



CENTRAL BANK OF NIGERIA

***ECONOMIC REPORT
AUGUST 2019***

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.

Subscription to the Economic Report is available without charge to institutions, corporations, embassies and development agencies. Individuals, on written request, can obtain any particular issue without a charge. Please direct all inquiries on the publication to the Director of Research, Central Bank of Nigeria, P.M.B. 187, Garki, Abuja, Nigeria.

The Economic Reports can also be freely downloaded from the CBN website: www.cbn.gov.ng

Contents

1.0	Summary.....	1
2.0	Financial Sector Developments	3
2.1	Monetary and Credit Developments	3
2.2	Currency-in-Circulation (CIC) and Deposits at the CBN	6
2.3	Money Market Developments	7
2.3.1	<i>Interest Rate Developments</i>	7
2.3.2	<i>Commercial Paper (CP)</i>	9
2.3.3	<i>Bankers' Acceptances (BAs)</i>	9
2.3.4	<i>Certificate of Deposits (CDs)</i>	9
2.3.5	<i>Open Market Operations</i>	9
2.3.6	<i>Primary Market</i>	10
2.3.7	<i>Bonds Market</i>	10
2.3.8	<i>CBN Standing Facilities</i>	10
2.4	Deposit Money Banks' Activities.....	11
2.5	Capital Market Developments	11
2.5.1	<i>Secondary Market</i>	11
2.5.3	<i>Market Capitalisation</i>	12
2.5.4	<i>NSE All-Share Index</i>	12
3.0	Fiscal Operations	13
3.1	Federation Account Operations.....	15
3.2	The Fiscal Operations of the Three Tiers of Government.....	18
3.2.1	<i>The Federal Government</i>	18
3.2.2	<i>Statutory Allocations to State Governments</i>	19
3.2.3	<i>Statutory Allocations to Local Government Councils</i>	20
4.0	Domestic Economic Conditions	21
4.1	Agricultural Sector	21
4.2	Agricultural Credit Guarantee Scheme	21
4.3	Commercial Agriculture Credit Scheme.....	22
4.4	Petroleum Sector	22
4.5	Consumer Prices	24

5.0	External Sector Developments.....	27
5.1	Foreign Exchange Flows	27
5.2	Non-Oil Export Earnings by Exporters.....	29
5.3	Sectoral Utilisation of Foreign Exchange	29
5.4	Foreign Exchange Market Developments	30
5.5	Gross External Reserves.....	32
6.0	Other International Economic Developments and Meetings	34

Text Tables

Table 1:	Growth in Monetary and Credit Aggregates (over preceding month – Per cent)	6
Table 2:	Selected Interest Rates (Percent, Averages)	9
Table 3:	Traded Securities on the Nigerian Stock Exchange (NSE)	12
Table 4:	New and Supplementary Listing on the Nigerian Stock Exchange.....	12
Table 5:	Aggregate Market Capitalisation and All Share Index (NSE)	13
Table 6:	Gross Federation Account Revenue (N billion)	15
Table 7:	Components of Gross Oil Revenue (N' billion).....	16
Table 8:	Components of Gross Non-Oil Revenue (N billion)	17
Table 9:	Federal Government Fiscal Operations (N billion)	19
Table 10:	Statutory Allocation to State Governments and Local Government Councils (N Billion) ..	20
Table 11:	Average Crude Oil Prices in the International Oil Market.....	23
Table 12:	Consumer Price Index (November 2009=100)*	24
Table 13:	Headline Inflation Rate (%)*	25
Table 14:	Foreign Exchange Flows through the CBN (US\$ million).....	28
Table 15:	Supply of Foreign Exchange (US\$ billion)	30
Table 16:	Exchange Rate Movements	32
Table 17:	Gross Official External Reserves (US\$ million)	33

Appendix Tables

Table A1: Money and Credit Aggregates.....	39
Table A2: Money and Credit Aggregates (Growth Rates).....	40
Table A3: Federal Government Fiscal Operations.....	41

Figures

Figure 1: Growth Rate of Narrow Money (M_1) and Broad Money (M_2).....	4
Figure 2: Growth Rate of Aggregate Domestic Credit to the Economy.....	5
Figure 3: Selected DMBs Interest Rates (Average).....	8
Figure 4: Volume and Value of Traded Securities.....	12
Figure 5: Market Capitalisation and All-Share Index.....	13
Figure 6: Components of Gross Federally-Collected Revenue.....	15
Figure 7: Gross Oil Revenue and Its Components.....	16
Figure 8: Gross Non-Oil Revenue and Its Components.....	17
Figure 9: Federal Government Retained Revenue.....	18
Figure 10: Federal Government Expenditure.....	19
Figure 11: Analysis by Value Chain.....	22
Figure 12: Trends in Crude Oil Prices.....	23
Figure 13: Consumer Price Index.....	24
Figure 14: Inflation Rate.....	25
Figure 15: Foreign Exchange Flows Through the CBN.....	28
Figure 16: Sectoral Utilisation of Foreign Exchange.....	30
Figure 17: Supply of Foreign Exchange.....	30
Figure 18: Average Exchange Rate Movements.....	31
Figure 19: Gross Official External Reserves.....	32

1.0 Summary¹

The stance of Monetary Policy in the review period remained accommodative as the Monetary Policy Rate was maintained at 13.50 per cent. On month-on-month basis, broad money supply (M_3), grew by 2.2 per cent to ₦35,675.9 billion at end-July 2019. The development reflected the 3.4 per cent growth in domestic credit (net), which more than offset the 4.4 per cent and 3.2 per cent decline in foreign assets (net) and other assets (net) of the banking system, respectively. Over the level at end-December 2018, broad money supply (M_3), grew by 6.9 per cent, compared with the respective growth of 4.6 per cent and 2.9 per cent at end-June 2019 and the corresponding period of 2018. The growth in broad money supply (M_3), over the level at end-December 2018, reflected the 21.2 per cent increase in domestic credit (net), which more than offset the decline of 4.0 per cent and 22.1 per cent in foreign assets (net) and other assets (net) of the banking system, respectively.

Narrow money supply (M_1), on month-on-month basis, rose by 2.5 per cent to ₦11,435.8 billion at end-July 2019, in contrast to the decline of 2.0 per cent and 0.3 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The rise in narrow money supply (M_1) was due to the 3.3 per cent increase in its demand deposits component. Over the level at end-December 2018, (M_1) fell by 2.7 per cent, compared with the respective decline of 5.0 per cent and 4.5 per cent at the end of the preceding month and the corresponding period of 2018, respectively.

Movements in banks' deposit and lending rates were mixed in August 2019. With the exception of the 7-day deposit rate, which rose slightly by 0.01 per cent above the level in the preceding month, and the 1-month deposit rate, which remain unchanged, all other deposit rates of various maturities fell from a range of 9.38 per cent – 10.42 per cent in the preceding month to a range of 9.36 per cent – 10.39 per cent in August 2019.

The weighted average prime lending rate rose by 0.17 percentage point to 15.63 per cent, while the maximum lending rate declined slightly by 0.02 percentage point to 31.06 per cent in August 2019. Consequently, the spread between the average term deposit and the maximum lending rates narrowed by 0.13 percentage point to 25.20 percentage points at end-August 2019. Similarly, the spread between the average savings deposit and maximum lending rates narrowed by 0.04 percentage point to 27.04 percentage points at end-August 2019.

The total value of money market assets outstanding in August 2019 stood at ₦12.44 billion, showing an increase of 0.4 per cent, compared with the growth of 1.2 per cent in the preceding month. The development was attributed, wholly, to the 0.6 per cent increase in the FGN Bonds

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

outstanding. Activities on the Nigerian Stock Exchange (NSE) were mixed in the month of August 2019.

Federally-collected revenue (gross) was estimated at ₦879.39 billion in August 2019. This was below the monthly budget and the receipts in July 2019 by 29.4 per cent and 5.6 per cent, respectively. Oil and non-oil receipts (gross), at ₦484.75 billion and ₦394.64 billion in the review month, constituted 55.1 per cent and 44.9 per cent of total revenue, respectively. Federal Government retained revenue and estimated expenditure for August 2019 were ₦308.13 billion and ₦464.31 billion respectively, resulting in an estimated deficit of ₦156.18 billion.

The predominant agricultural activities in August 2019 were harvesting of tuber crops, staple crops and legumes both in the Southern and Northern parts of the country. In the livestock sub-sector, farmers continued with the restocking of cows, rams and birds as a result of sales made during the id-el-Kabir festivity.

Domestic crude oil production was estimated at 1.93 mbd or 59.83 mb in August 2019. Crude oil export was estimated at 1.48 mbd or 45.9 mb, while the allocation of crude oil for domestic consumption was 0.45 mbd or 13.5 mb in the review month. The average spot price of Nigeria's reference crude oil, the Bonny Light (37° API), fell by 7.8 per cent to US\$61.05 per barrel in August 2019.

The end-period headline inflation, on year-on-year and twelve-month moving average bases, was 11.02 per cent and 11.27 per cent, respectively, in August 2019, compared with 11.08 per cent and 11.30 per cent, in July 2019.

Foreign exchange inflow into and outflow from the CBN in July 2019 were US\$4.90 billion and US\$6.15 billion, respectively, and resulted in a net outflow of US\$1.25 billion. Aggregate foreign exchange inflow into and outflow from the economy were US\$10.49 billion and US\$6.47 billion, respectively, resulting in a net inflow of US\$4.02 billion. Foreign exchange sales by the CBN to the authorised dealers amounted to US\$4.59 billion, in the review period, compared with US\$2.63 billion in the preceding month.

The average exchange rate of the naira at the inter-bank, the BDC segment and the "investors" and "exporters" window were ₦306.92/US\$, ₦359.00/US\$ and ₦363.03/US\$, respectively, in August 2019, compared with ₦306.94/US\$, ₦359.43/US\$ and ₦361.26/US\$ in July 2019. The gross external reserves was US\$42.00 billion at end-August 2019, compared with US\$43.97 billion at end-July 2019.

The major international economic developments and meetings of importance to the domestic economy in the review month included: The 42nd Ordinary Meeting of the Assembly of Governors of the Association of African Central Banks (AACB) held in Kigali, Rwanda on August 1, 2019.

2.0 Financial Sector Developments

2.1 Monetary and Credit Developments

Broad money supply (M₃) and narrow money supply (M₁) grew in July 2019. Developments in banks' deposit rates were mixed, while lending rates generally trended upwards in the review month. The value of money market assets outstanding rose, owing, largely, to the increase in FGN Bonds outstanding. Activities on the Nigerian Stock Market were mixed in the review month.

The stance of Monetary Policy in the review period remained accommodative as the Monetary Policy Rate was maintained at 13.50 per cent. Consequently, at ₦35,675.9 billion, broad measure of money supply (M₃), rose by 2.2 per cent at end-July 2019, compared with the growth of 0.03 per cent and 0.6 per cent at end of the preceding period and the corresponding period of 2018, respectively. The development reflected, wholly, the 3.4 per cent growth in domestic credit (net) of the banking system, which more than offset the decline of 4.4 per cent and 3.2 per cent in foreign assets (net) and other assets (net) of the banking system, respectively.

On month-on-month basis, the major monetary aggregate rose in July 2019.

