



CENTRAL BANK OF NIGERIA

***ECONOMIC REPORT
NOVEMBER 2013***

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

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1.0 Summary

Growth in key monetary aggregate was moderate at the end of November 2013. On month-on-month basis, broad money (M_2), rose by 1.4 per cent, compared with the 1.2 per cent increase at the end of the preceding month. The development reflected, wholly, the 3.4 per cent increase in domestic credit (net) of the banking sector, which more than off-set the 2.4 and 0.6 per cent decline in foreign assets (net) and other Assets (net) of the banking system, respectively. However, narrow money (M_1) declined by 1.3 per cent, in contrast to the growth of 2.7 per cent at the end of the preceding month. The development was attributed, wholly, to the 2.5 per cent fall in its demand deposit component. Over the level at end-December 2012, M_2 and M_1 contracted by 4.8 and 14.1 per cent, respectively. Reserve money (RM) at end-November 2013 rose by 1.1 per cent above its level in the preceding month.

Available data indicated a general increase in banks' deposit and lending rates during the review month. The spread between the weighted average term deposit and maximum lending rates narrowed by 1.1 percentage point to 117.79 per cent in November 2013. Similarly, the margin between the average savings deposit and maximum lending rates narrowed by 0.04 percentage point to 22.47 per cent at the end of the review month. The weighted average inter-bank call rate rose to 11.15 per cent from 11.08 per cent in the preceding month, reflecting the liquidity condition in the interbank funds market.

Provisional data indicated that the value of money market assets outstanding at end-November 2013 was ₦6,635.89 billion, indicating a decline of 2.01 per cent, in contrast to the increase of 0.3 per cent at the end of the preceding month. The development was attributed, largely, to the decline of 3.4 and 0.32 per cent in FGN Bonds and Commercial Paper (CP) outstanding, respectively. Activities on the Nigerian Stock Exchange (NSE) were bullish as all the major indicators trended upward during the review month, same as in the preceding month.

Total federally-collected revenue (gross) in November 2013 was estimated at ₦744.02 billion. This was lower than the monthly budget estimate by 21.3 per cent, but an increase of 0.5 per cent over the receipt in the preceding month. At ₦521.28 billion, oil receipts (gross), which constituted 70.1 per

cent of the total revenue, was lower than both the monthly budget estimate and the level in the preceding month by 19.1 and 1.0 per cent, respectively. The fall in oil receipts was attributed, largely, to the shortfall in receipts from crude oil and gas exports in the review period.

Non-oil receipts (gross), at ₦222.74 billion (29.9 per cent of the total), was below the monthly budget estimate by 25.9 per cent, but exceeded the level in the preceding month by 4.1 per cent. The decline in receipts relative to the monthly budget estimate reflected, largely, the shortfall in receipts from all the components, except Education Tax. Federal Government estimated retained revenue was ₦252.58 billion, while total estimated expenditure was ₦342.03 billion. Thus, the fiscal operations of the Federal Government resulted in an estimated deficit of ₦89.45 billion, compared with the provisional monthly budget deficit of ₦73.92 billion.

Agricultural activities across the country were dominated by harvesting of tubers, fruits and vegetables in November 2013. In the livestock sub-sector, farmers were engaged in fattening and other husbandry activities in anticipation of end of the year sales. Crude oil production was estimated at 1.83 million barrels per day (mbd) or 54.90 million barrels during the month. The end-period inflation rate on a year-on-year basis, was 7.9 per cent, 0.1 percentage point above the level in the preceding month. The inflation rate on a 12-month moving average basis was 8.8 per cent, compared with the preceding month's level of 9.2 per cent.

Foreign exchange inflow and outflow through the CBN in November 2013 were US\$3,125.45 million and US\$3,837.84 million, respectively, and resulted in a net outflow of US\$712.39 million. Foreign exchange sales by the CBN to the authorized dealers amounted to US\$3.34 billion, showing an increase of 13.4 and 109.5 per cent over the levels in the preceding month and the corresponding month of 2012, respectively.

Relative to the level in the preceding month, the average Naira exchange rate vis-à-vis the US dollar appreciated by 0.09 and 0.6 per cent to ₦157.27/US\$ and ₦158.86/US\$ at the rDAS and the interbank segments over the levels in the preceding month, respectively. It, however, depreciated at the BDC segment of the market by 1.3 per cent to ₦167.19/US\$ in November 2013.

Non-oil export receipts increased by 70.1 per cent above the

level in the preceding month. The development was attributed largely, to the significant rise in proceeds from the agricultural sector exports.

World crude oil output in November 2013 stood at an average of 90.48 million barrels per day (mbd), while demand was 90.92 million barrels per day, compared with 90.37 million barrels and 90.89 mbd supplied and demanded, respectively, in the preceding month.

Other major international economic developments and meetings of relevance to the domestic economy during the review period included: the 9th UNCTAD Debt Management Conference held at the United Nations (UN) E-Building, Geneva from November 11 – 13, 2013. The objective of the Conference was to provide a platform for developed and developing economies to explore current and topical issues in debt management and public finance. In a related development, a meeting of the World Association of Debt Management Office (WADMO) was convened on sidelines of the 9th UNCTAD Debt Managers' Conference on November 12, 2013, by the Head of the Delegation from the Philippines. The objective of WADMO is to provide a platform for indebted countries, debt managers and Institutions to regularly exchange experiences, know-how and information on debt management at the international level. Furthermore, the regional meeting of the National Coordinating Committees/National Economic Policy Committees on the ECOWAS Multilateral Surveillance Mechanism was held in Accra, Ghana from November 25 – 29, 2013. The objective of the Meeting was to review Member States' economic and financial performance during the first half of 2013 and the Multilateral Macroeconomic Convergence as well as discuss stabilization programmes for the period 2014 - 2018. Also, the African Development Bank (AfDB) on November 26, 2013 launched the 12th Edition of the African Economic Outlook in Khartoum, Sudan and also launched a \$480 million Water Supply, Expansion and Sanitation Project in Zaria, Kaduna State during the review month. Finally, An International Monetary Fund (IMF) mission visited Nigeria from November 13 – 26, 2013 to conduct discussions for the 2013 Article IV consultation.

2.0 *Financial Sector Developments*

2.1 Monetary and Credit Developments

Growth in the major monetary aggregate remained sluggish at the end of the review month. Available data indicated mixed developments in banks' deposit and lending rates in November 2013. The value of money market assets outstanding declined, owing, largely, to the fall in the banking systems holding of FGN Bonds and Commercial Paper (CP). Transactions on the Nigerian Stock Exchange (NSE) were bullish as all the major indicators trended upward during the review month.

Growth in the key monetary aggregate remained sluggish in November 2013.

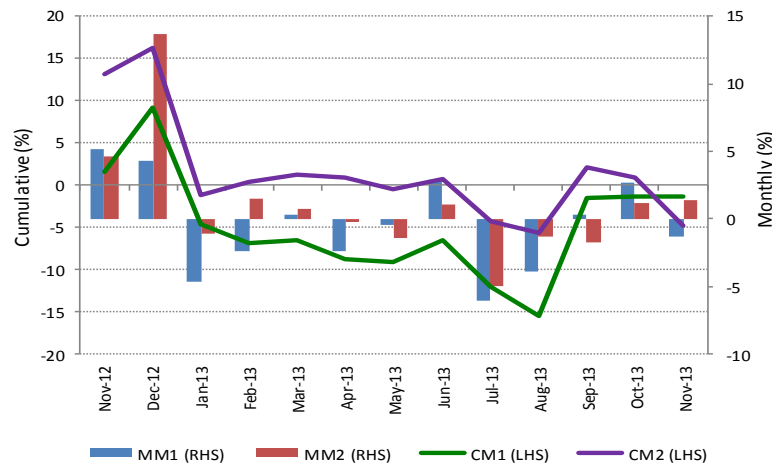
Provisional data indicated that growth in the major monetary aggregate remained sluggish at end-November 2013. Broad money supply (M_2), at ₦14,734.9 billion, grew by 1.4 per cent, on month-on-month basis, compared with the 1.2 per cent increase at the end of the preceding month. The development reflected, wholly, the 3.4 per cent increase in domestic credit (net) of the banking sector, which more than off-set the 2.4 and 0.6 per cent decline in foreign assets (net) and other Assets (net) of the banking system, respectively. Over the level at end-December 2012, however, M_2 contracted by 4.8 per cent, owing to the respective decline of 4.0 and 28.5 per cent in foreign asset (net) and other assets (net) of the banking system.

Narrow money supply (M_1), at ₦6,378.5 billion, fell by 1.3 per cent, on month-on-month basis, in contrast to the growth of 2.7 per cent at the end of the preceding month. The development was attributed, wholly, to the 2.5 per cent decrease in its demand deposit component. Over the level at end-December 2012, narrow money supply (M_1), contracted by 14.1 per cent, owing to the decline of 0.2 and 17.0 per cent in its currency and demand deposit components, respectively (Fig. 1, Table 1).

Quasi-money rose by 3.6 per cent, on month-on-month basis, to ₦8,356.41 billion at end-November 2013, compared with the growth of 0.01 per cent at the end

of the preceding month. The development was attributed to the increase in time and savings deposits with the banks. Over the level at end-December 2012, quasi-money rose by 3.64 per cent.

Figure 1: Growth Rate of Narrow Money (M₁) and Broad Money (M₂)¹



At ₦14,092.8 billion, aggregate banking system credit (net) to the domestic economy grew by 3.4 per cent, on month-on-month basis, compared with the growth of 4.1 per cent at the end of the preceding month. The development reflected, largely, the 10.9 and 1.1 per cent increase in claims on both the Federal Government (net) and the private sector, respectively. Over the level at end-December 2012, aggregate banking system credit (net) to the domestic economy rose by 10.98 per cent, due largely to the growth of 8.9 per cent in claims on the private sector.

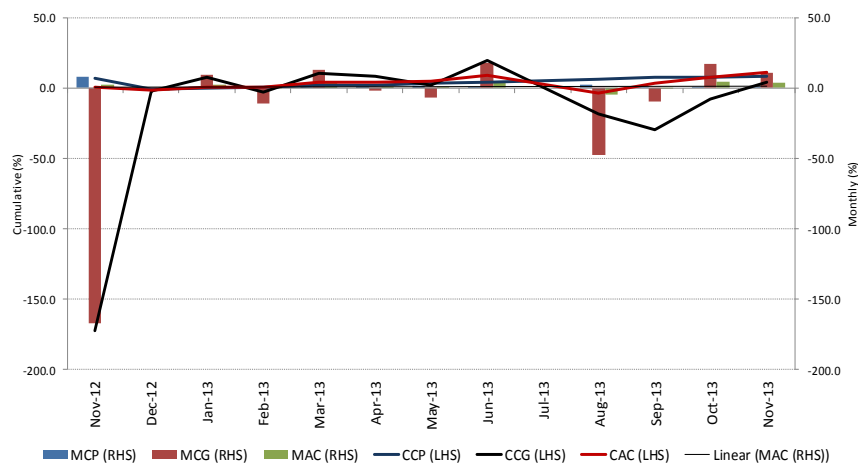
Banking system's credit (net) to the Federal Government, on month-on-month basis, grew by 10.9 per cent to negative ₦2,358.9 billion, compared with the growth of 17.0 and 22.9 per cent at the end of the preceding month and the corresponding period of 2012, respectively. Over end-December 2012, net credit to the Federal Government grew by 3.9 per cent,

¹ MM1 and MM2 represent month-on-month changes, while CM1 and CM2 represent cumulative changes (year-to-date).

reflecting, largely, the 77.9 per cent increase in the banking system's holding of government securities.

