CENTRAL BANK OF NIGERIA

ECONOMIC REPORT
FIRST QUARTER 2014

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

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1.0 Summary

Broad money supply, (M_2), recorded a modest growth of 0.2 per cent at the end of the first quarter of 2014, compared with 1.2 per cent at the end of the corresponding quarter of 2013. The development reflected, largely, the 2.1 and 7.9 per cent increase in domestic credit (net) and other assest (net) of the banking system, which more than offset the significant decline of 10.6 percent in net foreign asset of the banking system, during the review qaurter.

Available data indicated mixed developemnts in banks' deposit and lending rates in the first quarter of 2014. The spread between the weighted average term deposit and maximum lending rates narowed by 1.13 percentage points to17.17 per cent in the review quarter. Similarly, the margin between the average savings deposit and the maximum lending rates narowed by 0.04 percentage point to 22.41 per cent. The weighted average inter-bank call rate rose by 0.25 percentage point to 11.24 per cent in the first quarter of 2014, reflecting the liquidity condition in the inter-bank funds market.

Provisional data indicated that the value of money market assets outstanding at the end of the first quarter of 2014 increased by 1.11 per cent to ₦6,909.33 billion, compared with the increase of 4.02 per cent at the end of the preceding. The development was attributed, laregely, to the 5.98 per cent increase in NTBs outstanding. Available data indicated that developments in the Nigerian Stock Exchange (NSE) were mixed during the first quarter of 2014.

Total federally-collected revenue stood at ₦2,414.49 billion, representing an increase of 9.5 per cent above the receipt in the fourth quarter of 2013, but was a decrease of 1.7 per cent below the level in the corresponding quarter of 2013. At ₦1,808.86 billion, oil receipts, which constituted 74.9 per cent of the total, exceeded the receipt in the fourth quarter of 2013 by 17.6 per cent, but was 6.5 per cent below the proportionate budget estimate. The increase in oil receipts relative to the fourth quarter of 2013 was attributed, largely, to the rise in the receipts from crude oil/gas exports and other oil revenue during the review period.

Non-oil receipts, at ₦605.62 billion, was below the budget estimate and receipts in the fourth quarter of 2013 by 32.8 and 9.1 per cent, respectively. Federal Government retained revenue was ₦823.9 billion, while total expenditure was ₦1,462.3 billion. Thus, the fiscal operations of the Federal Government resulted in an estimated deficit of ₦638.4 billion in the first quarter of 2014, compared with the quarterly budgeted and the preceding qaurter's deficit of ₦221.8

billion and ₦628.0 billion, respectively.

Activities in the agricultural sector were dominated by the harvesting of tree crops, clearing of land for the 2014 wet season farming, and tending of irrigation-fed vegetables and cereal crops. Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at an average of 1.90 million barrels per day (mbd) or 171.0 million barrels for the quarter. Crude oil export stood at 1.45 mbd or 130.50 million barrels for the quarter, while deliveries to the refineries for domestic consumption remained at 0.45 mbd or 40.50 million barrels. The average price of Nigeria's reference crude, the Bonny Light (37^0 API), fell by 3.2 per cent below the level in the fourth quarter of 2013.

The end-period headline inflation rate (year-on-year) was 7.8 per cent, compared with the 8.0 and 8.6 per cent recorded at the end of the fourth and the corresponding quarters of 2013, respectively. Inflation rate on a twelve-month moving average basis was 8.2 per cent, compared with 8.5 and 11.4 per cent in the preceding and the corresponding quarters, respectively.

Proviosnal data indicated that foreign exchange inflow and outflow through the Central Bank of Nigeria (CBN) amounted to US$10.09 billion and US$15.67 billion, respectively, resulting in a net outflow of US$5.58 billion during the review quarter. Foreign exchange sales by the CBN to the authorized dealers amounted to US$14.77 billion, compared with US$9.10 billion in the fourth quarter of 2013. The average exchange rate of the Naira vis-à-vis the US dollar at the rDAS window was ₦157.30 per US dollar, indicating marginal appreciation over its levels in the fourth and the corresponding quarters of 2013, respectively. However, the Naira depreiciated at both the bureau-de-change and inter-bank segments of the market, by 1.8 and 2.2 per cent, respectively, compared with their levels in the fourth quarter of 2013.

Available data from the latest World Economic Outlook (WEO) indicated that global growth in 2014 was projected at 3.7 per cent, following increased global activity recorded in the second half of 2013. The development was attributed to expected increase in aggregate demand in the advanced economies and anticipated rebound in exports in emerging economies, even as domestic demand remained weaker than expected in many countries.

World crude oil demand in the first quarter of 2014 declined by 0.8 per cent below the level recorded in the fourth quarter of 2013. However, world crude oil output increased by 0.5 per cent over the level recorded in the fourth quarter of 2013. The fall in demand was *attributed, mainly, to low consumption of transportation fuel due to exceptional cold snaps in the Northern Hemisphere and reduced momentum in oil demand by the US. The OPEC reference basket price of eleven selected crude streams declined by 1.6 and 0.8 per cent below its levels in the fourth and the corresponding quarters of 2013, respectively. The prices of the UK Brent, the WTI and the Forcados exhibited similar trend.*

Other major international economic developments and meetings of importance to the domestic economy during the review quarter included: the meeting of G20 Finance Ministers and Central Bank Governors held at Sydney from February 22 - 23, 2014; First Bureau Meeting of the Bureau of Association of African Central Banks (AACB) held in Dakar, Senegal on February 26, 2014 and the Inaugural Meeting of the Presidential Task Force on ECOWAS Monetary Cooperation Programme held in Niamey, Republic of Niger, from February 20 - 21, 2014. Also, the African Development Bank (AfDB) and the African Union Commission (AUC) signed a new project grant on January 29, 2014.

Also held during the review period were: the 22nd Assembly of Heads of State and Government of the African Union in Addis Ababa, Ethiopia from January 21-31, 2014; the 2013 Statutory Meetings of the West African Monetary Agency (WAMA); West African Monetary Institute (WAMI); West African Institute for Financial and Economic Mangement (WAIFEM) and the 30th Meeting of the Committee of Governors for WAMZ. Finally, the 7th Joint Annual Meetings of the African Union (AU) and Economic Commission for Africa (ECA) Conference of Minitsers of Finance, Planning and Economic Development was held at the Transcorp Hilton Hotel, Abuja, Nigeria from March 29 – 30, 2014.

2.0 Financial Sector Developments

2.1 Monetary and Credit Developments

Provisional data indicated that growth in the key monetary aggregate was modest at the end of the first quarter of 2014. Developments in banks' deposit and lending rates were mixed during the review quarter. The value of money market assets outstanding increased, due largely, to the rise in NTBs. Developments in the Nigerian Stock Exchange (NSE) were mixed during the review quarter.

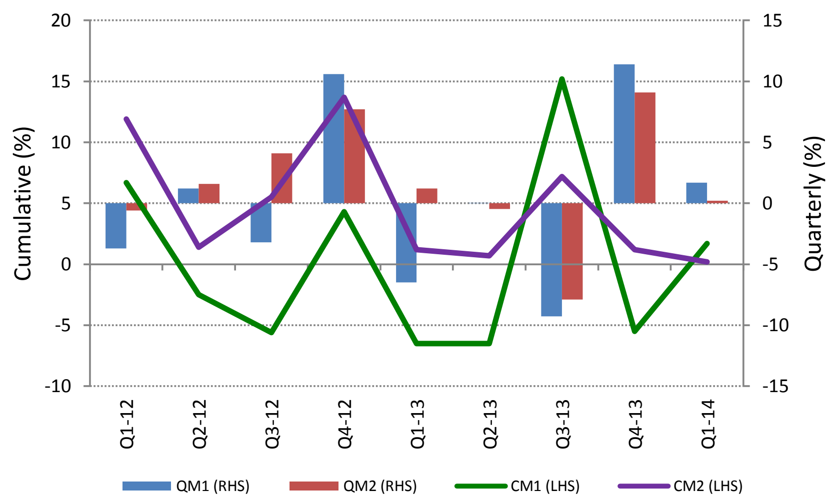
Key monetary aggregate grew during Q1 2014.

Provisional data indicated that growth in the major monetary aggregate was moderate at the end of the first quarter of 2014. Relative to the level at the end of the fourth quarter of 2013, broad money supply, (M_2), grew by 0.2 per cent to ₦15,699.7 billion at end-March 2014, compared with the 1.2 per cent growth at the end of the corresponding quarter of 2013. The development reflected, largely, the significant decline of 10.6 per cent in net foreign asset, the effect of which was, however, dampened by the respective growth of 2.1 and 7.9 per cent in domestic credit (net) and other asset net of the banking system.

Narrow money supply (M_1) fell by 1.7 per cent relative to the level at the end of the fourth quarter of 2013, compared with 6.5 per cent recorded at end of the corresponding quarter of 2013. This, however, contrasted with the growth of 11.4 per cent at end-December 2013. The development, relative to the fourth quarter of 2013, was attributed, wholly, to the 15.2 per cent decline in currency-in-circulation, which more than offset the 1.8 per cent rise in its demand deposit component.

Quasi money, at ₦8,807.9 billion, rose by 1.8 per cent, compared with 7.3 and 8.3 per cent increase recorded at end-December 2013 and the corresponding quarter of 2013, respectively. The development, relative to the fourth quarter of 2013, was attributed to the increase in time and savings deposit in banks during the review period (Fig. 1, Table 1).

Figure 1: Growth Rate of Narrow Money (M_1) and Broad Money (M_2)[1]



At ₦15,349.3 billion, aggregate banking system's credit (net) to the domestic economy rose by 2.1 per cent at the end of the first quarter of 2014, compared with the 14.9 and 0.3 per cent increase at the end of the fourth and the corresponding quarters of 2013, respectively. The development relative to the level at end of the fourth quarter of 2013, was due to the 2.4 and 1.7 per cent increase in claims on the Federal Government and the private sector, respectively.

Banking system credit to the Federal Government rose at the end of the first quarter of 2014.

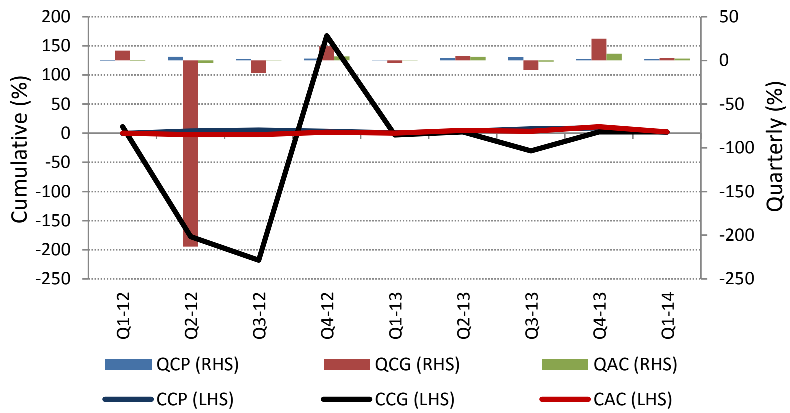
Banking system's credit (net) to the Federal Government, at the end of the review quarter, rose by 2.4 per cent to negative ₦1,434.1 billion, compared with 53.9 percent at the end of the fourth quarter of 2013. This, however, contrasted with the 2.8 per cent decline recorded at the end of the corresponding quarter of 2013. The development relative to the level at the end of the fourth quarter of 2013 was accounted for by the increase of 4.8 and 0.2 per cent in banks and Central Bank's claims on the Federal Government, respectively.

At the end of the first quarter of 2014, banking system's credit to the private sector rose by 1.7 per cent to ₦16,783.4 billion, compared with the 1.4 and 0.7 per cent increase in the fourth

[1] QM1 and QM2 represent quarter-on-quarter changes, while CM1 and CM2 represent cumulative changes (year-to-date).

and the corresponding quarters of 2013, respectively. The development, relative to the level at the end of the fourth quarter of 2013, reflected the 1.9 per cent increase in claims on the core private sector during the review quarter (Fig. 2, Table 1).

