



CENTRAL BANK OF NIGERIA

***ECONOMIC REPORT
APRIL 2018***

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 Summary¹

The Bank sustained its non-expansionary monetary policy stance in March 2018. Broad money supply (M_2), on month-on-month basis, however, rose moderately by 1.2 per cent to ₦24,303.0 billion at end-March 2018, compared with the level at end-February 2018. The development was attributed to the 8.5 per cent growth in foreign assets (net), which more than offset the decline in net domestic credit and other assets (net) of the banking system. Over the level at end-December 2017, M_2 grew by 1.3 per cent. Similarly, narrow money supply (M_1), grew by 1.7 per cent to ₦10,912.6 billion at end-March 2018, and reflected the 6.2 per cent and 0.9 per cent growth in its currency outside banks and demand deposits components, respectively.

Staff estimates indicated that deposit rates generally trended upward in April 2018, while lending rates fell below the levels in the preceding month. With the exception of the over 12 Months deposit rate, which fell by 0.1 percentage point to 8.43 per cent at end-April 2018, all other deposit rates of various maturities rose from a range of 3.68 - 10.93 per cent in March 2018 to a range of 4.02 - 11.32 per cent in the review month. The average savings deposit rate was 4.07 per cent, same as in the preceding month, while the average term deposit rate rose to 8.92 per cent, compared with 8.64 per cent in the preceding month. The weighted average prime and maximum lending rates fell by 0.12 and 0.10 percentage point to 17.23 and 31.45 per cent in the review month, respectively. Consequently, the spread between the average term deposit and the average maximum lending rates narrowed by 0.39 percentage point to 22.52 percentage points at end-April 2018. Similarly, the spread between the average savings deposit and the average maximum lending rates declined by 0.1 percentage point to 27.38 percentage points from 27.48 percentage points in the preceding month.

The total value of money market assets outstanding at end-April 2018 fell by 0.14 per cent to ₦12,077.86 billion, on account of the respective decline of 37.0 per cent and 4.6 per cent in Bankers' Acceptances and Nigerian Treasury Bills. Developments on the Nigerian Stock Exchange (NSE) were mixed in April 2018.

Federally-collected revenue (gross) was estimated at ₦734.82 billion in April 2018. This was below the monthly budget estimate, but exceeded the receipts in the preceding month by 4.7 per cent. Oil and non-oil receipts (gross), at ₦460.76 billion and ₦274.05 billion, constituted 62.7 per cent and 37.3 per cent, respectively, of total revenue. Federal Government retained revenue and estimated expenditure for April 2018 were ₦310.25 billion and ₦217.97 billion, respectively, resulting in an estimated surplus of ₦92.28 billion.

Agricultural activities in April 2018 were dominated by the preparation of land for the 2018 wet season farming in the North, while farmers in

¹ Data on monetary aggregates, government spending and foreign exchange flows are provisional and subject to changes

the Southern part of the country intensified planting activities. In the livestock sub-sector, migration of livestock, such as cattle to the Southern states continued. Also, farmers re-stocked birds to replenish sales made during the Easter festive season.

Domestic crude oil production was estimated at 1.99 mbd or 59.70 million barrels (mb) in April 2018. Crude oil export was estimated at 1.54 mbd or 46.2 mb. The average spot price of Nigeria's reference crude oil, the Bonny Light (37° API), rose by 6.2 per cent to US\$72.12 per barrel in April 2018 above US\$67.46 per barrel in March 2018.

The end-period headline inflation, on year-on-year and twelve month moving average bases, were estimated at 12.48 per cent and 15.20 per cent, respectively, in April 2018.

Foreign exchange inflow and outflow through the CBN in April 2018 were US\$4.59 billion and US\$3.54 billion, respectively, and resulted in a net inflow of US\$1.05 billion. Aggregate foreign exchange inflow and outflow through the economy were US\$10.26 billion and US\$3.93 billion, respectively, resulting in a net inflow of US\$6.33 billion. Foreign exchange sales by the CBN to the authorised dealers amounted to US\$2.17 billion, in the review month, compared with US\$2.03 billion in the preceding month.

The average exchange rate of the naira at the inter-bank and BDC segments of the foreign exchange market and the investors and exporters window were ₦305.60 /US\$, ₦362.25/US\$ and ₦360.25/US\$, respectively, in the review month.

Other Major international economic developments and meetings of importance to the domestic economy in the review period included: The 2018 Spring Meetings of the Board of Governors of the World Bank Group (WBG) and the International Monetary Fund (IMF) held in Washington D. C., USA from April 16 – 22, 2018. The Ministers of the Inter-Governmental Group of 24, the International Monetary and Finance Committee (IMFC) and the Development Committee also held their respective sideline meetings.

2.0 Financial Sector Developments

2.1 Monetary and Credit Developments

Broad money supply (M_2) and narrow money supply (M_1), on month-on-month basis, rose in March 2018. Deposit rates generally trended upward, while lending rates fell below the levels in March 2018. The value of money market assets outstanding fell, owing, largely, to the decline in FGN Bonds. Activities on the Nigerian Stock Exchange (NSE) indicated mixed developments in the review month.

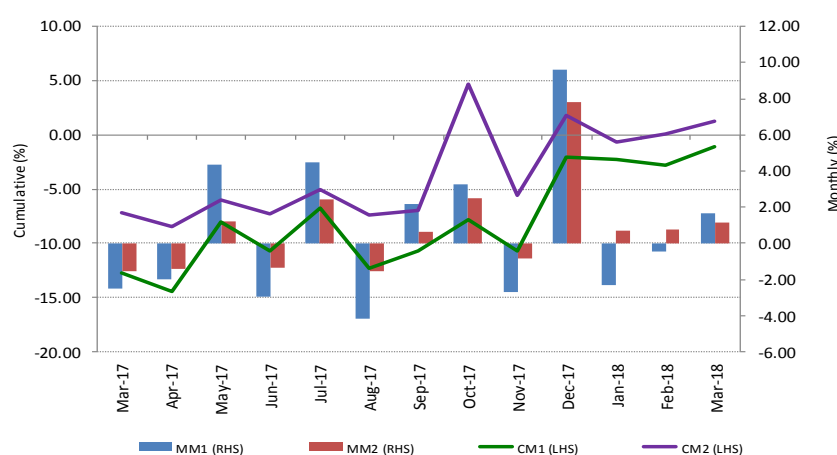
Monetary policy remained largely non-expansionary during the review period, as the monetary policy rate and other key parameters remain unchanged. Nonetheless, major monetary aggregates exhibited upward trend. Broad money supply (M_2), on month-on-month basis, rose by 1.2 per cent to ₦24,303.0 billion at end-March 2018, compared with the respective increase of 0.8 per cent and 0.4 per cent at the end of the preceeding month and the corresponding period of 2017. The development relative to February 2018 reflected, wholly, the 8.5 per cent growth in foreign assets (net) which more than offset the decline in net domestic credit and other assets (net) of the banking system. Over the level at end-December 2017, M_2 grew by 1.3 per cent, owing to the 1.6 per cent and 5.4 per cent increase in domestic credit (net) and foreign assets (net) of the banking system, respectively.

On month-on-month basis, major monetary aggregates grew in March 2018.

Similarly, narrow money supply (M_1), on month-on-month basis, grew by 1.7 per cent to ₦10,912.6 billion at end-March 2018, in contrast to 0.5 per cent decline at the end of the preceeding month. The development reflected the growth of 6.2 per cent and 1.0 per cent in currency outside banks and demand deposit, respectively (Figure 1, Table 1). Over the level at end-December 2017, M_1 fell by 1.1 per cent on account of 6.4 per cent and 0.1 per cent decline in currency outside banks and demand deposit, respectively.

Quasi-money, on month-on-month basis, grew by 0.8 per cent to ₦13,390.4 billion at end-March 2017, compared with the increase of 1.8 per cent at the end of the preceding month, but was in contrast to the decline of 0.7 per cent at the end of the corresponding period of 2017. The development relative to the preceding period, reflected the increase in time and savings deposits of banks. Over the level at end-December 2017, quasi money grew by 3.3 per cent, compared with the increase of 2.5 per cent at the end of the preceding month.

Figure 1: Growth of Narrow Money (M₁) and Broad Money (M₂)²



At ₦26,267.1 billion, aggregate credit to the domestic economy, on month-on-month basis, fell by 2.4 per cent at the end of the review month, in contrast to the increase of 4.1 per cent and 1.7 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development reflected the respective decline of 10.8 per cent and 0.8 per cent in net claims on the Federal Government and claims on the private sector. Over the level at end-December 2017, net domestic credit rose by 1.6 per cent at the end of the review period, compared with the growth of 4.1 per cent and 3.0 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development was due to the 7.0 per cent and 0.7 per cent increase in net claims on the Federal Government and claims on the private sector, respectively.

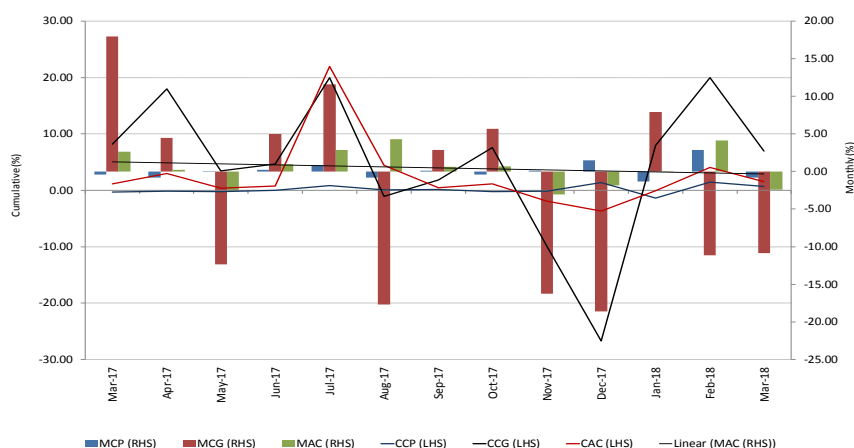
Net claims on the Federal Government, on month-on-month basis, declined by 10.8 per cent to ₦3,823.3 billion at end-March 2018, in contrast to the increase of 11.2 per cent and 6.6 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development was due to the fall in the banking system's holding of Government securities in the review month. Relative to the level at end-December 2017, net claims on the Federal Government grew by 7.0 per cent at the end of the review period, compared with the increase of 20.0 per cent and 8.8 per cent at end of the preceding month and the corresponding period of 2017, respectively. The development

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

reflected increase in direct loans to the Government by the monetary authority.

Credit to the private sector, on month-on-month basis, fell by 0.8 per cent to ₦22,443.8 billion, in contrast to the growth of 2.9 per cent and 0.6 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development was due, wholly, to the 1.3 per cent decline in claims on the core private sector. Over the level at end-December 2017, banking system's credit to the private sector grew by 0.7 per cent, compared with the growth of 1.5 per cent and 1.8 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development was attributed to the increase of 5.8 per cent in claims on State and Local Governments (Figure 2, Table 1).