On month-on-month basis, banking system's credit to the private sector, grew by 1.1 per cent to ₦16,451.71 billion, at end-November 2013, in contrast to the decline of 0.02 per cent at the end of the preceding month. Relative to the level at end-December 2012, banking system's credit to the private sector rose by 8.6 per cent, compared with the 7.5 per cent increase at the end of the corresponding period of 2012. The development reflected, largely, the 8.3 and 9.8 per cent increase in claims on the core private sector and States and Local Governments, respectively (Fig. 2, Table 1).

Figure 2: Growth Rate of Monthly Net Domestic Credit²



Foreign assets (net) of the banking system fell on month-on-month basis at end-November 2013.

At ₦8,680.9 billion, foreign assets (net) of the banking system at end-November 2013, fell by 2.4 per cent, on month-on-month basis, compared with a decline of 0.3 and 0.35 per cent at the end of the preceding month and corresponding period of 2012, respectively. The development was attributed, largely, to the respective

² MCP, MCG and MAC represent month-on-month changes in credit to private sector, credit to government (net) and aggregate credit (net) to the domestic economy, respectively, while CCP, CCG and CAC, represent the cumulative changes (year-to-date).

decline of 1.5 and 6.4 per cent in the CBN and banks' holdings of foreign assets. Over the level at end-December 2012, foreign assets (net) of the banking system fell by 4.0 per cent.

Other assets (net) of the banking system, on a month-on-month basis, fell by 0.6 per cent to negative ₦8,038.8 billion at the end of the review period, compared with the decline of 4.5 and 0.5 per cent at the end of the preceding month and the corresponding period of 2012. Over the level at end-December 2012, other assets (net) of the banking system fell by 28.5 per cent.

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

	Nov-12	Dec-12	Jan-13	Feb-13	Jan-13	Feb-13	Mar-13	Apr-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Domestic Credit (Net)	8.5	-9.3	-1.6	2.6	0.2	2.6	-0.5	3.7	4.0	-4.6	-0.8	4.1	3.4
Claims on Federal Government (Net)	47.6	#####	-2.0	9.0	7.7	13.0	-10.7	12.6	-17.6	-47.4	-9.5	17.0	10.9
Claims on Private Sector	2.1	-0.8	-1.1	0.6	-0.9	0.6	1.17	1.0	0.7	1.9	1.1	0.0	1.1
Claims on Other Private Sector	2.0	-0.9	-1.2	0.9	-1.1	0.9	1.1	0.8	0.3	2.0	1.3	0.0	0.8
Foreign Assets (Net)	-0.4	3.6	2.5	5.2	2.5	5.2	-0.7	-1.3	-1.2	1.0	-0.8	-0.3	-2.4
Other Assets (Net)	-5.6	17.6	-3.1	-8.7	-6.1	-8.4	3.7	-5.5	-17.8	4.5	-1.2	-4.5	-0.6
Broad Money Supply (M2)	4.6	2.6	-1.1	1.6	-1.0	1.6	0.8	-0.2	-5.0	-1.3	-1.8	1.2	1.4
Quasi-Money	4.1	-1.5	2.1	4.9	2.1	4.9	1.1	1.5	-4.2	0.7	-3.4	0.0	3.6
Narrow Money Supply (M1)	5.2	7.5	4.6	-2.3	-4.4	-2.3	0.4	-2.3	-6.0	-3.9	0.4	2.7	-1.3
Reserve Money (RM)	-2.0	24.3	-8.2	10.6	-8.2	10.6	3.9	-12.2	19.7	9.1	10.0	3.0	3.0

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

At N1,571.03 billion, currency-in-circulation, on month-on-month basis, increased by 1.4 per cent in the review month, compared with the increase of 5.1 and 9.8 per cent at the end of the preceding month and the corresponding period of 2012, respectively. The development relative to the preceding month reflected the 3.9 per cent increase in currency outside banks.

Total deposits at the CBN amounted to N6,374.2 billion, indicating a decline of 3.7 per cent below the level at

the end of the preceding month. The development reflected, the respective decline in all its components, the DMBs, Federal Government and private sector deposits. Of the total deposits, the percentage shares of the Federal Government, banks and private sector were 49.9, 45.4 and 4.7 per cent, respectively, compared with 50.7, 44.7, and 4.6 per cent at end-October 2013.

Reserve money (RM), the CBN operating target, rose by 1.1 per cent to N4,463.1 billion at the end of the review month.

Reserve money (RM) rose in November 2013.

2.3 Money Market Developments

Available data indicated that money market indicators were relatively stable during the review month as funds from matured government securities coupled with the ₦702.54 billion fiscal injection from the statutory allocation kept the market sufficiently liquid. FGN Bonds and NTBs were issued on behalf of the Debt Management Office (DMO) for the fiscal operations of the Federal Government. The Monetary Policy Committee (MPC) at the end of its meeting held between 18th and 19th of November, voted to continue with the Banks' restrictive monetary policy stance, thus maintaining the key financial indicators at their current levels. The MPR was retained at 12.0 per cent with the symmetric corridor at +/- 200 basis points, while the CRR (other than those applicable to public sector funds which remained at 50.0 per cent), Liquidity ratio and Net Open Position were retained at 12.0, 30.0 and 1.0 per cent, respectively.

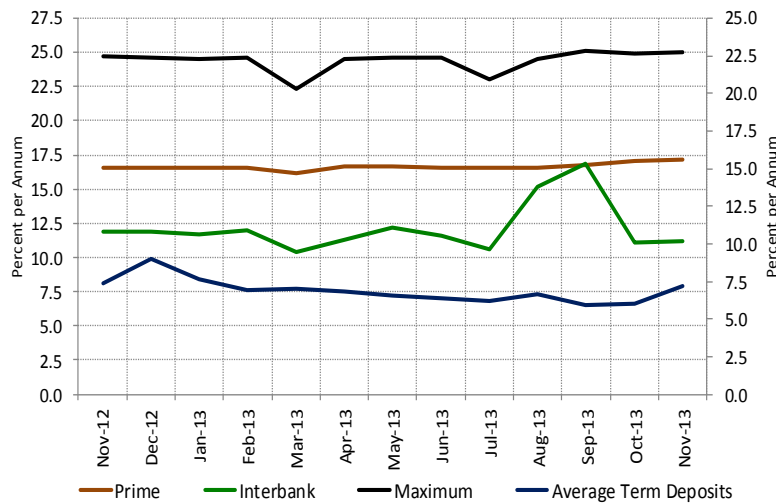
Provisional data indicated that the total value of money market assets outstanding at end-November 2013 was N6,635.89 billion, indicating a decline of 2.01 per cent, in contrast to the increase of 0.3 per cent at the end of the preceding month. The development was attributed, largely, to the 3.4 and 0.32 per cent decrease in FGN Bonds and Commercial Paper, respectively.

2.3.1 Interest Rate Developments

Provisional data indicated a general increase in banks' deposit and lending rates during the review month. The average savings rates rose to 2.53 per cent in November 2013 from 2.39 per cent in the preceding month. Similarly, all other deposit rates of various maturities rose from a range of 4.28 – 7.72 per cent in the preceding month to a range of 5.29 – 8.26 per cent in the review month. The average term deposit rate rose by 2.1 percentage points to close at 7.21 per cent at the end of the review period. Similarly, the average prime and maximum lending rates rose by 0.07 and 0.1 percentage point to 17.17 and 25.0 per cent in the review month. Consequently, the spread between the weighted average term deposit and maximum lending rates narrowed by 1.1 percentage point to 17.79 per cent in November 2013. Similarly, the margin between the average savings deposit and maximum lending rates narrowed by 0.04 percentage points to 22.47 per cent at the end of November 2013.

At the interbank call segment, the weighted average rate which stood at 11.08 per cent at end-October 2013, rose by 0.07 percentage point to 11.15 per cent at end-November 2013. Similarly, the weighted average rate, at the open-buy-back (OBB) segment, rose by 0.01 percentage point to 11.00 per cent from the level in October 2013. The Nigerian inter-bank offered rate (NIBOR) for the 7-day segment rose by 0.20 percentage point to close at 11.59 per cent, while the 30-day segment declined by 0.01 percentage point to close at 12.08 per cent in the review month. With the headline inflation rate at 7.9 per cent at end-November 2013, most rates, with the exception of the lending rates were negative in real terms (Fig. 3, Table 2).

Available data indicated mixed developments in interest rates in November 2013.

Figure 3: Selected DMBs Interest Rate (Average)**Table 2: Selected Interest Rates (Percent, Averages)**

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Oct-13
Average Term Deposits	7.38	8.99	7.66	6.88	6.99	6.83	6.55	6.35	6.16	6.72	5.90	6.01	7.21
Prime Lending	16.51	16.54	16.57	16.56	16.16	16.65	16.66	16.56	16.53	16.55	16.76	17.10	17.17
Interbank	11.86	11.88	11.67	11.98	10.39	11.24	12.23	11.59	10.63	15.24	16.88	11.08	11.15
Maximum Lending	24.70	24.61	24.54	24.60	22.31	24.53	24.57	23.58	23.05	24.46	25.12	24.90	25.00

2.3.2 Commercial Paper (CP)

The value of Commercial Paper (CP) held by banks fell by 0.32 per cent to ₦9.21 billion at the end of November 2013, compared with the value of ₦9.24 billion at the end of the preceding month. The development was due to the decline in investment in CP by the banks during the month under review. Thus, CP constituted 0.14 per cent of the total value of money market assets outstanding during the review period, compared with 0.13 per cent at the end of the preceding month.

2.3.3 Bankers' Acceptances (BAs)

The value of Bankers' Acceptances (BAs) at end-November 2013 increased by 45.01 per cent to ₦28.35

billion, as against the 20.27 per cent decline at the end of the preceding month. The development was attributed to the increase in investment in BAs by the DMBs during the month. Consequently, BAs accounted for 0.43 per cent of the total value of money market assets outstanding at the end of November 2013, compared with 0.29 per cent at the end of the preceding month.

2.3.4 Open Market Operations

During the review month, the Bank intervened eight (8) times in the Open Market Operations (OMO), using direct OMO auction. CBN bills of various maturities, ranging from 65 - 157 days tenors, were traded in the review period. The amount offered, subscribed to and allotted were ₦510.0 billion, N1,033.8 billion and ₦726.5 billion, respectively. The bid rates ranged from 11.50 - 12.75 per cent, while the stop rate was 11.55 - 12.10 per cent. In comparison with the levels in October 2013, amount offered, subscribed to and allotted were ₦1,270.0 billion, ₦1,709.7 billion and ₦1,115.34 billion, respectively, while the bid rates ranged from 11.35 - 12.75 per cent and the stop rate ranged from 11.90 - 12.25 per cent.

2.3.5 Primary Market

At the primary market segment, Nigerian Treasury Bills of 91-, 182- and 364-day tenors were auctioned. Total amount offered, subscribed to and allotted stood at ₦199.78 billion, ₦438.32 billion and ₦199.78 billion, respectively, compared with ₦226.11 billion, ₦441.70 billion and ₦226.11 billion in October 2013. The bid-to-cover ratios were 1.70, 2.49 and 2.24 for the 91-, 182- and 364-day tenors, respectively. The high bid-to-cover ratio (>2.0) for the 182- and 364-day tenors indicated strong investors' preference during the review period. The sum of ₦199.78 billion matured and was repaid during the review period.