Figure 2: Growth Rate of Aggregate Domestic Credit to the Economy[2]



Foreign assets (net) of the banking system fell at the end of the review quarter.

At ₦7,613.1 billion, foreign assets (net) of the banking system fell by 10.6 per cent at the end of the review quarter, compared with the decline of 4.6 per cent at the end of the fourth quarter of 2013. This, however, contrasted with the increase of 7.1 per cent recorded at the end of the corresponding quarter of 2013. The development, relative to the level in the fourth quarter of 2013, was attributed to the decline in both the CBN and banks' holdings of foreign assets.

Other assets (net) of the banking system rose by 7.9 per cent to negative ₦7,262.7 billion, in contrast to the decline of 3.1 and 7.9 per cent at the end of the fourth and the corresponding quarters of 2013, respectively. The increase, relative to the level in the fourth quarter of 2013, reflected, largely, the increase in unclassified assets of both the CBN and the banks during the review period.

[2] QCP, QCG and QAC represent quarter-on-quarter 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).

Table 1: Growth in Monetary and Credit Aggregates (Percent) Over Preceding Quarter

	Sep-12	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14
Domestic Credit (Net)	0.4	4.4	0.3	4.3	-0.5	14.9	2.1
Claims on Federal Government (Net)	-13.3	15.1	-2.7	4.9	-25.5	53.9	2.4
Claims on Private Sector	1.6	2.3	0.7	2.8	3.7	1.4	1.7
Claims on Other Private Sector	1.6	2.0	0.8	3.0	3.6	0.9	1.9
Foreign Assets (Net)	9.9	10.1	-7.1	-6.9	-2.6	-4.6	-10.6
Other Assets (Net)	-3.0	4.7	8.0	0.6	-13.8	-3.1	7.9
Broad Money Supply (M2)	4.3	7.6	1.2	0.5	-7.9	9.1	0.2
Quasi-Money	11.5	5.1	8.3	-0.9	-6.7	7.3	1.8
Narrow Money Supply (M1)	-3.2	10.6	-6.5	0.0	-9.3	11.4	-1.7
Memorandum Items:							
Reserve Money (RM)	24.1	13.3	5.6	-17.3	43.7	19.6	-9.4

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

At ₦1,574.4 billion, currency-in-circulation fell by 11.4 per cent at the end of the first quarter of 2014, compared with the decline of 7.6 per cent at the end of the corresponding quarter of 2013. This, however, contrasted with the 20.5 per cent increase at the end of the fourth quarter of 2013. The development, relative to the level at the end of the fourth quarter of 2013, was attributed, largely, to the 15.2 per cent fall in currency outside the banks.

Total deposits at the CBN declined by 3.0 per cent to ₦6,814.9 billion, in contrast to the increase of 0.2 per cent at the end of the fourth quarter of 2013. The development reflected, largely, the 8.5 and 3.0 per cent fall in the deposits of banks and Federal Government, respectively, which more than offset the 48.4 per cent increase in the deposit of "Others". Of the total deposit, the shares of the Federal Government, banks and ''Others'' were ₦2,763.8 billion (40.6 per cent), ₦3,462.5 billion (50.8 per cent) and ₦588.6 billion (8.6 per cent), respectively.

Reserve money (RM) fell at the end of the fourth quarter of 2013.

Reserve money (RM), at ₦5,036.8 billion, fell by 9.4 per cent, in contrast to the 19.6 per cent increase recorded in the preceding quarter. The development, relative to the level in the preceding quarter, was attributed to the significant decline in its currency and demand deposit components.

2.3 Money Market Developments

Money market rates remained relatively stable in the first quarter of 2014. The developments were influenced by the liquidity conditions in the banking system. Monetary Policy remained, largely, restrictive in the first quarter of 2014. The Monetary Policy Rate (MPR) was maintained at 12.0 per cent, while the Cash Reserve Ratio (CRR) on both public and private sector deposits were increased from 50.0 and 12.0 per cent to 75.0 and 15.0 per cent, respectively. The Liquidity Ratio (L/R) and Net Open Position were also retained at their preceding quarter's levels. The redemption of AMCON bond, coupled with maturing CBN bills and FGN Bonds as well as other fiscal injections, boosted the level of liquidity in the system. However, the increase in CRR on public and private sector deposits led to a slight increase in the inter-bank rate in the review quarter.

Money market rates were relatively stable during the review period.

Provisional data indicated that the value of money market assets outstanding at the end of the first quarter of 2014 stood at N6,909.3 billion, showing an increase of 1.1 per cent, compared with the increase of 4.0 per cent at the end of the preceding quarter. The development was attributed to the increase in NTBs outstanding at the end of the quarter.

2.3.1 Interest Rates Developments

Available data indicated mixed developments in banks' deposit and lending rates during the first quarter of 2014. With the exception of the 7-day deposit rate, which fell from 4.97 per cent to 4.73 per cent in the review period, all other rates on deposits of various maturities rose from a range of 2.48 – 10.99 per cent to a range of 3.30 – 11.24 per cent in the first quarter of 2014. Similarly, at 8.54 pe cent, the average term deposit rate rose by 1.91 percentage points above the level in the fourth quarter 2013. The prime and maximum lending rates increased by 0.24 and 0.78 percentage point to 16.86 and 25.72 per cent, respectively, in the first quarter of 2014. Consequently, the spread between the weighted average term deposit and maximum lending rates narrowed by 1.13 percentage point to 17.17 per cent from 18.30 per cent in the preceding quarter. Similarly, the margin between the average savings deposit and the maximum lending rates narrowed by

The spread between the weighted – average term deposit and maximum lending rates narrowed during the review period.

0.04 percentage point to 22.41 per cent from 21.45 per cent in the preceeding quarter. With the headline inflation rate at 7.8 per cent at end-March 2014, most rates, with the exception of the savings and 7-day deposit, were positive in real terms.

Interbank call rate rose in Q1 2014.

At the interbank funds segment, the weighted average inter-bank call rate, which stood at 10.99 per cent at the end of the fourth quarter of 2013, rose by 0.25 percentage point to 11.24 per cent in the first quarter of 2014, reflecting the liquidity condition in the banking system. Similarly, the weighted average rate at the Open-Buy-Back (OBB) segment rose to 11.33 per cent in the review quarter, from 11.08 per cent in the preceding quarter. The Nigeria Inter-bank Offered Rate (NIBOR) for the 7-day and 30-day tenors, rose to 11.88 and 12.22 per cent from 11.54 and 12.02 per cent, respectively, in the fourth quarter of 2013 (Fig. 3, Table 2).

Figure 3: Selected DMBs Interest Rates (Average)

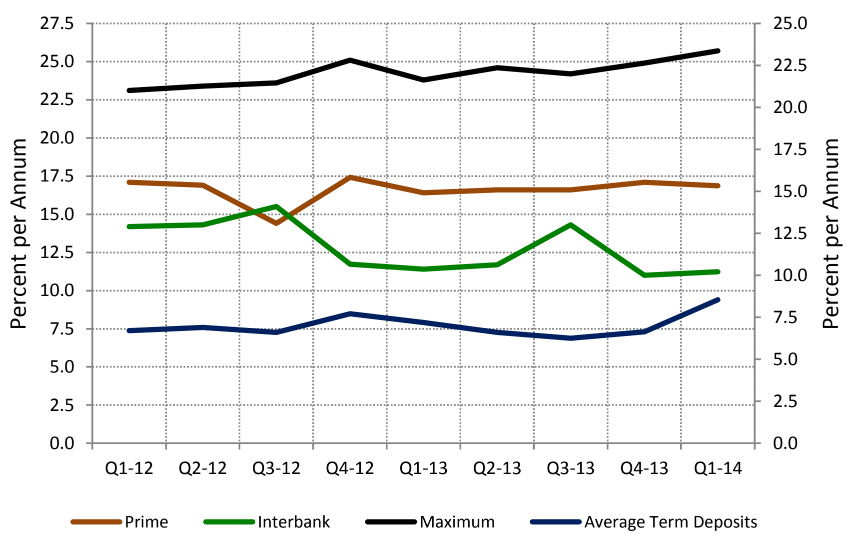


Table 2: Selected Interest Rates (Percent, Averages)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Average Term Deposits	6.7	6.9	7.3	7.7	7.2	6.6	6.3	6.6	8.5
Prime Lending	17.1	16.9	16.6	17.4	16.4	16.6	16.6	17.1	16.9
Interbank	14.2	14.3	15.5	11.7	11.4	11.7	14.3	11.0	11.2
Maximum Lending	23.1	23.4	23.6	25.1	23.8	24.6	24.2	24.9	25.7

2.3.2 *Commercial Paper (CP)*

Investment in CP by banks rose in the first quarter of 2014.

Provisional data indicated that the value of Commercial Paper (CP) held by the banks rose by 15.4 per cent to ₦10.8 billion at the end of the first quarter of 2014, compared with the value of ₦9.3 billion at the end of the preceding quarter. The development was attributed to the increase in investment in Commercial Paper by commercial banks. Thus, CP constituted 0.16 per cent of the total value of money market assets outstanding at the end of the review quarter, compared with 0.14 per cent at the end of the preceding quarter.

2.3.3 *Bankers' Acceptances (BAs)*

Banks' holdings of BAs increased during Q1 of 2014.

The value of BAs held by banks increased by 49.8 per cent to ₦30.7 billion in the review quarter, compared with ₦20.5 billion at the end of the preceding quarter. The development was attributed to the increase in investment in BAs by banks. Consequently, BAs accounted for 0.44 per cent of the total value of money market assets outstanding, at the end of the first quarter of 2014, compared with 0.30 per cent at the end of the preceding quarter.

2.3.4 *Open Market Operations*

Bills of various maturities, ranging from 28 -153 days were used for liquidity management in the first quarter of 2014. Total sales amounted to ₦2,113.5 billion, while subscription was ₦3,299.6 billion, compared with ₦2,431.5 billion and ₦3,506.5 billion allotted and subscribed to in the fourth quarter of 2014. The bid rates ranged from 10.70 – 16.60 per cent, while the stop rates were between 11.20 – 13.10 per cent for tenors ranging from 28 – 153 days, compared with stop rates ranging from 11.53 –12.25 per cent in the preceding quarter. Matured bills amounting to ₦2,723.74 billion were repaid in the review period.

2.3.5 *Primary Market*

At the primary market segment, NTBs of 91-, 182- and 364-day tenors, amounting to ₦1,161.22 billion, ₦2,037.48 billion and ₦1,176.22 billion, were offered, subscribed to and allotted, respectively, in the first quarter of 2014, compared with ₦736.50 billion, ₦1,437.69 billion and ₦826.50 billion in the preceding quarter. The bid rates ranged from 10.00 – 14.10, 10.00 – 14.49 and 10.00 – 16.99 per cent, for the 91-, 182- and

364-day tenor, respectively, while the stop rates ranged from 10.75 – 13.59 per cent.

2.3.6 Bonds Market

Subscription for FGN Bonds of various maturities increased during the first quarter of 2014.

FGN Bonds of 3-, and 20-year tranches were re-opened and a new tranche of 10-year was auctioned during the first quarter of 2014. The total amount offered, subscribed to and allotted for the tranches were ₦270.00 billion, ₦544.89 billion and ₦265.00 billion, respectively, compared with ₦195.00 billion, ₦437.08 billion and ₦195.00 billion recorded in the fourth quarter of 2013. The marginal rates ranged between 13.10 – 14.20 per cent for all the tenors, compared with the range of 12.55 – 13.26 per cent obtained in the preceding quarter. The amount sold showed an increase of 35.9 per cent, compared with 6.7 per cent recorded in the preceding quarter.

