2
Medium (50 and <200)	51.6	58.7	48.8	53.0	62.7	49.6	56.9
Large (200 and Up)	29.8	65.5	63.2	62.2	62.9	46.2	53.9
<b>16. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	21.7	14.6	15.5	12.9	17.0	12.6	16.1
Exporter	3.1	1.8	1.6	2.6	1.7	2.2	2.2
Both Importer and Exporter	8.2	10.5	9.1	7.8	8.2	8.7	10.1
Neither Importer nor exporter	67.0	73.0	73.8	76.7	73.1	76.3	71.6
<b>17. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	76.9	79.1	80.8	81.0	80.1	80.8	79.0
Medium (50 and <200)	14.4	14.1	12.9	12.5	13.5	13.0	14.3
Large (200 and Up)	8.6	6.8	6.2	6.3	6.4	6.2	6.6
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0

**BUSINESS EXPECTATIONS SURVEY**

**National**

<b>Year</b>	<b>2012</b>				<b>2013</b>		
<b>Quarter</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>18. Distribution of Respondent Firms by Sector</b>							
Sample Size (N)	1850	1950	1950	1950	1950	1950	1950
Response Rate(%)	94.4	96.4	96.5	96.5	99.6	98.6	99.0
<b>All Sectors</b>	<b>1746</b>	<b>1880</b>	<b>1882</b>	<b>1881</b>	<b>1943</b>	<b>1922</b>	<b>1930</b>
Industrial Sector	379	462	482	477	467	477	475
Construction Sector	98	249	262	266	269	254	276
Wholesale and Retail Trade	475	488	502	484	492	492	485
Services Sector of which:	<u>794</u>	<u>681</u>	<u>636</u>	<u>654</u>	<u>715</u>	<u>699</u>	<u>694</u>
Financial Intermediation	38	129	119	113	130	139	155
Hotels and Restaurants	178	206	182	181	193	193	198
Renting and Business Activities	53	156	167	190	198	184	173
Community and Social Services	44	190	168	170	194	183	168
<b>19. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>							
Industrial Sector	2.5	2.3	1.6	1.5	6.0	4.2	4.1
Construction Sector	1.2	2.7	2.1	0.6	3.7	2.4	3.1
Wholesale and Retail Trade Sector	0.7	4.3	4.5	3.8	6.7	2.9	4.7
Services Sector	8.3	6.9	6.0	5.4	8.9	5.6	7.2
Industrial Sector	3.2	3.2	1.9	2.0	3.7	2.5	4.3
Construction Sector	1.3	2.1	1.4	1.2	3.0	1.9	3.3
Wholesale and Retail Trade Sector	4.2	5.1	4.2	4.2	5.1	4.1	5.5
Services Sector	7.8	8.6	7.8	7.7	8.2	6.5	7.5
<b>21. Employment Outlook Index on Own Operations by Sector: Next Quarter</b>							
Industrial Sector	10.0	9.5	9.1	10.1	8.4	7.8	10.4
Construction Sector	3.0	6.1	6.0	5.3	6.4	4.8	6.6
Wholesale and Retail Trade Sector	12.4	11.3	10.9	11.3	10.3	9.6	10.5
Services Sector	22.8	3.6	13.9	15.6	16.3	13.0	16.3

# Business Expectations Survey Q3 2013 North Central Zone

## Business Outlook

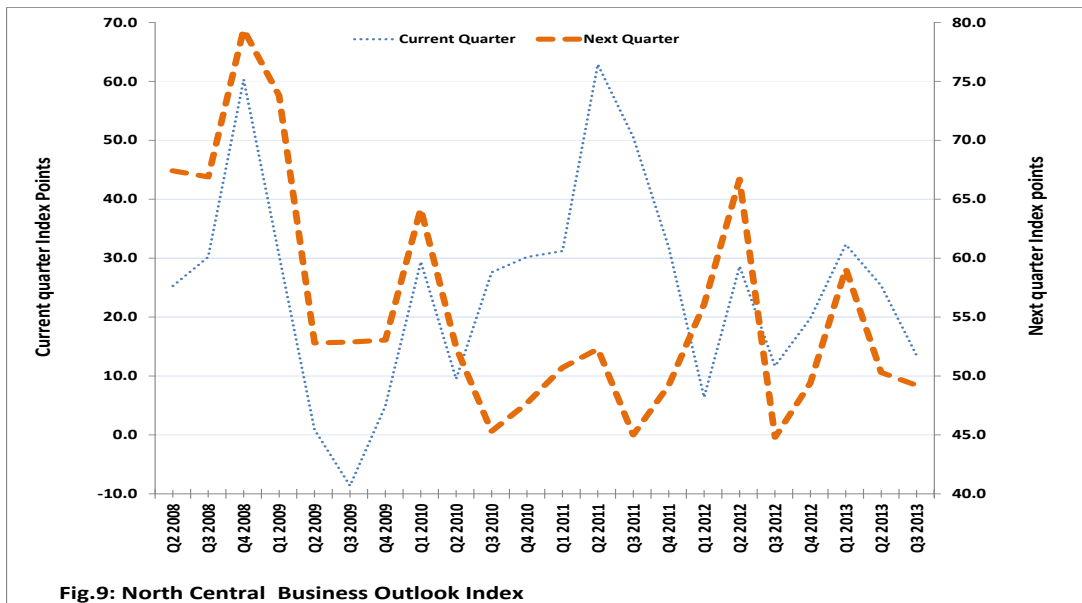


Fig.9: North Central Business Outlook Index

Respondents in the North Central zone were more optimistic on business activities in the quarter under review as overall confidence index rose to 13.5 index points, up by 1.8 points above the level achieved in the corresponding quarter of 2012. Similarly, at 49.2 points, respondents were more optimistic about business activities in the next quarter as the index rose by 35.7 points above the level achieved in the current quarter (Fig. 9).

The optimism in the overall business outlook in the zone could be adduced to services (6.9 points), wholesale/retail trade & industrial (3.14 points) and construction (0.3 points) (Table 3 sections 2 & 14).

Respondents' optimism in the volume of total order book and financial condition of the firms in the zone, buoyed the index of the volume of business activity in the current quarter. Similarly, the positive outlook in access to credit by the majority of firms would likely up the financial condition of firms in the review quarter.

The financial condition (or internal liquidity position) of the firms at 16.3 points in the current quarter was driven by services (6.0 points), wholesale/retail trade (4.9 points), industrial (4.6 points), and construction sector (0.9 points) (Table 3 sections 4, 5 & 15).

Respondents in the zone cited insufficient power supply, financial problems, competition, high interest rate, unfavourable economic climate as limiting factors to the growth of business activities (Table 3 section 8).

Respondent firms in the zone expect naira to appreciate in the current and next quarters. They also expect inflation to rise in both quarters, while borrowing rate is expected to rise in the current and fall in the next quarters (Tables 3 sections 9 & 10).

The respondent firms by type of business show that "neither importer nor exporter" category constituted the majority with 69.4 per cent, followed by, "importer" 16.0 per cent "both importer and exporter" 13.7 per cent and "exporter" 0.6 per cent (Table 3 section 11).



**TABLE 3**  
**BUSINESS EXPECTATIONS SURVEY**  
**North Central Zone**

Year	2012				2013		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
North Central	6.4	28.6	11.7	19.8	32.3	25.3	13.5
<b>Next Quarter</b>							
North Central	56.1	66.7	44.8	49.4	59.1	50.3	49.2
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	16.7	37.3	2.6	10.5	21.9	21.9	13.8
Construction Sector	37.5	32.6	13.0	9.3	40.7	25.0	1.8
Wholesale and Retail Trade	-4.7	23.4	13.2	25.6	42.2	26.4	12.6
Services Sector of which:	10.0	26.0	15.6	25.8	28.1	26.6	18.8
Financial Intermediation	16.7	6.7	29.0	42.9	26.9	48.4	18.5
Hotels and Restaurants	0.0	15.6	18.2	25.0	24.1	-3.0	20.6
Renting and Business Activities	0.0	10.0	9.4	6.5	13.2	28.1	15.2
Community and Social Services	0.0	61.5	6.3	30.3	45.2	34.4	20.6
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	55.6	69.3	42.9	50.0	56.2	47.9	45.0
Construction Sector	62.5	60.5	42.6	27.8	66.1	40.4	36.4
Wholesale and Retail Trade	53.1	62.8	49.5	51.1	61.4	60.4	52.9
Services Sector of which:	62.0	70.2	43.8	57.0	56.3	48.4	54.7
Financial Intermediation	38.9	83.3	61.3	85.7	61.5	77.4	63.0
Hotels and Restaurants	0.0	68.8	36.4	52.8	44.8	33.3	47.1
Renting and Business Activities	0.0	63.3	43.8	45.2	57.9	50.0	48.5
Community and Social Services	0.0	66.7	34.4	48.5	59.5	34.4	61.8
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	19.2	25.3	3.9	12.0	19.2	16.4	20.0
Construction Sector	6.3	37.2	9.3	11.1	39.0	13.5	5.5
Wholesale and Retail Trade	14.4	23.4	7.7	27.8	22.9	23.1	19.5
Services Sector	31.3	28.2	18.0	26.8	23.7	20.3	16.4
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	18.7	31.2	18.6	31.3	35.7	25.8	23.7
Volume of Total Order Book Index	13.1	32.7	20.0	29.0	34.3	27.9	25.2
Credit Access Index	-13.4	6.4	-4.0	7.1	7.8	7.3	7.2
Financial Condition Index	11.7	27.4	10.9	21.2	25.1	19.1	16.3
Average Capacity Utilization	10.1	29.5	16.5	27.0	25.7	26.4	22.6
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	69.4	75.0	61.4	61.2	59.5	60.5	63.7
Employment Outlook Index	52.7	48.1	40.8	39.9	39.1	35.5	47.7
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	27.8	49.3	19.5	41.3	39.7	64.4	60.0
Construction Sector	25.0	58.1	18.5	15.4	32.2	61.5	56.4
Wholesale and Retail Trade	46.9	66.0	38.5	51.1	59.0	68.1	66.3
Services Sector of which:	42.0	69.5	28.1	51.6	43.7	63.3	69.5
Financial Intermediation	22.2	73.3	48.4	71.4	23.1	64.5	70.4
Hotels and Restaurants	0.0	68.8	15.2	38.9	24.1	57.6	61.8
Renting and Business Activities	0.0	80.0	43.8	41.9	57.9	68.8	72.7
Community and Social Services	0.0	59.0	6.3	57.6	57.1	62.5	73.5
<b>8. Business Constraints: Current Quarter</b>							
High Interest Rate	54.2	43.9	45.0	42.2	42.4	41.5	52.1
Unclear Economic Laws	47.1	35.1	31.7	39.0	33.4	30.4	47.2
Lack of Equipment	27.0	23.9	8.3	23.5	23.7	12.6	30.6
Insufficient Demand	39.3	30.5	15.4	22.9	22.6	19.0	34.95
Access to Credit	33.6	33.7	34.5	41.5	43.2	39.0	31.55
Financial Problems	56.2	49.1	57.2	58.4	49.8	49.8	53.3
Competition	48.2	45.4	50.0	40.3	37.6	48.6	53.1
Labor Problems	7.5	8.6	2.8	8.8	5.7	-0.1	19.8
Lack of Materials Input	17.0	6.3	3.6	20.3	14.0	-2.8	14.25
Unfavourable Political Climate	43.0	28.2	36.8	40.8	39.2	26.7	38.7
Unfavourable Economic Climate	45.4	38.1	46.4	44.6	40.0	31.4	50.35
Insufficient Power Supply	48.5	57.3	71.0	65.8	62.2	65.4	66.2

**TABLE 3**  
**BUSINESS EXPECTATIONS SURVEY**  
**North Central Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	16.5	15.2	14.6	6.7	15.1	4.9	3.7
Inflation Rate	39.6	20.4	6.5	34.2	30.6	18.1	14.9
Borrowing Rate	7.7	11.7	-4.2	17.5	30.6	15.7	20.6
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	28.6	20.1	23.1	3.4	12.6	12.2	23.1
Inflation Rate	25.5	15.4	-3.7	23.0	25.7	20.9	2.8
Borrowing Rate	-11.1	6.1	-9.7	12.9	20.9	8.8	-2.3
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	18.1	13.4	10.9	9.8	15.7	16.6	16.0
Exporter	3.4	0.9	1.1	0.9	2.0	1.7	0.6
Both Importer and Exporter	8.4	13.1	10.3	10.3	5.7	8.1	13.7
Neither Importer nor exporter	70.1	72.6	77.7	79.0	76.6	73.5	69.4
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	86.6	82.2	84.9	87.6	86.0	80.5	87.4
Medium (50 and <200)	9.1	11.7	10.3	8.6	8.6	13.7	9.4
Large (200 and Up)	4.4	6.1	4.6	3.7	5.4	5.5	3.1
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>							
<b>All Sectors</b>	<b>298</b>	<b>344.0</b>	<b>350.0</b>	<b>348</b>	<b>350.0</b>	<b>344</b>	<b>350</b>
Industrial Sector	36	75	77	76	73	73	80
Construction Sector	16	43	54	54	59	52	55
Wholesale and Retail Trade	128	94	91	90	83	91	87
Services Sector of which:	<u>118</u>	<u>132</u>	<u>128</u>	<u>128</u>	<u>135</u>	<u>128</u>	<u>128</u>
Financial Intermediation	0	29	31	28	26	31	27
Hotels and Restaurants	18	32	33	36	29	33	34
Renting and Business Activities	0	30	32	31	38	32	33
Community and Social Services	0	28	32	33	42	32	34
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>							
Industrial Sector	2.01	8.14	0.57	2.30	4.57	4.65	3.14
Construction Sector	2.01	4.07	2.00	1.44	6.86	3.78	0.29
Wholesale and Retail Trade Sector	-2.01	6.40	3.43	6.61	10.00	6.98	3.14
Services Sector	3.96	9.98	5.71	9.48	10.86	9.88	6.86
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	2.32	5.52	0.86	2.62	4.00	3.49	4.57
Construction Sector	0.34	4.65	1.43	1.72	6.57	2.03	0.86
Wholesale and Retail Trade Sector	6.20	6.40	2.00	7.18	5.43	6.10	4.86
Services Sector	12.37	10.84	6.57	9.85	9.14	7.56	6.00

# Business Expectations Survey Q3 2013 North East Zone

## Business Outlook

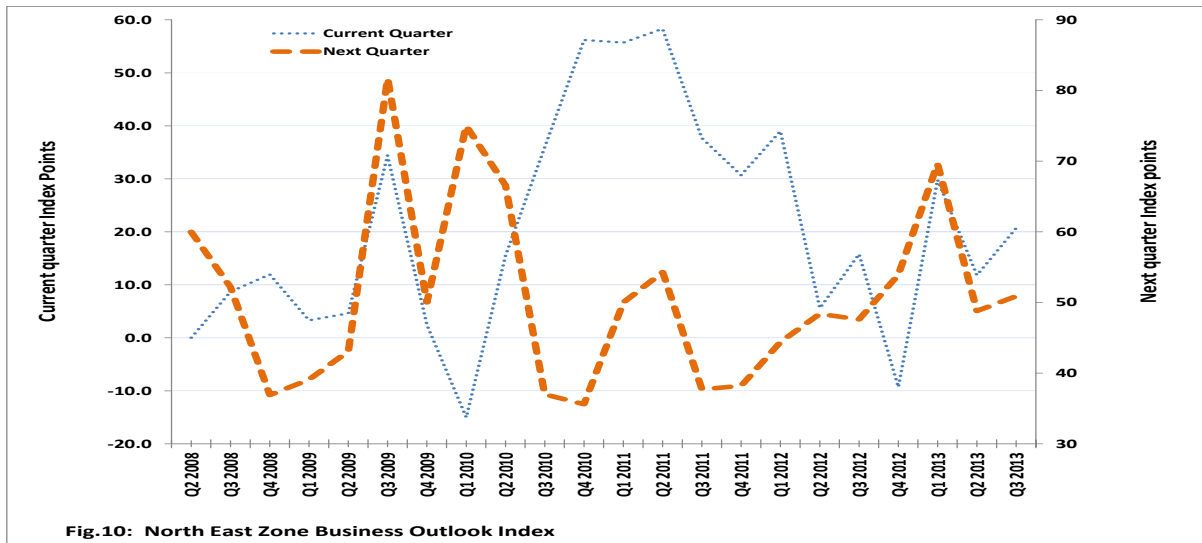


Fig.10: North East Zone Business Outlook Index

Respondents in the North East zone were more optimistic on business activities in the quarter under review. At 20.7 points overall confidence index rose by 4.9 index points, compared with the level achieved in the corresponding quarter of 2012. Similarly, respondents were optimistic about business activities in the next quarter as the index will be expected to rise by 30.2 points above the 20.7 points achieved in the current quarter (Fig. 10).

The optimism in the overall business outlook in the zone could be added to wholesale/retail trade (8.0 points) construction (6.7 points) industrial (3.3 points) and services (2.7 points), (Table 4 sections 2 & 14).

The volume of total order book and financial condition of the firms in the zone, buoyed the volume of business activity in the current quarter. Similarly, the optimism in access to credit by the firms upped their financial condition in the review quarter.

The financial condition (or internal liquidity position) of the firms which stood at 26.7 points in the current quarter was driven by wholesale/retail trade (9.7 points), construction (7.7 points) services (6.0 points), and industrial (3.3 points) sector (Table 4 sections 4 & 15).

Respondents in the zone cited insufficient power supply, financial problems, unfavourable economic climate, unfavourable political climate and unclear economic laws as factors limiting the growth of business activities in the zone (Table 4 section 8).