2.3.6 Bonds Market

FGN Bonds of 3- and 20-year tranches were re-opened in the month of November 2013. Total amount offered, subscribed to and allotted were ₦65.00 billion, ₦139.79 billion, and ₦65.00 billion, respectively. The two maturities traded were reopenings with time to maturity of 2 years 9 months for the 3-year bonds, while the 20-year had a tenor to maturity of 14 years 8 months. The bid rates on the two tranches ranged from 10.00-13.81 per cent and the marginal rates were 12.55 and 12.99 per cent.

In comparison with the levels in October 2013, the amount offered, subscribed to and allotted, was ₦55.00 billion, ₦163.89 billion and ₦55.00 billion, respectively at marginal rates of 13.05 and 13.26 per cent.

2.3.7 CBN Standing Facilities

The Bank's Standing Facilities window remained open throughout the review period for banks and discount houses. The total request for the standing lending facility (SLF) in the month of November 2013 was N314.221 billion, reflecting a daily average of N14.96 billion for the 21 business days in the month, compared with N263.36 billion with a daily average of N12.45 billion in October 2013. Interest paid on SLF in November stood at N0.09 billion, compared with N0.02 billion in the preceding month. Standing Deposit Facility (SDF) totalling N5,331.54 billion was received, compared with the sum of N8,326.91 billion recorded in October. This represented a daily average of N253.88 billion for the 21 business days in the review month. Interest paid on SDF in November stood at N0.1 billion, compared with N0.03 billion in the preceding month.

2.4 Deposit Money Banks' Activities

Available data indicated that total assets and liabilities of the deposit money banks (DMBs) amounted to ₦23,522.53 billion, showing a marginal increase of 0.2 per cent above the level at the end of the preceding month. Funds were sourced mainly from time, savings

and foreign currency deposits, as well as accretion to unclassified Assets. The funds were used, largely, to extend credit to the private sector and payment of claims on demand deposit.

DMBs' Credit to the domestic economy rose by 2.4 per cent above the level in the preceding month.

At ₦11,527.7 billion, DMBs' credit to the domestic economy rose by 2.4 per cent above the level in the preceding month. The development was attributed largely to the rise in banks' credit to the private sector during the review month.

Total specified liquid assets of the banks stood at ₦6,633.3 billion, representing 41.4 per cent of their total current liabilities. At that level, the liquidity ratio fell by

0.6 percentage point below the level in the preceding month, but was 11.4 percentage points above the stipulated minimum ratio of 30.0 per cent. The loans-to-deposit ratio, at 36.1 per cent, was 1.5 percentage points above the level at the end of the preceding month, but 43.9 percentage points below the prescribed maximum ratio of 80.0 per cent.

2.5 Discount Houses' Activities

Available data indicated that total assets of the discount houses stood at ₦131.0 billion at end-November 2013, showing an increase of 11.7 per cent over the level at end-October 2013. The development was accounted for, largely, by the 15.9, 14.8 and 7.6 per cent rise in claims on the Federal Government, Banks and "Others Assets" respectively. Correspondingly, the increase in total liabilities was attributed, largely, to the 32.5 and 4.1 per cent rise in money-at-call and other liabilities, which more than offset the 4.5 per cent fall in capital and reserves.

Discount houses' investment in Federal Government securities of less than 91-day maturity rose by 9.0 per cent to ₦36.4 billion and accounted for 35.4 per cent of their total deposit liabilities. At that level, discount houses' investment in NTBs rose by 16.0 per cent above the level at the end of the preceding month but was 24.6 percentage points below the prescribed minimum

level of 60.0 per cent. Total borrowing by the discount houses was N45.07 billion, while their capital and reserves totalled N18.4 billion. This resulted in a gearing ratio of 2.4:1, compared with the stipulated maximum of 50:1 for the fiscal year 2013.

2.6 Capital Market Developments

2.6.1 Secondary Market

Available data at end-November 2013 indicated that activities on the Nigerian Stock Exchange (NSE) were bullish. The volume and value of traded equities rose by 38.0 and 30.8 per cent to 9.3 billion shares worth ₦92.3 billion, respectively, in 102,122 deals, compared with 6.7 billion shares, valued at ₦70.6 billion, in 94,062 deals in the preceding month. The Financial Sector was the most active on the Exchange (measured by turnover volume) with a traded volume of 5.5 billion shares, valued at ₦38.9 billion in 48,842 deals, compared with 4.9 billion shares, valued at ₦42.3 billion traded in 52,145 deals in the preceding month. The Conglomerates Sector followed with a turnover of 2.1 billion shares worth ₦9.4 billion in 10,101 deals. The Banking Subsector of the Financial Services sector remained the most active (measured by turnover volume) during the month.

Figure 4: Volume and Value of Traded Securities

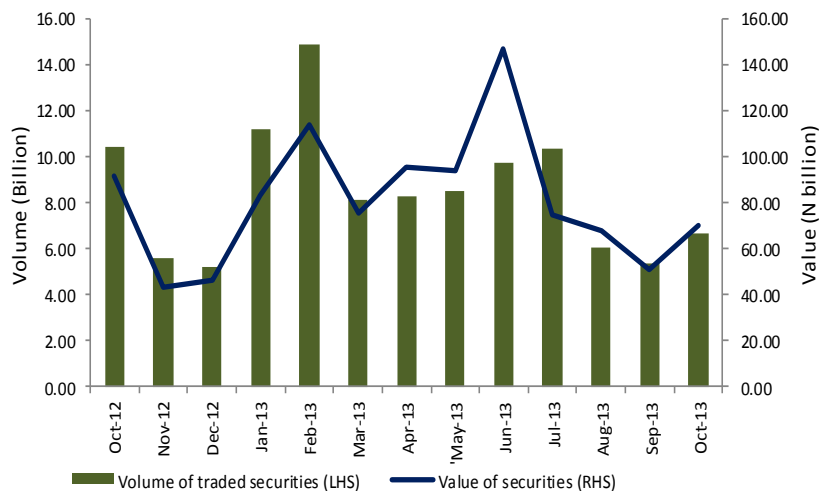


Table 3: Traded Securities on the Nigerian Stock Exchange (NSE)

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13
Volume (Billion)	10.48	5.6	5.2	11.2	14.93	8.12	8.3	8.5	9.7	10.4	6.1	5.4	6.7
Value (₦ Billion)	91.5	43.4	46.5	83.3	114.34	75.93	95.31	94.36	146.9	74.9	67.8	51.1	70.6

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

Provisional data revealed that transactions on the Over-the-Counter (OTC) bond market indicated a turnover of 524 million units, worth ₦563.5 billion in 2,687 deals during the month, compared with 436.1 million units, worth ₦473.3 billion in 2,461 deals recorded in the preceding month.

2.6.3. New Issues Market

There was one (1) new listing in the review month.

Table 4: New and Supplementary Listings on the NSE for November 2013

S/N	Company	Additional Shares (Units)	Reasons	Listing
1	Computer Warehouse Group Plc.	2,524,826,359 ordinary shares	New Listing	New Listings

2.6.4 Market Capitalization

The total market capitalization increased by 1.1 per cent to N18.4 trillion during the review period from N18.2 trillion recorded at end-October 2013. Similarly, market capitalization for the equities segment also rose by 3.6 per cent to N12.5 trillion, compared with N12.0 trillion at the end of the preceding month.

2.6.5 NSE All-Share Index

The All-Share Index, which opened at 37,622.74 at the beginning of the month, closed at 38,920.85, representing an increase of 3.5 per cent above the level in the preceding month. All the sectoral indices appreciated during the review month. The NSE Banking, NSE Insurance, NSE-Consumer Goods, NSE Oil/Gas, NSE Lotus, NSE industrial Goods and NSE AseM indices rose by 2.7, 5.7, 3.3, 31.9, 3.7, 0.2 and 0.1 per cent, respectively, at end-November 2013.

Figure 5: Market Capitalization and All-Share Index

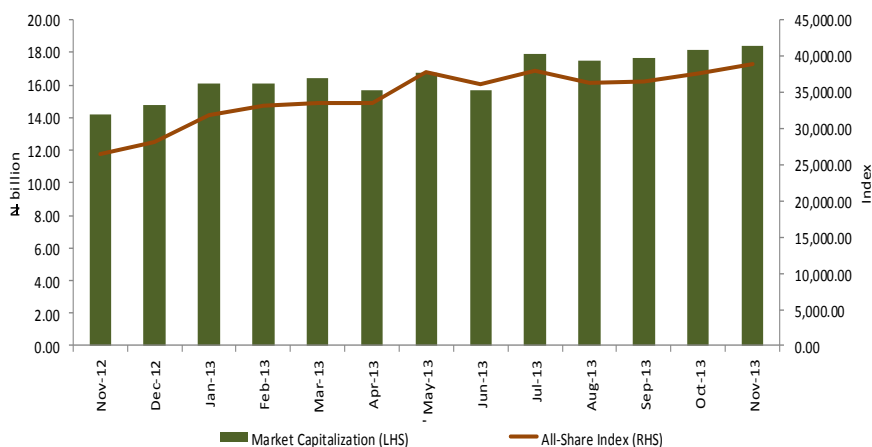


Table 5: Market Capitalization and All Share Index (NSE)

	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Market Capitalization (trillion)	13.1	13.84	14.12	14.2	14.8	16.1	16.08	16.41	15.7	17.9	17.5	17.7	18.2	18.4
All-Share Index	23750.82	23373	26430.9	26404.4	28078.81	31853.19	33075.14	36536.25	36164.31	37914.33	36248.53	36585.08	3762274	38020.85

3.0 Fiscal Operations

3.1 Federation Account Operations

Total gross federally-collected revenue stood at ₦744.02 billion in November 2013, showing a decline of 21.3 per cent below the monthly budget estimate, but an increase of 0.5 per cent above the receipt in the preceding month. The decline relative to the monthly budget estimate was attributed to the shortfall in both oil and non-oil revenue (Fig. 6, Table 6).

Gross federally-collected revenue rose above the level in the preceding month.

Figure 6: Components of Gross Federally-Collected Revenue

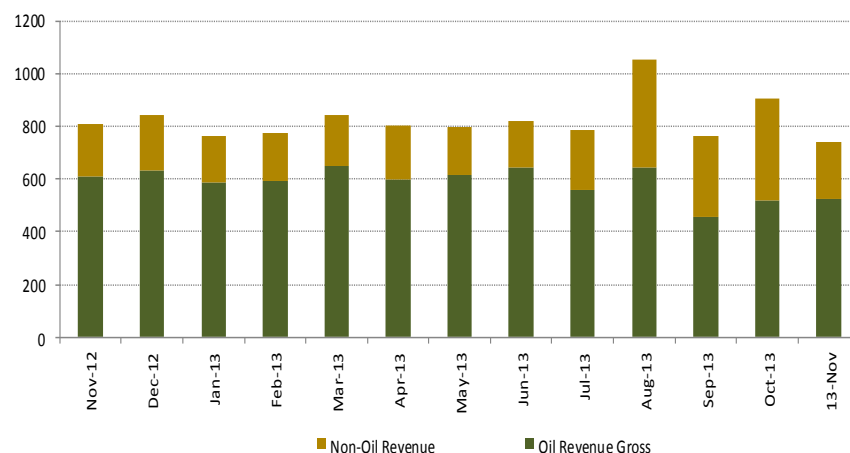


Table 6: Gross Federation Account Revenue (₦ billion)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Federally-collected revenue (Gross)	841.6	761.2	773.3	861.1	806.4	785.9	795.5	783.3	1079.7	760.9	905.3	740.3	744.0
Oil Revenue	631.0	585.8	591.4	647.6	595.3	613.4	641.0	559.4	645.7	457.2	519.9	526.4	521.3
Non-Oil Revenue	210.6	175.4	181.9	213.4	211.2	172.6	154.5	223.9	434.1	303.7	385.4	214.0	222.7

At ₦521.28 billion, gross oil receipts, which constituted 70.1 per cent of the total revenue, was lower than both the monthly budget estimate and the level in the preceding month by 19.1 and 1.0 per cent, respectively. The decline in oil revenue was attributed

Relative to the preceding month's level, oil receipts fell in November 2013.

largely to the shortfall in receipts from crude oil and gas exports during the period (Fig. 7, Table 7).