2.3.7 CBN Standing Facilities

The total Standing Lending Facility (SLF) granted during the review period was ₦3,169.26 billion with a daily average of ₦51.12 billion in the first quarter of 2014, compared with ₦1,445.54 billion in the preceding quarter, indicating an increase of 119.2 per cent. Interest paid on SLF in the first quarter of 2014 stood at N1.70 billion, compared with N0.87 billion in the preceding quarter.

Total standing deposit facilities (SDF) granted during the review period was ₦24,037.26 billion with daily average of ₦387.7 billion, compared with ₦18,088.37 billion granted in the fourth quarter of 2013. The cost incurred on SDF rose by 32.3 per cent to ₦9.42 billion, compared with ₦7.12 billion in the preceding quarter.

2.4 Deposit Money Banks' Activities

Available data indicated that the total assets and liabilities of the DMBs stood at ₦24,474.4 billion at the end of the first quarter of 2014, representing an increase of 0.6 per cent over the level at the end of the preceding quarter. The funds, which were sourced largely from draw-down on capital and reserves accounts; increased time, savings, foreign currency, and demand deposits, were used for the acquisition of unclassified assets, foreign assets and extension of credit to the private sector.

At ₦12,541.3 billion, banks' credit to the domestic economy, rose by 2.5 per cent above the level in the preceding quarter. The development was attributed to the 2.5 and 4.8 per cent increase in claims on the private sector and Federal Government, respectively, in the review period.

Central Bank's credit to the banks rose by 18.3 per cent to ₦271.9 billion at the end of the review quarter, reflecting the increase in CBN loans and advances, and overdrafts to banks, while total specified liquid assets of the DMBs stood at ₦6,039.9 billion, representing 43.1 per cent of their total current liabilities. At that level, the liquidity ratio, rose by 3.6 percentage points above the level in the preceding quarter, and was 13.1 percentage points above the stipulated minimum ratio of 30.0 per cent. The loans-to-deposit ratio, at 55.8 per cent, was 19.5 percentage points above the level at the end of the preceding quarter, but was 24.2 percentage points below the prescribed maximum ratio of 80.0 per cent.

At 43.15 per cent, liquidity ratio in Q1 2014 was 13.1 percentage points above the stipulated minimum ratio, while the Loan-to-deposit ratio fell below the prescribed maximum of 80 per cent.

2.5 Discount Houses' Activities

Total assets/liabilities of the discount houses stood at ₦135.8 billion at the end of the first quarter of 2014, indicating an increase of 1.5 per cent above the level at the end of the preceding quarter, but was a decline of 62.2 per cent below the level at the end of the corresponding quarter of 2013. The increase in assets relative to the preceding quarter was accounted for by the increase in claims on Federal Government and State Governments, and Other assets which more than offset the effect of the decline in claims on others. Correspondingly, the increase in total liabilities was attributed to the rise in capital and reserves, other amount owed and other liabilities, which exceeded the decline in money-at-call.

Discount houses' investment in Federal Government securities of less than 91-day maturity rose by 47.3 per cent to ₦46.2 billion and represented 47.1 per cent of their total deposit liabilities. At this level, discount houses' investment was 12.9 percentage points below the prescribed minimum level of 60.0 per cent for fiscal year 2014. Total borrowing by the discount houses was ₦45.7 billion, while their capital and reserves stood at ₦23.0 billion. This resulted in a gearing ratio of 2.0:1, compared with the stipulated maximum of 50:1 for the fiscal year.

2.6 Capital Market Developments

2.6.1 Secondary Market

Available data indicated that developments in the Nigerian Stock Exchange (NSE) were mixed during the first quarter of 2014. Total volume and value of traded securities rose by 8.9 and 17.1 per cent to 28.3 billion shares and ₦273.9 billion in 319,512 deals, respectively, in the review period, compared with 26.0 billion shares, valued at ₦234.0 billion in 286,949 deals recorded in the preceding quarter. The Financial Services Industry (measured by volume) led the activity chart with 21.9 billion shares valued at ₦159.3 billion, traded in 172,108 deals; thus contributing 77.4 and 58.2 per cent to the total equity turnover volume and value, respectively, compared with 17.3 billion shares, valued at ₦116.9 billion in 145,624 deals recorded in the preceeding quarter. The Banking subsector of the Financial Services sector was the most active subsector during the review quarter.

Figure 4: Volume and Value of Traded Securities

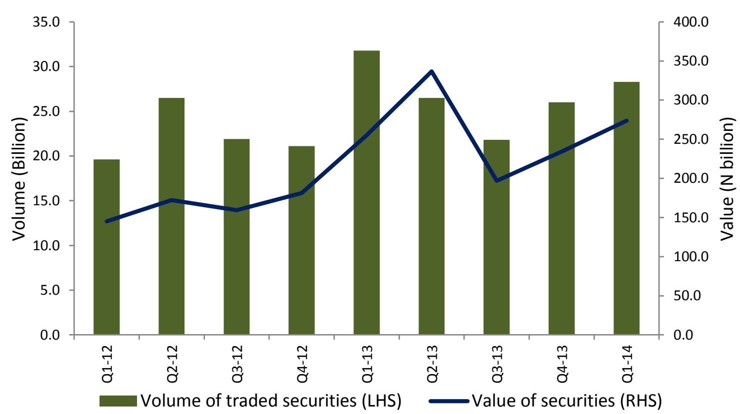


Table 3: Traded Securities on the Nigerian Stock Exchange (NSE)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Volume (Billion)	19.6	26.49	21.9	21.1	31.84	26.5	21.8	26.0	28.3
Value (₦ Billion)	145.1	172.23	159.2	181.4	254.98	336.59	196.8	234.0	273.9

2.6.2 Over-the-Counter (OTC) Bonds Market

At the end of the first quarter of 2014, provisional data indicated that transactions in the Over-the-Counter (OTC) bond market, recorded a turnover of 21.1 million units, worth ₦20.9 billion, in 40 deals, compared with 0.27 billion units, worth ₦278.1 billion, in 1,328 deals recorded in the preceding quarter.

2.6.3 New Issues Market

There were two (2) new and five (5) supplementary listings in the review quarter (see table below).

Table 4: New and Supplementary Listings on the Nigeria Stock Exchange

S/N	Company	Additional Shares (Units)	Reasons	Listing
1	African Prudential Registrars Plc	1.0 Billion Shares	Rights Issue	Supplementary
2	La Casera Company Plc (Corporate Bond)	3.0 Billion (15.75% Series Bond)	Debt Issuance Programme	New
3	Sterling Banl Plc	5.88 Million Shares	Rights Issue	Supplementary
4	Uba Capital Plc	2.0 Billion Shares	Rights Issue	Supplementary
5	Neimeth International Pharmaceuticals Plc	261.6 Million Shares	Bonus Issue	Supplementary
6	Oando Plc	2.05 Billion Shares	Placement	Supplementary
7	Vetiva Griffin	159.4 Million 30 ETF Securities	Placement	New

2.6.4 Market Capitalization

Aggregate market capitalization for all listed securities (equities and bonds) stood at ₦16.7 trillion at the end of the review quarter, indicating a decline of 12.5 per cent below the level at the end of the preceeding quarter. Similarly, market capitalization for the listed equities fell by 5.9 per cent below the level at the end of the preceding quarter to close at ₦12.5 trillion at the end of the review quarter. Listed equities accounted for 74.8 per cent of the aggregate market capitalization in the review quarter.

Total market capitalization and All-Share Index declined during Q1 2014.

2.6.5 NSE All-Share Index

The All-Share Index, which opened at 41,329.19 at the beginning of the quarter, closed at 38,748.01, representing a decline of 6.2 per cent below the level at the end of the fourth quarter of 2013. At end-March 2014, with the exception of the NSE Industrial index, which rose to 2,587.10 over 2,546.59 at the end of the preceding quarter, all the other six sectoral indices fell below their levels at the beginning of the quarter. The NSE Banking, NSE Insurances, NSE Consumer Goods, NSE Oil/Gas, NSE Lotus Islamic and NSE ASeM indices declined by 16.6, 11.3, 12.1, 15.2, 3.6, and 1.0 per cent, to close at 373.33, 135.63, 966.98, 288.21, 2,760.37 and 952.39, respectively, at the end of the review period.

Figure 5: Market Capitalization and All-Share Index

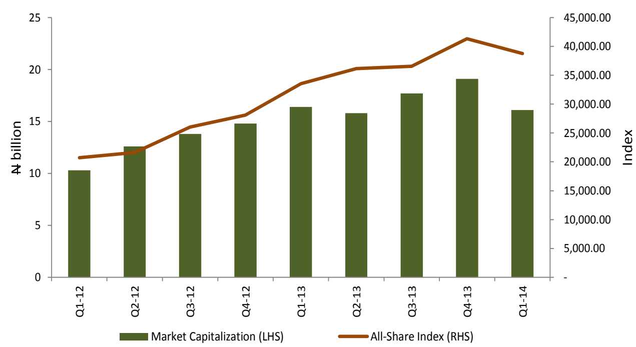


Table 5: Market Capitalization and All Share Index (NSE)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Market Capitalization (₦ trillion)	12.0	12.4	13.8	14.8	16.4	15.8	17.7	19.1	16.1
All-Share Index (Equities)	29,652.50	21,599.60	26,022.60	28,078.80	33,536.25	36,164.31	36,585.08	41,329.19	38,748.01

3.0 Fiscal Operations

3.1 Federation Account Operations

Available data showed that total federally-collected revenue during the first quarter of 2014 stood at ₦2,414.49 billion, representing an increase of 9.5 per cent above the level in the preceding quarter, but was a decline of 1.7 per cent from the level in the corresponding period of 2013. The development relative to the preceding quarter was attributed, largely, to the rise in oil revenue (Fig. 6, Table 6).

Gross federally - collected revenue rose by 9.5 per cent above the level in the fourth quarter of 2013.

Figure 6: Components of Gross Federally Collected Revenue

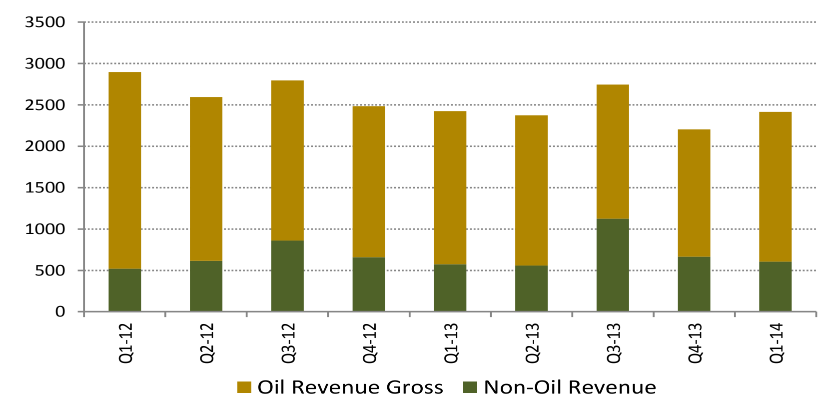


Table 6: Gross Federation Account Revenue (₦ billion)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Federally-collected revenue (Gross)	2955.4	2596.2	2783.0	484.1	2425.3	2373.7	2746.7	2204.6	2414.5
Oil Revenue	2376.0	1981.6	1936.2	1823.6	1849.5	1813.8	1622.8	1538.4	1808.9
Non-Oil Revenue	579.4	614.6	666.1	660.5	575.8	560.0	1123.9	666.2	605.6

At ₦1,808.86 billion, gross oil receipts, which constituted 74.9 per cent of the total, fell by 6.5 per cent below the proportionate budget estimate, but rose by 17.6 per cent above the receipts in the preceding quarter. The development was attributed to the increase in crude oil and gas exports, and other oil revenue during the review quarter (Fig. 7, Table 7).