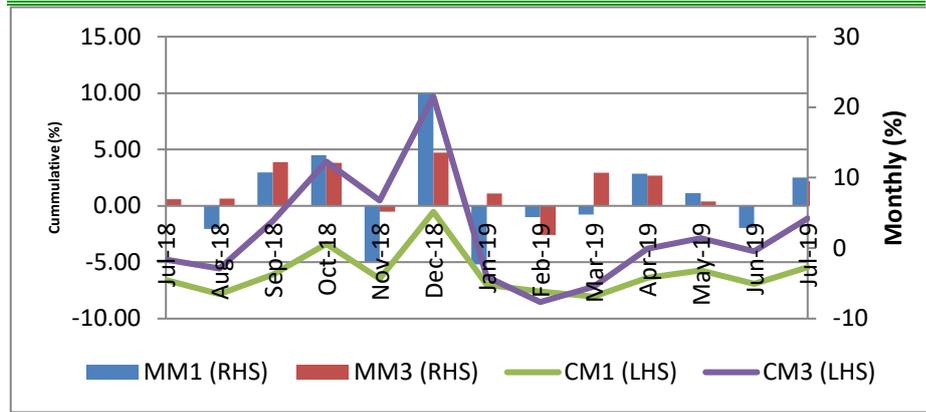
Over the level at end-December 2018, broad money supply (M₃), grew by 6.9 per cent at end-July 2019, compared with the respective growth of 4.6 per cent and 2.9 per cent at end-June 2019 and the corresponding period of 2018. The growth in broad money supply (M₃), reflected the 21.2 per cent increase in domestic credit (net), which more than offset the decline of 4.0 per cent and 22.1 per cent in foreign asset (net) and other assets (net) of the banking system, respectively.

Narrow money supply (M₁), on month-on-month basis, rose by 2.5 per cent to ₦11,435.8 billion at end-July 2019, in contrast to the decline of 2.0 per cent and 0.3 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The rise in narrow money supply (M₁) was due to the 3.3 per cent increase in its demand deposits component. Over the level at end-December 2018, M₁ fell by 2.7 per cent, compared with the respective decline of 5.0 per cent and 4.5 per cent at the end of the preceding month and the corresponding period of 2018, respectively (Figure 1, Table 1).

Quasi-money, on month-on-month basis, grew by 0.6 per cent to ₦16,833.1 billion at end-July 2019, compared with the respective growth of 1.8 per cent and 1.3 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The growth in Quasi money in the review month

reflected the increase in time and saving deposits of commercial and merchant banks. Over the level at end-December 2018, quasi-money grew by 9.9 per cent, compared with the growth of 9.2 per cent and 10.3 per cent at the end of the preceding month and the corresponding period of 2018, respectively.

Figure 1: Growth of Narrow Money (M₁) and Broad Money (M₃)²



Aggregate credit to the domestic economy (net), on month-on-month basis, grew by 3.4 per cent to ₦33,412.4 billion at end-July 2019, compared with the growth of 0.4 per cent and 1.6 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The development was attributed to the increase of 20.5 per cent in net claims on the Federal Government.

Relative to the level at end-December 2018, aggregate credit to the domestic economy (net), rose by 21.2 per cent, compared with the growth of 17.3 per cent at end-June 2019. It, however, contrasted with the decline of 1.7 per cent at the end of the corresponding period of 2018.

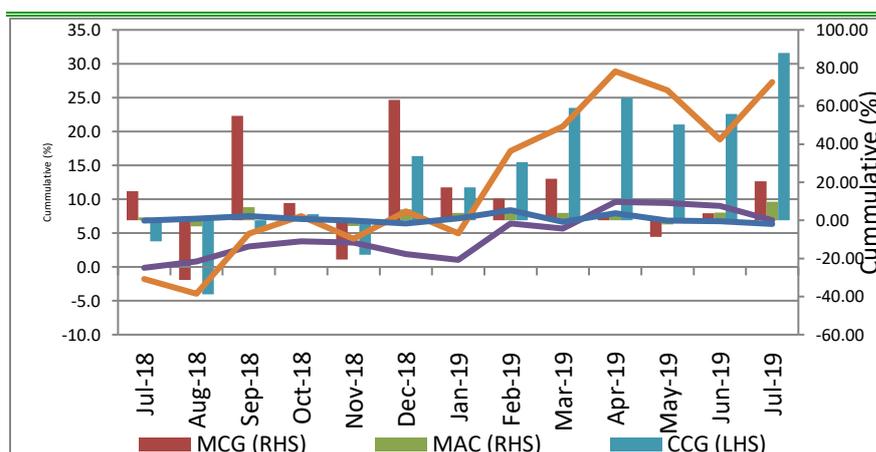
Net claims on the Federal Government, on month-on-month basis, grew by 20.5 per cent to ₦9,138.1 billion at end-July 2019, compared with the growth of 3.7 per cent and 15.4 per cent at end-June 2019 and the corresponding period of 2018, respectively. The growth in net claims of the Federal Government reflected the increase in holdings of government securities by the banking system. Over the level at end-December 2018, net claims on the Federal Government rose by 87.8 per cent, compared with the growth of 55.8 per cent

MM1 and MM3 represent month-on-month changes, while CM1 and CM3 represent cumulative changes (year-to-date changes or growth over preceding December)

at the end of the preceding month. It, however, contrasted with the decline of 11.1 per cent recorded at the end of the corresponding period of 2018.

Relative to the level at end-June 2019, banking system credit to the private sector declined by 1.9 per cent at end-July 2019, compared with the decline of 0.5 per cent and 0.1 per cent at end-June 2019 and the corresponding period of 2018 respectively. The development was attributed, to the 3.3 per cent and 1.8 per cent fall in claims on state and local governments and the core private sector, respectively. Over the level at end-December 2018, banking system credit to the private sector grew by 6.9 per cent, compared with the growth of 9.0 per cent at the end of the preceding month (Figure 2, Table 1).

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



Net foreign assets (NFA) of the banking system, on month-on-month basis, fell by 4.4 per cent to ₦17,663.3 billion at end-July 2019, compared with the respective decline of 3.3 per cent and 3.0 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The fall in NFA was, due, mainly to the 3.1 per cent and 24.2 per cent decline in foreign asset holdings of the CBN and banks, respectively. Over the level at end-December 2018, NFA fell by 4.0 per cent at end-July 2019, in contrast to the increase of 0.4 per cent and 14.6 per cent at end-June 2019 and the corresponding period of 2018, 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).

Other Assets (net) of the banking system fell by 3.2 per cent to negative ₦15,399.8 billion at end-July 2019, compared with the 3.1 per cent and 2.2 per cent decline at end-June 2019 and the corresponding period of 2018, respectively. The development was, due, to the fall in the unclassified assets of banks. Relative to the level at end-December 2018, other assets (net) grew by 22.1 per cent, compared with the growth of 26.1 per cent and 7.7 per cent at end-June 2019 and the corresponding period of 2018, respectively.

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

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-18	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Domestic Credit (Net)	1.6	-3.2	6.0	1.8	-3.0	5.8	3.9	6.5	4.0	3.6	-2.2	0.5	3.4
Claims on Federal Government (Net)	15.4	-31.4	54.9	9.2	-20.6	63.3	17.3	11.4	21.8	3.4	-8.7	3.7	20.5
Claims on Private Sector	-0.1	0.9	2.2	0.7	-0.2	-1.7	1.1	5.3	-0.7	3.7	-0.1	-0.4	-1.9
Claims on Other Private Sector	0.2	1.4	1.8	1.7	-0.2	-1.7	0.7	5.2	-0.4	4.0	0.2	-0.4	-1.8
Foreign Assets (Net)	-3.0	3.5	2.2	-0.2	1.2	-3.1	-3.2	-4.4	-1.2	3.0	10.3	-3.3	-4.4
Other Assets (Net)	2.2	2.7	-7.3	5.1	3.2	4.5	-1.0	15.3	0.3	5.1	5.9	-3.1	-3.2
Broad Money Supply (M3)	0.6	0.7	3.9	3.8	-0.5	4.7	1.1	-2.6	3.0	2.7	0.4	0.4	2.2
Quasi-Money	1.4	0.8	2.7	0.0	-0.1	3.6	2.0	-0.7	2.4	2.7	0.6	1.9	0.6
Narrow Money Supply (M1)	-0.3	-2.1	3.0	4.5	-4.9	10.0	-5.2	-1.0	-0.8	2.9	1.1	-2.0	2.5
Money Supply (M3)	0.6	0.7	3.9	3.8	-0.5	4.7	1.1	-2.6	3.0	2.7	0.4	0.4	2.2
Reserve Money (RM)	4.1	1.0	1.7	7.7	-7.1	4.8	4.9	-4.3	1.1	9.7	2.6	-0.8	-7.5

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

Currency-in-circulation, on month-on-month basis, fell by 0.5 per cent to ₦2,003.1 billion at end-July 2019, compared with the decline of 4.6 per cent and 4.0 per cent at the end of the preceding month and the corresponding period of 2018, respectively. The development relative to the preceding month, reflected the fall in its currency outside banks component.

Deposits of banks and the Federal Government with the CBN, on month-on-month basis, declined, while deposits of the private sector with the CBN, rose relative to the levels at the end of the preceding month. Overall, aggregate deposit at the CBN declined by 8.1 per cent to ₦14,710.27 billion at end-July 2019. Of the total deposits at the CBN, the shares of the Federal Government, banks and the private sector were 41.5 per cent, 37.2 per cent and 21.3 per cent, respectively.

Reserve money (RM) fell in the review month.

Reserve money fell by 7.5 per cent to ₦7,479.1 billion at end-July 2019. The downward movement in reserve money reflected mainly the 0.5 per cent decline in Currency-in-

Circulation.

2.3 Money Market Developments

During the review period, major financial market indicators remained relatively stable due to efficient liquidity management strategy of the Bank in both the domestic and foreign exchange markets. There was liquidity pressure in the market towards the end of the month arising from provisioning and settlement for foreign exchange purchases. The liquidity pressure was moderated via Open Market Operations (OMO) auctions. Macroeconomic indices remained positive with inflation rate decelerating. Declining crude oil prices led to reduction in foreign exchange reserves.

Fluctuation in domestic interbank rates were influenced largely, by the level of liquidity triggered, by inflow through fiscal disbursements, maturing Central Bank of Nigeria (CBN) bills and the Federal Government of Nigeria (FGN) securities. Market participants continued to assess the Bank's discount windows to enable them square up their positions at the end of each business day.

The Monetary Policy Rate (MPR) remained at 13.50 per cent with the asymmetric corridors at +200/-500 bps for lending and deposit, while the Cash Reserve Requirements (CRR) and Liquidity Ratio (LR) stood at 22.50 per cent and 30.00 per cent, respectively.

The total value of money market assets outstanding in August 2019 was ₦12.44 billion, showing an increase of 1.4 per cent, compare with the growth of 1.2 per cent in the preceding month. The development was attributed, wholly, to the 0.6 per cent increase in the FGN Bonds outstanding.

2.3.1 Interest Rate Developments

Money market rates were generally stable and moved in tandem with the level of liquidity in the review period. Short-term money market rates traded below the MPR of 13.50 per cent in the major parts of the review period. Provisional data indicated that movements in banks' deposit and lending rates were mixed in August 2019. With the exception of the 7-day deposit rate, which rose slightly by 0.01 per cent above the level in the preceding month, and the 1-month deposit rate, which remain unchanged, all other deposit rates of various maturities fell from a range of 9.38 per cent – 10.42 per

Staff estimates indicated that banks' deposit and lending rates were mixed in the review month.

cent in the preceding month to a range of 9.36 per cent – 10.39 per cent in August 2019.

The weighted average prime lending rate rose by 0.17 percentage point to 15.63 per cent, while the maximum lending rate declined slightly by 0.02 percentage point to 31.06 per cent in August 2019. Consequently, the spread between the average term deposit and the maximum lending rates narrowed by 0.13 percentage point to 25.20 percentage points at end-August 2019. Similarly, the spread between the average savings deposit and maximum lending rates narrowed by 0.04 percentage point to 27.04 percentage points at end-August 2019.