Figure 7: Gross Oil Revenue and Its Components

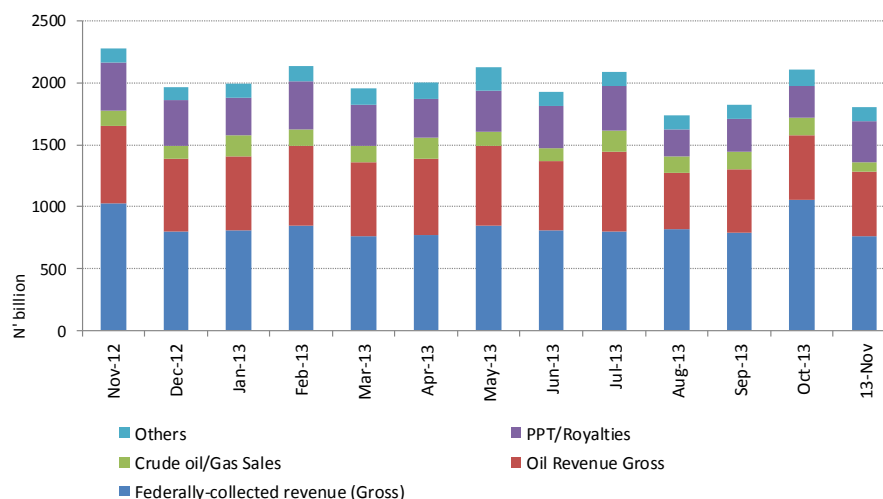


Table 7: Components of Gross Oil Revenue (N billion)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Oil Revenue	631.0	585.8	591.4	647.6	595.3	613.4	641.0	559.4	645.7	457.2	519.9	526.4	521.3
Crude oil/Gas Sales	125.6	107.7	172.9	129.9	136.4	173.6	118.7	111.5	173.1	129.0	138.0	139.0	78.2
Domestic crude oil/G	114.8	100.0	117.7	119.4	112.6	133.4	187.8	114.3	113.8	109.3	118.0	124.0	114.7
PPT/Royalties	382.7	370.4	300.5	398.0	331.7	305.4	334.3	333.3	358.6	218.6	263.2	263.1	325.9
Others	7.8	7.7	0.3	0.3	14.6	0.9	0.2	0.3	0.2	0.3	0.7	0.2	2.5

Non-oil receipts was below both the monthly budget estimate.

At ₦222.74 billion, gross non-oil receipts, (29.9 per cent of the total) was below the monthly budget estimate by 25.9 per cent, but above the level in the preceding month by 4.1 per cent. The fall in non-oil revenue relative to the monthly budget estimate was due largely to the shortfall in receipts from all the components, except Education Tax.

On cumulative basis, total federally collected revenue from January to November 2013 was estimated at ₦9036.53 billion, reflecting a decrease of 13.1 and 8.6 per cent below the budget estimate and the actual receipts in the corresponding period of 2012, respectively. Of the cumulative revenue, oil receipts represented 69.9 per cent, while non-oil earnings

accounted for the balance of 30.1 per cent.

Figure 8: Gross Non-Oil Revenue and its Components

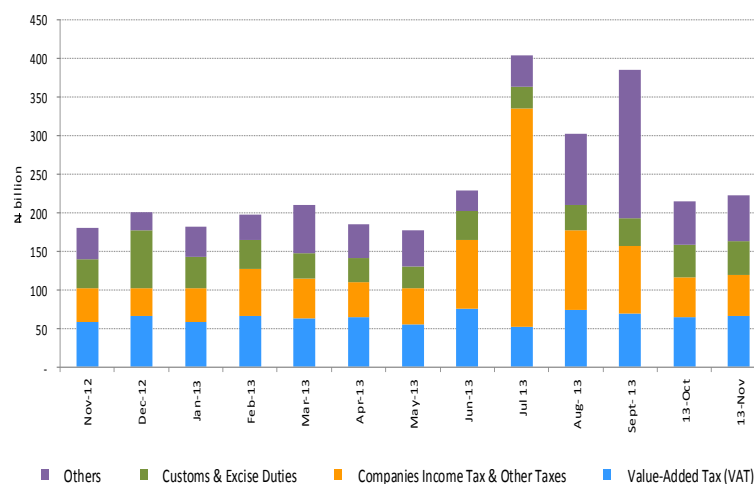


Table 8: Components of Gross Non-Oil Revenue (₦ billion)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sept-13	Oct-13	Nov-13
Non-Oil Revenue	210.6	175.4	181.9	213.4	211.2	185.6	154.5	223.9	434.1	303.7	385.4	214.0	222.7
Value-Added Tax (VAT)	64.8	62.7	57.5	65.3	62.7	64.2	54.6	74.9	51.2	74.2	69.0	63.9	66.4
Companies Income Tax & Other Taxes	72.7	44.3	45.1	62.2	51.0	45.3	48.1	89.7	283.6	103.0	88.4	52.0	52.4
Customs & Excise Duties	39.7	41.9	39.6	36.4	34.0	32.0	28.2	37.0	29.1	33.0	35.4	42.5	44.1
Others	33.4	26.5	39.7	49.5	63.5	44.0	23.6	22.4	70.2	93.5	192.6	55.5	59.9

Of the gross federally-collected revenue during the month, the sum of ₦453.01 billion was transferred to the Federation Account for distribution among the three tiers of government and the 13.0% Derivation Fund. The Federal Government received ₦213.83 billion, while the state and local governments received ₦108.45 billion and ₦83.61 billion, respectively. The balance of ₦47.11 billion went to the 13.0% Derivation Fund for distribution by the oil-producing states. Also, the Federal Government received ₦9.55 billion from the VAT Pool Account, while the state and local governments received ₦31.85 billion and ₦22.29 billion, respectively. Furthermore, the sum of ₦35.55 billion was distributed as Subsidy Reinvestment and Empowerment Programme (SURE-P) among the three tiers of government and the

13% Derivation Fund as follows: Federal Government (₦16.29 billion), State Governments (₦8.26 billion), Local Governments (₦6.37 billion) and 13% Derivation Fund (₦4.62 billion).

In addition, the NNPC Refund amounting to ₦7.62 billion was shared by the sub-national governments and 13% Derivation Fund as follows: State Governments (₦3.75 billion), Local Governments (₦2.88 billion) and 13% Derivation Fund (₦0.99 billion).

3.2 The Fiscal Operations of the Three Tiers of Government

3.2.1 The Federal Government

Federal government estimated retained revenue was lower than the preceding month and the monthly budget estimate.

At ₦252.58 billion, the estimated Federal Government retained revenue for the month of November 2013 was lower than both the monthly budget estimate and the receipts in the preceding month by 38.2 and 8.5 per cent, respectively. Of the retained revenue, Federation Account accounted for 84.7 per cent, while SURE-P, FGN Independent Revenue, VAT and Others accounted for 6.5, 5.0 and 3.8 per cent, respectively (Fig. 9).

Figure 9: Sources of Federal Government Retained Revenue

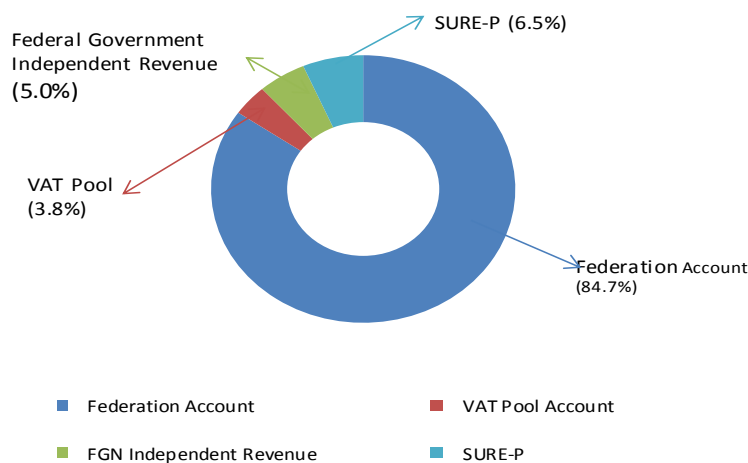
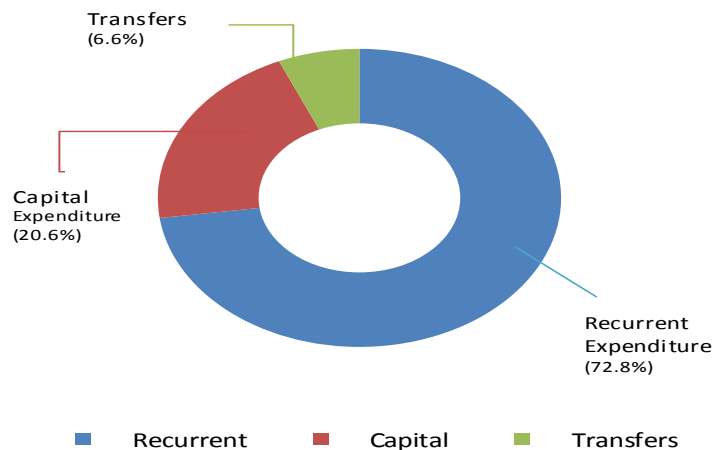


Table 9: Federal Government Fiscal Operations (₦ billion)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Retained Revenue	246.6	246.7	261.9	272.4	426.0	315.6	283.0	358.8	353.1	261.9	379.6	276.0	252.6
Expenditure	390.4	417.6	159.8	588.0	331.8	495.3	335.0	384.7	446.5	343.3	348.1	337.6	342.0
Overall Balance: (+)/(-)	-143.8	-170.9	102.0	-315.7	37.8	-179.7	-52.1	-25.8	-93.5	-81.5	31.5	-61.7	-89.5

At ₦342.03 billion, total estimated expenditure for November 2013 was lower than the the monthly budget estimate by 29.1 per cent, but exceeded the level in the preceding month by 1.3 per cent. A breakdown of the total expenditure showed that recurrent expenditure accounted for 72.8 per cent, while capital expenditure and transfers accounted for 20.6 and 6.6 per cent, respectively. Non-debt obligations accounted for 76.9 per cent of the recurrent expenditure, while debt service payments accounted for the balance of 23.1 per cent (Fig. 10).

Total estimated expenditure for November 2013 fell below the monthly budget estimate, but was higher than the level in the preceding month.