Figure 7: Gross Oil Revenue and Its Components

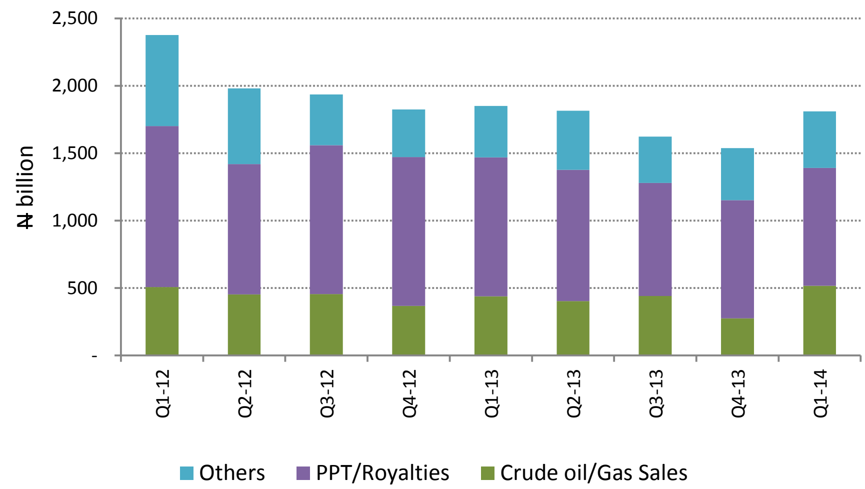


Table 7: Components of Gross Oil Revenue (₦ billion)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Oil Revenue	2376	1958.7	1936.16	1823.6	1849.5	1813.77	1622.79	1538.4	1808.86
Crude oil/Gas Sales	*506.5*	*452.5*	*455.21*	*366.65*	*439.1*	*403.8*	*440.09*	*275.93*	*516.63*
PPT/Royalties	*1194*	*966.1*	*1103.54*	*1103.9*	*1030.2*	*973.06*	*840.37*	*875.3*	*874.47*
Others	*675.5*	*562.9*	*377.41*	*353.05*	*380.1*	*436.91*	*342.33*	*387.18*	*417.76*

Non-oil receipts (gross), at ₦605.6 billion (25.1 per cent of the total), was below both the proportionate budget estimate and the level in the fourth quarter of 2013 by 32.8 and 9.1 per cent, respectively. The decline in non-oil revenue relative to the fourth quarter of 2013 was due to the fall in receipts from customs and excise duties, VAT and education tax (Fig. 8, Table 8).

Figure 8: Gross Non-Oil Revenue and its Components

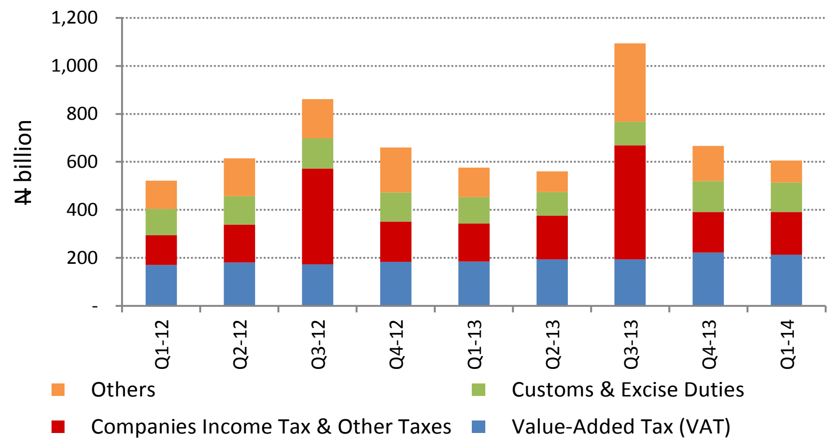


Table 8 Components of Gross Non-Oil Revenue (₦ billion)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Non-Oil Revenue	579.4	542.1	861.4	660.5	575.8	560.0	1123.9	666.2	605.6
Value-Added Tax (VAT)	171.0	181.8	173.6	183.8	185.5	193.6	194.4	222.0	213.8
Companies Income Tax & Other Taxes	124.4	157.4	398.7	168.1	158.3	183.0	475.1	169.1	178.1
Customs & Excise Duties	109.3	117.7	50.1	121.0	109.9	97.3	97.4	129.0	121.6
Others	174.7	157.7	238.9	187.6	122.0	86.1	357.0	146.1	92.1

Of the gross federally-collected revenue during the review quarter, the sum of ₦1,492.99 billion (after accounting for all deductions and transfers) was transferred to the Federation Account for distribution among the three tiers of government and the 13.0% Derivation Fund. The Federal Government received ₦703.72 billion, while the state and local governments received ₦356.93 billion and ₦275.18 billion, respectively. The balance of ₦157.15 billion went to the 13.0% Derivation Fund for distribution to the oil-producing states. Also, the Federal Government received ₦30.79 billion from the VAT Pool Account, while the state and local governments received ₦102.63 billion and ₦71.84 billion, respectively.

The sum of ₦1,492.99 billion out of the federally collected revenue was distributed among the three tiers of government and 13.0% Derivation Fund for oil producing states.

The sum of ₦106.65 billion was also distributed as the Subsidy Re-Investment and Empowerment Programme (SURE-P) among the three tiers of government and the 13% Derivation Fund as follows: Federal Government (₦48.88 billion), State Governments (₦24.80 billion), Local Governments (₦19.11 billion) and 13% Derivation Fund (₦13.86 billion).

In addition, the sum of ₦22.85 billion from NNPC Refund was shared by the sub-national governments and 13% Derivation Fund as follows: State Governments (₦11.23 billion), Local Governments (₦8.65 billion) and 13% Derivation Fund (₦2.97 billion). Thus, the total allocation to the three tiers of government in the first quarter of 2014 amounted to ₦1,827.73 billion, compared with ₦2,008.12 billion in the preceding quarter.

3.2 The Fiscal Operations of the Three Tiers of Government

3.2.1 The Federal Government

Federal government estimated retained revenue and total expenditure were lower than the receipts in the fourth quarter of 2013.

At ₦823.86 billion, the Federal Government retained revenue for the first quarter of 2014 was lower than both the proportionate budget estimate and the receipts in the fourth quarter of 2013 by 32.8 and 0.3 per cent, respectively. Of this amount, the Federal Government share from the Federation Account, Sure-P, FGN Independent Revenue, and VAT were ₦703.72 billion, ₦48.88 billion, ₦40.48 billion and ₦30.79 billion, respectively (Fig. 9, Table 9).

Figure 9: Federal Government Retained Revenue

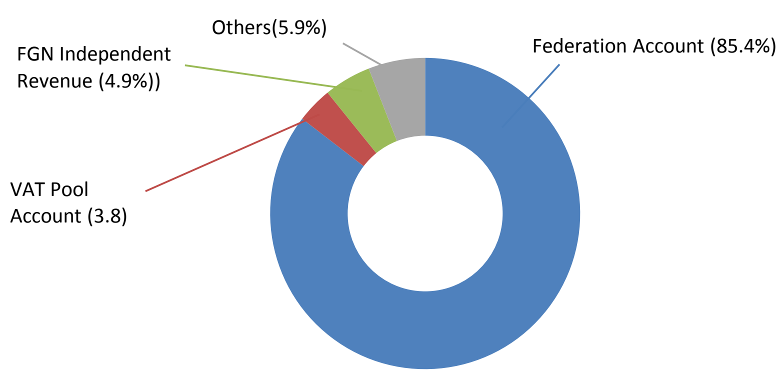


Table 9: Federal Government Fiscal Operations (₦ billion)

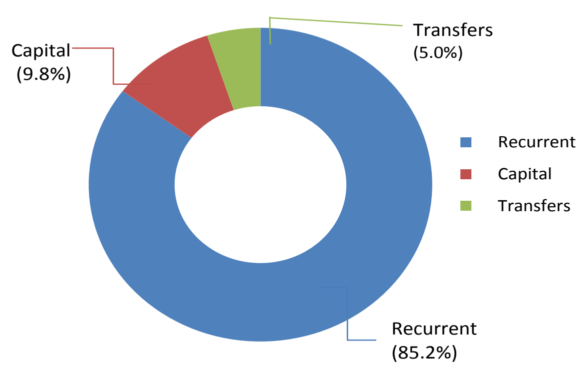
	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Retained Revenue	1015.7	852.0	883.6	923.0	954.6	885.5	995.3	826.4	823.9
Expenditure	1101.4	1063.8	1422.1	1130.3	1108.6	1149.4	1138.0	1454.4	1462.3
Overall Balance: Surplus(+)/Deficit(-)	-85.7	-192.2	-538.4	-207.3	-154.0	-263.9	-142.7	-628.0	-638.4

Total estimated expenditure for the first quarter of 2014 stood at ₦1,462.26 billion, indicating an increase of 1.0 and 0.5 per cent above the quarterly budget estimate and the level in the preceding quarter, respectively. The development was attributed to the rise in the recurrent component during the period. A breakdown of the total expenditure showed that the recurrent component accounted for 85.2 per cent, while capital and statutory transfers components accounted for 9.8 and 5.0 per cent, repectively (Fig. 10). A further breakdown of the recurrent expenditure showed that the non-debt component accounted for 81.5 per cent, while debt service payments accounted for the balance of 18.5 per cent.

The fiscal operations of the FG resulted in an estimated deficit of ₦638.39 billion in Q1 2014.

Thus, the fiscal operations of the Federal Government resulted in an estimated deficit of ₦638.4 billion, compared with ₦601.56 billiion or 5.1 per cent of the estimated GDP for the fourth quarter of 2013.

Figure10: Federal Government Expenditure



3.2.2 Statutory Allocations to State Governments

Total allocation to state governments (including the Federation Account, 13.0% Derivation Fund and VAT) stood at ₦669.57 billion during the review quarter. This was 0.5 and 8.7 per cent below the levels in both the fourth and the corresponding quarters of 2013, respectively.

Further breakdown showed that, at ₦566.94 billion, receipts from the Federation Account constituted 84.7 per cent of the total, indicating a decline of 0.5 and 8.7 per cent below the levels in the fourth and the corresponding quarters of 2013, respectively. At ₦102.63 billion, receipts from the VAT Pool Account, constituted 15.3 per cent of the total, indicating a 3.7 per cent increase over the level in the fourth quarter of 2013, but a 15.1 per cent decline below its level in the corresponding quarter of 2013.

On a monthly basis, the sum of ₦209.32 billion, ₦228.63 billion and ₦231.62 billion was allocated as statutory allocations and VAT receipts to the 36 state governments in January, February and March 2014, respectively.

3.2.3 Statutory Allocations to Local Government Councils

Total receipts by the local governments from the Federation and VAT Pool Accounts during the first quarter of 2014, stood at ₦374.79 billion. This amount was both below the levels in the preceding quarter and the corresponding quarter of 2013 by 0.6 and 6.7 per cent, respectively. Of the total amount, allocation from the Federation Account was ₦302.95 billion (80.8 per cent), while VAT Pool Account accounted for the balance of ₦71.84 billion (19.2 per cent). On a monthly basis, the sum of ₦117.49 billion, ₦128.80 billion and ₦128.50 billion was allocated to the 774 local governments in January, February and March 2014, respectively.

4.0 Domestic Economic Conditions

The dominant agricultural activities in the first quarter of 2014 were harvesting of tree crops, clearing of land in preparation for wet season farming, and tending of irrigation-fed vegetable and cereal crops. Crude oil production was estimated at 1.90 million barrels per day (mbd) or 171.0 million barrels for the quarter. The end-period inflation rate for the first quarter of 2014, on year-on-year basis, was 7.8 per cent, compared with 8.0 and 8.6 per cent at the end of the fourth and the corresponding quarters of 2013, respectively. The inflation rate on a 12-month moving average basis was 8.2 per cent, compared with 8.5 and 11.4 per cent in the fourth and corresponding qaurters of 2013, respectively.