Respondent firms expect naira to appreciate in the current quarter, and next quarter. Inflation and borrowing rates, are also expected to rise in both current and next quarters (Tables 4 sections 9).

The respondent firms by type of business show that “neither importer nor exporter” category constituted the majority with 70.6 per cent, followed by importer” with 16.1 per cent, “both importer and exporter” 11.7 per cent and exporter 1.7 per cent (Table 4 section 11).

**TABLE 4**  
**BUSINESS EXPECTATIONS SURVEY**  
**North East Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
North East	39.0	5.6	15.8	-9.3	29.8	11.8	20.7
<b>Next Quarter</b>							
North East	44.4	48.4	47.6	53.9	69.6	48.8	50.9
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	41.5	4.7	10.0	-3.4	23.0	15.0	17.2
Construction Sector	40.9	4.7	12.2	-10.3	41.9	13.2	45.5
Wholesale and Retail Trade	29.7	3.9	22.7	-8.3	43.8	11.5	30.0
Services Sector of which:	46.1	7.5	15.8	-12.6	19.1	9.9	6.8
Financial Intermediation	18.5	28.6	20.0	-16.7	24.0	16.0	47.8
Hotels and Restaurants	0.0	-12.9	-6.3	-18.5	31.0	-6.9	-3.4
Renting and Business Activities	0.0	8.6	41.9	-4.3	12.5	10.0	-23.3
Community and Social Services	0.0	15.8	9.7	-21.1	10.3	22.2	14.3
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	43.4	45.3	51.7	58.6	59.0	36.7	37.9
Construction Sector	50.0	44.2	34.1	66.7	74.4	60.5	54.5
Wholesale and Retail Trade	62.2	44.7	45.3	56.9	77.5	46.2	57.5
Services Sector of which:	32.4	54.7	51.8	45.0	67.8	53.2	51.3
Financial Intermediation	63.0	85.7	60.0	16.7	60.0	44.0	47.8
Hotels and Restaurants	0.0	35.5	34.4	51.9	69.0	41.4	65.5
Renting and Business Activities	0.0	40.0	67.7	53.2	78.1	56.7	40.0
Community and Social Services	0.0	78.9	48.4	42.1	62.1	70.4	51.4
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	17.0	31.3	16.7	20.7	23.0	8.3	17.2
Construction Sector	40.9	18.6	-9.8	15.4	27.9	13.2	52.3
Wholesale and Retail Trade	54.1	30.3	25.3	6.9	30.0	9.0	36.3
Services Sector	21.6	29.2	24.6	25.2	5.2	30.6	15.4
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	21.6	22.1	19.3	14.6	21.0	19.2	27.0
Volume of Total Order Book Index	8.7	24.3	19.3	12.8	22.1	14.6	32.1
Credit Access Index	14.1	0.7	5.2	-10.7	12.3	5.6	18.1
Financial Condition Index	26.6	28.4	18.3	18.2	18.8	17.8	26.7
Average Capacity Utilization	46.9	30.4	24.2	24.6	18.4	23.7	33.5
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	63.9	68.5	64.5	75.3	80.6	62.4	64.6
Employment Outlook Index	66.4	52.6	35.9	51.1	51.1	35.5	41.8
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	57.7	53.1	33.3	65.5	60.7	26.7	77.6
Construction Sector	72.7	58.1	26.8	53.8	62.8	10.5	77.3
Wholesale and Retail Trade	40.5	78.9	65.3	47.2	65.0	7.7	75.0
Services Sector of which:	18.8	47.2	38.6	42.3	47.8	35.1	63.2
Financial Intermediation	70.4	71.4	40.0	55.6	60.0	36.0	65.2
Hotels and Restaurants	0.0	41.9	31.3	33.3	31.0	17.2	72.4
Renting and Business Activities	0.0	54.3	54.8	53.2	50.0	26.7	50.0
Community and Social Services	0.0	15.8	29.0	15.8	51.7	63.0	65.7
<b>8. Business Constraints: Current Quarter</b>							
High Interest Rate	52.1	44.6	33.3	37.9	37.2	48.5	22.8
Unclear Economic Laws	27.7	42.4	33.8	34.4	30.3	41.5	28.0
Lack of Equipment	13.7	20.7	16.3	23.6	9.3	15.4	18.6
Insufficient Demand	19.3	17.0	15.2	19.1	12.6	26.0	16.7
Access to Credit	32.0	25.9	24.9	14.2	24.2	23.0	23.6
Financial Problems	36.0	47.1	45.4	46.1	50.2	56.7	35.5
Competition	23.5	33.5	38.3	21.1	43.9	31.5	25.2
Labor Problems	7.2	0.7	1.4	0.3	-6.7	-9.3	2.7
Lack of Materials Input	32.0	12.4	10.6	13.3	1.2	2.8	13.1
Unfavourable Political Climate	36.0	34.6	42.1	39.9	32.4	50.1	29.8
Unfavourable Economic Climate	58.9	46.3	46.9	48.9	32.2	47.2	33.8
Insufficient Power Supply	50.15	81.4	85.4	76.1	77.2	80.5	55.8

**TABLE 4**  
**BUSINESS EXPECTATIONS SURVEY**  
**North East Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	19.1	-18.7	-17.3	-27.5	2.0	-7.3	18.8
Inflation Rate	23.3	32.9	12.0	16.0	48.5	30.3	28.4
Borrowing Rate	7.9	35.3	49.3	22.9	33.1	10.4	10.4
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	23.6	9.7	21.3	40.0	19.7	10.8	16.0
Inflation Rate	8.3	21.1	41.0	10.7	27.8	23.7	11.7
Borrowing Rate	-5.8	19.0	30.0	20.3	13.8	9.8	6.0
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	39.8	8.0	8.6	3.6	18.1	6.6	16.1
Exporter	5.4	1.4	0.7	0.0	0.0	1.0	1.7
Both Importer and Exporter	7.1	4.8	4.8	6.8	7.7	3.5	11.7
Neither Importer nor exporter	47.7	85.8	85.9	89.6	74.2	88.9	70.6
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	66.4	84.4	80.3	82.5	80.6	83.3	80.3
Medium (50 and <200)	15.8	12.1	14.8	12.1	14.4	11.5	15.4
Large (200 and Up)	17.8	3.5	4.8	5.4	5.0	5.2	4.3
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>							
<b>All Sectors</b>	<b>241</b>	<b>289</b>	<b>290</b>	<b>280</b>	<b>299</b>	<b>287</b>	<b>299</b>
Industrial Sector	53	64	60	58	61	60.0	58
Construction Sector	22	43	41	39	43	38.0	44
Wholesale and Retail Trade	37	76	75	72	80	78.0	80
Services Sector of which:	<u>129</u>	<u>106</u>	<u>114</u>	<u>111</u>	<u>115</u>	<u>111</u>	<u>117</u>
Financial Intermediation	0	21	20	18	25	25.0	23
Hotels and Restaurants	27	31	32	27	29	29.0	29
Renting and Business Activities	0	35	31	47	32	30.0	30
Community and Social Services	0	19	31	19	29	27	35
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>							
Industrial Sector	9.1	1.0	2.1	-0.7	4.7	3.1	3.3
Construction Sector	3.7	0.7	1.7	-1.4	6.0	1.7	6.7
Wholesale and Retail Trade Sector	4.6	1.0	5.9	-2.1	11.7	3.1	8.0
Services Sector	24.7	2.8	6.2	-5.0	7.4	3.8	2.7
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	3.73	6.92	3.45	4.29	4.68	1.74	3.34
Construction Sector	3.73	2.77	-1.38	2.15	4.01	1.74	7.69
Wholesale and Retail Trade Sector	8.30	7.96	6.55	1.77	8.03	2.44	9.70
Services Sector	11.55	10.73	9.66	9.99	2.01	11.85	6.02

# Business Expectations Survey Q3 2013 North West Zone

## Business Outlook

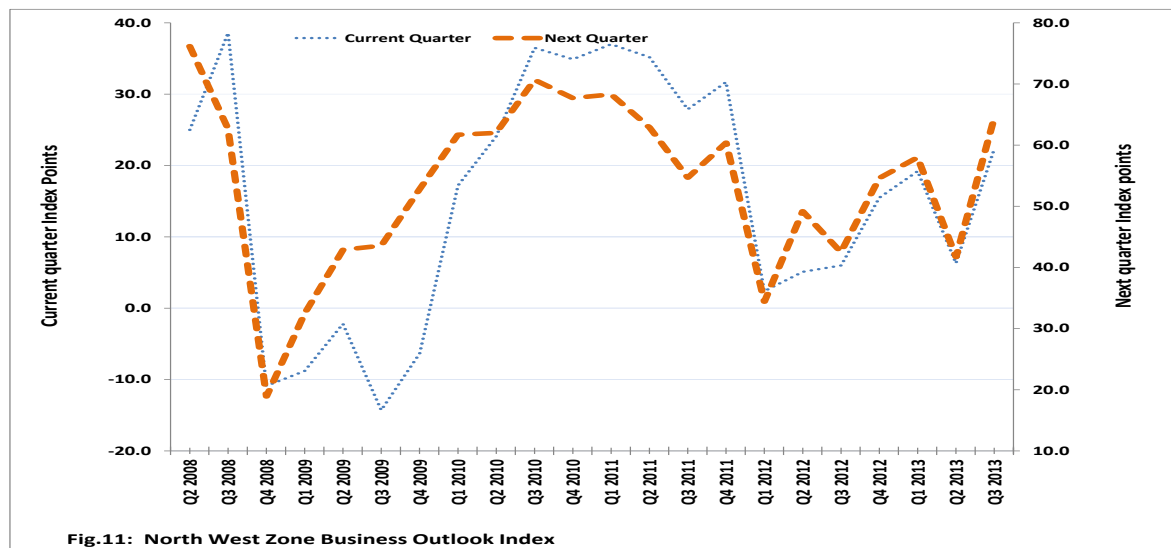


Fig.11: North West Zone Business Outlook Index

Respondents in the North West zone were more optimistic on business activities in the quarter under review. At 22.3 points overall confidence index rose by 16.3 index points, compared with the level achieved in the corresponding quarter of 2012. Similarly, respondents were optimistic about business activities in the next quarter as the index will be expected to rise to 64.5 points from 22.3 points achieved in the current quarter (Fig. 11).

The optimism in the overall business outlook in the zone could be added to services (9.4 points), wholesale/retail trade (7.0 points), construction (2.1 points) and industrial (3.8 points) (Table 5 sections 2 & 14).

Respondents' optimism in the volume of total order book and financial condition of the firms in the zone, buoyed the index of the volume of business activity and average capacity utilization index in the current quarter. Though the outlook to access to credit by the majority of firms remained negative, the financial condition of firms improved in the review quarter.

The financial condition (or internal liquidity position) of the firms which stood at 24.3 points in the current quarter was driven by services (10.8 points), wholesale/retail trade (7.1 points),

construction (3.5 points) and industrial (3.0 points) (Table 5 sections 4 & 15).

Respondents in the zone cited insufficient power supply, financial problems, High interest rate unfavourable economic climate and unfavourable political climate as limiting factors to the growth of business activities (Table 5 section 8).

Respondent firms expect naira to appreciate in the current quarter and next quarter. Similarly, a rise in both inflation and borrowing rates is expected in the current and next quarters (Table 5 sections 9 & 10).

The respondent firms by type of business show that "neither importer nor exporter" category constituted the majority with 81.2 per cent, followed by "importer" 9.1 per cent "both importer and exporter" 7.6 per cent, and "exporter" 2.1 per cent (Table 5 section 11).

**TABLE 5**  
**BUSINESS EXPECTATIONS SURVEY**  
**North West Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
North West	2.4	5.1	6.0	15.5	19.2	6.3	22.3
<b>Next Quarter</b>							
North West	34.4	49.2	42.5	54.6	58.0	41.7	64.5
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	0.9	-18.7	-9.3	11.1	23.0	4.2	14.0
Construction Sector	28.6	16.3	12.1	14.3	0.0	7.5	14.9
Wholesale and Retail Trade	8.5	8.8	13.1	16.1	26.6	7.4	27.0
Services Sector of which:	7.3	17.9	11.4	19.3	16.8	6.8	28.6
Financial Intermediation	-27.3	38.1	-11.8	-5.3	15.0	-6.7	56.0
Hotels and Restaurants	-30.6	19.4	9.4	29.4	3.1	-2.9	19.4
Renting and Business Activities	0.0	7.4	10.7	22.6	23.3	10.7	6.9
Community and Social Services	25.0	9.1	28.6	20.0	25.8	30.8	37.0
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	33.0	31.9	38.1	63.3	59.0	43.8	67.7
Construction Sector	57.1	67.4	36.4	47.6	51.2	35.0	61.7
Wholesale and Retail Trade	42.3	63.7	48.5	54.0	61.7	42.6	58.4
Services Sector of which:	14.6	44.3	42.9	73.6	56.6	41.5	67.9
Financial Intermediation	36.4	66.7	17.6	42.1	55.0	43.3	76.0
Hotels and Restaurants	36.1	72.2	50.0	47.1	43.8	26.5	74.2
Renting and Business Activities	6.3	25.9	46.4	74.2	56.7	42.9	58.6
Community and Social Services	45.8	0.0	46.4	32.0	71.0	57.7	63.0
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	14.7	3.3	-3.1	6.7	11.0	10.4	10.8
Construction Sector	47.6	25.6	18.2	23.8	18.6	17.5	25.5
Wholesale and Retail Trade	32.4	7.7	13.1	13.8	18.1	8.5	27.0
Services Sector	14.6	28.3	18.1	19.3	24.8	5.9	33.0
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	14.3	17.2	15.5	20.4	26.0	10.6	24.1
Volume of Total Order Book Index	14.6	16.6	12.5	22.5	23.5	8.3	24.1
Credit Access Index	7.6	7.0	5.4	4.3	7.1	-9.2	-7.3
Financial Condition Index	19.8	15.4	10.4	14.9	18.3	9.1	24.3
Average Capacity Utilization	15.5	20.9	16.1	22.0	24.3	5.2	23.2
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	60.2	59.3	55.1	64.0	69.1	50.3	73.0
Employment Outlook Index	38.3	35.3	36.2	41.5	41.7	27.3	52.5
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	35.8	27.5	29.9	28.9	22.0	52.1	65.6
Construction Sector	71.4	62.8	75.8	23.8	48.8	62.5	89.4
Wholesale and Retail Trade	46.5	51.6	51.5	51.7	51.1	60.6	65.2
Services Sector of which:	65.9	47.2	54.3	57.8	50.4	63.6	74.1
Financial Intermediation	63.6	71.4	17.6	78.9	50.0	60.0	68.0
Hotels and Restaurants	11.1	11.1	62.5	64.7	18.8	64.7	67.7
Renting and Business Activities	75.0	55.6	42.9	48.4	66.7	60.7	82.8
Community and Social Services	58.3	72.7	78.6	44.0	67.7	69.2	77.8
<b>8. Business Constraints: Current Quarter</b>							
High Interest Rate	49.7	45.5	48.5	52.1	49.7	44.9	47.2
Unclear Economic Laws	40.2	37.7	44.5	36.7	38.4	44.7	38.0
Lack of Equipment	24.5	21.8	7.5	24.3	21.3	11.8	27.2
Insufficient Demand	30.5	19.7	23.5	25.5	23.2	32.3	26.4
Access to Credit	25.6	18.0	29.4	35.6	32.1	33.8	21.7
Financial Problems	42.0	35.6	48.3	42.9	46.9	50.8	55.0
Competition	31.6	30.5	18.9	31.1	36.7	25.6	39.9
Labor Problems	9.2	30.5	-6.0	4.3	7.0	3.3	11.1
Lack of Materials Input	15.7	6.8	16.3	7.1	8.9	13.6	21.4
Unfavourable Political Climate	46.3	34.2	48.0	30.7	30.2	46.3	42.4
Unfavourable Economic Climate	52.9	40.7	52.8	31.6	34.0	50.1	42.8
Insufficient Power Supply	64.0	78.5	69.3	61.8	63.5	72.6	69.5



**TABLE 5**  
**BUSINESS EXPECTATIONS SURVEY**  
**North West Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	-13.7	-4.2	-10.7	-9.1	-6.0	-15.0	0.0
Inflation Rate	24.0	17.9	10.1	15.5	22.0	24.1	30.8
Borrowing Rate	35.9	23.3	25.1	22.9	16.3	18.9	20.8
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	14.6	17.3	14.6	16.4	12.6	-6.8	15.2
Inflation Rate	29.8	15.4	13.1	1.5	8.3	23.9	9.1
Borrowing Rate	24.0	8.7	9.5	0.3	11.2	16.1	14.3
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	19.5	13.0	12.0	14.6	11.7	10.5	9.1
Exporter	4.9	4.2	2.4	1.2	1.4	2.3	2.1
Both Importer and Exporter	7.6	11.2	5.4	7.3	15.1	15.1	7.6
Neither Importer nor exporter	68.1	71.6	80.2	76.8	71.7	72.1	81.2
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	75.1	74.0	82.0	75.3	73.4	79.0	76.2
Medium (50 and <200)	17.0	17.5	12.6	17.4	18.9	13.2	13.5
Large (200 and Up)	7.9	8.5	5.4	7.0	7.7	7.5	10.3
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>							
<b>All Sectors</b>	<b>329</b>	<b>331</b>	<b>334</b>	<b>328</b>	<b>350</b>	<b>348</b>	<b>341</b>
Industrial Sector	109	91	97	90	100	96	93
Construction Sector	21	43	33	42	43	40	47
Wholesale and Retail Trade	71	91	99	87	94	94	89
Services Sector of which:	<u>128</u>	<u>106</u>	<u>105</u>	<u>109</u>	<u>113</u>	<u>118</u>	<u>112</u>
Financial Intermediation	11	21	17	19	20	30	25
Hotels and Restaurants	36	36	32	34	32	34	31
Renting and Business Activities	16	27	28	31	30	28	29
Community and Social Services	24	22	28	25	31	26	27
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current</b>							
Industrial Sector	0.3	-5.1	-2.7	3.0	6.6	1.1	3.8
Construction Sector	1.8	2.1	1.2	1.8	0.0	0.9	2.1
Wholesale and Retail Trade Sector	1.8	2.4	3.9	4.3	7.1	2.0	7.0
Services Sector	2.8	5.7	3.6	6.4	5.4	2.3	9.4
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	4.86	0.91	-0.90	1.83	3.14	2.87	2.93
Construction Sector	3.04	3.33	1.80	3.05	2.29	2.01	3.52
Wholesale and Retail Trade Sector	6.99	2.12	3.89	3.66	4.86	2.30	7.04
Services Sector	5.69	9.06	5.69	6.40	8.00	2.00	10.85