Figure 10: Federal Government Expenditure

Thus, the fiscal operations of the Federal Government in November 2013, resulted in an estimated deficit of ₦89.45 billion, compared with the monthly budget estimate of ₦73.92 billion deficit.

The fiscal operations of the FG resulted in an estimated deficit of ₦89.45 billion in November 2013.

3.2.2 *Statutory Allocations to State Governments*

Estimated total receipts by state governments from the Federation and VAT Pool Accounts stood at ₦205.03 billion in November 2013. This was lower than the level in the preceding month and the corresponding period of 2012 by 7.5 and 0.4 per cent, respectively.

The breakdown showed that at ₦31.85 billion or 15.5 per cent of the total, receipts from the VAT Pool Account rose above the level in the preceding month and the corresponding period of 2012 by 3.8 and 2.4 per cent, respectively. At ₦173.19 billion or 84.5 per cent of the total, state governments' receipt from the Federation Account fell below the level in the preceding month and the corresponding month of 2012 by 9.4 and 0.9 per cent, respectively.

3.2.3 *Statutory Allocations to Local Government Councils*

Provisional total receipts by the local governments from the Federation and VAT Pool Accounts during the month of November 2013, stood at ₦115.16 billion. This was lower than the levels in the preceding month and the corresponding period of 2012 by 6.4 and 1.2 per cent, respectively. Of this amount, receipts from the Federation Account was ₦92.87 billion (80.6 per cent of the total), while the VAT Pool Account was ₦22.29 billion, accounting for 19.4 per cent of the total.

4.0 Domestic Economic Conditions

Agricultural activities in November 2013 were dominated mainly by harvesting of tubers, fruits and vegetables. In the livestock sub-sector, farmers were engaged in fattening and other husbandry activities in anticipation of end of the year sales. Crude oil production was estimated at 1.83 million barrels per day (mbd) or 54.90 million barrels during the month. The end-period inflation rate on a year-on-year basis, was 7.9 per cent, 0.1 percentage point above the level in the preceding month. The inflation rate on a 12-month moving average basis was 8.8 per cent, compared with the preceding month's level of 9.2 per cent.

4.1 Agricultural Sector

Available data indicated that agricultural activities in most parts of the country received a major boost in November 2013. In the Southern States, the predominant agricultural activity during the month was the harvesting of tubers, fruits, and vegetables, while farmers in the North, farmers were engaged in harvesting of late maturing grains, and pre-planting operations for dry season farming. In the livestock sub-sector, farmers were engaged in fattening and other husbandry activities in anticipation of end of the year sales.

A total of ₦1,144.9 million was guaranteed to 6,780 farmers under the Agricultural Credit Guarantee Scheme (ACGS) in November 2013. This amount represented an increase of 38.32 and 37.73 per cent above the levels in the preceding month and the corresponding period of 2012, respectively. Sub-sectoral analysis showed that food crops obtained the largest share of ₦810.6 million (70.8 per cent) guaranteed to 5,449 beneficiaries. Livestock got ₦188.8 million (16.5 per cent) guaranteed to 709 beneficiaries, mixed crops received ₦67.6 million (5.9 per cent) guaranteed to 304 beneficiaries, while ₦47.9 million (4.2 per cent) was guaranteed to 168 beneficiaries in the fisheries sub-sector. "Others" received ₦18.7 million (1.6 per cent) guaranteed to 118 beneficiaries, while Cash crops had ₦11.3 million (1.0 per cent) guaranteed to 32

beneficiaries.

Analysis by state showed that 33 states benefited from the scheme in the review month with the highest and lowest sums of ₦164.3 million (14.4 per cent) and ₦1.8 million (0.2 per cent) guaranteed to Taraba and Kaduna states, respectively.

At end-November 2013, the total amount released by the CBN under the Commercial Agriculture Credit Scheme (CACs) to the participating banks for disbursement stood at ₦225.7 billion for three hundred (300) projects/promoters (Table 10).

At end-November 2013, the total amount released by the CBN under the CACS to the participating banks stood at ₦225.7 billion.

Table 10: Disbursement of Credit under the Commercial Agriculture Credit Scheme (CACs) November 2013.

S/N	Participating Banks	Amount Disbursed (₦ billion)	Number of Projects
1	United Bank for Africa (UBA) Plc	41.76	35
2	Zenith Bank Plc	33.96	22
3	First Bank	26.10	64
4	Unity Bank Plc	22.28	25
5	Union Bank Plc	18.20	21
	Sterling Bank Plc	13.30	22
6	Stanbic IBTC	13.00	28
7	Access Bank Plc	11.08	13
8	Fidelity Bank Plc	10.90	10
9	Skye Bank Plc	9.60	7
10	GTB Bank Plc	5.80	9
11	FCMB	4.80	8
12	Eco Bank	3.80	7
13	Citibank	3.00	2
14	Diamond Bank Plc	2.70	12
15	Keystone Bank	2.11	3
16	Mainstreet Bank	2.00	1
17	Wema Bank	0.80	5
18	Enterprise Bank	0.51	6
	TOTAL	225.70	300

4.2 Petroleum Sector

Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at an average of 1.83 million barrels per day (mbd) or 54.9 million

barrels for the month. This was 0.07 mbd or 3.7 per cent lower than the 1.90 mbd (58.9 million barrels) produced in the preceding month. The development was attributed to the continued oil theft in the Niger Delta region.

Crude oil export was estimated at 1.38 mbd or 41.4 million barrels. This represented a decline of 4.8 per cent, compared with 1.45 mbd or 44.95 million barrels recorded in the preceding month. Deliveries to the refineries for domestic consumption stood at 0.45 mbd or 13.5 million barrels during the review month.

At an estimated average of US\$110.07 per barrel, the price of Nigeria's reference crude, the Bonny Light (37° API), fell by 1.5 per cent, compared with the level in the preceding month. The fall in price was attributed to a reduced refinery crude intake due to scheduled turnarounds in various refineries and the continued rising of US crude production during the review period. The average prices of other competing crudes, namely the U.K Brent, the West Texas Intermediate and the Forcados, at US\$108.47, US\$90.23 and US\$111.41 per barrel, respectively, also showed similar trend as the Bonny Light.

The average price of the OPEC's basket of eleven crude streams fell by 1.3 and 1.8 per cent to US\$104.97 per barrel, compared with the level in the preceding month and the corresponding period of 2012, respectively (Fig. 11, Table 11).

Crude oil and natural gas production was estimated at an average of 1.90 million barrels per day.

The average price of Nigeria's reference crude, the Bonny Light, fell by 1.5 per cent, compared with the level in the preceding month.

Figure 11: Trends in Crude Oil Prices

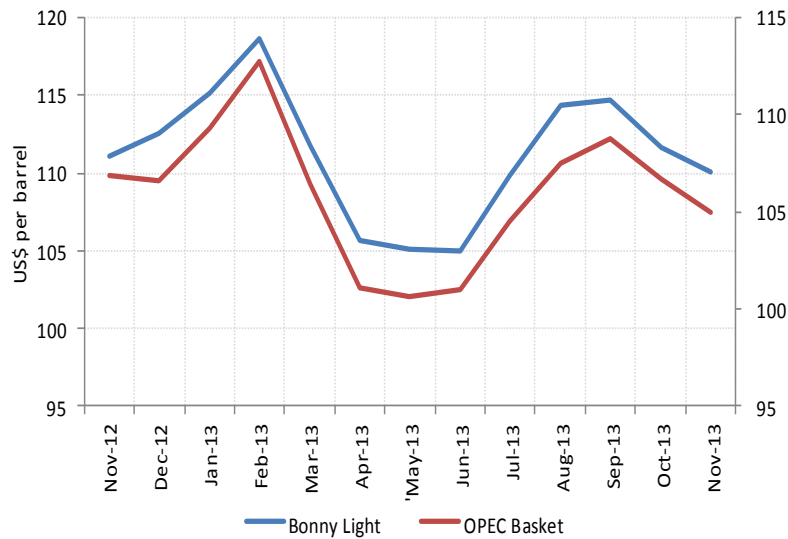


Table 11: Average Crude Oil Prices in the International Oil Market

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Bonny Light	111.02	112.51	115.58	118.68	111.77	105.68	105.05	105	109.88	114.38	114.73	111.69	110.07
OPEC Basket	106.86	106.55	109.28	112.75	106.44	101.05	100.65	101.03	104.51	107.52	108.73	106.69	104.97

4.3 Consumer Prices

The general price level rose in November relative to October 2013, owing to the increase in the price indices of food and non-alcoholic beverages, among others.

Available data showed that the all-items composite Consumer Price Index (CPI) was 151.1 (November 2009=100), representing an increase of 0.7 and 7.9 per cent over the levels in the preceding month and the corresponding period of 2012, respectively. The development was attributed to the rise in the prices of food and non-alcoholic beverages; housing; furniture; education; and health.

The urban all-items CPI at end-November was 150.2 (November 2009=100), indicating an increase of 0.7 and 8.1 per cent, compared with the levels in the preceding month and the corresponding period of 2012, respectively. The rural all-items CPI for the month, was 152.2 (November 2009=100), showing an increase

of 0.7 per cent, compared with the preceding month's level (Fig. 12, Table 11).

Headline inflation rate, on a year-on-year basis, was 7.9 per cent, indicating an increase of 0.1 percentage point above the 7.9 per cent recorded in the preceding month. The inflation rate on a twelve-month moving average basis was 8.8 per cent, compared with 9.2 per cent in the preceding month (Fig. 13, Table 12).

The year-on-year headline inflation rate rose by 0.1 percentage point above the level in the preceding month.

The composite food index for the month was 152.9, indicating a month-on-month increase of 1.3 percentage points over the preceding month's level. The development was accounted for largely by the contributions of farm produce (yam, potatoes and other tuber, vegetables, rice, maize, sorghum, and fruits) and processed food.