Figure 2: Growth Rate of Aggregate Domestic Credit to the Economy³



Foreign assets (net) of the banking system, at ₦15,619.1 billion, grew by 8.5 per cent over the level at end-February 2018, in contrast to the decline of 3.5 per cent and 4.4 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The increase was due to the 7.9 per cent and 39.6 per cent rise in the foreign asset holdings of the CBN and the commercial banks, respectively. Over the level at end-December 2017, foreign assets (net) grew by 5.4 per cent, in contrast to the decline of 2.8 per cent and 16.6 per cent at the end of the preceding month and the corresponding period of 2017, respectively.

³ 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).

The development reflected the 5.5 per cent and 3.3 per cent increase in the foreign asset holdings of the CBN and the DMBs, respectively.

Other assets (net) of the banking system, on month-on-month basis, fell by 1.7 per cent to negative ₦17,583.2 billion at end-March 2017, compared with the decline of 2.1 per cent and 0.2 per cent at the end of the preceding month and the corresponding period of 2017, respectively. The development was attributed to the decline in unclassified assets of the banks in the review period. Over the level at end-December 2017, other assets (net) of the banking system declined by 5.5 per cent, compared with the decline of 3.7 per cent and 4.7 per cent at the end of the preceding month and the corresponding period of 2017, respectively.

Table 1: Growth in Monetary and Credit Aggregates (over preceding month – Per cent)

	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
Domestic Credit (Net)	2.6	0.2	-2.5	1.0	2.9	-4.3	0.6	0.7	-3.0	-1.8	-0.1	4.1	-2.4
Claims on Federal Government (%)	17.9	4.5	-12.3	5.0	11.6	-17.7	2.9	5.7	-16.3	-26.7	7.9	11.2	-10.8
Claims on Private Sector	-0.4	0.8	-0.1	0.2	0.9	-0.8	0.1	-0.4	0.1	1.4	-1.4	2.9	-0.8
Claims on Other Private Sect	-0.4	0.9	-0.4	0.3	0.6	-1.0	0.3	-0.4	-1.5	-1.0	-1.8	1.9	-1.3
Foreign Assets (Net)	-11.4	-4.7	17.5	-0.8	3.3	11.3	3.1	23.4	7.3	11.3	0.7	-3.5	8.5
Other Assets (Net)	-0.5	0.1	-2.4	-3.8	-6.3	-0.8	-2.2	-13.2	-1.5	-34.3	-1.5	-2.1	-1.7
Broad Money Supply (M2)	-1.5	-1.4	1.2	-1.4	1.0	-1.6	0.7	2.5	-0.8	1.7	-0.7	0.8	1.2
Quasi-Money	-0.7	-1.0	-1.4	0.0	0.7	0.7	-0.6	1.8	0.7	5.2	0.7	1.8	0.8
Narrow Money Supply (M1)	-2.5	-2.0	4.4	-3.0	1.3	-4.2	2.2	3.3	-2.7	-2.1	-2.3	-0.5	1.7
Reserve Money (RM)	6.0	0.1	6.2	-0.2	1.6	-1.4	1.3	3.7	-1.5	10.8	57.1	7.7	4.7

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

Currency-in-circulation, at ₦2,039.3 billion, on month-on-month basis, rose by 5.3 per cent over the level at end-February 2018, in contrast to the 0.4 per cent decline at the end of the preceding month. The development reflected, mainly, the rise in currency outside banks by 6.2 per cent.

At end-March 2018, Federal Government, private sector and banks' deposits with the CBN rose above the levels at end-February 2018. This resulted in 6.0 per cent increase in the aggregate deposit at the CBN to ₦13,586.30 at end-March 2018. Of the total deposits at the CBN, the shares of the Federal Government, banks and the private sector were 45.7 per cent, 34.7 per cent and 19.6 per cent, respectively.

Reserve money (RM) rose in the review month.

Reserve money, on month-on-month basis, rose by 4.7 per cent to ₦6,749.6 billion at end-March 2018, reflecting the

increase in currency-in-circulation and banks' deposit with the CBN.

2.3 Money Market Developments

The financial market was relatively stable in April 2018. The liquidity level in the foreign and domestic money markets was sufficient to moderate rates in both markets. The Bank, in furtherance of its restrictive policy, conducted Open Market Operation (OMO) auctions to mop-up excess liquidity in the banking system. Consequently, CBN bills worth ₦2,025.73 billion were sold, representing an increase of 37.2 per cent over ₦1,476.13 billion in March 2018. Short-term money market rates (interbank call and OBB rates), moved in tandem with the level of liquidity and were around the MPR in the major parts of the period.

Provisional data indicated that total value of money market assets outstanding in April 2018 stood at ₦12,077.86 billion, showing a decline of 0.14 per cent, compared with the 0.22 per cent fall in the preceding month. The development was attributed to the 37.0 per cent and 4.6 per cent decline in Bankers Acceptances and Nigerian Treasury Bills, respectively.

2.3.1 Interest Rate Developments

Staff estimates indicated that deposit rates generally trended upward in April 2018, while lending rates fell below the levels in the preceding month. Short-term money market rates traded below the monetary policy rate for the major parts of the review period. With the exception of the over 12 months deposit rate, which fell by 0.1 percentage point to 8.43 per cent at end-April 2018, all other deposit rates of various maturities rose from a range of 3.68 - 10.93 per cent in March 2018, to a range of 4.02 - 11.32 per cent in the review month. The average savings deposit rate was 4.07 per cent, same as in the preceding month, while the average term deposit rate rose to 8.92 per cent, from 8.64 per cent in the preceding month.

The weighted average prime and maximum lending rates fell by 0.12 percentage point and 0.10 percentage point to 17.23 per cent and 31.45 per cent in April 2018. Consequently, the spread between the average term deposit and the average maximum lending rates narrowed by 0.39 percentage point to 22.52 percentage points at end-April 2018. Similarly, the spread between the average savings

Available data indicated that interbank call and Open-buy-back (OBB) rates trended downwards in the review month.

deposit and maximum lending rates declined by 0.1 percentage point to 27.38 percentage points at end-April 2018, from 27.48 percentage points in the preceding month.

At the inter-bank call segment, the weighted average rate, which stood at 15.16 per cent at end-March 2018, fell significantly by 11.82 percentage points to 3.34 per cent in the review month. Similarly, the weighted average rate at the open-buy-back (OBB) segment fell from 12.69 per cent in the preceding month to 2.96 per cent in April 2018. The Nigerian inter-bank offered call rate (NIBOR), for the 30-day tenor, declined to 12.92 per cent in the review period, below the 15.38 per cent at end-March 2018. With the headline inflation estimated at 12.54 per cent in April 2018, all deposit rates remained negative in real terms, while lending rates were positive in real terms (Figure 3, Table 2).

Figure 3: Selected DMBs Interest Rates (Average)

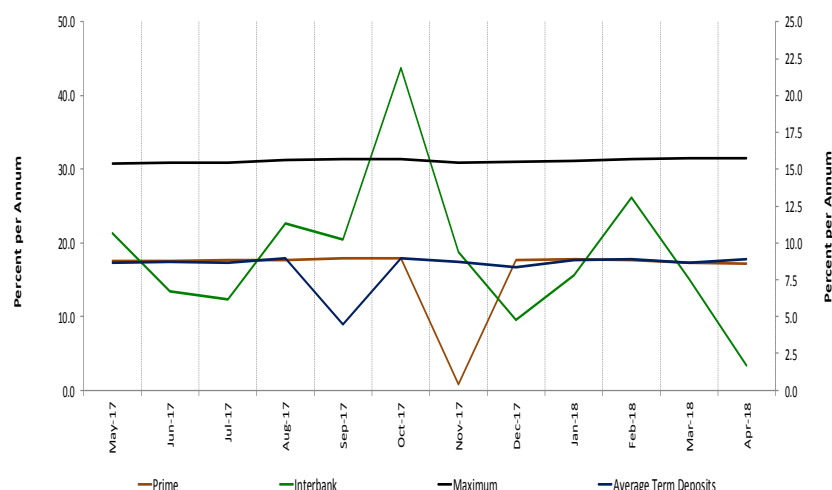


Table 2: Selected Interest Rates (Percent, Averages)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Average Term Deposits	9.1	8.65	8.72	8.63	8.95	4.47	4.56	8.7	8.36	9.23	8.92	8.64	8.92
Prime Lending	17.44	17.58	17.59	17.65	17.69	17.88	17.86	17.77	31.11	17.5	17.71	17.35	17.23
Interbank Call	64.58	21.29	13.46	12.28	22.63	20.44	43.78	18.78	9.49	15.58	26.19	15.16	3.34
Maximum Lending	30.31	30.75	30.94	30.94	31.2	31.39	31.39	30.95	30.99	31.39	31.4	31.55	31.45

2.3.2 Commercial Paper (CP)

Commercial paper (CP) outstanding held by banks rose by 53.0 per cent to ₦2.51 billion at the end of April 2018, compared with ₦1.64 billion in March, 2018. Thus, CP

constituted 0.02 per cent of the total value of money market assets outstanding during the review period.

2.3.3 *Bankers' Acceptances (BAs)*

During the review period, the value of BAs stood at ₦7.29 billion, showing a decline of 37.0 per cent below ₦11.57 billion in the preceding month. Consequently, BAs accounted for 0.1 per cent of the total value of money market assets outstanding at the end of the review period.

2.3.4 *Open Market Operations*

The Bank conducted Direct Open Market Operations (OMO) in April 2018, through the sale of Central Bank of Nigeria (CBN) bills to mop-up excess liquidity in the system. The tenors to maturity of the instruments ranged from 91 to 245 days. Total amount offered, subscribed to and allotted were ₦1,880.00 billion, ₦3,363.99 billion and ₦2,025.37 billion, respectively. The bid rates ranged from 10.3100 to 14.3000 per cent, while the stop rates ranged from 10.9000 to 14.3000 per cent. Repayment and maturity of CBN bills amounted to ₦1,317.47 billion, translating to a net injection of ₦562.53 billion.

2.3.5 *Primary Market*

At the Government securities market, NTBs and long-term (FGN Bonds) were issued at the primary market on behalf of the Debt Management Office (DMO). NTBs of 91-, 182- and 364-day tenors, amounting to ₦153.69 billion, ₦643.44 billion and ₦153.69 billion were offered, subscribed to and allotted, respectively, at the two auctions held in April 2018. The bid rates for the auctions ranged from 10.90 to 13.00 per cent for the 91-day; 11.50 to 14.15 per cent for the 182-day; and 11.50 to 18.40 per cent for the 364-day. In the same vein, the stop rates were 10.90 to 11.75 per cent for the 91-day; 12.00 to 12.70 per cent for the 182-day; and 12.07 to 13.04 per cent for the 364-day.