4.1 Agricultural Sector

Available data indicated that agricultural activities during the first quarter of 2014 were dominated by the harvesting of tree crops and clearing of land in preparation for wet season farming in the southern states. Farmers in the northern states continued with the tending of irrigation-fed vegetable and cereal crops. In the livestock sub-sector, farmers were involved in raising of livestock to replace stock sold during the preceding end of year fetivities. However, persistent farmers/Fulani herdsman clashes during the review period negatively impacted agricultural output.

A total of ₦2,615.9 million was guaranteed to 17,067 farmers under the Agricultural Credit Guarantee Scheme (ACGS) in the first quarter of 2014. This represented a decline of 10.2 per cent below the level in the preceding quarter, but was 38.2 per cent above the level in the corresponding quarter of 2013.

A sub-sectoral analysis of the loans guaranteed indicated that the food crops sub-sector received the largest share of ₦1,735.4 million (67.0 per cent) for 13,111 beneficiaries, livestock sub-sector got ₦440.8 million (16.9 per cent) for 1,318 beneficiaries, while the mixed crops got ₦137.5 million (5.3 per cent) guaranteed to 1,008 beneficiaries. Fisheries sub-sector received ₦129.5 million (5.0 per cent) for 714 beneficiaries, while 'Others' sub-sector got ₦79.2 million (2.9 per cent) guaranteed to 464 beneficiaries. Cash crops sub-sector received ₦75.6 million (2.9 per cent) guaranteed to 452 beneficiaries. Further analysis showed that all the states and FCT benefited from the Scheme during the quarter, with the highest and lowest sums of ₦250.5 million (9.6 per cent) and ₦0.3 million (0.01 per cent) guaranteed to Kebbi and Bauchi states, respectively.

At end-March 2014, the total amount released by the CBN under the Commercial Agriculture Credit Scheme (CACS) to the participating banks for disbursement stood at ₦228.20 billion for 307 (three hundred and seven) projects (Table 10). The beneficiaries included thirty state governments.

Table 10: Disbursement of Credit Under the Commercial Agriculture Credit Scheme (CACS)

S/N	Participating Banks	Amount Disbursed (₦ billion)	mber of Projects/State Governme
1	United Bank for Africa (UBA) Plc	41.8	35
2	Zenith Bank	34.0	23
3	First Bank of Nigeria Plc	26.1	64
4	Unity Bank Plc	22.3	25
5	Union Bank Nigeria PLC	18.2	21
6	Stanbic IBTC Bank	13.5	29
7	Access Bank Plc	11.1	13
8	Skye Bank Plc	9.6	7
9	Fidelity Bank Plc	10.9	10
10	Sterling Bank Plc	13.3	22
11	GTBank Plc	5.8	9
12	FCMB Plc.	5.1	10
13	ECOBANK	4.3	7
14	Citibank Plc	3	2
15	Diamond Bank Plc	3	13
16	Mainstreet Bank Plc	2	1
17	Keystone Bank	2.1	3
18	Wema Bank Plc	1.1	6
19	Enterprise Bank PLC	0.5	6
20	Heritage Bank	0.5	1
	TOTAL	228.2	**307**

4.2 Industrial Production

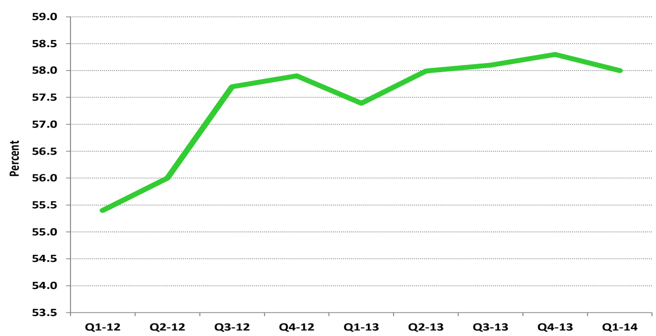
Industrial activities declined in the review quarter due to fall in activities of all its sub-sectors during Q1 2014.

Industrial activities declined marginally during the first quarter of 2014 relative to the level in the preceding quarter. At 138.98 (1990=100), the estimated index of industrial production declined by 0.2 per cent from the level in the preceding quarter, but increased by 1.12 per cent above the level in the corresponding quarter of 2013. The development relative to fourth quarter of 2013 was attributed to the fall in activities in all its sub-sectors during the period.

The estimated index of manufacturing production, at 108.2 (1990=100), fell by 0.7 per cent below the level in the fourth quarter of 2013, but rose by 1.12 per cent above the level in the corresponding period of 2013. The estimated capacity utilization also fell by 0.3 percentage point to 58.0 per cent during the review period. The development was attributed to the decline in manufacturing activities (Fig.11).

Actual industrial capacity utilization fell by 0.3 percentage point during the review quarter.

Figure 11: Capacity Utilization Rate



At 147.23 (1990=100), the index of mining production fell by 1.2 per cent relative to the level attained in the fourth quarter of 2013, but indicated an increase of 0.7 per cent above the level in the corresponding quarter of 2013. The decline in mining production during the review quarter was accounted for by the fall in the index of quarrying and other mining production.

At 3,200 MW/h, estimated average electricity generation fell by 8.6 per cent, compared with the level attained in the fourth quarter of 2013. The development was attributed to vandalism of gas pipeline and damages to substations across the country.

Average electricity generation and consumption fell during the review quarter.

At 3,968 MW/h, estimated average electricity consumption fell by 8.6 per cent, compared with the level attained in the fourth quarter of 2013. The development was attributed to the decrease in power supply transmission and distribution (Fig. 12,

Table 11).

Figure 12: Index of Industrial Production (1990=100)

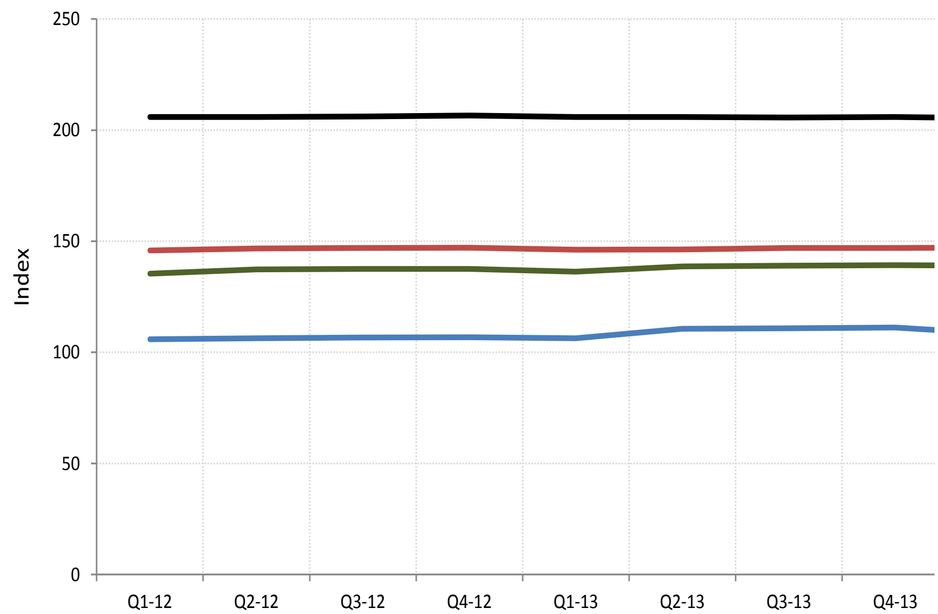


Table 11: Index of Industrial Production and Manufacturing Capacity Utilization Rate

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
All Sectors (1990=100)	**135.4**	**137.3**	**137.5**	**137.6**	**136.4**	**138.7**	**139.0**	**139.2**	**138.98**
Manufacturing	*105.9*	*106.3*	*106.7*	*106.8*	*106.4*	*110.6*	*110.9*	*111.2*	*108.2*
Mining	*145.9*	*146.7*	*147.0*	*147.1*	*146.2*	*146.3*	*147.0*	*147.0*	*147.2*
Electricity	*205.9*	*205.9*	*206.1*	*206.6*	*206.6*	*206.2*	*206.4*	*206.7*	*206.4*
Capacity Utilization (%)	*55.4*	*56.0*	*57.7*	*57.9*	*57.4*	*58.0*	*58.1*	*58.3*	*58.0*

4.3 Petroleum Sector

Crude oil and natural gas production increased by 0.03 per cent during Q1 2014.

Crude oil export recorded an increase in Q1 2014.

Nigeria's crude oil production, including condensates and natural gas liquids, was estimated at 1.90 million barrels per day (mbd) or 171.0 million barrels, compared with 1.87 mbd or (172.04 million barrels) in the fourth quarter of 2013. This represented an increase of 0.03 mbd or 1.6 per cent above the level in the fourth quarter of 2013. Consequently, crude oil export was estimated at 1.45 mbd or (130.50 million barrels) in the review quarter, compared with 1.42 mbd or 130.64 in the fourth quarter of 2013, thus representing an increase of 2.1 per cent. The development was attributed to the successes recorded in the efforts at curbing the incessant crude oil theft in the Niger Delta region. Allocation of crude oil for domestic consumption was 0.45 mbd or 40.5 million barrels during the review quarter.

At an estimated average of US$109.47 per barrel, the price of Nigeria's reference crude, the Bonny Light (37° API), fell by 3.2 per cent below the level in the fourth quarter of 2013. The average prices of other competing crudes, namely the U.K Brent, the West Texas Intermediate and the Forcados also fell to US$107.35, US$92.86 and US$110.33 per barrel from US$110.81, US$97.73 and US$112.74 per barrel, respectively, in the preceding quarter. At US$105.98 per barrel, the average price of OPEC's basket of eleven crude streams fell by 1.6 and 0.8 per cent, below the US$107.67 and US$106.79 per barrel recorded in the fourth and the corresponding quarters of 2013, respectively. The fall in prices was attributed to the continued geopolitical tension in Ukraine, China's slow economic growth and the ongoing production outage in Libya (Fig. 13, Table 12).

Average crude oil prices, including Nigeria's Bony Light (37° API),fell in the international crude oil market in Q1 2014.

Figure13: Trends in Crude Oil Prices

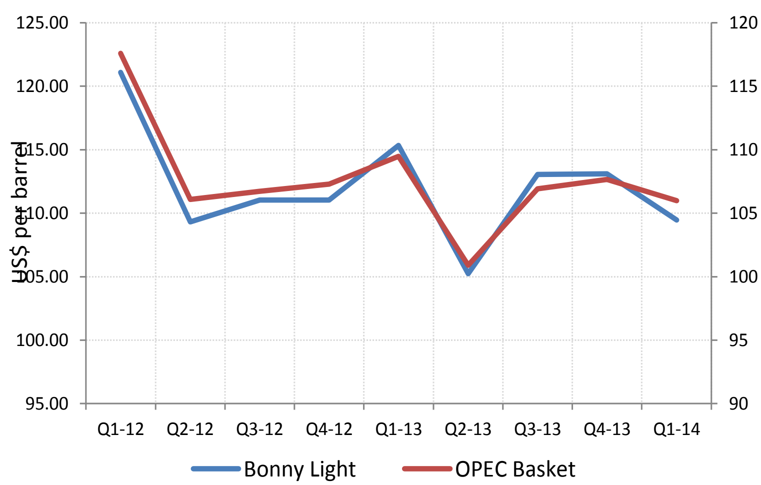


Table 12: Average Crude Oil Prices in the International Oil Market

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Bonny Light	121.10	109.32	111.04	111.04	115.34	105.24	114.73	113.11	109.47
OPEC Basket	117.58	106.08	106.72	107.29	106.79	100.90	108.73	107.67	105.98

4.4 Consumer Prices[3]

The general price level rose in Q1 2014 on account of the increase in the prices of food items.