Figure.12:Consumer.Price.Index

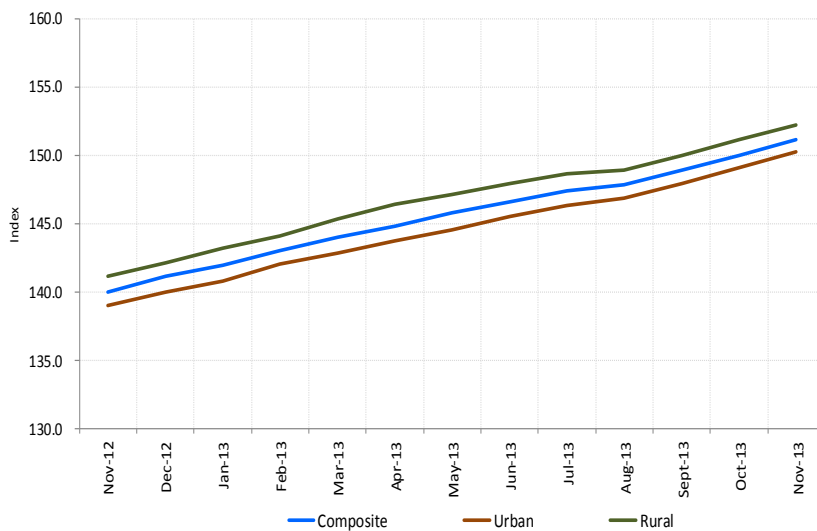


Table 12: Consumer Price Index (November 2009=100)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Composite	140.0	141.1	141.9	143.0	144.0	144.8	145.8	146.6	147.4	147.8	150.0	150.0	151.1
Urban	139.0	140.0	140.8	142.0	142.0	143.7	144.5	145.5	146.3	146.8	147.9	149.1	150.2
Rural	141.1	142.1	143.2	144.1	145.3	146.4	147.1	147.9	148.6	148.9	150.0	151.1	152.2
CPI - Food	139.8	141.2	142.3	143.3	144.6	145.6	146.4	147.5	148.4	149.2	150.4	151.6	152.9
CPI - Non Food	140.9	141.8	143.8	143.8	144.8	144.5	145.2	145.5	147.4	149.1	150.0	150.9	151.8

Figure 13: Inflation Rate

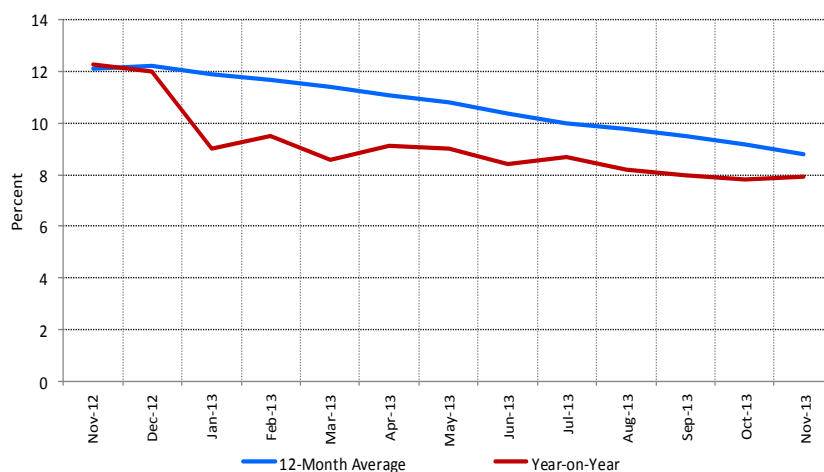


Table 13: Headline Inflation Rate (%)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
12-Month Average	12.1	12.2	11.9	11.7	11.4	11.1	10.8	10.4	10.0	9.8	9.5	9.2	8.8
Year-on-Year	12.3	12.0	9.0	9.5	8.6	9.1	9.0	8.4	8.7	8.2	8.0	7.8	7.9

5.0 External Sector Developments

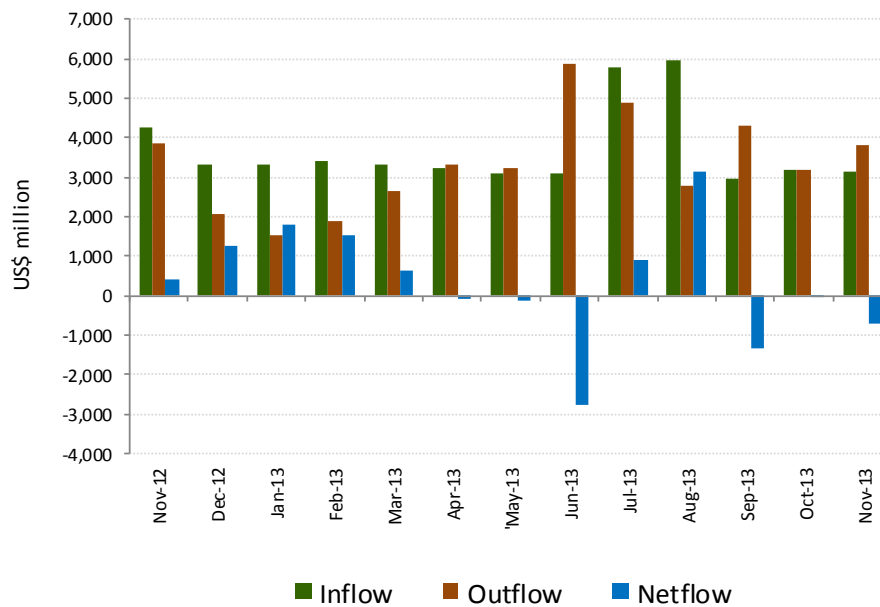
Provisional data indicated that foreign exchange inflow through the CBN fell by 1.6 per cent, while outflow rose by 20.8 per cent, relative to their levels in the preceding month. Total non-oil export receipts by banks rose by 70.1 and 204.1 per cent above the levels in the preceding month and the corresponding month of 2012, respectively. The average exchange rate of the Naira vis-à-vis the US dollar, appreciated marginally by 0.09 per cent to ₦157.27 per US dollar at the Retail Dutch Auction System (rDAS). The gross external reserves fell by 1.7 per cent below the level in the preceding month.

5.1 Foreign Exchange Flows

Foreign exchange inflow and outflow through the CBN in the month of November 2013 were US\$3,125.45 million and US\$3,837.84 million, respectively, resulting in a net outflow of US\$712.39 million, compared with net outflow of US\$2.44 million recorded in October 2013. Relative to the level in the preceding month and the corresponding period of 2012, inflow fell by 1.6 and 26.8 per cent, respectively. The development was accounted for by the decrease in receipts from crude oil sales. Conversely, outflow through the CBN rose by 20.8 per cent above the level in the preceding month, but fell by 1.1 per cent below the level in the corresponding period of 2012. The development relative to the preceding month was attributed mainly to the increased funding of the rDAS and other official payments during the review month.

A breakdown of total foreign exchange utilization showed that rDAS sales accounted for US\$2,796.47 million (83.8 per cent); BDC sales, US\$522.70 million (15.7 per cent); and Wdas-Forward disbursement at maturity, US\$16.47 million (0.5 per cent) (Fig. 14, Table 14).

Foreign exchange inflow through the CBN fell by 1.6 per cent, while outflow increased by 21.8 per cent in November 2013.

Figure 14: Foreign Exchange Flows through the CBN**Table 14: Foreign Exchange Flows through the CBN (US\$ million)**

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Inflow	4272.4	3319.6	3320.8	3423.6	3302.6	3238.8	3095.5	3108.6	5778.3	5953.4	2946.0	3175.3	3125.5
Outflow	3843.3	2062.3	1538.1	1884.1	2671.5	3319.4	3233.7	5897.6	4891.3	2796.6	4308.1	3177.7	3837.8
Netflow	429.3	1257.3	1782.7	1539.5	631.1	-80.5	-138.2	-2789.0	887.0	3156.9	-1362.0	-2.4	-712.4

Provisional data on aggregate foreign exchange flows through the economy indicated that total inflow was US\$11.44 billion. This represented an increase of 2.1 and 11.7 per cent above the levels in the preceding month, and the corresponding month of 2012, respectively. The increase in inflows, relative to preceding month was driven mainly by the rise in autonomous inflow from autonomous sources, particularly the non-oil exports. Inflow through the CBN accounted for 27.4 per cent of the total, while inflow from autonomous sources accounted for the balance of 72.6 per cent.

At US\$2.73 billion, oil sector receipts fell by 0.4 per cent below the level in the preceding month and

accounted for 23.9 per cent of the total inflow. On a month-on-month basis, non-oil public sector inflow, at US\$399.38 million, fell by 13.0 per cent and accounted for 3.5 per cent of the total inflow, while autonomous inflow, at US\$8.31 billion, rose by 3.6 per cent and accounted for 72.6 per cent of the total.

Non-oil inflow into the economy fell by 13.0 per cent and accounted for 0.5 per cent of the total inflow in November 2013.

At US\$3.88 billion, aggregate foreign exchange outflow from the economy rose by 19.8 per cent above the level in the preceding month. Thus, foreign exchange flows through the economy resulted in a net inflow of US\$7.56 billion in the review month, compared with US\$7.96 billion and US\$6.32 billion in the preceding month and the corresponding month of 2012, respectively. The outcome reflected, largely, the decline in receipts from invisibles through autonomous sources during the month.

5.2 Non-Oil Export Earnings by Exporters

Provisional data indicated that total non-oil exports earnings, at US\$900.59 million, increased by 70.1 and 204.1 per cent over the levels in the preceding month and the corresponding period of 2012, respectively. The development reflected, largely, the rise in the proceeds from agricultural sector exports due to increase in the export of primary agricultural products and others. A breakdown of the receipts showed that proceeds of agricultural, manufactured, industrial, minerals, and food sub-sectors stood at US\$624.6 million, US\$154.4 million, US\$93.8 million, US\$19.0 million, and US\$8.8 million, respectively.

Total non-oil export earnings rose on account of an increase in the earnings from the agricultural sub-sectors.

The shares of agricultural, manufactured, industrial, minerals and food products sub-sectors in non-oil export proceeds were 69.4, 17.1, 10.4, 2.1 and 1.0 per cent, respectively.

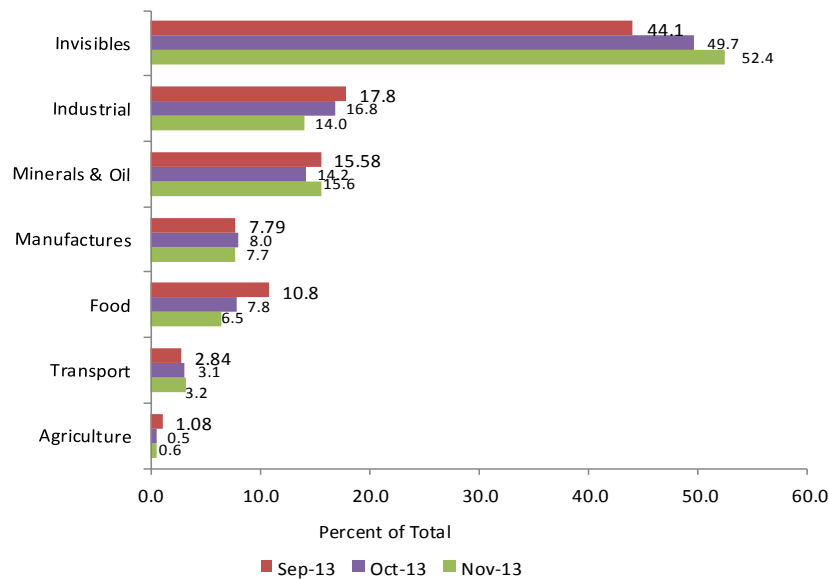
5.3 Sectoral Utilisation of Foreign Exchange

Provisional data indicated that the invisible sector accounted for the bulk (52.4 per cent) of total foreign exchange disbursed in November 2013, followed by the

The invisible sector accounted for the bulk of the total foreign exchange disbursed in November 2013.

minerals and oil sector (15.6 per cent). Other beneficiary sectors, in a descending order included: industrial sector (14.0 per cent), manufactured product (7.7 per cent), food products (6.5 per cent), transport (3.2 per cent), and agricultural products (0.6 per cent), (Fig.15).

Figure15: Sectoral Utilisation of Foreign Exchange



Demand for foreign exchange by authorized dealers fell by 12.9 per cent below the level in the preceding Month.

5.4 Foreign Exchange Market Developments

Aggregate demand for foreign exchange by authorized dealers was US\$3.53 billion in November 2013, showing a decrease of 14.8 per cent below the level in the preceding month, but an increase of 127.9 per cent above the level in the corresponding month of 2012. A break down of the total demand indicated that demand at the rDAS-Spot segment fell by 15.1 per cent to US\$3.01 billion below the level in the preceding month, but exceeded the level in the corresponding period of 2012 by 143.0 per cent. Demand from the BDCs amounted to US\$0.52 billion, compared with US\$0.60 and US\$0.31 in the preceding month and the corresponding month of 2012. The cumulative sales of foreign exchange by the Bank rose by 13.4 and 109.5 per cent to US\$3.34 billion over the respective levels in the preceding month and the corresponding month of

2012. Of the total, sales under the RDAS and BDC segments were US\$2.80 billion and US\$0.52 billion, respectively. There was no RDAS-Forward auction sales, but the sum of US\$16.47 million matured during the review period.¹ (Fig.16, Table 15).