2.3.6 *Bonds Market*

Tranches of the 5-, 7- and 10-year FGN Bonds were re-opened and offered for sale in April 2018. The term to maturity of the bonds ranged from 5 years 9 months to 10 years. Total amount offered, subscribed to and allotted were ₦90.00 billion, ₦262.48 billion and ₦50.00 billion, respectively. There was allotment of ₦50.00 billion on non-competitive basis, but there was no maturity in the period.

The bid rates ranged from 11.5000 to 13.9800 per cent, while the marginal rates for the 5-, 7- and 10-year bonds were

12.7500, 12.8500 and 12.8900 per cent, respectively. The bid to cover ratio was 2.92, while the auction was oversubscribed by 1.9 per cent, reflecting renewed investors' confidence in the market.

2.3.7 CBN Standing Facilities

Banks continued to access the Standing Facilities window to square up their positions either by borrowing from the CBN – Standing Lending Facility (SLF) or depositing the excess in their reserves - Standing Deposit Facility (SDF) at the end of each business day. The trend at the CBN standing facilities window showed more patronage at the SLF window.

The total request for Standing Lending Facility (including the Intra-day lending facilities (ILF) that were converted to overnight repo) in April 2018, amounted to ₦1,031.15 billion (₦196.33 billion direct SLF and ₦834.82 billion ILF converted to overnight repo), with a daily average of ₦57.29 billion. The Bank earned ₦0.79 billion in interest income in the review month, compared with SLF of ₦952.23 billion and interest income of ₦0.82 billion in March 2018.

Total standing deposit facility (SDF) granted during the review period was ₦2,668.37 billion, with a daily average of ₦148.24 billion, compared with ₦1,508.75 billion in March 2018. The cost incurred on SDF in April 2018 stood at ₦0.86 billion, compared with ₦0.67 billion in March 2018.

2.4 Deposit Money Banks' Activities

Total assets and liabilities of the deposit money banks amounted to ₦35,681.93 billion at end-March 2018, showing a 0.3 per cent increase, over the level at end-February 2018. Funds were sourced, mainly, from the realisation of claims on the Central Government and claims on the private sector and increase in unclassified liabilities and foreign liabilities. The funds were used for accretion to reserves, increase claims on the Central Bank, acquisition of foreign assets and reduction in capital account balance.

Banks' credit to the domestic economy, at ₦19,391.8 billion, fell by 3.6 per cent, below the level at end-February 2018. The development was attributed to the fall in claims on both the Federal Government and the private sector in the review month.

Banks' credit to the domestic economy fell by 3.6 per cent.

Total specified liquid assets of banks stood at ₦11,094.22 billion at end-March 2018, representing 55.1 per cent of their total current liabilities. At that level, the liquidity ratio was 0.76

percentage point above the level at the end of the preceding month and 25.1 percentage points above the stipulated minimum ratio of 30.0 per cent. The loans-to-deposit ratio, at 67.43 per cent, was 2.72 percentage points and 12.57 percentage points below the levels at the end of the preceding month and the maximum ratio of 80.0 per cent, respectively.

2.5 Capital Market Developments

2.5.1 Secondary Market

The market correction which began in February 2018 continued in the review month. The declining trend in the level of activities in the market was also buoyed by investors' strong profit-taking sentiments as companies released earnings report for 2017. Positive sentiment was, however, sustained due to improved macroeconomic conditions and the optimism for improvement in the expected gross domestic product (GDP) numbers for the first quarter of 2018. Overall, developments on the Nigerian Stock Exchange (NSE) were mixed in April 2018. The volume and value of traded securities fell by 16.7 per cent and 22.1 per cent to 8.5 billion and ₦106.1 billion shares, in 92,807 deals, respectively, compared with 10.2 billion shares valued at ₦136.2 billion in 103,258 deals, in March 2018. The aggregate market capitalisation, however, rose by 0.8 per cent, while the All-Share index declined marginally by 0.6 per cent. (Figure 4, Table 3).

The financial services sector continued to dominate activities on the Exchange, as trading in the quoted stocks of banks constituted the bulk. Trading in securities in the financial sector (measured by volume) led the activity chart with 6.5 billion shares, valued at ₦69.2 billion, traded in 50,387 deals as at April 27, 2018, compared with 7.7 billion shares valued at ₦95.9 billion, traded in 63,608 deals in March 2018. Thus, trading in securities of the financial sector accounted for 76.5 per cent and 65.2 per cent of the total turnover volume and value, respectively.

Figure 4: Volume and Value of Traded Securities

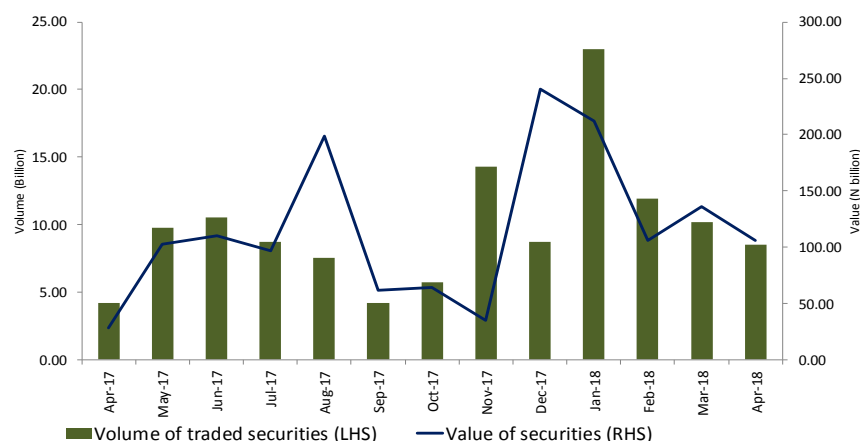


Table 3: Traded Securities on the Nigerian Stock Exchange (NSE)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Volume (Billion)	4.2	9.7	10.5	8.7	7.5	4.2	5.8	14.3	8.7	23.0	11.9	10.2	8.5
Value (N Billion)	27.9	102.8	109.9	97.1	198.4	61.8	63.9	35.1	240.4	212.4	106.1	136.2	106.1

2.5.2 New/Supplementary Issues Market

There was one supplementary equity listing in the review period (Table 4).

Table 4: New & Supplementary Listing on the Nigerian Stock Exchange January 2018

S/N	Company	Additional Shares (Units)	Reasons	Listing
1	Flour Mills of Nigeria PLC	1,476,142,418 Ordinary Shares	Right Issue	Supplementary

2.5.3 Market Capitalisation

The aggregate market capitalisation rose by 0.8 per cent to ₦25.1 trillion at end-April 2018, compared with ₦24.9 trillion at the end of the preceding month. The increase reflected, mainly, the rise in the market capitalisation of listed debt and Exchange Traded Fund (ETF) securities. Market capitalisation for the equities segment, however, fell by 0.3 per cent to ₦14.9 trillion and constituted 59.4 per cent of the total market capitalisation at end-April 2018, compared with ₦15.0 trillion and 60.2 per cent in March 2018 (Figure 5, Table 5).

2.5.4 NSE All-Share Index

The All-Share Index, which opened at 41,504.51 at the beginning of the month, stood at 41,268.01 at end-April 2018,

representing a 0.6 per cent decline below the level in the preceding month.

Developments in the sectoral indices at end-April 2018 were mixed. The NSE-Oil and Gas, NSE- Consumer Goods, NSE-Pension and NSE-Premium indices rose by 4.9 per cent, 2.7 per cent, 1.2 per cent and 0.1 per cent to 363.97, 1,004.94, 1,603.51 and 2,953.65, respectively. The NSE-Industrial Goods, NSE- Insurance, NSE-AseM, NSE Lutos and NSE-Banking indices fell by 5.2 per cent, 3.6 per cent, 3.0 per cent, 0.4 per cent and 0.2 per cent below the levels in the preceding month to 2,077.89, 145.69, 958.52, 2,688.74 and 519.73, respectively, at end-April 2018, (Figure 5, Table 5).

Figure 5: Market Capitalisation and All-Share Index

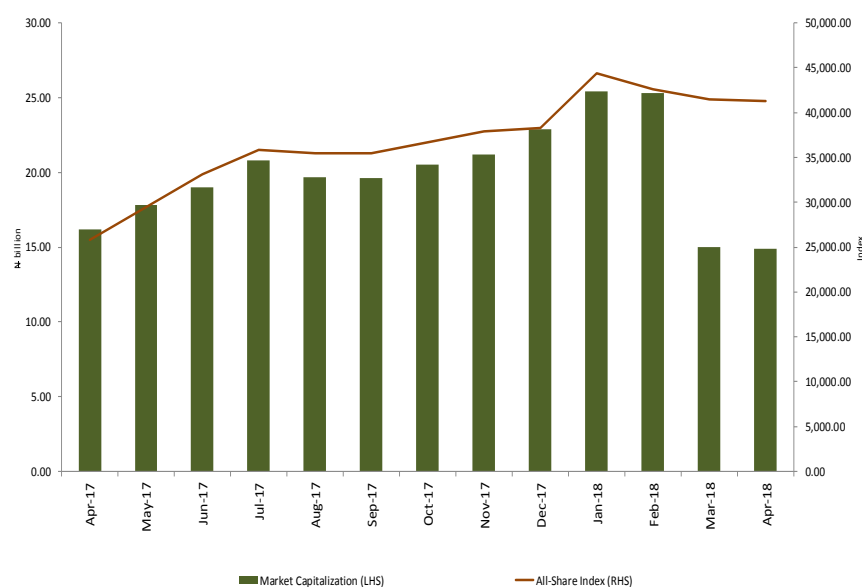


Table 5: Aggregate Market Capitalisation and All Share Index (NSE)

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Aggregate Market Capitalization (₦ trillion)	19.6	20.5	21.2	22.9	25.4	25.3	24.9	25.1
All-Share Index	35,439.98	36,680.29	37,944.60	38,243.19	44,460.18	42,607.85	41,504.51	41,268.01

3.0 Fiscal Operations⁴

Federally-collected revenue in April 2018 fell short of the provisional monthly budget estimate by 17.9 per cent, but was higher than receipts in March 2018 by 4.7 per cent. Federal Government retained revenue for the review month was ₦310.25 billion, while total provisional expenditure was ₦217.97 billion, resulting in an estimated surplus of ₦92.28 billion.

3.1 Federation Account Operations

At ₦734.82 billion, estimated federally-collected revenue (gross) in April 2018, was below the provisional monthly budget estimate of ₦894.76 billion by 17.9 per cent. It, however, exceeded the receipt of ₦701.68 billion in the preceding month by 4.7 per cent. The shortfall relative to the provisional monthly budget estimate was attributed to a decline in non-oil revenue (Figure. 6, Table 6).