Available data showed that the all-items composite Consumer Price Index (CPI) at the end of the first quarter of 2014 was 155.2 (November 2009=100), representing an increase of 2.0 and 7.8 per cent over the levels in the fourth and the corresponding quarters of 2013, respectively. The development reflected the increase in food prices, particularly bread and cereals, fish, dairy, Oils and fats, fruits classes, meats, vegetables, potatoes and yams, and other tubers.

The urban all-items CPI at the end of the first quarter of 2014 was 154.2 (November 2009=100), indicating an increase of 1.9 and 7.9 per cent over the levels in the fourth and the corresponding quarters of 2013, respectively. Similarly, the rural all-items CPI, at 156.4 (November 2009=100), represented an increase of 2.0 and 7.6 per cent over the levels in the fourth and the corresponding quarters of 2013, respectively (Fig. 14, Table 13).

[3] New CPI with November 2009 = 100 as base and new weight based on the 2003/2004 Nigeria Living Standard Survey (NLSS) was released by the National Bureau of Statistics (NBS) on 18th October 2010.

Figure14: Consumer Price Index

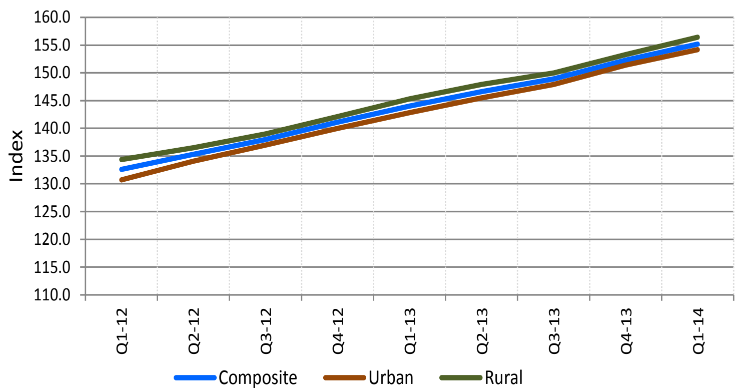


Table 13: Consumer Price Index (November 2009=100)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Composite	132.6	135.3	138.0	141.1	144.0	146.6	148.9	152.3	155.2
Urban	130.7	134.1	137.0	140.0	142.8	145.5	147.9	151.4	154.2
Rural	134.4	136.5	139.0	142.1	145.3	147.9	150.0	153.3	156.4

The end-period inflation rate for the first quarter of 2014, on a year-on-year basis, stood at 7.8 per cent, compared with 8.0 per cent in the fourth quarter of 2013. This indicated a decline of 0.8 percentage point below the level in the corresponding quarter of 2013. The inflation rate on a twelve-month moving average basis was 8.2 per cent, compared with 8.5 and 11.4 per cent in the fourth and the corresponding quarters of 2013, respectively (Fig. 15, Table 14).

The headline inflation (y-o-y) stood at 7.8 per cent in Q1 2014.

Figure 15: Inflation Rate

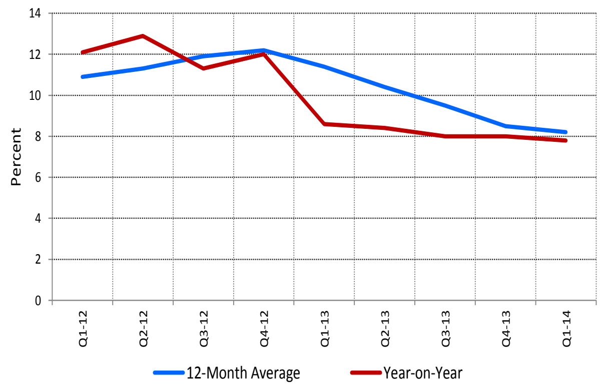


Table 14: Headline Inflation Rate (%)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
12-Month Moving Average	10.9	11.3	11.0	12.2	11.4	10.4	9.5	8.5	8.2
Year-on-Year	12.1	12.9	11.3	12.0	8.6	8.4	8.0	8.0	7.8

5.0 External Sector Developments

Provisional data indicated that foreign exchange inflow through the CBN in the first quarter of 2014 rose by 6.6 per ent above the level in the preceding quarter, but declined by 2.0 per cent below the level in the corresponding quarter of 2013. Outflow through the Bank increased by 45.3 and 148.3 per cent over the levels in the preceding and the corresponding quarters of 2013, respectively. Total non-oil export receipts by banks fell by 27.8 and 2.0 per cent relative to the levels in the preceding and the corresponding quarters of 2013. Relative to the preceding quarter, the average Naira exchange rate at the rDAS vis-à-vis the US dollar, appreciated marginally by 0.01 per cent to ₦157.30 per dollar. At the BDC segment of the market, the average naira exchange rate, at ₦170.84 vis-à-vis the dollar, depreciated by 1.8 per cent, relative to the level in the preceding quarter. Similarly, at the interbank segment, the average naira exchange rate relative to the preceding quarter depreciated to ₦162.78 per dollar. The gross external reserves fell by 12.7 per cent to US$37.40 billion below its level at the end of the preceding quarter.

5.1 Foreign Exchange Flows

Provisional data indicated that foreign exchange inflow through the CBN in the first quarter of 2014 amounted to US$10.09 billion, representing an increase of 6.6 per cent above the level in the preceding quarter, but was 2.0 per cent below the level in the corresponding quarter of 2013. The development relative to the preceding quarter was attributed to the 14.2 per cent increase in receipts from crude oil exports. Outflow amounted to US$15.67 billion, showing an increase of 45.3 and 148.3 per cent above the levels in the fourth and the corresponding quarters of 2013, respectively. The rise in outflow relative to the preceding quarter was attributed to the increase in rDAS utilization, other official payments and external debt service payments. The development resulted in a net outflow of US$5.58 billion, compared with US$1.32 billion recorded in the preceding quarter, but was in contrast with net inflow of US$3.99 billion in the corresponding quarter of 2013 (Fig.16, Table 15).

Foreign exchange inflow and out flow through the CBN rose by 6.6 and 45.3 per cent, respectively, resulting in a net outflow of US$5.58 billion during Q1 of 2014.

Figure 16: Foreign Exchange Flows Through the CBN

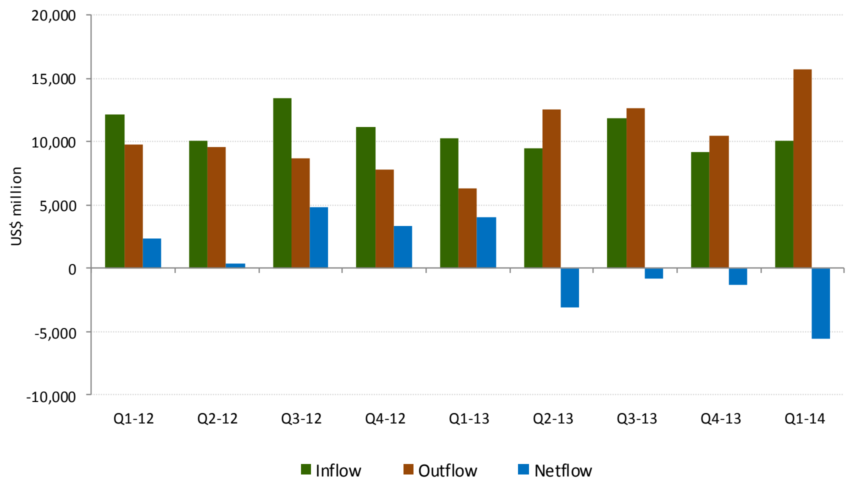


Table 15: Foreign Exchange Flows Through the CBN (US$ million)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Inflow	12,119.80	10,050.94	13,444.07	11,168.38	10,304.46	9,442.91	11,857.35	9,465.52	10,094.16
Outflow	9,760.50	10,118.35	8,668.74	7,817.12	6,313.04	12,500.11	12,667.33	10,789.61	15,672.86
Netflow	2,359.30	(67.41)	4,775.33	3,351.26	3,991.42	(3,057.20)	(809.98)	(1,324.09)	(5,578.70)

Provisonal data on aggregate foreign exchange flows through the economy indicated that total inflow amounted to US$35.98 billion, representing an increase of 2.1 and 5.4 per cent above the levels in the preceding and the corresponding quarters of 2013, respectively. The development was attributed to increase in receipts from crude oil export and invisible inflows through autonomous sources (non-oil exports). Oil sector receipts, which accounted for 26.9 per cent of the total, stood at US$9.69 billion, compared with the US$8.48 billion and US$9.77 billion recorded in the fourth and the corresponding quarters of 2013, respectively.

Autonomous inflows into the economy rose by 0.5 per cent in Q1 2014 .

Non-oil public sector inflow, at US$0.40 billion, (1.1 per cent of the total) fell by 59.0 and 25.0 per cent below the levels in the fourth and the corresponding quarters of 2013, respectively. Autonomous inflow, which accounted for 71.9 per cent of the total rose by 0.5 per cent above the level in the fourth quarter of 2013.

At US$16.00 billion, aggregate foreign exchange outflow from the economy increased by 42.6 and 149.9 per cent above the levels in the fourth and the corresponding quarters of 2013, respectively. The increase, relative to the fourth quarter of 2013, was accounted for, mainly, by the 58.0 per cent increase in funding of the rDAS. Overall, a net inflow of US$19.98 billion was recorded in the first quarter of 2014, compared with US$24.02 billion and US$27.73 billion in the fourth and the corresponding quarters of 2013, respectively.

5.2 Non-Oil Export Earnings by Exporters

Total non-oil export earnings by Nigerian exporters during the first quarter of 2014 stood at US$1.11 billion, indicating a decline of 27.8 and 2.0 per cent below the the levels in the fourth and the corresponding quarters of 2013, respectively. The development relative to the preceding qaurter was attributed, largely, to the significant decline in foreign exchange receipts from agricultural, industrial and food products sectors. A breakdown of the proceeds showed that manufactured products, industrial sector, agricultural products, minerals and food products earned US$561.2 million, US$301.8 million, US$174.1million, US$52.6 million, and US$24.3 million, respectively.

Total non-oil export earnings by exporters fell during the first quarter of 2014.

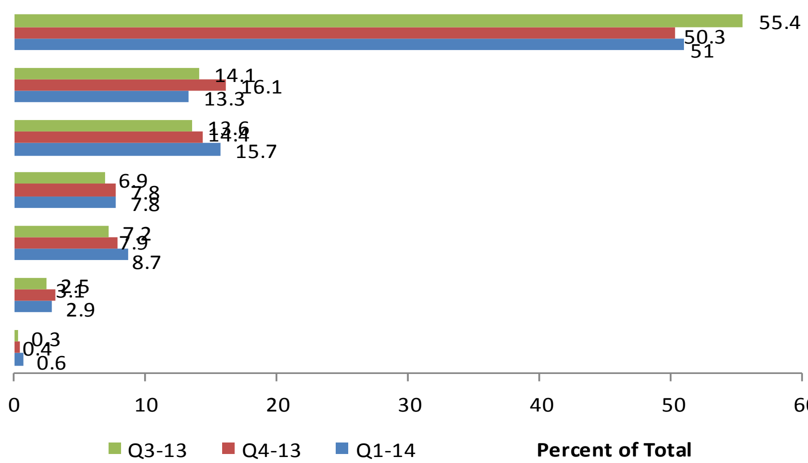
The shares of manufactured products, industrial sector, agricultural products, minerals and food products in non-oil export proceeds were 50.4, 27.1, 15.6, 4.7 and 2.2 per cent, respectively.

5.3 Sectoral Utilisation of Foreign Exchange

Available data indicated that the invisible sector accounted for the bulk (51.0 per cent) of total foreign exchange disbursed in the first quarter of 2013, followed by mineral and oil sector (15.7 per cent). Other beneficiary sectors, in a descending order included: industrial sector (13.3 per cent), food products (8.7 per cent), manufactured products (7.8 per cent), transport sector (2.9 per cent) and agricultural products (0.6 per cent) (Fig.17).

The invisible sector accounted for the bulk of the total foreign exchange disbursed during Q1 2014.