# Business Expectations Survey Q3 2013 South East Zone

## Business Outlook

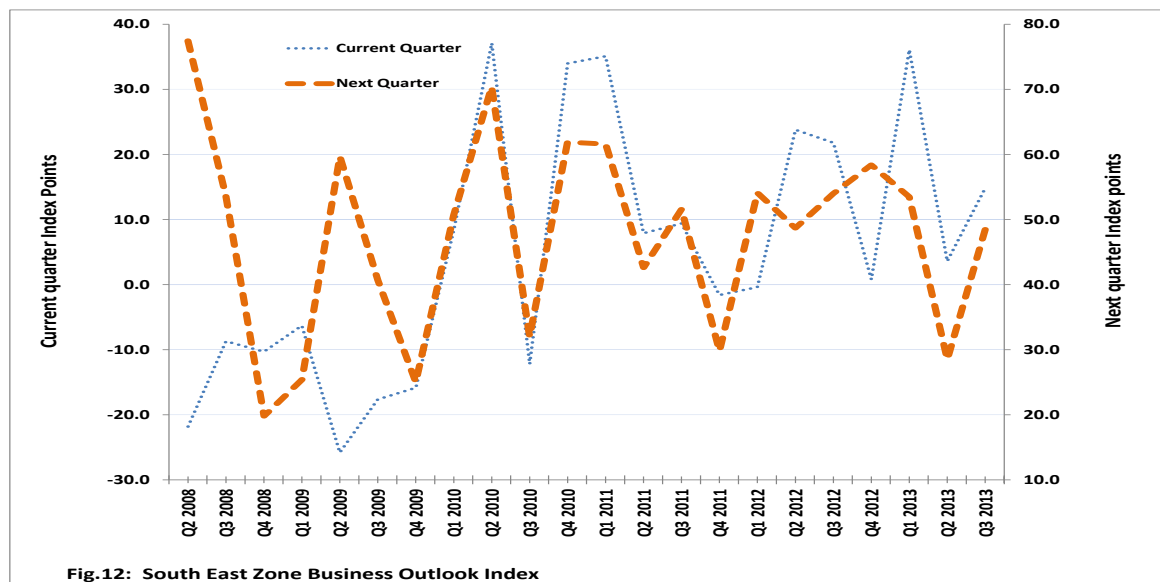


Fig.12: South East Zone Business Outlook Index

Respondents in the South East zone were less optimistic on business activities in the quarter under review. At 14.8 points overall confidence index dropped by 7.0 index points, compared with the level achieved in the corresponding quarter of 2012. However, respondents were more optimistic about business activities in the next quarter as the index would be expected to rise to 48.5 points from the 14.8 points achieved in the current quarter (Fig. 12).

The optimism in the overall business outlook in the zone could be added to services (7.8 points), construction (4.1 points) and wholesale/retail trade (3.3 points). The optimism was however doused by pessimism in industrial (-0.4 points) (Table 6 sections 2 & 14).

The volume of total order book and financial condition of the firms in the zone, buoyed the volume of business activity in the current quarter. Similarly, the optimism in access to credit by the firms upped their financial condition in the review quarter.

The financial condition (or internal liquidity position) of the firms which stood at 5.0 points in the current quarter was driven by construction (3.3 points),

Services (1.2 points), industrial sector (0.4 points) and wholesale/retail trade (0.0 points) (Table 6 sections 4 & 15).

Respondents in the zone cited insufficient power supply, financial problems, access to credit, high interest rate and unfavourable economic climate as limiting factors to the growth of business activities (Table 6 section 8).

Respondent firms expect naira to depreciate in the current and next quarters, they also expect inflation rate to rise in the current and next quarters, while borrowing rate is expected to rise in the current quarter but fall in the next quarters (Table 6 section 9 & 10).

The respondent firms by type of business show that “neither importer nor exporter” category constituted the majority with 72.4 per cent, followed by “importer” 16.0 per cent, “both importer and exporter” 7.8 per cent, and “Exporter” 3.7 per cent (Table 6 section 11).

**TABLE 6**  
**BUSINESS EXPECTATIONS SURVEY**  
**South East Zone**

Year	2011	2012				2013		
Quarter	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>								
<b>Confidence Index: All Sectors</b>								
<b>Current Quarter</b>								
<i>South East</i>	-1.6	-0.4	23.8	21.8	0.8	36.1	3.6	14.8
<b>Next Quarter</b>								
<i>South East</i>	29.8	54.1	48.7	54.0	58.4	53.5	28.5	48.5
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>								
Industrial Sector	17.6	3.2	13.6	12.9	-14.7	41.9	14.5	-1.8
Construction Sector	-27.3	6.3	0.0	4.5	0.0	34.0	2.9	25.0
Wholesale and Retail Trade	-27.0	-11.1	36.5	30.8	10.9	18.5	0.0	14.0
Services Sector of which:	11.5	10.5	30.0	33.3	6.7	48.0	-1.0	20.9
Financial Intermediation	33.3	0.0	64.3	75.0	38.5	70.6	42.9	76.9
Hotels and Restaurants	0.0	-4.7	22.2	28.6	15.8	26.3	0.0	7.7
Renting and Business Activities	-28.6	-66.7	31.3	5.9	-28.6	63.6	-5.7	38.7
Community and Social Services	-21.4	9.1	20.8	26.7	13.6	29.4	-22.7	-23.8
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>								
Industrial Sector	31.4	56.5	49.2	54.3	41.2	58.1	32.3	45.5
Construction Sector	45.5	56.3	18.8	38.6	60.5	57.4	35.3	55.0
Wholesale and Retail Trade	-2.7	62.2	55.6	58.5	65.6	40.0	30.4	45.6
Services Sector of which:	38.5	57.9	54.4	59.4	66.7	58.7	22.7	49.5
Financial Intermediation	66.7	83.3	85.7	81.3	92.3	76.5	42.9	84.6
Hotels and Restaurants	54.5	51.2	33.3	66.7	52.6	15.8	23.1	30.8
Renting and Business Activities	42.9	-33.3	75.0	35.3	61.9	68.2	8.6	58.1
Community and Social Services	-7.1	27.3	54.2	53.3	68.2	76.5	31.8	38.1
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>								
Industrial Sector	-7.8	4.8	-5.1	0.0	-13.2	1.6	-21.0	1.8
Construction Sector	-9.1	12.5	-18.8	-4.5	-11.6	4.3	8.8	20.0
Wholesale and Retail Trade	-29.7	-4.4	23.8	12.3	-1.6	3.1	5.4	0.0
Services Sector	11.5	8.8	22.2	29.0	5.3	14.7	-6.2	3.3
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>								
Volume of Business Activity Index	-3.7	2.1	29.5	23.8	8.0	25.7	2.8	18.1
Volume of Total Order Book Index	-1.1	8.9	29.1	20.9	8.4	14.4	-0.8	18.9
Credit Access Index	-30.8	-6.5	-11.9	1.6	-13.4	-6.0	-10.8	7.0
Financial Condition Index	-9.6	0.4	10.6	10.4	-4.4	6.4	-5.2	5.0
Average Capacity Utilization	2.7	7.7	22.2	21.4	5.2	16.8	8.8	13.2
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>								
Volume of Business Activity Index	43.6	64.7	56.6	62.5	72.0	54.3	38.5	59.7
Employment Outlook Index	15.5	19.5	25.0	27.0	28.8	23.2	13.2	36.2
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>								
Industrial Sector	-29.4	-6.5	-39.0	5.7	-52.9	-9.7	61.3	36.4
Construction Sector	-27.3	25.0	-25.0	4.5	-11.6	-10.6	44.1	37.5
Wholesale and Retail Trade	-45.9	-2.2	-36.5	-29.2	-3.1	1.5	62.5	29.8
Services Sector of which:	-46.2	-5.3	-22.2	8.8	17.3	12.0	50.5	34.1
Financial Intermediation	33.3	33.3	28.6	33.3	-7.7	41.2	50.0	23.1
Hotels and Restaurants	-15.2	7.0	-38.9	14.3	36.8	-5.3	53.8	38.5
Renting and Business Activities	71.4	33.3	-12.5	5.9	23.8	-9.1	42.9	35.5
Community and Social Services	-42.9	-27.3	-33.3	-20.0	9.1	29.4	59.1	33.3
<b>8. Business Constraints: Current Quarter</b>								
High Interest Rate	55.8	54.1	56.4	51.8	61.2	62.1	59.9	52.1
Unclear Economic Laws	34.3	42.7	23.95	46.2	49.8	30.4	46.8	30.7
Lack of Equipment	5.0	6.9	-6.75	25.8	25.6	1.7	1.1	6.4
Insufficient Demand	2.2	12.2	5.75	25.7	24.6	-0.4	2.3	2.0
Access to Credit	42.3	38.0	40.0	28.7	42.8	40.0	45.0	52.6
Financial Problems	46.8	51.2	48.6	51.4	58.8	48.4	45.8	58.6
Competition	29.8	44.5	31.5	37.6	43.0	8.6	21.9	33.4
Labor Problems	-13.3	-7.45	-25.5	5.65	0.0	-24.3	-20.2	-11.1
Lack of Materials Input	3.4	-0.25	-15.8	12.0	24.4	-5.1	-10.4	9.2
Unfavourable Political Climate	19.5	21.8	16.2	28.5	44.4	6.7	5.1	27.3
Unfavourable Economic Climate	38.7	38.4	26.6	44.7	56.0	38.4	41.2	48.3
Insufficient Power Supply	74.7	79.9	78.8	65.2	80.0	72.9	63.1	72.5

**TABLE 6**  
**BUSINESS EXPECTATIONS SURVEY**  
**South East Zone**

Year	2011	2012				2013		
Quarter	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>								
N/\$ Exchange Rate	3.7	13.4	-4.1	9.3	-2.4	-3.6	-8.4	-11.5
Inflation Rate	-1.6	50.4	27.5	9.7	46.4	9.7	38.9	33.8
Borrowing Rate	-0.5	13.0	22.6	-1.6	22.4	-9.7	-4.8	4.9
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>								
N/\$ Exchange Rate	-0.6	14.2	-5.3	16.9	19.6	-7.2	-7.6	-7.0
Inflation Rate	-14.3	14.2	7.4	7.6	16.8	-4.8	26.5	30.5
Borrowing Rate	-18.6	5.7	8.6	6.9	-1.6	-13.7	-10.8	-2.1
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>								
Importer	22.3	19.9	21.3	18.1	12.0	22.9	11.2	16.0
Exporter	1.1	0.4	0.8	1.2	0.8	1.2	3.2	3.7
Both Importer and Exporter	11.2	7.3	7.4	15.7	3.2	5.2	8.8	7.8
Neither Importer nor exporter	65.4	72.4	70.5	64.9	84.0	70.7	76.7	72.4
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>								
Small (<50)	69.1	69.1	82.8	82.3	81.6	85.9	77.5	71.0
Medium (50 and <200)	21.8	24.4	12.3	10.9	10.8	9.6	16.5	21.2
Large (200 and Up)	9.0	6.5	4.9	6.9	7.6	4.4	6.0	7.9
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>								
<b>All Sectors</b>	<b>188</b>	<b>246</b>	<b>244</b>	<b>248</b>	<b>250</b>	<b>249</b>	<b>249</b>	<b>243</b>
Industrial Sector	51	62	59	70	68	62	62	55
Construction Sector	11	16	32	44	43	47	34	40
Wholesale and Retail Trade	37	45	63	65	64	65	56	57
Services Sector of which:	<u>89</u>	<u>123</u>	<u>90</u>	<u>69</u>	<u>75</u>	<u>75</u>	<u>97</u>	<u>91</u>
Financial Intermediation	9	6	14	16	13	17	14	13
Hotels and Restaurants	33	43	36	21	19	19	26	26
Renting and Business Activities	7	6	16	17	21	22	35	31
Community and Social Services	14	11	24	15	22	17	22	21
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>								
Industrial Sector		0.8	3.3	3.6	-4.0	10.4	3.6	-0.4
Construction Sector		0.4	0.0	0.8	0.0	6.4	0.4	4.1
Wholesale and Retail Trade Sector		-2.0	9.4	8.1	2.8	4.8	0.0	3.3
Services Sector		5.3	11.1	9.3	2.0	14.5	-0.4	7.8
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>								
Industrial Sector		1.22	-1.23	0.00	-3.59	0.40	-5.22	0.41
Construction Sector		0.81	-2.46	-0.80	-2.00	0.80	1.20	3.29
Wholesale and Retail Trade Sector		-0.81	6.15	3.22	-0.41	0.80	1.20	0.00
Services Sector		4.39	8.20	8.07	1.59	4.42	-2.41	1.23

# Business Expectations Survey Q3 2013 South South Zone

## Business Outlook

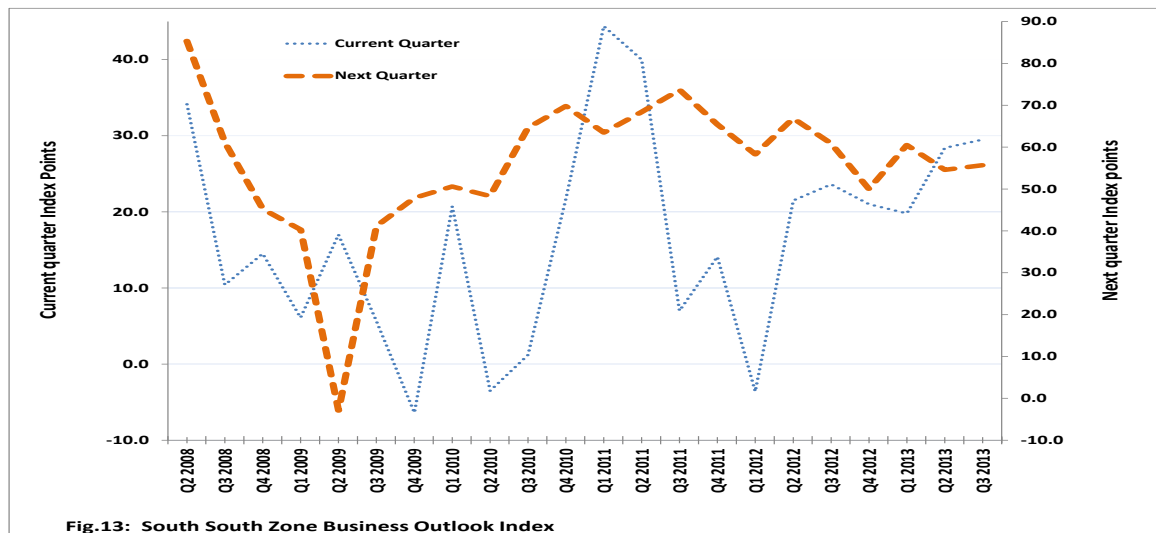


Fig.13: South South Zone Business Outlook Index

Respondents in the South South zone were more optimistic on business activities in the quarter under review. At 29.5 points overall confidence index increased by 5.9 index points, compared with the level achieved in the corresponding quarter of 2012. However, respondents were more optimistic about business activities in the next quarter as the index would be expected to rise to 55.7 points from the 29.5 points achieved in the current quarter (Fig. 13).

The optimism in the overall business outlook in the zone could be adduced to services (9.7 points), industrial (9.7 points), wholesale/retail trade(5.7 points) and construction (4.4 points) (Table 7 sections 2 & 14).

The volume of total order book and financial condition of the firms in the zone, buoyed the volume of business activity in the current quarter. Similarly, the slight optimism in access to credit by the firms upped their financial condition and average capacity utilization in the review quarter.

The financial condition (or internal liquidity position) of the firms which stood at 17.2 points in the current quarter was driven by industrial (5.7 points), services (5.4 points), wholesale/retail trade (4.0 points) and construction sector (2.0 points) (Table 7 sections 4 & 15).

Respondents in the zone cited insufficient power supply, unfavourable economic climate, competition, financial problems and high interest rate as limiting factors to the growth of business activities (Table 7 section 8).

Respondent firms expect naira to appreciate in the current and next quarters. Similarly, inflation and borrowing rates are expected to rise in both current and next quarters (Table 7 sections 9 & 10).

The respondent firms by type of business show that “neither importer nor exporter” category constituted the majority with 71.8 per cent, followed by “importer” 16.8 per cent, “both importer and exporter” 9.1 per cent and “exporter” firms 2.3 per cent (Table 7 section 11).