At ₦734.82 billion, the estimated federally-collected revenue (gross) in April 2018 fell short of the provisional monthly budget estimate by 17.9 per cent.

Figure 6: Components of Gross Federally-Collected Revenue

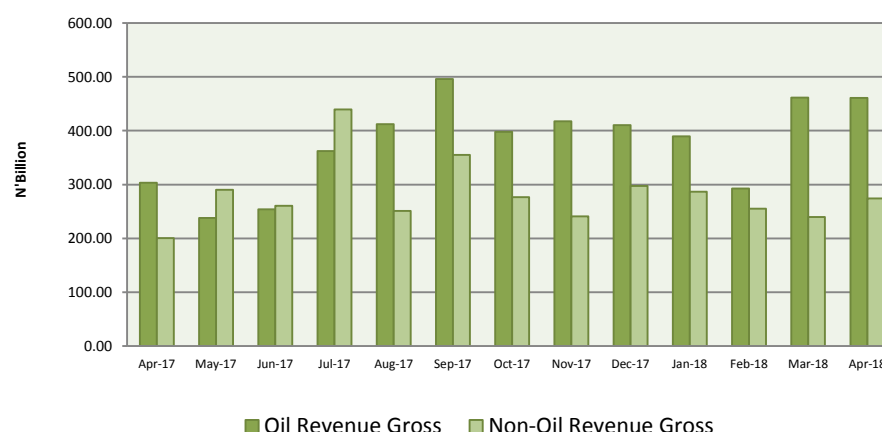


Table 6: Gross Federation Account Revenue (₦ billion)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Federally-collected revenue (Gross)													
Gross Revenue	503.6	528.4	514.7	802.1	663.0	850.7	674.5	658.6	707.4	676.0	719.4	701.7	734.8
Oil Revenue	303.4	238.1	254.0	362.4	412.3	495.9	398.1	417.7	410.2	389.4	436.9	461.7	460.8
Non-oil Revenue	200.2	290.3	260.7	439.7	250.7	354.8	276.5	240.9	297.2	286.6	282.6	240.0	274.1

⁴ Data on government (general, federal and state) revenue and expenditure are provisional and subject to changes

At ₦460.76 billion, oil receipts (gross) was above the provisional monthly budget estimate by 2.5 per cent, and constituted 62.7 per cent of the total revenue.

Oil receipts, at ₦460.76 billion or 62.7 per cent of total revenue, was above the provisional monthly budget estimate of ₦449.62 billion by 2.5 per cent, but was below the March 2018 collection of ₦461.73 billion by 0.2 per cent. The increase in oil revenue relative to the monthly budget estimate was attributed to increase in PPT & Royalties and Domestic Crude Oil & Gas Sales (Figure 7, Table 7).

Figure 7: Gross Oil Revenue and Its Components

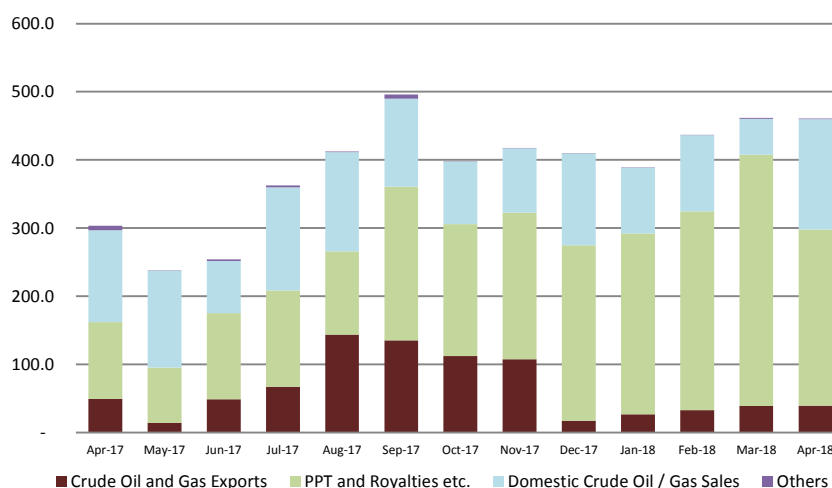
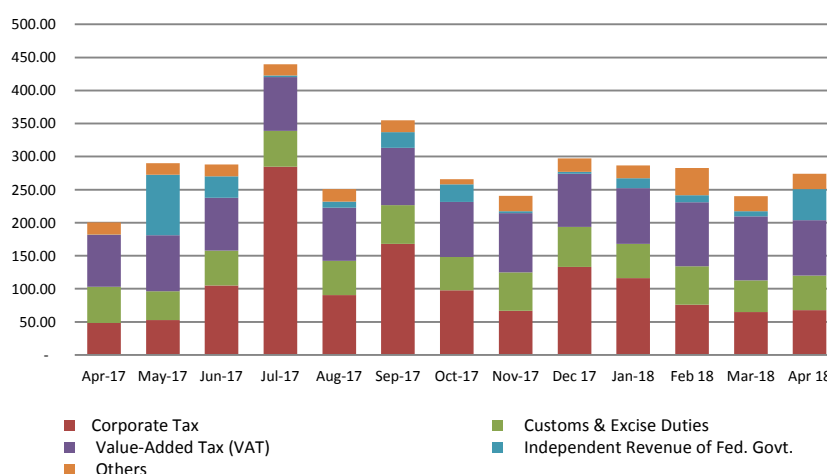


Table 7: Components of Gross Oil Revenue (₦ billion)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	2018 Provisional Monthly Budget
Oil Revenue	303.4	238.1	254.0	362.4	412.3	495.9	398.1	417.7	410.2	389.4	436.9	461.7	460.8	449.6
Crude oil/Gas Sales	49.2	13.9	48.8	66.9	143.8	134.9	111.9	107.6	17.3	26.8	32.5	38.9	39.2	140.3
Domestic crude oil/Gas sales	134.8	142.1	76.5	151.0	145.8	128.9	91.9	94.5	257.3	265.4	292.2	52.6	161.9	57.3
PPT/Royalties	112.7	81.5	126.3	141.7	121.7	226.0	193.9	215.0	135.1	96.7	111.7	368.8	258.5	167.1
Others	6.8	0.7	2.4	2.9	0.9	6.2	0.4	0.7	0.6	0.6	0.5	1.4	1.1	84.9

At ₦274.05 billion, non-oil receipts (gross) was lower than the monthly budget estimate by 38.4 per cent and constituted 37.3 per cent of the total revenue.

At ₦274.05 billion or 37.3 per cent of total revenue, non-oil revenue was below the provisional monthly budget estimate of ₦445.14 billion by 38.4 per cent, but exceeded the preceding month's collection of ₦239.95 billion by 14.2 per cent. The poor performance relative to the monthly budget estimate was due to shortfalls in all the components of non-oil receipts, except Customs and Excise Duties and Customs Special Duties (Figure 8, Table 8).

Figure 8: Gross Non-Oil Revenue and its Components**Table 8: Components of Gross Non-Oil Revenue (₦ billion)**

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	Prov. Monthly Budget Est
Non-Oil Revenue	200.2	290.3	260.7	439.6	250.7	354.7	276.5	240.9	297.2	286.6	282.6	240.0	274.1	445.1
Corporate Tax	48.2	52.9	105.2	284.8	90.3	168.2	97.5	67.0	133.1	116.2	75.7	64.9	67.6	145.2
Customs & Excise Duties	54.8	43.5	52.4	54.0	51.8	58.3	50.8	57.9	60.4	52.0	58.4	48.1	52.5	51.3
Value-Added Tax (VAT)	78.7	84.7	80.0	81.6	80.5	86.7	83.3	89.7	80.4	84.0	96.7	96.6	83.7	150.0
Independent Revenue of Fed. Govt.	0.4	91.6	5.5	2.5	9.4	23.9	26.5	3.0	3.1	14.9	10.9	7.9	47.1	67.3

Of the total federally-collected revenue (net), ₦468.55 billion was retained in the Federation Account, while ₦80.35 billion, ₦47.15 billion and ₦23.12 billion were transferred to the VAT Pool Account, the Federal Government Independent revenue and "Others", respectively.

From the ₦468.55 billion transferred to the Federation Account for distribution, the Federal Government received ₦222.39 billion, while the State and Local Governments received ₦112.80 billion and ₦86.96 billion, respectively. The balance of ₦46.39 billion was shared among the oil producing states as 13% Derivation Fund.

Similarly, from the ₦80.35 billion transferred to the VAT Pool Account, the Federal Government received ₦12.05 billion, while the State and Local Governments received ₦40.18 billion and ₦28.12 billion, respectively.

In addition, the sum of ₦62.53 billion was distributed in the month of April as Exchange Gain. The Federal, State and Local Governments received ₦28.66 billion, ₦14.54 billion and ₦11.21 billion, respectively, while the balance of ₦8.13 billion was shared among the oil producing states as 13% Derivation Fund.

Overall, total allocations to the three tiers of government in April 2018 amounted to ₦611.43 billion. This was below the provisional monthly budget estimate of ₦783.57 billion and the ₦632.84 billion distributed in March 2018.

3.2 The Fiscal Operations of the Three Tiers of Government

3.2.1 The Federal Government

At ₦310.25 billion, the estimated Federal Government retained revenue was below the provisional monthly budget estimate by 31.0 per cent.

The estimated Federal Government retained revenue for April 2018, at ₦310.25 billion, was below the monthly budget estimate of ₦449.60 billion by 31.0 per cent, but was above the receipts in March 2018 by 11.3 per cent. Allocations from the Federation Account constituted 71.7 per cent, while receipts from FGN Independent Revenue, VAT and Exchange Gain accounted for 15.2 per cent, 3.9 per cent and 9.2 per cent of the total, respectively (Figure 9, Table 9).