Figure16: Demand for and Supply of Foreign Exchange

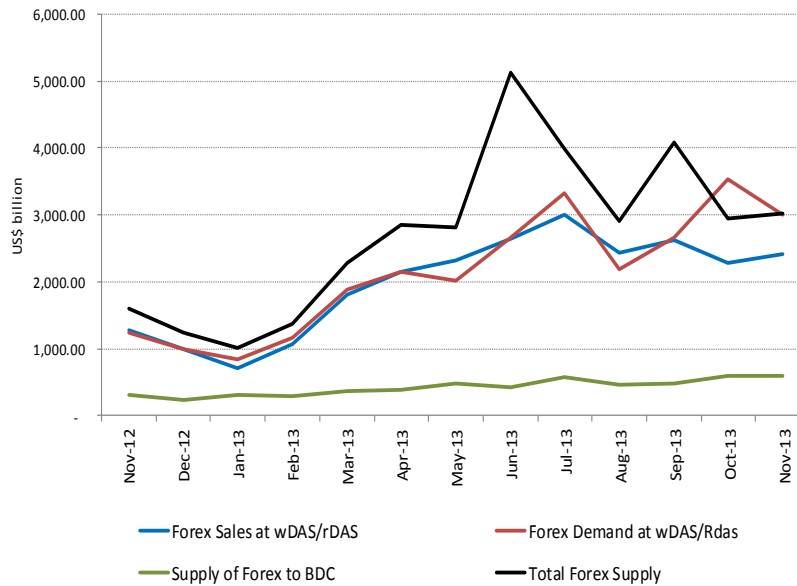


Table 15: Demand for and Supply of Foreign Exchange (US\$ billion)

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Forex Sales at wDA	1278.7	990.3	713.5	1072.8	1801.5	2154.5	2318.7	2650.0	3000.0	2437.1	2625.2	2274.4	2404.7
Forex Demand at W	1237.0	993.8	836.4	1164.3	1911.3	2156.2	2019.2	2661.3	3325.6	2179.4	2660.1	3541.9	3006.3
Supply of Forex to B	311.7	239.9	303.5	299.3	365.0	381.0	487.6	427.2	575.4	466.5	480.5	598.4	598.4
Total Forex Supply	1592.5	1234.2	1019.1	1372.1	2276.5	2848.2	2806.3	5118.2	3988.6	2903.6	4084.3	2941.5	3013.7

Under the rDAS, the average exchange rates of the Naira vis-à-vis the US dollar, stood at ₦157.27 per US dollar, showing an appreciation of 0.09 and 0.02 per cent over the levels in both the preceding month and the corresponding period of 2012, respectively. Similarly, at ₦158.86 per US dollar, the naira appreciated at the interbank segment by 0.6 per cent above the level in the preceding month. At the BDC

The Naira exchange rate vis-à-vis the US dollar, on average, appreciated at the rDAS and interbank segments, but depreciated at the BDC segment of the market in November 2013.

segment of the market, the average exchange rate, however, depreciated by 1.3 and 4.7 per cent to ₦167.19 per US dollar below the levels in the preceding month and the corresponding month of 2012, respectively.

Consequently, the premium between the rDAS and bureau-de-change rates widened to 6.3 per cent from 4.8 per cent in the preceding month, while the premium between the rDAS and interbank rates narrowed to 0.9 per cent from 1.5 per cent in the preceding month.

Figure 17: Average Exchange Rate Movement

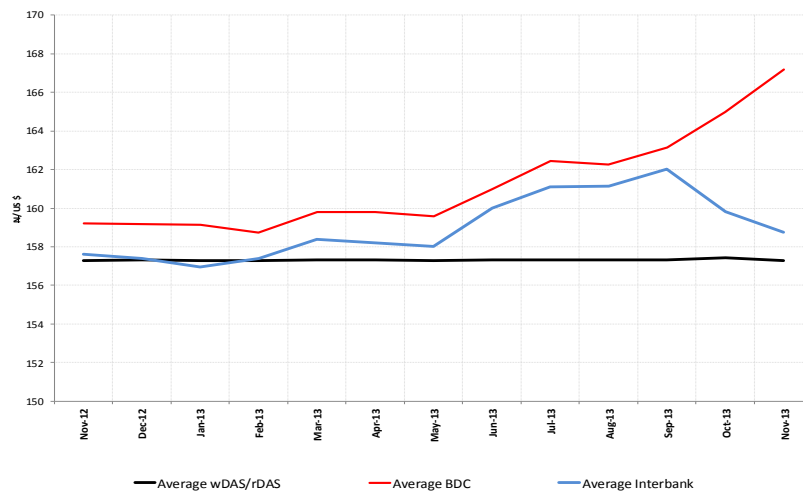
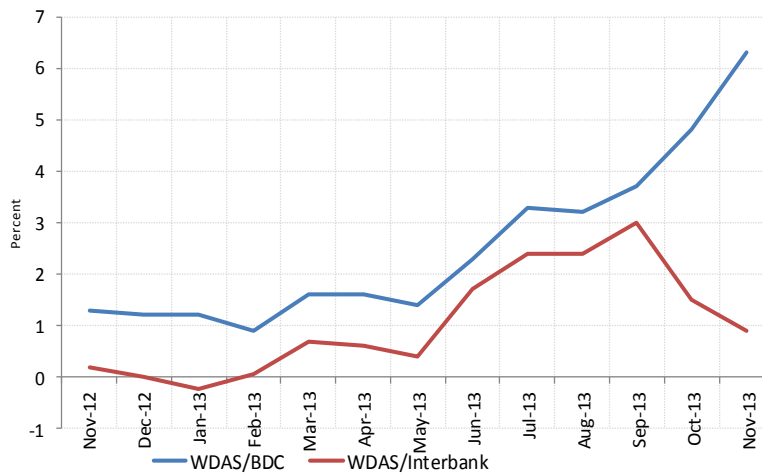


Table 16: Exchange Rate Movements and Exchange Rate Premium

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Average Exchange Rate (N/US\$)													
wDAS/rDAS	157.3	157.3	157.3	157.3	157.31	157.31	157.3	157.31	157.32	157.3	157.3	157.4	157.3
BDC	159.3	159.3	156.1	158.8	159.8	159.8	159.6	161.0	162.4	162.3	163.1	165.0	167.2
Interbank	157.6	157.3	157.0	157.4	158.4	158.2	158.0	160.0	161.1	161.2	162.0	159.8	158.7
Premium (%)													
WDAS/BDC	1.3	1.2	1.2	0.9	1.6	1.6	1.4	2.3	3.3	3.2	3.7	4.8	6.3
WDAS/Interbank	0.2	0.006	-0.22	0.05	0.7	0.6	0.4	1.7	2.4	2.4	3	1.5	0.9

Figure18: Exchange Rate Premium



5.5 Gross External Reserves

The gross external reserves at end November 2013 stood at US\$43.41 billion, indicating a decrease of 1.7 per cent below the level in the preceding month, but an increase of 1.9 per cent over the level in the corresponding period of 2012. A breakdown of the reserves showed that the Federation Account portion (Excess Crude) was US\$4.25 billion (9.8 per cent); Federal Government holding, US\$2.97 billion (6.8 per cent) and CBN reserves, US\$36.19 billion (83.4 per cent), (Fig. 19, Table 17).

Gross external reserves fell in November 2013.

Figure 19: Gross External Reserves

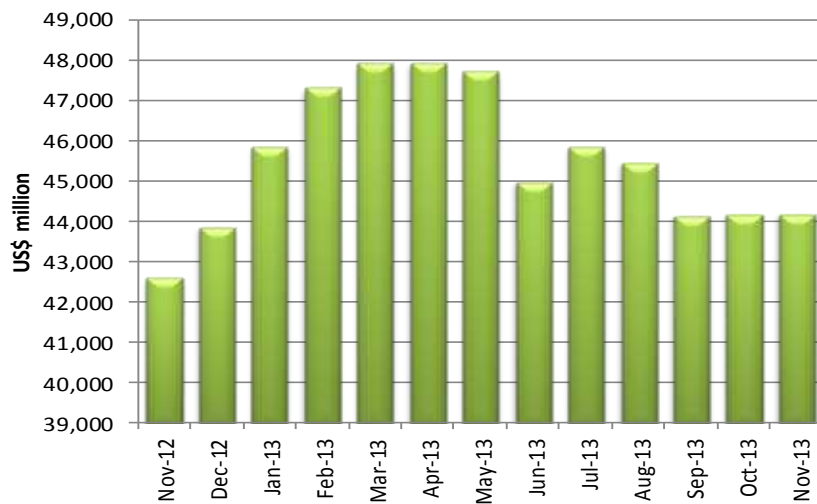


Table 17: Gross External Reserves (US\$ million)

Period	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
External Reserves	42,568.26	43,830.42	45,824.44	47,295.85	47,884.12	47,903.09	47,702.88	44,957.00	45,834.10	45,428.84	44,108.48	44,155.11	43,404.08

6.0 *Other International Economic*

Developments and Meetings

World crude oil output in November 2013 stood at an average of 90.48 million barrels per day (mbd), while demand was 90.92 million barrels per day, compared with 90.37 million barrels and 90.89 mbd supplied and demanded, respectively, in the preceding month. The increase in demand relative to the preceding month was attributed to improvements in economic activities in the United States, despite the pending fiscal issues.

Other major international economic developments and meetings of relevance to the domestic economy during the review period included: the 9th UNCTAD Debt Management Conference held at the United Nations (UN) E-Building, Geneva from November 11 – 13, 2013. The objective of the Conference was to provide a platform for developed and developing economies to explore current and topical issues in debt management and public finance. The Conference resolved that the international community must reinforce its efforts to address problems when they do arise. It was also noted that currently, the absence of a sovereign debt workout mechanism is the missing link in the global financial architecture, resulting in debt restructuring that are characterized as being “too little and too late”.

In a related development, a meeting of the World Association of Debt Management Office (WADMO) was convened on sidelines of the 9th UNCTAD Debt Managers' Conference on November 12, 2013, by the Head of the Delegation from the Philippines. WADMO, an Association of professional debt managers, was established in 2000 following a proposal by the Government of the Republic of Philippines. The objective of WADMO is to provide a platform for indebted countries, debt managers and Institutions to regularly exchange experiences, know-how and

information on debt management at the international level.

Furthermore, the regional meeting of the National Coordinating Committees/National Economic Policy Committees on the ECOWAS Multilateral Surveillance Mechanism was held in Accra, Ghana from November 25 – 29, 2013. The objective of the Meeting was to review member states' economic and financial performance during the first half of 2013 and the Multilateral Macroeconomic Convergence as well as discuss stabilization programmes for the period 2014 - 2018.

Also, the African Development Bank (AfDB) on November 26, 2013 launched the 12th Edition of the African Economic Outlook in Khartoum, Sudan and also launched a \$480 million Water Supply, Expansion and Sanitation Project in Zaria, Kaduna State during the review month.