**TABLE 7**  
**BUSINESS EXPECTATIONS SURVEY**  
**South South Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
<i>South South</i>	-3.6	21.5	23.6	21.0	19.8	28.4	29.5
<b>Next Quarter</b>							
<i>South South</i>	58.3	66.9	60.9	50.0	60.5	54.6	55.7
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	0.0	16.7	20.5	17.6	26.9	32.4	40.3
Construction Sector	-25.0	17.1	44.7	2.5	16.3	25.0	26.5
Wholesale and Retail Trade	-8.3	4.1	17.3	36.1	19.2	15.5	23.6
Services Sector of which:	-1.2	38.8	20.2	20.0	17.1	36.1	27.6
Financial Intermediation	-44.4	52.4	25.0	58.8	46.7	55.6	41.7
Hotels and Restaurants	13.0	22.6	3.8	-5.9	3.4	40.7	33.3
Renting and Business Activities	0.0	51.9	12.5	48.3	3.4	11.5	19.2
Community and Social Services	100	33.3	47.4	0.0	26.3	35.7	16.0
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	67.4	72.7	53.4	38.2	74.6	54.4	63.9
Construction Sector	50.0	73.2	70.2	35.0	46.5	50.0	51.0
Wholesale and Retail Trade	47.9	59.5	54.7	63.9	69.2	45.1	45.8
Services Sector of which:	57.6	66.0	67.4	53.6	51.4	63.0	59.0
Financial Intermediation	55.6	76.2	75.0	64.7	66.7	70.4	62.5
Hotels and Restaurants	82.6	58.1	53.8	52.9	44.8	59.3	56.7
Renting and Business Activities	64.3	77.8	62.5	75.9	51.7	50.0	69.2
Community and Social Services	100	54.2	84.2	26.7	50.0	71.4	48.0
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	-2.2	6.1	17.8	11.8	16.4	23.5	23.6
Construction Sector	12.5	-2.4	17.0	-10.0	14.0	2.1	12.2
Wholesale and Retail Trade	14.6	10.8	16.0	19.4	23.1	25.4	16.7
Services Sector	2.4	17.5	25.8	7.3	19.8	25.0	15.2
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	9.5	25.7	25.7	23.4	29.1	31.8	32.2
Volume of Total Order Book Index	-2.2	25.0	27.9	17.6	24.4	29.5	30.6
Credit Access Index	-10.9	1.1	2.1	-2.1	4.7	5.0	2.4
Financial Condition Index	5.7	10.2	19.7	8.9	19.1	21.1	17.2
Average Capacity Utilization	8.1	18.0	22.9	22.4	20.4	25.4	21.5
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	71.8	79.2	76.4	68.0	65.5	67.8	59.7
Employment Outlook Index	51.9	54.6	44.1	40.3	36.8	37.2	35.9
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	43.5	15.2	20.5	17.6	19.4	64.7	62.5
Construction Sector	0.0	17.1	44.7	-15.0	16.3	52.1	49.0
Wholesale and Retail Trade	27.1	24.3	22.7	33.3	13.2	67.6	73.6
Services Sector of which:	22.4	18.4	37.1	12.7	-11.7	64.8	52.4
Financial Intermediation	33.3	33.3	20.0	52.9	-6.7	59.3	50.0
Hotels and Restaurants	21.7	-9.7	0.0	5.9	-31.0	66.7	56.7
Renting and Business Activities	85.7	48.1	75.0	17.2	-24.1	69.2	50.0
Community and Social Services	0	8.3	57.9	-6.7	10.5	64.3	52.0
<b>8. Business Constraints: Current Quarter</b>							
High Interest Rate	50.2	51.2	51.2	53.5	46.4	51.6	36.5
Unclear Economic Laws	44.2	34.2	40.5	42.0	35.5	37.6	34.0
Lack of Equipment	31.3	20.1	28.4	29.4	23.4	22.1	23.2
Insufficient Demand	37.5	22.3	31.7	36.1	22.5	27.3	31.9
Access to Credit	44.0	39.0	44.9	50.3	38.0	35.8	34.5
Financial Problems	56.2	52.1	54.9	58.2	48.0	45.9	37.4
Competition	45.8	35.9	41.2	37.1	44.0	43.4	42.0
Labor Problems	26.9	11.3	13.1	10.9	15.1	7.4	11.0
Lack of Materials Input	31.6	10.6	15.4	18.1	16.3	12.9	19.2
Unfavourable Political Climate	42.8	22.9	41.9	35.0	29.3	35.2	35.1
Unfavourable Economic Climate	48.5	39.7	52.1	45.4	32.8	46.3	42.2
Insufficient Power Supply	68.5	75.1	71.5	65.9	74.6	69.3	57.5

**TABLE 7**  
**BUSINESS EXPECTATIONS SURVEY**  
**South South Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	-16.2	0.4	-9.8	-10.3	-4.4	7.8	6.0
Inflation Rate	34.6	32.1	16.9	27.9	26.8	22.4	31.2
Borrowing Rate	10.3	7.7	14.8	20.3	15.3	7.1	9.1
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	13.8	13.4	-2.8	10.0	5.1	4.8	5.4
Inflation Rate	9.2	8.5	5.6	31.4	14.1	20.4	24.5
Borrowing Rate	2.5	7.8	12.4	11.4	11.4	5.7	3.7
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	16.6	19.0	27.1	11.7	14.4	12.9	16.8
Exporter	1.8	2.1	2.5	3.8	0.3	2.4	2.3
Both Importer and Exporter	6.7	10.9	8.5	6.2	7.4	7.5	9.1
Neither Importer nor exporter	57.2	68.0	62.0	78.3	77.9	77.3	71.8
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	82.0	83.5	76.8	85.2	82.3	85.4	78.9
Medium (50 and <200)	8.8	11.3	15.1	9.3	12.4	9.8	13.4
Large (200 and Up)	9.2	5.3	8.1	5.5	5.4	4.7	7.7
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>							
<b>All Sectors</b>	<b>283</b>	<b>284</b>	<b>284</b>	<b>290</b>	<b>299</b>	<b>295</b>	<b>298</b>
Industrial Sector	46	66	73	68	67	68	72
Construction Sector	8	41	47	40	43	48	49
Wholesale and Retail Trade	96	74	75	72	78	71	72
Services Sector of which:	<u>133</u>	<u>103</u>	<u>89</u>	<u>110</u>	<u>111</u>	<u>108</u>	<u>105</u>
Financial Intermediation	9	21	20	17	15	27	24
Hotels and Restaurants	23	31	26	34	29	27	30
Renting and Business Activities	14	27	24	29	29	26	26
Community and Social Services	2	24	19	30	38	28	25
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>							
Industrial Sector	0.0	3.9	5.3	4.1	6.0	7.5	9.7
Construction Sector	-0.7	2.5	7.4	0.3	2.3	4.1	4.4
Wholesale and Retail Trade Sector	-2.8	1.1	4.6	9.0	5.0	3.7	5.7
Services Sector	-0.6	14.1	6.3	7.6	6.4	13.2	9.7
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	-0.35	1.41	4.58	2.76	3.68	5.42	5.70
Construction Sector	0.35	-0.35	2.82	-1.38	2.01	0.34	2.01
Wholesale and Retail Trade Sector	4.95	2.82	4.23	4.83	6.02	6.10	4.03
Services Sector	1.11	6.34	8.10	2.76	7.36	9.15	5.37



# Business Expectations Survey Q3 2013 South West Zone

## Business Outlook

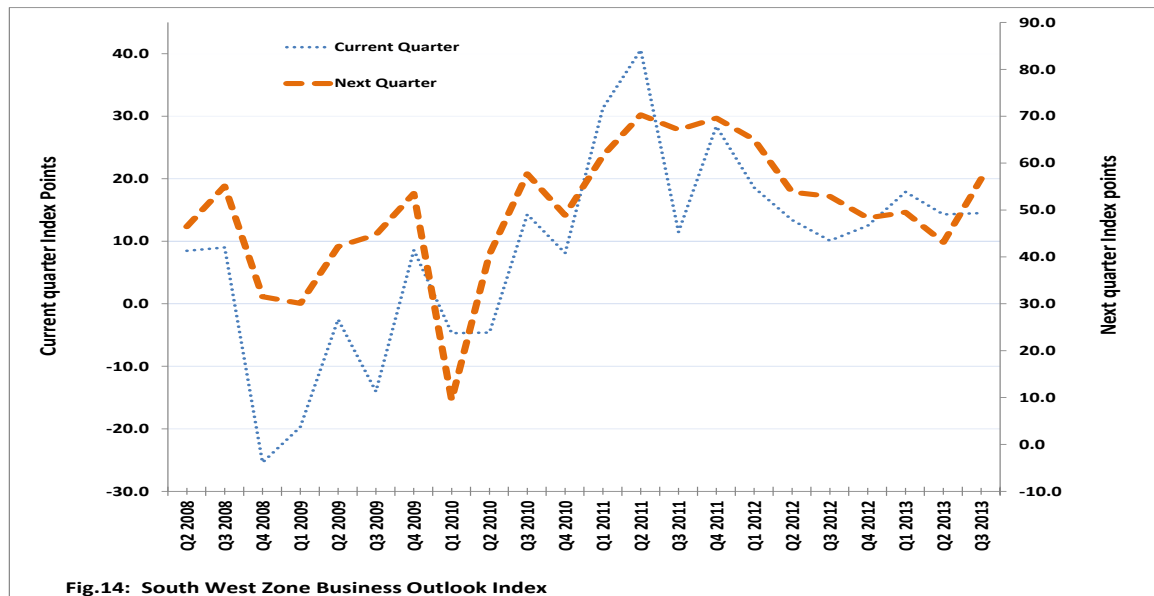


Fig.14: South West Zone Business Outlook Index

Respondents in the South West zone were optimistic on business activities in the quarter under review. At 14.5 points overall confidence index increased by 4.4 index points, compared with the level achieved in the corresponding quarter of 2012. However, respondents were more optimistic about business activities in the next quarter as the index would be expected to rise to 56.7 points from the 14.5 points achieved in the current quarter (Fig. 14).

The optimism in the overall business outlook in the zone could be attributed to services (6.5 points), industrial (4.3 points), construction (2.3 points) and wholesale/retail trade (1.5 points) (Table 8 sections 2 & 14).

The volume of total order book and financial condition of the firms in the zone buoyed the volume of business activity in the current quarter. Similarly, the optimism in access to credit by the firms upped their financial condition and average capacity utilization in the review quarter.

The financial condition (or internal liquidity position) of the firms which stood at 28.1 points in the current quarter was driven by services (12.3 points), industrial (7.3 points), wholesale/retail trade (5.8 points) and

construction sector (2.8 points) (Table 8 sections 4 & 15).

Respondents in the zone cited insufficient power supply, financial problems, high interest rate, competition and unfavourable economic climate as limiting factors to the growth of business activities (Table 8 section 8).

Respondent firms expect naira to appreciate in the current and next quarters. Similarly, inflation and borrowing rates in the current and next quarters are expected to rise (Table 8 section 9 & 10).

The respondent firms by type of business show that “neither importer nor exporter” category constituted the majority with 65.4 per cent, followed by “importer” 21.6 per cent, “both importer and exporter” 9.8 per cent and “exporter” firms 3.3 per cent (Table 8 section 11).

**TABLE 8**  
**BUSINESS EXPECTATIONS SURVEY**  
**South West Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>1. Overall Business Outlook on the Macroeconomy</b>							
<b>Confidence Index: All Sectors</b>							
<b>Current Quarter</b>							
South West	18.6	13.4	10.1	12.5	17.9	14.3	14.5
<b>Next Quarter</b>							
South West	65.0	53.8	52.9	48.3	49.5	43.1	56.7
<b>2. Business Outlook Index on the Macroeconomy by Sector: Current Quarter</b>							
Industrial Sector	17.8	12.1	7.6	9.4	18.3	17.8	14.5
Construction Sector	6.3	31.9	0.0	8.3	17.6	31.0	22.0
Wholesale and Retail Trade	14.4	13.3	9.3	7.1	8.7	5.9	6.0
Services Sector of which:	24.0	8.3	16.0	25.0	22.9	12.4	18.4
Financial Intermediation	-25.0	42.9	40.0	46.4	25.9	47.6	53.5
Hotels and Restaurants	35.5	-12.5	10.5	61.1	23.6	-4.2	6.3
Renting and Business Activities	17.6	4.8	20.0	3.2	34.0	-14.8	12.5
Community and Social Services	42.9	11.3	9.3	6.5	5.4	31.7	-11.5
<b>3. Business Outlook Index on the Macroeconomy by Sector: Next Quarter</b>							
Industrial Sector	57.5	56.1	46.7	47.0	47.1	46.6	56.4
Construction Sector	56.3	76.6	41.9	50.0	61.8	47.6	46.3
Wholesale and Retail Trade	60.8	41.1	57.7	41.4	45.7	37.3	55.0
Services Sector of which:	71.9	52.8	58.0	58.3	50.6	43.1	61.0
Financial Intermediation	50.0	85.7	80.0	78.6	37.0	71.4	83.7
Hotels and Restaurants	71.0	35.0	50.0	77.8	56.4	35.4	50.0
Renting and Business Activities	82.4	42.9	65.7	35.5	57.4	22.2	62.5
Community and Social Services	85.7	56.5	51.2	51.6	43.2	51.2	42.3
<b>4. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	19.2	16.8	11.4	10.3	20.2	16.1	24.8
Construction Sector	6.3	17.0	32.6	18.8	23.5	33.3	26.8
Wholesale and Retail Trade	14.4	24.4	20.6	24.2	21.7	20.6	23.2
Services Sector	31.3	9.7	25.2	26.9	36.1	26.3	34.8
<b>5. Business Outlook Index on Own Operations : Current Quarter</b>							
Volume of Business Activity Index	32.1	24.5	23.7	28.1	29.5	26.6	30.1
Volume of Total Order Book Index	37.2	26.0	25.0	27.6	27.3	22.8	28.1
Credit Access Index	16.6	-0.8	-5.3	-8.5	3.0	1.3	8.3
Financial Condition Index	22.0	16.0	21.1	19.5	27.5	22.6	28.1
Average Capacity Utilization	31.0	22.7	16.4	21.3	35.9	30.4	28.0
<b>6. Business Outlook Index on Own Operations : Next Quarter</b>							
Volume of Business Activity Index	76.8	77.0	75.5	73.7	73.8	75.4	68.4
Employment Outlook Index	49.8	42.3	50.3	47.3	51.0	53.9	44.6
<b>7. Business with Expansion Plans (in per cent): Next Quarter</b>							
Industrial Sector	26.0	19.6	33.3	12.1	17.3	61.9	61.5
Construction Sector	62.5	27.7	76.7	54.2	70.6	81.0	75.6
Wholesale and Retail Trade	44.3	28.9	36.1	39.4	50.0	71.6	67.7
Services Sector of which:	31.3	33.3	58.8	50.0	30.1	73.7	70.2
Financial Intermediation	16.7	81.0	73.3	78.6	55.6	85.7	72.1
Hotels and Restaurants	22.6	15.0	52.6	66.7	49.1	70.8	72.9
Renting and Business Activities	41.2	52.4	54.3	22.6	6.4	70.4	75.0
Community and Social Services	71.4	22.6	62.8	41.9	13.5	73.2	57.7
<b>8. Business Constraints: Current Quarter</b>							
High Interest Rate	59.0	57.8	55.5	61.4	52.5	54.8	50.8
Unclear Economic Laws	29.4	34.9	42.4	46.7	35.7	38.7	37.4
Lack of Equipment	26.3	25.7	23.7	34.3	28.7	32.9	33.2
Insufficient Demand	38.3	42.4	25.2	40.0	30.1	30.3	40.1
Access to Credit	34.3	34.0	30.8	32.5	36.1	42.8	42.7
Financial Problems	48.5	48.2	42.6	54.3	50.2	50.5	53.8
Competition	41.7	42.4	48.1	50.3	46.0	43.7	49.4
Labour Problems	6.4	5.9	10.1	22.0	19.4	12.3	19.5
Lack of Materials Input	25.7	19.6	17.3	28.6	16.8	23.2	26.5
Unfavourable Political Climate	20.4	25.7	39.0	41.5	32.1	38.7	33.2
Unfavourable Economic Climate	28.4	34.7	45.0	50.3	36.9	50.1	47.3
Insufficient Power Supply	74.4	76.1	67.8	65.5	68.2	71.9	69.4

**TABLE 8**  
**BUSINESS EXPECTATIONS SURVEY**  
**South West Zone**

Year	2012				2013		
Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>9. Business Expectation Index on Selected Economic Indicators: Current Quarter</b>							
N/\$ Exchange Rate	-0.3	-9.2	0.2	0.3	-3.0	3.0	9.5
Inflation Rate	31.2	32.5	27.6	39.7	41.1	22.3	21.1
Borrowing Rate	34.3	28.3	11.5	20.5	22.5	12.3	20.5
<b>10. Business Expectation Index on Selected Economic Indicators: Next Quarter</b>							
N/\$ Exchange Rate	28.4	5.1	9.8	-4.4	4.3	10.2	12
Inflation Rate	2.6	18.8	3.5	24.1	28.5	15.6	14.8
Borrowing Rate	7.1	23.4	-4.0	7.8	17.7	10.6	16.5
<b>11. Percentage Distribution of Respondent Firms by Type of Business</b>							
Importer	19.8	13.7	17.6	22.6	20.2	16.0	21.6
Exporter	2.6	1.5	1.9	7.5	4.3	2.5	3.3
Both Importer and Exporter	11.5	13.1	10.9	10.9	7.3	8.3	9.8
Neither Importer nor exporter	66.2	71.6	69.7	59.0	68.2	73.2	65.4
<b>12. Percentage Distribution of Respondent Firms by Employment Size</b>							
Small (<50)	78.5	74.5	78.5	75.6	75.0	78.9	78.2
Medium (50 and <200)	13.2	16	13.6	15.8	15.9	13.5	15.0
Large (200 and Up)	7.7	9.5	7.7	8.6	9.1	7.5	6.8
No Response	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>13. Distribution of Respondent Firms by Sector</b>							
<b>All Sectors</b>	<b>349</b>	<b>388</b>	<b>376</b>	<b>385</b>	<b>396</b>	<b>399</b>	<b>399</b>
Industrial Sector	73	107	105	117	104	118	117
Construction Sector	16	47	43	48	34	42	41
Wholesale and Retail Trade	97	90	97	99	92	102	100
Services Sector of which:	<u>163</u>	<u>144</u>	<u>131</u>	<u>121</u>	<u>166</u>	<u>137</u>	<u>141</u>
Financial Intermediation	12	21	15	18	27	21	43
Hotels and Restaurants	31	40	38	31	55	48	48
Renting and Business Activities	17	21	35	31	47	27	24
Community and Social Services	7	62	43	41	37	41	26
<b>14. Business Outlook Index on the Macroeconomy by Sector Contribution: Current Quarter</b>							
Industrial Sector	3.72	3.35	2.13	2.86	4.80	5.26	4.26
Construction Sector	0.29	3.87	0.00	1.04	1.52	3.26	2.26
Wholesale and Retail Trade Sector	4.01	3.09	2.39	1.82	2.02	1.50	1.50
Services Sector	11.19	3.09	5.59	7.86	9.60	4.26	6.52
<b>15. Business Confidence Index on Own Operations by Sector: Current Quarter</b>							
Industrial Sector	4.01	4.64	3.19	3.12	5.30	4.76	7.27
Construction Sector	0.29	2.06	3.72	2.34	2.02	3.51	2.76
Wholesale and Retail Trade Sector	4.01	5.67	5.32	6.23	5.05	5.26	5.82
Services Sector	14.60	3.61	8.78	8.44	15.15	9.02	12.28

# ***Inflation Attitudes Survey***

***3rd Quarter, 2013***

## EXECUTIVE SUMMARY

The 2013 third quarter survey of households' attitudes to inflation and interest rates was conducted by the Statistics Department between 29th of July to 09th August, 2013. This was in its bid to assess the general public's perceptions of inflation which will help gauge Bank's macroeconomic policy formulation.