The average inter-bank rate, which stood at 6.79 per cent at end-July 2019, rose by 1.21 percentage point to 8.00 per cent at end-August 2019. The Open-buy-back (OBB) rate, which stood at 7.73 per cent in the preceding month, rose by 4.61 percentage points to 12.34 per cent at end-August 2019. Similarly, the Nigeria inter-bank offered rate (NIBOR), for the 30-day tenor, rose to 11.98 per cent in the review period, compared with 11.86 per cent at end-July 2019. With headline inflation at 11.02 per cent in August 2019, 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)

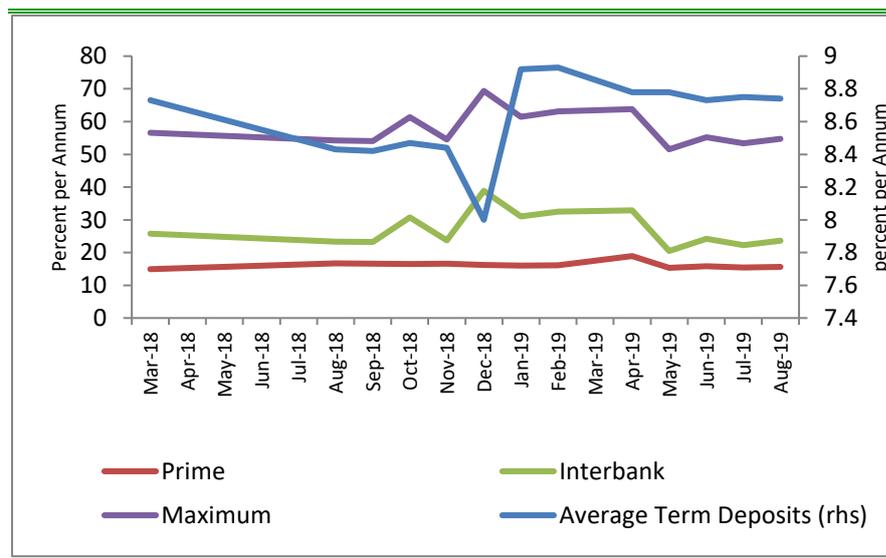


Table 2: Selected Interest Rates (Percent, Averages)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Average Term Deposits	8.43	8.42	8.47	8.44	8	8.92	8.93	8.73	8.67	8.78	8.73	8.75	8.74
Prime Lending	16.65	16.59	16.53	16.59	16.17	16.01	16.08	14.92	18.92	15.33	15.8	15.46	15.63
Interbank Call	6.64	6.64	14.18	7.17	22.68	15	16.45	11.5	13.98	5.14	8.38	6.79	8
Maximum Lending	30.93	30.77	30.67	30.79	30.52	30.48	30.56	30.89	30.89	31.07	31.04	31.07	31.06

2.3.2 Commercial Paper (CP)

Commercial Paper (CP) outstanding held by commercial banks stood at ₦36.91 billion at the end of the review month, showing a decrease of 10.4 per cent, compared with ₦41.20 billion recorded in the month of July 2019. Thus, CP constituted 0.3 per cent of the total value of money market assets outstanding in the review period, same as in the preceding month.

2.3.3 Bankers' Acceptances (BAs)

At end-August 2019, BAs stood at ₦1.45 billion, representing a decline of 59.2 per cent. Consequently, BAs accounted for 0.01 per cent of the total value of money market assets outstanding at the end of the review period, compared with 0.03 per cent at the end of the preceding month.

2.3.4 Certificate of Deposits (CDs)

Certificate of Deposits (CDs) declined by 0.02 per cent to ₦59.67 billion in the review period, compared with ₦59.68 billion in the preceding month. At that level, CDs constituted 0.5 per cent of total money market assets outstanding in August 2019, compared with level at the end of the preceding month.

2.3.5 Open Market Operations

The Bank continued to intervene through the conduct of direct Open Market Operations (OMO), to realise its monetary policy objectives in August 2019. The tenors to maturity of the instruments ranged from 85 to 364 days. Total amount offered, subscribed to and allotted, stood at ₦360.00 billion, ₦681.65 billion and ₦115.95 billion, respectively. The bid rates ranged from 11.2500 per cent to 15.0000 per cent, while the stop rates were from 11.30000 per cent to 12.8800 per cent. Repayment of matured CBN bills was ₦487.59 billion, translating to a net injection of ₦371.64 billion.

2.3.6 Primary Market

At the Government securities market, NTBs and long-term FGN Bonds were issued on behalf of the Debt Management Office (DMO) in the review period. NTBs of 91-, 182- and 364-day tenors, amounting to ₦466.20 billion, ₦858.43 billion and ₦466.20 billion were offered, subscribed to and allotted, respectively. At the 91-day auction, total subscription and allotment were ₦92.09 billion and ₦56.78 billion, respectively, with the bid rates ranging from 9.0000 per cent to 12.4990 per cent, while the stop rates were 9.7000 per cent, 9.7500 per cent and 11.1000 per cent. For the 182-day auction, total subscription and allotment, were ₦126.98 billion and ₦75.44 billion, respectively. The bid rates ranged from 10.0000 per cent to 15.0000 per cent, while the stop rates were 10.6000 per cent, 11.3500 per cent and 11.5878 per cent. At the 364-day auction, total subscription and allotment were ₦649.35 billion and ₦334.00 billion, respectively, with bid rates ranging from 10.5000 per cent to 14.3450 per cent, while stop rates were 11.1800 per cent, 12.0000 per cent and 12.8900 per cent. On all the maturities, the stop rates ranged from 9.7000 per cent to 12.8900 per cent.

2.3.7 Bonds Market

Tranches of the 5-, 10- and 30-year bonds were reopened and offered for sale in the review period. Terms to maturity of the bonds ranged from 3 years 8 months to 29 years 8 months. Total amount offered, subscribed to and allotted were ₦145.00 billion, ₦95.09 billion and ₦15.03 billion, respectively. The bid rates ranged from 12.75 to 15.75 per cent, while the marginal rates for the 5-, 10-, and 30-year bonds were 14.29 per cent, 14.39 per cent and 14.59 per cent, respectively. For all the tenors, the marginal rates were from 12.75 per cent to 15.7500 per cent. Investors showed a strong preference for the 30-year bond with total subscription of ₦47.21 billion, compared with ₦55.00 billion that was offered. This could be attributed to the renewed investors' confidence in the market.

2.3.8 CBN Standing Facilities

The commercial banks and the merchant banks continued to access the Standing Facilities window to square up their positions in August 2019. The trend at the CBN standing facilities window showed more patronage at the Standing Lending Facility (SLF) window, reflecting the liquidity squeeze in the market. Applicable rates for the SLF and Standing Deposit Facility (SDF) remained at 15.50 per cent and 8.50 per

cent, respectively.

The total SLF granted during the review period was ₦2,867.77 trillion, (inclusive of Intra-day Lending Facility (ILF) converted to overnight repo). Daily average was ₦179.24 billion in the 16 transaction days in August 1 – 26, 2019. Total interest earned was ₦1.87 billion.

The total SDF granted during the review period was ₦257.35 billion with a daily average of ₦16.08 billion in the 16 transaction days. Daily request ranged from ₦0.15 billion to ₦34.60 billion. Cost incurred on SDF in the month stood at ₦0.09 billion.

2.4 Banks' Activities

Total assets and liabilities of commercial banks amounted to ₦40,175.6 billion at end-July 2019, showing 1.4 per cent increase, compared with the level at the end of the preceding month. Funds were sourced, mainly, from sale of foreign assets, increased demand deposits and unclassified liabilities. The funds were used mainly, to increase claims on the Federal Government and private sector.

Commercial banks' credit to the domestic economy rose by 2.3 per cent to ₦21,557.4 billion at end-July 2019, compared with the level at the end of the preceding month. The development was attributed to the rise in claims on the Federal Government and private sector components.

Banks' credit to the domestic economy rose by 2.3 per cent.

Total specified liquid assets of banks stood at ₦14,188.73 billion at end-July 2019, representing 60.1 per cent of their total current liabilities. At that level, the liquidity ratio was 0.5 percentage point above the level at the end of the preceding month, and was 35.4 percentage points above the stipulated minimum liquidity ratio of 30.0 per cent. The loans-to-deposit ratio, at 57.42 per cent, was 0.2 percentage point lower than the level at the end of the preceding month and was lower than the maximum ratio of 80.0 per cent by 22.6 percentage points.

2.5 Capital Market Developments

2.5.1 Secondary Market

Activities on the Nigerian Stock Exchange (NSE) were mixed in August 2019, as the All Share Index (ASI) fell, while the aggregate market capitalisation rose at the end of the review period. The turnover volume and value of traded securities

rose by 8.6 per cent and 10.8 per cent, respectively, to 6.0 billion shares and ₦62.04 billion, in 69,801 deals, compared with 5.52 billion shares worth ₦56.00 billion, in 78,094 deals, at end-July 2019 (Figure 4, Table 3).

Figure 4: Volume and Value of Traded Securities

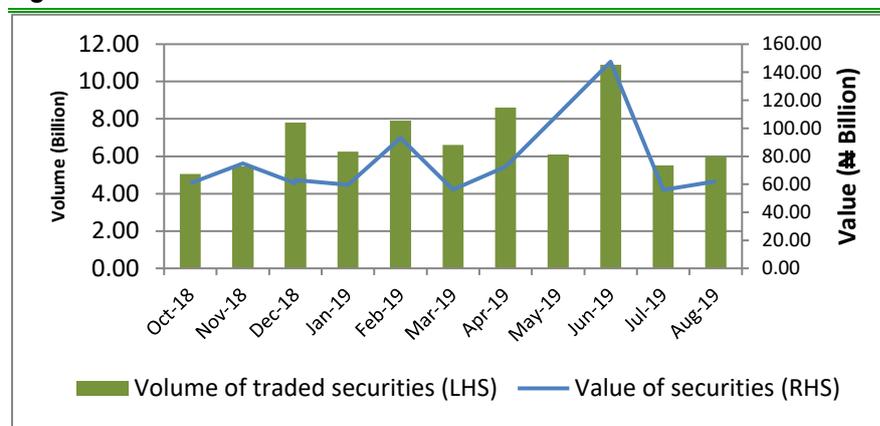


Table 3: Traded Securities on the Nigerian Stock Exchange (NSE)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Volume (Billion)	5.4	4.2	5.1	5.5	7.8	6.2	7.9	6.6	8.6	6.1	10.9	5.5	6.0
Value (₦ Billion)	66.9	65.1	60.7	74.9	62.9	59.6	93.0	56.1	72.6	109.9	147.5	56.0	62.0

2.5.2 New/Supplementary Issues Market

There was one (1) new listing in the review period (Table 4).

Table 4: New Listing on the Nigerian Stock Exchange August 2019

S/N	Company	Additional Shares (Units)	Reasons	Listing
1	Red Star Express Plc	294.75 million Ordinary Shares	Proposed Right Issue	New Listing

2.5.3 Market Capitalisation

The aggregate market capitalisation rose by 1.1 per cent to ₦26.24 trillion above ₦25.96 trillion recorded at end-July 2019. Market capitalisation for the equities segment fell by 0.9 per cent to ₦13.40 trillion, and constituted 51.1 per cent of the total market capitalisation, compared with ₦13.52 trillion, constituting 52.1 per cent of the total at the end of the preceding month (Figure 5, Table 4).

2.5.4 NSE All-Share Index

The All-Share Index, which opened at 27,718.26 at the beginning of the month, closed at 27,525.81, representing a decline of 0.7 per cent, compared with the level in the preceding month.

Developments in the sectoral indices were, however, mixed. With the exception of NSE Industrial index and NSE Premium index, which rose by 1.6 per cent and 1.2 per cent,

respectively, all other sectoral indices finished lower in the review period. The NSE Oil/Gas, NSE-Insurance, NSE Pension, NSE-Consumer Goods, NSE Banking, NSE-Lotus Islamic and NSE AseM indices fell by 12.2 per cent, 7.7 per cent, 4.4 per cent, 4.1 per cent, 3.6 per cent, 2.7 per cent and 0.1 per cent, respectively, relative to their levels at the end of the preceding month (Figure 5, Table 5).