Figure 9: Federal Government Retained Revenue

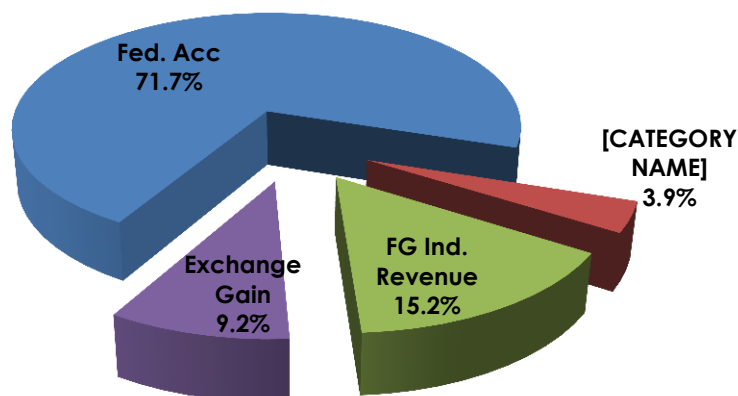


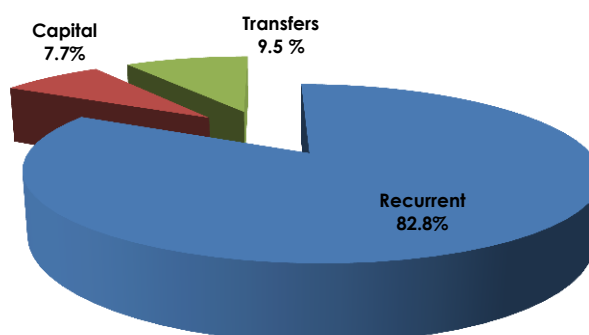
Table 9: Federal Government Fiscal Operations (₦ billion)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	2018 Monthly Budget Est
Retained Revenue	301.7	552.6	325.1	477.0	204.8	300.6	260.8	207.9	262.9	293.6	274.2	278.7	310.3	449.6
Expenditure	459.2	459.1	437.2	598.2	442.1	366.9	422.1	293.4	263.5	266.6	380.9	586.3	218.0	646.0
Overall Balance: (+)/(-)	-157.5	93.5	-112.1	-121.2	-237.4	-66.3	-161.4	-85.5	-0.6	27.0	-106.8	-307.6	92.3	-196.4

At ₦217.97 billion, the estimated total expenditure of the Federal Government was below the monthly budget estimate of ₦645.99 billion and the ₦586.29 billion recorded in the preceding month, by 66.3 per cent and 62.8 per cent, respectively. Total recurrent expenditure, capital expenditure and transfers constituted 82.8 per cent, 7.7 per cent and 9.5 per cent of the total expenditure, respectively. A breakdown of the recurrent expenditure showed that non-debt obligation was 44.4 per cent of the total, while debt service payments accounted for the balance of 55.6 per cent (Figure 10).

Total estimated Federal Government expenditure fell by 62.8 per cent, below the level in the preceding month.

Figure 10: Federal Government Expenditure



Consequently, the fiscal operations of the Federal Government resulted in an estimated surplus of ₦92.28 billion, compared with the provisional monthly budget deficit of ₦196.40 billion.

The fiscal operations of the FG resulted in an estimated surplus of ₦92.28 billion relative to the provisional monthly budget deficit of ₦196.40 billion.

3.2.2 Statutory Allocations to State Governments

Total estimated statutory allocations to the State Governments amounted to ₦222.03 billion. This was lower than the 2018 budget estimate of ₦282.84 billion by 21.5 per cent. It was also below the ₦231.11 billion allocated in March 2018 by 3.9 per cent.

Receipt from the Federation Account was ₦181.85 billion or 81.9 per cent of the total statutory allocations. This was below the provisional monthly budget estimate of ₦210.84 billion and the level in March 2018 by 13.7 per cent and 3.4 per cent, respectively.

At ₦40.18 billion or 18.1 per cent of the total, allocation from the VAT Pool Account fell below the provisional monthly budget estimate of ₦72.00 billion by 44.2 per cent. Relative to the level in March 2018, receipt from VAT declined by 6.4 per cent.

3.2.3 Statutory Allocations to Local Government Councils

Allocations to Local Governments from the Federation and VAT Pool Accounts in April stood at ₦126.29 billion. This represented a shortfall of 26.1 per cent relative to the provisional monthly budget estimate of ₦170.92 billion. It also fell by 3.5 per cent relative to the level in the preceding month.

Allocation from the Federation Account amounted to ₦98.17 billion or 77.7 per cent of the total. The amount was below the provisional monthly budget estimate of ₦120.52 billion and the ₦100.86 billion received in March 2018, by 18.5 per cent and 2.7 per cent, respectively.

The share from the VAT Pool Account was ₦28.12 billion or 22.3 per cent of the total. It fell below both the provisional monthly budget estimate of ₦50.40 billion and the preceding month's level of ₦30.1 by 44.2 per cent and 6.4 per cent, respectively (Table 10).

Table 10: Statutory Allocation to State Governments and Local Government Councils (₦ Billion)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	2018 Monthly Budget Est
SG Federation Account	126.0	106.8	117.5	169.3	123.6	174.2	153.0	134.3	169.1	187.0	178.5	188.2	181.9	114.4
SG VAT	37.8	40.6	38.4	39.2	38.7	41.6	40.0	43.1	38.6	40.3	46.4	42.9	40.2	59.0
SG Total	163.7	147.4	155.9	208.5	162.3	215.8	193.0	177.4	207.7	227.3	224.9	231.1	222.0	173.4
LG Federation Account	69.6	59.3	69.8	107.5	71.0	101.9	86.9	75.1	97.1	104.3	97.5	100.9	98.2	73.9
LG VAT	26.4	28.5	26.9	27.4	27.0	29.1	28.0	30.1	27.0	28.2	32.5	30.1	28.1	41.3
LG Total	96.0	87.8	96.7	134.9	98.0	131.0	114.9	105.2	124.1	132.5	130.0	130.9	126.3	115.2
Total Statutory Revenue and VAT	259.7	235.2	252.6	343.4	260.3	346.8	307.9	282.6	331.8	359.8	354.9	362.0	348.3	288.6

4.0 Domestic Economic Conditions

Dry weather conditions continued in the Northern states, while the Southern states experienced improved moisture as a result of the commencement of early rainfall. Agricultural activities in the North was dominated by preparation of land for the 2018 wet season farming, while farmers in the Southern parts of the country intensified planting activities. In the livestock sub-sector, migration of livestock, such as cattle to Southern states continued. Also, farmers re-stocked birds to replenish sales during the Easter festive season.

4.1 Agricultural Sector

Analysis of provisional data on Standardised Precipitation Index (SPI) for April 2018 indicated the preponderance of drier weather conditions in Northern parts of the country, while the Southern states experienced improved moisture as a result of the commencement of early rainfall. Thus, agricultural activities in the North was dominated by preparation of land for the 2018 wet season farming, while farmers in the Southern part of the country intensified planting activities.

In the livestock sub-sector, migration of livestock, such as cattle to Southern states continued. Also, farmers re-stocked birds to replace sales during the Easter festive season. Cases of farmers/herders clash in some states, including Benue, Nassarawa, Plateau and Ekiti states, however, continued to impact negatively on the agricultural sector.

4.2 Agricultural Credit Guarantee Scheme

A total of ₦280.7 million was guaranteed to 1,532 farmers under the Agricultural Credit Guarantee Scheme (ACGS) in April 2018. This represented an increase of 22.4 per cent above the level in the preceding month, but was a decline of 40.3 per cent below the level in the corresponding period of 2017. Sub-sectoral analysis showed that food crops accounted for the largest share with ₦173.3 million (61.8 per cent) guaranteed to 1,055 beneficiaries; livestock got ₦44.0 million (15.7 per cent), guaranteed to 172 beneficiaries; cash crops received ₦34.3 million (12.2 per cent), guaranteed to 212 beneficiaries; while the fishery sub-sector got ₦21.8 million (7.8 per cent) guaranteed to 67 beneficiaries. "Others" received ₦4.2 million (1.5 per cent), guaranteed to 17 beneficiaries, while the mixed crop sub sector got ₦3.0 million (1.0 per cent), guaranteed to 9 beneficiaries.

Analysis by state indicated that 24 states and the FCT benefited from the Scheme in the review month, with the

highest sum of ₦43.0 million (15.3 per cent) guaranteed to Lagos and the lowest sum of ₦0.6 million (0.2 per cent) guaranteed to each of Delta and Kogi states, respectively.

4.3 Commercial Agriculture Credit Scheme

At end-April 2018, the total amount released since inception by the CBN under the Commercial Agriculture Credit Scheme (CACs) to participating banks for disbursement, amounted to ₦557.413 billion in respect of 555 projects (Table 11).

Table 11: Disbursement of Credit under the Commercial Agriculture Credit Scheme (CACs) at end-February 2018.

S/N	Participating Banks	Amount Disbursed (₦billion)	Number of Projects/State Governments
1	UBA Plc	74.06	47
1	Zenith Bank	120.16	75
3	First Bank of Nigeria Plc	42.89	99
4	Unity Bank Plc	25.18	27
5	Union Bank Plc	28.74	38
6	Stanbic IBTC Plc	27.66	45
7	Sterling Bank	71.67	41
8	Access Bank Plc	36.66	26
9	Fidelity Bank Plc	21.65	17
10	Skye Bank Plc	13.77	10
11	FCMB Plc.	15.43	25
12	Ecobank	6.38	10
13	GTBank	39.70	28
14	Diamond Bank Plc	4.85	21
15	Heritage Bank	6.82	14
16	Citibank Plc	3.00	2
17	Keystone Bank	14.05	14
18	WEMA Bank Plc	2.89	13
19	Jaiz Bank Plc	0.00	1
20	Suntrust Bank Ltd	1.85	2
	TOTAL	557.41	555

4.4 Petroleum Sector

Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at 1.99 mbd or 59.70 million barrels (mb) in April 2018. This represented 0.01 mbd or 0.51 per cent increase above the average of 1.98 mbd or 61.38 mb in the preceding month. Crude oil export was estimated at 1.54 mbd or 46.2 mb and represented an increase of 0.65 per cent, compared with 1.53 mbd or 47.43 mb recorded in the preceding month. The increase in production was

Domestic crude oil and natural gas production was estimated at an average of 1.99 million barrels per day.

attributed to uninterrupted production on account of the relative calm in the Niger Delta region. Allocation of crude oil for domestic consumption remained at 0.45 mbd or 13.50 mb in the review period.

The average spot price of Nigeria's reference crude oil, the Bonny Light (37° API), rose to US\$72.12 per barrel in April 2018, representing 6.9 per cent increase above US\$67.46 per barrel in March 2018. The rise in oil prices was attributed to firm global oil demand growth amidst a tight oil market, geopolitical tension involving the U.S. and Syria, concerns about probable reaction by Russia and Iran, and the continuous compliance with OPEC production-cut agreement. The UK Brent at US\$70.92/b, the Forcados at US\$72.24/b and the WTI at US\$61.18/b exhibited similar trends as the Bonny Light.

The average prices of Nigeria's reference crude, the Bonny Light and all other competing crudes rose above the levels in the preceding month.

The average price of OPEC basket of fourteen selected crude streams stood at US\$67.71/b in April 2018. This reflected 6.2 per cent and 31.25 per cent increase over the US\$63.76/b and US\$51.59/b in March 2018 and the corresponding period of 2017, respectively (Figure 11, Table 12).