- ◆ The survey shows that given a choice, about 45.7 per cent of the households would prefer a rise in interest rate as against 18.7 per cent which preferred that price should rise faster, while 35.4 per cent of households were indifferent.
- ◆ About 60.5 per cent of the households indicated that prices have generally inched up over the last 12 months with the median increase of about 2.4 per cent.
- ◆ Respondents' households' median expectations of the price changes over the next 12 months was that prices would inch up by 1.5 per cent, which is lower than 1.8 per cent in their perceptions in the preceding quarter.
- ◆ Majority of the respondents, 62.7 per cent are satisfied with the way CBN is doing its job; while 11.2 per cent are dissatisfied, giving a net satisfaction index of 51.5 per cent.

## THE CBN INFLATION ATTITUDES SURVEY

### 1.0 Introduction

The Central Bank of Nigeria (CBN), aside from its price and monetary stability mandate, is also tasked with supporting the Government's policies on economic growth and unemployment reduction. One major objective of the Bank is to build public confidence and support for sustainable economic development, price stability, and public understanding of the Monetary Policy Committee's roles. If people understand and support the objectives of price stability as well as understand how the interest rate is used to achieve it, macroeconomic stability which is an essential prerequisite for economic growth and development would be attained.

The level of interest rates deemed appropriate to achieve this, is decided by the Monetary Policy Committee (MPC) on periodic basis. The Committee equally articulates other foremost policy frameworks which are considered as catalysts in moderating price changes and economic stability.

In order to assess the impact of the Bank's efforts in building general public support for price stability, sample survey of public opinion is often used. The Statistics Department, on behalf of the CBN embarked upon this survey, with a view to assessing the general public's perceptions of inflation in the past one year, and their expectations for inflation over the next year. They also sample their views on interest rate and knowledge of the monetary policy framework. Opinion poll was effectively used in exploring the progression of public views and general understanding of monetary policy matters. A good estimate of inflation expectations and public understanding of what influences them are important parameter for successful monetary policy. In this way, the Bank will be in a position to quantify the impact of its efforts in stabilizing and sustaining prices in the Nigerian economy. Results of the recent survey of the public perceptions on this are discussed.

### 2.0 Inflation Attitudes Survey

The Statistics Department on a quarterly basis since June 2009 conducts the inflation Attitude Survey to sample the views of households on how they view the price changes of goods and services in the shops in the last twelve months, and their expectations of price changes over the next twelve months. The Q3, 2013 Inflation Attitude Survey being the most recent in the series was conducted between 28th of July to 09th August, 2013 with a sample size of 1950 household in 350 randomly selected Enumeration Areas (EAs), in

**Monetary Policy framework will be most effective, if accompanied by wide public understanding and support, both for the objective of price stability and the methods to achieve it.**

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the six geopolitical zones of the country. The raw data were weighted to match the demographic profile of Nigeria as a whole. Table 1 presents the summary of results of the inflation attitudes surveys so far conducted.

Inflation expectations do vary amongst households due to the differences in the goods and services bought, which often lead to differences in the prices of the goods and services. Thus, the designed questionnaire captures information on age, sex, income, employment status of the head of the household, among others.

The survey involves in-house face-to-face interviews of members of selected households. The selection entailed a quota sample of individuals within randomly selected Enumeration Areas (EAs). This was done using the instrumentality of the National Integrated Survey of Households (NISH) of the National Bureau of Statistics (NBS). The survey asked questions about the evolution of prices of 'goods and services', and the questions were designed to reflect a concept of inflation the general public are most likely to be familiar with, instead of any specific measures of inflation, like the Consumer Price Index inflation rate.

The questionnaire was therefore couched in a manner to capture the expectations of respondents. The options for questions asked were in ranges of price change, of which respondent households are expected to select one that best suites their expectations. The options were in the form of "Gone Down" , "Not Changed, " Up by 1% but less than 3%", "Up by 3% or Above" and "No Idea".

Respondents were made to answer a total of 14 questions which includes; their thought on how prices had changed in the previous twelve months and how they expect prices to change over the next twelve months, in addition to inquiring from them the body that sets the interest rates. Also range of questions seeking information on public knowledge, understanding and attitudes towards MPC process and expectations of interest rates were asked.

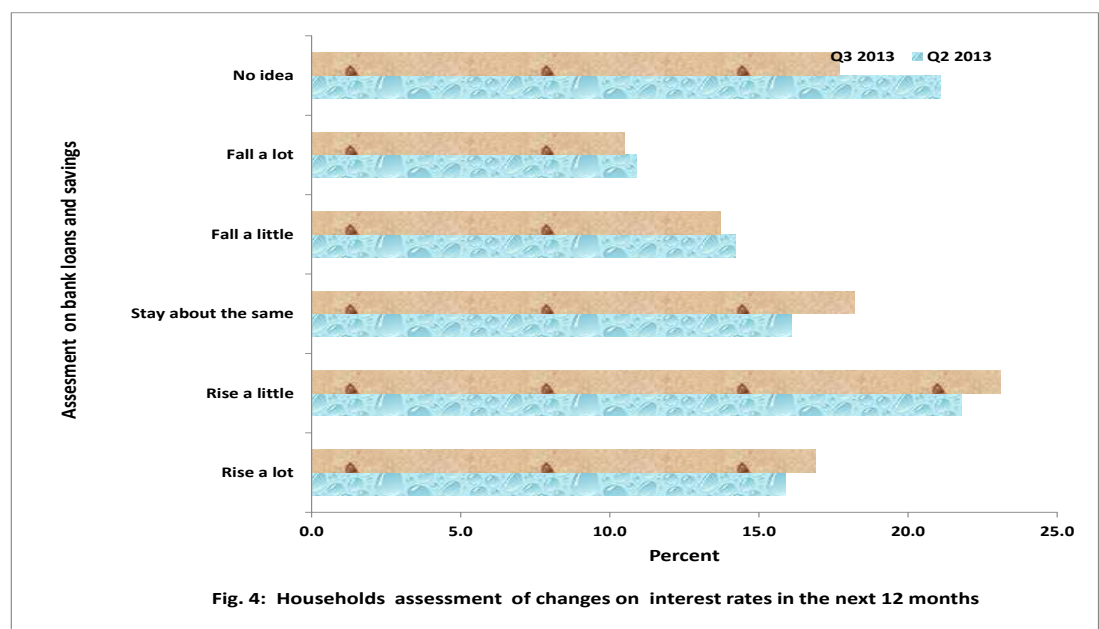
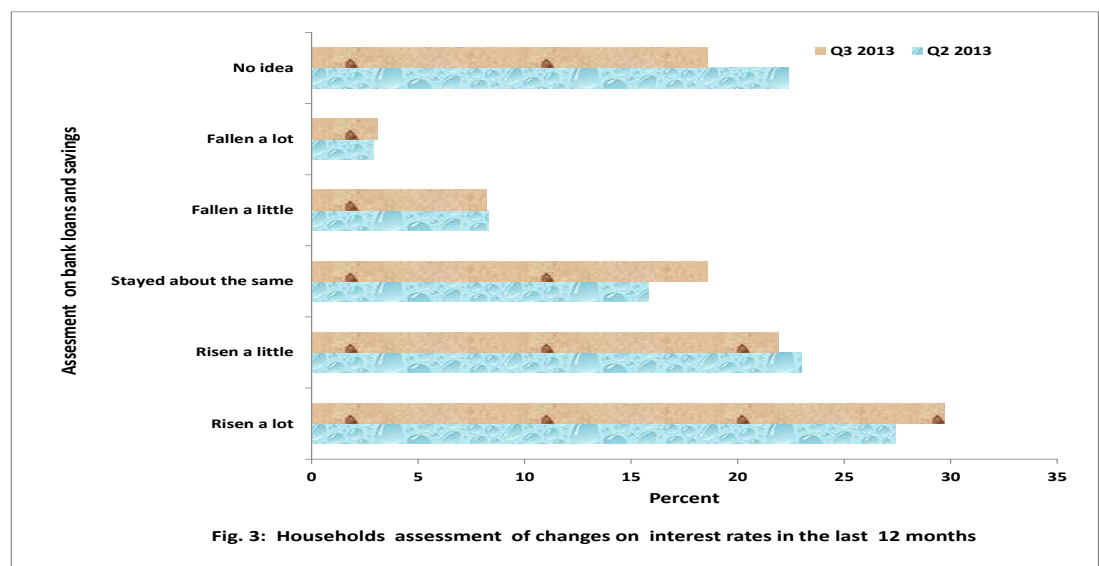
The respondents were also requested to state whether they were satisfied or not with the way the Central Bank of Nigeria is doing its job of setting interest rates in order to control inflation. The survey result showed that 62.7 per cent were satisfied as compared to 64.8 per cent recorded in Q3, 2012 ( Question 14). Since public reactions to interest rate movements is likely to be influenced by other factors in



the national mood, care must therefore be taken in drawing conclusions from such opinion polls about public perceptions of monetary policy in view of the inherent risk in drawing such conclusions. Furthermore, because households focus on particular types of goods and services when thinking about inflation, variation in the answers may therefore be because respondents are thinking about inflation as it relates to their own patterns of spending in addition to media reports about price trends.

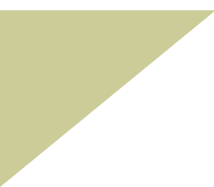
Respondents understanding of the transmission mechanism of monetary policy may also be another factor to be considered in their opinion about inflation. The rest of the report would discuss in details the developments in the households' inflation rates and interest rates perceptions and expectations.

“Questions were also asked about how prices had moved in the past 12 months and expected movement in prices in the next 12 months. A total of 14 questions were asked. Some of these questions sought information on public knowledge, understanding and attitudes towards the MPC process, as well as expectations of interest rates and inflation.”



### 3.0 Knowledge and Expectations Questions

#### 3.1 Inflation

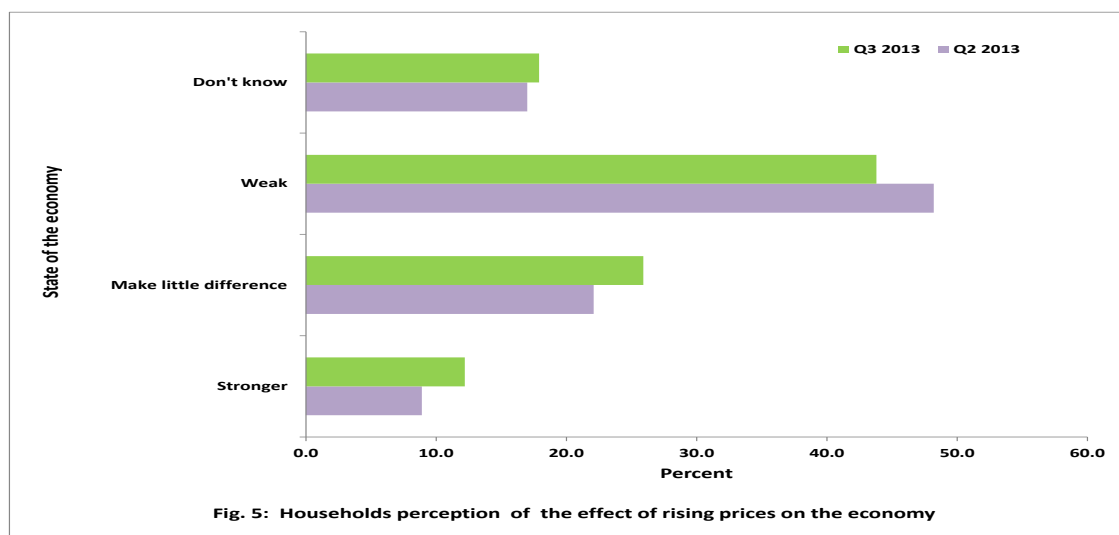


**“Most respondent households by 43.8 per cent margin, opined that the economy would be weakened if inflation persisted, whereas 25.9 per cent felt it would make little difference in the economy”**



The Q3, 2013 survey result showed that by a margin of 43.8 per cent to 12.2 per cent respondent households believed that the economy would end up weaker rather than stronger, if prices started to rise faster than they do now, thereby giving a sizeable support to price stability. Also, about 25.9 per cent of the respondents believed it would make little difference in the economy if prices continue to rise faster than they do now. The result has followed the same pattern since the inception of the survey in Q3, 2009 (Question 3).

When asked in question 1, to say how prices have changed over the past 12 months, by making a choice from the five banded options on the questionnaire, the respondents gave a median answer of 2.4 per cent, which is consistent with the previous trends. This however, conceals a wide variation, from 25.1 per cent who thought prices had gone down or not changed, to 35.6 per cent who felt that prices had risen by at least 3.0 per cent, as well as 24.9 per cent who felt that prices inched up by 1.0 per cent but less than 3.0 per cent. Respondent’s median expectations of the price changes over the next twelve months (Question 2) was that prices would inch up by 1.5 per cent. The views of the respondents on Question 2, on ‘how much they expect prices in the shops generally to change over the next 12 months?’, showed that 21.5 per cent of the respondent households expect prices to rise by at least 3 per cent in the next 12 months; compared with the 25.8 per cent of respondents that expect prices to rise by 1 per cent but less than 3 per cent in the next 12 months. Similarly, 35.6 per cent of the respondents were optimistic that prices over the next one year would either go down or remain the same. Few people thought that prices



**“ About 51.6 per cent of the respondents were of the view that the rates would rise while 11.3 per cent believed it would fall over the next 12 months”.**

were not likely to rise. This pattern has been maintained in all the eighteen series of the survey so far conducted.

### 3.2 Interest Rate

#### Questions 5 and 6

The percentage of respondent households who felt that interest rate has risen in the last 12 months declined by 1.6 points to 51.6 per cent in the current quarter, from the 53.2 per cent attained in Q3, 2012. On the other hand, 11.3 per cent as against 10.1 per cent of the respondents recorded in Q3, 2012 believed that interest rates had fallen, while about 18.6 per cent of the respondents were of the opinion that the rates stayed about the same level in the last 12 months. Also 18.6 per cent of the households had no idea.

Respondents views differed on whether the interest rate will rise or fall over the next 12 months. While 40.0 per cent of the respondents were of the view that the rates would rise, 24.2 per cent believed it would fall. The ‘net rise’ value of 15.8 per cent was achieved compared to 39.7 per cent attained in the corresponding quarter a year ago. More than one third of the sample, either expected no change (18.2 per cent), or had no idea (17.7 per cent).