Figure 5 : Market Capitalisation and All-Share Index



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

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Aggregate Market Capitalization (₦ trillion)	21.68	21.82	22.3	21.7	24.5	25.73	25.96	26.24
All-Share Index	30,557.20	31,721.76	31,041.42	29,159.74	31,069.37	29,966.87	27,718.26	27,525.81

3.0 Fiscal Operations⁴

Federally-collected revenue in August 2019 was below the monthly budget by 29.4 per cent and the receipts collected in July 2019 by 5.6 per cent. Federal Government retained revenue for the review month was ₦308.13 billion, while total expenditure was ₦464.31 billion, resulting in a deficit of ₦156.18 billion.

3.1 Federation Account Operations

At ₦879.39 billion, the federally-collected revenue (gross) in August 2019 fell below the monthly budget estimate of ₦1,246.07 billion by 29.4 per cent. It also, fell below the receipt of ₦931.93 billion in the preceding month by 5.6 per cent. The decrease, relative to the monthly budget estimate, was attributed to the shortfall in both oil and non-oil revenue (Fig. 6, Table 6).

At ₦879.39 billion, the estimated federally-collected revenue (gross) in August 2019 fell short of the monthly budget of ₦1,246.07 billion by 29.4 per cent.

Figure 6 : Components of Gross Federally-Collected Revenue

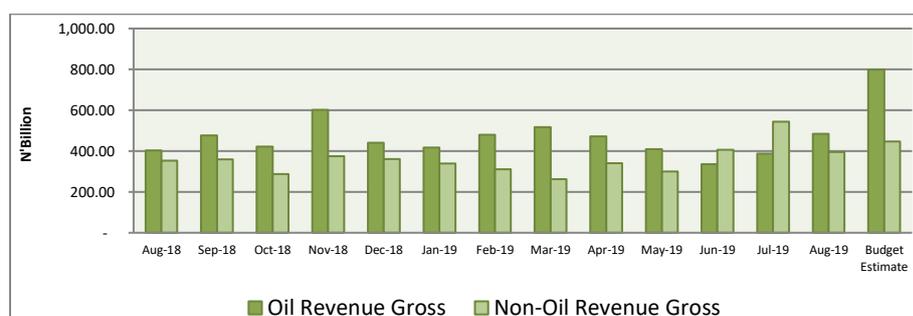


Table 6: Gross Federation Account Revenue (₦ billion)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Budget Est
Federally-collected Revenue(Gross)	756.4	836.6	710.2	977.6	801.9	755.8	790.7	778.8	813.0	710.3	742.2	931.9	879.4	1,246.1
Oil Revenue	403.6	477.1	422.1	601.9	441.3	417.3	479.5	516.9	472.4	410.2	336.6	387.7	484.8	798.8
Non-oil Revenue	352.8	359.5	288.1	375.7	360.6	338.5	311.2	261.9	340.6	300.1	405.6	544.2	394.6	447.2

Oil receipts at ₦484.75 billion or 55.1 per cent of total revenue, was below the monthly budget of ₦798.83 billion by 39.3 per cent. However, it exceeded the receipt of ₦387.74 billion in the preceding month by 25.0 per cent. The decrease in oil revenue relative to the monthly budget was attributed to shut-ins and shut-downs at some NNPC terminals due to pipeline leakages and maintenance activities (Figure 7, Table 7).

At ₦484.75 billion, oil receipts (gross) was below the monthly budget by 39.3 per cent, and constituted 55.1 per cent of the total revenue.

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

Figure 7: Gross Oil Revenue and its Component

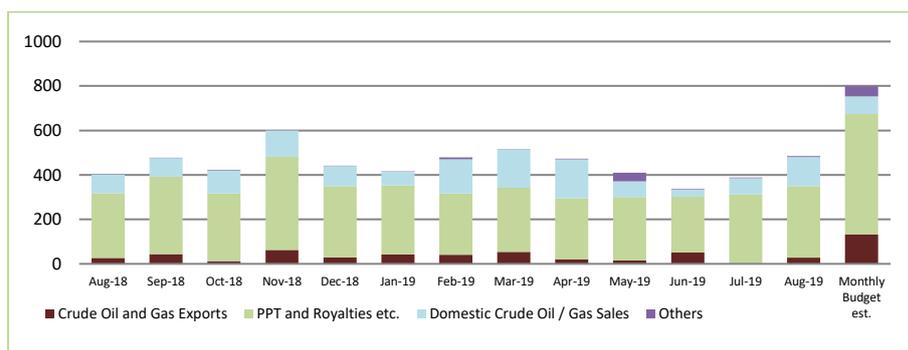


Table 7: Components of Gross Oil Revenue (N' billion)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Budget
Oil Revenue	403.6	477.1	422.1	601.9	441.3	417.3	479.5	516.9	472.4	410.2	336.6	387.7	484.8	798.8
Crude Oil and Gas Exports	26.8	43.4	11.6	62.2	29.8	41.8	41.5	53.8	20.8	14.7	51.4	0.0	28.4	132.5
PPT and Royalties etc.	291.5	348.8	305.0	420.1	319.1	310.5	275.5	288.0	274.5	286.0	250.2	312.1	321.4	541.6
Domestic Crude Oil / Gas Sales	84.4	84.3	103.8	118.8	91.5	63.8	153.0	173.6	174.9	70.3	32.4	73.2	130.5	78.7
Others	0.8	0.6	1.7	0.8	0.9	1.2	9.5	1.5	2.1	39.1	2.6	2.4	4.4	46.0

¹/includes education tax, customs special levies, (federation and non federation) & National Information Technology Development Fund (NITF), Solid Minerals and other mining revenue

At ₦394.64 billion, non-oil receipts (gross) was lower than the monthly budget by 11.8 per cent and constituted 44.9 per cent of total revenue.

Similarly, at ₦394.64 billion or 44.9 per cent of total revenue, non-oil receipt was below the monthly budget of ₦447.24 billion and the preceding month's earning of ₦544.19 billion by 11.8 per cent and 27.5 per cent, respectively. The drop in collection relative to the monthly budget was due to the decline in revenue from Corporate Tax and Federal Government Independent Revenue (Figure 8, Table 8).

Figure 8 : Gross Non-Oil Revenue and its Components

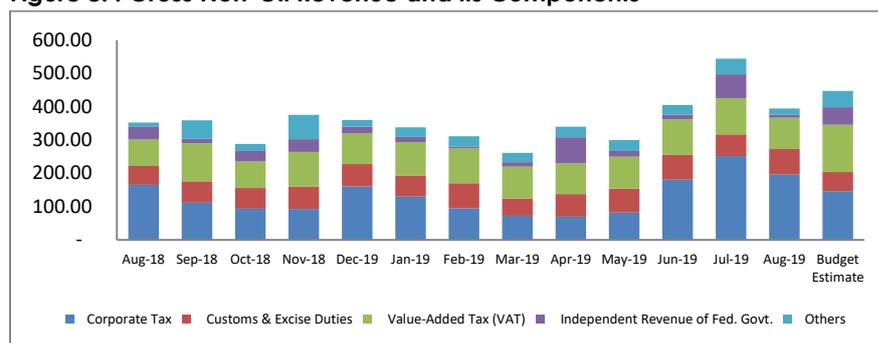


Table 8: Components of Gross Non-Oil Revenue (₦ billion)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Bud. Est
Non-Oil Revenue	352.8	359.5	288.1	375.7	360.6	338.5	311.2	261.9	340.6	300.2	405.6	544.2	394.6	447.2
Corporate Tax	166.0	112.0	94.0	92.5	160.6	130.5	94.5	72.2	69.3	81.9	181.4	251.8	196.3	146.8
Customs & Excise Duties	55.8	63.8	62.2	67.0	67.1	62.8	76.1	52.1	68.9	71.8	74.3	65.1	76.7	57.4
Value-Added Tax (VAT)	79.8	114.5	79.2	105.2	92.1	100.8	104.5	96.4	92.2	96.5	106.8	108.6	94.2	142.0
Independent Revenue of Fed. Govt.	37.7	13.3	31.9	38.1	20.0	15.8	5.5	13.3	77.8	16.9	14.3	72.3	8.3	52.6
Others 1/	13.4	55.9	20.7	72.9	20.8	28.7	30.6	27.8	32.5	33.1	28.8	46.4	19.2	48.4

1/ Includes Education Tax, Customs special levies (Federation and Non-Federation) & National Information Technology Development Fund (NITDF), Solid Minerals and Other Mining Revenue.

Of the total, ₦703.15 billion was retained in the Federation Account. The sums of ₦90.39 billion, ₦8.33 billion, and ₦19.16 billion were transferred to the VAT Pool Account, Federal Government Independent revenue, and "Others", respectively, leaving a net balance of ₦585.27 billion for distribution to the three (3) tiers of government. Of this amount, the Federal Government received ₦285.77 billion, while the state and local governments received ₦144.94 billion and ₦111.75 billion, respectively. The balance of ₦42.82 billion was shared among the oil producing states as 13% Derivation Fund.

Similarly, from the ₦90.39 billion transferred to the VAT Pool Account, the Federal Government received ₦13.56 billion, while the state and local governments received ₦45.20 billion and ₦31.64 billion, respectively.

In addition, the sum of ₦1.00 billion was distributed in the month as Exchange Gain, with the Federal, state and local governments receiving ₦0.47 billion, ₦0.24 billion and ₦0.19 billion, respectively, while the 13% Derivation Fund received ₦0.10 billion.

Overall, total allocation to the three tiers of government in August 2019 amounted to ₦676.67 billion. This was below the monthly budget of ₦1,090.67 billion and the preceding month's allocation of ₦700.68 billion by 38.0 per cent and 3.4 per cent, respectively.

3.2 The Fiscal Operations of the Three Tiers of Government

3.2.1 The Federal Government

At ₦308.13 billion, the Federal Government retained revenue was below the monthly budget by 56.3 per cent.

At ₦308.13 billion, the Federal Government retained revenue for the month of August 2019 was below the monthly budget of ₦705.44 billion by 56.3 per cent. A breakdown showed that Federation Account was 92.7 per cent of the total retained revenue, while VAT, FGN Independent Revenue and Exchange Gain amounted to 4.4 per cent, 2.7 per cent and 0.2 per cent, respectively (Figure 9, Table 9).