Figure 11: Trends in Crude Oil Prices

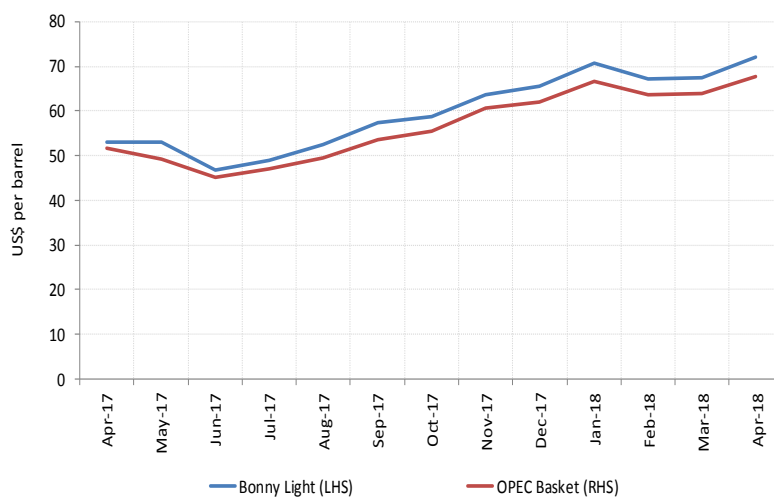


Table 12: Average Crude Oil Prices in the International Oil Market

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Bonny Light	53.1	52.9	46.9	48.9	52.5	57.4	58.7	63.7	65.4	70.8	67.2	67.5	72.1
OPEC Basket	51.6	49.2	45.2	46.9	49.6	53.4	55.5	60.8	62.1	66.9	63.5	63.8	67.7

4.5 Consumer Prices

The all-items composite Consumer Price Index (CPI) was estimated at 254.5 (November 2009=100) in April 2018, representing 0.9 per cent and 14.80 per cent increase over the levels in March 2018 and the corresponding month of 2017, respectively.

The general price level rose in April 2018, compared with the level in the preceding month.

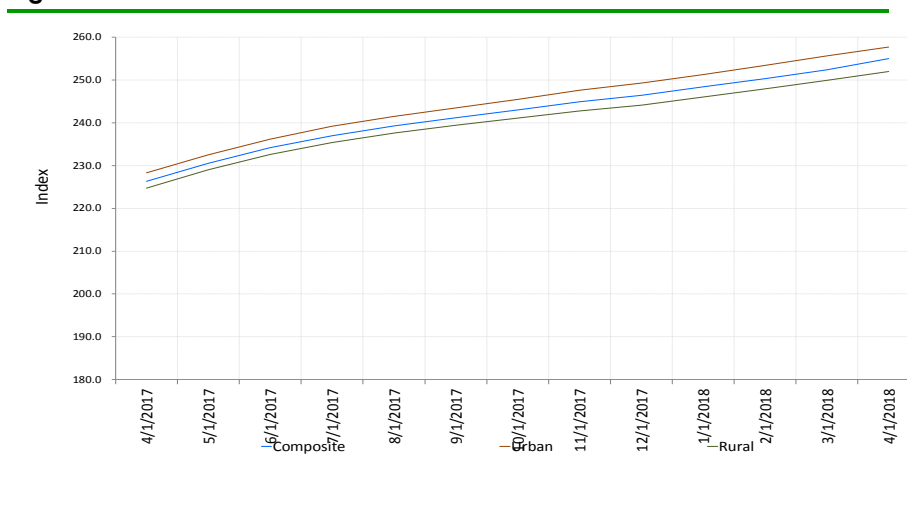
The urban All-items CPI (November 2009=100) was 257.7 at end-April 2018, representing 0.85 per cent and 12.89 per cent increase, compared with the levels in end-March 2018 and April 2017, respectively. The rural all-items CPI (November 2009=100), was 252.0 at end-April 2018, representing 0.82 per cent and 12.13 per cent increase, compared with the levels at end-March 2018 and April, 2017 respectively.

The composite food index (with a weight of 50.7 per cent) for April 2018 was estimated at 272.1, compared with 267.9 and 235.5 in the preceding month and the corresponding period of 2017, respectively. The projected increase was attributed to expected rise in demand for commodities in the market and distribution constraints due to transportation cost (Figure 12, Table 13).

Table 13: Consumer Price Index (November 2009=100)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Composite	226.3	230.5	234.2	237.0	239.3	241.2	243.0	244.9	246.4	248.4	250.3	252.4	255.0
Urban	228.3	232.5	236.2	239.2	241.5	243.5	245.5	247.6	245.5	251.3	253.4	255.6	257.7
Rural	224.7	229.0	232.6	235.4	237.6	239.4	241.1	242.8	241.1	246.0	247.9	249.9	252.0
CPI - Food	235.5	241.5	246.3	250.0	252.9	255.1	257.2	259.5	261.0	263.3	265.5	267.9	272.1
CPI - Non Food	217.5	220.0	223.0	225.2	227.3	229.1	230.9	232.6	233.8	235.4	237.2	239.2	240.6

Figure.12: Consumer Price Index



Inflationary pressures declined further in April 2018 due to fall in food and non-food inflation during the review period. Consequently, headline inflation declined to 12.48 per cent in April 2018, compared with 13.34 per cent and 17.24 per cent in the preceding month and the corresponding period of 2017, respectively. The rise in food inflation was attributed, mainly, to the increase prices of potatoes, yam and other tubers, fish, bread and cereals, oil and fats, vegetables and meat. Similarly, the Twelve-Month Moving Average (12MMA) inflation for April 2018 was estimated at 15.20 per cent, compared with 15.60 per cent and 17.6 per cent in the preceding month and the corresponding period of 2017, respectively (Figure 13, Table 14).

The year-on-year headline inflation was estimated at 12.48 per cent in April 2018,

Figure 13: Inflation Rate

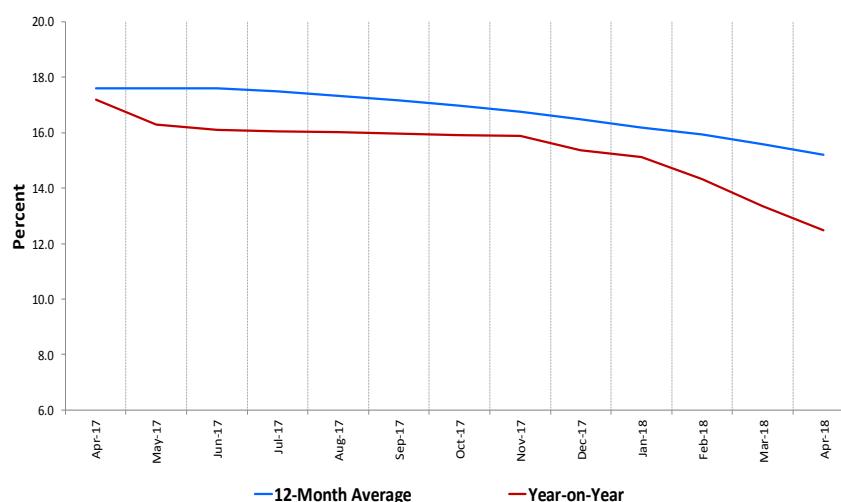


Table 14: Headline Inflation Rate (%)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
12-Month Average	17.60	17.60	17.60	17.50	17.33	17.17	16.97	16.76	16.50	16.20	15.93	15.60	15.20
Year-on-Year	17.20	16.30	16.10	16.05	16.01	15.98	15.91	15.90	15.37	15.13	14.33	13.34	12.48

5.0 External Sector Developments⁵

On month-on-month basis, foreign exchange inflow and outflow through the CBN declined by 10.3 per cent and 5.6 per cent, to US\$4.59 billion and US\$3.54 billion, respectively, in April 2018. Total non-oil export receipts by banks fell by 47.9 per cent below the level in March 2018. The average exchange rate at the inter-bank, BDC, and the I&E windows were ₦305.60, ₦362.25 and ₦360.25, respectively, in the review month. The gross external reserves was US\$47.7 billion at end-April 2018.

5.1 Foreign Exchange Flows

Provisional data indicated that aggregate foreign exchange inflow through the CBN was US\$4.59 billion, showing a decline of 10.3 per cent, compared with the level in the preceding month. It, however, indicated an increase of 63.3 per cent above the level in the corresponding period of 2017. The development, relative to the preceding month was attributed, largely, to the 20.9 per cent decline in non-oil receipts.

Aggregate outflow of foreign exchange through the Bank was US\$3.54 billion, indicating 5.6 per cent decline, compared with the level at the end of the preceding month, but showed an increase of 63.9 per cent, relative to the level at the end of the corresponding period of 2017. The development, relative to the preceding month was due to 50.0 per cent, 49.5 per cent, 33.9 per cent, 14.8 per cent, and 14.3 per cent decline in national priority project, bank charges, third party MDA payments, drawings on LCs, and other official payments, respectively.

Overall, foreign exchange flows through the Bank in the month of April 2018 resulted in a net inflow of US\$1.05 billion, compared with US\$1.36 billion and US\$0.65 billion in March 2018 and the corresponding period of 2017, respectively (Figure 14, Table 15).

Foreign exchange inflow and outflow through the CBN declined by 10.3 per cent and 5.6 per cent, respectively, in April 2018.

⁵ Data on foreign exchange flows through the CBN and the Economy are provisional and subject to change

Figure 14: Foreign Exchange Flows through the CBN

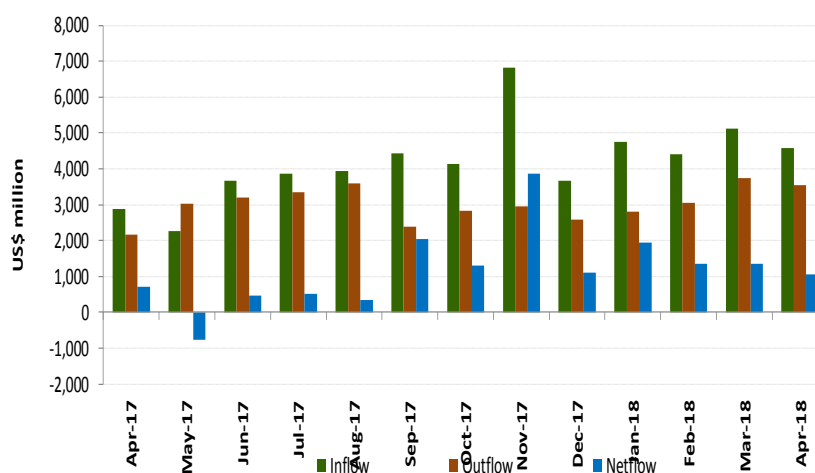


Table 15: Foreign Exchange Flows through the CBN (US\$ million)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Inflow	2,810.9	2,259.2	3,672.7	3,867.0	3,943.5	4,425.5	4,132.8	6,812.0	3,680.8	4,386.3	4,401.3	5,117.3	4,590.1
Outflow	2,164.4	3,021.1	3,208.1	3,358.3	3,594.3	2,390.4	2,839.1	2,951.1	2,584.5	2,734.4	3,040.5	3,754.1	3,541.0
Netflow	646.6	(761.9)	464.6	508.7	349.1	2,035.1	1,293.7	3,860.8	1,096.4	1,652.0	1,360.8	1,363.1	1,049.1

Autonomous inflow through the economy declined by 12.4 per cent below the level in the preceding month.