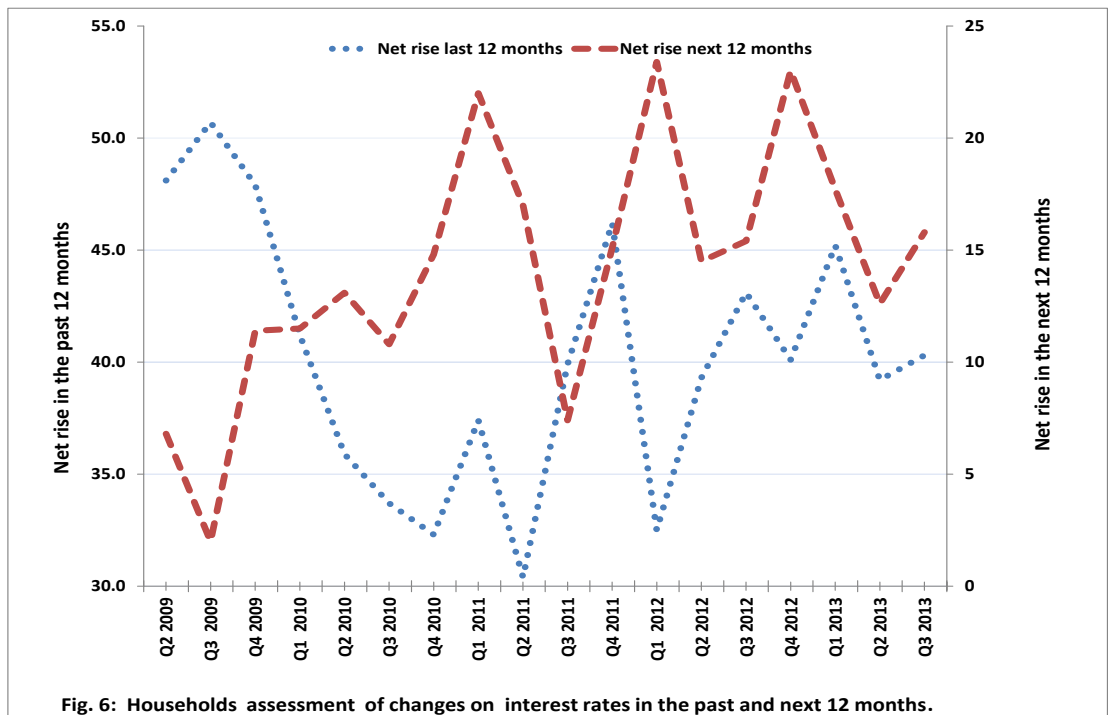


Fig. 6: Households assessment of changes on interest rates in the past and next 12 months.

## 4.0 Opinions on the Central Bank of Nigeria

### Questions 11 & 12

Questions 11 and 12 assess whether people are aware of the way monetary policy works in Nigeria. Question 11 asked respondents if they knew which group of people meets to set Nigeria's monetary policy rate. Responding, 49.3 per cent felt it is Monetary Policy Committee, as against 16.9 per cent for Federal Ministry of Finance and 10.3 per cent who believed it was the Government, about 6.4 per cent felt it was the National Assembly, 2.4 and 14.6 per cent answered 'others' and "do not know", respectively.

Question 12 then prompted respondents to identify which group mostly influences the direction of interest rates with a show card containing five options, The result indicated that majority of the respondents (73.6 per cent) are aware that Central Bank of Nigeria influences the direction of interest rate. This proportion was lower than the 76.2 per cent recorded in the corresponding quarter a year ago. Other respondents opined that the Government (7.0 per cent) now influences interest rates. About 4.7 and 4.2 per cent of the respondents are of the opinion that civil servants and other banks influence the rates, while 10.3 per cent had no idea. This level of proportions has not significantly changed in all the series since the commencement of the survey.

Responding to Question 13 about the nature of the MPC, 29.0 per cent felt that the Committee is a body wholly owned and appointed by the Government, while 24.7 per cent believed that it is an independent body partly appointed by the Government and 9.2 per cent believed that it is completely independent. However, 23.3 per cent regard the MPC as 'part of the Government'.

Question 14 asks whether respondents are satisfied with the way CBN is 'doing its job to influence the direction of interest rates to control inflation'. The net satisfaction index—the proportion satisfied minus the proportion dissatisfied was 51.5 per cent as against 54.1 per cent recorded in Q3, 2012. This was lower than the net satisfaction index of 54.1 per cent when compared with the corresponding period a year ago. Among the satisfied group, 22.6 per cent were 'very satisfied' while 40.1 were 'fairly satisfied'. However, 16.8 per cent were 'neither satisfied nor dissatisfied' whereas 11.2 per cent were 'very dissatisfied'. Those who had no idea accounted for 9.2 per cent of the respondents.

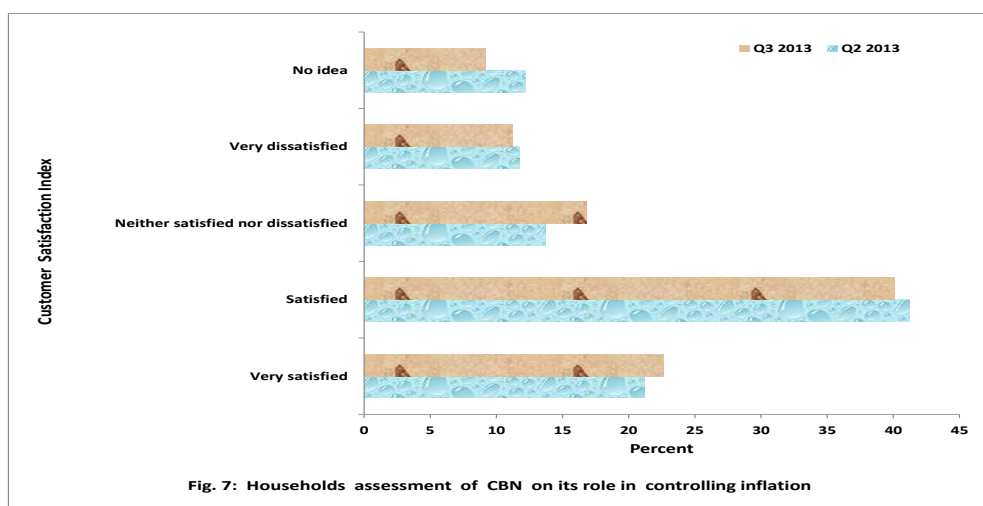
***On who influences the direction of Nigeria's 'basic interest rate level'? (49.3 per cent) felt it was the Monetary Policy Committee, Federal Ministry of Finance (16.9 per cent), the Government (10.3 per cent) while 6.4 per cent felt it is the National Assembly.***

## 5.0 Attitude Questions

More respondents were of the view that price increase is inimical to economic growth.

### 5.1 Inflation

Question 3 gauges public view in maintaining low and stable inflation. It was asked here whether Nigeria's economy would be stronger, weaker or make little difference if prices start to rise faster than they do now. Responding, 43.8 per cent were of the opinion that Nigeria's economy would end up weaker, about 12.2 per cent felt it would end up stronger, 25.9 per cent believed that it would make little difference, while 17.9 per cent had no idea. This pattern has been fairly maintained over the past seventeen series of the survey. The responses suggest considerable support for price stability, as a good number of people were of the view that inflation is inimical to economic growth. It should be noted that public attitudes to this issue was tested during periods of rising unemployment and security challenges. Therefore, these an-



Informed in Question 4 that the Government has set an inflation target of 10.0 per cent in this year's budget, 19.8 per cent of the respondents thought that the target was 'about right', 41.7 per cent believe it was 'too high', 16.9 per cent said 'too low' while the rest 21.4 per cent had no idea. This pattern had been relatively steady in all the series so far, and equally maintained in every zone and demographic group, suggestive of their support for low inflation.

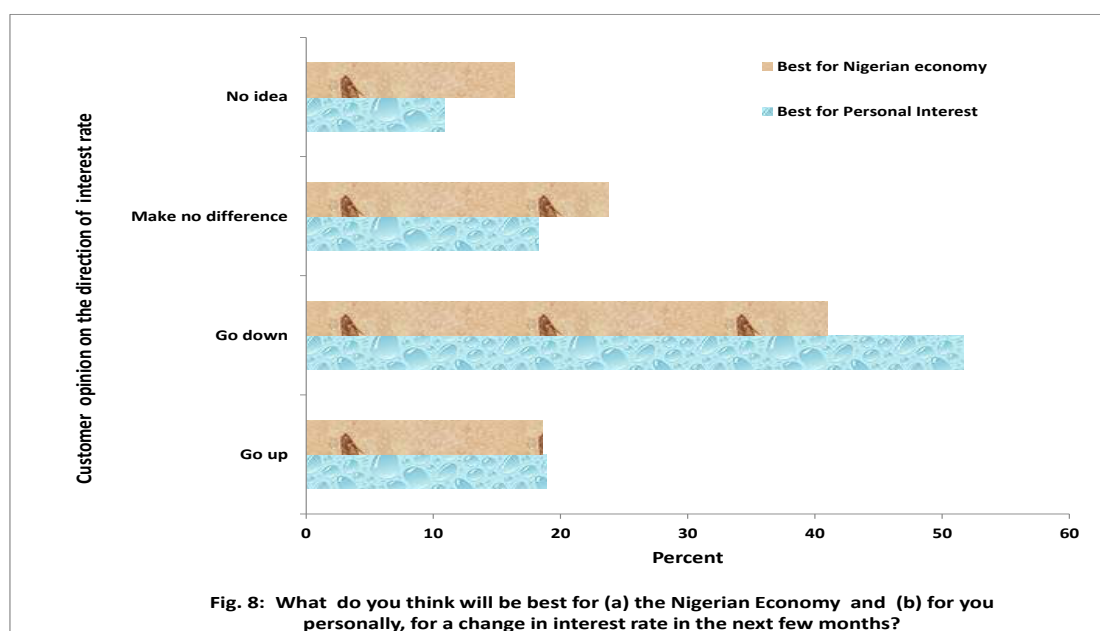
### 5.2 Interest rates

Questions 7 and 8 ask the respondents about their opinions on what would be 'best for the Nigerian economy- higher interest rates, lower rates or no change'. In their response to Question 7, 41.0 per cent were of the opinion

**Majority of the respondents were of the view that it would be better for the Nigerian economy for interest rates to 'go down'.**

will 'make no difference', while 16.4 per cent 'had no idea'. This result has been within the same range since the inception of the survey in Q2 2009.

Respondents were in Question 8 asked what would be 'best for you personally, for interest rates to go up or go down'. Respondents answers showed that 51.7 per cent reported that it would be best for them personally if interest rates go down, while about 18.9 per cent of the respondents opted for higher interest rates. The results further revealed that 18.3 per cent expressed the thought that it would make no difference. The responses to questions 7 and 8 reveal that many people favoured lower interest rates for themselves rather than for the Nigerian economy as a whole. The high lending rates by Deposit Money Banks which discourage borrowing that could serve as catalyst for industrial and economic development could be responsible for the re-



## 6.0 Inflation Versus Interest Rate

Question 9 was designed to measure peoples' understanding of how interest rates would affect changes in prices. In response to what the impact would be, of a rise in interest rates for, (a) in the short term and (b) in the medium term, just about half the respondents 58.6 per cent agreed that 'a rise in interest rates would make prices in the street rise more slowly in short term', as against 15.3 per cent that disagreed. While for the medium term 49.4 per cent of the respondents agreed, that 'a rise in interest rates would make prices in the street rise more slowly, while 21.3 per cent disagreed.

**When a trade-off is suggested, more people would accept higher interest rates rather than higher inflation. The margin is almost three to one; that is 45.7 per cent relative to 18.7 per cent.**

Question 10 asked ‘if a choice had to be made, either to raise interest rates to keep inflation down, or keep interest rates down and allow prices in the shops to rise faster; which would you prefer?’ Responding, 45.7 per cent of the people preferred interest rates to be higher in order to keep inflation down, compared with only 18.7 per cent who said they would prefer prices in the shop to rise faster. These responses suggest that given a trade-off, most people would accept higher interest rates rather than higher inflation with a margin of almost three to one; and is suggestive of the respondent households support to the Bank’s price stability stance.

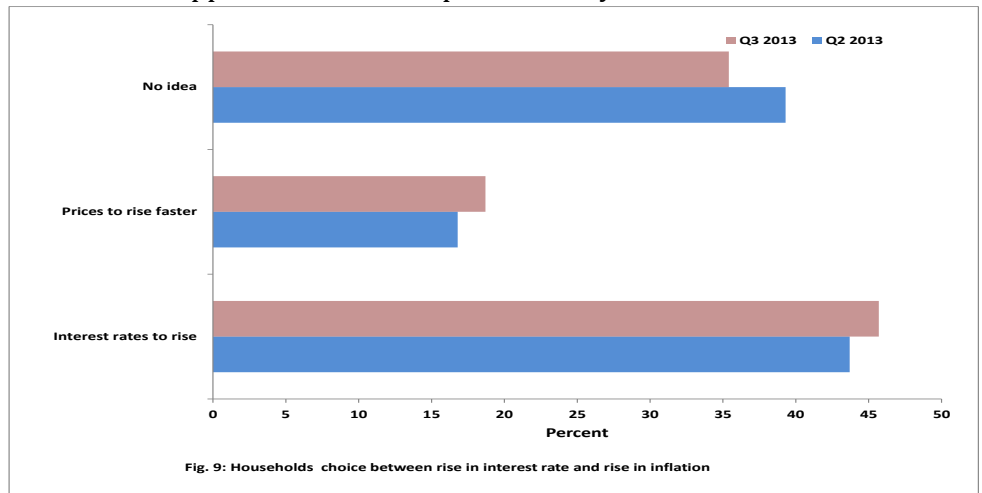




TABLE 1

SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY							
	Q2 2009	Q3 2009...	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
<b>Q.1 Which of these options best describes how prices have changed over the last 12 months?</b>							
Gone down	4.0	5.1	6.2	6.7	8.0	7.8	7.1
Not changed	6.2	12.5	14.1	12.0	18.4	15.0	18.0
Up by 1% but less than 3%	4.7	21.5	22.9	23.0	25.2	23.3	24.9
Up by 3% or above	74.8	53.3	44.9	41.4	35.3	36.9	35.6
No idea	10.1	7.6	11.8	16.7	13.1	17.0	14.1
Median (%)	3.0	3.0	3.1	3.0	2.4	2.6	2.4
<b>Q. 2 How much would you expect prices in the shops generally to change over the next 12 months</b>							
Would Go down	15.7	22.6	15.9	16.9	17.5	15.9	18.4
Not changed	8.7	10.2	15.8	14.6	18.4	14.8	17.2
Up by 1% but less than 3%	6.9	20.5	24.5	24.5	26.2	27.3	25.8
Up by 3% or above	54.8	34.6	29.4	27.2	22.9	23.9	21.5
No idea	13.6	12.1	14.2	16.8	15.0	18.0	16.9
Median (%)	3.0	2.1	1.9	1.8	1.5	1.8	1.5
<b>Q. 3 If prices started to rise faster than they do now, do you think Nigeria's economy would...?</b>							
End up stronger	8.0	9.7	8.5	9.6	13.5	8.9	12.2
Or make little difference	14.0	13.0	23.3	28.7	24.3	22.1	25.9
Or weak	65.1	65.4	48.3	44.5	45.5	48.2	43.8
Don't know	12.5	11.9	19.8	17.0	17.0	17.0	17.9
<b>Q. 4 The Government in this years budget anticipated an inflation rate of 10.0%. What do you</b>							
Too high	45.7	45.8	42.3	43.3	43.8	44.1	41.7
Or too low	20.5	17.7	18.9	15.5	16.7	13.3	16.9
Or about right	13.9	16.2	17.8	18.9	18.2	17.6	19.8
No idea	19.2	20.0	20.7	22.3	21.1	24.6	21.4
<b>Q. 5 How would you say interest on bank loans and savings have changed over the last 12 months?</b>							
Risen a lot	36.2	34.3	26.2	27.5	28.1	27.4	29.7
Risen a little	24.0	25.5	27	25	27.6	23	21.9
Stayed about the same	10.2	13.5	18.6	15	15.6	15.8	18.6
Fallen a little	6.0	6.1	7.4	8.9	7.4	8.3	8.2
Fallen a lot	6.1	3.0	2.7	3.5	3.1	2.9	3.1
No idea	17.1	17.5	18.0	20.0	18.2	22.4	18.6
Total saying 'rise'	60.2	59.8	53.2	52.5	55.7	50.4	51.6
Total saying 'fall'	12.1	9.1	10.1	12.4	10.5	11.2	11.3
Net rise	48.1	50.7	43.1	40.1	45.2	39.2	40.3
<b>Q. 6 How would you expect interest rates to change over the next 12 months?</b>							
Rise a lot	15	13.8	16.2	18.9	16.5	15.9	16.9
Rise a little	23.8	22.2	23.5	26.2	26	21.8	23.1
Stay about the same	15.0	16.0	19.5	16.2	16.4	16.1	18.2
Fall a little	21.2	24.8	16.9	15.1	15.9	14.2	13.7
Fall a lot	10.8	9.2	7.4	7.0	8.9	10.9	10.5
No idea	13.8	13.8	16.5	16.4	16.3	21.1	17.7
Total saying 'rise'	38.8	36.0	39.7	45.1	42.5	37.7	40.0
Total saying 'fall'	32.0	34.0	24.3	22.1	24.8	25.1	24.2
Net rise	6.8	2.0	15.4	23.0	17.7	12.6	15.8
<b>Q. 7 What do you think would be best for the Nigerian economy - for interest rates to go up over the next few months, or to go down, or to stay</b>							
Go up	13.7	14.1	16.6	17.2	21.4	18.0	18.6
Go down	52.4	54.5	40.6	43.8	40.9	39.3	41.0
Make no difference	12.7	17.5	25.9	23.0	21.7	22.3	23.8
No idea	13.1	13.8	16.7	15.9	16.0	20.5	16.4
<b>Q. 8 And which would be best for you personally, for</b>							
Go up	11.0	13.9	15.1	14.9	19.3	16.1	18.9
Go down	67.6	75.2	57.6	55.2	55.6	54.4	51.7
Make no difference	9.1	10.4	18.5	18.4	18.2	18.7	18.3
No idea	8.9	0.0	8.4	11.3	6.8	10.7	10.9