Figure17: Sectoral Utilisation of Foreign Exchange



5.4 Foreign Exchange Market Developments

Demand and supply of foreign exchange by authorized dealers rose during Q1 2014.

Foreign exchange demand by the authorized dealers for the review quarter was estimated at US$16.84 billion, indicating an increase of 40.4 and 245.15 per cent above the levels in the fourth and the corresponding quarters of 2013, respectively. The sum of US$14.77 was sold by the CBN during the review quarter, indicating an increase of 62.3 and 216.45 per cent above the levels in the fourth and the corresponding quarters of 2013, respectively. (Fig. 18, Table 17).

Figure 18: Demand for and Supply of Foreign Exchange

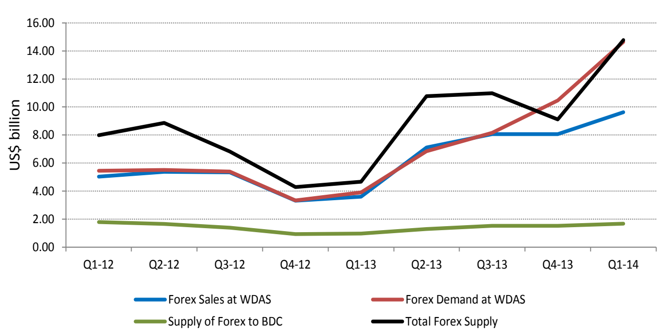


Table 16: Demand for and Supply of Foreign Exchange (US$ billion)

	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Forex Sales at RDAS	5.3	3.3	3.6	7.1	8.1	7.1	9.6
Forex Demand at RDAS	5.4	3.3	3.9	6.8	8.1	10.5	14.7
Supply of Forex to BDC	1.4	0.9	0.9	1.3	1.5	1.5	1.7
Total Forex Supply(BDC and RDAS)	6.8	4.3	4.7	10.8	11.0	9.1	14.8

Under the rDAS, the average exchange rate of the naira vis-à-vis the US dollar was ₦157.30 per US dollar, indicating a marginal appreciation of 0.01 and 0.003 per cent relative to the levels in the fourth and the corresponding quarters of 2013, respectively. However, at the bureau-de-change segment of the market, the naira traded at an average of ₦170.84 per US dollar, indicating a depreciation of 1.8 and 6.8 per cent below the levels in the fourth and the corresponding quarters of 2013, respectively. Similarly, at the interbank segment, the naira exchanged at an average of ₦162.78 to the US dollar, indicating a depreciation of 2.2 and 3.2 per cent from the levels in the fourth and the corresponding quarters of 2013, repsectively (Fig. 19, Table 17).

The average Naira exchange rate vis-à-vis the US dollar appreciated at the rDAS segment of the market but depreciated at the BDC and interbank segments of the foreign exchange market Q1 2014.

The premium between the rDAS and the bureau-de-change rates widened from 6.7 per cent in the fourth quarter of 2013 to 8.6 per cent in the first quarter of 2014. Simialrly, the premium between the rDAS and interbank also widened from 1.2 per cent in the fourth quarter of 2013 to 3.5 per cent in the review quarter (Fig. 20,).

The premium between the rDAS rates and the BDC and interbank rates widened in the review quarter.

Figure 19: Average Exchange Rate Movements

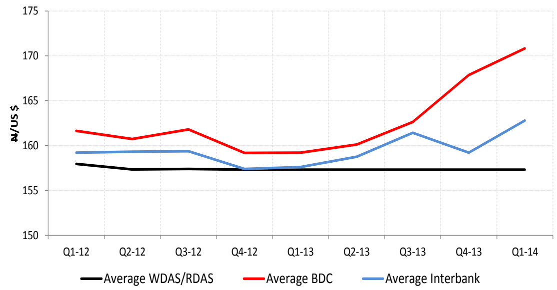
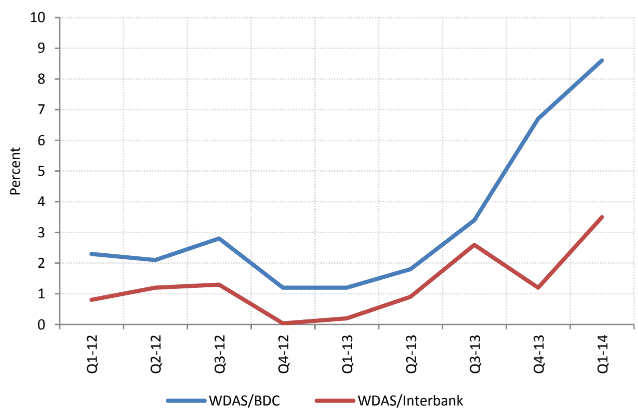


Table 17: Exchange Rate Movements and Exchange Rate Premium

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Average Exchange Rate (₦/US$)									
RDAS	*158.0*	*157.4*	*157.3*	*157.3*	*157.3*	*157.3*	*157.3*	*157.3*	*157.3*
BDC	*161.6*	*160.7*	*159.0*	*159.2*	*159.2*	*160.1*	*162.6*	*167.9*	*170.8*
Interbank	*159.2*	*159.3*	*157.2*	*157.4*	*157.6*	*158.8*	*161.4*	*159.2*	*162.8*
Premium (%)									
RDAS/BDC	*2.3*	*2.1*	*2.8*	*1.2*	*1.2*	*1.8*	*3.4*	*6.7*	*8.6*
RDAS/Interbank	*0.8*	*1.2*	*1.3*	*0.04*	*0.2*	*0.9*	*2.6*	*1.2*	*3.5*

Figure 20: Exchange Rate Premium



5.5 Gross External Reserves

Gross external reserves at the end of the first quarter of 2014 stood at US$37.40 billion, indicating a decline of 12.7 per cent below the level recorded at the end of the fourth quarter of 2013. A breakdown of the reserves showed that CBN reserves stood at US$31.54 billion (84.3 per cent), Federation reserves was US$2.79 billion (7.5 per cent) and the Federal Government reserves was US$3.07 billion (8.2 per cent) (Fig. 21, Table 19).

Gross external reserves declined during the first quarter of 2014.

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Figure 21: Gross External Reserves

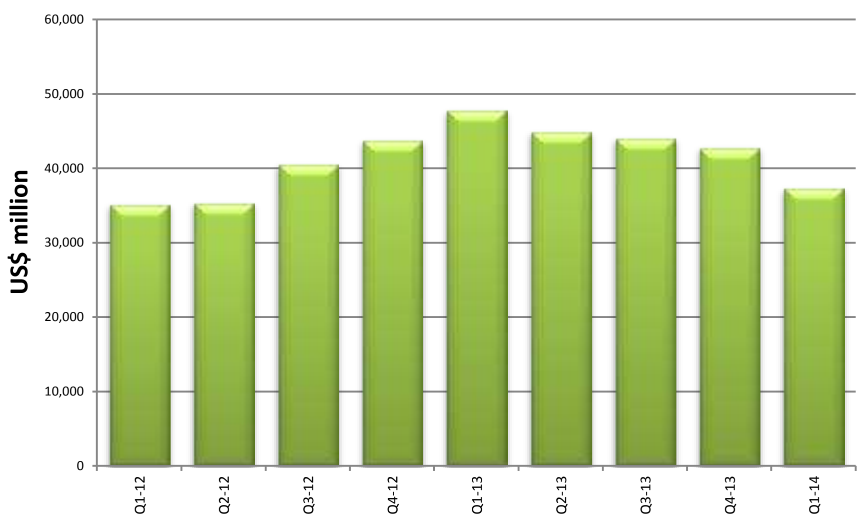

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Table 18: Gross External Reserves (US$ million)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
External Reserves	35,190.8	35,412.5	40,636.8	43,830.4	47,884.1	44,957.0	44,108.5	42,847.3	37,400.8

6.0 Global Economic Conditions

6.1 Global Output

Latest World Economic Outlook (WEO) from the International Monetary Fund (IMF) indicated that global output growth was expected to accelerate in 2014. Global output growth in 2014 was projected at 3.7 per cent, following increased global activity recorded in the second half of 2013. The development was attributed to expected increase in aggregate demand in the advanced economies and anticipated continuous rebound in exports in emerging economies.

The US economy was reported to have grown at a much slower rate in the fourth quarter of 2013 due, largely to weaker estimated consumer spendings. However, modest growth was recorded in manufacturing in the first quarter of 2014. The Institute for Supply Management growth index rose from 53.2 in February to 53.7 in March. The development was attributed to the strengthening productivity in factories as they recover from the effects of severe winter weather shutdowns. Similarly, construction spending was reported to have risen, boosted by building of hotels, motels and non-residential buildings, and increased spending on government projects.

Data from the Statistical Office of the European Union (Eurostat), indicated that underlying price pressures in the euro area remained weak and monetary and credit dynamics were subdued. The European Central Bank, however, noted that moderate recovery of the euro area economy is proceeding in line with the Governing Council's previous assessment. During the review period, the final Markit's Purchasing Managers' Index (PMI) for manufacturing stood at 53.0, while the output price sub-index fell below the 50 mark that separates growth from contraction for the first time since August 2013. France showed further signs of recovery and German growth remained strong. Italy's PMI rose to a two-month high and Spain's to a 47-month peak.

Developments in the United Kingdom economy was mixed. The Markit/CIPS Purchasing Managers' Index (PMI) for manufacturing fell further to 62.6 in February, due to disruptions relating to "adverse weather conditions". However, the Markit/CIPS Manufacturing PMI rose to 56.9 in February from 56.6 in January. Jobs growth in the sector rose at its fastest rate since May 2011. However, growth in new export orders slowed, due partly to the appreciation of the currency.

In China, developments in the world's second-largest economy were also mixed. The manufacturing sector contracted in March as the HSBC PMI gave a reading of 48.1 for March, compared with 48.5 in February. In another development, the official non-manufacturing PMI rose to a three-month high of 55.0 in February, while the final Markit/HSBC manufacturing Purchasing Managers' Index fell to 48.5, its third straight decline.

In Japan, the Ministry of Economy, Trade and Industry (METI) data showed that industrial output fell by 2.3 per cent in February 2014, in contrast to 3.8 per cent growth in January 2014. The METI, however, noted that it expected output to rise by 0.9 per cent in March 2014. In India, the Commerce Ministry reported that the wholesale-price index moderated to a nine-month low of 4.7 per cent in February 2014, compared with 5.05 per cent in January. This was attributed to higher borrowing costs which damped price pressures ahead of national elections in April 2014.

Rebound in exports of goods and services in Brazil, and expected pursuit of economic recovery plans in the Middle East and North Africa (MENA) heightened growth prospects in the areas. The Sub-Saharan Africa was estimated to have grown by 5.1 per cent in 2013, from 4.8 per cent recorded in 2012. The strong performance was based on the ongoing investment in infrastructure and productive capacity, continuing robust consumption, and the activation of new capacity in extractive sectors. This was expected to accentuate continuous growth in 2014.

6.2 Global Inflation

Available data showed that the US annual consumer prices accelerated to 1.5 per cent in March. This was attributed to higher shelter and food cost. On a monthly basis, the inflation rate edged up to 0.2 per cent, following a 0.1 per cent increase in February. The Eurostat estimate puts the inflation rate in the euroarea at 0.7 per cent in February, down from

0.8% in January and well below the European Central Bank target of just below 2.0 per cent. However, the euroarea economy was experiencing a prolonged period of low inflation, expected to be followed by a gradual upward movement towards a 2.0 per cent target.

Meanwhile, China also set its inflation goal at 3.5 per cent, aimed at keeping prices under control. Following years of high positive growth rates, China experienced a fall in its rate of expansion in recent years, due to a slowdown domestically and in key markets abroad. In Japan, the consumer price inflation moderated marginally to 1.4 per cent in January 2014 from 1.6 per cent in December 2013 on year-on-year. Meanwhile, in India report showed that consumer-price inflation slowed to 8.1 per cent in February, the lowest in more than two years from 8.79 per cent in January as food costs eased.