Provisional data showed that aggregate foreign exchange inflow into the economy amounted to US\$10.26 billion, indicating a decline of 12.4 per cent relative to the level at the end of the preceding month. It, however, indicated an increase of 66.0 per cent above the level at the end of the corresponding period of 2017. The decline in inflow reflected the fall in inflow through autonomous sources and the CBN. Non-oil sector receipts, through the CBN, at US\$3.00 billion, fell by 20.8 per cent, below the level in the preceding month.

Aggregate foreign exchange outflow from the economy, at US\$3.93 billion, fell by 3.8 per cent below the level in March 2018, but showed an increase of 71.3 per cent above the level at the end of the corresponding month of 2017. This was driven, largely, by 5.7 per cent decline in outflow through the Bank.

Outflow through autonomous sources, however, rose by 17.5 per cent to US\$0.39 billion, compared with the level in March 2018.

Thus, net foreign exchange inflow into the economy amounting to US\$6.33 billion was recorded in the review

period, relative to US\$7.63 billion and US\$3.89 billion in March 2018 and April 2017, respectively.

5.2 Non-Oil Export Earnings by Exporters

Total non-oil export earnings, at US\$0.29 billion, declined by 47.9 per cent, below the level at end-March 2018. This, however, showed an increase of 139.1 per cent relative to the level in the corresponding period of 2017. The development, relative to the preceding month, was due to the respective decline of 13.6 per cent, 26.7 per cent and 80.0 per cent in receipts from industrial, agricultural and the minerals sectors. Export proceeds from food product and manufactured product sub-sectors, however, rose by 107.9 per cent and 13.8 per cent to US\$14.40 million and US\$56.65 million, respectively. The rise in the proceeds from food product sub-sector was driven by the increase in receipts from fish, milk, sugar, alcohol and non-alcoholic drinks, and wheat, while earnings from drugs and pharmaceutical, furniture and woods, and cement accounted for the increase in receipts from the manufacturing product sub-sector.

Total non-oil export earnings by exporters decreased in March 2018.

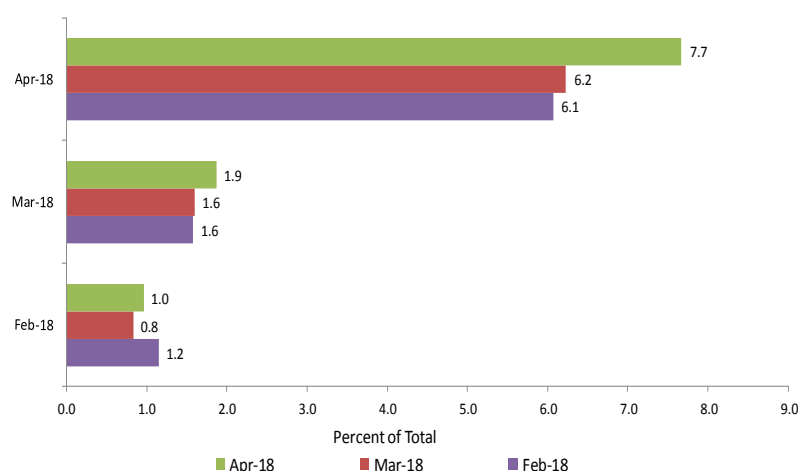
The shares of the various sectors in non-oil export proceeds were: agricultural product, 31.9 per cent; minerals, 20.4 per cent; manufactured products, 19.3 per cent; industrial sector, 23.5 per cent; and food products, 4.9 per cent.

5.3 Sectoral Utilisation of Foreign Exchange

Provisional data on sectoral foreign exchange utilisation in April 2018 showed a decline of 12.1 per cent below the level in the preceding month. The invisible sector accounted for the bulk (47.5 per cent) of total foreign exchange disbursed in the review month, followed by industrial sector (22.4 per cent). The shares of other sectors in a descending order were: manufactured products (13.3 per cent); food products (7.7 per cent); minerals and oil (6.3 per cent); transport (1.8 per cent); and agricultural products (1.0 per cent) (Figure 15).

The invisible sector accounted for the bulk of the total foreign exchange disbursed in April 2018.

Figure15: Sectoral Utilisation of Foreign Exchange



5.4 Foreign Exchange Market Developments

The Bank sustained interventions at the interbank and BDC segments in April 2018, thereby promoting relative stability in the Nigerian foreign exchange market. A total of US\$2.17 billion was sold by the Bank to authorised dealers, indicating 6.8 per cent and 40.3 per cent increase, over the respective levels in March 2018 and the corresponding period of 2017. Matured forwards contracts disbursed at maturity declined by 8.7 per cent to US\$0.95 billion, while the interbank sales rose by 241.1 per cent to US\$0.58 billion. Swaps and sales to BDCs also fell by 42.6 per cent and 5.2 per cent to US\$0.21 billion, and US\$0.43 billion respectively, below the levels in March 2018 (Figure16, Table 16).

Figure16: Supply of Foreign Exchange

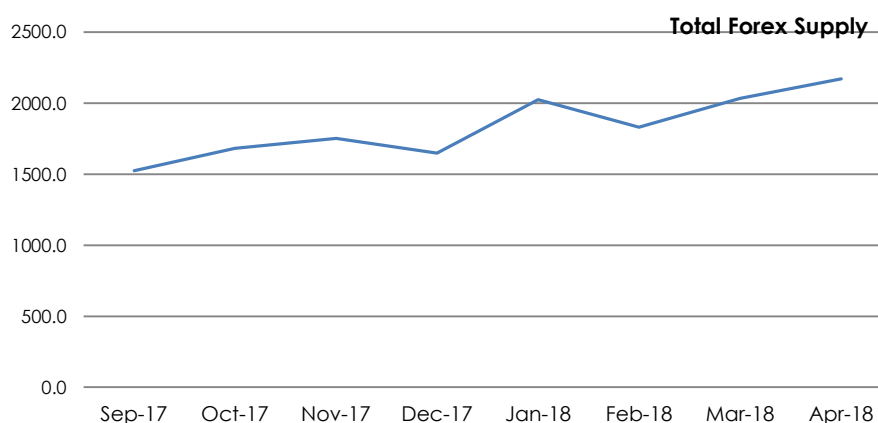


Table 16: Supply of Foreign Exchange (US\$ billion)

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Total Forex Supply	1.5	1.6	1.8	1.6	2.0	1.8	2.0	2.2

Increased interventions in the foreign exchange market continued to sustain the relative stability of the exchange rate of the naira vis-à-vis the US-dollar. Consequently, the average exchange rate of the naira to the US-dollar at the inter-bank segment was ₦305.60/US\$, indicating a marginal appreciation of 0.05 per cent, compared with the level in March 2018. At the BDC segment of the foreign exchange market, the average exchange rate of the naira to the dollar was ₦362.25/US\$, showing a marginal depreciation of 0.05 per cent below the level in the preceding month, but indicated 6.7 per cent appreciation, compared with the level in the corresponding period of 2017. At the Investors and Exporters (I&E) window, the exchange rate was ₦360.25/US\$, same as the level in the preceding month, but appreciated by 5.0 per cent relative to the level in the corresponding period (Figure 17, Table 17).

The naira exchange rate vis-à-vis the US dollar appreciated at the Inter-bank segment, while it depreciated at the BDC segment during the review month.

Thus, the premium between the average interbank and BDC rates widened by 0.1 percentage point to 18.5 per cent from 18.4 per cent in April 2018.

Figure 17: Average Exchange Rate Movement

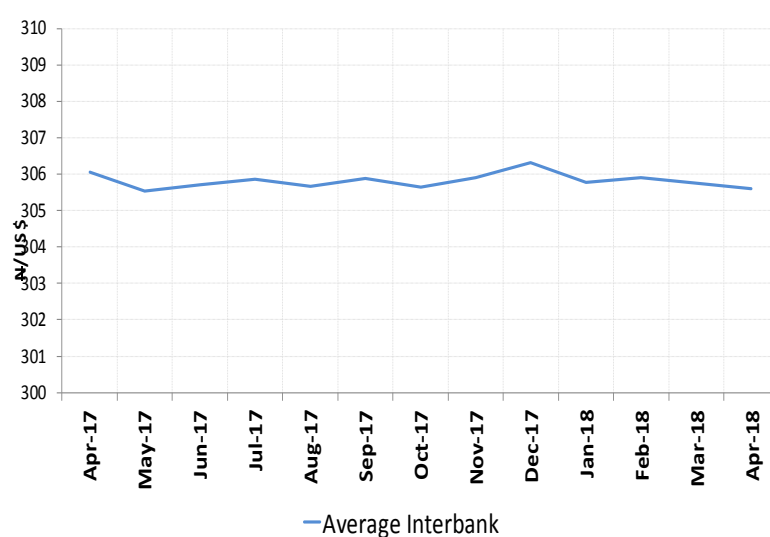


Table 17: Exchange Rate Movements

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
Average Exchange Rate (N/\$)													
Interbank	306.05	305.54	305.71	305.86	305.67	305.89	305.65	305.90	306.31	305.78	305.90	305.76	305.60

5.5 Gross External Reserves

Gross external reserves rose at end-April 2018.

Following the increase in foreign exchange purchases and receipts from third parties, the gross external reserves rose by 1.8 per cent to US\$47.7 billion at end-April 2018 above US\$46.9 billion at end-March 2018. A breakdown of the external reserves by ownership showed that the share of the Federation reserves was US\$1.97 billion (4.1%); Federal Government reserves, US\$8.72 billion (18.3%); and the CBN reserves, US\$37.02 billion (77.6%) of the total (Figure. 18, Table 18).