Figure 9: : Federal Government Retained Revenue

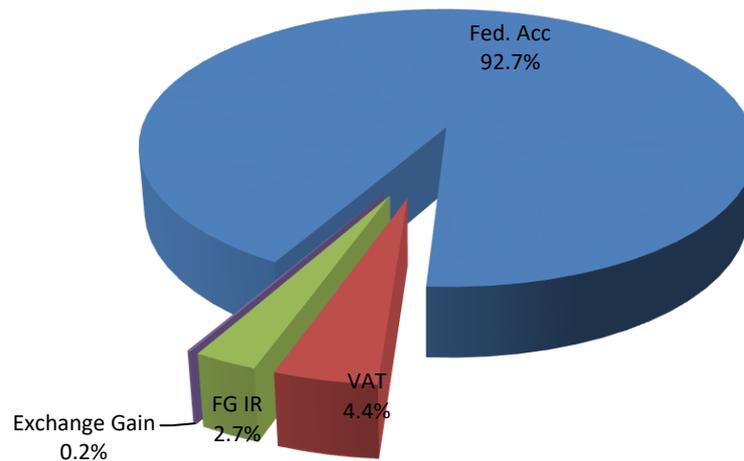


Table 9: Federal Government Fiscal Operations (₦ billion)

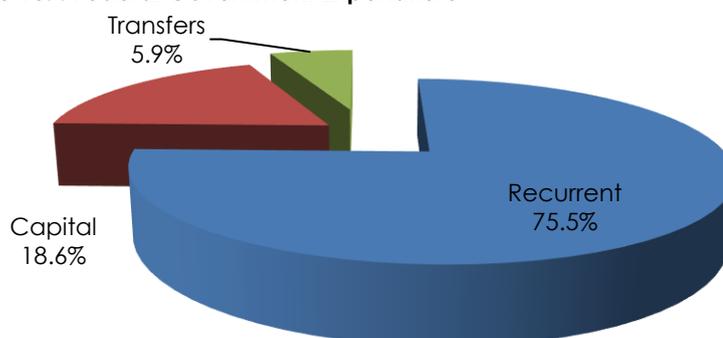
	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Budget Est.
Retained Revenue	336.0	350.1	437.5	342.6	364.4	343.4	318.1	392.2	386.2	279.7	310.6	381.8	308.1	705.4
Federation Account	269.8	274.9	263.4	284.4	280.9	255.2	232.8	221.0	208.4	239.7	268.2	293.3	285.8	445.1
VAT Pool Account	11.5	16.5	11.4	15.1	13.3	14.5	15.0	13.9	13.3	13.9	15.4	15.6	13.6	20.5
FGN Independent Revenue	37.7	13.3	31.9	38.1	20.0	15.8	5.5	13.3	77.8	16.9	14.3	72.3	8.3	52.6
Excess oil revenue	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.6
Others /Exchange Gain/Recovere	11.5	45.5	130.8	5.0	50.2	57.9	64.8	144.0	86.7	9.3	12.6	0.5	0.5	179.6
Expenditure	555.3	808.9	758.0	669.0	590.6	868.3	1098.2	532.3	1005.0	499.5	814.5	490.9	464.3	865.3
Recurrent	475.5	589.0	565.3	364.2	428.9	672.7	860.0	371.0	688.3	242.5	604.7	371.6	350.4	613.7
Capital	41.8	181.8	154.6	266.8	123.7	157.3	200.0	122.9	278.3	218.6	171.4	29.7	86.3	209.8
Transfers	38.0	38.0	38.0	38.0	38.0	38.2	38.2	38.4	38.4	38.4	38.4	89.5	27.6	41.8
Overall Balance:														
Surplus(+)/Deficit(-)	-219.3	-458.7	-320.6	-326.4	-226.3	-524.9	-780.1	-140.1	-618.9	-219.8	-503.9	-109.1	-156.2	-159.9

1/ Revised

2/ Provisional

At ₦464.31 billion, the estimated total expenditure of the Federal Government was below the monthly budget estimate of ₦865.31 billion by 46.3 per cent. It was also below the ₦490.87 billion recorded in the preceding month by 5.4 per cent. A breakdown showed that recurrent and capital expenditure constituted 75.5 per cent and 18.6 per cent of the total expenditure, respectively, while transfers constituted 5.9 per cent, in the review period (see Fig. 5). Of the recurrent expenditure, non-debt obligation was 69.3 per cent, while debt service payments accounted for 30.7 per cent of the total (Figure 10).

Figure 10: Federal Government Expenditure



Consequently, the fiscal operations of the Federal Government resulted in an deficit of ₦156.18 billion, compared with the monthly budget deficit of ₦159.87 billion.

3.2.2 Statutory Allocations to State Governments

Total statutory allocations to the State Governments amounted to ₦233.30 billion. This was lower than the monthly budget and preceding month's receipt of ₦392.62 billion and ₦239.86 billion by 40.6 per cent and 2.7 per cent, respectively.

The fiscal operations of the FG resulted in an deficit of ₦156.18 billion, relative to the monthly budget deficit of ₦159.87 billion.

The Federation Account Allocation, at ₦188.10 billion or 80.6 per cent of the total statutory allocation, was below the monthly budget of ₦324.37 billion by 42.0 per cent. Similarly, the allocation from the VAT Pool Account, at ₦45.20 billion or 19.4 per cent of the total, fell below the monthly budget of ₦68.26 billion by 33.8 per cent.

3.2.3 Statutory Allocations to Local Government Councils

Allocation to Local Governments from the Federation and VAT Pool Accounts in the month of August stood at ₦143.57 billion. This represented a decrease of 36.1 per cent, relative to the monthly budget of ₦224.82 billion.

At ₦111.93 billion or 75.9 per cent of the total, allocation from the Federation Account was below the monthly budget of ₦177.04 billion by 36.8 per cent. Similarly, the share from the VAT Pool Account, at ₦31.64 billion or 22.0 per cent of the total, fell below the monthly budget of ₦47.78 billion by 33.8 per cent (Table 10).

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

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Budget Est
SG Federation Account	195.2	192.5	205.5	202.6	216.1	175.3	162.4	158.6	173.8	168.1	176.8	187.7	188.1	324.4
SG VAT	38.3	55.0	38.0	50.5	44.2	48.4	50.1	46.3	44.2	46.3	51.3	52.1	45.2	68.3
SG Total	233.6	247.5	243.5	253.1	260.3	223.7	212.5	204.9	218.1	214.4	228.0	239.9	233.3	392.6
LG Federation Account	112.1	107.5	112.9	111.36	122.6	100.0	92.8	87.4	95.6	93.9	105.1	114.9	111.9	177.0
LG VAT	26.8	38.5	26.6	35.3	30.9	33.9	35.1	32.4	31.0	32.4	35.9	36.5	31.6	47.8
LG Total	139.0	146.0	139.5	146.7	153.5	133.8	127.9	119.8	126.6	126.3	141.0	151.4	143.6	224.8
Total Statutory Revenue and VAT	372.5	393.5	383.0	399.8	413.8	357.5	340.5	324.7	344.7	340.7	369.0	391.2	376.9	617.4

4.0 Domestic Economic Conditions

The predominant agricultural activities in August 2019 were the harvesting of tuber crops, staple crops and legumes both in the Southern and Northern parts of the country. In the livestock sub-sector, farmers continued with the restocking of cows, rams and birds. The end-period headline inflation, on year-on-year and twelve month moving average bases, was 11.02 per cent and 11.27 per cent, respectively, in August 2019.

4.1 Agricultural Sector

Agricultural activities in various parts of the country received a boost, as a result of improved rainfall witnessed in August 2019. Mild-to-severe rainfall was witnessed in some parts of the country such as, Akwa Ibom, Cross River, Imo, Plateau, Kaduna, Zamfara and the Federal Capital Territory (FCT), with few cases of flooding, which destroyed large hectares of farmlands in some Northern states, such as, Borno, Niger and Kano during the month. However, as more wet conditions prevailed in most parts of the country, agricultural, maritime, hydro-power generation, fishing, water resources development and other socioeconomic activities were enhanced largely.

The predominant agricultural activities during the period were the harvesting of tuber crops, staple crops and legumes, in the southern and northern parts of the country. In the livestock sub-sector, farmers continued with the restocking of cows, rams and birds as a result of sales made during the Id-el-kabir festivity.

4.2 Agricultural Credit Guarantee Scheme

The Agricultural Credit Guarantee Scheme (ACGS) guaranteed a total of ₦338.6 million to 2,269 farmers in August 2019. The amount represented a decrease of 18.8 per cent and 32.2 per cent below the levels in the preceding month and the corresponding period of 2018, respectively. Sub-sectoral analysis showed that food crops got the largest share, amounting to ₦186.7 million (55.1%) guaranteed to 1,629 beneficiaries, followed by livestock, ₦67.3 million (19.9%) guaranteed to 205 beneficiaries. The sum of ₦31.1 million (9.2%) was guaranteed to 96 beneficiaries in the fisheries sub-sector. Cash crops, Mixed crops, and 'Others' got ₦28.4 million (8.4%), ₦15.0 million (4.4%) and ₦10.1 million (3.0%), guaranteed to 172, 74 and 93 beneficiaries, respectively.

Analysis by state showed that 25 states and the FCT benefited

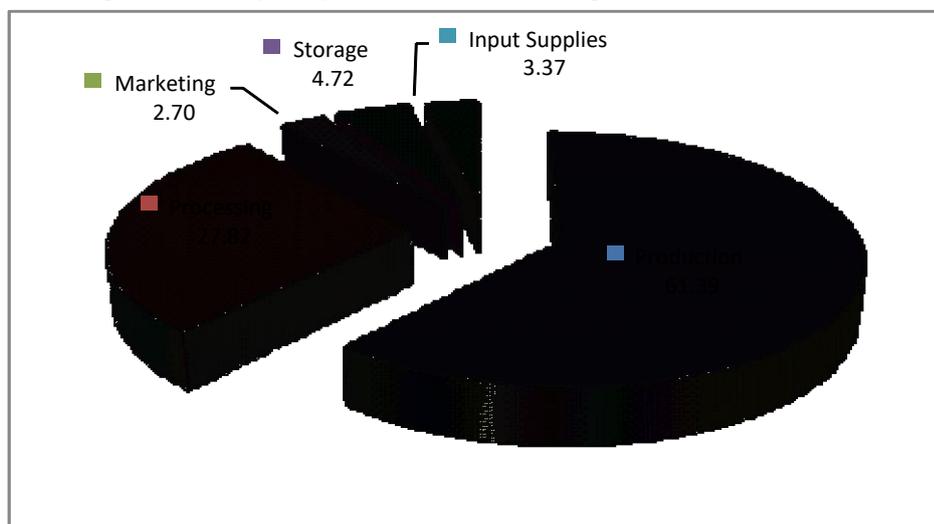
from the Scheme in August 2019, with the highest and lowest sums of ₦94.5 million (27.9%) and ₦0.5 million (0.1%) guaranteed to Gombe and Kaduna states, respectively.

4.3 Commercial Agriculture Credit Scheme

At end-August 2019, seventy-six (76) projects repaid the sum of ₦15.3 billion. Of the seventy six (76) projects, one (1) project was repaid fully and one (1) project was a withdrawal of undisbursed funds, while seventy four (74) projects were steady repayments. The repayment of ₦15.3 billion brought the cumulative repayment under CACS from inception in 2009 to ₦360.5 billion.

Analysis of the number of projects financed under CACS by value chain indicated that of the 593 CACS sponsored projects, production activities accounted for 61.4 per cent and dominated the activities funded, while processing accounted for 27.8 per cent. These were followed by storage, input supplies and marketing, which accounted for 4.7 per cent, 3.4 per cent and 2.7 per cent, respectively (Figure 11).

Figure 11: Analysis by Value Chain as at August 2019



Source: Development Finance Department (DFD)

4.4 Petroleum Sector

Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at 1.93 mbd or 59.83 mb in the review month. This represented an increase of 4.3 per cent, compared with 1.85 mbd or 57.35 mb produced in the preceding month. Crude oil export was estimated at 1.48 mbd or 45.88 mb, representing an increase of 5.7 per cent, compared with 1.40 mbd or 43.40 mb recorded in the

Domestic crude oil and natural gas production was estimated at 1.93 million barrels per day.

preceding month. The allocation of crude oil for domestic consumption was 0.45 mbd or 13.95 mb in the review month.

The average spot price of Nigeria's reference crude oil, the Bonny Light (37° API) at end-August 2019, decreased to US\$61.05/b, compared with US\$66.23/b recorded in July 2019. This represented a decline of 7.8 per cent below the level in the preceding month. The fall in crude oil price was due, largely, to slow demand for crude oil in the global crude oil market. The UK Brent, at US\$58.80/b and the Forcados, at US\$60.82/b, and the WTI at, US\$54.70/b, exhibited similar trend as the Bonny Light. The average OPEC basket of fifteen selected crude streams was US\$59.74/b in August 2019. This showed a decrease of 7.7 per cent and 17.3 per cent below the US\$64.71/b recorded in the preceding month and the corresponding period of 2018, (Appendix 6).