TABLE 1

SUMMARY OF RESULTS INFLATION ATTITUDES SURVEY							
	Q2 2009	Q3 2009...	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
<b>Q. 9 How strongly do you agree with the following statements? A rise in interest rates would make prices in the street rise more slowly in the (a) short term - say a</b>							
Agree strongly	21.3	23.8	21.3	24.2	27.4	24.9	23.9
Agree	32.2	33.6	31.3	31.4	33.5	29.4	34.7
Neither agree nor disagree	12.8	11.7	17.8	17.1	13.6	14.5	14.2
Disagree	13.8	14.1	13.1	13.7	11.3	10.7	11.6
Disagree strongly	7.2	6.2	4.9	3.5	4.0	4.8	3.7
Don't know	12.1	10.5	11.5	10.1	10.2	15.7	11.8
Total agree	53.5	57.4	52.6	55.6	60.9	54.3	58.6
Total disagree	21.0	20.3	18.0	17.2	15.3	15.5	15.3
Net agree	32.5	37.1	34.6	38.4	45.6	38.8	43.3
<b>b) A rise in interest rates would make prices in the street rise more slowly in the medium term - say a year or two</b>							
Agree strongly	14.8	17.1	17	18.6	19.7	17.0	16.5
Agree	32.5	34.8	29.6	29.8	33.4	28.3	32.9
Neither agree nor disagree	14.1	12.3	17.6	16	15.1	15.7	15.5
Disagree	15.2	17.8	16.8	16.4	13.8	15.5	15.5
Disagree strongly	8.5	5.3	5.2	5.7	5.3	6.3	5.8
Don't know	6.7	12.4	13.8	13.3	12.6	17.2	13.7
Total agree	47.3	51.9	46.6	48.4	53.1	45.3	49.4
Total disagree	23.7	23.1	22.0	22.1	19.1	21.8	21.3
Net agree	23.6	28.8	24.6	26.3	34.0	23.5	28.1
<b>Q. 10 If a choice had to be made, either to raise interest rates to try to keep inflation down; or keep interest rates down and allow prices in the shops to rise faster, which would you prefer ?</b>							
Interest rates to rise	48.2	50.8	47.9	46.3	46.9	43.7	45.7
Prices to rise faster	14.1	14.8	18.1	17.2	19.4	16.8	18.7
No idea	36.8	34.1	33.7	36.2	33.4	39.3	35.4
<b>Q. 11 Every other month, a group of people meet to set Nigeria's basic interest rate level. Do you know what this group is?</b>							
Monetary Policy Committee	55.9	59.5	53.9	51.0	53.0	53.2	49.3
The Government	9.4	7.0	8.5	11.1	11	7.2	10.3
Federal Ministry of Finance	8.7	10.5	12.5	13.7	12.9	12.7	16.9
National Assembly	4.0	2.4	6.5	4.7	6	5.7	6.4
Others	1.2	1.0	2.1	2.6	1.9	2.1	2.4
Don't know	20.0	19.2	16.5	16.9	15.3	19.1	14.6
<b>Q. 12 Which of these groups do you think sets the interest rates?</b>							
Government ministers	3.1	2.4	6.4	8.3	7.2	4.5	7.0
Civil servants	2.8	1.8	4.3	6	5.1	5	4.7
CBN	76.9	82.3	76.2	70.3	72.8	70.2	73.6
Other banks	3.4	3.5	3.2	5	4.2	4.9	4.2
No idea	13.1	9.8	9.9	10.3	10.7	15.4	10.3
<b>Q. 13 In fact, the decisions are taken by the Monetary Policy Committee of the Central Bank of Nigeria. Which of these do you think best describes the Monetary Policy Committee?</b>							
Part of the Government	26.3	22.3	24.1	23.5	23.8	19.7	23.3
A Body wholly owned appoi	27.2	33.6	26.1	27.7	27.3	27.7	29.0
An independent body, partly	20.0	19.8	25.5	26.1	27.4	25.7	24.7
A completely independent b	6.8	6.2	11.5	8.3	9.1	10.4	9.2
No idea	18.3	17.5	12.7	14.2	12.3	16.5	13.5
<b>Q. 14 Overall, how satisfied or dissatisfied are you with the way the Central Bank of Nigeria is doing its job to set interest rates in order to control inflation?</b>							
Very satisfied	20.2	27.1	23.7	22.4	22.1	21.2	22.6
Fairly satisfied	44.6	44.6	41.1	38.2	39	41.2	40.1
Neither satisfied nor dissatis	12.4	12	16.4	19.2	16.5	13.7	16.8
Very dissatisfied	12.8	8.4	10.7	12.2	14.3	11.7	11.2
No idea	9.2	7.1	8.0	8.0	8.0	12.2	9.2
Total satisfied	64.8	71.7	64.8	60.6	61.1	62.4	62.7
Total dissatisfied	12.8	8.4	10.7	12.2	14.3	11.7	11.2
Net satisfied	52.0	63.3	54.1	48.4	46.8	50.7	51.5

***Credit Conditions  
Survey***

***3rd Quarter, 2013***

# Credit Conditions Survey 2013 Q3

## Introduction

As part of its mission to maintain monetary and financial stability, the Bank needs to understand trends and developments in credit conditions. This quarterly survey of bank lenders is an input to this work. Lenders were asked about trends and developments in credit conditions in the previous and next quarters. The survey covers secured and unsecured lending to households; and lending to non-financial corporations, small businesses, and to non-bank financial firms. Along with various data sources and discussions between the major lenders and Bank staff, this survey serves as an input into the Monetary Policy documents which presents the CBN assessment of the latest trends in lending to the Nigerian economy.

This report presents the results of the 2013 Q3 survey. The 2013 Q3 survey was conducted between 26<sup>th</sup> August to 6<sup>th</sup> September, 2013.

## Supply

- The availability of secured credit to households was reported to have increased in the current quarter relative to the previous quarter with a further increase expected by lenders over the next quarter relative to the current quarter.
- Lenders reported that the availability of unsecured credit to households also rose in 2013 Q3, with a significant further increase anticipated in Q4 2013.
- The overall availability of credit to the corporate sector was reported to have improved in Q3 2013. Availability of credit was mixed across firm sizes with a most significant increase for large businesses. Lenders expected overall credit availability to the corporate sector to improve significantly in Q4 2013.

## Demand

- Demand for secured lending for house purchase was reported to have risen in 2013 Q3, and was expected to increase in Q4. Lenders also reported increase in demand for consumer loans and remortgage in Q3 2013.
- Demand for total unsecured lending to household was reported to have risen in Q3, reflecting higher demand for overdraft/personal loans
- Lenders reported increased Demand for corporate credit across all firm sizes in 2013 Q3. It is expected that credit demand would increase significantly for all businesses in the next quarter

## Defaults

- Lenders reported that default rates on **secured loans to households** increased in 2013 Q3. However, lower defaults are expected in Q4. Losses given default declined and were expected to fall further in Q4 2013.
- The default rate on total unsecured loans fell slightly in 2013 Q3 and was expected to fall further in Q4. Losses given default fell significantly in Q3, and were also expected to fall further in Q4.
- Corporate loan performance was better in 2013 Q3 as default rates for all sized businesses had fallen. Losses given default were reported to have declined for all sized companies in Q3, except the small sized businesses. Corporate loans performance in Q4, 2013 is expected to be improve significantly.

## Loan pricing

- Lenders reported that the overall spreads on secured lending rates to households relative to MPR widened in Q3 2013, and is expected to fall further in Q4 2013.
- Lender reported that spreads on credit card lending remained a little wider in Q3, with a slight fall expected in Q4. Spreads on other unsecured lending products such as personal loans, were reported to have widened in Q3, and were expected to narrow in Q4.

Changes in spreads on lending to businesses did not vary much across firm size in 2013 Q3 with moderate rise reported for large PNFCs and a slight increase for medium PNFCs.

This report presents the results of the 2013 Q3 survey. The 2013 Q3 survey was conducted between 26th August to 6th September 2013. The results are based on lenders' own responses to the survey. They do not necessarily reflect the Bank's views on credit conditions. To calculate aggregate results, each lender is assigned a score based on their response. Lenders who report that credit conditions have changed 'a lot' are assigned twice the score of those who

Report that conditions have changed 'a little'. These scores are then weighted by lenders' market shares. The results are analysed by calculating 'net percentage balances' — the difference between the weighted balance of lenders reporting that, for example, demand was higher/lower or terms and conditions were tighter/looser. The net percentage balances are scaled to lie between  $\pm 100$ .

In the current quarter relative to the previous quarter, lenders reported an increase in credit availability to households and corporates. Lenders expected further increases in credit availability for households and corporate in Q4. Spreads on buy to let secured lending to household narrowed in Q3 2013. Spreads on unsecured household lending widened in Q3, within this, spreads on other unsecured lending products such as personal loans and credit cards also widened. Changes in spreads on corporate lending narrowed across all firm size in Q3, with significant narrowing reported for other financial corporations (OFC). Lenders expected spreads for both secured and corporates to evolve in a similar way in Q4 2013, but expected spreads on unsecured lending to narrow slightly. Lenders reported that household demand for house purchase rose significantly in Q3. Also, household demand for total unsecured lending rose marginally, reflecting higher demand for overdraft/personal loans. Corporate credit demand was reported to have picked up, with increases in demand across all business sizes. Both household unsecured loan and corporate loan performances were better in Q3, and expected to improve further in Q4 2013. In contrast, household secured loan performance worsened in Q3, but expected to improve in the next quarter.

## Secured lending to households

In the current quarter relative to the previous quarter, lenders reported an increase in the availability of secured credit to households. Lenders reported that changing appetite for risk had been a major factor behind this increase, although market share objectives and changing economic outlook also made some contributions. The proportion of household loan applications approved was reported to have increased in 2013 Q3 and expected to also increase in Q4.

The expansion of availability for secured credit was expected to continue with changing appetite for risk and market share objectives as the most contributory factors. Maximum LTV ratios were expected to remain flat in the Q3 and expected to increase in the next quarter. Lenders expected their willingness to lend at 75% LTV ratios and below to shrink significantly.

However, borrowers with high loan to value ratios (LTV) (more than 75%) are preferred by the lenders in both current and next quarters. Consistent with this, average credit quality on new secured lending was expected to further improve in Q4. Some lenders opined that new update to lending processes (e.g automated credit analysis and effect of credit bureau) contributed to improving the quality of the overall lending.

Lenders reported that the overall spreads on secured lending rates to households relative to MPR widened in Q3 2013. Within the total, a fall in spreads was reported for prime lending, buy-to-let lending and other lending within the quarter, and is expected to fall further in Q4 2013.

Demand for lending for house purchase was reported to have risen in 2013 Q3. Within the total, increases in demand were reported for both prime lending, buy to let

lending and other lending and are expected to increase in the next quarter. Demand for mortgage/remortgaging was reported to increase in Q3, and lenders expected a further rise in Q4. Demand for consumer loans was reported to have risen in Q3, 2013 and lenders expected a further rise in Q4.

Secured loan performance, as measured by default rates and losses given default, was mixed in Q3 as default rate deteriorated while loss given default improved. However, lenders expected improved performance as both default rates and loss given default are expected to fall in Q4.

#### Unsecured lending to households

The total amount of unsecured credit made available to households rose in the current quarter relative to the previous quarter and was expected to increase further in the next quarter.

Lenders reported that moderate increases in changing cost/availability of funds, changing economic outlook and market share objectives contributed to the increased availability of unsecured credit in 2013 Q3. Even though, the credit scoring criteria remained tightened in Q3, the proportion of loan applications approved increased moderately. Lenders expected a further tightening of credit scoring criteria next quarter. This was likely to moderate approval rates, which were expected to increase slightly in Q4.

Lender reported that spreads on credit card lending remained a little wider in Q3, with a slight fall expected in Q4. Spreads on other

unsecured lending products such as personal loans, were reported to have widened in Q3, and were expected to narrow in Q4.

Demand for total unsecured lending to household was reported to have risen in Q3, reflecting higher demand for overdraft/personal loans. However demand for credit card lending fell marginally in Q3. It was noted that the increasing awareness by borrowers for loan facility in Q3 might explain some of the high demand in overdraft/personal loans.

The default rate on total unsecured loans fell slightly in 2013 Q3 and was expected to fall further in Q4. Losses given default fell significantly in Q3, and were also expected to fall further in Q4.

#### Lending to corporates and small businesses

Credit conditions in the corporate sector may vary by the size of business, so this survey asks lenders to report developments in the corporate sector overall split by large and medium-sized private non-financial corporations (PNFCs) and small businesses<sup>1</sup>.

The overall availability of credit to the corporate sector was reported to have

<sup>1</sup>Small businesses are defined as those with an annual turnover of under N5 million. Medium-sized corporates are defined as those with an annual turnover of between N5 million and N100 million. Large corporates are defined as those with an annual turnover of more than N100 million



increased in Q3. The most important factor for availability was an improvement in the economic outlook, although improvement in tight wholesale funding conditions and changing liquidity conditions were also cited.

Availability of credit increased across all firm sizes, with the most significant increase for large private non-financial corporations. Credit availability to other financial corporations increased slightly in Q3, and lenders reported that the proportion of large PNFCs loans being approved had increased significantly.

Looking ahead to Q4, lenders expected overall credit availability to the corporate sector to increase significantly, the changing liquidity condition was expected to push up credit availability marginally, with market share objectives remaining supportive.

Changes in spreads on lending to businesses did not vary much across firm size in 2013 Q3 with moderate rise reported for large PNFCs and a slight increase for medium PNFCs. Fees and commissions were reported to have fallen for all the firms in Q3. All firms benefitted from an increase in maximum credit lines in Q3 and were expected to increase further in Q4 except OFCs.

Demand for corporate credit was reported to have increased across firm sizes in 2013 Q3. The reported increase in demand from large businesses in Q3 was the highest among all business types. The most significant factor cited by lenders as pushing up on credit demand was an increase in inventory finance, while capital investments was also a contributor. Credit demand was expected to increase significantly for all businesses in the next quarter.

Corporate loan performance was better in 2013 Q3. Default rates for all sized businesses had fallen. Losses given default were reported to have declined for all sized companies in Q3, except the small sized businesses. Significant improvements in corporate loan performance were expected in Q4.

The average credit quality on newly arranged PNFCs borrowing facilities improved in Q3 and was expected to further improve in Q4. The target hold levels (share of risks that lenders wish to hold of deals that they underwrite in the short term) increased slightly in Q3 and expected to remain the same in Q4. Loan tenors on new corporate loans increased in Q3 and were expected to moderate in Q4. Also, draw down on committed lines by PNFCs increased in Q3 and expected to further increase in Q4

**Table 1 Secured Lending To Households Questionnaire Result**

TABLE 1				
SECURED LENDING			2013	
QUESTIONS			Q2	Q3
1(a). How has demand for secured lending for House purchase from HOUSEHOLDS changed	<i>Current quarter</i>		50.0	54.0
	<i>Next quarter</i>		100.0	57.5
<i>of which</i> : Demand for prime lending	<i>Current quarter</i>		11.1	35.0
	<i>Next quarter</i>		33.0	35.8
<i>of which</i> : Demand for buy to let lending	<i>Current quarter</i>		-10.1	18.2
	<i>Next quarter</i>		16.8	37.3
<i>of which</i> : Demand for other lending	<i>Current quarter</i>		10.2	25.0
	<i>Next quarter</i>		45.6	38.6
1(b). How has demand for secured lending for Consumer Loans from HOUSEHOLDS changed	<i>Current quarter</i>		32.0	57.0
	<i>Next quarter</i>		59.1	42.4
1(c). How has demand for secured lending for Mortgage/re-mortgate from HOUSEHOLDS changed	<i>Current quarter</i>		-1.4	27.6
	<i>Next quarter</i>		28.7	23.7
2. How has demand for secured lending for small businesses from HOUSEHOLDS changed	<i>Current quarter</i>		28.7	15.0
	<i>Next quarter</i>		46.0	36.6
3. How have credit scoring creteria for granting loan applications by HOUSEHOLDS changed	<i>Current quarter</i>		-0.1	2.5
	<i>Next quarter</i>		-0.4	4.2
4. How has the proportion of HOUSEHOLD loan applications being approved changed	<i>Current quarter</i>		30.9	35.9
	<i>Next quarter</i>		55.7	41.5
5(a). How have the overall secured lending spreads changed	<i>Current quarter</i>		0.0	-6.1
	<i>Next quarter</i>		35.4	-7.0
<i>of which</i> : Spreads on prime lending	<i>Current quarter</i>		5.4	1.8
	<i>Next quarter</i>		3.5	5.4
<i>of which</i> : Spreads on buy to let lending	<i>Current quarter</i>		6.4	5.2
	<i>Next quarter</i>		0.7	1.5
<i>of which</i> : Spreads on other lending	<i>Current quarter</i>		6.5	6.7
	<i>Next quarter</i>		0.7	0.4
5(b). How have fees on secured lending changed	<i>Current quarter</i>		10.1	-2.9
	<i>Next quarter</i>		5.2	-3.0
5(c). How have the maximum loan to value ratios changed	<i>Current quarter</i>		-0.3	0.0
	<i>Next quarter</i>		-2.2	-10.2
5(d). How have the maximum loan to income ratios changed	<i>Current quarter</i>		-0.4	-4.2
	<i>Next quarter</i>		-6.8	-8.8