Figure 18: Gross Official External Reserves

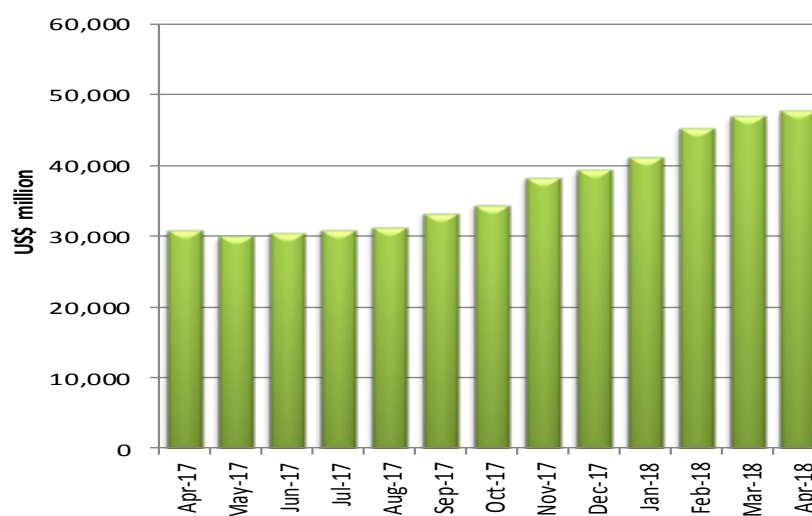


Table 18: Gross Official External Reserves (US\$ million)

Period	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18
External Reserves	31,268.09	33,159.73	34,332.58	38,209.36	39,353.49	41,150.28	45,276.58	46,872.34	47,716.10

6.0 Other International Economic Developments and Meetings

World crude oil output and demand in April 2018 were estimated at average of 97.68 mbd and 97.84 mbd, compared with 98.15 and 97.40 mbd supplied and demanded, respectively, in March 2018. The increase in world crude oil demand was attributed, largely to the rising demand in the non-OECD region, owing to a better-than expected demand in the industrial and transportation sectors.

Other major international economic developments and meetings of importance to the domestic economy in the review period included: The 2018 Spring Meetings of the Board of Governors of the World Bank Group (WBG) and the International Monetary Fund (IMF) held in Washington D.C., USA from April 16 – 22, 2018.

In addition, the sideline meetings of the Inter-Governmental Group of Twenty-Four (G-24) on International Monetary Affairs and Developments were held within the same period. Also, the Ministers of the Inter-Governmental Group of 24, the International Monetary and Finance Committee (IMFC) and the Development Committee held their respective meetings. Highlights of the meetings were as follows:

- The Ministers welcomed the recovery of global growth driven by strong investment;
- The Ministers noted that digitalisation and technological change would further create opportunities, but also pose challenges;
- The Ministers urged the IMF and the WBG to continue to strengthen their assistance to improve domestic resource mobilisation;
- The International Monetary and Finance Committee (IMFC) urged that structural reforms should aim to lift productivity, potential growth and employment while effectively assisting those bearing the cost of adjustment;
- The Committee noted that strong fundamentals, sound policies and a resilient international monetary system (IMS) were essential to the stability of exchange rates, contributing to strong and sustainable growth and investment;

- The IMFC reaffirmed its commitment to a strong, quota-based and adequately resourced IMF to preserve its role at the centre of the Global Financial Safety Net (GFSN);
- The Development Committee welcomed the fundamental reforms that were negotiated as part of the proposed capital package that will allow the World Bank Group (WBG) to more effectively deliver development results in a financially sustainable manner; and
- The Committee welcomed the successful conclusion of the negotiations on the financial and policy package contained in the Sustainable Financing for Sustainable Development report.

APPENDIX TABLES

Table A1: Money and Credit Aggregates (₦ billion)

	Mar-17	Dec-17	Jan-18	Feb-18	Mar-18
Domestic Credit (Net)	27,675.4	25,863.3	25,846.4	26,909.6	26,267.1
<i>Claims on Federal Government</i>	3,303.5	3,574.0	3,857.4	4,288.3	3,823.3
Central Bank (Net)	191.4	(420.5)	244.0	556.1	536.5
Banks	5,112.1	3,994.5	3,613.5	3,732.2	3,286.8
<i>Claims on Private Sector</i>	22,371.8	22,289.3	21,989.0	22,621.3	22,443.8
Central Bank	5,792.9	5,869.3	5,792.0	6,227.0	6,338.8
Banks	16,578.9	16,420.0	16,196.9	16,394.3	16,105.0
<i>Claims on Other Private</i>	21,000.1	20,766.9	20,397.7	20,790.9	20,514.9
Central Bank	5,131.1	5,251.4	5,166.3	5,346.9	5,385.2
Banks	15,868.9	15,515.6	15,231.4	15,443.9	15,129.6
<i>Claims on State and Local</i>	1,089.3	1,494.8	1,563.7	1,556.9	1,581.9
Central Bank	379.2	590.4	598.1	606.5	606.5
Banks	710.1	904.4	965.6	950.4	975.4
<i>Claims on Non-financial Public Enterprises</i>					
Foreign Assets (Net)	7,628.5	14,813.3	14,912.5	14,396.2	15,619.1
Central Bank	7,624.2	14,427.1	14,531.1	14,110.5	15,220.4
Banks	437.1	386.1	381.4	285.7	398.7
Other Assets (Net)	(12,999.6)	(16,675.2)	(16,926.9)	(17,286.8)	(17,583.2)
Total Monetary Assets (M2)	22,304.3	24,001.4	23,831.9	24,019.1	24,303.0
Quasi-Money 1/	12,069.7	12,965.1	13,052.0	13,288.2	13,390.4
Money Supply (M1)	10,234.5	11,036.4	10,779.9	10,730.9	10,912.6
<i>Currency Outside Banks</i>	1,661.0	1,782.7	1,587.9	1,570.9	1,668.4
<i>Demand Deposits 2/</i>	8,573.5	9,253.7	9,192.0	9,159.9	9,244.2
Total Monetary Liabilities (M)	22,304.3	24,001.4	23,831.9	24,019.1	24,303.0
Memorandum Items:					
Reserve Money (RM)	5,643.4	6,477.6	6,061.2	6,447.9	6,749.6
<i>Currency in Circulation (CIC)</i>	1,983.6	2,157.2	1,945.4	1,937.3	2,039.3
<i>DMBs Demand Deposit with Cl</i>	3,659.8	4,320.4	4,115.7	4,510.6	4,710.3

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

2/ Demand Deposits consist 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)

	Mar-17	Dec-17	Jan-18	Feb-18	Mar-18
Growth Over Preceding December (%)					
Domestic Credit (Net)	3.0	-3.7	-0.1	4.1	1.6
<i>Claims on Federal Government (Net)</i>	8.8	-26.7	7.9	19.9	6.9
<i>Claims on Private Sector</i>	1.77	1.40	-1.35	1.50	0.70
<i>Claims on Other Private Sector</i>	0.2	-1.0	-1.8	0.1	-1.2
<i>Claims on State and Local Government</i>	10.1	51.1	4.6	4.2	5.8
<i>Claims on Non-financial Public Enterprises</i>					
Foreign Assets (Net)	-16.6	61.9	0.7	-2.8	5.4
Other Assets (Net)	-4.70	-34.31	-1.51	-3.67	-5.45
Total Monetary Assets (M2)	-5.5	1.7	-0.7	0.1	1.3
Quasi-Money 1/	-2.0	5.2	0.7	2.5	3.3
Money Supply (M1)	-9.2	-2.1	-2.3	-2.8	-1.1
<i>Currency Outside Banks</i>	-8.8	-2.1	-10.9	-11.9	-6.4
<i>Demand Deposits 2/</i>	-9.30	-2.09	-0.67	-1.01	-0.10
Total Monetary Liabilities (M2)	-5.5	1.7	-0.7	0.1	1.3
<u>Memorandum Items:</u>					
Reserve Money (RM)	-3.5	10.8	-6.4	-0.5	4.2
<i>Currency in Circulation (CIC)</i>	-8.9	-1.0	-9.8	-10.2	-5.5
<i>DMBs Demand Deposit with CBN</i>	-0.3	17.8	-4.7	4.4	9.0
Growth Over Preceding Month (%)					
Domestic Credit (Net)	1.7	-1.8	-0.1	4.1	-2.4
<i>Claims on Federal Government (Net)</i>	6.6	-18.6	7.9	11.2	-10.8
<i>Claims on Private Sector</i>	0.6	1.5	-1.35	2.9	-0.78
<i>Claims on Other Private Sector</i>	0.0	2.1	-1.8	1.9	-1.3
<i>Claims on State and Local Government</i>	5.3	-6.3	4.6	-0.4	1.6
<i>Claims on Non-financial Public Enterprises</i>					
Foreign Assets (Net)	-4.4	11.3	0.7	-3.5	8.5
Central Bank	-2.6	9.8	0.7	-2.9	7.9
Banks	-97.1	125.1	-1.2	-25.1	39.6
Other Assets (Net)	-0.20	4.12	-1.51	-2.13	-1.71
Total Monetary Assets (M2)	0.4	7.8	-0.7	0.8	1.2
Quasi-Money 1/	-0.7	6.3	0.7	1.8	0.8
Money Supply (M1)	1.8	9.6	-2.3	-0.5	1.7
<i>Currency Outside Banks</i>	3.0	18.1	-10.9	-1.1	6.2
<i>Demand Deposits 2/</i>	0.42	8.08	-0.67	-0.35	0.92
Total Monetary Liabilities (M2)	0.4	7.79	-0.7	0.79	1.2
<u>Memorandum Items:</u>					
Reserve Money (RM)	1.5	1.3	-6.4	6.4	4.7
<i>Currency in Circulation (CIC)</i>	0.2	-4.7	180.9	-0.4	5.3
<i>DMBs Demand Deposit with CBN</i>	2.2	4.44	-4.7	9.60	4.4

Table A3: Federal Government Fiscal Operations (₦ billion)

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	2018 Monthly F
Retained Revenue	301.7	552.6	325.1	477.0	204.8	300.6	260.8	207.9	262.9	293.6	274.2	278.7	310.3	449.6
Federation Account	136.5	124.4	147.7	274.9	181.5	260.6	198.1	191.5	248.2	251.5	249.4	257.6	222.4	297.9
VAT Pool Account	11.3	26.1	11.5	11.8	11.6	12.5	12.0	12.9	11.6	12.1	13.9	12.9	12.1	21.6
FGN Independent Revenue	0.4	91.6	5.5	2.5	9.4	23.9	26.5	3.0	3.1	14.9	10.9	7.9	47.1	67.3
Excess Crude Account	27.9	10.2	9.4	0.0	0.0	0.0	0.0	0.0	0.0	14.1	0.0	0.0	0.0	0.0
Others/Exchange Gain/Recovery	125.5	300.3	151.0	187.9	2.3	3.6	24.2	0.5	0.0	1.0	0.0	0.3	28.7	62.8
Expenditure	459.2	459.1	437.2	598.2	442.1	366.9	422.1	293.4	263.5	266.6	380.9	586.3	218.0	646.0
Recurrent	424.2	424.3	396.8	556.0	405.0	366.9	366.4	213.7	219.4	221.5	240.3	570.9	180.5	428.6
Capital	0.0	0.0	0.0	0.0	0.0	0.0	28.2	43.4	22.8	22.8	132.0	0.0	16.8	181.2
Transfers	34.9	34.8	40.4	42.2	37.1	0.0	27.6	36.3	21.3	22.3	8.6	15.4	20.7	36.2
Overall Balance:														
Surplus(+)/Deficit(-)	-157.5	93.5	-112.1	-121.2	-237.4	-66.3	-161.4	-85.5	-0.6	27.0	-106.8	-307.6	92.3	-196.4

1/ Revised