The average prices of Nigeria's reference crude, the Bonny Light and all other competing crudes fell in the review month.

Figure 12: Trends in Crude Oil Prices

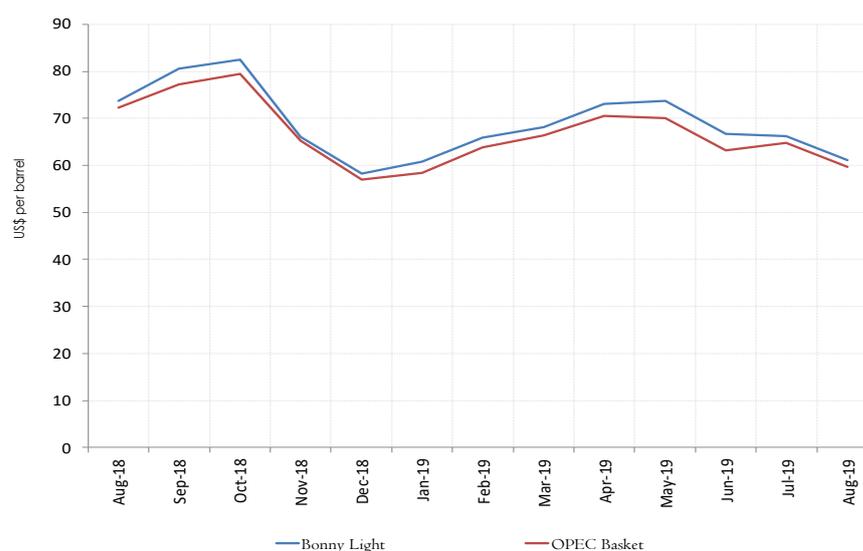


Table 11: Average Crude Oil Prices in the International Oil Market (US\$ per barrel)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Bonny Light	75.68	73.70	80.50	82.53	65.99	60.80	65.83	68.11	73.03	73.70	66.74	66.23	61.05
OPEC Basket	73.30	72.23	77.21	79.40	65.32	58.42	63.80	66.37	70.59	70.01	63.20	64.71	59.74

4.5 Consumer Prices

The general price level rose in August 2019, compared with the level in the preceding month.

The all-items composite Consumer Price Index (CPI), at end-August 2019, was 296.1 (November 2009=100), indicating a 1.2 per cent and 11.2 per cent increase over the respective levels in the preceding month and the corresponding period of 2018.

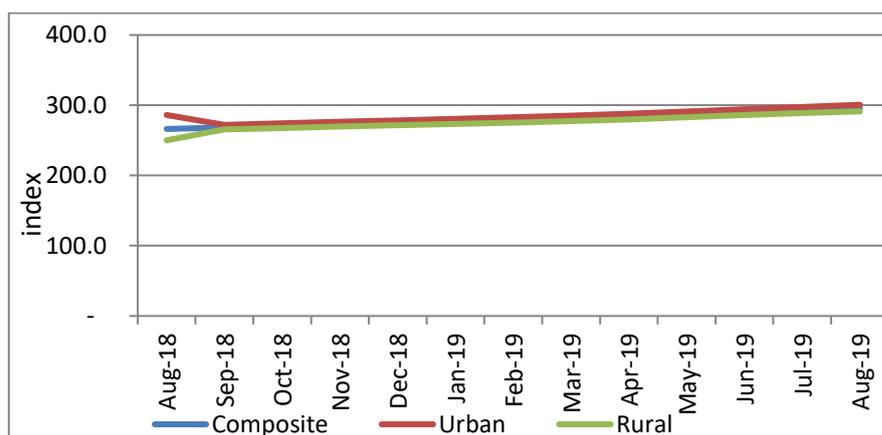
The composite food index (with a weight of 50.7 per cent in the inflation basket) was 323.9 per cent for August 2019, compared with the 319.9 per cent and 286.2 per cent in the preceding month and the level in the preceding month and the corresponding period of 2018, respectively. This represented an increase of 1.2 per cent and 13.1 per cent over the respective comparable periods. The expected rise in prices of food items was due to anticipated hike in prices during the planting season (Figure 13, Table 12).

Table 12: Consumer Price Index (November 2009=100)*5

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Composite	263.4	266.2	268.4	270.4	272.6	276.6	278.8	280.8	283.5	286.6	289.7	292.6	295.5
Urban	267.0	269.7	272.0	274.1	278.5	280.6	282.8	285.0	287.9	291.2	294.4	297.6	300.7
Rural	260.9	263.4	265.5	267.4	271.4	273.4	275.3	277.4	279.9	282.9	285.9	288.6	291.3
CPI - Food	282.2	286.2	289.0	291.4	294.0	298.9	301.3	303.9	307.4	311.7	316.0	319.9	323.9
CPI - Non Food	250.1	251.7	235.7	255.4	256.7	258.8	260.4	261.8	263.7	265.6	267.9	270.0	271.8

*Source: NBS

Figure 13: Consumer Price Index



The year-on-year headline inflation was 11.02 per cent in August 2019.

The headline inflation, on year-on-year, was 11.02 per cent in August 2019, compared with the preceding month's level of 11.08 per cent and 11.14 per cent in the corresponding month

August 2019 figures on CPI and components are actuals.

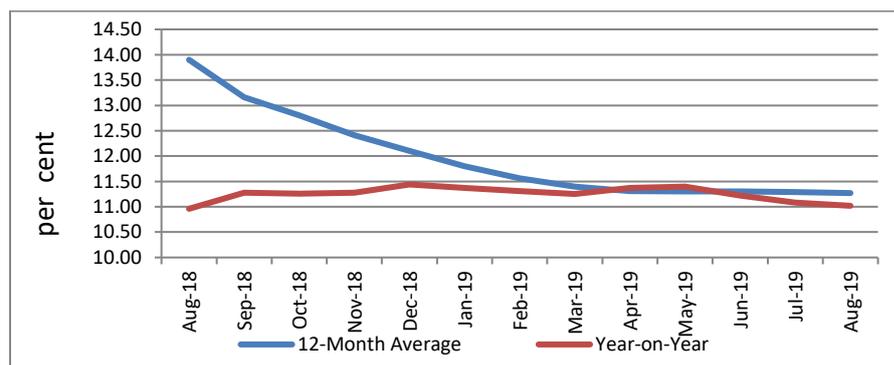
of 2018. The Twelve-Month Moving Average (12MMA) inflation for August 2019 was 11.27 per cent, compared with 11.30 per cent and 13.94 per cent in the preceding month and the corresponding period of 2018, respectively (Figure 14, Table 13).

Table 13: Headline Inflation Rate (%)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
12-Month Average	13.55	13.16	12.78	12.41	12.10	11.80	11.56	11.40	11.31	11.30	11.30	11.29	11.27
Year-on-Year	11.23	11.28	11.26	11.28	11.44	11.37	11.31	11.25	11.37	11.40	11.22	11.08	11.02

Source: NBS

Figure 14: Inflation Rate



5.0 External Sector Developments⁶

On month-on-month basis, foreign exchange inflow into the CBN fell by 0.5 per cent to US\$4.90 billion, while outflow from the CBN rose by 10.9 per cent to US\$6.15 billion in August 2019. This resulted in a net outflow of US\$1.25 billion in August 2019. Total non-oil export receipts by banks fell by 25.3 per cent below the level in July 2019. The average exchange rate at the inter-bank, BDC segment, and the I&E window were ₦306.92/US\$, ₦359.00/US\$ and ₦363.04/US\$, respectively, in the review month. The gross external reserves was US\$42.00 billion at end-August 2019.

5.1 Foreign Exchange Flows

The external sector performance dwindled in the review month on the backdrop of a decline in the international price of crude oil by 8.3 per cent to US\$60.80 per barrel. Consequently, aggregate foreign exchange inflow into the CBN, at US\$4.90 billion, declined by 0.5 per cent, compared with the level in the preceding month. It, however, showed an increase of 23.8 per cent over the level at the end of the corresponding period of 2018. The fall in aggregate foreign exchange inflow into the CBN, relative to the preceding month's level, was attributed, largely, to the decrease in oil receipts.

Aggregate outflow of foreign exchange from the Bank rose by 10.9 per cent to US\$6.15 billion, compared with the level at the end of the preceding month. It, however, indicated 20.4 per cent increase over the level at the end of the corresponding period of 2018. The development was attributed, mainly, to 32.5 per cent increase in interbank utilisation.

Overall, foreign exchange flows through the Bank at end-August 2019 resulted in a net outflow of US\$1.25 billion, compared with a net outflow of US\$0.62 billion and US\$1.15 billion in the preceeding month and the corresponding period of 2018, respectively (Figure 15, Table 14).

⁶ July 2019 data on foreign exchange flows through the CBN and the economy are provisional and subject to change.

Figure 15: Foreign Exchange Flows through the CBN

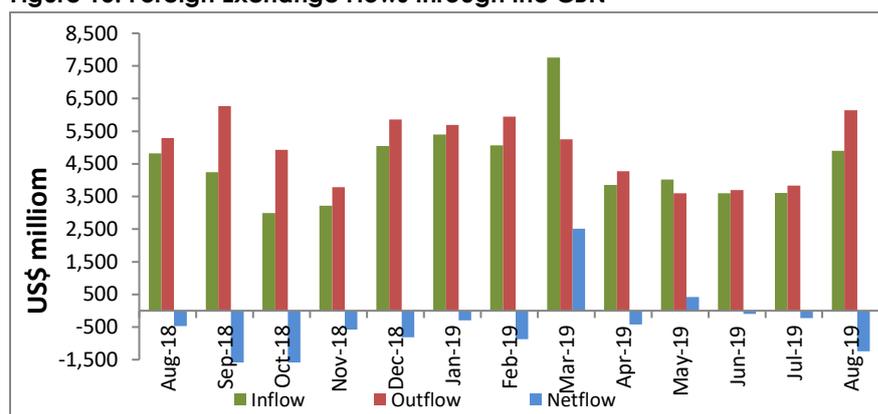


Table 14: Foreign Exchange Flows through the CBN (US\$ million)

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Inflow	4,817.1	4,248.3	2,995.5	3,212.6	5,044.3	5,397.4	5,228.4	7,758.2	3,852.7	4,018.0	3,596.1	3,609.0	4,898.7
Outflow	5,289.2	6,270.2	4,929.0	3,786.9	5,856.8	5,690.2	5,362.4	5,248.9	4,271.0	3,396.2	3,694.9	3,837.5	6,145.1
Netflow	(472.1)	(2,021.9)	(1,933.5)	(574.3)	(812.6)	(292.8)	134.0	2,509.4	(418.4)	421.9	(98.8)	(228.5)	(1,246.4)

Aggregate foreign exchange inflow into the economy amounted to US\$10.49 billion, showing a decline of 1.8 per cent below the level at the end of the preceding month. It, however, showed an increase of 21.9 per cent relative to the level at the end of the corresponding period of 2018. The decline was as a result of 0.5 per cent and 2.6 per cent fall in inflow into the Bank and Autonomous sources, respectively.

Aggregate foreign exchange outflow from the economy, at US\$6.47 billion, rose by 9.6 per cent and 18.8 per cent, above the levels in the preceding month and corresponding period of 2018, respectively. The development was attributed, mainly, to the 32.5 per cent increase in interbank utilisation.

Inflow through autonomous sources, dropped by 2.9 per cent to US\$5.59 billion in August 2019, compared with the level at end-July 2019. Outflow from autonomous sources, on month-on-month basis, fell by 10.0 per cent to US\$0.33 billion, reflecting the decline in invisible imports.