**Table 1 Secured Lending to Households Questionnaire Result (contd)**

TABLE 1			
SECURED LENDING		2013	
QUESTIONS		Q2	Q3
6. How has the availability of secured credit provided to households changed	<i>Current quarter</i>	-33.7	-18.9
	<i>Next quarter</i>	-49.9	-22.4
<i>Factors contributing to changes in credit availability</i>			
Changing economic outlook	<i>Current quarter</i>	-33.5	-22.7
	<i>Next quarter</i>	-52.8	-10.4
Market share objectives	<i>Current quarter</i>	-51.9	-34.2
	<i>Next quarter</i>	-63.7	-19.6
Changing appetite for risk	<i>Current quarter</i>	-38.7	-34.4
	<i>Next quarter</i>	-54.2	-22.8
Tight wholesale funding conditions	<i>Current quarter</i>	0.8	-15.6
	<i>Next quarter</i>	-1.1	2.6
Changing liquidity positions	<i>Current quarter</i>	-26.2	1.1
	<i>Next quarter</i>	-48.1	19.5
7. Has the default rate on secured loans to households changed	<i>Current quarter</i>	-19.8	1.5
	<i>Next quarter</i>	-36.8	-25.1
8. How have losses given default to households changed?	<i>Current quarter</i>	-27.7	-3.0
	<i>Next quarter</i>	-32.3	-18.8
9. How has the average credit quality of new secured lending to HOUSEHOLDS changed	<i>Current quarter</i>	37.7	23.7
	<i>Next quarter</i>	40.7	32.8
10. How has the availability of households secured credit to the following types of borrowers changed:			
Borrowers with low loan to value ratios (75% or less)	<i>Current quarter</i>	20.8	-13.5
	<i>Next quarter</i>	24.7	-6.0
Borrowers with high loan to value ratios (more than 75% )	<i>Current quarter</i>	13.7	-2.6
	<i>Next quarter</i>	15.3	-5.2

**Table 2 Unsecured Lending To Households Questionnaire Result**

TABLE 2			
UNSECURED LENDING		2013	
QUESTIONS		Q2	Q3
1(a). How has demand for unsecured credit cards lending from HOUSEHOLDS changed	<i>Current quarter</i>	28.5	-3.1
	<i>Next quarter</i>	34.5	-13.2
1(b). How has demand for unsecured overdraft/ personal loans from HOUSEHOLDS changed	<i>Current quarter</i>	9.2	15.8
	<i>Next quarter</i>	11.7	-2.4
1(c). How has demand for total unsecured lending from HOUSEHOLDS changed	<i>Current quarter</i>	7.5	15.0
	<i>Next quarter</i>	7.7	-3.3
2(a). How has demand for unsecured credit cards lending from SMALL BUSINESSES changed	<i>Current quarter</i>	11.3	2.5
	<i>Next quarter</i>	21.7	18.7
2(b). How has demand for unsecured overdraft/ personal loans from SMALL BUSINESSES changed	<i>Current quarter</i>	-5.8	-16.9
	<i>Next quarter</i>	0.6	-2.6
2(c). How has demand for total unsecured lending from SMALL BUSINESSES changed	<i>Current quarter</i>	-5.8	-15.4
	<i>Next quarter</i>	-4.4	4.5
3(a). How have credit scoring creteria for granting credit card loan applications by HOUSEHOLDS changed	<i>Current quarter</i>	11.1	-2.1
	<i>Next quarter</i>	-1.5	0.0
3(b). How have credit scoring creteria for granting overdraft/personal loan applications by HOUSEHOLDS changed	<i>Current quarter</i>	14.8	9.9
	<i>Next quarter</i>	3.1	13.9
3(c). How have credit scoring creteria for granting total unsecured loan applications by HOUSEHOLDS changed	<i>Current quarter</i>	24.2	11.6
	<i>Next quarter</i>	24.2	16.5
4(a). How has the proportion of HOUSEHOLD credit card loan applications being approved changed	<i>Current quarter</i>	43.9	26.9
	<i>Next quarter</i>	50.5	11.3
4(b). How has the proportion of HOUSEHOLD overdraft/personal loan applications being approved changed	<i>Current quarter</i>	19.1	40.1
	<i>Next quarter</i>	12.4	20.4
4(c). How has the proportion of HOUSEHOLD total loan applications being approved changed	<i>Current quarter</i>	12.5	33.0
	<i>Next quarter</i>	12.4	20.4
5(a). How have spreads on credit cards changed?	<i>Current quarter</i>	-5.6	-7.9
	<i>Next quarter</i>	2.8	4.2
5(b). How have spreads on overdraft/personal loans changed?	<i>Current quarter</i>	-10.7	-10.0
	<i>Next quarter</i>	-2.3	5.8
5(c). How have spreads on overall unsecured lending changed?	<i>Current quarter</i>	-10.5	-10.6
	<i>Next quarter</i>	0.0	6.2
5(d). How have unsecured credit card limits changed?	<i>Current quarter</i>	-5.5	3.0
	<i>Next quarter</i>	-0.6	0.0
5(e). How has the minimum proportion of credit cards balances to be paid changed?	<i>Current quarter</i>	5.2	1.5
	<i>Next quarter</i>	10.4	3.3
5(f). How have maximum maturities on loans changed	<i>Current quarter</i>	11.2	3.2
	<i>Next quarter</i>	2.0	-1.7

**Table 2 Unsecured Lending To Households Questionnaire Result (contd)**

TABLE 2			
UNSECURED LENDING		2013	
QUESTIONS		Q2	Q3
6. How has the availability of unsecured credit provided to households changed	<i>Current quarter</i>	-25.6	-18.4
	<i>Next quarter</i>	-20.7	-20.0
<i>Factors contributing to changes in credit availability</i>			
Changing economic outlook	<i>Current quarter</i>	-36.1	-37.6
	<i>Next quarter</i>	-27.1	-28.5
Market share objectives	<i>Current quarter</i>	-41.0	-35.3
	<i>Next quarter</i>	-32.7	-30.4
Changing appetite for risk	<i>Current quarter</i>	-21.2	-24.7
	<i>Next quarter</i>	-19.2	-24.4
Changing cost/ availability of funds	<i>Current quarter</i>	-35.1	-44.6
	<i>Next quarter</i>	-28.4	-34.7
7(a). How has the default rate on credit card loans to households changed?	<i>Current quarter</i>	-10.5	-29.7
	<i>Next quarter</i>	-35.7	-23.8
7(b). How has the default rate on overdraft/ personal loans to households changed?	<i>Current quarter</i>	-19.2	-19.2
	<i>Next quarter</i>	-45.5	-24.4
7(c). How has the default rate on total unsecured loans to households changed?	<i>Current quarter</i>	-10.9	-23.4
	<i>Next quarter</i>	-32.6	-25.9
8(a). How have losses given default on credit card loans to households changed?	<i>Current quarter</i>	0.0	-45.3
	<i>Next quarter</i>	-14.9	-37.5
8(b). How have losses given default on overdraft/personal loans to households changed?	<i>Current quarter</i>	-5.3	-34.3
	<i>Next quarter</i>	-21.4	-29.7
8(c). How have losses given default on total unsecured loans to households changed?	<i>Current quarter</i>	-5.3	-33.2
	<i>Next quarter</i>	-21.4	-31.7
9(a). How has the average credit quality of new credit card lending to HOUSEHOLDS changed?	<i>Current quarter</i>	1.0	30.0
	<i>Next quarter</i>	0.8	25.1
9(b). How has the average credit quality of new overdraft/personal lending to HOUSEHOLDS changed?	<i>Current quarter</i>	9.6	26.4
	<i>Next quarter</i>	11.9	28.8
9(c). How has the average credit quality of new total unsecured lending to HOUSEHOLDS changed?	<i>Current quarter</i>	9.6	26.4
	<i>Next quarter</i>	11.9	28.8

**Table 3 Corporate Lending Questionnaire Result**

TABLE 3			
CORPORATE LENDING		2013	
QUESTIONS		Q2	Q3
1(a). How has availability of credit provided to small businesses changed?	<i>Current quarter</i>	-34.30	-28.5
	<i>Next quarter</i>	-46.25	-21.2
1(b). How has availability of credit provided to medium PNFCs changed?	<i>Current quarter</i>	-31.23	-21.2
	<i>Next quarter</i>	-51.22	-24.9
1(c). How has availability of credit provided to large PNFCs changed?	<i>Current quarter</i>	-45.53	-38.9
	<i>Next quarter</i>	-38.74	-31.1
1(d). How has availability of credit provided to OFCs changed?	<i>Current quarter</i>	-13.58	-19.3
	<i>Next quarter</i>	-19.90	-16.5
2(a). How has demand for credit cards lending from SMALL BUSINESSES changed?	<i>Current quarter</i>	35.06	35.3
	<i>Next quarter</i>	45.38	29.0
2(b). How has demand for overdraft/ personal loans from SMALL BUSINESSES changed?	<i>Current quarter</i>	42.98	41.8
	<i>Next quarter</i>	48.39	38.2
2(c). How has demand for secured lending from SMALL BUSINESSES changed?	<i>Current quarter</i>	42.22	42.3
	<i>Next quarter</i>	52.74	30.3
2(d). How has demand for lending from Medium PNFCs changed?	<i>Current quarter</i>	48.73	40.4
	<i>Next quarter</i>	62.32	39.0
2(e). How has demand for lending from Large PNFCs changed?	<i>Current quarter</i>	50.65	45.6
	<i>Next quarter</i>	50.43	30.5
2(f). How has demand for lending from OFCs changed?	<i>Current quarter</i>	30.89	39.6
	<i>Next quarter</i>	37.34	29.8
3. What have been the main factors contributing to changes in demand for lending?			
<i>(a1) Merger and acquisition</i>	<i>Current quarter</i>	-6.20	-38.1
	<i>Next quarter</i>	5.82	-20.3
<i>(a2) Capital Investments</i>	<i>Current quarter</i>	55.31	39.5
	<i>Next quarter</i>	48.55	22.7
<i>(a3) Inventory Finance</i>	<i>Current quarter</i>	57.23	50.5
	<i>Next quarter</i>	61.64	41.1
<i>(a4) Balance sheet restructuring</i>	<i>Current quarter</i>	6.05	0.5
	<i>Next quarter</i>	13.51	-2.7
<i>(a5) Commercial Real Estate</i>	<i>Current quarter</i>	17.85	1.1
	<i>Next quarter</i>	17.85	1.1

**Table 3 Corporate Lending Questionnaire Result (contd)**

TABLE 3			
CORPORATE LENDING		2013	
QUESTIONS		Q2	Q3
4(a). How has the overall availability of credit to the corporate sector changed?	<i>Current quarter</i>	-36.92	-46.1
	<i>Next quarter</i>	-64.72	-49.0
<i>Of which: Commercial real estate sector</i>	<i>Current quarter</i>	-19.34	-0.6
	<i>Next quarter</i>	-28.28	-9.6
4(b). Factors contributing to changes in credit availability.			
<i>Changing economic outlook</i>	<i>Current quarter</i>	-63.61	-53.0
	<i>Next quarter</i>	-51.49	-28.1
<i>Changing sector specific risks</i>	<i>Current quarter</i>	-47.65	-40.2
	<i>Next quarter</i>	-50.78	-26.6
<i>Market share objectives</i>	<i>Current quarter</i>	-44.33	-37.2
	<i>Next quarter</i>	-38.20	-30.9
<i>Market pressures from capital markets</i>	<i>Current quarter</i>	21.40	6.7
	<i>Next quarter</i>	11.53	13.5
<i>Changing appetite for risk</i>	<i>Current quarter</i>	-41.70	-39.5
	<i>Next quarter</i>	-40.89	-19.3
<i>Tight wholesale funding conditions</i>	<i>Current quarter</i>	-36.46	-44.3
	<i>Next quarter</i>	-38.01	-30.1
<i>Changing liquidity conditions</i>	<i>Current quarter</i>	-52.44	-44.2
	<i>Next quarter</i>	-53.73	-39.6
4(c1). How have commercial property prices affected <i>credit availability to the commercial real estate sector</i> ?	<i>Current quarter</i>	-4.62	10.9
	<i>Next quarter</i>	-5.27	11.6
4(c2). How have commercial property prices affected secured lending to PNFCs?	<i>Current quarter</i>	-21.87	-7.1
	<i>Next quarter</i>	-22.11	-6.3
5(a). How has the proportion of loan applications from small businesses being	<i>Current quarter</i>	37.29	29.3
	<i>Next quarter</i>	43.17	14.7
5(b). How has the proportion of loan applications from medium PNFCs being	<i>Current quarter</i>	42.33	32.0
	<i>Next quarter</i>	48.83	21.3
5(c). How has the proportion of loan applications from large PNFCs being approved	<i>Current quarter</i>	41.43	43.7
	<i>Next quarter</i>	43.03	29.8
6(a1). How have spreads on loans to small businesses changed?	<i>Current quarter</i>	9.46	7.5
	<i>Next quarter</i>	9.19	4.6
6(a2). How have fees/commissions on loans to small businesses changed?	<i>Current quarter</i>	21.14	13.2
	<i>Next quarter</i>	12.88	12.1
6(a3). How have collateral requirements for loans to small businesses changed?	<i>Current quarter</i>	-7.82	-12.1
	<i>Next quarter</i>	-7.82	-16.3
6(a4). How have maximum credit lines for loans to small businesses changed?	<i>Current quarter</i>	-18.58	-16.8
	<i>Next quarter</i>	-18.84	-9.6
6(a5). How have Loan covenants for loans to small businesses changed?	<i>Current quarter</i>	-8.08	-13.5
	<i>Next quarter</i>	-8.08	-16.3



**Table 3 Corporate Lending Questionnaire Result (contd)**

TABLE 3			
CORPORATE LENDING		2013	
QUESTIONS		Q2	Q3
6(b1). How have spreads on loans to medium PNFCs changed?	<i>Current quarter</i>	13.36	8.2
	<i>Next quarter</i>	0.67	1.7
6(b2). How have fees/commissions on loans to medium PNFCs changed?	<i>Current quarter</i>	23.32	13.8
	<i>Next quarter</i>	7.54	12.1
6(b3). How have collateral requirements for loans to medium PNFCs changed?	<i>Current quarter</i>	-4.16	-11.5
	<i>Next quarter</i>	-3.93	-16.6
6(b4). How have maximum credit lines for loans to medium PNFCs changed?	<i>Current quarter</i>	-8.39	-16.2
	<i>Next quarter</i>	-12.30	-9.6
6(b5). How have Loan covenants for loans to medium PNFCs changed?	<i>Current quarter</i>	-8.34	-11.7
	<i>Next quarter</i>	-8.15	-16.6
6(c1). How have spreads on loans to large PNFCs changed?	<i>Current quarter</i>	13.36	4.2
	<i>Next quarter</i>	4.73	8.5
6(c2). How have fees/commissions on loans to large PNFCs changed?	<i>Current quarter</i>	27.25	8.8
	<i>Next quarter</i>	14.96	12.1
6(c3). How have collateral requirements for loans to large PNFCs changed?	<i>Current quarter</i>	4.15	-9.6
	<i>Next quarter</i>	-1.96	-5.7
6(c4). How have maximum credit lines for loans to large PNFCs changed?	<i>Current quarter</i>	-16.37	-4.4
	<i>Next quarter</i>	-24.82	-8.1
6(c5). How have Loan covenants for loans to large PNFCs changed?	<i>Current quarter</i>	-0.04	-11.0
	<i>Next quarter</i>	-6.14	-6.8
6(d1). How have spreads on loans to OFCs changed?	<i>Current quarter</i>	10.50	8.4
	<i>Next quarter</i>	0.19	6.9
6(d2). How have fees/commissions on loans to OFCs changed?	<i>Current quarter</i>	16.10	14.4
	<i>Next quarter</i>	1.04	13.2
6(d3). How have collateral requirements for loans to OFCs changed?	<i>Current quarter</i>	-4.99	-5.8
	<i>Next quarter</i>	-4.99	-1.2
6(d4). How have maximum credit lines for loans to OFCs changed?	<i>Current quarter</i>	-10.40	-2.8
	<i>Next quarter</i>	-5.81	2.0
6(d5). How have Loan covenants for loans to OFCs changed?	<i>Current quarter</i>	-5.29	-5.8
	<i>Next quarter</i>	-5.29	-1.2
7(a). How has the default rate on loans to small businesses changed?	<i>Current quarter</i>	-18.29	-26.0
	<i>Next quarter</i>	-28.95	-31.8
7(b). How has the default rate on loans to medium PNFCs changed?	<i>Current quarter</i>	-21.22	-15.6
	<i>Next quarter</i>	-30.62	-21.3
7(c). How has the default rate on loans to large PNFCs changed?	<i>Current quarter</i>	-21.22	-20.7
	<i>Next quarter</i>	-34.58	-28.0

**Table 3 Corporate Lending Questionnaire Result (contd)**

TABLE 3			
CORPORATE LENDING		2013	
QUESTIONS		Q2	Q3
7(d). How has the default rate on loans to OFCs changed?	<i>Current quarter</i>	-14.54	-22.6
	<i>Next quarter</i>	-34.31	-26.0
8(a). How have losses given default on loans to small businesses changed?	<i>Current quarter</i>	-27.91	-2.9
	<i>Next quarter</i>	-43.55	-9.6
8(b). How have losses given default on loans to medium PNFCs changed?	<i>Current quarter</i>	-34.41	-13.4
	<i>Next quarter</i>	-43.55	-20.0
8(c). How have losses given default on loans to large PNFCs changed?	<i>Current quarter</i>	-32.91	-18.7
	<i>Next quarter</i>	-47.52	-27.0
8(d). How have losses given default on loans to OFCs changed?	<i>Current quarter</i>	-16.87	-21.8
	<i>Next quarter</i>	-33.76	-23.5
9(a). Has there been a changed in average credit quality on newly aranged PNFCs	<i>Current quarter</i>	18.57	24.4
	<i>Next quarter</i>	22.87	17.0
9(b). Has there been any change in target hold levels associated with corporate lending?	<i>Current quarter</i>	20.18	5.0
	<i>Next quarter</i>	25.33	2.8
9(c). How have loan tenors on new corporate loans changed?	<i>Current quarter</i>	15.77	10.5
	<i>Next quarter</i>	15.99	2.8
9(d). Has there been a change in draw down on committed lines by PNFCs?	<i>Current quarter</i>	17.69	24.4
	<i>Next quarter</i>	18.18	17.8