Finally, An International Monetary Fund (IMF) mission visited Nigeria from November 13 – 26, 2013 to conduct discussions for the 2013 Article IV consultation. The Mission met with the Finance Minister and Coordinator Minister of the Economy Dr. Ngozi Okonjo-Iweala, Central Bank of Nigeria Governor, Sanusi Lamido Sanusi, senior government officials, members of the Legislature, and representatives of the private sector.

APPENDIX TABLES

Table A1: Money and Credit Aggregates

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Domestic Credit (Net)	13,205.4	13,235.7	13,294.5	13,820.1	13,187.6	13,087.8	13,627.6	14,092.8
<i>Claims on Federal Government (Net)</i>	(2,202.8)	(2,249.5)	(2,397.5)	(1,976.4)	(2,913.7)	(3,191.4)	(2,648.7)	(2,358.9)
Central Bank (Net)	(3,041.7)	(3,022.0)	(3,374.8)	(2,855.4)	(3,007.4)	(2,990.6)	(2,735.4)	(2,606.4)
Banks	815.6	742.0	937.5	833.7	53.2	(242.2)	(45.6)	214.3
Merchant Bank	23.3	30.4	39.7	45.3	40.5	41.4	41.1	33.2
Non Interest Banks	-	-	-	-	-	-	-	-
<i>Claims on Private Sector</i>	15,408.2	15,485.2	15,692.0	15,796.5	16,101.3	16,279.2	16,276.4	16,451.7
Central Bank	4,795.0	4,687.4	4,703.3	4,651.4	4,638.3	4,820.2	4,835.4	4,829.9
Banks	10,582.0	10,756.7	10,949.1	11,103.0	11,418.4	11,420.6	11,401.2	11,580.8
Merchant Bank	25.1	34.3	32.2	34.6	37.0	31.2	30.9	31.5
Non Interest Banks	6.1	6.8	7.4	7.5	7.6	7.3	8.9	9,555.9
<i>Claims on Other Private Sector</i>	14,717.3	14,833.1	15,031.0	15,073.1	15,376.4	15,574.3	15,568.9	15,720.5
Central Bank	4,795.0	4,687.4	4,703.3	4,651.4	4,638.2	4,820.2	4,835.4	4,829.9
Banks	9,891.9	10,105.3	10,288.8	10,380.3	10,694.2	10,716.3	10,694.2	10,851.0
Merchant Bank	24.4	33.6	31.5	33.9	36.3	30.5	30.5	30.0
Non Interest Banks	6.1	6.8	7.4	7.5	7.6	7.3	8.9	9.6
<i>Claims on State and Local Governm</i>	690.9	652.1	661.0	723.4	724.9	704.9	707.4	731.2
Central Bank	-	-	-	-	-	-	-	-
Banks	690.2	651.4	660.4	722.7	724.2	704.2	707.0	729.8
Merchant Bank	0.7	0.7	0.7	0.7	0.7	0.7	0.4	1.4
Non Interest Banks	-	-	-	-	-	-	-	-
<i>Claims on Non-financial Public Ente</i>	-	-	-	-	-	-	-	-
Central Bank	-	-	-	-	-	-	-	-
Banks	-	-	-	-	-	-	-	-
Foreign Assets (Net)	9,558.2	9,404.6	9,017.0	8,907.7	8,992.4	8,923.5	8,897.1	8,680.9
Central Bank	7,746.0	7,703.0	7,413.7	7,249.5	7,274.6	7,177.6	7,119.6	7,016.4
Banks	1,809.8	1,699.6	1,599.5	1,654.7	1,713.3	1,745.9	1,773.9	1,662.0
Merchant Bank			1.9	2.0	3.0	1.4	1.8	0.8
Non Interest Banks	2.1	2.0	1.8	1.5	1.4	1.4	1.8	1.7
Other Assets (Net)	7,128.9	7,216.3	6,718.2	(7,916.4)	(7,561.7)	(7,648.9)	(7,994.8)	(8,038.8)
Total Monetary Assets (M2)	15,634.4	15,424.1	15,593.3	14,811.4	14,619.3	14,362.5	14,529.9	14,734.9
Quasi-Money 1/	8,858.2	8,679.5	8,653.6	8,288.5	8,348.5	8,068.6	8,069.5	8,356.4
Money Supply (M1)	6,776.2	6,744.6	6,939.6	6,522.9	6,270.9	6,293.9	6,460.4	6,378.5
<i>Currency Outside Banks</i>	1,185.3	1,160.6	1,127.8	1,141.6	1,152.6	1,168.2	1,249.5	1,298.5
<i>Demand Deposits 2/</i>	5,590.9	5,583.9	5,811.8	5,381.4	5,118.3	5,125.7	5,210.9	5,079.9
Total Monetary Liabilities (M2)	15,634.4	15,424.1	15,593.3	14,811.4	14,619.3	14,362.5	14,529.9	14,734.9
<i>Memorandum Items:</i>								
Reserve Money (RM)	3,435.6	3,432.1	3,236.2	3,873.9	4,227.6	4,649.9	4,511.5	4,463.1
<i>Currency in Circulation (CIC)</i>	1,470.1	1,457.7	1,425.5	1,457.3	1,443.3	1,474.1	1,549.5	1,571.0
DMBs Demand Deposit with CBN	1,965.5	1,974.4	1,810.6	2,416.7	2,784.3	3,175.9	2,961.9	2,892.1

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

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

Table A2: Money and Credit Aggregates (Growth Rates)

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
	Growth Over Preceding December (%)							
Domestic Credit (Net)	4.0	4.2	4.7	8.8	8.9	3.1	7.3	11.0
<i>Claims on Federal Government (Net)</i>	10.2	8.3	2.3	19.5	-18.8	-30.1	-8.0	3.9
<i>Claims on Private Sector</i>	1.7	2.2	3.6	4.3	6.3	7.4	7.4	8.6
<i>Claims on Other Private Sector</i>	1.7	2.6						
<i>Claims on State and Local Government</i>	3.7	-2.2	0.8	8.6	8.9	5.9	6.2	9.8
<i>Claims on Non-financial Public Enterprises</i>								
Foreign Assets (Net)	5.7	4.0	-0.3	-1.5	-0.6	-1.3	-1.6	-4.0
Other Assets (Net)	-13.9	-15.3	-7.4	-26.5	-20.8	-22.2	-27.8	-28.5
Total Monetary Assets (M2)	0.97	-0.39	0.71	-4.34	-5.58	-7.24	-6.16	-4.84
Quasi-Money 1/	9.9	7.7	7.3	2.8	3.5	0.1	0.1	3.6
Money Supply (M1)	-8.7	-9.1	-6.5	-12.1	-15.5	-15.2	-12.9	-14.1
<i>Currency Outside Banks</i>	-8.9	-10.9	-13.3	-12.3	-11.4	-10.2	-4.0	-0.2
<i>Demand Deposits 2/</i>	-8.6	-8.8	-5.0	12.1	-16.4	-16.2	-14.9	-17.0
Total Monetary Liabilities (M2)	0.97	-0.39	0.71	-4.34	-5.58	-7.24	-6.16	-4.84
<i>Memorandum Items:</i>								
Reserve Money (RM)	-7.3	-7.4	-12.6	4.6	14.1	25.5	21.8	20.5
<i>Currency in Circulation (CIC)</i>	-9.9	-10.7	-12.6	-10.7	-11.5	-9.7	-5.0	-3.7
<i>DMBs Demand Deposit with CBN</i>	-5.2	-4.8	-12.7	16.6	34.3	53.2	42.9	39.5
	Growth Over Preceding Month (%)							
Domestic Credit (Net)	-0.5	3.7	0.4	4.0	-4.6	-0.8	4.1	3.4
<i>Claims on Federal Government (Net)</i>	12.6	-2.1	-6.6	17.6	-47.4	-9.5	17.0	10.9
<i>Claims on Private Sector</i>	1.0	0.5	1.3	0.7	1.9	1.1	-0.02	1.08
<i>Claims on Other Private Sector</i>	0.8	0.8	1.3	0.3	2.0	1.3	-0.03	0.78
<i>Claims on State and Local Government</i>	4.3	-5.6	1.4	9.4	0.2	-2.8	0.4	3.4
<i>Claims on Non-financial Public Enterprises</i>								
Foreign Assets (Net)	-1.3	-1.6	-4.1	-1.2	1.0	-0.8	-0.3	-2.4
Central Bank	-3.1	-0.6	-3.8	-2.2	0.4	-1.4	-0.8	-1.5
Banks	7.0	-6.1	-5.9	3.5	3.5	1.6	1.8	-6.4
Other Assets (Net)	-5.5	-1.2	6.9	-17.8	4.5	-1.2	-4.5	-0.6
Total Monetary Assets (M2)	-0.2	-1.35	1.1	-5.01	-1.3	-1.76	1.17	1.41
Quasi-Money 1/	1.5	-2.0	0.3	-4.2	0.7	-3.4	0.0	3.6
Money Supply (M1)	-2.3	-0.5	2.9	-6.0	-3.9	0.4	2.7	-1.3
<i>Currency Outside Banks</i>	-4.6	-2.1	-2.8	1.2	1.0	1.4	7.0	3.9
<i>Demand Deposits 2/</i>	-1.8	0.1	4.1	-7.1	-4.9	0.1	1.7	-2.5
Total Monetary Liabilities (M2)	-0.2	-1.35	1.1	-5.01	-1.3	-1.76	1.17	1.41
<i>Memorandum Items:</i>								
Reserve Money (RM)	-12.2	-0.1	-5.7	19.7	9.1	10.0	-3.0	-1.1
<i>Currency in Circulation (CIC)</i>	-2.5	-0.9	-2.2	2.2	1.0	2.1	5.1	1.4
<i>DMBs Demand Deposit with CBN</i>	-18.2	0.5	-8.3	33.5	15.2	14.1	-6.7	-6.7

**Table A3: Federal Government Fiscal Operations
(N billion)**

	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Retained Revenue	245.4	329.1	261.9	261.4	426.0	315.6	283.0	329.4	323.4	261.9	379.6	276.0	252.6
Federation Account	218.7	190.4	217.4	216.5	209.9	232.5	246.7	235.8	294.0	227.5	248.3	236.2	213.8
VAT Pool Account	9.3	9.0	8.3	9.4	9.0	9.2	7.9	10.8	7.4	10.7	9.9	9.2	9.6
FGN Independent Revenue	1.2	7.3	7.8	7.1	39.2	10.0	12.1	5.1	5.7	7.4	105.1	14.2	12.9
Excess Crude	0.0	79.0	0.0	1.6	151.4	56.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Others	16.3	43.4	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.4	16.3
Expenditure	397.0	427.1	159.8	588.0	331.8	495.3	335.0	384.7	446.5	343.3	348.1	337.6	342.0
Recurrent	337.6	279.4	60.0	480.0	200.6	305.6	261.0	214.5	315.2	244.4	240.9	265.2	249.1
Capital	52.7	110.2	61.4	91.3	107.1	139.0	55.8	86.8	93.9	78.8	86.5	46.3	70.6
Transfers	6.6	37.5	17.5	17.9	17.3	19.1	20.1	55.6	43.0	39.0	20.9	26.1	22.3
Overall Balance: Surplus(+)/Deficit(-)	-151.6	-98.0	102.0	-326.6	94.2	-179.7	-52.0	-55.3	-123.2	-81.5	31.5	-61.7	-89.5