Accordingly, foreign exchange flows into the economy, resulted in a net inflow of US\$4.02 billion in the review period,

compared with US\$4.77 billion and US\$3.15 billion at end-July 2019 and end-August 2018, respectively.

5.2 Non-Oil Export Earnings by Exporters⁷

Total non-oil export earnings, at US\$485.30 million, indicated a decline of 25.3 per cent below the level in July 2019, but showed an increase of 46.5 per cent above the level in the corresponding period of 2018. The fall in earnings from non-oil exports in August 2019 was due to 59.5 per cent and 34.9 per cent decrease in receipts from food and agricultural products, to US\$28.09 million and US\$203.62 million, respectively. Similarly, export receipts from manufactured and mineral products fell by 9.9 per cent and 11.6 per cent to US\$50.95 million and US\$139.62 million, respectively. However, the proceeds from industrial sub-sector rose by 19.3 per cent to US\$63.02 million.

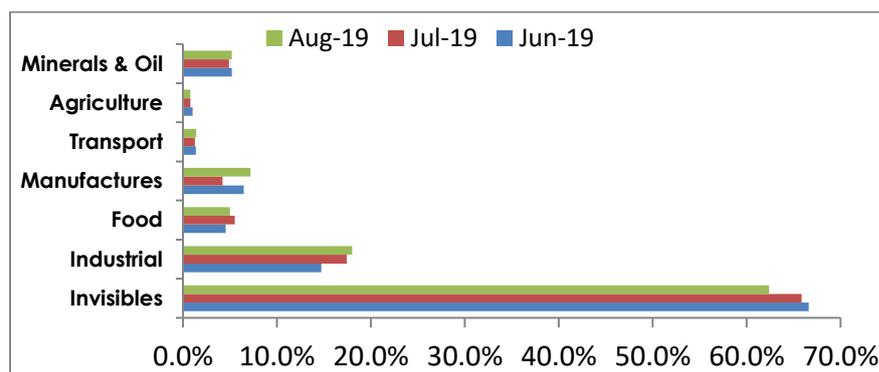
The shares of the various sectors in non-oil export proceeds were: agricultural products, 42.0 per cent; minerals, 28.8 per cent; industrial sector, 13.0 per cent; manufactured products, 10.5 per cent; and food products, 5.7 per cent.

5.3 Sectoral Utilisation of Foreign Exchange

Aggregate sectoral utilisation of foreign exchange rose by 2.1 per cent to US\$3.76 billion in August 2019, compared with the US\$3.68 billion in the preceding month. The invisible sector accounted for the bulk (62.4 per cent) of total foreign exchange disbursed in the review month, followed by the components of the visible sub-sector listed in descending order as follows: Industrial sector, 18.0 per cent; manufactured products, 7.2 per cent; minerals and oil, 5.2 per cent; food products, 5.0 per cent; transport, 1.4 per cent; and agricultural products, 0.8 per cent (Figure 16).

⁷ Data on non-oil export earnings and sectoral utilization of foreign exchange are provisional.

Figure 116: : Sectoral Utilisation of Foreign Exchange



5.4 Foreign Exchange Market Developments

The Bank continued to intervene in the foreign exchange market to further sustain improved liquidity and relative stability in the market. Thus, a cumulative sum of US\$4.59 billion was sold by the Bank to authorised dealers in August 2019, compared with US\$3.46 billion supplied in July 2019. This indicated an increase of 32.5 per cent and 18.5 per cent above the levels in the preceding month and the end of the corresponding period of 2018.

Interbank sales rose by 67.7 per cent to US\$0.21 billion, compared with the increase of 50.3 per cent in the preceding month. Similarly, BDC sales rose by 1.3 per cent to US\$1.29 billion, while swaps transactions fell by 14.1 per cent to US\$0.34 billion below the preceding month's level of US\$0.40 billion (Figure 17, Table 15).

Figure 127: : Supply of Foreign Exchange

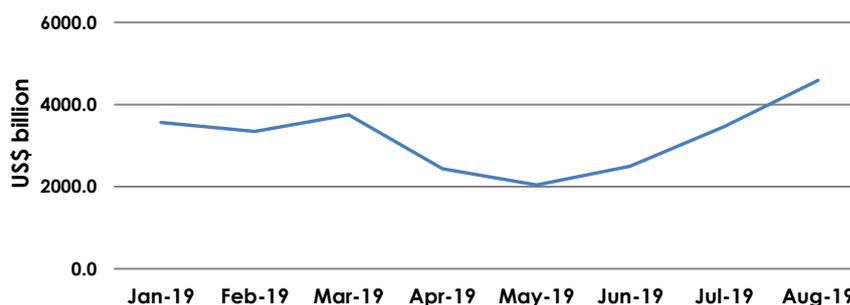


Table 15: Supply of Foreign Exchange (US\$ billion)

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Total Forex Supply	3.56	3.35	3.75	2.43	2.04	2.50	3.46	4.59

The average exchange rate of the naira to the US-dollar, at the inter-bank segment, was ₦306.92/US\$, representing an appreciation of 0.01 per cent above the level in the preceding month, but depreciated by 0.3 per cent below the level in the corresponding period of 2018. The average rate at the BDC segment, at ₦359.00/US\$, appreciated by 0.1 per cent in August 2019, compared with the level at the end of the preceding month. It, however, remained unchanged, compared with level at the end of the corresponding period of 2018.

At the “Investors” and “Exporters” (I&E) window, the average exchange rate of the naira vis-à-vis the US dollar, at ₦363.07/US\$, depreciated by 0.5 per cent and 0.2 per cent below the levels in the preceding month and at the end of the corresponding period of 2018 (Figure 18, Table 16). Consequently, the premium between the exchange rates at the interbank and BDC segments narrowed by 0.1 percentage point to 17.0 per cent from 17.1 per cent in July 2019. The premium between the BDC and I&E rates widened by 0.6 percentage point, compared with the preceding month's level.

Figure 18: Average Exchange Rate Movement

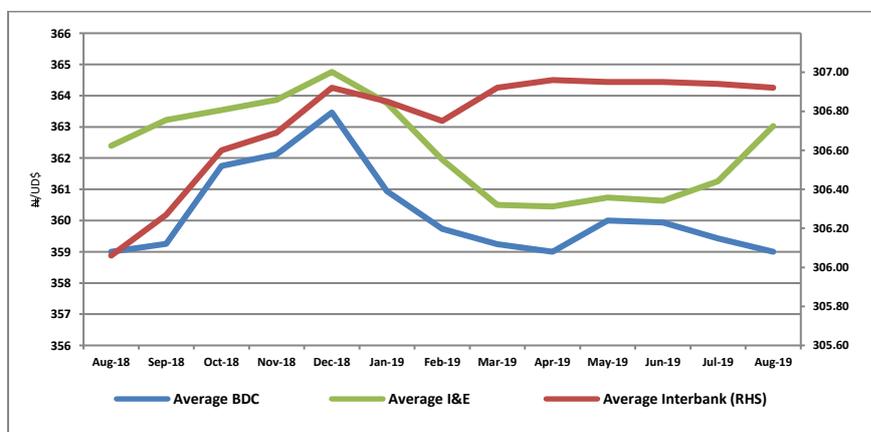


Table 16: Exchange Rate Movements

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
Average Exchange Rate (N/₹)													
Interbank	306.06	306.27	306.60	306.69	306.92	306.85	306.75	306.92	306.95	306.95	306.95	306.94	306.92
BDC	359.00	359.25	361.75	362.12	363.46	360.94	359.73	359.24	359.00	360.00	359.94	359.43	359.00
I&E Window	362.39	363.22	363.54	363.86	364.76	363.76	361.95	360.50	360.45	360.74	360.63	361.26	363.03

5.5 Gross External Reserves

The gross external reserves stood at US\$42.00 billion at end-August 2019, indicating a decline of 4.7 per cent below the US\$43.97 billion recorded at end-July 2019. The decrease was due, mainly, to increased foreign exchange market interventions and external debt service payments, as well as, direct payments. The external reserves position could finance 5.7 months of imports of goods and services, and 9.8 months of goods only, using the import figure for first quarter 2019. A breakdown of the external reserves by ownership showed that the share of the Federation was US\$0.09 billion (0.2%) of the total; Federal Government, US\$7.57 billion (18.0%); and the CBN, US\$34.33 billion (81.8%) (Figure. 19, Table 17).

Gross external reserves fell from US\$43.97 billion to US\$42.00 billion at end-August 2019.

Figure 19: Gross Official External Reserves

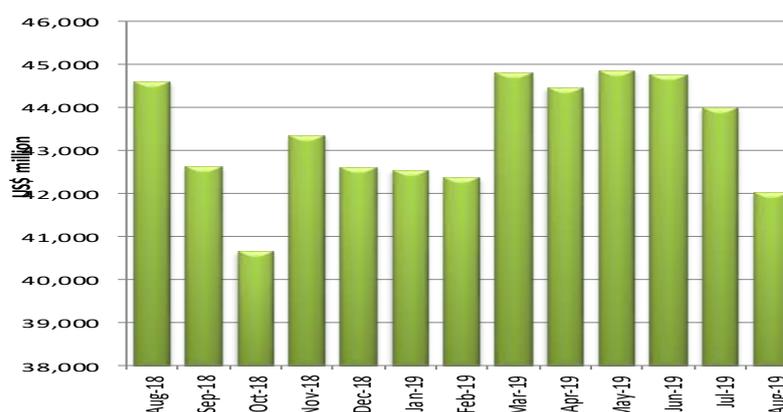


Table 17: Gross Official External Reserves (US\$ million)

Period	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19
External Reserves	42,516.66	42,345.68	44,793.08	44,474.29	44,847.56	44,747.02	43,971.93	41,998.57

6.0 Other International Economic Developments and Meetings

World crude oil output and demand in August 2019 were estimated at an average of 98.58 mbd and 98.29 mbd, respectively, compared with 98.71 mbd and 98.40 mbd in July 2019. The decrease in world crude oil demand was attributed, largely, to lower demand mainly from the Middle-East and "Other Asia".⁸

Other major international economic developments and meetings of importance to the domestic economy in the review period included: The 42nd Ordinary Meeting of the Assembly of Governors of the Association of African Central Banks (AACB) held in Kigali, Rwanda on August 1, 2019. The meeting marked the accession of the National Bank of Rwanda to the Chairmanship position of the AACB and the inaugural attendance of the Bank of South Sudan as member. At the Meeting, the African Union Commission (AUC) provided information on the steps taken towards the creation of the African Central Bank (ACB). The Central Bank of Nigeria (CBN), on its part, had taken steps towards the establishment of the African Monetary Institute (AMI) by identifying suitable office and accommodation space for the takeoff of the AMI, which was the first step towards the establishment of the ACB. Discussions at the Meeting revealed that:

- The AUC requested the Central Bank of Nigeria to develop a draft Structure and Statutes for the African Monetary Institute (AMI) for its operations;
- Two Continental Seminars with the themes "High Levels of Non-Performing Loans in Africa: Determinants and Implications for Financial Stability and the Real Economy in the Region" and "Current Account Challenges and Its Effect on Foreign Exchange Reserves", would hold in Egypt and Rwanda, respectively, in 2020; and
- The Assembly resolved that the Bank of Central African States (BEAC) would host the 2020 AACB Symposium with the theme, "Role of African Central Banks in the Transition to the Digital Economy and Financial Inclusion".

⁸ Source: Reuters, OPEC Monthly report, EIA Report

The African Caucus, comprising African Governors of the International Monetary Fund and World Bank met in Accra, Ghana, from July 31-August 02, 2019 under the Chairmanship of the Minister of Finance of the Republic of Ghana, His Excellency Ken Ofori-Atta. The Meeting was to map out strategic policy and operational issues of common interest. The Meeting issued a declaration calling on the IMF and WBG to:

- Scale-up their support for capacity building to national and regional institutions;
- Deepen support to African Centres of Excellence while accelerating the implementation of the Africa Human Capital Plan and the Digital Economy for Africa Initiative;
- Support reforms and investments to foster private sector development and facilitate entrepreneurship and innovation building;
- Deepen capital markets in Africa by strengthening the capacity of domestic financial sectors and local capital markets to mobilise savings for long-term financing; and
- Develop an action plan to support the continent in the implementation of the AfCFTA.