Statistics South Africa reported that headline consumer inflation quickened in February to 5.9 per cent year-on-year as expected, from 5.8 per cent in January.

6.3 Global Commodity Demand and Prices

World crude oil demand was estimated at 90.20 mbd in the first quarter of 2014, representing a decrease of 0.8 per cent below the 90.93 per cent recorded in the fourth quarter of 2013. However, world crude oil supply was estimated at an average of 90.80 mbd, representing an increase of 0.5 per cent above the level recorded in the fourth quarter of 2013. The development was attributed to concerns about China's slower economic growth, geopolitical tension in Ukraine and low consumption of transportation fuel due to exceptional cold snaps in the Northern Hemisphere (for instance, slow down oil demand momentum in the US).

The OPEC Reference Basket price of eleven selected crude streams stood at $105.98 per barrel in the first quarter of 2014, from $107.67/b in the fourth quarter of 2013. The decline in price was attributed to a sluggish global crude oil market, impacted by concerns over China's economic growth, lower refinery demand and ample availability, as countries like the US continue to drawdown on oil stocks at Cushing, Oklahoma.

The prices of the UK Brent, the West Texas Intermediate and the Forcados, also declined to close at US$107.35, US$92.86 and US$110.33 per barrel, respectively.

6.4 Other International Economic Developments and Meetings

Other major international economic developments and meetings of importance to the domestic economy during the review quarter included: the Meeting of the G20 Finance Minister and Central Bank Governors held in Sydney from February 22-23, 2014. The meeting focused on global growth in relation to the G20 Countries and agreed to intensify efforts to substantially complete key aspects of the reforms outlined at the Brisbane summit in response to the global financial crisis.

Similarly, the first 2014 Ordinary Meeting of the Bureau of the Association of African Central Banks (AACB) was held on February 26, 2014 at the Head Office of the Central Bank of West African States (BCEAO) Dakar, Senegal. The Meeting, which was preceded by the Technical Committee Meeting, held on February 24 – 25, reviewed the level of implementation of the decisions made by the Assembly of Governors at its 37th Ordinary Meeting held in Mauritius in August 2013 and the level of implementation of the African Monetary Cooperation Programme (AMCP). At the end of the meeting, members adopted the Reports of the Symposium and the 37th Ordinary Assembly meeting; and the Work plan (2014 - 2016), including the internal rules of the Community of African Banking Supervisors, pending approval by the Assembly of Governors.

Furthermore, the inaugural meeting of the Presidential Task Force on the ECOWAS Monetary Cooperation Programme was held in Niamey, Republic Of Niger, from February 20-21, 2014. The purpose of the Meeting was to deliberate on the status of implementation of various member countries on the convergence criteria towards attaining a Single Currency Union in the sub-region. As part of the efforts at proffering solutions to the constarints inhibiting progress of the convergence, the ECOWAS Commission presented four options as modalities for accelerating the monetary integration process. The meeting concluded with members agreeing that they should continue to work towards the deadline target of 2020 for the Monetary Union project.

Moreover, the 22nd Assembly of Heads of State and Government of the African Union was held in Addis Ababa, Ethiopia from January 21 – 31, 2014. The theme of the Summit was "Transforming Africa's Agriculture: Harnessing Opportunities for Inclusive Growth and Sustainable Development". Similalrly, the 2013 Statutory Meetings of the West African Monetary Agency (WAMA), West African Monetary Institute (WAMI) and West African Institute for Financial and Economic Management (WAIFEM) were held in Banjul, The Gambia from January 8 - 17, 2014.

The African Development Bank (AfDB) and the African Union Commission (AUC) on January 29, 2014 signed a new project grant. The project would strengthen the capacity of African countries through their respective Regional Economic Communities (Community of Sahel-Saharan States).

Finally, the 7th Joint Annual Meetings of AU/ECA Conference of Ministers of Finance, Planning & Economic Development was held at the Transcorp Hilton Hotel, Abuja, Nigeria from March 29 – 30, 2014. The theme of the Conference was "Industrialization for Inclusive and Transformative Development in Africa".

APPENDIX TABLES

Table A1: Money and Credit Aggregates

	Dec-12	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14
	₦ billion					
Domestic Credit (Net)	**12698.2**	**12741.0**	**13294.5**	**13087.8**	**15040.7**	**15349.3**
Claims on Federal Government (Net)	-2453.6	-2521.0	-2397.5	-3191.6	-1468.8	-1434.1
Central Bank (Net)	3574.4	3375.9	3374.8	-2990.6	-2101.6	-2097.3
Banks	1120.8	854.9	977.3	-200.8	632.8	663.2
Claims on Private Sector	15151.8	15261.9	15692.0	16279.2	16509.5	16783.4
Central Bank	4708.3	4754.8	4703.3	4820.2	4917.5	4905.3
Banks	9777.6	9845.2	10988.7	11459.0	11592.0	11878.1
Claims on Other Private Sector	14485.9	14599.9	15031.0	15574.3	15707.8	16003.1
Central Bank	4708.3	4754.8	4703.3	4820.2	4893.9	4881.7
Banks	97775.6	9845.2	10327.7	10754.1	10813.5	11121.4
Claims on State and Local Government	665.9	662.0	661.0	704.9	779.1	756.7
Central Bank	--	--	--	--	--	--
DMBs	665.9	**662.0**	**661.0**	704.9	779.1	756.7
Claims on Non-financial Public Enterprises	--	--	--	--	--	--
Central Bank	--	--	--	--	--	--
DMBs and Non Interest Banks	--	--	--	--	--	--
Foreign Assets (Net)	9043.7	9685.9	9016.9	8923.5	8513.3	7613.1
Central Bank	7393.6	7991.8	7413.7	7177.6	6898.6	5949.9
DMBs and Non Interest Banks	1650.1	1694.1	1603.2	1745.9	1614.7	1663.2
Other Assets (Net)	-6258.0	**-6757.7**	**-6718.2**	**-7648.9**	**-7885.0**	**-7262.7**
Total Monetary Assets (M2)	**15483.8**	**15669.2**	**15593.3**	**14362.5**	**15688.9**	**15699.7**
Quasi-Money 1/	8062.9	8730.6	8653.6	8068.6	8656.1	8807.9
Money Supply (M1)	7421.0	6938.5	6939.6	6293.9	7012.8	6891.8
Currency Outside Banks	1301.2	**1242.6**	**1127.8**	**1168.2**	**1447.1**	**1226.6**
Demand Deposits 2/	6119.8	5695.9	5811.8	5125.7	5565.5	5665.2
Total Monetary Liabilities (M2)	**15483.8**	**15669.2**	**15593.3**	**14362.5**	**15688.9**	**15699.7**
Memorandum Items:						
Reserve Money (RM)	3400.0	3581.3	3828.4	4649.9	5558.9	5036.8
Currency in Circulation (CIC)	1631.7	1508.5	1425.4	1474.1	1776.8	1574.4
Banks' Deposit with CBN	1768.3	2072.8	2403.0	1810.6	3175.9	3462.5

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

2/ Demand Deposit 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)

	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
	Percentage Change Over Preceding Quarter					
Domestic Credit (Net)	-5.1	0.3	4.3	-0.47	14.92	2.05
Claims on Federal Government (Net)	-78.1	-2.8	4.9	-25.51	53.98	2.36
Claims on Private Sector	2.7	0.7	2.8	3.74	1.41	1.66
Claims on Other Private Sector	2.3	0.8	3.0	3.61	0.86	1.89
Claims on State and Local Government	11.2	-0.6	-0.2	6.64	10.53	-2.88
Claims on Non-financial Public Enterprises	-	-				
Foreign Assets (Net)	161.9	-55.5	-6.9	-2.6	-4.6	-10.6
Other Assets (Net)	-149	64.4	0.6	-13.81	-3.09	7.89
Total Monetary Assets (M2)	**10.1**	**1.2**	**-0.5**	**-7.9**	**9.1**	**0.2**
Quasi-Money 1/	5.1	8.3	-0.9	-6.76	7.28	1.75
Money Supply (M1)	16.1	-6.5	0.02	-9.27	11.4	-1.73
Currency Outside Banks	21.6	-4.5	-9.2	3.58	23.87	-15.24
Demand Deposits 2/	15	-6.9	2.0	-11.8	8.58	1.79
Total Monetary Liabilities (M2)	**10.1**	**1.2**	**-0.5**	**-7.9**	**9.1**	**0.2**
Memorandum Items:						
Reserve Money (RM)	18.8	5.6	-17.3	43.69	19.55	-9.39
Currency in Circulation (CIC)	21	-7.55	-5.5	3.41	20.5	-11.39
DMBs Demand Deposit with CBN	17.8	15.9	-24.7	75.4	19.09	-8.45
	Percentage Change Over Preceding December					
Domestic Credit (Net)	-7.2	0.3	4.7	3.07	18.45	2.05
Claims on Federal Government (Net)	-393.8	-2.8	2.3	-30.07	40.14	-2.36
Claims on Private Sector	6.8	0.73	3.57	7.44	8.9	1.66
Claims on Other Private Sector	6.0	0.8	3.8	8.51	8.4	1.89
Claims on State and Local Governments	29.8	-0.6	-0.7	5.86	17.01	-2.88
Claims on Non-financial Public Enterprises						
Foeign Asset (Net)	26.7	7.1	-0.3	-1.33	-5.86	-10.57
Other Asset (Net)	16.8	-8.0	-7.4	-22.23	-26	-7.89
Total Monetary Assets (M2)	**16.4**	**1.2**	**0.7**	**-7.2**	**1.2**	**0.2**
Quasi-Money 1/	23.4	8.3	7.3	0.07	7.36	1.75
Money Supply (M1)	9.6	-6.5	-6.5	-15.16	-5.5	-1.73
Currency Outside Banks	4.5	-4.5	-13.3	-10.22	11.21	-15.24
Demand Deposits 2/	10.7	-6.9	-5.0	-16.24	-9.05	1.79
Total Monetary Liabilities (M2)	**16.4**	**1.2**	**0.7**	**-7.2**	**1.2**	**0.2**
Memorandum Items:						
Reserve Money (RM)	33.06	5.59	-12.64	25.52	50.06	-9.39
Currency in Circulation (CIC)	4.2	-7.55	-12.64	-9.66	8.89	-11.39
DMBs Demand Deposit with CBN	70.18	15.93	-12.65	53.22	82.47	82.47

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

2/ Demand Deposit 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)

	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Retained Revenue	**967.2**	**852.0**	**883.6**	**923.0**	**954.6**	**885.5**	**995.3**	**826.4**	**823.9**
Federation Account	576.2	659.8	642.8	620.8	643.8	715.0	769.8	702.2	703.7
VAT Pool Account	24.6	26.2	25.0	26.5	26.7	27.9	28.0	32.0	30.8
FGN Independent Revenue	125.4	101.3	-5.3	83.5	65.0	16.2	148.4	39.1	40.5
Excess Crude	34.4	0.0	0.0	79.0	0.0	0.0	0.0	0.0	0.0
Others/SURE-P	206.6	64.8	221.2	113.2	219.0	126.5	49.1	48.9	48.9
Expenditure	**954.7**	**1063.8**	**1422.1**	**1130.3**	**1108.6**	**1149.4**	**1138.0**	**1423.8**	**1462.3**
Recurrent	714.3	775.0	918.6	710.8	766.1	781.2	800.5	750.0	1245.4
Capital	155.4	245.5	235.2	347.7	263.2	281.6	259.2	273.2	143.3
Transfers	85.0	43.3	268.3	71.7	79.2	86.7	78.4	102.9	73.5
Overall Balance: Surplus(+)/Deficit(-)	**12.6**	**-211.8**	**-538.4**	**-207.3**	**-154.0**	**-263.9**	**-142.7**	**-597.4**	**-638.4**