Finally, the 45th Meeting of the Technical Committee (TC) of the West African Monetary Zone (WAMZ) was held at Noom Hotel, Conakry, Guinea, from August 20 - 21, 2019, to deliberate on the status of implementation of the WAMZ work programme and activities under the Economic Community of West African States (ECOWAS) single currency programme. All the WAMZ member states, the ECOWAS Commission and the West African Monetary Institute (WAMI) were represented at the meeting. The Meeting considered the following:

- WAMZ Macroeconomic Developments and Convergence Report 2018;
- WAMZ Trade Integration Report 2018;
- Progress Report by the Director General;
- Renewed Global Trade Protectionist Policies: Implications for the WAMZ; and
- Public Debt Sustainability in the WAMZ, among others.

APPENDIX TABLES

Table A1: Money and Credit Aggregates (₦ billion)

	Jul-18	Dec-18	Apr-19	Jun-19	Jul-19
Domestic Credit (Net)	25,497,325.4	27,574,319.4	32,891,837.8	32,332,626.7	33,412,400.3
Claims on Federal Government (Net)	3,236,115.5	4,866,094.4	8,003,857.7	7,581,492.5	9,138,080.6
Central Bank (Net)	10,192.1	342,214.3	3,268,535.8	2,754,064.2	4,241,052.6
Banks	3,225,923.4	4,523,880.2	4,735,321.9	4,827,428.3	4,897,028.0
Claims on Private Sector	22,261,209.9	22,708,215.5	24,877,980.1	24,751,134.2	24,274,319.6
Central Bank	6,444,125.4	6,574,674.5	8,656,135.6	8,504,880.9	7,613,936.1
Banks	15,817,084.5	16,133,541.0	16,231,844.5	16,246,253.3	16,660,383.5
Claims on Other Private Sect.	20,530,751.1	21,109,720.7	23,167,138.8	23,110,762.9	22,686,768.3
Central Bank	5,672,587.3	5,873,283.7	7,833,857.0	7,740,840.9	6,849,896.1
Banks	14,858,163.9	15,333,281.8	15,333,281.8	15,369,922.0	15,836,872.2
Claims on State and Local Govts	1,615,452.0	1,553,644.8	1,618,036.7	1,595,805.4	1,542,985.4
Central Bank	656,531.4	656,531.4	719,474.1	719,474.1	719,474.1
Banks	958,920.6	897,113.4	898,562.7	876,331.3	823,511.3
Claims on Non-financial Pub. Ent.					
Foreign Assets (Net)	17,784,894.6	18,397,816.9	17,324,334.1	18,471,241.5	17,663,300.6
Central Bank	17,270,776.3	18,181,445.8	16,554,871.3	17,569,374.6	17,018,668.1
Banks	514,118.2	216,371.1	769,462.8	901,866.9	644,632.5
Other Assets (Net)	(13,768,686.6)	(12,612,878.3)	(15,477,385.5)	(15,785,097.2)	(15,399,771.7)
Total Monetary Assets (M₃)	29,513,533.3	33,359,258.5	34,738,786.4	35,018,771.1	35,675,929.1
Quasi-Money 1/	14,303,099.9	15,316,017.1	16,323,242.9	16,733,203.3	16,833,133.4
Money Supply (M1)	10,668,002.1	11,752,558.0	11,256,202.3	11,159,122.6	11,435,792.6
Currency Outside Banks	1,468,302.1	1,912,975.6	1,717,133.5	1,651,095.9	1,610,752.4
Demand Deposits 2/	9,199,700.0	9,839,582.4	9,539,068.7	9,508,026.7	9,825,040.2
Money Supply (M₂)	24,971,101.9	27,068,575.1	25,579,445.2	27,892,325.9	28,268,926.1
CBN Bills held by Non-Bank Sectors	4,542,431.4	6,290,673.5	7,159,341.3	7,126,445.2	7,407,003.0
Total Monetary Liabilities (M₃)	29,513,533.3	33,359,258.5	34,738,786.4	35,018,771.1	35,675,929.1
Memorandum Items:					
Reserve Money (RM)	6,622,663.4	7,135,729.3	7,948,251.3	8,088,459.5	7,479,100.7
Currency in Circulation (CIC)	1,824,826.1	2,329,706.6	2,158,698.8	2,014,074.0	2,003,090.9
DMBs Demand Deposit with CBN	4,797,837.3	4,806,022.7	5,789,552.5	6,074,385.5	5,476,009.8

1/ Quasi-money consists of Time, Savings and Foreign Currency Deposits 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)

	Jul-18	Dec-18	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Growth Over Preceding December (%)								
Domestic Credit (Net)	1.6	2.7	10.7	15.0	19.3	16.7	0.4	3.4
<i>Claims on Federal Government (Net)</i>	15.4	7.4	30.6	59.1	64.4	50.3	3.9	20.5
<i>Claims on Private Sector</i>	-0.1	1.9	6.4	5.5	9.6	9.4	-0.5	-1.9
<i>Claims on Other Private Sector</i>	0.2	1.9	5.9	5.4	9.8	9.9	-0.5	-1.8
<i>Claims on State and Local Government</i>	-0.8	1.4	1.6	4.2	4.1	1.9	0.8	-3.3
<i>Claims on Non-financial Public Enterprises</i>								
Foreign Assets (Net)	-3.0	20.7	-7.5	-8.6	-5.8	3.8	-3.3	-4.4
Other Assets (Net)	-2.2	0.4	-16.4	-16.6	-19.4	-29.9	-3.1	-3.2
Total Monetary Assets (M3)	0.6	12.7	-1.5	1.4	5.4	4.6	0.0	2.2
Quasi-Money 1/	1.3	12.5	1.3	3.6	6.5	7.2	1.8	0.6
Money Supply (M1)	-0.3	-0.4	-6.2	-6.9	-4.3	-3.2	-2.0	2.5
<i>Currency Outside Banks</i>	-3.4	-9.9	-3.8	6.9	-10.2	-10.8	-3.2	-2.4
<i>Demand Deposits 2/</i>	0.2	1.4	-6.6	-6.9	-3.1	-1.7	-1.8	3.3
Total Monetary Liabilities (M2)	0.6	6.5	-1.9	-0.9	1.9	2.7	0.3	1.4
CBN Bills held by Non-Bank Sectors	0.3	34.0	0.4	11.2	20.8	12.4	-1.0	5.7
Total Monetary Assets (M3)	0.6	12.7	-1.5	1.4	5.4	4.6	0.0	2.2
<i>Memorandum Items:</i>								
Reserve Money (RM)	4.1	13.0	0.4	1.6	11.4	14.3	-0.8	-7.5
<i>Currency in Circulation (CIC)</i>	4.0	-9.3	-3.8	-7.6	-7.3	-9.4	-4.6	-0.5
<i>DMBs Demand Deposit with CBN</i>	10.9	24.2	2.5	6.0	20.5	25.7	26.4	-8.1
Growth Over Preceding Month (%)								
Domestic Credit (Net)	-1.7	5.2	6.5	4.0	3.7	-2.2	17.2	21.2
<i>Claims on Federal Government (Net)</i>	-11.1	53.6	11.4	21.8	3.4	-8.7	55.8	87.8
<i>Claims on Private Sector</i>	-0.1	0.4	5.3	-0.7	3.8	-0.1	9.0	6.9
<i>Claims on Other Private Sector</i>	-0.9	1.8	5.2	-0.4	4.0	0.1	9.5	7.5
<i>Claims on State and Local Government</i>	4.6	-16.9	1.7	2.6	0.1	-2.2	2.7	-0.7
<i>Claims on Non-financial Public Enterprises</i>								
Foreign Assets (Net)	14.6	2.2	-4.4	-1.2	3.0	10.3	0.4	-4.0
Central Bank	14.1	1.6	-3.2	-1.8	1.6	9.3	3.4	-6.4
Banks	37.1	28.7	-35.0	19.5	46.8	30.2	229.1	149.5
Other Assets (Net)	7.7	-10.9	15.3	0.3	2.3	5.9	26.1	22.1
Total Monetary Assets (M3)	2.9	1.9	-2.6	3.0	4.0	0.4	4.6	6.9
Quasi-Money 1/	10.3	1.3	0.7	2.4	2.7	0.6	9.2	9.9
Money Supply (M1)	-4.5	2.2	-1.0	-0.8	2.8	1.1	-5.0	-2.7
<i>Currency Outside Banks</i>	-17.6	4.3	5.8	-3.3	-3.5	-0.7	-13.7	15.8
<i>Demand Deposits 2/</i>	-2.1	-3.2	-2.3	-0.3	4.1	1.4	-3.4	-0.1
Total Monetary Liabilities (M2)	3.4	-0.5	-0.8	1.1	2.7	0.8	3.0	4.4
CBN Bills held by Non-Bank Sectors	0.3	-3.3	-9.2	10.8	8.6	-1.2	11.4	17.7
Total Monetary Assets (M3)	2.9	1.9	-2.6	3.0	4.0	0.4	4.6	6.9
<i>Memorandum Items:</i>								
Reserve Money (RM)	4.1	1.0	-4.3	1.1	9.7	2.6	-0.8	4.8
<i>Currency in Circulation (CIC)</i>	-4.0	5.7	4.8	-3.9	0.3	-2.2	-4.6	14.0
<i>DMBs Demand Deposit with CBN</i>	7.6	-0.8	-7.9	3.4	13.7	4.4	0.5	13.9

1/ Quasi-money consists of Time, Savings and Foreign Currency Deposits 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 A3: Federal Government Fiscal Operations (₦ billion)*

	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Monthly Budget Est
Retained Revenue	336.0	350.1	437.5	342.6	364.4	343.4	318.1	392.2	386.2	279.7	310.6	381.8	308.1	705.4
Federation Account	269.8	274.9	263.4	284.4	280.9	255.2	232.8	221.0	208.4	239.7	268.2	293.3	285.8	445.1
VAT Pool Account	11.5	16.5	11.4	15.1	13.3	14.5	15.0	13.9	13.3	13.9	15.4	15.6	13.6	20.5
FGN Independent Revenue	37.7	13.3	31.9	38.1	20.0	15.8	5.5	13.3	77.8	16.9	14.3	72.3	8.3	52.6
Excess oil revenue	5.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.6
Others/Exchange Gain/Recovere	11.5	45.5	130.8	5.0	50.2	57.9	64.8	144.0	86.7	9.3	12.6	0.5	0.5	179.6
Expenditure	555.3	808.9	758.0	669.0	590.6	868.3	1098.2	532.3	1005.0	499.5	814.5	490.9	464.3	865.3
Recurrent	475.5	589.0	565.3	364.2	428.9	672.7	860.0	371.0	688.3	242.5	604.7	371.6	350.4	613.7
Capital	41.8	181.8	154.6	266.8	123.7	157.3	200.0	122.9	278.3	218.6	171.4	29.7	86.3	209.8
Transfers	38.0	38.0	38.0	38.0	38.0	38.2	38.2	38.4	38.4	38.4	38.4	89.5	27.6	41.8
Overall Balance:														
Surplus(+)/Deficit(-)	-219.3	-458.7	-320.6	-326.4	-226.3	-524.9	-780.1	-140.1	-618.9	-219.8	-503.9	-109.1	-156.2	-159.9
1/Revised														
2/Provisional														

* August 2019 data on government revenue and expenditure are provisional and subject to revisions

